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# 2017 Budget

## City of Markham Ontario, Canada





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Award*

PRESENTED TO

**City of Markham  
Ontario**

For the Fiscal Year Beginning

**January 1, 2016**

Executive Director



## 2017 EXECUTIVE SUMMARY

The City of Markham is a municipality of over 350,000 residents centrally located in the Greater Toronto Area. Markham is a prosperous and dynamic community that continues to experience remarkable growth.

Founded in the 1790's, Markham has evolved into a diverse community, enjoying a rich heritage, outstanding community planning and facilities and services, a thriving local economy with an inspirational vision for the future. Home to more than 10,000 companies, including over 400 corporate head offices, specializing in technology, life sciences, financial services and communications, the City employs a diverse and highly skilled labour force. Markham's position as a global technology hub was reinforced with the announcement in June 2016 that General Motors Canada (GM) intends to establish a Research and Development Facility in the City. GM's decision underscores the success that the City has made in creating a business environment that favours innovation, attracts a highly talented workforce and shows global leadership in research and development.

Markham's 2016 commercial, industrial and multi-residential property tax rates continue to be the lowest in the GTHA (Greater Toronto and Hamilton Area). In July 2016, the NRU (Novae Res Urbis), a Toronto based publication, ranked Markham's property tax rates the lowest in the Greater Toronto and Hamilton Area (GTHA), for the fourth consecutive year. Markham's residential property tax rate is the third lowest rate in GTHA.

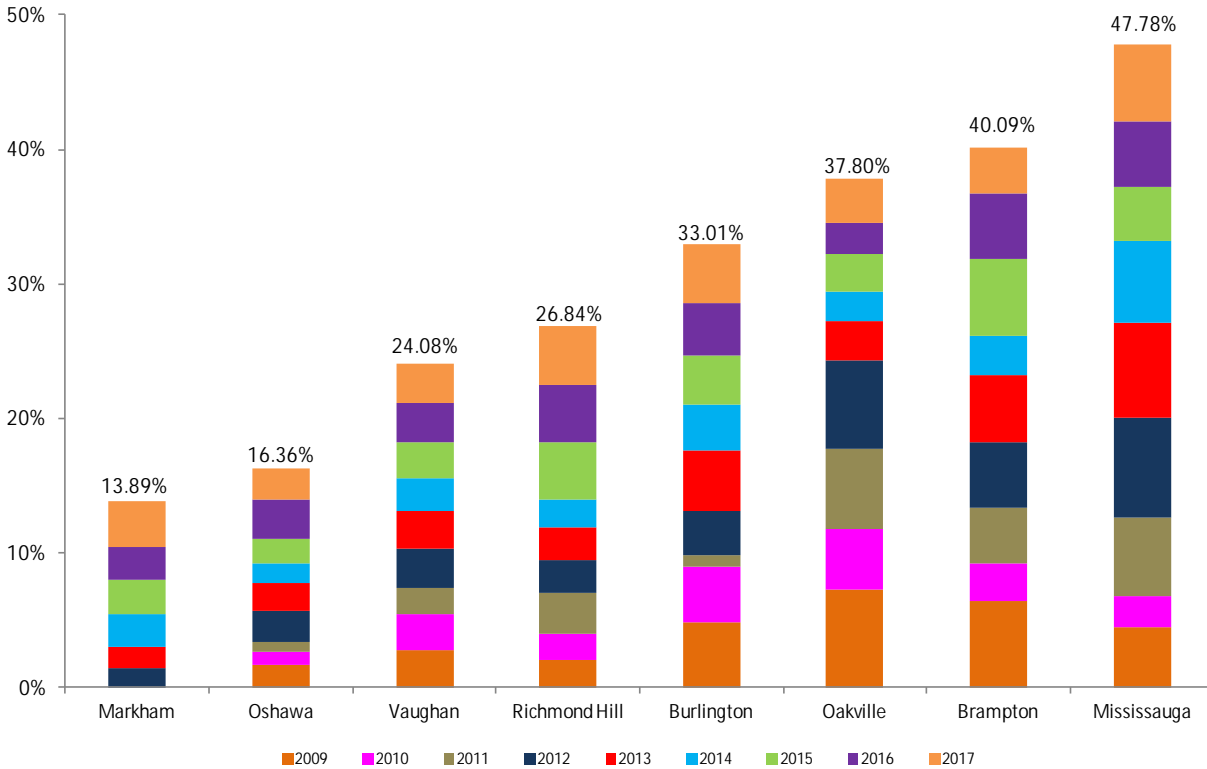
By providing exemplary leadership, Markham has developed a reputation for prudent fiscal management while continuing to enhance service levels to its residents through investment in state of the art facilities, enhanced community planning, substantial infrastructure investment and the introduction of innovative green initiatives.

Markham has maintained low tax rates year over year making it the benchmark for other municipalities to follow. Markham's nine year (2009-2017) cumulative tax rate increase of 13.89% or 1.54% per year is the lowest among GTA municipalities.





Tax Rate Comparison with Other Municipalities  
9 Year Total (2009-2017)



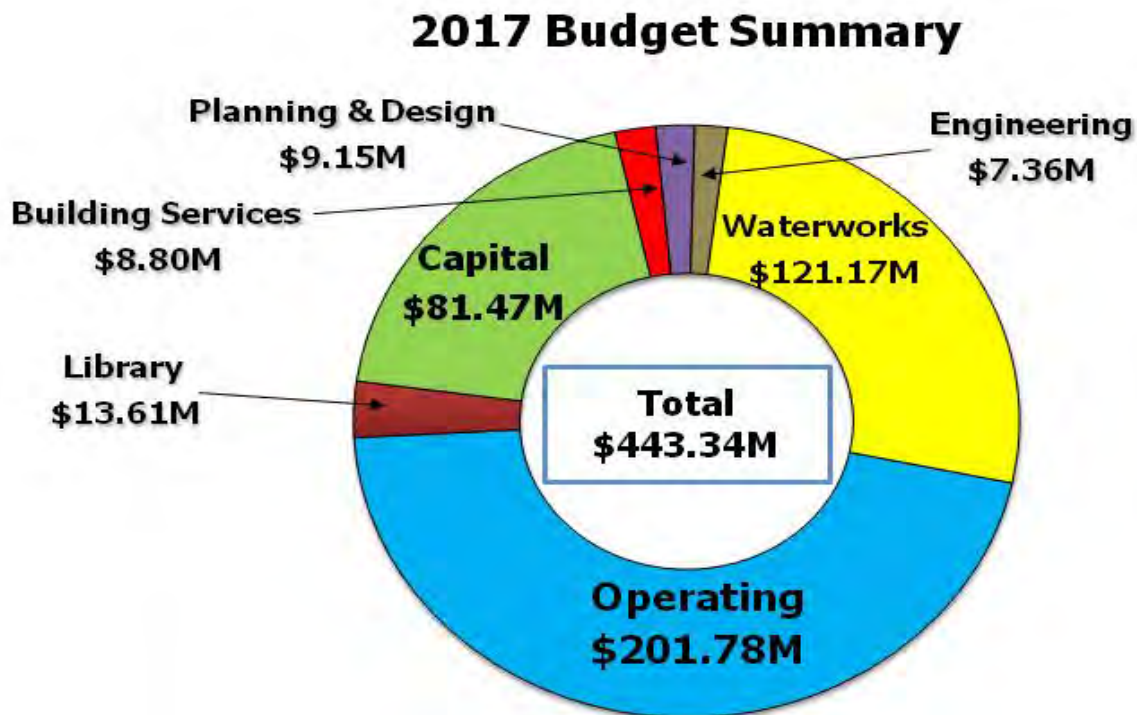
Markham is committed to providing its residents a healthy and sustainable environment, and making concerted efforts to minimize its carbon footprint. Since the City published its Community Sustainability Plan in 2011, Markham has won numerous awards for sustainability efforts and initiatives. In October 2016, Markham launched an innovative textile recycling plan in partnership with The Salvation Army and Canadian Diabetes Association, the first of its kind in North America. The purpose is to reduce the amount of textile waste generated and to help build awareness on the carbon costs of textiles ending up in landfill. More than 50 textile donation bins have been placed throughout the City, with this figure increasing to 75 by the end of 2017.

In 2015, Markham was the first municipality in Canada to receive the Excellence Canada Gold status for Level 4 Certification Award for Organizational Quality & Healthy Workplace. This national award is sponsored by the Governor General of Canada, and reinforces a sustained organizational focus on quality improvement and healthy workplace development. Recipients of this award represent exceptional role models of efficiency and leadership and are recognized for the work they have done to improve the quality of life and the standard of living of Canadians.

Despite low tax rate increases, the City is dedicated to providing value for money to its residents. Markham continues to make 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.

### 2017 Budget Process

On December 13, 2016, Markham Council approved the 2017 Budget of \$443.3M. The major components of the budget are as follows:



The preliminary budget was developed based on information from a fiscal scan that identified economic pressures and in accordance with budget guidelines. Early in the process, priorities were set through alignment of the City's corporate goals to departmental budget requests. These requests were submitted to Senior Staff for review and subsequently presented to the Budget Committee. Nine Budget Committee meetings were held between October and November 2016 and all meetings were open to the public and audio-streamed through Markham's web portal. The Budget meetings were advertised in local newspapers, Markham and Region of York publications, Markham's electronic information boards located at the Civic Centre and at community centres, social media through Facebook and Twitter and on the City's portal. Following the meetings, the presentations and full audio recordings were made available on the City's website.



As part of the 2017 Budget process, the City developed a new “Made in Markham” budget video explaining how Markham develops its annual budget which is available on the City’s web portal. A final public consultation meeting was held on November 14, 2016 prior to the 2017 budget moving forward to General Committee and Council approval.

The fiscal scan conducted to forecast 2017 economic pressures identified approximately \$8.85M in budgetary pressures made up by five components:



1. Managing growth: Since Markham continues to be on a growth trajectory, the budget for growth related services includes \$3.4M to maintain 9 kms of new roads, 22 acres of new parkland, associated increase in waste collection for 1,200 new homes and 1,700 new high rise units and providing power plus the maintenance and repair of 1,116 new streetlights.
2. Funding on-going capital replacements and rehabilitation of existing assets: Markham has developed Life Cycle and Waterworks Reserve models to forecast funding requirements for its existing assets. The Reserve studies are updated annually. Based on projected inflows and outflows, the 2016 update identified the

need for a 0.5% tax rate increase for infrastructure investment to sustain the future replacement and rehabilitation of the City's assets for the next 25 years based on known inflows and outflows. This is included in the overall tax rate increase of 3.46%.

3. **Complying with Federal and Provincial Legislation:** With the changing social and economic landscapes, Markham is dedicated to incorporating current legislation in an efficient and timely manner. Some new laws and regulations the City will address in 2017 include, but are not limited to: the New Official Plan, Accessible Customer Service Standard, Asset Management Plan & Strategy and Climate Change Mitigation and Low-Carbon Economy Act.
4. **Maintaining service levels:** Additional funds are set aside in the budget for municipal service contract renewals to deliver winter maintenance and waste collection services taking into account CPI increases. In addition, funds are included in the budget for utility rate increases.
5. **Increasing personnel costs:** The City of Markham is a service provider, with personnel costs representing approximately 60% of total operating budget. These costs are primarily driven by collective agreements and cost of living adjustments.

## **2017 Budget Summary**

The downturn in the economic climate in 2009 resulted in 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 and facilities. Markham responded by introducing a continuous improvement program, Excellence through Efficiency and Effectiveness (E3) which has achieved over \$24 million in expenditure reduction and revenue enhancements since its inception. This has eliminated the need for an approximate increase of 21% in property taxes during this period.

The 2017 Budget includes a 2.96% tax rate increase to maintain day-to-day city operations and a 0.5% tax rate increase for infrastructure investment. The 2017 tax rate increase represents an additional \$37.85 for the average residential household in Markham valued at \$586,000.

The approved 3.46% tax rate increase was a reduction from the original proposed rate of 4.37%. This represented a \$2.0 million reduction in net expenses which is a testament to the concerted and collaborative effort by Markham Council and staff to maintain Markham's leadership for low tax rate increases.



## **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 stems 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.

## **Breakdown of 2017 Operating Budget**

The 2017 Operating Budget of \$215.4M includes an expenditure increase of \$8.85M from 2016, offset by an increase in revenues of \$4.03M from 2016, resulting in a net shortfall of \$4.82M year-over-year, equivalent to a tax rate increase of 3.46%, which includes an infrastructure investment of 0.5%

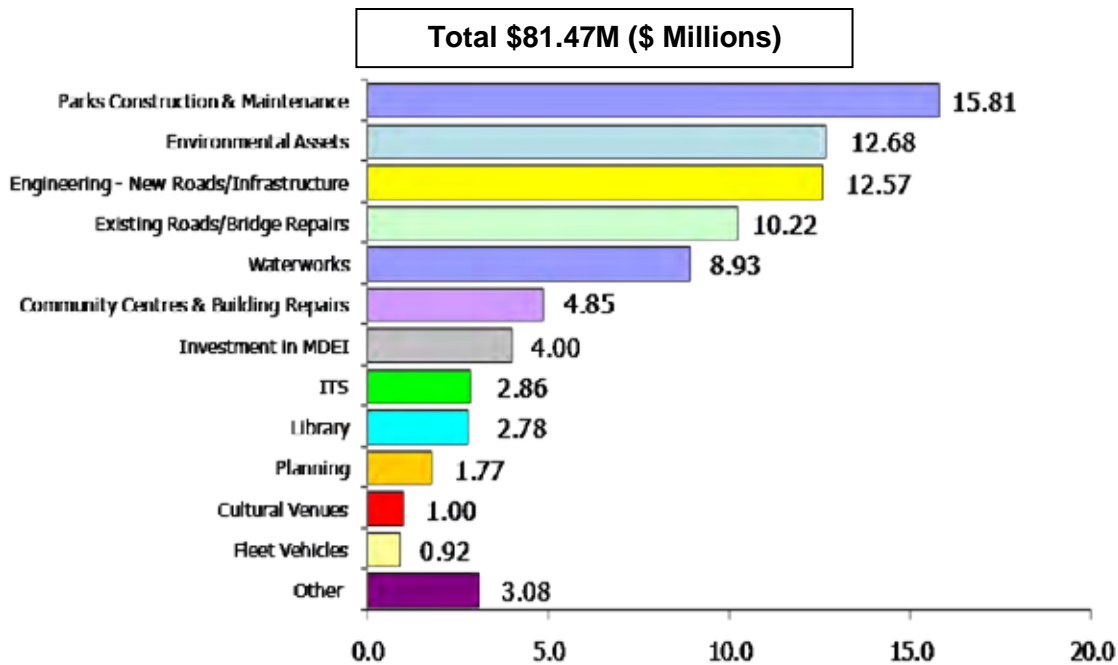
The 2017 Budget aligns with the Council approved strategic priorities which address social, economic and environmental considerations. The Budget includes service level enhancements while providing Markham residents value for their money. The 2017 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.

## **Capital Budget Highlights**

The approval of the 2017 Capital Budget of \$81.47M was achieved through a comprehensive process designed to effectively address each of the City's strategic priorities. Maintaining the model of long-term thinking towards capital investments, the City ensures 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 distribution of the Capital Budget:



The 2017 Capital Budget includes the second phase of the Flood Control Implementation program, design and construction of 16 new parks (totalling 92.8 acres) to accommodate the growing population, environmental assessment and detailed design of a new 5km trail in the Rouge Valley, design and construction of Markham’s share of the York Region Lake to Lake Cycling route and Walking Trail, water system and water meter replacement/upgrade program and train whistle cessation on the Stouffville GO line.

**Looking Ahead : Building Markham’s Future Together 2015-2019 Strategic Plan**

As part of the City’s holistic planning approach, a four year Strategic Plan is developed to align with each new term of Council. With the appointment of Markham’s new term of Council in 2014, the 2015-2019 Strategic Plan was developed in collaboration with the City’s Strategic managers. The process to develop ‘Building Markham’s Future Together’ 2015-2019 Strategic Plan started with a series of training and educational workshops with Council and staff, followed by public consultations, and the consolidation of the survey input received.

**Public Engagement Program – Going to Where the People Are**

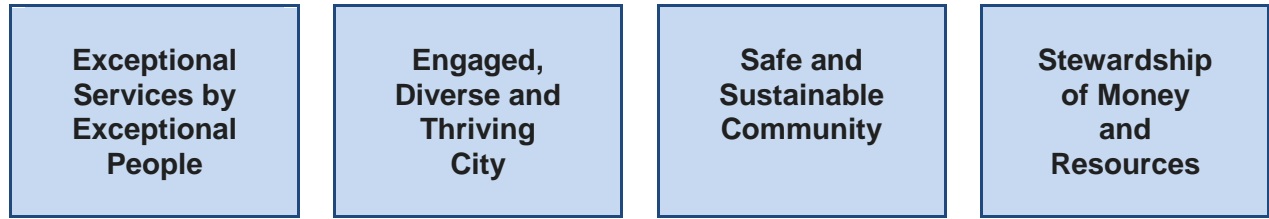
Council directed staff to provide engagement opportunities across the City throughout the Summer and Fall of 2015 to solicit community feedback from a broad cross-section of residents and businesses. This Community Engagement program was developed to inform, educate and provide opportunities for input by residents and stakeholders on Building Markham’s Future Together 2015-2019 Council Strategic Plan.



Public feedback was obtained through an online survey and presence at various key community events and locations in the City. In addition to the survey, an online campaign was implemented with information posted on [www.markham.ca](http://www.markham.ca) and social media marketing. Staff and volunteers were present at various events held throughout the City, seniors centres, and various community centres and libraries.

The Public Engagement Program concluded in October 2015 with a Public Open House and Information meeting, providing an additional opportunity to further engage residents and businesses. During the community consultation process, members of Team Markham set out to find out what's important to residents and members of the business community through an innovative and interactive online survey. With 2,384 surveys completed, members of the community confirmed the strategic priorities established by the City. Based on these results, Markham Council officially adopted the strategic plan that will help guide the municipality's actions through to 2019.

**Building Markham's Future Together : 2015 – 2019 Strategic Plan**



**Goal 1: Exceptional Services by Exceptional People**

To foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empowers and inspires our employees to be champions of excellent service delivery and innovative practices.

Goal Area	Accomplishments
<b>Exceptional Services by Exceptional People</b>	Implemented Waterworks Public Outreach & Education Program
	Automation through Technology (e.g. Building inspection applications on-line, on-line zoning searches)
	Implemented the following initiatives to improve customer service while supporting the City's Greenprint ;
	<ul style="list-style-type: none"> <li>• an e-tendering system that allows City to obtain goods and services online</li> <li>• an online Property Tax Account System (TaxView) that provides property owners the ability to view and manage their property tax account online including an option to receive their Property Tax Bill electronically</li> </ul>
	Completed year 4 of 5 Emerald Ash Borer Program
	Implemented the Breath Better program in partnership with Markham Stouffville Hospital
	Development of Digital Markham Strategy
	Implemented video stream of Council and Committee meetings

## Goal 2: Engaged, Diverse and Thriving City

To have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. To enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Goal Area	Accomplishments
Engaged, Diverse and Thriving City	Launched 1,000 Books Before Kindergarten, advancing early literacy achievement for every child in Markham
	Implemented the Markham in Motion program to create integrated opportunities, to foster physical literacy and development of Markham children and youth
	Attracted major new business investments (TD Insurance and General Motors)
	Opened the Cat Adoption and Education Centre at Thornhill Community Centre, the first of its kind in the GTA
	Developed cultural collaboration between the City of Markham and Eabametoong First Nation

## Goal 3: Safe and Sustainable Community

To protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Goal Area	Accomplishments
Safe and Sustainable Community	Implemented the Flood Control Program
	Launched the new Textile Recycling Program in Markham, first of its kind in North America, to further divert material from landfill by providing 53 drop-off locations
	Achieved designation of the City of Markham as the first Canadian municipality to become a "Monarch-Friendly City" and partnered with David Suzuki Foundation to establish a milkweed nursery at Milne Dam
	Constructed 12 Parks totaling approximately 14 ha. (35 acres) completed and in service in 2016
	Completed the Pan Am rooftop Solar array in partnership with PowerStream Solar, bringing our total rooftop solar to 1.83MW over 9 facilities, annual revenue from this program is approximately \$300,000

## Goal 4: Stewardship of Money and Resources

To demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

With the success and foundation of Building Markham's Future Together 2009-2014, the City is now embarking on the current strategy of reaching out to residents, Markham business owners and their employees to obtain their views and opinions on what they feel are priorities for the City.

The City of Markham's Strategic Plan incorporates a vision for the continued development of Markham as a vibrant and thriving city. The Plan provides direction to Council, residents, businesses and investors about the proposed development of Markham and perhaps more importantly strives to provide direction for the provision of services for its inhabitants.



Goal Area	Accomplishments
<b>Stewardship of Money and Resources</b>	Completed the Corporate Asset Management Plan. This plan establishes a framework to manage the City's existing and future infrastructure assets through sound asset management practices and principles
	Annual update of lifecycle reserve studies to sustain the replacement of assets for the next 25 years based on known inflows and outflows
	Received the Distinguished Budget Presentation Award for the sixteenth consecutive year and the Canadian Award for Excellence in Financial Reporting for the fifteenth consecutive year
	Achieved over \$24M in expenditure reduction and revenue enhancements through the E3 program (Excellence through Efficiency and Effectiveness)
	PowerStream Merger (Alectra) merger of PowerStream, Enersouce, Horizon Utilities and purchase of Hydro One Brampton, effectively creating the second largest electricity distribution company in Ontario with service territory of approximately 1,800 km

**Summary**

Markham is committed to offer services that are acknowledged as best-in-class, and continues to deliver accessible, sustainable and innovative community infrastructure and services for its residents. Through various initiatives and prudent planning, Markham has successfully delivered state-of-the-art facilities and award winning services, while keeping taxes at the lowest rate throughout the GTA. Markham has earned a reputation of being a premier municipality, with the ability to deliver successfully and be the leader in new initiatives and programs.

The unique characteristics of Markham, from having a deeply rooted heritage combined with a progressive approach to government, has made it one of the best municipalities within the GTA 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.

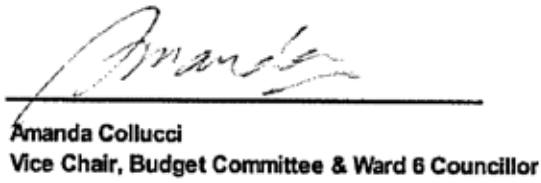


A handwritten signature in black ink, reading "Frank Scarpitti".

Frank Scarpitti  
Mayor

A handwritten signature in black ink, reading "Logan Kanapathi".

Logan Kanapathi  
Budget Chief & Ward 7 Councillor

A handwritten signature in black ink, reading "Amanda Collucci".

Amanda Collucci  
Vice Chair, Budget Committee & Ward 6 Councillor

The Budget document has been bound in a re-usable binder containing 100% post-consumer recycled paper. The Paper is processed chlorine-free, is Environmental Choice certified and manufactured using biogas energy.

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Alternate formats available upon request

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# 2017 CITY OF MARKHAM STREET MAP



## 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><u>"LEADING WHILE REMEMBERING"</u></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**



**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**



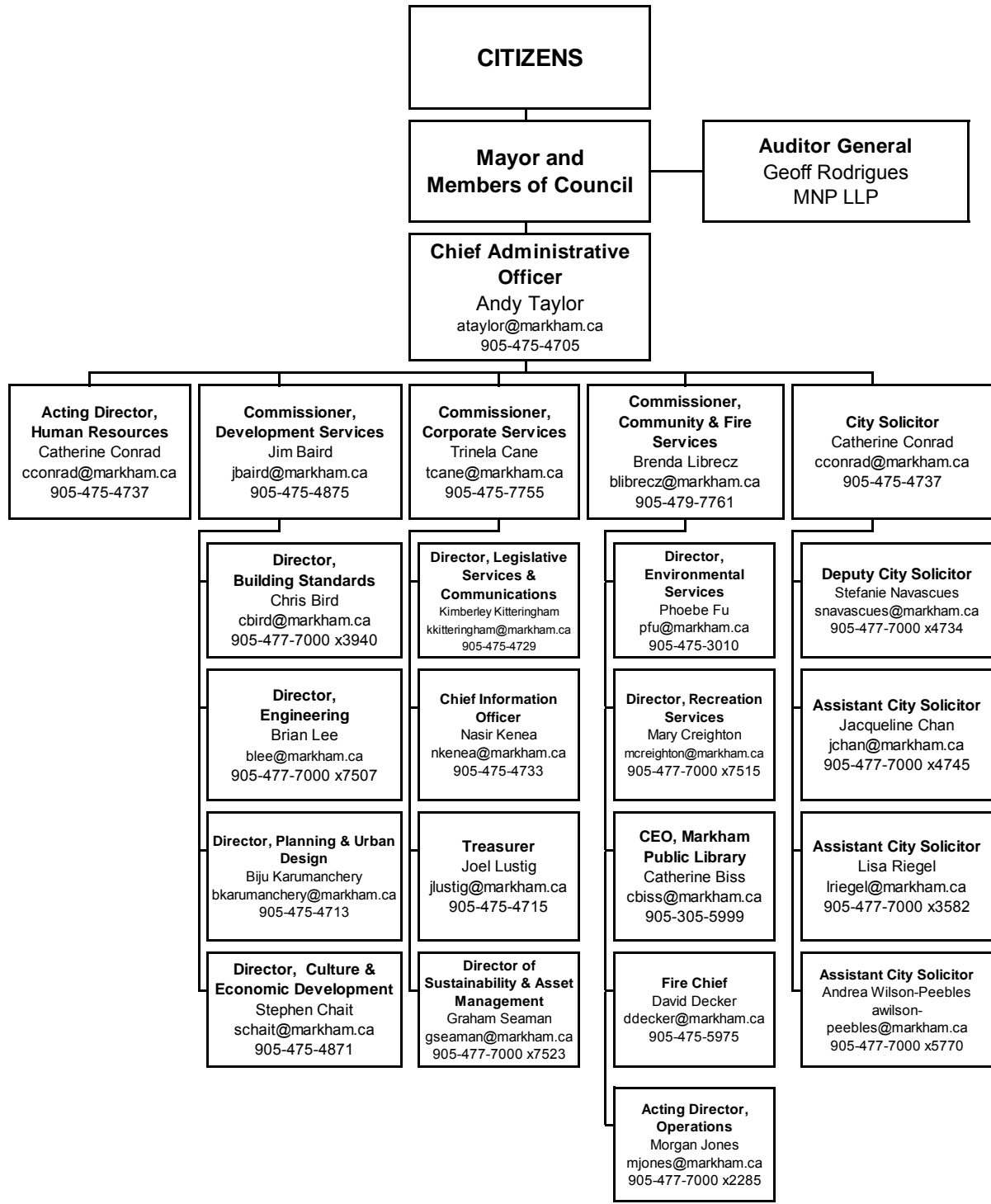
**Ward 7 Councillor  
Logan Kanapathi**



**Ward 8 Councillor  
Alex Chiu**



# ORGANIZATIONAL STRUCTURE



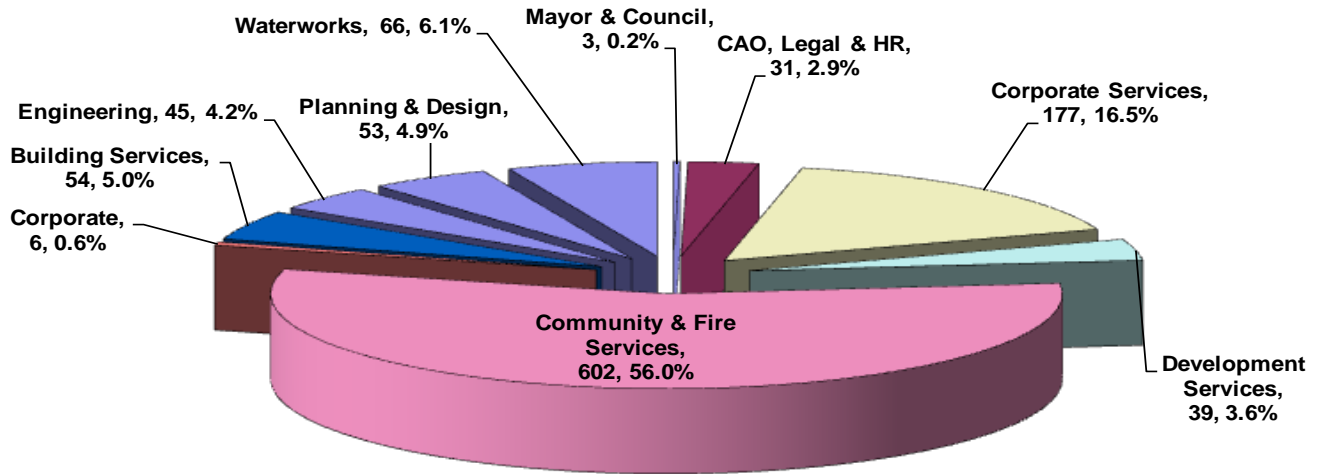


## 2017 BUDGET HEAD COUNT APPROVED FULL TIME COMPLEMENT

Department / Commission	2014	2015	2016	2017
<b>Mayor &amp; Council*</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Human Resources	18	18	18	17
Legal Services	10	10	10	11
Sustainability Office	3	3	3	0
CAO's Office	4	4	4	3
<b>Total CAO, Legal, HR &amp; Sustainability Office</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>31</b>
Communications & Community Relations	13	14	14	0
Financial Services	48	49	49	50
Information Technologies Services	33	34	34	34
Legislative Services & Communications	59	59	59	73
Sustainability & Asset Management	0	0	0	18
Commissioner's Office	2	2	2	2
<b>Total Corporate Services</b>	<b>155</b>	<b>158</b>	<b>158</b>	<b>177</b>
Culture & Economic Development	7	7	7	29
Commissioner's Office	11	11	10	10
<b>Total Development Services</b>	<b>18</b>	<b>18</b>	<b>17</b>	<b>39</b>
Asset Management	30	31	31	0
Culture	23	24	24	0
Environmental Services	0	0	0	10
Environmental Services - Waste Management	6	5	5	5
Fire & Emergency Services	278	278	278	278
Markham Public Library	70	70	70	70
Operations	110	111	111	115
Recreation Services	109	120	120	120
Commissioner's Office	4	5	5	4
<b>Total Community &amp; Fire Services</b>	<b>630</b>	<b>644</b>	<b>644</b>	<b>602</b>
<b>Corporate</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>
<b>Sub Total</b>	<b>841</b>	<b>858</b>	<b>857</b>	<b>858</b>
<b>Building Services</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>
<b>Engineering</b>	<b>39</b>	<b>40</b>	<b>40</b>	<b>45</b>
<b>Planning &amp; Design</b>	<b>50</b>	<b>50</b>	<b>51</b>	<b>53</b>
<b>Waterworks</b>	<b>64</b>	<b>65</b>	<b>65</b>	<b>66</b>
<b>Total Corporation</b>	<b>1,048</b>	<b>1,067</b>	<b>1,067</b>	<b>1,076</b>

\* Excludes Mayor & Council Members

## 2017 BUDGET FULL TIME HEADCOUNT BY AREA



### Summary of Changes to Approved Full Time Complement

#### **2017 Budget**

The 2017 approved full time complement of 1,076 represents 9 additional full-time staff over the 2016 Budget. 9 positions were added through the 2017 Budget process. The details of these 9 positions are shown on the following page. The increase is due to the overall growth of the City and to the City's commitment to maintain service levels.

## DETAILS OF 2017 STAFF ADDITIONS

<b>Corporate Services</b>		
<b>Financial Services</b>	Payroll Administrator	1
<b>Legislative Services &amp; Communications</b>	Administrative Monetary Penalties (AMPs) Administrator	1
<b>Community &amp; Fire Services</b>		
<b>Operations</b>	Supervisor, Parks Operations	1
	Engineering Technician - Roads	1
<b>Waterworks</b>	Waterworks Labourers	2
<b>Development Services</b>		
<b>Engineering</b>	Streetlight Electrical Engineer	1
<b>Planning &amp; Urban Design</b>	Senior Planners	2
<b>Total</b>		<b>9</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 it was not until 1801 that the land was 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 family was granted 200 acres of land, but 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 were Pennsylvania Germans, most of whom 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 implements 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. The railway brought renewed prosperity and rapid development. Farmers and millers had more convenient means of transporting their products to Toronto, and merchants had easier access to supplies.

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 into 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, but evolved into a community for those who commuted to work into 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 into the Town of Markham and the present Town boundaries were set.

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is estimated to be 345,000 by the end of 2015. Despite these changes and rapid 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

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

Markham Mayor  
*Frank Scarpitti*

Most up to date electronic copy is available online

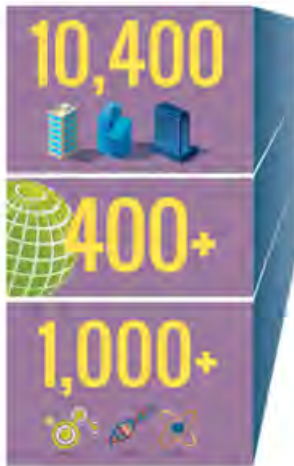
**MARKHAM**

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

# ECONOMIC OVERVIEW

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 **353,000** and a land area of **212 square kilometres**.



Of the **10,400** 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.

167,500



37,000

Over **1,000 technology and life sciences companies** are based in Markham. These two sectors alone **employ 37,000** people - over one-fifth of the total workforce of **167,500**.

## 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.
- TD FINANCIAL GROUP
- CITY OF MARKHAM
- MARKHAM STOUFFVILLE HOSPITAL
- THE MILLER GROUP
- AMD TECHNOLOGIES INC.
- CGI INFORMATION SYSTEMS
- ALLSTATE INSURANCE
- JOHNSON AND JOHNSON INC.
- CAA SOUTH CENTRAL ONTARIO
- THE LIBERAL
- MMM GROUP
- ENERCARE HOME SERVICES
- HONDA CANADA
- AUTOLIV ELECTRONICS CANADA INC.
- T & T SUPERMARKET INC.
- BROOKFIELD GLOBAL INTEGRATED
- FIRST STUDENT CANADA
- GE GRID IQ INNOVATION CENTRE
- THE NIELSEN COMPANY

Data source: 2016 York Region Employment Survey



# HIGH TECH CLUSTER

## HIGH-TECH CLUSTER

4

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Electric Power Generation	281
Computer and Peripheral Equipment Manufacturing	114
Telephone Apparatus Manufacturing	72
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	53
Other Communications Equipment Manufacturing	40
Audio and Video Equipment Manufacturing	34
Semiconductor and Other Electronic Component Manufacturing	33
Navigational, Measuring, Medical and Control Instruments Manufacturing	26
Manufacturing and Reproducing Magnetic and Optical Media	25
Electrical Equipment Manufacturing	23
Communication and Energy Wire and Cable Manufacturing	21
Wiring Device Manufacturing	19
All Other Electrical Equipment and Component Manufacturing	18
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	14
Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler-Distributors	12
Software Publishers	12
Wired Telecommunications Carriers	11
Wireless Telecommunications Carriers (except Satellite)	10
Other Telecommunications	8
Data Processing, Hosting, and Related Services	5
Internet Publishing and Broadcasting, and Web Search Portals	5
Engineering Services	4
Geophysical Surveying and Mapping Services	4
Surveying and Mapping (except Geophysical) Services	4
Industrial Design Services	4
Graphic Design Services	3
Computer Systems Design and Related Services	3
Management Consulting Services	2
Environmental Consulting Services	2
Other Scientific and Technical Consulting Services	2
Research and Development in the Physical, Engineering and Life Sciences	2
Research and Development in the Social Sciences and Humanities	1
All Other Professional, Scientific and Technical Services	1
Management of Companies and Enterprises	1
Electronic and Precision Equipment Repair and Maintenance	0
<b>TOTAL NO. OF HIGH TECH COMPANIES</b>	<b>869</b>

Note: Data was obtained from the 2015 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

## LIFE SCIENCES CLUSTER

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Professional Machinery, Equipment and Supplies Wholesaler-Distributors	54
Medical Equipment and Supplies Manufacturing	34
Medical and Diagnostic Laboratories	22
Computer Systems Design and Related Services	17
Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors	14
Research and Development in the Physical, Engineering and Life Sciences	12
Navigational, Measuring, Medical and Control Instruments Manufacturing	9
Management of Companies and Enterprises	9
Home Health Care Services	7
Testing Laboratories	6
Other Scientific and Technical Consulting Services	4
Pharmaceutical and Medicine Manufacturing	3
Toilet Preparation Manufacturing	3
Management Consulting Services	3
Office Administrative Services	3
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	1
Research and Development in the Social Sciences and Humanities	1
<b>TOTAL NO. OF LIFE SCIENCES COMPANIES</b>	<b>199</b>

5



# INDUSTRIAL/COMMERCIAL ACTIVITY

## DEVELOPMENT ACTIVITY

### Development Activity

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.

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#### 2016 Tax Rates (%)

	COMMERCIAL	INDUSTRIAL
Toronto	2.64%	2.70%
Mississauga	2.03%	2.37%
Vaughan	1.71%	2.00%
<b>Markham</b>	<b>1.67%</b>	<b>1.96%</b>

#### Value of Construction

(January - December 2016)



#### Number of Building Permits Issued

(January - December 2016)



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

### Industrial Commercial Development

#### Vacant Employment Land Inventory 2016

Land Use Designation Categories	Serviced and Market Ready (acres)	Unserviced (acres)
Business Park Employment	460.36	227.92
Mixed Use	346.79	38.16
General and Service Employment	307.69	50.01
Commercial	71.85	n/a

Average Price Per Acre (Industrial) \$850,000-\$900,000

Average Price Per Acre (Commercial) \$1,400,000 - \$1,500,000

#### Industrial Inventory, 2016 (Q4)

Total inventory (sq.ft.)	35,568,104
Vacancy rate - class A	2.4%
Average net rent (sq.ft.)	\$6.11

#### Commercial Office Inventory, 2016 (Q4)

Total inventory (sq.ft.)	8,478,973
Vacancy rate - class A	9.4%
Average net rent (sq.ft.)	\$17.19

All values are in Canadian Dollars. Source: Colliers International



# RESIDENTIAL ACTIVITY & UTILITIES

## RESIDENTIAL ACTIVITY & UTILITIES

### Residential Development



### Number of New Residential Units Per Year



### Average Home Prices

(Toronto Real Estate Board, Market Watch, 2016)



\*Link houses are commonly two or more buildings or dwellings joined underground or by garage (Ontario Real Estate Association).

### Municipal Utilities

#### Water & Sewer Infrastructure, 2016 Rate

Water & wastewater rate per cubic metre	\$3.5751/m <sup>3</sup>
Sanitary sewers	915.3 km
Water mains	1065.1 km

#### Electricity Costs and Charges, Business Rates

##### 50KW OR LESS

Distribution rate	\$0.0190/kWh
Monthly fixed charge	\$28.78/month

##### GREATER THAN 50KW DEMAND

Distribution rate	\$4.8314/kWh
Monthly fixed charge	\$136.16/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 educated, culturally diverse knowledge workers.

Throughout Markham, residents, students and workers have the opportunity to enjoy an emerging downtown with urban amenities and cultural attractions such as 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	203
Trails/Pathway System	151 km
Public Libraries	7
Community Centres & Facilities	27
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)	265
Shouldice Hernia Centre (beds)	89
Elementary Schools	74
High Schools	14
Community Colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	7

### Transportation Infrastructure & Service Providers

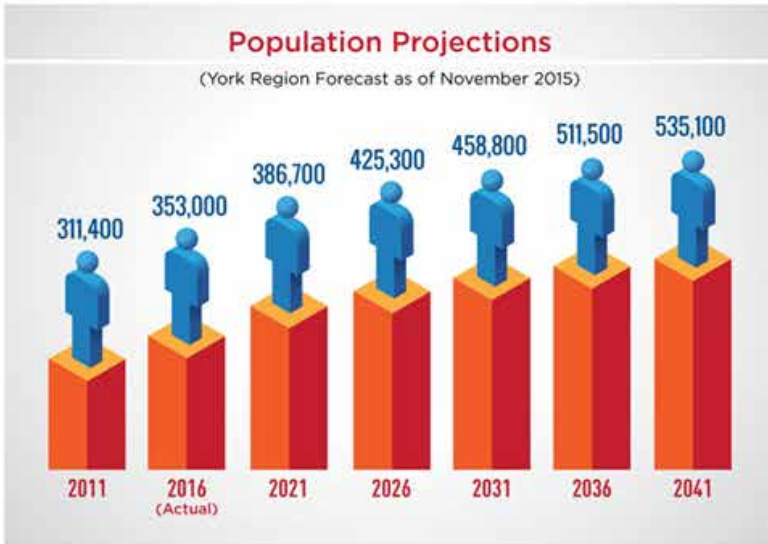
Roads (excludes private roads)	1232 km
Highways (404 and 407)	32 km
Sidewalks	1048.5 km
Multi Use Path	27.7 km
York Region Transit (YRT)/Viva	<a href="http://www.yorkregiontransit.com">www.yorkregiontransit.com</a>
Toronto Transit Commission (TTC)	<a href="http://www.ttc.ca">www.ttc.ca</a>
GO Transit	<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>





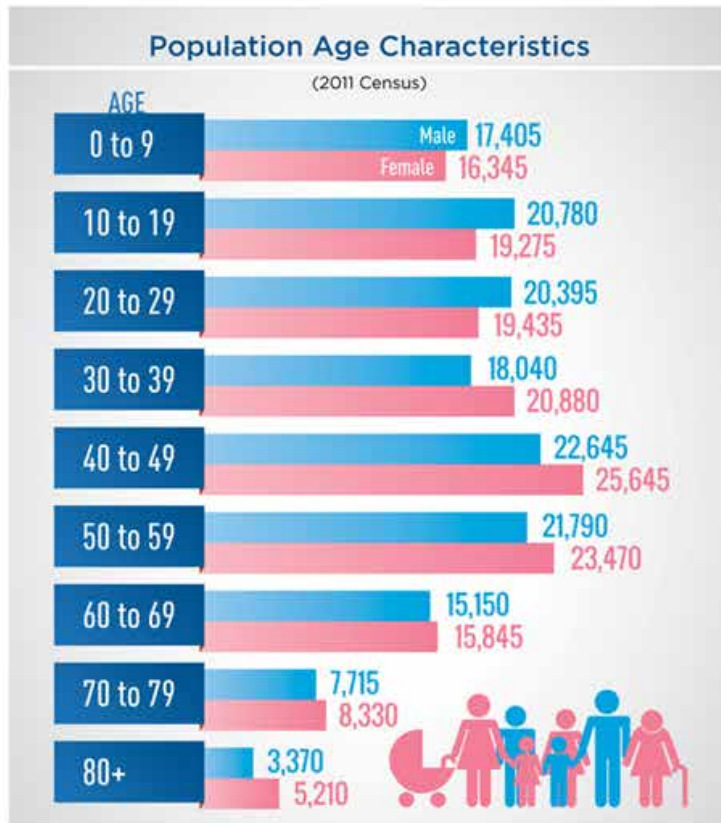
# DEMOGRAPHIC PROFILE

## DEMOGRAPHIC PROFILE



### Educational Attainment

(2011 National Household Survey)



# LABOUR FORCE PROFILE

## LABOUR FORCE PROFILE

### Basic Indicators

(2011 National Household Survey)

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

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### 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 (Rates applied as of October 1, 2016)

Under 18 years of age	\$ 10.70
Over 18 years of age	\$ 11.40

#### 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 [www5120.cma.gc.ca](http://www5120.cma.gc.ca). Data for Average Earnings by Selected Occupation is based on the Toronto census metropolitan area (CMA), from Statistics Canada, Table 202-006 - Earnings of individuals, by selected characteristics and National Occupational Classification (NOC-S), 2011 constant dollars, annual, CANSIM (database). Accessed 2015-05-20.

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

**Number of New Dwelling Units Issued in Year 2016**

Single Dwellings	342
Double Dwellings	63
Row Dwellings	951
Mixed Residential	0
Apartments	1,032
<b>Total</b>	<b>2,388</b>

**Construction Value of Permits Issued in 2016**

(in \$000's)

Residential	\$	615,723
Mixed Residential	\$	-
Industrial	\$	-
Commercial	\$	252,613
Institutional & Government	\$	-
Other	\$	14,972
<b>Total</b>	<b>\$</b>	<b>883,308</b>



## STRATEGIC PLAN AND INITIATIVES

### **Building Markham's Future Together 2015 – 2019 Strategic Plan**

In the previous term of Council (2008 - 2014), the Click with Markham campaign was initiated to seek feedback from the residents, local businesses, and other interested parties on Markham's future direction. Seven strategic objectives were validated through this campaign, which resulted in Building Markham's Future Together (BMFT) – The City's Strategic Plan 2008 – 2014.

The process to update Building Markham's Future Together for the current Council term (2015 – 2019) took place in early 2015, and once again solicited feedback from residents and local business through an online survey and a series of community events throughout the City.

### **Plan Development**

In February 2015, Markham Council and Senior Staff held a training and educational workshop and worked together to refresh Building Markham's Future Together – Council Strategic Plan. Three additional training and education sessions were held to discuss and confirm the Goals and Goal Statements and refine the Strategic Objectives. Under each Goal Statement, a number of Strategic Objectives were approved. These objectives formed the basis on which the Public Engagement Program for the Strategic Plan was developed to gain feedback from residents and stakeholders.

### **Public Engagement Program – Going to Where the People Are**

Council directed Staff to provide engagement opportunities across the City throughout the Summer and Fall of 2015 to solicit community feedback from a broad cross-section of residents and businesses.

The Public Engagement Program was developed to inform, educate and provide opportunities for input by residents and stakeholders on ***Building Markham's Future Together 2015-2019 Strategic Plan***.

The objective of the community consultation process was to solicit residents and members of the business community's opinions on the importance of each objective through an innovative and interactive survey. Public feedback was obtained through an online survey and presence at various key community events and locations in the City. In addition to the survey, an online campaign was implemented with information posted on [www.markham.ca](http://www.markham.ca) and social media marketing. Staff and volunteers were present at the PanAM GlobalFest, seven of the major community events, Night It Up, Unionville Jazz Festival, RBC Milliken Children's Festival, Markham Fair, seniors centres, and various community centres and libraries. In total, 2,384 surveys were completed in person and online.

The Public Engagement Program concluded in October with a Public Open House and Information meeting, providing an additional opportunity to further engage residents and businesses. Over 70 people were in attendance to ask questions, have an opportunity to seek further clarification on the draft strategic plan, and complete the online survey.

### **Long-term View and Resident Priorities**

Based on survey results, residents were extremely satisfied with Markham's current service levels, quality of life, residential quality, and economic opportunities. Perhaps this is because every four year Strategic Plan integrates Markham's ongoing long-term priorities of:

- Managing Markham's transportation and road network
- Promoting Markham as the best place in Canada to invest and locate knowledge-based industries
- Protecting and respecting Markham's built and natural environments
- Managing growth in the City

Some major accomplishments from 2016 include:

- Launched the Textile Recycling Program, the first of its kind in North America to further divert material from landfill.
- Continued Implementation of the Flood Control Program in West Thornhill and initiating Don Mills Channel Flood Reduction Class EA
- Markham became Canada's 1<sup>st</sup> Monarch Friendly City
- Launched 1,000 Books Before Kindergarten, advancing early literacy achievement for every child in Markham
- Partnered with Markham Stouffville Hospital to implement the Breath Better Program which provides exercise classes to help seniors who are suffering from Chronic Obstructive Pulmonary Disease (COPD) or Congestive Heart Failure (CHF) stay healthy, active and independent
- Launched the Markham Green Road Pilot Project
- Completed the design of 12 parks totalling almost 14 hectares of parkland
- Opened the Cat Adoption and Education Centre

Members of the community confirmed the strategic priorities established by the City. Based on these results, Markham Council officially adopted the Strategic Plan in December 2015, that will help guide the municipality's actions through to 2019.

The Executive Summary outlines the four 2015 – 2019 Council approved Strategic Goals which the City of Markham will use as building blocks in setting its Strategic Objectives and governing Action Plans. These Strategic Objectives and Action Plans will drive Markham's Business Plans which forms the basis for the budget process.

Details of the 2015 – 2019 Strategic Goals, associated Strategic Objectives and corresponding Action Plans are laid out in the following four pages:

# BUILDING MARKHAM'S FUTURE TOGETHER

## 2015 - 2019 STRATEGIC PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

#### Strategic Objectives

#### BMFT Actions

1.1. Improving Customer Service

- Implement new Customer Experience Strategy:
- Update and communicate Departmental Service Standards
  - Expand Organizational Awareness Training for all Staff
  - Look for technology enhancements to internal/external service
  - Develop Recognition Strategies for excellent customer service
  - Undertake annual customer surveys in all service areas

1.2. Transforming Services Through Technology and Innovation

- Develop and implement Digital Markham technology roadmap:
- Increase and improve online services
  - Advance mobile capabilities
  - Enhance data and technology infrastructure
  - Transform business processes
  - Better leverage social media and collaboration

1.3. Strengthening Organizational Capacity and Effectiveness

- Implement a corporate People Plan - to put into place critical people-related actions to support direction of organization
- Ensure a focused and aligned workforce
- Attract, develop, engage and retain key talent
- Build capacity for innovation and change
- Prepare for changing employee demographics
- Targeted and strategic workforce planning

#### Performance Measures

- Overall customer satisfaction rating (external & internal)
- Percentage of services meeting targeted service standards
- Percentage change in the number of services available online
- Percentage change in utilization of online services and social media
- Healthy work environment index from staff satisfaction survey

# BUILDING MARKHAM'S FUTURE TOGETHER

## 2015 - 2019 STRATEGIC PLAN

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statements:** 1) *We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.*

#### Strategic Objectives

#### BMFT Actions

2.1. Increasing Community Engagement

- Develop and implement a Community Activation Framework and tool kit for City departments
- Develop Corporate Volunteer Management Program
- Transition the Markham Pan Am Centre into an international sports hub
- Update the Integrated Leisure Master Plan

2.2. Ensuring Markham is Welcoming and Inclusive

- Active advancement of the Diversity Action Plan - Everyone Welcome - with a focus on:
- Implement an Older Adult Plan to address gaps to participation and review subsidies and affordability
- Develop and implement a procurement supplier diversity strategy
- Introduce diversity and inclusion training for Council Advisory Committees

2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge Based Industries

- Update the Economic Strategy
- Support the development of a York University campus in Markham
- Stimulate new business formation and commercialization through increased market awareness of the MCC, ventureLAB, and the Markham Small Business Centre
- Increase Foreign Direct Investment in Markham
- Create Destination Markham

#### Performance Measures

- Number of volunteers involved in City run activities as a percentage of the population
- Participation in City programs per capita
- Assessment composition (Ratio of Non-Residential vs. Residential)
- % of population with post secondary education
- Jobs per working age person
- Employment growth rate in targeted sectors

# BUILDING MARKHAM'S FUTURE TOGETHER

## 2015 - 2019 STRATEGIC PLAN

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** *We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.*

#### Strategic Objectives

#### BMFT Actions

3.1. Managing our Transportation and Road Network

- Implement the Master Transportation Plan and monitor result
- Implement the Cycling, Pathways and Trails Plan
- Continue to work with other levels of government to deliver road and transit infrastructure
- Encourage compact, mixed use development to reduce the amount of travel

3.2. Managing Growth in Markham

- Implement the new Official Plan
- Create Great Parks and Streetscapes
- Undertake the Comprehensive Zoning By-law Project

3.3. Ensuring the Reliability of the Corporation's Services

- Advance the City's emergency preparedness by completing business continuity plans in all Departments
- Proactively manage our City infrastructure and have plans in place to reduce risks

3.4. Protecting and Respecting Our Built and Natural Environment

- Implement the Corporate Energy Management Plan
- Complete and implement the Municipal Energy Plan
- Implement the Flood Control Program
- Support and leverage Rouge National Urban Park
- Develop a Climate Change Adaption Strategy

#### Performance Measures

- Ratio of cycling and pedestrian pathways (km) vs. roads (km)
- Percentage of medium/high density housing vs total # of houses
- Community waste diversion rate
- Modal split (percentage of travellers using a particular type of transport)
- Corporate greenhouse gas emissions per capita



# BUILDING MARKHAM'S FUTURE TOGETHER

## 2015 - 2019 STRATEGIC PLAN

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery*

#### Strategic Objectives

#### BMFT Actions

4.1. Ensuring a Fiscally Prudent and Efficient Municipality

- Deliver multi-year Operating and Capital Budgets
- Ensure growth and non-growth related projects are fully funded
- Refresh E3 Strategy to increase non-tax revenues and maintain or lower operating costs in a growing Markham
- Ensure services are delivered efficiently

4.2. Stewardship of the City's Assets

- Identify adequate funding in the Life Cycle Replacement and Capital Reserve Funds based on projected inflows to sustain future rehabilitation and replacement requirements for the next 25 years
- Develop a Municipal Asset Management Plan in compliance with the Ontario's Building Together Guide

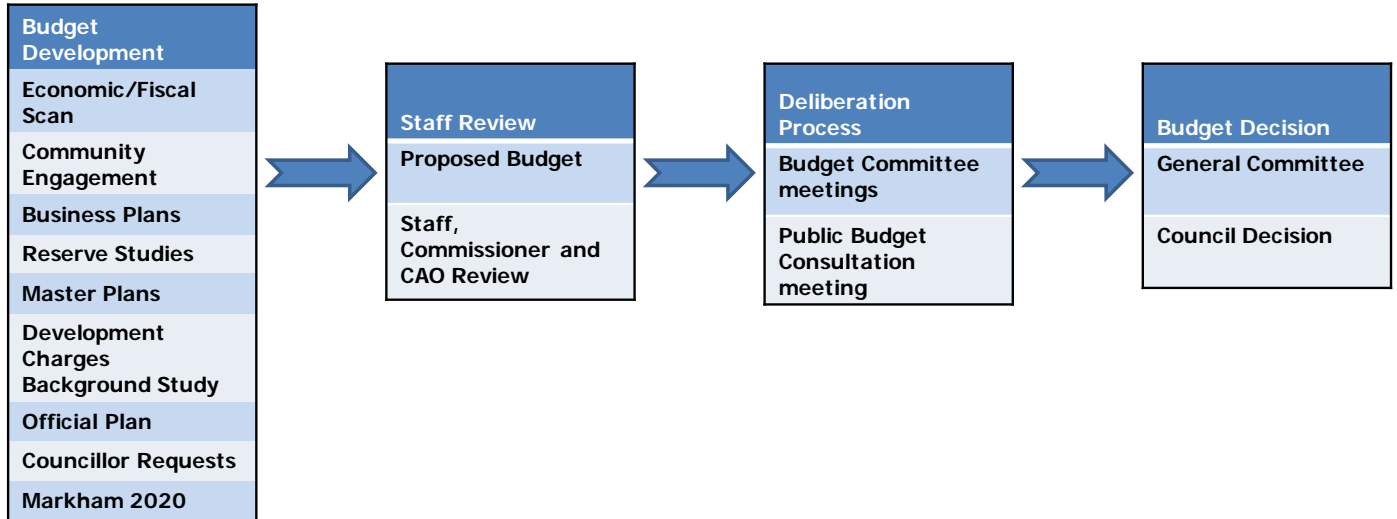
4.3. Increasing Transparency and Accountability

- Retain an Auditor General to execute an Audit Plan for the organization
- Develop transparency and accountability policy framework(s)

#### Performance Measures

- Financial position per capita
- Debt per \$100,000 of assessment
- Total property tax per capita
- Reserves as a % of revenues

# 2017 BUDGETING PROCESS



## 2017 BUDGETING PROCESS DETAILED LEVEL

### Proposed Timeline

Date	Business Plan (Managed by: Strategy Managers)	Budget (Managed by: Financial Services)
January	Strategy Manager request environmental scan information from Director's	
February 26	Joint Executive Leadership Team (ELT)/Director Forum (DF) meeting	
March 4	Corporate Business Plan and 2017-2020 Departmental Business Plan Templates Released	
March - April	DF to review Corporate Actions to be covered in Departmental Business Plan and Actions that impact other Departments	
May	Director review BP with Commissioner	
May 20	Business Plan due to Strategy Manager	
May 24-27	Final Review by Commissioner	
May 31	2017-2020 Departmental Business Plan Finalized	
June 1 - 30		Capital Budget database open for input of capital project requests
July 1 - 31		Director review of Operating and Capital Budget reports with Commissioner
August 4		E-file to DF
August 11, 15 & 19		DF review of Capital Budget (operating non-life cycle, gas tax and split funded projects)
September 8, 14 & 15		ELT review of Operating and Capital budgets, Councillor requests
October 11		Budget Committee #1 – Economic Scan, Operating and Capital budget overview
October 14, 18, & 21		Budget Committee #2, #3 & #4 - Capital Budget review
October 28 & November 1		Budget Committee #5 & #6 - Councillor Requests and Capital Budget
November 8		Budget Committee #7 – Councillor Requests and Operating Budget
November 14		Public Budget Consultation Meeting
November 22 & 23		Budget Committee #8 & #9 – Operating Budgets, Planning & Design, Engineering, Building and Waterworks Operating Budgets and Councillor Requests
November 28		General Committee Decision
December 13		Council Decision
December 14		Press Conference

# 2017 BUDGET OVERVIEW

## Fiscal Prudence

Markham has remained financially prudent through diligent adherence to the following policies:

- Prohibit the use of one-time funding to balance the Operating Budget
- Prohibit the use of prior year surpluses to balance the Operating Budget
- Allocate additional funding to Capital Budget Program

## Budget Framework

Council meets every four years to set the City's goals and priorities. For 2017, Council's strategic priorities address the initiatives defined in the 2015 - 2019 Council term and detailed under section 2 - Corporate Strategic Plan:

- 1) Exception Services by Exceptional People
- 2) Engaged, Diverse and Thriving City
- 3) Safe and Sustainable Community
- 4) Stewardship of Money and Resources

The corporate goals combined with Council's strategic priorities lay the foundation to determine Markham's Business Plans (BP). The BP template is reviewed every Council term to ensure alignment to Council and the City's corporate goals. Combined, the BP forms the basis for the budget process, while the City's Budget provides a framework to put the BP into action.

## Multi-year Budgeting

As discussed, the Building Markham's Future Together four-year Strategic Plan is the foundation for the City's annual budget process. The strategic objectives and associated action plans listed under Markham's Strategic Plan are incorporated and considered during the development of every Budget the City produces.

In order to align appropriate funding plans with Council's long-term goals and objectives, the City transitioned to a multi-year budgeting process in 2014. Markham's multi-year budgeting Guideline & Instructions document outlines an extensive and comprehensive process to roll out a four-year budget with year one tabled for Council approval, accompanied by a three-year forecast for years two, three and four.

A rolling multi-year Budget supports the Strategic goal "Stewardship of Money and Resources" and allows the City to prioritize funds and resources for the current term. A 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 Staff Committee, comprising of members from across the organization, with at least one representative from each Commission, develops the criteria and framework for the multi-year budgeting process. Committee members act as liaisons for their respective Commissions by facilitating the upstream and downstream flow of information, including:

- Identifying Commission issues and opportunities
- Aligning Departmental Business Plans to Corporate Strategic Objectives
- Validating assumptions and ensuring cost drivers are consistently applied across the organization

## **Budget Process**

In May 2016, staff began working on the 2017 BP for each Business Unit. Each Business Unit filled out a BP that served as a single reference for identifying its Unit's 2017 proposed objectives in alignment to the corporate goals and Council priorities. Within each BP, Business Units included a proposed 2017 Operating Budget and Capital Project Budget that combined, form the Business Unit's Budget.

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.

A series of presentations, highlighting the proposed 2017 BPs and aligning the plan to Council's priorities were made by the respective Department heads to the Directors' Forum (DF). Six workshops for Directors' Forum (DF) and Chief Administrative Officer (CAO) and Commissioners (ELT) were held in June 2016 to finalize the initiatives to be undertaken in 2017.

A total of nine Budget Committee meetings were held between October and November 2016 to discuss, review and finalize the 2017 Operating and Capital Budget. One public consultation meeting was held on November 14, 2016 as an opportunity for residents, business and community leaders to obtain an overview of the City's budget process and the 2017 proposed budget. Attendees were invited to inquire about the Budget and to provide feedback at these meetings.

On December 13, 2016 Council approved the Capital Budget and Waterworks Operating budget as well as the Operating, Planning & Design, Engineering, and Building Budgets for 2017.

## Approved Budget

The total approved 2017 Budget is \$443.3 million broken down as follows:

Budget Component	(in \$ millions)
Operating	\$201.8
Library	\$13.6
Capital	\$81.5
Waterworks	\$121.2
Planning and Design	\$9.1
Engineering	\$7.3
Building Standards	\$8.8
<b>Total</b>	<b>\$443.3</b>

The 2017 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, and it achieves fiscal sustainability by not using one-time funding to balance the Budget.

## Changes to Organization Structure

During 2016 ELT conducted a review of options for change to create a more sustainable organization for the future. The guiding objectives for proposed changes were:

- Continuing to improve customer service
- Improving employee job satisfaction and interdepartmental collaboration
- Streamlining the organization to increase efficiency and improve decision making
- Making better use of technology and promoting innovation
- Developing future leaders to support succession planning

The new organizational chart (see section 1. City Overview) reflects the new departmental alignments, effective January 3, 2017.



## 2017 OPERATING BUDGET (\$'000s)

<u>Description</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenues</b>				
TAX LEVIES	\$142,694	\$145,054	\$2,360	1.7%
<b>3.46% PROPERTY TAX RATE INCREASE</b>	\$0	\$4,825	<b>4,825</b>	<b>0.0%</b>
PAYMENTS-IN-LIEU OF TAXES	\$1,209	\$1,209	0	0.0%
GRANTS AND SUBSIDIES	\$1,596	\$1,641	45	2.8%
LICENCES & PERMITS	\$1,855	\$1,928	74	4.0%
PENALTY & INTEREST	\$3,800	\$3,950	150	3.9%
INCOME FROM INVESTMENTS	\$21,620	\$21,893	273	1.3%
FINES	\$3,059	\$3,077	18	0.6%
USER FEES & SERVICE CHARGES	\$16,393	\$17,376	983	6.0%
RENTALS	\$8,294	\$8,461	167	2.0%
SALES	\$699	\$615	(84)	-12.0%
RECOVERIES & CONTRIBUTIONS	\$1,815	\$1,587	(228)	-12.6%
OTHER INCOME	\$3,504	\$3,774	270	7.7%
<b>Total Revenues</b>	<b>\$206,537</b>	<b>\$215,390</b>	<b>\$8,852</b>	<b>4.3%</b>
<b>Expenses</b>				
SALARIES AND BENEFITS	\$121,161	\$125,470	\$4,309	3.6%
PRINTING & OFFICE SUPPLIES	\$585	\$436	(149)	-25.5%
PURCHASES FOR RESALE	\$381	\$432	51	13.5%
OPERATING MATERIALS & SUPPLIES	\$2,619	\$2,697	78	3.0%
VEHICLE SUPPLIES	\$1,633	\$1,622	(11)	-0.7%
SMALL EQUIPMENT SUPPLIES	\$6	\$4	(2)	-36.3%
BOTANICAL SUPPLIES	\$229	\$266	37	16.4%
CONSTRUCTION MATERIALS	\$1,827	\$1,820	(7)	-0.4%
UTILITIES	\$7,776	\$9,157	1,381	17.8%
COMMUNICATIONS	\$1,401	\$1,305	(96)	-6.8%
TRAVEL EXPENSES	\$386	\$408	22	5.7%
TRAINING	\$784	\$815	31	4.0%
CONTRACTS & SERVICE AGREEMENTS	\$6,107	\$6,317	210	3.4%
MAINTENANCE & REPAIRS	\$5,944	\$7,012	1,067	18.0%
RENTAL/LEASE	\$669	\$731	61	9.2%
INSURANCE	\$2,268	\$2,433	165	7.3%
PROFESSIONAL SERVICES	\$2,765	\$2,812	47	1.7%
LICENCES, PERMITS, FEES	\$795	\$788	(7)	-0.9%
CREDIT CARD SERVICE CHARGES	\$271	\$298	27	10.0%
PROMOTION & ADVERTISING	\$1,299	\$1,301	2	0.1%
CONTRACTED MUNICIPAL SERVICES	\$10,691	\$10,757	66	0.6%
OTHER PURCHASED SERVICES	\$1,227	\$1,320	93	7.6%
PROPERTY TAX ADJUSTMENTS	\$525	\$663	138	26.3%
OTHER EXPENDITURES	\$3,493	\$3,481	(12)	-0.4%
TRANSFERS TO RESERVES	\$31,696	\$33,045	1,349	4.3%
<b>Total Expenses</b>	<b>\$206,537</b>	<b>\$215,390</b>	<b>\$8,852</b>	<b>4.3%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## 2017 CORPORATE-WIDE BUDGET

### ALLOCATION OF REVENUE & EXPENDITURE BY FUND

Fund (in \$000's)	Operating Fund	Capital Development Fund	Planning & Design	Engineering	Building Fee	Waterworks/ Stabilization Capital Reserve	TOTAL
<b>Revenues</b>							
Property Tax	149,879	-	-	-	-	-	149,879
Other Taxes	1,209	-	-	-	-	-	1,209
Grants	1,641	-	-	-	-	-	1,641
Licences & Permits	1,882	-	-	-	8,281	-	10,163
Interest & Penalties	3,950	-	-	-	-	-	3,950
Investment Income	21,890	-	-	-	-	-	21,890
Fines	3,069	-	-	-	-	-	3,069
User Fees & Service Charges	17,480	-	9,151	7,205	30	581	34,447
Rental & Sales Income	9,137	-	-	-	-	426	9,563
Billings	-	-	-	-	-	119,794	119,794
Other Income	5,252	-	-	75	-	372	5,699
Capital Fund	-	81,474	-	-	-	-	81,474
Transfer from Reserves	-	-	-	75	490	-	565
	<b>215,389</b>	<b>81,474</b>	<b>9,151</b>	<b>7,355</b>	<b>8,802</b>	<b>121,173</b>	<b>443,344</b>

#### Expenditures

Salaries & Benefits	125,374	-	6,268	4,927	5,952	7,594	150,115
Printing & Office Supplies	586	-	38	22	57	33	736
Operating Materials & Supplies	2,782	-	7	13	24	142	2,968
Vehicle Supplies	1,621	-	-	-	-	-	1,621
Construction Materials	1,824	-	-	-	-	612	2,436
Utilities	9,157	-	-	-	-	56	9,213
Communications	1,343	-	16	24	36	99	1,518
Travel & Training Expenses	1,209	-	44	30	32	104	1,419
Contracts & Service Agreements	6,490	-	2,225	2,282	2,650	3,336	16,983
Maintenance & Repair	5,944	-	-	3	-	413	6,360
Rental/Lease	695	-	3	6	-	6	710
Insurance	2,433	-	-	-	-	-	2,433
Professional Services	2,821	-	39	15	11	113	2,999
Licences, Permits & Credit Card Charges	1,013	-	25	32	40	57	1,167
Promotion & Advertising	1,290	-	4	-	-	3	1,297
Contracted Municipal Services	10,753	-	-	-	-	90,757	101,510
Other Purchased Services	1,330	-	-	-	-	2,404	3,734
Other Expenditures	5,649	-	-	1	-	20	5,670
Capital Expenditures	-	81,474	-	-	-	-	81,474
Transfers to Reserves	33,075	-	481	-	-	15,424	48,980
	<b>215,389</b>	<b>81,474</b>	<b>9,151</b>	<b>7,355</b>	<b>8,802</b>	<b>121,173</b>	<b>443,344</b>

## 2017 CONSOLIDATED BUDGET BY DEPARTMENT AND BY FUNDING SOURCE

(in \$000's)	Operating Fund (Note 1)	Capital Fund (Note 2)	Development Fee (Note 3)	Building Fee	Waterworks/ Stabilization Fee	Total 2017 Budget	2016 Budget
<b>Council and Administration</b>	<b>3,119</b>	-	-	-	-	<b>3,119</b>	<b>3,136</b>
<i>Building</i>	-	-	-	8,802	-	8,802	8,641
<i>Culture &amp; Economic Development</i>	7,669	1,002	-	-	-	8,671	8,693
<i>Engineering (including Traffic Operations)</i>	1,411	12,711	7,355	-	-	21,477	52,040
<i>Planning and Design</i>	-	14,083	9,151	-	-	23,234	24,154
<i>Commissioner's Office, DS</i>	1,143	-	-	-	-	1,143	1,203
<b>Development Services (DS)</b>	<b>10,223</b>	<b>27,796</b>	<b>16,506</b>	<b>8,802</b>	-	<b>63,327</b>	<b>94,731</b>
<i>CAO's Office</i>	1,026	-	-	-	-	1,026	1,065
<i>Human Resources</i>	3,120	-	-	-	-	3,120	3,123
<i>Legal</i>	1,793	-	-	-	-	1,793	1,790
<b>CAO, Legal, HR &amp; Sustainability</b>	<b>5,939</b>	-	-	-	-	<b>5,939</b>	<b>5,978</b>
<i>Financial Services</i>	5,331	5,063	-	-	-	10,394	10,127
<i>ITS</i>	7,064	2,861	-	-	-	9,925	10,441
<i>Communications &amp; Legislative Services</i>	10,482	-	-	-	-	10,482	10,328
<i>Sustainability &amp; Asset Management</i>	3,733	3,473	-	-	-	7,206	1,008
<i>Commissioner's Office, CS</i>	393	-	-	-	-	393	390
<b>Corporate Services (CS)</b>	<b>27,003</b>	<b>11,397</b>	-	-	-	<b>38,400</b>	<b>32,294</b>
<i>Fire and Emergency Services</i>	35,679	909	-	-	-	36,588	35,440
<i>Markham Public Library</i>	12,039	2,784	-	-	-	14,823	14,140
<i>Recreation Services</i>	32,056	2,141	-	-	-	34,197	31,825
<i>Operations and Operations Admin</i>	34,868	12,835	-	-	-	47,703	47,832
<i>Environmental Assets</i>	1,061	14,486	-	-	-	15,547	26,728
<i>Waste and Environmental Management</i>	9,231	51	-	-	-	9,282	9,555
<i>Waterworks</i>	-	8,924	-	-	121,173	130,097	125,317
<i>Commissioner's Office, CFS</i>	822	-	-	-	-	822	822
<b>Community &amp; Fire Services (CFS)</b>	<b>125,756</b>	<b>42,130</b>	-	-	<b>121,173</b>	<b>289,059</b>	<b>291,659</b>
<b>Corporate Items</b>	<b>43,349</b>	<b>150</b>	-	-	-	<b>43,499</b>	<b>40,998</b>
	<b>215,389</b>	<b>81,474</b>	<b>16,506</b>	<b>8,802</b>	<b>121,173</b>	<b>443,344</b>	<b>468,796</b>
<b>Note 1: Refer to Section 3b - Operating Budget for further details on Operating Budget breakdown</b>							
<b>Note 2: Refer to Section 3c - Capital Budget for further details on Capital Budget breakdown</b>							
<b>Note 3: Development Fee breakdown in \$000's: Planning &amp; Design = \$9,151; Engineering = \$7,355</b>							

## **Operating Budget Summary**

The Operating Budget is completed through a collaborative effort between Council and Staff. As described in the 2017 Budget Process section of the Executive Summary, Markham initiates each year's budget by reviewing the current economic climate and identifies E3 savings to deliver a balanced budget which meets resident expectations while incorporating minimal tax rate increases in the process.

As discussed, the fiscal scan conducted to forecast 2017 Budget identified budgetary pressures made up by the following five components: managing growth, funding ongoing capital replacements, complying with Federal and Provincial Legislation, maintaining municipal service levels, and increasing personnel costs.

Together, these fiscal pressures resulted in a \$8.8 million impact to the Operating Budget expenditures, offset by an increase in revenues of \$4.4 million, resulting in a net shortfall of approximately \$3.0 million equivalent to a tax rate increase of 2.96%. In addition, another 0.5% for infrastructure investment was included in the 2017 tax rate increase for a total of 3.46%.

For further details on the Operating Budget, refer to Section 3b - Operating Budget.

## **Capital Budget Summary**

The approval of the 2017 Capital Budget of \$81.5 million was achieved through a comprehensive process designed to effectively address each of the City's strategic priorities. Maintaining the model of long-term thinking towards capital investments, the City ensures 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.

In June 2016, Council approved the Capital Budget pre-approval report which included 17 projects totaling \$12.0 million. Pre-approval of capital projects are typically requested due to the following factors:

- To achieve more competitive pricing
- To accelerate the design and construction of certain projects
- To begin the procurement process ahead of the construction season
- To meet operational or program requirements

In November 2016, Council subsequently approved an additional 211 projects totaling \$69.5 million. In aggregate, 228 capital projects were approved for the 2017 Capital Budget, totalling \$81.5 million.



	<b># of projects</b>	<b>\$ (in millions)</b>
Pre-approvals (June 28, 2016)	17	\$12.0
Remaining projects to be approved (December 13, 2016)	211	\$69.5
<b>Total</b>	<b>228</b>	<b>\$81.5</b>

The 2017 Capital Budget includes the design and construction of 92.8 acres of new parkland, continuation of the West Thornhill flood control program, repair and replacement of the City's water and wastewater infrastructure, exterior and interior facility improvements at community centres, libraries, fire stations and the Civic Centre, investment in Markham District Energy Inc. (MDEI), increase to library collections, environmental assessment and design of multi-use pathways and intersection improvements

The 2017 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, the City's commitment to increase contribution to the capital program by \$0.5 million each year 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.

For further details on the Capital Budget, refer to Section 3c – Capital Budget.

### **Waterworks Budget**

Council approved the 2017 Waterworks Budget of \$121.2 million. This represents an increase of \$5.6 million over the 2016 Operating Budget. The 2017 Water and Wastewater rate of \$3.8555/m<sup>3</sup> effective April 1, 2017 (an increase of 7.8% over 2016's rate) is incorporated into the 2017 Waterworks Operating Budget.

### **Planning & Design Budget**

The Planning & Design Budget is primarily funded through Planning Fees. For 2017, Council approved the Planning & Design Budget of \$9.1 million. This represents an increase of \$0.9 million from the 2016 Budget.

### **Engineering Budget**

The Engineering Budget is primarily funded through Engineering Fees. For 2017, Council approved the Engineering Budget of \$7.4 million. This represents an increase of \$0.4 million from the 2016 Budget.

### **Building Standards Budget**

The Building Budget is primarily funded through Building Licenses and Permits. For 2017, Council approved the Building Services Budget of \$8.8 million. This represents an increase of \$0.2 million from the 2016 Budget.

## **SUMMARY OF FUNDS**

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

1. Operating Fund
2. Capital Fund
3. Reserves and Reserve Funds
4. Trust Funds (reported separately from the City's consolidated statements)

### **Operating Fund**

The Operating Fund provides funding for the following budgets: Operating, Library, Building Services, Planning & Design, Engineering, and Waterworks. The main source of funding for the Operating Fund is from taxation revenues and water billings.

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

### **Capital Fund**

The Capital Fund provides funding for all capital projects, and it is primarily funded by three sources:

- Development charges
- Transfers from Operating Fund – tax funded
- Transfers from Reserves

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

### **Reserves and Reserve Funds**

Reserves are an allocation of accumulated net revenue that is established by Council for a particular purpose. Reserves do not require the segregation of money for specific assets. Interest earned on the invested earnings is reported as Operating Fund earnings and not accumulated in the reserve.

Similar to Reserves, Reserve Funds are an allocation of accumulated net revenue; however, its assets are segregated, restricted, and utilized for a specific purpose. Interest earned on the invested earnings is accumulated in the respective Reserve Fund. Further, 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

## 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 greater flexibility in planning for the future. At December 31, 2016, the balance in the City's Reserves and Reserve Funds was \$275.3 million.

RESERVE TYPE	DESCRIPTION
Building Fee	Funds to help cover costs in "down cycle" years of lower volume activity for the Building department.
Capital Gain	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.
Corporate Rate Stabilization	Minimizes the effect of any large variations in major sources of ongoing operating revenue and expenditures; funded from prior year operating surpluses.
Development Fee	Funds to stabilize fluctuations in development fee rates and to fund actual shortfall in Engineering and Planning in future years.
Election Rebate	Funds future Election Contributions Rebate Program expenses.
Facility Ramp-Up	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.
Firefighters Sick Leave Benefits	Funds payouts of unused sick leave benefits upon Firefighters' termination required under Firefighters collective agreement.
Insurance	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 FUND TYPE	DESCRIPTION
Development Charges	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.
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).
Gas Tax Revenue	To fund eligible projects identified under the terms of agreement with federal government.
Heritage Preservation	Provides funding to protect and preserve heritage buildings in the City.
Land Acquisition	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 & 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.
Museum Endowment	Funds museum-related capital projects; funded by donations from the general public & community organizations.
Non-DC Growth	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.
Parks 5% Cash in Lieu	Funds the acquisition of new parkland, recreation facilities and equipment.
Post Retirement Benefits	Funds to be utilized to fund future cost of post retirement benefits for eligible retiring employees.
Road Resurfacing	Funds road completion in industrial subdivisions.
Stormwater Fee	Funds to be utilized to fund flood control implementation programs.
Theatre Endowment & Capital Improvement	Funds the capital expenditures for the Markham Theatre.
Trees for Tomorrow	Funds to be utilized to encourage tree plantings and public awareness by community groups and non-government organizations.
Waterworks	Funds to be used for the upgrade and replacement of City water infrastructure.
WSIB	Allows the City to self-fund staff benefits previously covered by Workplace Safety Insurance Board (WSIB); funded from operating surplus in benefits accounts.



## RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE (\$000's)

Description	Actual Balance December 31, 2015	Actual Balance December 31, 2016	2017 Budget			Estimated Balance December 31, 2017 \$
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
<b>RESERVES</b>						
Berczy Land Scape Feature	203	203				203
Building Fee	10,676	11,734		(490)	(534)	10,709
Capital Gain Reserve	3,680	3,680				3,680
Corporate Rate Stabilization	14,132	19,783		730		20,513
Development Fee	(9,861)	(9,612)		406	(626)	(9,832)
Election Expenses	410	710		300		1,010
Election Rebate	(156)	(3)		153		150
Facility Ramp - Up	12,389	15,809		72	(6,245)	9,636
Firefighter's Sick Leave Benefits	6,436	6,340		41		6,381
Insurance	3,316	3,316				3,316
Long Term Disability Benefit	17,637	19,151				19,151
Partnership	16	16				16
Recreation & Culture Capital Replacement	-	-		369		369
Train Anti-Whistling	318	318				318
Waste Management Stabilization / Capital	28	28				28
Waterworks Stabilization / Capital	54,114	60,853		14,659	(9,248)	66,263
<b>Total Reserves</b>	<b>113,337</b>	<b>132,325</b>	<b>-</b>	<b>16,240</b>	<b>(16,653)</b>	<b>131,912</b>
<b>RESERVE FUNDS</b>						
Cemetary Operations	112	114				114
Deginated Heritage Property Grant	51	57				57
Emerald Ash Borer	(1,963)	(4,134)				(4,134)
Environmental Land Acquisition	8,789	9,130				9,130
Environmental Sustainability	133	132				132
Heritage Preservation	89	86				86
Land Acquisition Reserve Fund	(24,724)	(68,858)				(68,858)
Library Building Program	5,927	6,011				6,011
Life Cycle Replacement & Capital	62,774	73,217		36,091	(27,432)	81,875
Markham Heritage Loans	258	241			(60)	181
Markham Trees for Tomorrow	143	35				35
Museum Endowment	59	60				60
Non DC Growth	10,242	8,699			(1,694)	7,005
Post-Retirement Benefits	13,255	13,590				13,590
Public Art Acquisition	483	1,038			(591)	447
Stormwater Fee	(2,069)	(736)		8,368	(7,080)	552
Theatre Capital Improvement Fund	309	337		18		355
Theatre Endowment	359	351		(8)		344
Workplace Safety Insurance Board (WSIB)	3,077	3,365				3,365
WSIB Excess Compensation	387	611		470		1,081
Waterworks	237	239				239
Road Resurfacing	295	11			(5)	6
Parks 5% Cash in Lieu	(1,528)	28,542				28,542
Tree Replacement	6	6				6
Gas Tax Revenue	6,016	4,040	9,173		(9,000)	4,213
<b>Total Reserve Funds</b>	<b>82,720</b>	<b>76,185</b>	<b>9,173</b>	<b>44,939</b>	<b>(45,862)</b>	<b>84,434</b>
<b>Total Reserve And Reserve Funds</b>	<b>196,057</b>	<b>208,510</b>	<b>9,173</b>	<b>61,178</b>	<b>(62,515)</b>	<b>216,346</b>
<b>Development Charges Reserve Funds *</b>	<b>71,855</b>	<b>66,817</b>	<b>14,242</b>	<b>-</b>	<b>(18,959)</b>	<b>62,100</b>
<b>Total</b>	<b>267,912</b>	<b>275,327</b>	<b>23,415</b>	<b>61,178</b>	<b>(81,474)</b>	<b>278,446</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 (\$000's)

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<b><u>Building Fee</u></b>			
Transfer to Operating Fund	(490)		Draw from reserve based on the 2017 budgeted deficit
Transfer to fund Capital Projects		(534)	Funding of 2017 capital projects associated with the Building department
<b><u>Corporate Rate Stabilization</u></b>			
Transfer of 2016 Operating surplus	730		Transfer of Operating surplus for 2016 based on actual performance
<b><u>Development Fee</u></b>			
Transfer to Operating Fund	406		Transfer to reserve based on the 2017 budgeted net surpluses
Transfer to fund Capital Projects		(626)	Funding of 2017 capital projects associated with the Planning and Engineering departments
<b><u>Election Expenses</u></b>			
Transfer from Operating Fund	300		Transfer to fund future election costs
<b><u>Election Rebate</u></b>			
Transfer from Operating Fund	153		Transfer to fund future election rebate costs
<b><u>Facility Ramp UP</u></b>			
Transfer of funds for future maintenance	72		Amount transferred to fund future cost of facilities
Funding of Capital Projects		(6,245)	Transfer of funds for a number of City facility improvement projects
<b><u>Firefighter's Sick Leave Benefits</u></b>			
Transfer from Operating Fund	41		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		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 2016 deficit	(764)		Draw from reserve based on lower 2016 surplus than budgeted
Transfer from Waterworks Operating Fund 2017 projected surplus	15,423		Transfer to reserve based on the 2017 budgeted surplus
Funding of Capital Projects		(9,248)	Funding of 2017 capital projects associated with the Waterworks department
<b><u>Life Cycle Replacement &amp; Capital</u></b>			
Transfer from Operating Fund net of 2016 surplus	3,507		Transfer of Operating Budget surplus based on 2016 performance
Transfer from Operating Fund	32,584		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(27,432)	Funding of 2017 capital projects associated to asset replacements
<b><u>Markham Trees for Tomorrow</u></b>			
Transfer to fund Capital Projects		(60)	Funding of 2017 capital projects associated to tree planting
<b><u>Non Development Charges Growth</u></b>			
Transfer to fund Capital Projects		(1,694)	Funding of 2017 capital projects associated with non-growth related area
<b><u>Public Art Acquisition</u></b>			
Transfer to fund Capital Projects		(591)	Funding of 2017 public art capital projects associated with non-growth related areas
<b><u>Storm water fee</u></b>			
Transfer from Other Revenue 2017 projected fees	8368		Revenue based on 2017 projected collection
Transfer to fund Capital Projects		(7,080)	Funding of 2017 capital project related to the Flood Control Program

## RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES (\$000's)

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<b><u>Theatre Capital Improvement Fund</u></b>			
Transfer from Operating Fund	18		Transfer from Culture Operating Budget for future Theatre capital expenditures (net of transfer to operating fund)
<b><u>Theatre Endowment</u></b>			
Transfer from Operating Fund	(8)		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	9,173		Gas tax revenue from the Federal Government
Transfer to fund Capital Projects		(9,000)	Funding of 2017 gas tax eligible capital projects
<b><u>Workplace Safety Insurance Board</u></b>			
Transfer from Operating Fund net of 2016 surplus	470		Transfer of Operating Budget surplus to fund future liabilities

### 2015 TO 2017 SUMMARY OF RESERVES AND RESERVE FUNDS (000's)

	2015 Actual	2016 Actual	2017 Budget
Balance as of January 1	199,500	196,057	208,510
Other Revenue	317	623	9,173
Dividend from Markham Enterprises Corporation	7,756	7,444	-
Transfers in from Operating Fund	37,123	50,039	61,178
Transfer out to Capital Fund (net of unspent)	(48,639)	(45,653)	(62,515)
<b>Balance as of December 31</b>	<u>196,057</u>	<u>208,510</u>	<u>216,346</u>
Development charges Reserve Funds *	71,855	66,817	62,100
<b>Total</b>	<u><b>267,912</b></u>	<u><b>275,327</b></u>	<u><b>278,446</b></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 on Quarterly based on cash flow requirements.

## Trust Funds

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

### DESCRIPTION OF TRUST FUNDS

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

<b>Morgan Park Trust Fund</b>	<p>The T. &amp; 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.</p> <p>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.</p>
<b>Varley- McKay Art Foundation Trust Fund</b>	<p>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.</p>
<b>Markham Environmental Advisory Committee Trust Fund</b>	<p>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.</p>
<b>Cemetery Trust Fund</b>	<p>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.</p>
<b>Older Adults in Action Trust Fund</b>	<p>Council Resolution established the Older Adults In Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre.</p>
<b>Markham History – Research and Publication Trust Fund</b>	<p>The Markham History – Research &amp; 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 &amp; District Historical Society and the Museum Advisory Board.</p>

## TRUST FUND CONTINUITY SCHEDULE

### Statement of Financial Position

December 31, 2016 with comparative figures for 2015

	2016						2015	
	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	\$ 77,619	\$ 1,302,132	\$ 4,716	\$ 860,266	\$ 9,852	\$ 92,312	\$ 2,346,897	\$ 2,319,437
Payable to Varley-McKay Foundation	-	(3,328)	-	-	-	-	(3,328)	(3,820)
<b>Fund balance</b>	<b>\$ 77,619</b>	<b>\$ 1,298,804</b>	<b>\$ 4,716</b>	<b>\$ 860,266</b>	<b>\$ 9,852</b>	<b>\$ 92,312</b>	<b>\$ 2,343,569</b>	<b>\$ 2,315,617</b>

### Statement of Financial Activities and Fund Balances

Year ended December 31, 2016 with comparative figures for 2015

Receipts								
Interest Earned	2,391	41,200	176	26,411	305	2,820	73,303	80,367
Sale of plots	-	-	-	23,767	-	-	23,767	14,760
	<b>2,391</b>	<b>41,200</b>	<b>176</b>	<b>50,178</b>	<b>305</b>	<b>2,820</b>	<b>97,070</b>	<b>95,127</b>
Expenses								
Distributed to Foundation	-	(41,200)	(1,507)	(26,411)	-	-	(27,918)	(31,606)
	<b>-</b>	<b>(41,200)</b>	<b>(1,507)</b>	<b>(26,411)</b>	<b>-</b>	<b>-</b>	<b>(69,118)</b>	<b>(77,306)</b>
Excess/(Shortfall) of receipts over expenses	<b>2,391</b>	<b>-</b>	<b>(1,331)</b>	<b>23,767</b>	<b>305</b>	<b>2,820</b>	<b>27,952</b>	<b>17,821</b>
Fund balance, beginning of year	\$ 75,228	\$ 1,298,804	\$ 6,047	\$ 836,499	\$ 9,547	\$ 89,492	\$ 2,315,617	\$ 2,297,796
<b>Fund balance, end of year</b>	<b>\$ 77,619</b>	<b>\$ 1,298,804</b>	<b>\$ 4,716</b>	<b>\$ 860,266</b>	<b>\$ 9,852</b>	<b>\$ 92,312</b>	<b>\$ 2,343,569</b>	<b>\$ 2,315,617</b>



# 2017 OPERATING BUDGET

## Operating Budget Overview

The development of the Operating Budget takes into account various factors that impact funding requirements such as growth, price increases, and new initiatives. As described in Section 3 – 2017 Budget Overview, the City of Markham uses a holistic approach in developing the Budget by collaborating with Council, obtaining input through community engagement, aligning with the Corporate Strategic Goals and Departmental Business Plans (BPs).

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 increase. Specific actions that support this objective are:

- Controlling budget pressures such as growth, price increases, and new initiatives
- Exploring options for user fees and charges
- Increasing operational efficiency

These factors are weighed against the development of the final Operating Budget to align with Council's 2015 – 2019 Strategic Plan as discussed in Section 2 – Corporate Strategic Plan and Section 3 – 2017 Budget.

The Operating Budget includes the following three components:

- Personnel Costs
- Non-personnel Costs
- Revenues

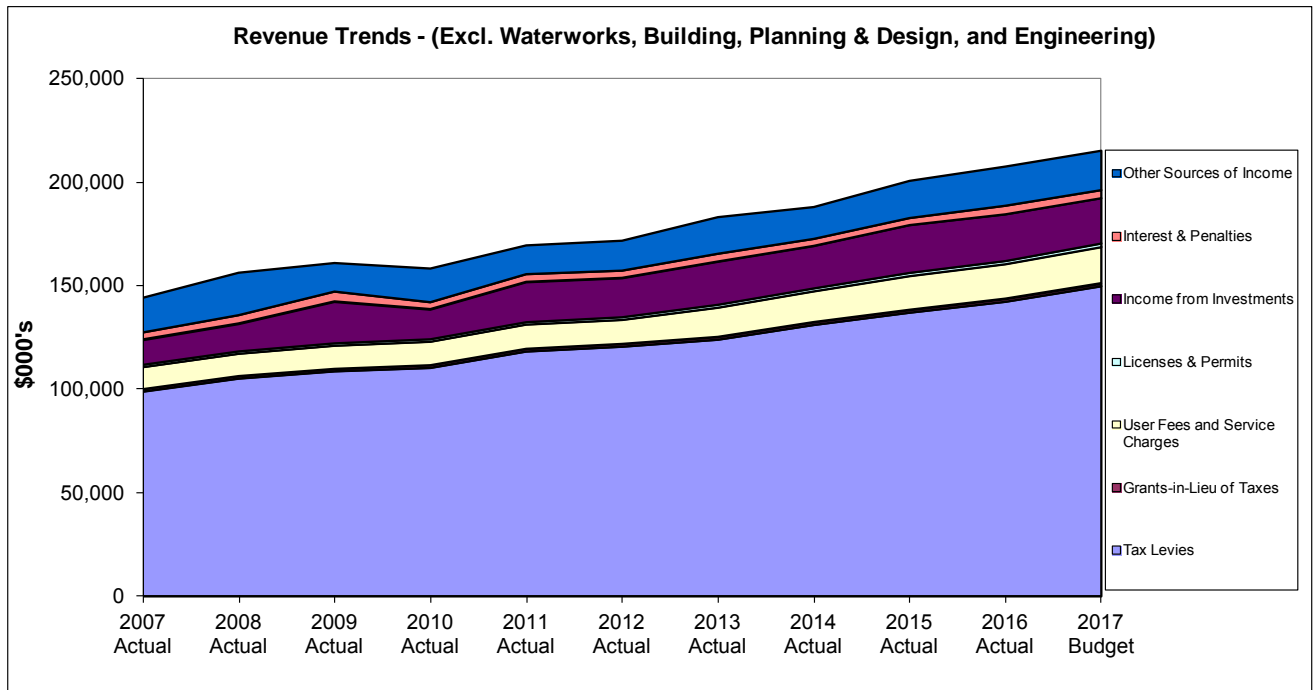
## Budget Details

The 2017 Operating Budget for City services totals \$215.4 million excluding, Waterworks, Building Standards, Planning & Design, and Engineering. This represents an increase of \$8.8 million over the 2016 Operating Budget.

Budget Component	(in \$ millions)
Operating	\$201.8
Operating - Library	\$13.6
Capital	\$81.5
Waterworks	\$121.2
Planning and Design	\$9.1
Engineering	\$7.3
Building Standards	\$8.8
<b>Total</b>	<b>\$443.3</b>

Total Operating Budget: \$215.4M

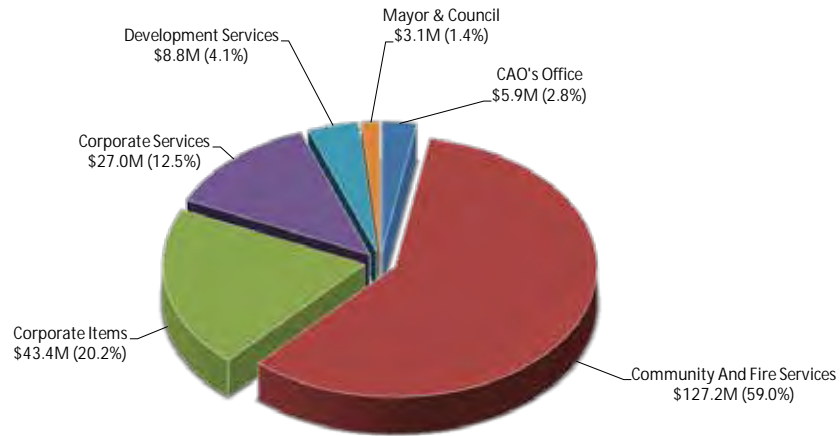
On a consolidated basis, Markham maintains a consistent level of revenues each year to partially offset increases in expenditures. The main drivers for the revenue increase are related to assessment growth, core services revenue strategies, and other operational revenues. Revenues from Waterworks, Building, Planning & Design, and Engineering are reported separately in the respective department's revenues.



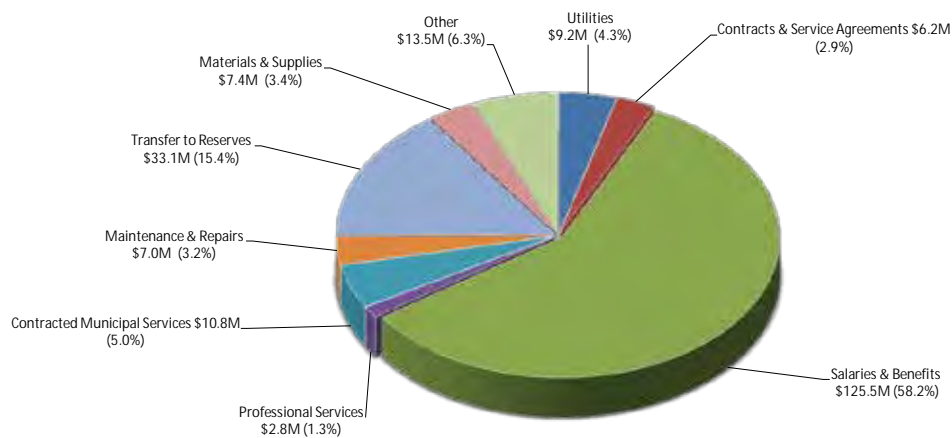
## Expenditures

The following two charts illustrate the composition of the Operating Budget expenditures by Commission and by expenditure component:

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

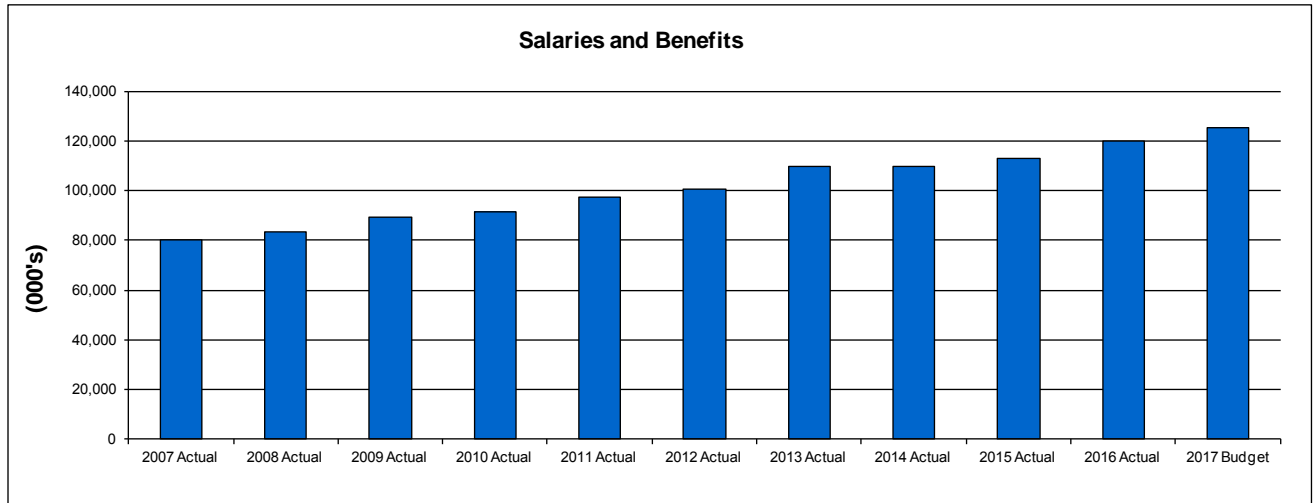


**Operating Budget Expenditures by Component**  
(excluding Waterworks, Building, Planning & Design, and Engineering)



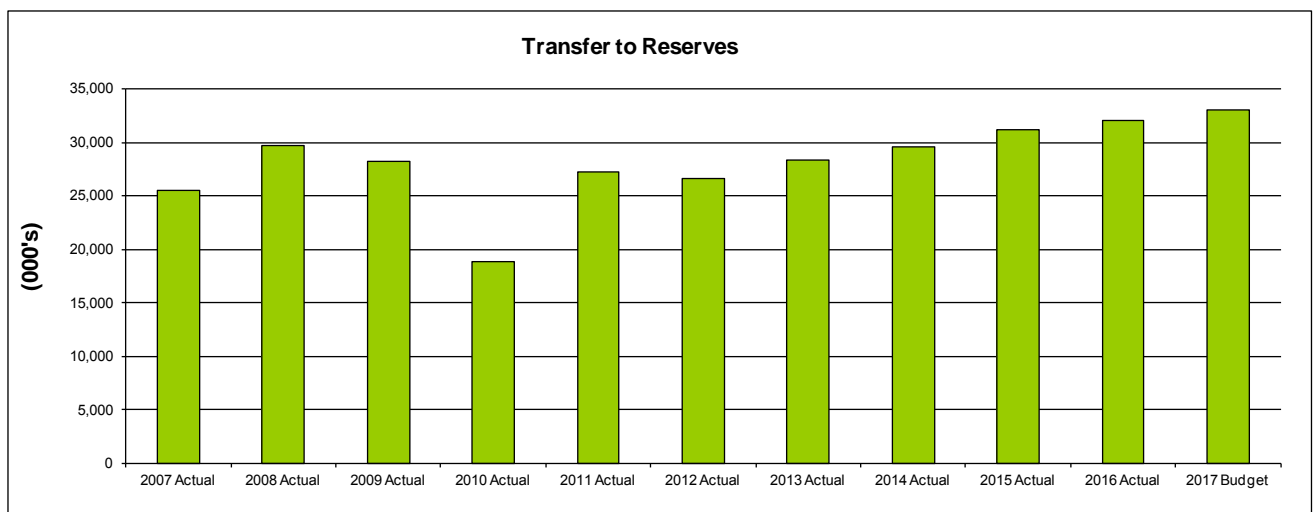
## Personnel Costs

Approximately 58% of expenditures relate to salaries and benefits. Increase in costs is directly driven by collective agreements such as the Canadian Union of Public Employees (CUPE), Markham Professional Fire Fighter's Association (MPFFA), and cost of living adjustments for non-union staff.



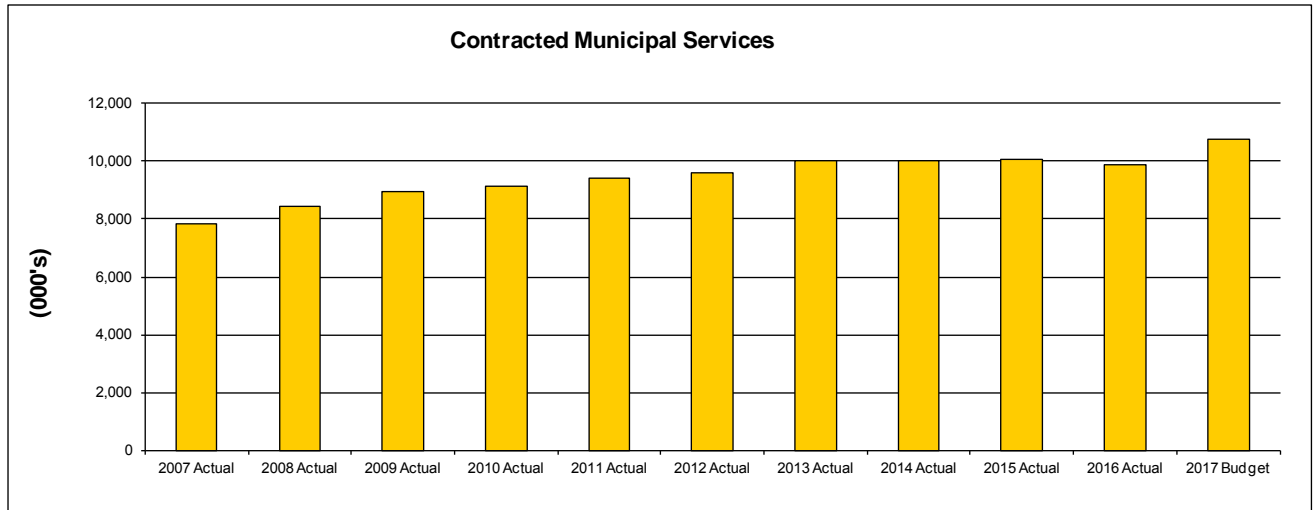
## Non-personnel Costs

The next highest component in the Operating Budget Expenditures by account chart is Transfer to Reserves at 15%. The majority of the transfer is to the Life Cycle Replacement and Capital Reserve Fund to support the non-growth portion of growth related capital projects, and the replacement and rehabilitation of the City's existing assets. For further details on the flow through of the Transfer to Reserves, see section 3c – Capital Budget.



The 'Other' category, which accounts for 6% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, promotion and advertising.

Contracted Municipal Services exhibits a continuous increasing trend year over year. This increase is a result of both growth and inflation of the City's contracts.



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
- Council approved recommendations
- Annualization
- Capital induced operating costs
- Indirect cost recoveries

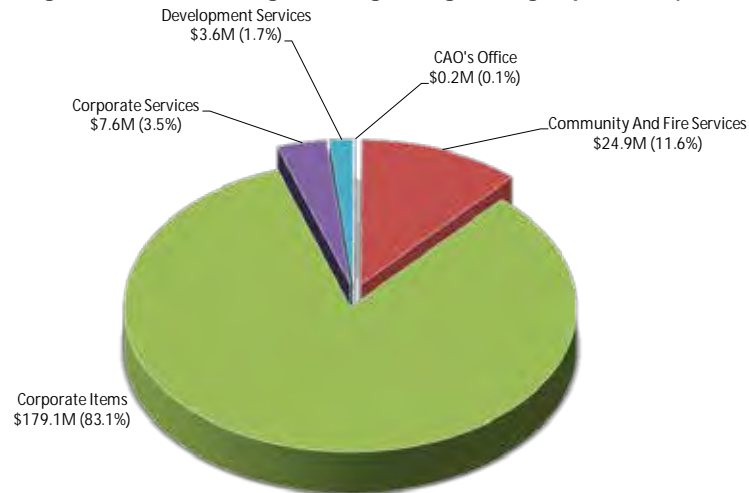
Business Units should first identify opportunities for budget reallocation from existing budget items or revenue recoveries to offset/partially offset potential budget implications.



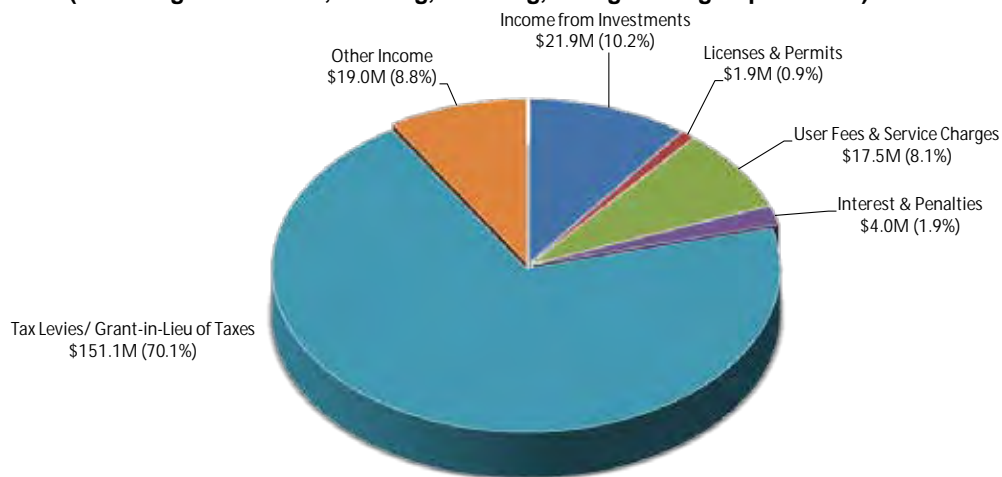
## Revenues

The following two charts illustrate the composition of the Operating Budget revenues by Commission and by revenue component:

**Operating Budget Revenues by Commission**  
(excluding Waterworks, Building, Planning, & Engineering Departments)



**Operating Budget Revenues by Component**  
(excluding Waterworks, Building, Planning, & Engineering Departments)



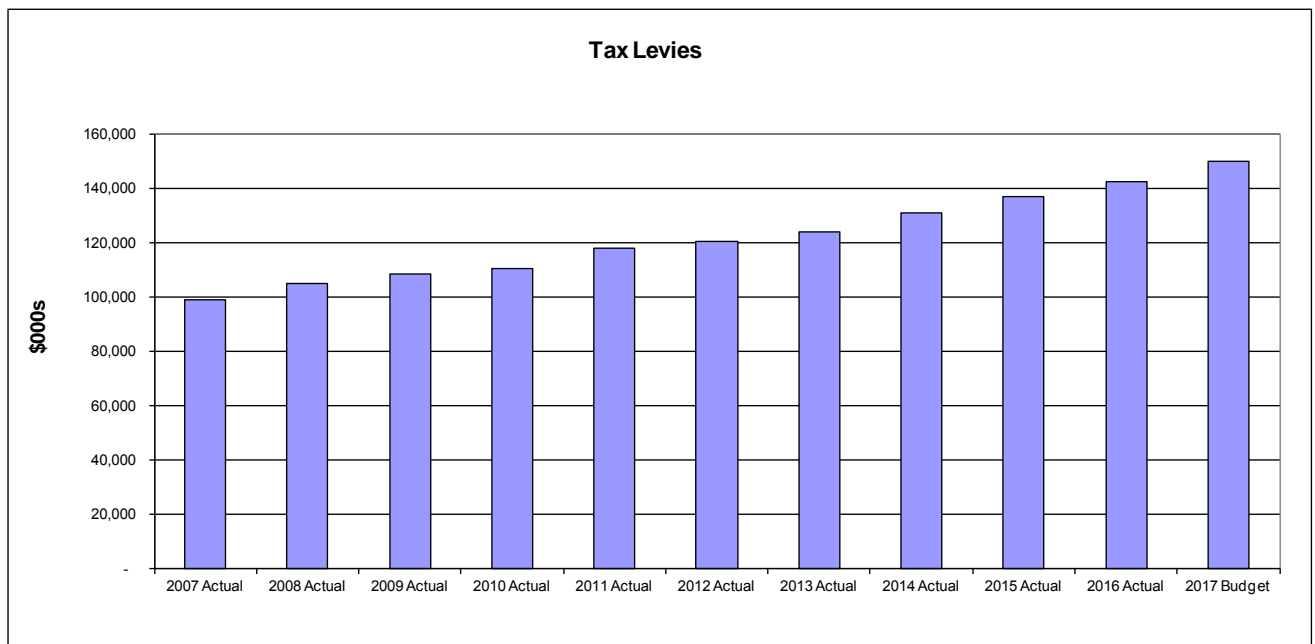
The \$215.4 million Operating Budget is 83% funded through the following sources:

- Tax levies paid by the City's taxpayers
- Grants-in-Lieu
- Investment income
- Interest & penalties

The remaining 17% of revenues is generated from User fees, and Licenses & Permits.

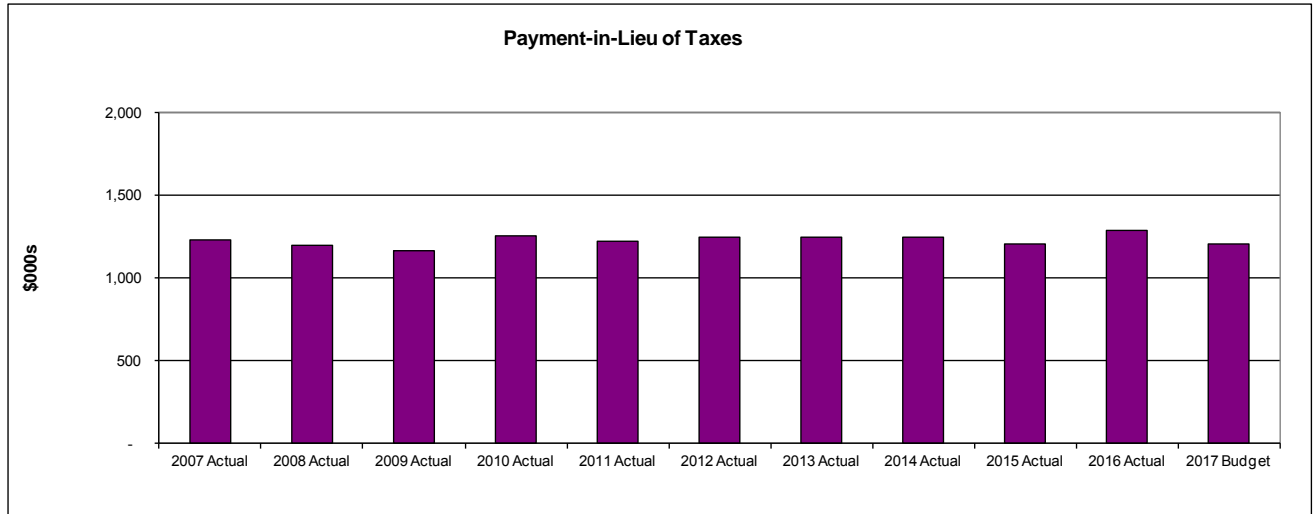
### *Tax Levies*

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 2017 tax levies is at \$149.9 million, an increase of \$7.2 million from 2016. The tax revenue has increased steadily in the past years due to assessment growth in the City and tax rate increases. The 2017 budgeted assessment growth is 1.69% versus 1.98% in 2016.



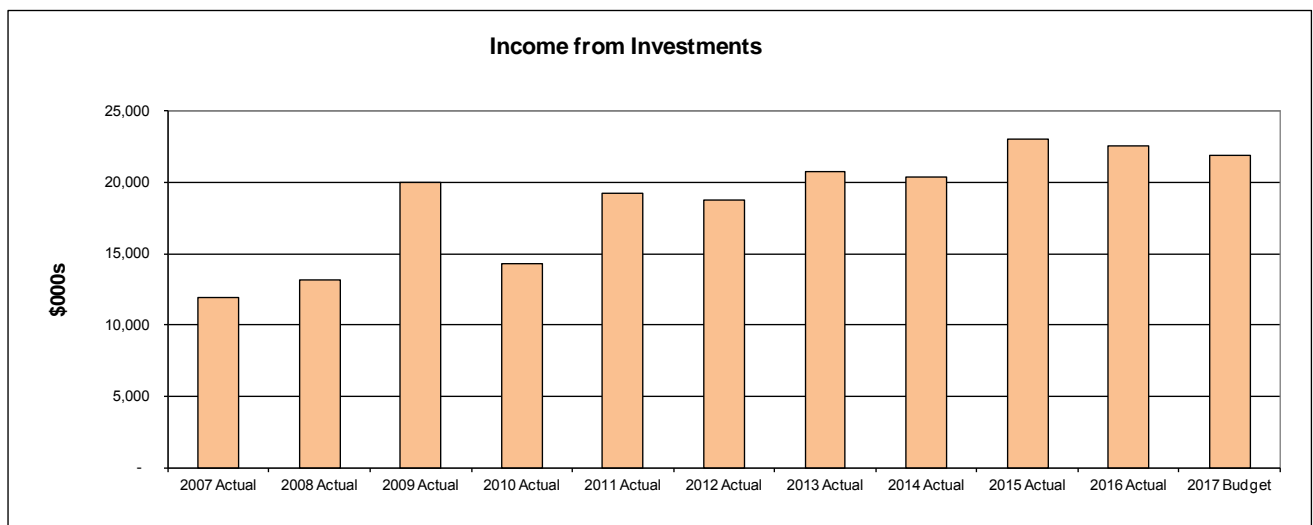
### Grants-in-Lieu

Grants-in-Lieu are payments received in lieu of taxation on properties owned by government and government agencies. The 2017 Budget is \$1.2 million which is trending consistently with prior years.



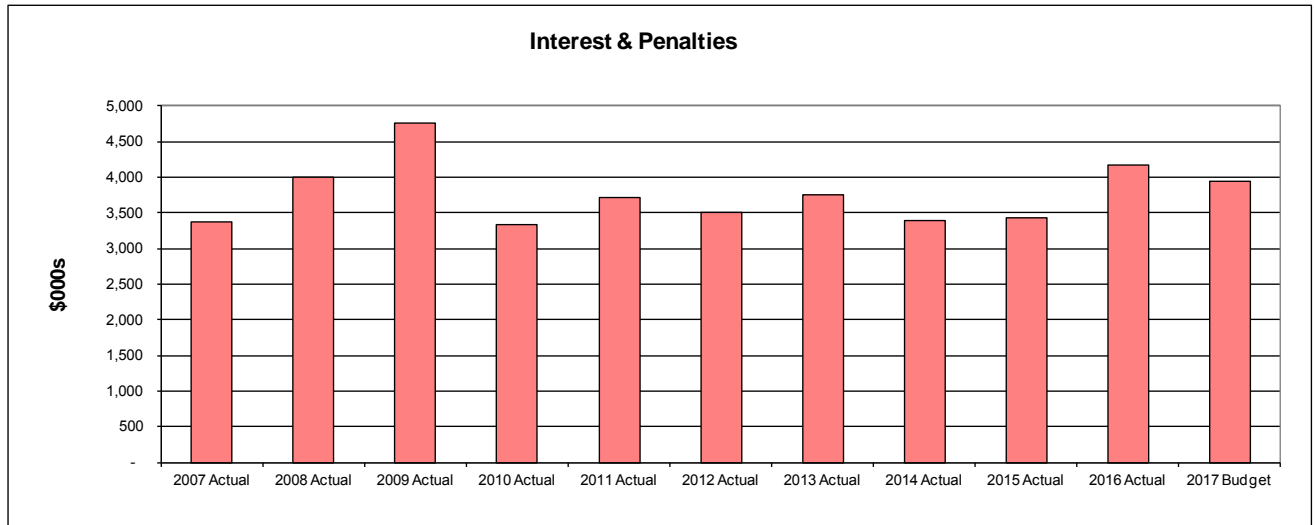
### Investment Income

The City of Markham earns income on investments for all major City funds and reserves. Income from investments is at \$21.9 million; this amount includes interest and dividends from the City's holdings in Markham Enterprises Corporation and Markham District Energy Incorporated.



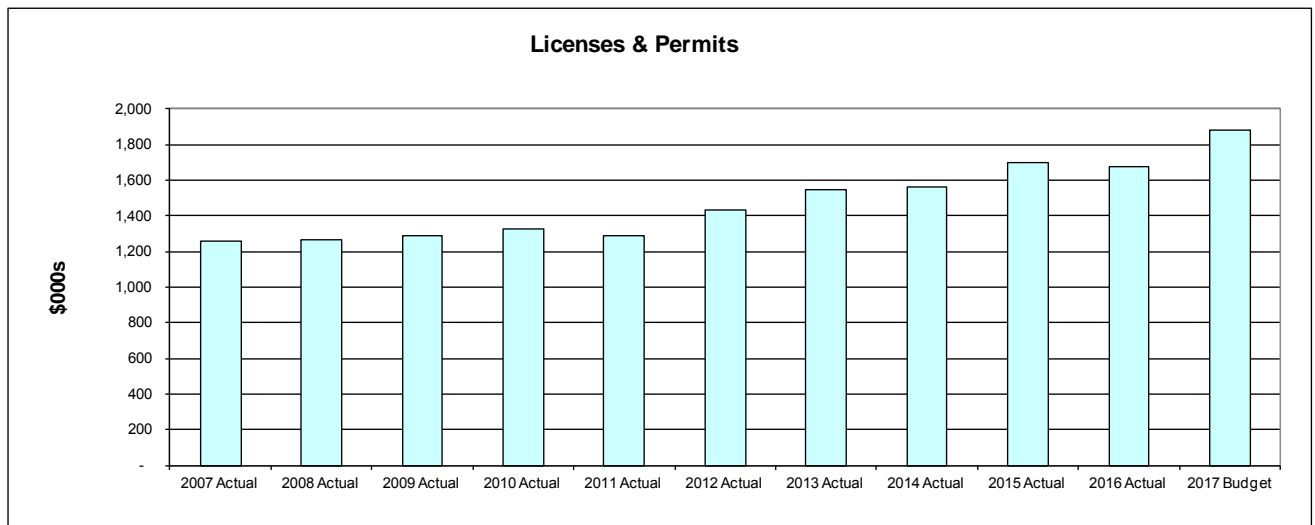
### *Interest and Penalties*

Interest and penalties relate to late payment of property tax bills. For 2017, the budget for this account is \$4.0 million.



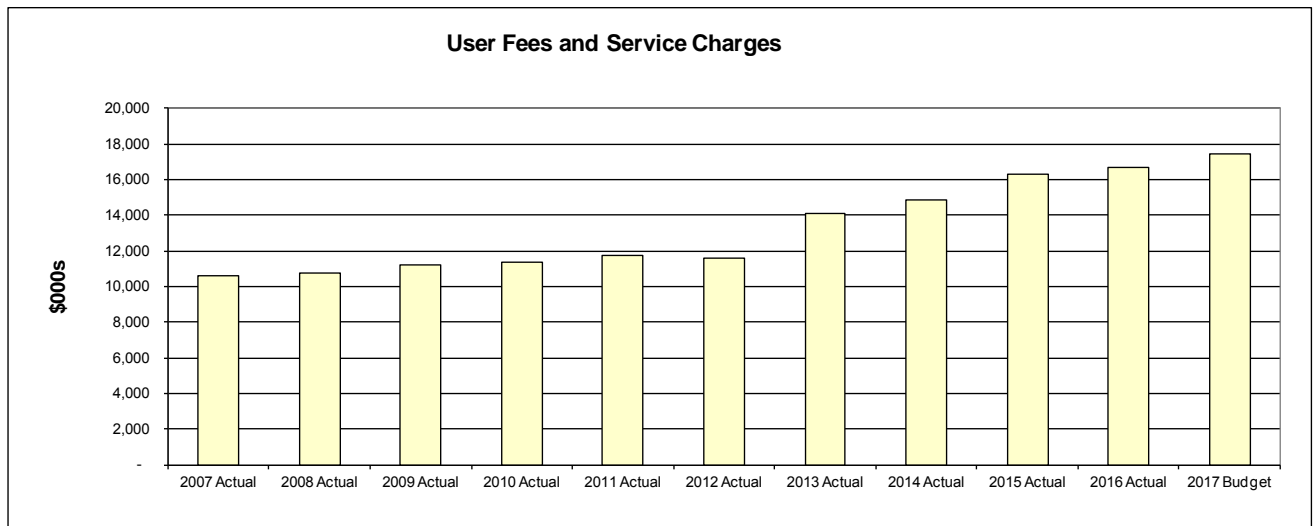
### *Licenses & Permits*

Licenses and Permits revenues are generated by Legislative Services from the sale of business, marriage and other licenses. The 2017 Budget is \$1.9 million.



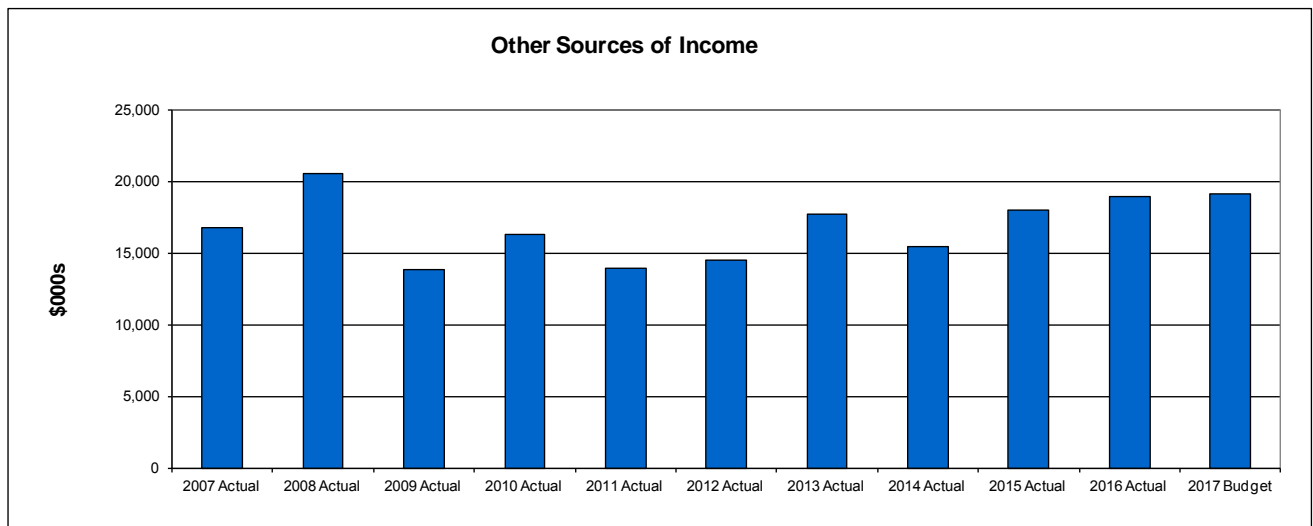
## User Fees

User Fees and Service Charges are paid by individuals or organizations to the City for the use of City facilities. Such fees include recreation fees, program fees, and cultural venue ticket sales. The 2017 Budget of \$17.5 million represents a \$1.1 million increase from the 2016 budget, which is mainly due to the new Southeast Community Centre and Library and CPI increases.



## Other Income

The Other Income Operating Budget of \$19.0 million represents an increase of \$0.1 million from 2016.





## 2017 OPERATING BUDGET SCHEDULE – CONSOLIDATED

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

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.

Department/Commission (in \$000's)	2016 Actual	2016 Budget	2017 Budget Approved	2017 Budget vs. 2016 Budget	
				Incr(Decr.)	%Change
Administrative Costs	2,056	2,085	2,085	0	0.0%
Mayor & Councillors	981	1,034	1,034	0	0.0%
<b>Total Council</b>	<b>3,037</b>	<b>3,119</b>	<b>3,119</b>	<b>0</b>	<b>0.0%</b>
CAO's Office	821	921	1,026	105	11.4%
Human Resources	2,759	3,123	3,120	(3)	-0.1%
Legal Dept.	1,227	1,546	1,547	1	0.1%
<b>Total CAO</b>	<b>4,806</b>	<b>5,590</b>	<b>5,694</b>	<b>103</b>	<b>1.9%</b>
Commissioner's Office	363	390	393	3	0.9%
Legislative Services, Corporate	4,440	4,255	4,328	73	1.7%
Financial Services	3,741	4,309	4,336	27	0.6%
ITS Department	6,592	7,027	7,064	38	0.5%
Sustainability & Asset Management	3,282	3,405	3,304	(101)	-3.0%
<b>Total Corporate Services</b>	<b>18,418</b>	<b>19,385</b>	<b>19,425</b>	<b>39</b>	<b>0.2%</b>
Commissioner's Office	1,188	1,202	1,143	(59)	-4.9%
Culture & Economic Development	3,943	4,069	4,053	(16)	-0.4%
Traffic Operations	1,264	1,374	1,410	36	2.6%
<b>Total Development Services</b>	<b>6,396</b>	<b>6,645</b>	<b>6,606</b>	<b>(39)</b>	<b>-0.6%</b>
Commissioner's Office	625	822	822	1	0.1%
Fire Services	35,539	35,266	35,312	47	0.1%
Markham Public Libraries	10,625	10,782	10,940	157	1.5%
Operations	35,755	30,663	31,660	996	3.2%
Operations Administration	1,880	1,942	2,002	60	3.1%
Recreation Services	10,420	10,238	11,223	985	9.6%
Environmental Services	8,002	9,034	8,885	(149)	-1.7%
<b>Total Community And Fire Services</b>	<b>102,845</b>	<b>98,747</b>	<b>100,844</b>	<b>2,097</b>	<b>2.1%</b>
<b>Corporate Items</b>	<b>(140,406)</b>	<b>(133,487)</b>	<b>(135,687)</b>	<b>(2,201)</b>	<b>1.6%</b>
<b>Net</b>	<b>(4,904)</b>	<b>0.0</b>	<b>0</b>	<b>(0.0)</b>	<b>-100.0%</b>



## 2017 OPERATING BUDGET SUMMARY – EXPENDITURES

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

Department/Commission (in \$000's)	2016 Actual	2016 Budget	2017 Budget Approved	2017 Budget vs. 2016 Budget		2017 Budget vs. 2016 Actual	
				Incr.(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	2,056	2,085	2,085	0	0.0%	29	1.4%
Mayor & Councillors	981	1,034	1,034	0	0.0%	53	5.4%
<b>Total Council</b>	<b>3,037</b>	<b>3,119</b>	<b>3,119</b>	<b>0</b>	<b>0.0%</b>	<b>82</b>	<b>2.7%</b>
CAO's Office	821	921	1,026	105	11.4%	206	25.1%
Human Resources	2,761	3,123	3,120	(3)	-0.1%	359	13.0%
Legal Dept.	1,593	1,791	1,793	1	0.1%	200	12.6%
<b>Total CAO</b>	<b>5,175</b>	<b>5,836</b>	<b>5,939</b>	<b>103</b>	<b>1.8%</b>	<b>765</b>	<b>14.8%</b>
Commissioner's Office	363	390	393	3	0.9%	31	8.4%
Legislative Services, Corporate Communications & Community Engagement	10,298	10,379	10,482	103	1.0%	184	1.8%
Financial Services	4,894	5,304	5,331	27	0.5%	437	8.9%
ITS Department	6,592	7,027	7,064	38	0.5%	472	7.2%
Sustainability & Asset Management	3,740	3,835	3,733	(101)	-2.6%	(6)	-0.2%
<b>Total Corporate Services</b>	<b>25,887</b>	<b>26,935</b>	<b>27,003</b>	<b>69</b>	<b>0.3%</b>	<b>1,116</b>	<b>4.3%</b>
Commissioner's Office	1,188	1,202	1,143	(59)	-4.9%	(45)	-3.8%
Culture & Economic Development	7,799	7,528	7,669	141	1.9%	(130)	-1.7%
Traffic Operations	1,272	1,375	1,411	36	2.6%	139	11.0%
<b>Total Development Services</b>	<b>10,259</b>	<b>10,106</b>	<b>10,224</b>	<b>118</b>	<b>1.2%</b>	<b>(36)</b>	<b>-0.3%</b>
Commissioner's Office	625	822	822	1	0.1%	197	31.5%
Fire Services	35,849	35,632	35,679	47	0.1%	(170)	-0.5%
Markham Public Libraries	11,674	11,871	12,039	168	1.4%	366	3.1%
Operations	36,732	31,925	32,626	700	2.2%	(4,106)	-11.2%
Operations Administration	2,076	2,145	2,242	97	4.5%	166	8.0%
Recreation Services	29,634	29,944	32,056	2,112	7.1%	2,422	8.2%
Environmental Services	9,630	10,438	10,291	(147)	-1.4%	661	6.9%
<b>Total Community And Fire Services</b>	<b>126,220</b>	<b>122,777</b>	<b>125,756</b>	<b>2,979</b>	<b>2.4%</b>	<b>(464)</b>	<b>-0.4%</b>
<b>Corporate Items</b>	<b>32,432</b>	<b>37,765</b>	<b>43,349</b>	<b>5,583</b>	<b>14.8%</b>	<b>10,917</b>	<b>33.7%</b>
<b>Total Corporation</b>	<b>203,010</b>	<b>206,537</b>	<b>215,390</b>	<b>8,852</b>	<b>4.3%</b>	<b>12,379</b>	<b>6.1%</b>

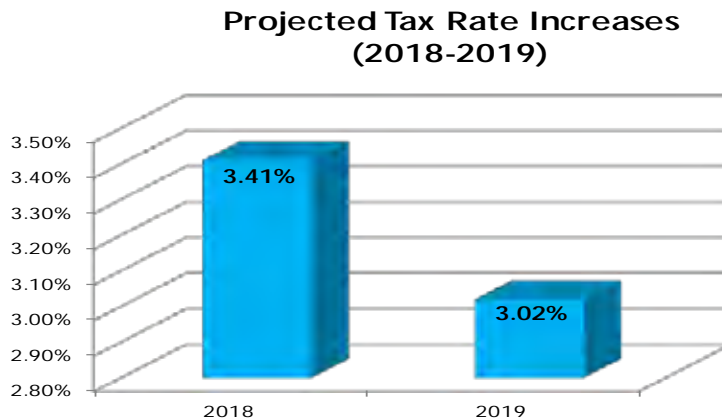
## 2017 OPERATING BUDGET SUMMARY – REVENUES

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

Department/Commission (in \$000's)	2016 Actual	2016 Budget	2017 Budget Approved	2017 Budget vs. 2016 Budget		2017 Budget vs. 2016 Actual	
				Incr(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	0	0	0	0	0.0%	0	0.0%
Mayor & Councillors	0	0	0	0	0.0%	0	0.0%
<b>Total Council</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
CAO's Office	0	0	0	0	0.0%	0	0.0%
Human Resources	2	0	0	0	0.0%	(2)	-100.0%
Legal Dept.	366	245	245	0	0.0%	(120)	-32.9%
<b>Total CAO</b>	<b>368</b>	<b>245</b>	<b>245</b>	<b>0</b>	<b>0.0%</b>	<b>(123)</b>	<b>-33.3%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Legislative Services, Corporate Communications & Community Engagement	5,858	6,124	6,154	30	0.5%	296	5.0%
Financial Services	1,153	995	995	0	0.0%	(158)	-13.7%
ITS Department	0	0	0	0	0.0%	0	0.0%
Sustainability & Asset Management	458	430	430	0	0.0%	(28)	-6.1%
<b>Total Corporate Services</b>	<b>7,469</b>	<b>7,549</b>	<b>7,579</b>	<b>30</b>	<b>0.4%</b>	<b>110</b>	<b>1.5%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Culture & Economic Development	3,856	3,459	3,616	157	4.5%	(240)	-6.2%
Traffic Operations	8	1	1	0	0.0%	(7)	-86.8%
<b>Total Development Services</b>	<b>3,864</b>	<b>3,460</b>	<b>3,617</b>	<b>157</b>	<b>4.5%</b>	<b>(247)</b>	<b>-6.4%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Fire Services	310	366	366	0	0.0%	57	18.3%
Markham Public Libraries	1,049	1,089	1,100	10	1.0%	51	4.8%
Operations	977	1,262	966	(296)	-23.5%	(11)	-1.2%
Operations Administration	197	203	240	37	18.4%	44	22.2%
Recreation Services	19,215	19,706	20,833	1,127	5.7%	1,618	8.4%
Environmental Services	1,628	1,404	1,407	2	0.2%	(221)	-13.6%
<b>Total Community And Fire Services</b>	<b>23,375</b>	<b>24,030</b>	<b>24,912</b>	<b>881</b>	<b>3.7%</b>	<b>1,537</b>	<b>6.6%</b>
<b>Corporate Items</b>	<b>172,838</b>	<b>171,252</b>	<b>179,036</b>	<b>7,784</b>	<b>4.5%</b>	<b>6,198</b>	<b>3.6%</b>
<b>Total Corporation</b>	<b>207,915</b>	<b>206,537</b>	<b>215,390</b>	<b>8,852</b>	<b>4.3%</b>	<b>7,475</b>	<b>3.6%</b>

## LONG TERM OPERATING BUDGET FORECAST

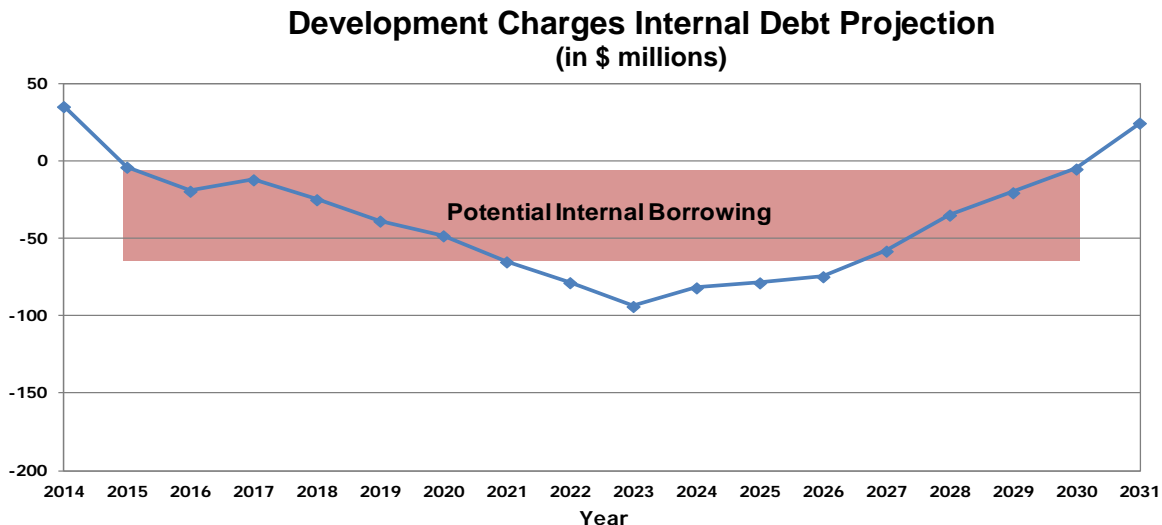
As part of the City’s mulyear budget process to develop a rolling four-year budget with years 1 and 2 tabled for Council approval, accompanied by a two-year forecast for years three and four, the 2018-2019 tax rate increase outlook is as follows (as at December 2015):



A rolling multi-year budget process will assist in identifying future opportunities and challenges. The multi-year budget process will allow the City to be more proactive in capitalizing on opportunities, and mitigating challenges.

### Debt Projection

In Q1 2016, the City’s Development Charges (DC) reserves went into a negative position as a result of growth related capital commitments exceeding DC revenues collected to date. As a result, the City commenced internal borrowing in Q1 2016. A Council approved Development Charges Internal Borrowing Policy (refer to Appendix 4) allows the City to loan the DC Reserves up to a cumulative maximum of 25% of the previous year’s average general portfolio balance. Based on the 2016 General Portfolio balance, internal borrowing would be capped at \$86.5M. The City has prepared a debt projection forecast as follows:



# 2017 CAPITAL BUDGET

## Capital Budget Overview

The City of Markham defines an expenditure as a capital expenditure when it the following three requirements:

- 1) Expected useful life longer than one year
- 2) Total costs meet or exceed \$5,000
- 3) Alignment with the City's Corporate Goals

Capital projects can be phased in over several years, and Departments are required to provide a quarterly cash flow on the Capital submission forms. A monthly report is provided by Finance to Senior Staff on all open Capital Projects with information on each project's expenditures against budget for tracking purposes.

Approximately 51% of the 2017 Capital Budget is funded from the Development Charge Reserve (23%) and the Operating Life Cycle Replacement and Capital Reserve Fund (28%). Each year, a portion of the Operating Budget is transferred to the Life Cycle Replacement and Capital Reserve Fund as a 'Transfer to Reserves' for the following purposes:

- to fund replacement and rehabilitation of existing assets, categorized as 'Operating Life Cycle Funds'
- to fund new assets and the non-growth share of growth related projects; categorized as 'Operating Non-Life Cycle Funds',

The City conducts two long terms studies for each year's Capital Budget:

The Development Charges (DC) Background study is legislatively required to be conducted every five years and is made up of two components relating to growth:

- City-Wide Hard Services; relating to cost recovery for major roads, sidewalks, streetlights and storm water management
- City-Wide Soft Services; relating to cost recovery for facilities, parking, parks development and public works.

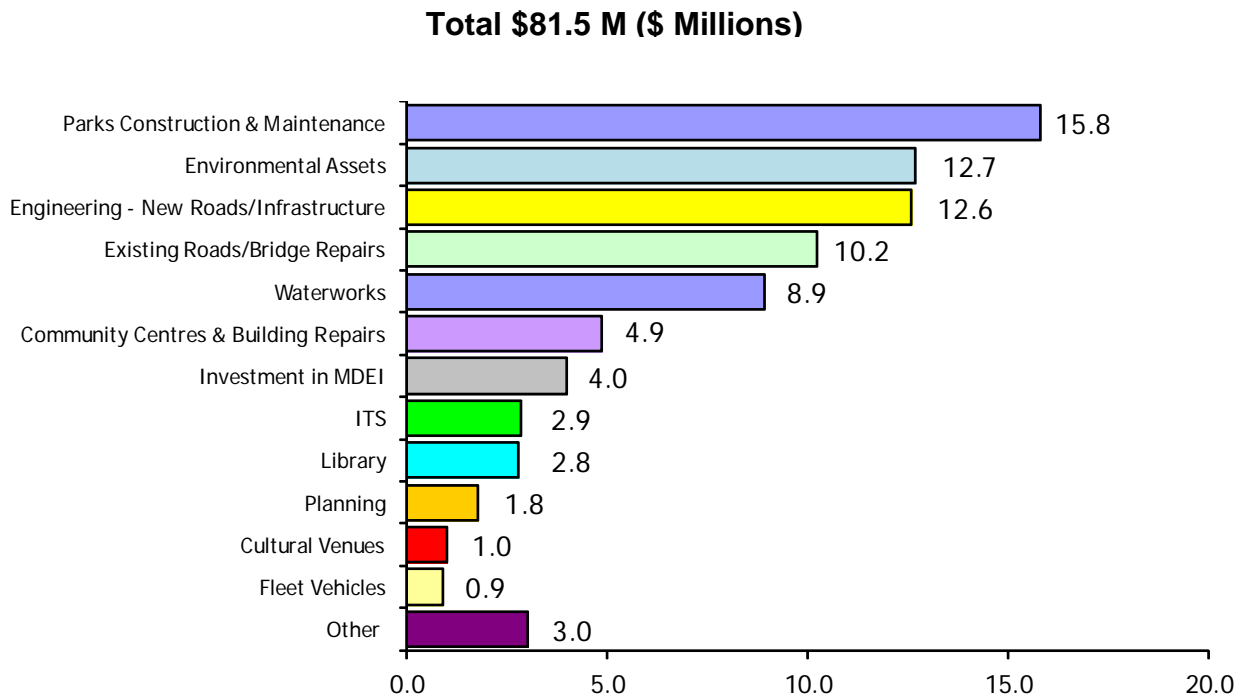
The DC Background Study was updated in 2013, with the study for City-Wide Hard Services covering the period from 2013 - 2031, and the study for City-Wide Soft Services covering the period from 2013 - 2022. The City is currently in the process of updating the background study with a target date for Council approval of December 2017.

The Life Cycle Reserve study addresses the ongoing replacement and rehabilitation requirements for the City's assets over a 25 year period. The 2017 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.

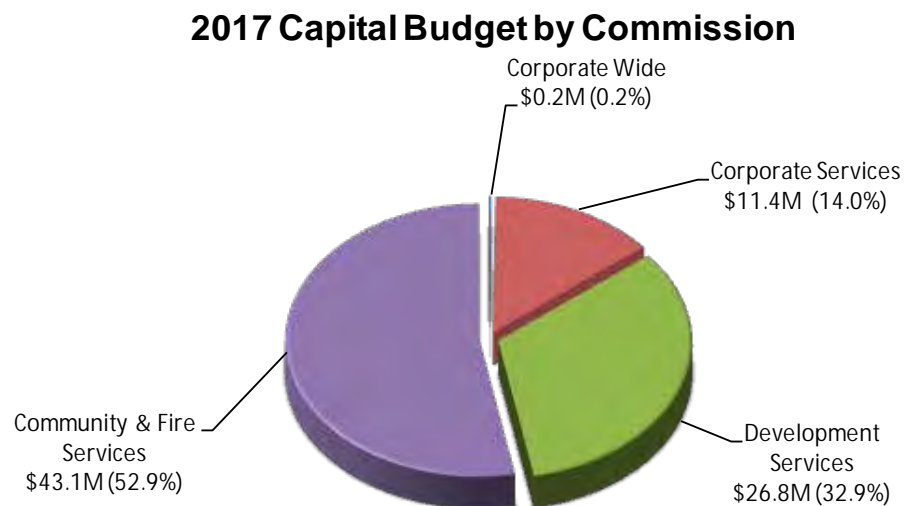


## Budget Details

Breakdown of the City of Markham's 2017 approved \$81.5 million Capital Budget is shown below, by type:



The Capital Budget is allocated by Commission as follows:



The 2017 Capital Budget of \$81.5 million is funded through a variety of sources. Approximately \$41.8 million (51%) of the Capital Budget is funded through the Life Cycle Replacement and Capital Reserve Fund, and Development Charges Reserve, while the remaining \$39.6 million (49%) of the Capital Budget is made up of Other Reserves. The following schedule presents the allocation of the Capital Budget by Department according to funding source:

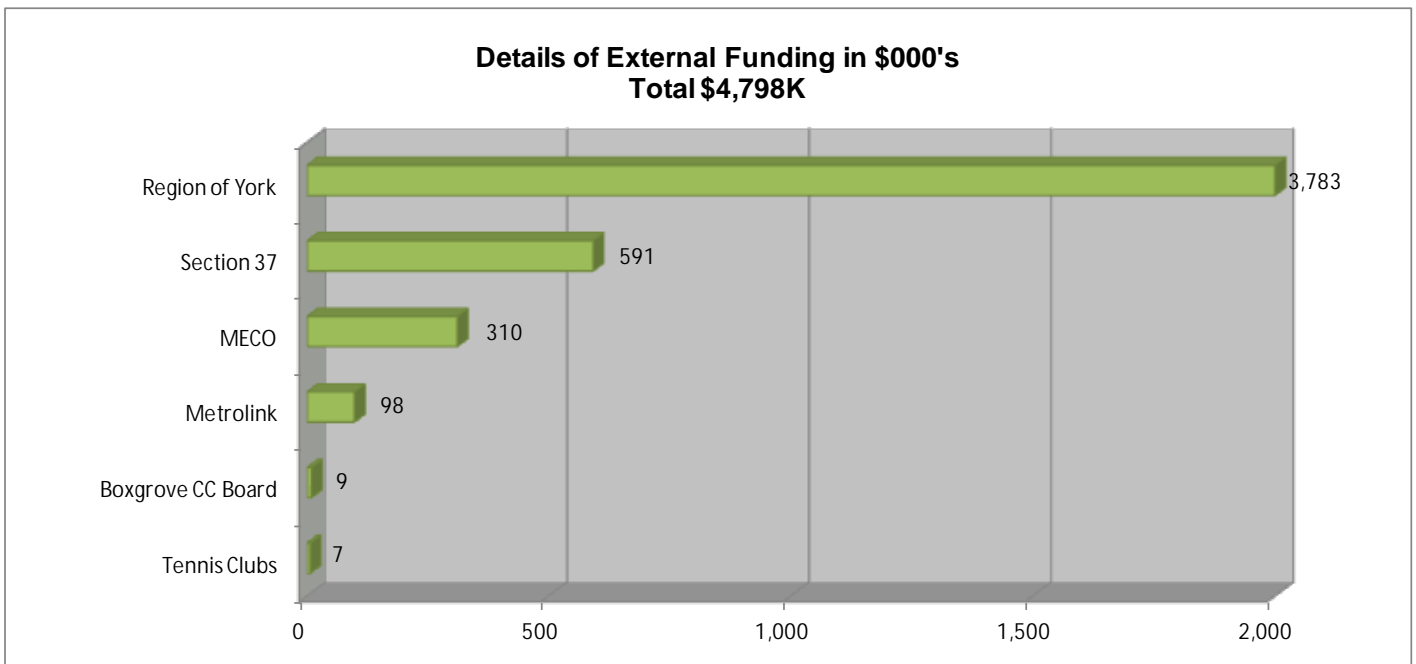
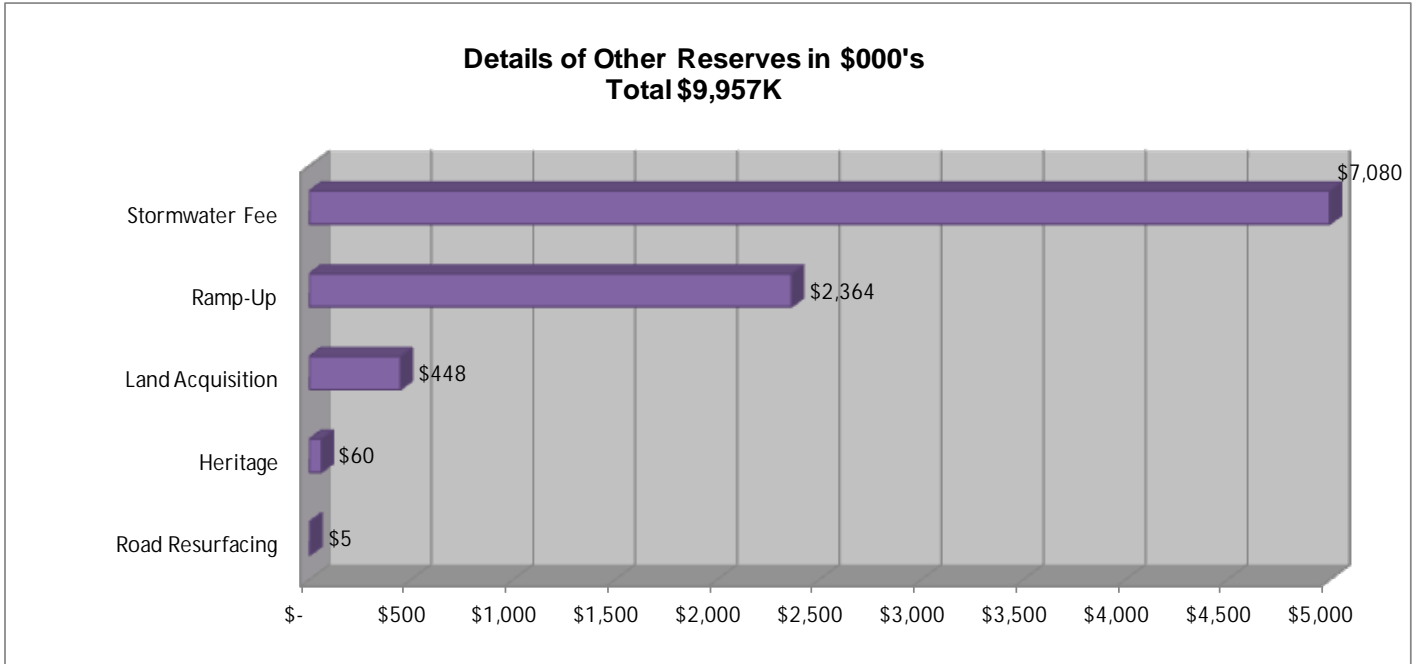
## 2017 CAPITAL BUDGET BY DEPARTMENT AND BY FUNDING SOURCE

(in 000's)	Life Cycle Replacement and Capital Reserve	Development Charges (DC Reserve)	Development & Building Fees	Federal Gas Tax Revenues	Waterworks/ Stabilization Reserve	Non-DC Growth Reserve	Other Reserves	Total 2017 Budget	2016 Budget
<i>Building</i>	-	-	-	-	-	-	-	-	-
<i>Design</i>	800	11,080	-	-	-	431	-	12,311	13,882
<i>Engineering</i>	1,017	4,368	-	-	-	1,263	6,062	12,711	45,483
<i>Planning</i>	46	922	746	-	-	-	60	1,773	2,078
<b>Development Services</b>	<b>1,863</b>	<b>16,370</b>	<b>746</b>	<b>-</b>	<b>-</b>	<b>1,694</b>	<b>6,122</b>	<b>26,795</b>	<b>61,443</b>
<i>CAO's Office</i>	-	-	-	-	-	-	-	-	-
<i>Human Resources</i>	-	-	-	-	-	-	-	-	-
<i>Legal</i>	-	-	-	-	-	-	-	-	-
<b>CAO, Legal, HR &amp; Sustainability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Corporate Communications &amp; Community Relations</i>	-	-	-	-	-	-	-	-	-
<i>Financial Services</i>	12	1,051	-	4,000	-	-	-	5,063	4,923
<i>ITS</i>	2,240	-	415	-	206	-	-	2,861	3,415
<i>Sustainability &amp; Asset Management - Sustainability</i>	97	-	-	-	-	-	310	407	349
<i>Sustainability &amp; Asset Management - Facility Assets</i>	2,864	186	-	-	-	-	16	3,066	5,055
<b>Corporate Services</b>	<b>5,213</b>	<b>1,237</b>	<b>415</b>	<b>4,000</b>	<b>206</b>	<b>-</b>	<b>326</b>	<b>11,397</b>	<b>13,742</b>
<i>Arts Centres</i>	127	-	-	-	-	-	-	127	142
<i>Culture</i>	45	-	-	-	-	-	150	195	395
<i>Museum</i>	230	-	-	-	-	-	-	230	353
<i>Theatre</i>	451	-	-	-	-	-	-	451	401
<i>Fire and Emergency Services</i>	273	13	-	-	-	-	624	909	1,566
<i>Markham Public Library</i>	2,784	-	-	-	-	-	-	2,784	2,314
<i>Recreation Services</i>	2,141	-	-	-	-	-	-	2,141	2,793
<i>Operations - Fleet</i>	469	331	-	-	118	-	-	918	1,521
<i>Operations - Parks</i>	3,381	120	-	-	-	-	-	3,502	7,831
<i>Operations - Roads</i>	4,721	350	-	3,000	-	-	5	8,076	7,120
<i>Operations - Utility Inspection &amp; Survey Group</i>	28	-	-	-	-	-	-	28	317
<i>Environmental Services - Environmental Assets</i>	2,619	539	-	2,000	-	-	7,527	12,685	7,443
<i>Environmental Services - Right of Way Assets</i>	2,113	-	-	-	-	-	-	2,113	5,303
<i>Environmental Services - Waste and Environmental Management</i>	51	-	-	-	-	-	-	51	190
<i>Environmental Services - Waterworks</i>	-	-	-	-	8,924	-	-	8,924	10,022
<b>Community &amp; Fire Services</b>	<b>19,432</b>	<b>1,353</b>	<b>-</b>	<b>5,000</b>	<b>9,042</b>	<b>-</b>	<b>8,306</b>	<b>43,132</b>	<b>47,712</b>
<i>Corporate Wide</i>	150	-	-	-	-	-	-	150	-
<b>Corporate Wide</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150</b>	<b>-</b>
	<b>26,659</b>	<b>18,959</b>	<b>1,160</b>	<b>9,000</b>	<b>9,248</b>	<b>1,694</b>	<b>14,754</b>	<b>81,474</b>	<b>122,897</b>

A complete 2017 Capital project listing is included at the end of this section.

## 2017 CAPITAL BUDGET OTHER RESERVES BREAKDOWN

Other Reserves refers to external funding and other sources of funding comprising of internal Capital Reserves not listed in the Capital Budget by Department schedule. The following two charts show a breakdown of the Capital Reserves and External Funding that are used to fund a portion of the approved 2017 Capital Projects:



## 2017 CAPITAL INDUCED OPERATING COSTS

Capital induced costs are added to the City's Operating Budget during the year of completion. For Operating projects that take more than one year to complete, the associated capital induced costs are incorporated in the Operating Budget during the year of implementation. Projects with capital induced costs that impact the City's Operating Budget for 2017 are as follows:

<u>Project #</u>	<u>Department/Capital Project Description</u>	<u>2017 Annualized Operating Impact costs/(savings) (in \$000's)</u>	<u>Comments</u>
<b><u>Sustainability Office</u></b>			
17054	Centralized Building Automation System	(58)	Hydro cost savings
17056	PowerStream Embedded Energy Projects	(70)	Hydro cost savings
		<u>(\$128)</u>	
<b><u>ITS</u></b>			
17058	HR - Learning Management System Replacement	30	Software maintenance
17059	ITS - Upgrades required as part of computer refresh	70	Software maintenance
17060	Program Registration System Replacement	50	Software maintenance
17061	Library - Wi-Fi Access Points	3	Software maintenance
17065	ITS - ArcGIS Licenses	6	Systems Consulting
		<u>\$159</u>	
<b><u>Recreation Services</u></b>			
17080	Angus Glen C. C. Lighting Replacement	(2)	Hydro cost savings
17091	Crosby Arena HVAC Replacement	(5)	Hydro cost savings
17096	Milliken Mills C. C. Building Automation Replacement	(32)	Hydro cost savings
17101	Milliken Mills C. C. Library Air Handling Unit Replacement	(2)	Hydro cost savings
17105	Mt. Joy Arena Lighting Retrofit to LED	(17)	Hydro cost savings
		<u>(\$57)</u>	
<b><u>Operations - Parks</u></b>			
17154	Markham Trees for Tomorrow	2	Maintenance
		<u>\$2</u>	
<b><u>Operations - Traffic</u></b>			
17230	Purchase of Speed Reduction Devices	14	Contracted Services
17162	Traffic Operational Improvements - Annual Program	5	Contracted Services
		<u>\$19</u>	
<b><u>Operations - Fleet</u></b>			
17165	New Fleet - Fire	8	Vehicle Parts and Fuel
17166	New Fleet - Parks	9	Vehicle Parts and Fuel
17167	New Fleet - Roads	17	Vehicle Parts and Fuel
17168	New Fleet - Waterworks	10	Vehicle Parts and Fuel
		<u>\$43</u>	
<b><u>Waterworks</u></b>			
17214	Flow Monitoring Technology Pilot	1	Maintenance
17218	Rougecrest Pumping Station Upgrades	4	Maintenance
17222	Wastewater Flow Monitoring - Annual Program	1	Maintenance
		<u>\$5</u>	
	<b>Total Capital Induced Operating Costs</b>	<u><u>\$42</u></u>	

## **BUILDING MARKHAM'S FUTURE TOGETHER STRATEGIC PLAN**

As discussed in Section 2 – Corporate Strategic Plan and Section 3 – 2017 Budget, Department Business Plans (BPs) are aligned to Corporate Strategic Goals and Capital project requests achieve the Departmental Objectives in the Business Plans.

The following section summarizes the 2017 Capital projects in relation to Council's 2015 – 2019 Strategic Plan:

### **Goal 1: Exceptional Services by Exceptional People**

- \$2.6M for Library collections
- \$1.2M for Playstructure and Rubberized Surface Replacement
- \$0.5M for Program Registration System Replacement
- \$0.1M Sportsfield maintenance and reconstruction
- \$0.04M Courts resurfacing and reconstruction
- Language Line service
- Career Bridge/Ability Edge program

### **Goal 2: Engaged, Diverse and Thriving City**

\$12.31M for the design and construction of 93 acres of new parks across the City including:

- Angus Glen West Village Parkette – 0.3 acres to be completed Summer 2017
- Berczy Beckett NW Park – 3.0 acres to be completed Fall 2017
- Box Grove Community Centre Park (phase 2) – 2.6 acres to be completed Fall 2017
- Cornell Rouge Riverlands – 3.7 acres to be completed Fall 2017
- Cornell Centre NP and Woodlot design – 15.1 acres to be completed Fall 2018
- Cornell Centre Parkettes (2) – 1.7 acres to be completed Fall 2017
- Cornell Community Centre Square – 0.5 acres to be completed Fall 2017
- Greensborough Gord Weeden Park – 6.5 acres to be completed Summer 2017
- Greensborough Williamson N. P. – 5.4 acres to be completed Fall 2017
- Markham Centre Rouge Valley Drive West N. P. – 3.7 acres, completion Fall 2017
- Swan Lake Park South Williamson – 7.8 acres to be completed Fall 2017
- Wismer Alexander Lawrie N. P. East & West – 4.0 acres to be completed Fall 2017
- Wismer Hammersly Park – 1.2 acres to be completed Fall 2017
- Wismer McCowan Woodlot Park – 3.0 acres to be completed Fall 2017
- Wismer Percy Reesor St. Parkette – 0.5 acres to be completed Fall 2017
- Cornell Community Park – Phase 1 of 3 – 33.8 acres to be completed Fall 2018

### **Goal 3: Safe and Sustainable Community**

- \$10.1M for the construction of phase 2B West Thornhill Flood Control
- \$5.9M for Asphalt Resurfacing
- \$5.2M for the exterior and interior facility improvement program at Community Centres, Libraries, Fire Stations and Civic Centre
- \$4.0M Investment in Markham District Energy Inc. (MDEI)
- \$1.9M for Multi-use Pathways – Lake Simcoe to Lake Ontario Cycling Route and Walking Trail & Markham Centre Environmental Assessment & Design
- \$1.2M Water System and Water Meter replacement/upgrade program
- \$0.8M for Intersection Improvements
- \$0.2M for PowerStream Embedded Energy Projects & Municipal Energy Plan Implementation
- \$0.2M for the Park Signage Implementation Program - Phase 2 of 3
- \$0.1M for the continuation of the Trees for Tomorrow Initiative
- \$0.1M for the purchase of Speed Display Boards and Traffic Operational Improvements

### **Goal 4: Stewardship of Money and Resources**

- Annual update of the Life Cycle Reserve Study in order to determine adequacy of the Life Cycle Replacement and Capital Reserve Fund to sustain the future replacement and rehabilitation requirements of existing assets over the next 25 years
- Expansion of the Life Cycle Reserve Study to identify replacement and rehabilitation requirements of existing assets beyond the 25 year period



# LONG TERM CAPITAL BUDGET FORECAST

## Growth Related Projects – Development Charges Reserve

Capital Infrastructure related to growth in the City are 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 to serve and support 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. 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 Background Study is included for the period 2017 to 2022:

### 2018 to 2022 Capital Budget Forecast

(in \$000's – gross cost)

Category	2018	2019	2020	2021	2022	TOTAL
(A) General Government	1,456	1,456	1,456	1,456	1,456	8,733
(B) Library	-	-	-	-	-	-
(C) Fire Services	-	-	-	-	-	-
(D) Indoor Recreation	-	-	-	-	-	-
(E) Park Development & Facilities	19,527	22,870	21,225	17,162	7,135	87,919
(F) Public Works	379	382	376	344	379	1,860
(G) Parking	200	-	238	-	-	437
<b>TOTAL</b>	<b>21,562</b>	<b>24,708</b>	<b>23,293</b>	<b>18,961</b>	<b>8,970</b>	<b>98,949</b>

Notes: Listing of Growth Category Details

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

## Non-Growth Related Projects – Life Cycle Replacement and Capital Reserve Fund

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 such as 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.

As a result of the reserve study, 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 Section 3 – Funds Summary 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, and replacement of infrastructure) based upon inventory in the life cycle reserve model.

### 2018 to 2022 Capital Budget Forecast (in \$000's – gross cost)

CATEGORY	2018	2019	2020	2021	2022	TOTAL
Fire Fighter Equipment	475	229	497	303	353	1,857
Traffic Signals	197	217	276	579	530	1,800
ITS Infrastructure	1,387	1,790	1,914	2,186	1,127	8,405
Parks	3,206	2,038	2,152	3,085	2,409	12,890
Library Collections	2,798	2,854	2,911	2,970	3,029	14,563
Streetlights	6,119	77	342	64	7,575	14,177
Vehicles	2,833	3,640	2,142	3,808	3,955	16,379
Structures (Bridges & Culverts)	1,724	1,966	6,393	887	1,027	11,998
Storm Sewers, Storm Water Mgmt & Landfill	1,268	2,444	992	288	1,011	6,003
Roads	7,320	8,224	8,841	8,142	8,040	40,568
Facilities	14,916	12,359	20,050	7,690	12,241	67,257
<b>TOTAL</b>	<b>42,244</b>	<b>35,839</b>	<b>46,511</b>	<b>30,003</b>	<b>41,298</b>	<b>195,894</b>

# 2017 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Life Cycle	Non- Operating Life Cycle	DC - Reserve	DC - Developer	Other	
<b>Development Services</b>								
<b>Culture &amp; Economic Development</b>								
17018	Culture Public Art Coordinator	45		45				
17019	Culture Public Art Program	150					150	
17020	Gallery Courtyard Repairs	50			50			
17021	Gallery HVAC Maintenance/Cooling Tower Refurbishment	77			77			
17022	Museum - Locust Hill Train Station	85			85			
17023	Museum - Strickler House	104			104			
17024	Museum Facility Improvements	41			41			
17025	Theatre AV replacement	245			245			
17026	Theatre Stage Floor replacement	79			79			
17027	Theatre Utility Meter	25			25			
17028	Theatre Washroom Upgrades (Phase 2 of 2)	102			102			
<b>TOTAL Culture &amp; Economic Development</b>		<b>1,002</b>		<b>45</b>	<b>807</b>	<b>-</b>	<b>-</b>	<b>150</b>
<b>Planning</b>								
17029	Consolidated Zoning By-law Program - Year 4 of 4	668					668	
17030	Consultant Studies	45			41		5	
17031	Designated Heritage Property Grant Program (Yr 1 of 3)	30					30	
17032	Future Urban Areas - Phase 5 of 5	350			315		35	
17033	Growth Monitoring Program & Data Collection	20			18		2	
17034	Heritage Façade Improvements/Sign Replacement	25	25					
17035	Markham Village Heritage Conservation District Plan	51	21				30	
17036	OMB - Official Plan & Growth Related Hearings	584			548		36	
<b>TOTAL Planning</b>		<b>1,773</b>	<b>46</b>	<b>-</b>	<b>922</b>	<b>-</b>	<b>806</b>	
<b>Design</b>								
17001	Box Grove Community Centre Park (Phase 2 of 2)	480	48		432			
17002	Cornell Rouge Riverlands - Phase 2 of 2	200	20		180			
17003	Angus Glen West Village Parkette - Design & Construction	98	10		88			
17004	Berczy Beckett NW Park (Next to School) - Construction	929	93		836			
17005	Box Grove Community Park Bridge - Design	50	5		45			
17006	Cornell Centre NP and Woodlot - Design	90	9		81			
17007	Cornell Centre Parkettes(2) - Design & Construction	549	55		494			
17008	Cornell Community Centre Square - Design & Constr.	600	60		540			
17009	Cornell Community Park Maintenance Building - Design	110	11		99			
17010	Greensborough Gord Weeden Park- Design & Constr.	650	65		585			
17011	Greensborough Williamson N. P. - Construction	1,286	129		1,157			
17012	Markham Centre Rouge Valley Drive West N. P. - Constr.	1,260	126		1,134			
17013	Swan Lake Park South Williamson - Design & Constr.	450	45		405			
17014	Wismer Alexander Lawrie NP East & West - D & C	1,290	125		1,161		4	
17015	Wismer Hammersly Park - Design and Constr.	490			441		49	
17016	Wismer McCow an Woodlot Park - Design & Constr.	485			437		49	
17017	Cornell Community Park - Phase 1 of 3 Construction	3,000			2,700		300	
17227	Wismer Percy Reesor St. Parkette - Design & Constr.	294			265		29	
<b>TOTAL Design</b>		<b>12,311</b>	<b>800</b>	<b>-</b>	<b>11,080</b>	<b>-</b>	<b>431</b>	

# 2017 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Life Cycle	Non- Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Engineering</b>							
17037	404 North Collector Roads (EA)	316			316		
17038	Anti-Whistling 2017	5,621					5,621
17039	Cycling Awareness Program	95	56		39		
17040	Engineering Studies Related to Secondary Plans	262			262		
17041	Enterprise Blvd - Pumping Station Grading	51			51		
17042	Intersection Improvements	827	146		435		246
17043	Main Street Markham - Road Restoration	362	362				
17044	Markham Centre MESP Additional Scope	54			54		
17045	Markham Centre MUP EA/Design	441					441
17046	Municipal Rd. South of 14th. Middlefield to 14th (Con)	295			295		
17047	MUP - Lake to Lake Cycling Route and Walking Trail	1,416			495		920
17048	Sidewalk (City Wide) Design	378			282		97
17049	Smart Commute Markham - Richmond Hill	76			76		
17050	Streetlights	1,379	313		1,066		
17051	SWM Guideline Update	38			38		
17052	Tributary 4 Modification / Hagerman Storm Study & Design	284			284		
17053	Year 2017 Engineering Salary Recovery	675			675		
17161	Traffic Assets Replacement- Annual Program	70		70			
17162	Traffic Operational Improvements- Annual Program	31	31				
17230	Purchase of Speed Reduction Devices	41	41				
<b>TOTAL Engineering</b>		<b>12,711</b>	<b>947</b>	<b>70</b>	<b>4,368</b>	<b>-</b>	<b>7,325</b>
<b>TOTAL Development Services</b>		<b>27,797</b>	<b>1,838</b>	<b>877</b>	<b>16,370</b>	<b>-</b>	<b>8,712</b>
<b>CAO, Legal, HR, &amp; Sustainability Office</b>							
<b>TOTAL CAO, Legal, HR, &amp; Sustainability Office</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Corporate Services</b>							
<b>ITS</b>							
17057	Development Services -AMANDA 7 Upgrade	81					81
17058	HR - Learning Management System Replacement	71	57				14
17059	ITS - Upgrades required as part of computer refresh	236	136				100
17060	Program Registration System Replacement	526	526				
17061	Library - Wi-Fi Access Points	29	29				
17062	WW - Backflow Prevention Portal & BPMS Enhancement	35					35
17063	WW - GaliGeo Upgrade	21					21
17064	Core IT Infrastructure	1,719		1,376			344
17065	ITS - ArcGIS Licenses	23	23				
17066	ITS Internal Project Management	119		94			25
<b>TOTAL ITS</b>		<b>2,861</b>	<b>771</b>	<b>1,469</b>	<b>-</b>	<b>-</b>	<b>621</b>
<b>Finance</b>							
17067	Development Charges Background Study	122	12		110		
17068	Internal Project Management	941			941		
17069	Investment in Markham District Energy Inc.	4,000					4,000
<b>TOTAL Finance</b>		<b>5,063</b>	<b>12</b>	<b>-</b>	<b>1,051</b>	<b>-</b>	<b>4,000</b>

# 2017 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Life Cycle	Non-Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Sustainability &amp; Asset Management</b>							
17054	Centralized Building Automation System	168					168
17055	Municipal Energy Plan - Implementation Phase	97	97				
17056	PowerStream Embedded Energy Projects	143					143
17170	8100 Warden Facility Improvements	48			48		
17171	Accessibility Retrofit Program	57			57		
17172	Asbestos Management Plan	123			123		
17173	Asset Management Plan	81	81				
17174	Bird Safe Film	51			51		
17175	Building Condition Audit - FTE	138			138		
17177	Civic Centre Improvements	276			276		
17178	Corporate Accommodations	102			102		
17179	Corporate Security Operations & System Upgrades	371			371		
17180	Crosby Public Address System Booth	19			19		
17181	Fire Facility Improvements	79			79		
17182	Library Facility Improvements	114			114		
17183	Municipal Building Backflow Prevention Testing	15			15		
17185	Operations Facilities Improvements	318			318		
17186	Other Facility Improvements	44			44		
17187	Parking Lot Lighting Inspection	10			10		
17188	Recycling Depot Improvements	39			39		
17189	Roofing Maintenance and Repair	61			61		
17190	Roofing Replacement Projects	609			609		
17191	Satellite Community Centre Improvements	127			118		9
17192	Tennis Clubhouse Improvements	12			5		7
17193	Works Yard - Emergency Power Backup Generator	372	186		186		
<b>TOTAL Sustainability Office</b>		<b>3,473</b>	<b>365</b>	<b>2,596</b>	<b>186</b>	<b>-</b>	<b>326</b>
<b>TOTAL Corporate Services</b>		<b>11,397</b>	<b>1,148</b>	<b>4,066</b>	<b>1,237</b>	<b>-</b>	<b>4,947</b>
<b>Corporate Wide</b>							
<b>Corporate Wide</b>							
17070	Markham@150 Plan (Canada 150 in 2017)	150	150				
<b>TOTAL Corporate Wide</b>		<b>150</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL Corporate Wide</b>		<b>150</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Community &amp; Fire Services</b>							
<b>Fire &amp; Emergency Services</b>							
17071	Bunker Gear Life Cycle Replacement	48			48		
17072	Fire Station Renov for Gender Diversity - Phase 2 of 2	624					624
17073	Firefighting Tools & Equipment Replacement	95			95		
17074	Replacement of Equipment due to Staff Retirements	64	64				
17075	Special Rescue - Confined Space	25			13	13	
17076	Water Rescue Equipment	12			12		
17228	Fire Stations (92&95) Fire Alarm System	41	41				
<b>TOTAL Fire &amp; Emergency Services</b>		<b>909</b>	<b>104</b>	<b>168</b>	<b>13</b>	<b>-</b>	<b>624</b>

# 2017 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Life Cycle	Non- Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Recreation Services</b>							
17077	Angus Glen C.C. Arena Netting	25		25			
17078	Angus Glen C.C. Heating Pumps and Exchanger	38			38		
17079	Angus Glen C.C. Library Carpet	25			25		
17080	Angus Glen C.C. Lighting Replacement	61			61		
17081	Armada C.C. Cabinets and counter replacement	62			62		
17082	Armada C.C. Floor Machine replacement	9			9		
17083	Armada C.C. Gymnasium Divider Replacement	14			14		
17084	Centennial C.C. Building Exterior Sealant Replacement	11			11		
17085	Centennial C.C. Ductwork	17			17		
17086	Centennial C.C. Floor Maintenance Machine	9			9		
17087	Catworthy Arena Low Emissivity Ceiling Replacement	64			64		
17088	Catworthy Arena Water Treatment Control System	10			10		
17089	Crosby Arena Change Room Doors	16			16		
17090	Crosby Arena Floor Scrubber	9			9		
17091	Crosby Arena HVAC Replacement	105			105		
17092	Crosby Arena Lamplight Room Refurbishments	22			22		
17093	Markham Village C.C. Doors	34			34		
17094	Markham Village C.C. Overhead Door	9			9		
17095	Markham Village Refrigeration Room Re-Design	20		20			
17096	Milliken Mills C.C. Building Automation Replacement	230		188	42		
17097	Milliken Mills C.C. Digital Marquee replacement	30			30		
17098	Milliken Mills C.C. Hard Surface Restoration	102			102		
17099	Milliken Mills C.C. Ice Edger Replacement	8			8		
17100	Milliken Mills C.C. Kabota Replacement	48			48		
17101	Milliken Mills C.C. Library Air Handling Unit Replacement	250			250		
17102	Milliken Mills C.C. Pool Heating & Ventilation Replacement	38			38		
17103	Milliken Mills C.C. Pool Lights	57			57		
17104	Milliken Mills C.C. Pump Replacements	35			35		
17105	Mt Joy Arena Lighting Retrofit to LED	45			45		
17106	Recreation AED Program	15			15		
17107	Recreation Aquatic Equipment	86			86		
17108	Recreation Fitness Equipment	147			147		
17109	Recreation Pool Grouting	47			47		
17110	Recreation Program Equipment	113			113		
17111	Recreation Table and Chairs replacement	49			49		
17112	Rouge River C.C. Facility Improvements	6			6		
17113	Rouge River C.C. Gas Water Heater	10			10		
17114	Rouge River C.C. Pool Perimeter Fence	15			15		
17115	Thornhill C.C. East Rink Board Replacement	30			30		
17116	Thornhill C.C. Equipment Replacement	28			28		
17117	Thornhill C.C. Exterior Signage	14			14		
17118	Thornhill C.C. Window Covering	10			10		
17119	Thornhill Sanitary Physical Assessment	28		28			
17120	Thornlea Pool Change Room Tile Replacement	67			67		
17121	Thornlea Pool Change Room Dryers	10			10		
17122	Thornlea Pool Starting Blocks	29			29		
17123	Unionville Train Station Door Replacement	14			14		
17124	Water St Seniors Centre-Replace Both Sets of Sliding Doors	23			23		
<b>TOTAL Recreation Services</b>		<b>2,141</b>		<b>261</b>	<b>1,880</b>	-	-



# 2017 CAPITAL BUDGET PROJECT LISTING

#	Project Description	Total Budget	Operating Life Cycle	Non-Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Markham Public Library</b>							
17125	Customer Service Maintenance (E-Resources) -Phase 3 of 5	40		40			
17126	Library Collections	2,609			2,609		
17127	Replace Library Furniture, Equipment & Shelving	136			136		
<b>TOTAL Markham Public Library</b>		<b>2,784</b>		<b>40</b>	<b>2,744</b>	-	-
<b>Operations - Roads</b>							
17128	Asphalt Resurfacing- Annual Program	5,903			2,898		3,005
17129	Boulevard Repairs- Annual Program	54			54		
17130	Bridge Structure Prevent. Maintenance- Annual Program	48			48		
17131	Bridle Walk Rd Weather Information System Rehabilitation	37			37		
17132	City Owned Entrance Feature Rehab. - Annual Program	32			32		
17133	City Owned Fence Replacement Program-Annual Program	109			109		
17134	Don Mills Storm Channel-Annual Program	19			19		
17135	Emergency Repairs-Annual Program	108			108		
17136	Guiderail- Install/Repair/Upgrade-Annual Program	223			223		
17137	Localized Repairs - Curb & Sidewalk- Annual Program	559			559		
17138	Parking Lots - Localized Repairs-Annual Program	110			110		
17139	Parking Lots- Rehabilitation-Annual Program	217			217		
17140	Railway Crossing Improvements- Annual Program	103			103		
17141	Retaining Walls Program-Annual Program	74			74		
17142	Storm Sewer Inspection-Annual Program	104			104		
17143	Storm Water Retention Pond Maintenance -Annual Program	26			26		
17144	Winter Maintenance Vehicles	350				350	
<b>TOTAL Operations - Roads</b>		<b>8,076</b>			<b>4,721</b>	<b>350</b>	<b>3,005</b>
<b>Operations - Parks</b>							
17145	Bill Crothers Turf Replacement	35			35		-
17146	Bleachers (Metal) Replacement - Annual Program	36			36		
17147	City Park Furniture / Amenities-Annual Program	142			142		
17148	Court Resurfacing/Reconstruction-Annual Program	44			44		
17149	Electrical & Cabling-Annual Program	37			37		
17150	Fence (Backstop and Outfield) Replacem.-Annual Program	172			172		
17151	Floodlights, Poles, Cross Arms Replacem.-Annual Program	645			645		
17152	Goal Posts Replacement-Annual Program	19			19		
17153	John Daniels Park-Fountain, Gazebo & Trellis Replacement	383			383		
17154	Markham Trees for Tomorrow	120		120			
17155	Parks Signage Implementation - Phase 2 of 3	193		13	60	120	
17156	Pathways Resurfacing -Annual Program	119			119		
17157	Playstructure and Rubberized Surface Replacement - Annual	1,202			1,202		
17158	Public Realm-Markham's Shared Places Our Spaces	35		35			
17159	Replacement/New Boulevard/Park Trees-Annual Program	192			192		
17160	Sportsfield Maintenance & Reconstruction-Annual Program	130			130		
<b>TOTAL Operations - Parks</b>		<b>3,502</b>		<b>168</b>	<b>3,213</b>	<b>120</b>	-
<b>Operations - Utility Inspection &amp; Survey Group</b>							
17204	German Mills Meadow & Natural Habitat-Management	311			311		
17210	Survey Monument Replacement	28			28		
<b>TOTAL Operations - Utility Inspection &amp; Survey Group</b>		<b>339</b>			<b>339</b>	-	-

# 2017 CAPITAL BUDGET PROJECT LISTING

#	Project Description	Total Budget	Operating Life Cycle	Non-Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Operations - Fleet</b>							
17163	Corporate Fleet Refurbishing-Annual Program	36		36			
17164	Corporate Fleet Replacement - Non-Fire - Annual Program	403		403			
17165	New Fleet - Fire	60	30		30		
17166	New Fleet - Parks	167			167		
17167	New Fleet - Roads	134			134		
17168	New Fleet - Waterworks	83					83
17169	Waterworks Fleet Replacement - Annual Program	34					34
<b>TOTAL Operations - Fleet</b>		<b>918</b>	<b>30</b>	<b>439</b>	<b>331</b>	<b>-</b>	<b>118</b>
<b>Environmental Services - Environmental Assets</b>							
17194	Erosion Restoration Program	829		291	539		
17195	Flood Risk Mitigation – Lot 28 Concession 6	448					448
17196	Stormwater Facility - Condition Inspection	52		52			
17197	SWM Pond Cleaning - ID#1 and ID#48	1,005		1,005			
17198	Water Quality Improvements and Geese Control	26		26			
17199	Water Quality Monitoring	52		52			
17200	Watercourse Management Study	156		156			
17201	West Thornhill Flood Control Construction - Phase 2B	10,118		1,038			9,080
<b>TOTAL Environmental Services - Environmental Assets</b>		<b>12,685</b>	<b>-</b>	<b>2,619</b>	<b>539</b>	<b>-</b>	<b>9,527</b>
<b>Environmental Services - Right-of-way Assets</b>							
17202	Bridges and Culverts - Condition Inspection	64		64			
17203	Culverts Replacement (14 Structures) - Design & Const.	427		427			
17205	MNRF Monitoring for Capital Projects	16		16			
17206	ROW Assets - Structures Program-FTE	137		137			
17207	Streetlights - Pole Condition Inspection Program	74		74			
17208	Streetlights - Pole Replacement Program	117		117			
17209	Structures Rehabilitation (11 Structures) - Design & Const.	967		967			
<b>TOTAL Environmental Services - Right-of-Way Assets</b>		<b>1,802</b>	<b>-</b>	<b>1,802</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Environmental Services - Waste &amp; Environmental Mgmt</b>							
17211	Replenishing the MESF Reserve - Annual Program	51	51				
<b>TOTAL Environmental Services - Waste &amp; Environmental Mgmt</b>		<b>51</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Environmental Services - Waterworks</b>							
17212	Amendment to Backflow Prevention Technical Guidelines	25					25
17213	Cathodic Protection of Iron Watermains Program - Annual Prog	556					556
17214	Flow Monitoring Technology Pilot	104					104
17215	IMS - Data Processing Phase 2 of 2	115					115
17216	Leak Detection Program	90					90
17217	Manhole Sealing - Annual Program	56					56
17218	Rougecrest Pumping Station Upgrades	350					350
17219	Sanitary Lateral Inspection - Annual Program	156					156
17220	Sanitary Sewer System Upgrade/Rehab Program	1,339					1,339
17221	Sanitary System Downspout Disconnection Prog -Ph 5 of 5	181					181
17222	Wastewater Flow Monitoring - Annual Program	81					81
17223	Water Meter Replacement/Upgrade - Annual Program	677					677
17224	Water System Upgrade Program - Curb Box	481					481
17225	Watermain Construction and Replacement Program	4,120					4,120
17226	Watermain Construction Design	500					500
17229	Business Intelligence Data Mgmt Specialist	94					94
<b>TOTAL Environmental Services - Waterworks</b>		<b>8,924</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,924</b>
<b>TOTAL Community &amp; Fire Services</b>		<b>42,130</b>	<b>655</b>	<b>17,925</b>	<b>1,353</b>	<b>-</b>	<b>22,198</b>
<b>TOTAL Projects</b>		<b>81,474</b>	<b>3,791</b>	<b>22,868</b>	<b>18,959</b>	<b>-</b>	<b>35,857</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 (\$000's)

Project #	Project Name	2017 Budget	Operating Cost	
			From	To
17011	Greensborough Williamson N. P. - Construction	\$ 1,286	\$ 10	\$ 50
17012	Markham Centre Rouge Valley Drive West N. P. - Construction	\$ 1,260	\$ 10	\$ 50
17014	Wismer Alexander Lawrie NP East & West - D & C	\$ 1,290	\$ 10	\$ 50
17017	Cornell Community Park - Phase 1 of 3 Construction	\$ 3,000	\$ 10	\$ 50
17038	Anti-Whistling 2017	\$ 5,621	\$ -	\$ -
17047	MUP - Lake to Lake Cycling Route and Walking Trail	\$ 1,416	\$ 50	\$ 100
17050	Streetlights	\$ 1,242	\$ -	\$ -
17064	Core IT Infrastructure	\$ 1,719	\$ -	\$ 10
17126	Library Collections	\$ 2,609	\$ -	\$ 10
17128	Asphalt Resurfacing- Annual Program	\$ 5,903	\$ -	\$ -
17157	Playstructure and Rubberized Surface Replacement - Annual	\$ 1,202	\$ -	\$ 10
17197	SWM Pond Cleaning - ID#1 and ID#48	\$ 1,005	\$ -	\$ 10
17201	West Thornhill Flood Control Construction - Phase 2B	\$ 10,118	\$ -	\$ 10
17220	Sanitary Sewer System Upgrade/Rehab Program	\$ 1,339	\$ -	\$ 10
17225	Watermain Construction and Replacement Program	\$ 4,120	\$ -	\$ -

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

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**Project Name**                      **Greensborough Williamson N. P. - Construction**

**Project Number**                      **17011**

**Estimated Total Cost of Project**                      **\$1,286,000**

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**Commission**                      Development Services

**Department**                      Design

### **Project Description**

This project is to hire a contractor to construct a 3.88 acre (1.57 ha) neighborhood park.

### **Location**

190 Williamson Road

### **Work to be Performed**

Construction of planned park amenities include: a junior/senior playground, shade structure, outdoor fitness equipment, double tennis court, mini skate spot, walkways, seating and landscaping.

### **Reason for Work**

To provide the required recreation activities to residents of Greensborough.

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

**Slight** – Costs to future operating budgets as advised by Operations is \$8,163 per hectare for new parks and window streets, equivalent to total operating costs of \$12,816.

**Estimated Project Completion Date** – December 2017

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

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**Project Name**                      **Markham Centre Rouge Valley Drive West N.P.  
Construction**

**Project Number**                      **17012**

**Estimated Total Cost of Project**                      **\$1,260,000**

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**Commission**                      Development Services

**Department**                      Design

### **Project Description**

This project is to hire a contractor to construct a 3.7 acre (1.5 ha) neighborhood park in Markham Centre.

### **Location**

Rouge Valley Drive West, north of Enterprise Blvd.

### **Work to be Performed**

Construction of planned park amenities include: a junior/senior playground, double tennis court, gazebo, adult fitness, half basketball court, mini soccer, seating, walkways and associated landscaping.

### **Reason for Work**

To provide required recreation activities to residents of Box Grove.

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

**Slight** – Costs to future operating budgets as advised by Operations is \$8,163 per hectare, equivalent to total operating costs of \$12,245.

**Estimated Project Completion Date** – Park construction schedule is contingent of the progress of the construction of the York Condos just to the south of this park. Park completion date estimated as fall 2018.

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

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**Project Name**                      Wismer Alexander Lawrie NP East & West - D & C

**Project Number**                  17014

**Estimated Total Cost of Project**      \$1,290,000

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**Commission**                      Development Services

**Department**                      Design

### **Project Description**

This project is for the design and construction of two neighbourhood parks (totaling 3.98 ac or 1.6 ha) to the west and east of Fred Varley Public School.

### **Location**

Corner of Alexander Lawrie Avenue and James Parrott Avenue.

### **Work to be Performed**

Construction of planned park amenities include: a children's playground, adult fitness equipment, games tables, shade structures, walkways, seating and associated landscaping.

### **Reason for Work**

To provide required recreation activities to area residents.

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

**Slight** – Costs to future operating budgets as advised by Operations is \$8,163 per hectare for new parks and window streets, equivalent to total operating costs of \$13,061.

**Estimated Project Completion Date** – December 2017



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

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<b>Project Name</b>	<b>Cornell Community Park - Phase 1 of 3 Construction</b>
<b>Project Number</b>	<b>17017</b>
<b>Estimated Total Cost of Project</b>	<b>\$3,000,000</b>

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**Commission**                      Development Services

**Department**                    Design

### **Project Description**

This project is to hire the contractor to construct the first phase of the Cornell Community Park (approximately 1/3 of the park area).

### **Location**

Cornell Centre Boulevard

### **Work to be Performed**

Construction of planned park amenities include: double tennis court, soccer field, multi-purpose court, softball diamond, junior/senior playground, lit parking lots, plaza areas, shade structures, walkways, trails, seating and associated landscaping.

### **Reason for Work**

To provide required recreation activities to area residents.

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

**Slight** – Cost to future operating budgets as advised by Operations is \$8,163 per hectare for new parks and window streets, equivalent to total operating costs of \$36,080.

**Estimated Project Completion Date** – December 2018

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

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**Project Name**                      **Anti-Whistling 2017**

**Project Number**                **17038**

**Estimated Total Cost of Project**      **\$5,621,300**

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**Commission**                      **Development Services**

**Department**                      **Engineering**

### **Project Description**

To eliminate train horn blowing, Markham has to meet the requirements of the Federal Railway Safety Act and Regulations. The procedure requires the railway companies and road authorities - in this case, the City of Markham, York Region and Metrolinx - to collaborate in finding the best option for making the crossings safe. Funding partners are Metrolinx, Region of York and City of Markham. Engineering staff updated Council in February and May, 2016 outlining schedules, anticipated costs as well as completion timelines.

### **Locations**

The project included whistling cessation at the following locations:

1. Kennedy Road (South)
2. Denison Street
3. Highway 7
4. Eureka Street
5. Main Street Unionville
6. Kennedy Road (North)
7. Castlemore Avenue
8. Major Mackenzie Drive
9. McCowan Road
10. Snider Drive
11. Main Street Markham
12. 16th Avenue
13. Bur Oak Avenue

### **Work to be Performed**

Carry out detailed design for the 13 Metrolinx at grade railway crossing from Kennedy Road (South) to Major Mackenzie Drive, including minor roadway design with safety device, pedestrian gates and the associated electrical control at the crossings.

Upon completion of detailed design, construction tender will be released to retain Metrolinx approved contractor for 2017/2018 construction.

This account includes detailed design, Metrolinx 3rd party review, contract administration, construction, flagging coordination and agencies approval / permit work and fees.

### **Reason for Work**

On September 28, 2015, Council passed a resolution to determine the safety measures required in order to implement train whistle cessation along the Uxbridge Subdivision through the urban section of the City.

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

The operating budget and lifecycle impacts will be known upon the completion of the detailed design.

### **Estimated Project Completion Date – December 2018**

The 13 crossings are separated into three construction contracts as shown below:

Design Package	At-Grade Crossings	Anticipated Tender Timeline	Anticipated Construction Timeline
1	Kennedy Rd. (South), Denison St., Kennedy Rd. (North), Castlemore Ave., and Major Mackenzie Dr. E	June 2017	August 2017 – November 2017
2	Highway 7, Eureka St., Main St. Unionville, and McCowan Rd.	July 2017	September 2017 – December 2017
3	Snider Dr., Main St. Markham, 16th Ave., and Bur Oak Ave.	October 2017	Spring 2018

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

---

<b>Project Name</b>	<b>MUP - Lake to Lake Cycling Route and Walking Trail</b>
<b>Project Number</b>	<b>17047</b>
<b>Estimated Total Cost of Project</b>	<b>\$1,415,700</b>

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**Commission**                      Development Services

**Department**                     Engineering

### **Project Description**

The Lake to Lake Cycling Route and Walking Trail will be a major recreational and commuter cycling and walking trail from Lake Simcoe to Lake Ontario and is expected to be a major destination and amenity for all York Region and City of Markham residents and visitors. The York Region Pedestrian and Cycling Master Plan (2008) recommended the creation of an on-road and off-road cycling route and walking trail from Lake Simcoe at the northern edge of the Region of York through the City of Toronto to Lake Ontario in the south.

### **Location**

From Lake Simcoe to Lake Ontario. Within Markham – On Old Leslie from Steeles Avenue to north end and within German Mills Park and along Leslie Street & John Street.

### **Work to be Performed**

Work to be constructed: Approximately 3.1km of shared use in-boulevard path, 1.1km of off-road multi-use path, and 0.5km of on-road signed bike route

### **Reason for Work**

In adherence to York Region Pedestrian and Cycling Master Plan, as well as the Provincial initiative for trails.

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

**Moderate** - Estimated annual maintenance of the Lake to Lake MUP (Markham section) is approximately \$88,000.

**Estimated Project Completion Date** - Construction to begin in Spring of 2017 subject to funding. Anticipated construction completion date - March 2018.

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

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**Project Name**                      **Streetlights**

**Project Number**                  **17050**

**Estimated Total Cost of Project**      **\$1,241,700**

---

**Commission**                      **Development Services**

**Department**                      **Engineering**

### **Project Description**

To provide streetlight infrastructure to areas that require streetlighting, install new streetlights based on requests from residents/ council members.

### **Location**

Birchmount Rd. from Steeles Ave. to Denison Street, Brimley Rd. from Steeles Ave. to 14th Ave., Middlefield Rd. from Steeles Ave. to 14th Ave., and Denison Street from McCowan Rd. to Markham Rd.

### **Work to be Performed**

Evaluate the existing streetlight infrastructures at the above location to identify the lighting requirements, design of new streetlight infrastructure at the above locations such that it will satisfy the lighting requirement per City of Markham standards, preparation of construction tender package based on the preferred design alternative, construction of streetlight infrastructure and contract administration, and provide warranty inspections and commissioning.

### **Reason for Work**

To provide streetlights at location that requires illumination for vehicle traffic and to provide illumination for sidewalk and MUP as required.

**Impact on Future Operating Budgets - TBD**

**Estimated Project Completion Date – August 2018**

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

---

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

**Project Number**                      **17064**

**Estimated Total Cost of Project**                      **\$1,719,400**

---

**Commission**                      **Corporate Services**

**Department**                      **ITS**

### **Project Description**

This project is to replace aging infrastructure hardware and supporting software based on the condition assessment and consultant recommendations.

### **Location**

101 Town Centre Boulevard

### **Work to be Performed**

Replacement of all desktops, laptops and tablets utilizing the Ontario Government's contract with Compucom.

### **Reason for Work**

To replace of identified aging assets and to stay current with technology. Furthermore, enhancing Information Security is very important to avoid network threats and minimize the risk of malicious activity.

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

**Negligible** – Costs related to the replacements will have no impact to the annual operating budget.

**Estimated Project Completion Date** – December 2017

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

---

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

**Project Number**                      **17126**

**Estimated Total Cost of Project**

**\$2,608,500**

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**Commission**                      **Community & Fire Services**

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

**Project Description**

Library Collections

**Location**

Markham Public Library

**Work to be Performed**

Purchase collections for library branches, including physical collections and electronic collections.

**Reason for Work**

Library collections are a core service of the library required to maintain operations. They are accessible to all residents and meet the educational, research and recreational information needs of a diverse community. resources are included in this project.

**Impact on Future Operating Budgets**

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

**Estimated Project Completion Date** – December 2017



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

---

**Project Name**                      **Asphalt Resurfacing – Annual Program**

**Project Number**                      **17128**

**Estimated Total Cost of Project**      **\$5,903,000**

---

**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. The overall goal is to maintain an acceptable pavement condition index of 80% and user satisfaction by implementing cost effective strategies such as warm mix, microsurfacing, foam stabilization and asphalt shingles designed to extend pavement life and reduce overall maintenance costs of the road network.

### **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 – July 2018**

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

---

**Project Name** Playstructure & Rubberized Surface Replacement - Annual

**Project Number** 17157

**Estimated Total Cost of Project**

**\$1,201,600**

---

**Commission** Community & Fire Services

**Department** Operations - Parks

### **Project Description**

Replacement of rubberized surface and playground equipment, as required, to maintain the 2007 standards (CSA -Canadian Standards Association CAN/CSA-Z614-07 "Children's Playspaces and Equipment").

### **Location**

Citywide subject to condition assessment in spring.

### **Work to be Performed**

Based on the size, age grouping, number of play elements and playground safety surfacing, replacement will be performed with play elements of equal nature.

### **Reason for Work**

To maintain 2007 standards (CSA -Canadian Standards Association CAN/CSA-Z614-07 "Children's Playspaces and Equipment").

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

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

**Estimated Project Completion Date** – July 2018

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

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**Project Name**                      **SWM Pond Cleaning - ID#1 and ID#48**

**Project Number**                      **17197**

**Estimated Total Cost of Project**                      **\$1,005,100**

---

**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Environmental Assets**

### **Project Description**

Sediment cleaning, maintenance and repairs to Stormwater Management (SWM) Pond #1 - Pond 2A Buttonville Mdp (Master Drainage Plan) and Pond #48 - Catchet Woods Phase 2 Pond.

### **Location**

Pond #1 Buttonville and Pond #48 Catchet Woods

### **Work to be Performed**

Sediment cleaning:

Pond #1 - Pond 2A Buttonville Mdp – 83% current sediment level

Pond #48 - Catchet Woods Phase 2 Pond – 71% current sediment

### **Reason for Work**

SWM Ponds require maintenance to function efficiently. Sediment levels need to be monitored and when the percentage of accumulated sediment is above regulatory limits, ponds need to be cleaned to ensure that the approved quality control function of pond is maintained.

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

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

**Estimated Project Completion Date** – December 2018

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

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<b>Project Name</b>	<b>West Thornhill Flood Control Construction - Phase 2B</b>
<b>Project Number</b>	<b>17201</b>
<b>Estimated Total Cost of Project</b>	<b>\$10,117,600</b>

---

**Commission**                      Community & Fire Services

**Department**                    Environmental Services - 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 construction of Phase 2B.

### **Location**

West Thornhill- Grandview area

### **Work to be Performed**

Storm sewer upgrades including OGS installation.

### **Reason for Work**

Council direction to upgrade the storm sewer system in West Thornhill to 100 year level protection.

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

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

**Estimated Project Completion Date** – June 2018

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

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

**Project Number**                      **17220**

**Estimated Total Cost of Project**                      **\$1,338,700**

---

**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services Department – Waterworks**

### **Project Description**

Sanitary Sewer System Upgrade/ Rehabilitation Program is a capital preventive maintenance and upgrading works, addresses and fixes several structural defects found in sanitary sewer pipes, manholes and laterals, as identified and prioritized for repairs in the previous year's sanitary inspection program. Trenchless repairing method will be applied to sewer pipes and laterals, manhole repairs and testing/grouting at joints, all to fix the identified defects without excavations, reducing surface and traffic disturbance, minimize service interruptions and negative impacts on the environment.

### **Location**

City-wide: Several locations where defects found in previous years' inspection program.

### **Work to be Performed**

Structural defects usually found in sewer pipes are cracks and fractures, broken and deformed pipes, and root and grease/calcite deposits. Sewer defects are repaired with short-section liners that will be placed and cured inside the sewers through manhole access points. If defects are found in several places within one sewer, the entire section will be lined in its full-length. Defective laterals are structurally repaired in a similar method, and lateral lining is performed up to the property line. For manhole repairs and testing/ grouting at joints, defective spots or joints will be injected with special grout material, to prevent infiltration and stop further defective development. Structural cement parge and protective coating are also completed in manholes as needed.

**Reason for Work**

To maintain sanitary sewerage system in good working condition, reduce service interruptions and Inflow/ Infiltration (I/I) into the system, reduce risks and liabilities due to poor maintenance, and maintain the sewerage infrastructure life expectancy at capacity as technically requested.

**Impact on Future Operating Budgets**

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

**Estimated Project Completion Date** – December 2017

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

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<b>Project Name</b>	<b>Watermain Construction and Replacement Program</b>
<b>Project Number</b>	<b>17225</b>
<b>Estimated Total Cost of Project</b>	<b>\$4,119,900</b>

---

**Commission**                      Community & Fire Services

**Department**                      Waterworks/Environmental Assets

### **Project Description**

Replacement of cast iron watermain at the end of its lifecycle. Streets were prioritized based on cast iron watermain condition assessment.

### **Location**

Steeles Avenue East - Fairways Heights Drive to Leslie Street,  
Steeles Avenue East - Bayview Avenue to east of Canadian Drive, and  
Sir Lancelot Drive - East of Wooten Way North to Sir Kay Drive

### **Work to be Performed**

Replacement of cast iron water main on Steeles Avenue East (project limits as indicated above), and replacement of water service connections and abandonment of water mains within private property on Sir Lancelot Drive east of Wooten Way North to Sir Kay Drive.

### **Reason for Work**

To replace aging infrastructure to reduce ongoing maintenance costs, reduce service interruptions, maintain water quality, reduce risks and liabilities and ensure continuous water supply.

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

**Positive** - The project will reduce operating costs.

**Estimated Project Completion Date** – December 2018

## 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.

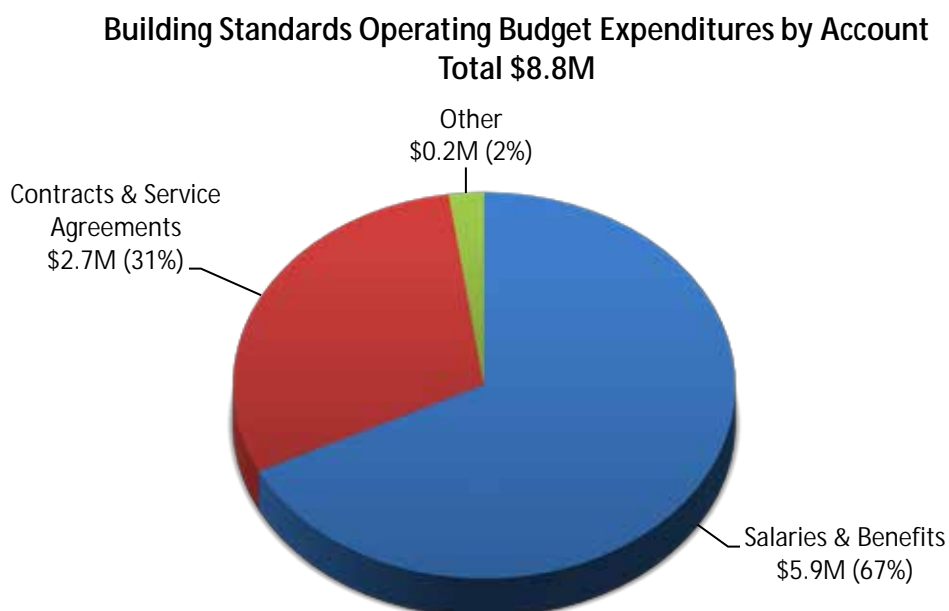
According to Legislation under the Building Code Statute Law Amendment Act, 2002 (Bill 124), fees must not exceed the anticipated reasonable cost to administer and enforce the Act, and revenues and costs must be reported separately.

### Building Standards Operating Budget

The 2017 Operating Budget for Building totals \$8.8 million before transfers to/(draw from) reserves. This marks an increase of approximately \$0.1 million from the 2016 Operating Budget due to increase in expenditures.

### 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, and overhead costs. Finally, Other Expenditures account for 2%.

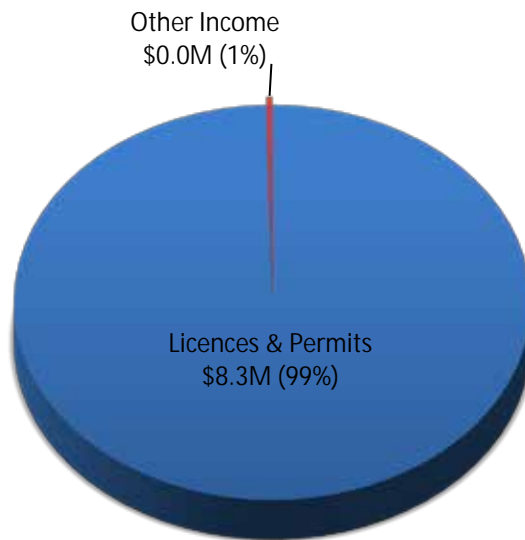




## **Revenues**

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

**Building Standards Operating Budget Revenues by Account**



## **Building Standards Capital Budget**

Building Standards does not have any 2017 capital projects.

## BUILDING STANDARDS CONSOLIDATED 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>								
LICENCES & PERMITS	\$6,005	\$9,237	\$6,997	\$8,281	\$1,284	18.4%	(\$956)	-10.3%
USER FEES & SERVICE CHARGES	77	77	30	30	-	0.0%	(47)	-60.8%
OTHER REVENUE	(5)	(1)	-	-	-	0.0%	1	-100.0%
<b>Total Revenues</b>	<b>\$6,077</b>	<b>\$9,313</b>	<b>\$7,027</b>	<b>\$8,311</b>	<b>\$1,284</b>	<b>18.3%</b>	<b>(\$1,002)</b>	<b>-10.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,211	\$5,337	\$5,873	\$5,952	\$79	1.4%	\$615	11.5%
PRINTING & OFFICE SUPPLIES	50	38	57	57	-	0.0%	19	50.5%
OPERATING MATERIALS & SUPPLIES	16	13	24	24	-	0.0%	11	83.6%
COMMUNICATIONS	29	28	36	36	-	0.0%	7	26.1%
TRAVEL EXPENSES	7	5	6	6	-	0.0%	1	12.1%
TRAINING	22	27	26	26	-	0.0%	(1)	-2.1%
CONTRACTS & SERVICE AGREEMENTS	2,556	2,569	2,569	2,650	81	3.2%	81	3.2%
RENTAL/LEASE	0	-	-	-	-	0.0%	-	0.0%
PROFESSIONAL SERVICES	2	2	11	11	-	0.0%	9	515.1%
LICENCES, PERMITS, FEES	22	26	25	25	-	0.0%	(1)	-3.3%
CREDIT CARD SERVICE CHARGES	14	20	15	15	-	0.0%	(5)	-23.2%
PROMOTION & ADVERTISING	2	-	-	-	-	0.0%	-	0.0%
TRANSFERS TO/FROM OWN FUNDS	(1,852)	1,249	(1,614)	(490)	1,124	69.6%	(1,739)	-139.2%
<b>Total Expenses</b>	<b>\$6,077</b>	<b>\$9,313</b>	<b>\$7,027</b>	<b>\$8,311</b>	<b>\$1,284</b>	<b>18.3%</b>	<b>(\$1,002)</b>	<b>-10.8%</b>
<b>Net Expenditures/ (Revenue)</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>Full Time Complement</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>				

### Major changes in the 2017 Budget from the 2016 Budget:

**Licenses & Permits:** Increase is due to increased number of permits expected in 2017

**Transfers to/(draw from) Reserves:** Represents a draw from Reserve to fund the budgeted deficit of (\$490k) to present a balanced budget.

## PLANNING & DESIGN BUDGET

The Planning & Design Department is responsible for the following aspects related to land use and City planning:

- long range strategic planning and current development control
- formulation of plans, policies, regulations, and guidelines
- development
- urban design
- growth management
- processing and evaluation of development applications
- data collection, analysis, research and monitoring
- planning policy and digital mapping related functions
- community outreach, liaison and information

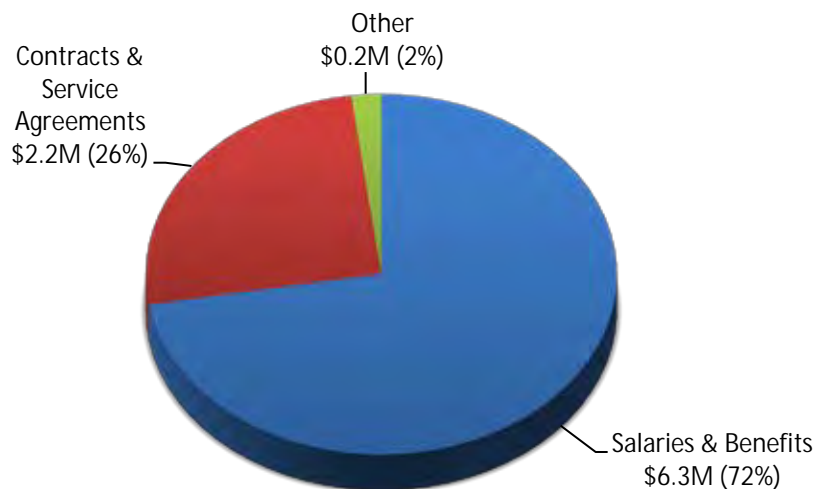
### Planning & Design Operating Budget

#### *Expenditures*

The 2017 Operating Budget for Planning & Design totals \$8.7 million before transfers to/ (draw from) reserves, which remains steady from 2016.

The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 72% of the Operating Budget. Contracts & service agreement represents 26% which include indirect costs such as ITS equipment, other department's services, overhead costs. Other expenditures accounts for 2% of the Budget.

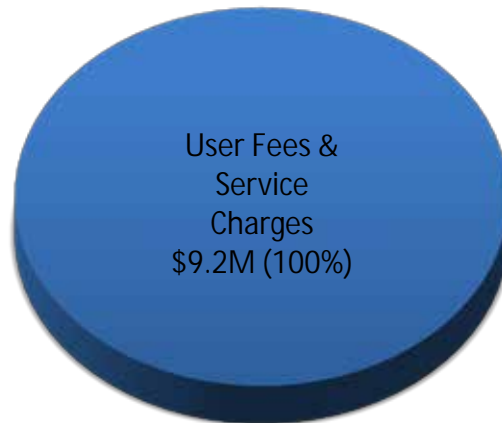
Planning & Design Operating Budget Expenditures by Account  
Total \$8.7M



## **Revenues**

The Planning & Design Operating Budget is 100% funded through revenues from User Fees & Service Charges related to Planning Fees.

### **Operating Budget Revenues by Account**



## **Capital Budget**

The 2017 Planning Capital Budget totals \$1.8 million 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 2017 Design Capital Budget totals \$12.3 million which is primarily funded from Development Charges. The capital projects include the design and construction of 93 acres of new parks.

For further details on Planning & Design Capital projects, refer to Section 3b – Capital Budget.

## PLANNING & DESIGN CONSOLIDATED 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$7,302	\$9,324	\$7,979	\$9,151	\$1,172	14.7%	(\$174)	-1.9%
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	<b>\$7,302</b>	<b>\$9,324</b>	<b>\$7,979</b>	<b>\$9,151</b>	<b>\$1,172</b>	<b>14.7%</b>	<b>(\$174)</b>	<b>-1.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,183	\$5,582	\$5,840	\$6,268	\$428	7.3%	\$686	12.3%
PRINTING & OFFICE SUPPLIES	36	31	38	38	-	0.0%	7	23.0%
OPERATING MATERIALS & SUPPLIES	7	5	7	7	-	0.0%	2	40.0%
COMMUNICATIONS	9	10	16	16	-	0.0%	6	59.0%
TRAVEL EXPENSES	35	37	29	29	-	0.0%	(7)	-19.9%
TRAINING	7	7	15	15	-	0.0%	8	116.7%
CONTRACTS & SERVICE AGREEMENTS	2,273	2,178	2,178	2,225	48	2.2%	48	2.2%
RENTAL/LEASE	-	-	3	3	-	0.0%	3	0.0%
PROFESSIONAL SERVICES	5	8	39	39	-	0.0%	30	362.1%
LICENCES, PERMITS, FEES	37	41	23	23	-	0.0%	(18)	-43.9%
CREDIT CARD SERVICE CHARGES	4	5	2	2	-	0.0%	(3)	-63.0%
PROMOTION & ADVERTISING	3	6	4	4	-	0.0%	(2)	-26.1%
OTHER EXPENDITURES	2	3	-	-	-	0.0%	(3)	-100.0%
TRANSFERS TO/FROM OWN FUNDS	(311)	1,412	(215)	481	696	-323.4%	(931)	-65.9%
<b>Total Expenses</b>	<b>\$7,290</b>	<b>\$9,324</b>	<b>\$7,979</b>	<b>\$9,151</b>	<b>\$1,172</b>	<b>14.7%</b>	<b>(\$174)</b>	<b>-1.9%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>(\$12)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>0.0%</b>	<b>(\$0)</b>	<b>0.0%</b>
Full Time Complement	50	51	51	53				

### Major changes in the 2017 Budget from the 2016 Budget:

**User Fees & Service Charges:** Increase due to a higher number of applications expected in 2017 and increased rates for fees.

**Transfers to/(draw from) Reserves:** Represents a draw to the Reserve from a budgeted surplus of \$481k to present a balanced budget.

## 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.

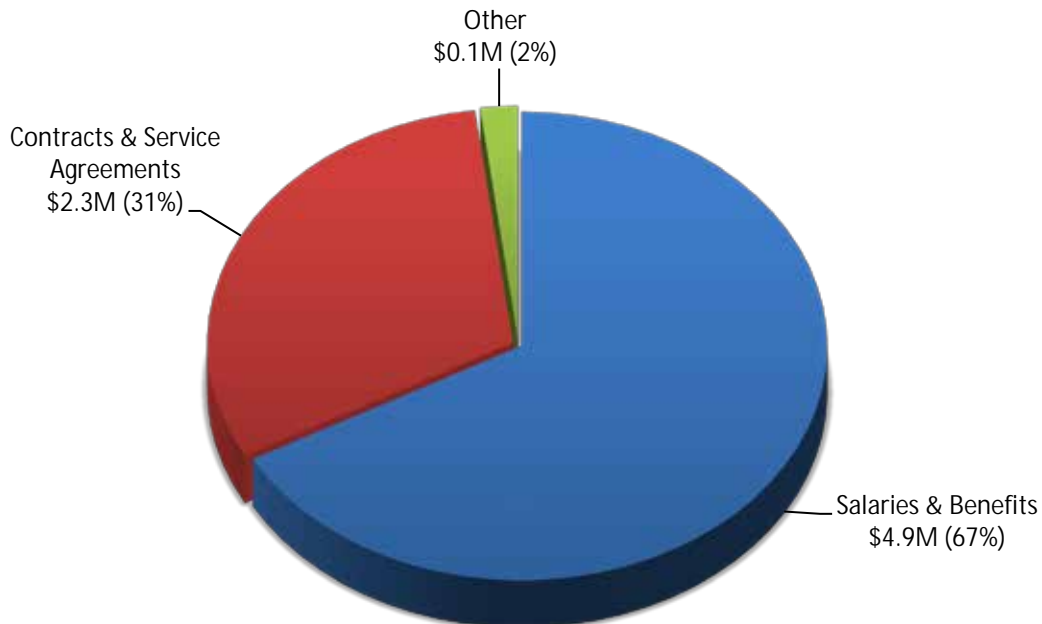
### Engineering Operating Budget

#### *Expenditures*

The 2017 Operating Budget for Engineering totals \$7.3 million before transfers to/ (draw from) reserves. This marks an increase of \$0.4 million from the 2016 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 31% of the Operating Budget which include indirect costs such as ITS equipment, other department's services, overhead costs. Finally, Other Expenditures accounts for 2%.

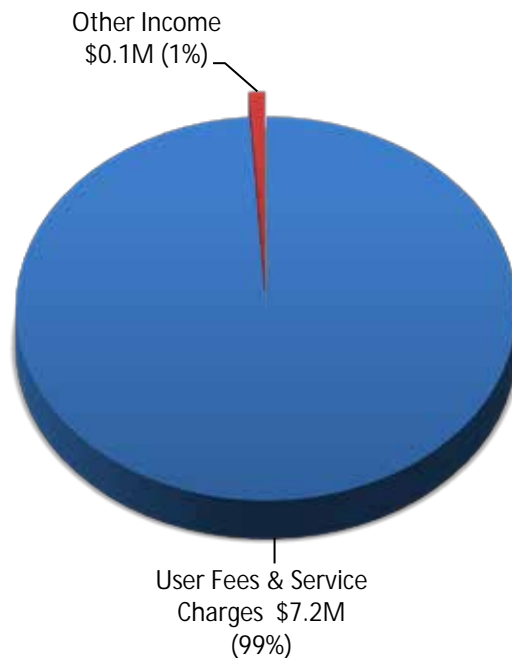
Engineering Operating Budget Expenditures by Account  
Total \$7.3M



## Revenues

The Operating Budget is funded mainly through revenues from User Fees & Service Charges related to Engineering Fees.

Engineering Operating Budget Revenues by Account



## Capital Budget

The 2017 Engineering Capital Budget totals \$12.7 million which is primarily funded from Development Charges. The capital projects include multi-use pathways and illumination.

For further details on Planning & Design Capital projects, refer to Section 3b – Capital Budget.

# ENGINEERING CONSOLIDATED

## 2017 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>		<u>2017 Bud. vs. 2016 Act.</u>		
					<u>\$ Incr./Decr.</u>	<u>% Change</u>	<u>\$ Incr./Decr.</u>	<u>% Change</u>	
<b>Revenue</b>									
USER FEES & SERVICE CHARGES	\$5,513	\$5,814	\$6,117	\$7,205	\$1,089	17.8%	\$1,391	23.9%	
SALES	(23)	-	-	-	-	0.0%	-	0.0%	
RECOVERIES & CONTRIBUTIONS	143	163	65	75	10	15.0%	(88)	-54.0%	
OTHER REVENUE	-	2	-	-	-	0.0%	(2)	-100.0%	
<b>Total Revenues</b>	<b>\$5,632</b>	<b>\$5,978</b>	<b>\$6,182</b>	<b>\$7,280</b>	<b>\$1,098</b>	<b>17.8%</b>	<b>\$1,302</b>	<b>21.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$4,451	\$4,165	\$4,589	\$4,927	\$338	7.4%	\$762	18.3%	
PRINTING & OFFICE SUPPLIES	23	9	22	22	-	0.0%	13	155.9%	
OPERATING MATERIALS & SUPPLIES	7	10	13	13	-	0.0%	3	34.8%	
COMMUNICATIONS	21	19	24	24	-	0.0%	5	24.9%	
TRAVEL EXPENSES	8	14	15	15	-	0.0%	1	6.2%	
TRAINING	4	3	15	15	-	0.0%	11	335.0%	
CONTRACTS & SERVICE AGREEMENTS	1,935	2,234	2,234	2,282	48	2.2%	48	2.2%	
MAINT. & REPAIR-TIME/MATERIAL	-	-	3	3	-	0.0%	3	0.0%	
RENTAL/LEASE	3	3	6	6	-	0.0%	3	91.4%	
PROFESSIONAL SERVICES	16	10	15	15	-	0.0%	5	43.1%	
LICENCES, PERMITS, FEES	26	30	32	32	-	0.0%	2	6.3%	
TRANSFERS TO/FROM OWN FUNDS	(862)	(522)	(787)	(75)	712	90.5%	447	85.6%	
OTHER EXPENSES	-	3	2	2	-	0.0%	(1)	-34.0%	
<b>Total Expenses</b>	<b>\$5,632</b>	<b>\$5,978</b>	<b>\$6,182</b>	<b>\$7,280</b>	<b>\$1,098</b>	<b>17.8%</b>	<b>\$1,302</b>	<b>21.8%</b>	
<b>Net Expenditures/ (Revenue)</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>Full Time Complement</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>45</b>					

### Major changes in the 2017 Budget from the 2016 Budget:

**User Fees & Service Charges:** Increase due to higher construction charges on capital projects and increased rates for fees.

**Transfers to/(draw from) Reserves:** Represents a draw from Reserve to fund the budgeted deficit of (\$75k) to present a balanced budget.



## 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.

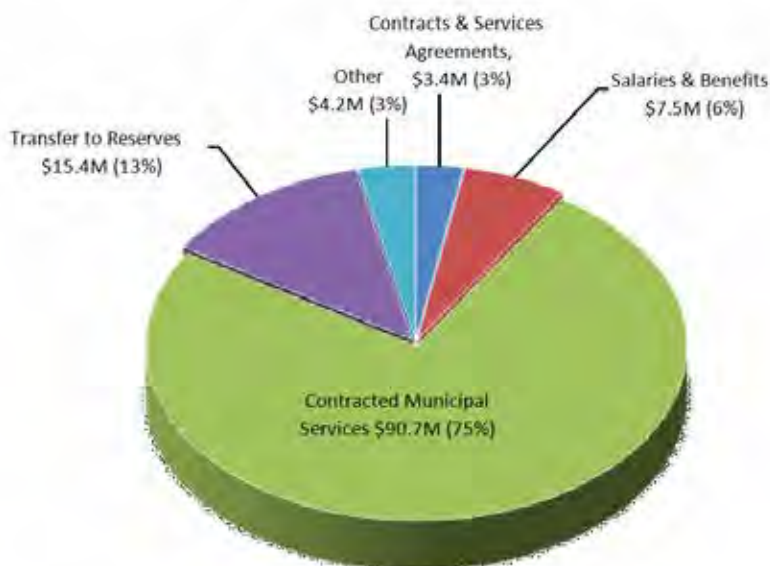
### Operating Budget

#### Expenditures

The 2017 Operating Budget for Waterworks totals \$121.2 million (excluding prior year's surplus). This marks an increase of \$5.9M million over the 2016 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.

**2017 Operating Budget Expenditures by Account Total \$121.2M**



## Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to the chart below. The City's water/wastewater rates have increased by 7.8% from the previous year's level primarily as a result of the wholesale water rate increase from the Region of York effective April 1, 2017 (6.0% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (1.8% impact).

2017 Operating Budget Revenues by Account



## Capital Budget

The 2017 Waterworks Capital Budget totals \$8.9 million 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 2017 capital budget includes funding from Waterworks reserve in the amount of \$9.2 million.

## WATERWORKS CONSOLIDATED 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
FINES/ BILLINGS	100,926	111,708	113,975	119,794	\$5,819	5.1%	\$8,085	7.2%
USER FEES & SERVICE CHARGES	505	390	581	581	-	0.0%	191	49.1%
SALES	569	623	366	426	60	16.4%	(197)	-31.7%
RECOVERIES & CONTRIBUTIONS	219	320	373	373	-	0.0%	53	16.4%
OTHER REVENUE	(8)	22	-	-	-	0.0%	(22)	-100.0%
TRANSFERS FROM RESERVES	1,992	(622)	-	-	-	0.0%	622	100.0%
<b>Total Revenues</b>	<b>\$104,203</b>	<b>\$112,442</b>	<b>\$115,295</b>	<b>\$121,173</b>	<b>\$5,879</b>	<b>5.1%</b>	<b>\$8,732</b>	<b>7.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$7,160	\$7,482	\$7,364	\$7,594	\$231	3.1%	\$113	1.5%
PRINTING & OFFICE SUPPLIES	37	27	33	33	-	0.0%	7	25.6%
OPERATING MATERIALS & SUPPLIES	94	161	132	142	11	8.0%	(19)	-11.6%
CONSTRUCTION MATERIALS	569	410	610	612	1	0.2%	201	49.0%
UTILITIES	49	27	56	56	-	0.0%	29	105.6%
COMMUNICATIONS	51	53	102	99	(3)	-2.7%	46	87.0%
TRAVEL EXPENSES	18	22	47	47	(1)	-1.1%	25	113.8%
TRAINING	44	46	57	57	-	0.0%	11	24.6%
CONTRACTS & SERVICE AGREEMENTS	3,237	3,089	3,176	3,336	160	5.0%	247	8.0%
MAINT. & REPAIR-TIME/MATERIAL	319	441	400	413	13	3.3%	(27)	-6.2%
RENTAL/LEASE	5	7	6	6	-	0.0%	(1)	-8.9%
PROFESSIONAL SERVICES	81	77	113	113	-	0.0%	36	46.0%
LICENCES, PERMITS, FEES	50	47	55	57	2	3.2%	10	20.8%
CREDIT CARD SERVICE CHARGES	1	1	0	0	-	0.0%	(1)	-78.0%
PROMOTION & ADVERTISING	1	-	3	3	-	0.0%	3	0.0%
CONTRACTED MUNICIPAL SERVICES	75,185	83,594	84,774	90,758	5,984	7.1%	7,165	8.6%
OTHER PURCHASED SERVICES	2,336	2,381	2,381	2,404	23	0.9%	23	0.9%
WRITE-OFFS	0	4	25	20	(5)	-20.0%	16	404.0%
TRANSFERS TO/(DRAW FROM) RESERVES	15,589	15,339	15,961	15,424	(537)	-3.4%	85	0.6%
<b>Total Expenses</b>	<b>\$104,826</b>	<b>\$113,206</b>	<b>\$115,295</b>	<b>\$121,173</b>	<b>\$5,879</b>	<b>5.1%</b>	<b>\$7,968</b>	<b>7.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$622</b>	<b>\$764</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$764)</b>	<b>-100.0%</b>
<b>Full Time Complement</b>	<b>64</b>	<b>65</b>	<b>65</b>	<b>66</b>				

### Major changes in the 2017 Budget from the 2016 Budget:

**Fines/ Billings:** Increase in water sales due to water rate increase, growth and volume adjustments.

**Contracted Municipal Services:** Increased water purchases from the Region of York based on increased rates, growth and volume adjustments.

**Transfers to Reserves:** Decrease due to reduced revenue margin on sales of water to water only accounts.

## FINANCIAL POLICIES

POLICY NAME	POLICY SUMMARY	APPENDIX NO.
Financial Planning and Budgeting Policy	<p>Covers the principles of the annual Budget process, long-term Budget Planning process, and guidance on use of revenues from a Financial Planning perspective. Includes the following supplemental process guidelines:</p> <ul style="list-style-type: none"> <li>· Operating Budget process guideline</li> <li>· Capital Budget process guideline</li> </ul>	<b>1</b>
Capital Budget Control Policy	<p>Provides the guiding principles to improve the management, administration, and reporting of Capital Projects by defining:</p> <ul style="list-style-type: none"> <li>· Project categories</li> <li>· Standardized percentages for Capital Budgeting funding</li> <li>· Return of surplus funds</li> <li>· Reporting requirements to Council</li> <li>· Process for requesting changes to Capital Projects</li> <li>· Process for requesting closure of Capital Projects</li> </ul>	<b>2</b>
Investment Policy	<p>Covers investment objectives of the City related to:</p> <ul style="list-style-type: none"> <li>· Legality of Investments</li> <li>· Preservation of Principal</li> <li>· Maintenance of Liquidity</li> <li>· Competitive Rate of Return</li> </ul>	<b>3</b>
Development Charge Borrowing Policy	<p>Provides a framework with respect to borrowing funds to complete Development Charge (DC) related capital projects.</p>	<b>4</b>
Investment Allocation Interest Policy	<p>Provides a framework with regard to the recording and allocation methods of the City's investment interest income (including bonds, money market, interest earned on bank balances, etc).</p>	<b>5</b>

Reserve Policy	<p>Provides details on the City’s Council approved Reserve Study and policies to:</p> <ul style="list-style-type: none"> <li>· Determine the adequacy of the City’s Reserves to meet known future expenditures</li> <li>· Determine the adequate level for the City’s corporate rate stabilization/contingency reserve</li> <li>· Review, consolidate and refine policies for the City’s various reserves and reserve funds</li> </ul>	<b>6</b>
Debt Policy	Describes debt issuance and Provincial guidelines	<b>7</b>
Expenditure Control Policy	Establishes internal controls over the authorization of expenses.	<b>8</b>
Tangible Capital Assets Policy	Provides 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.	<b>9</b>

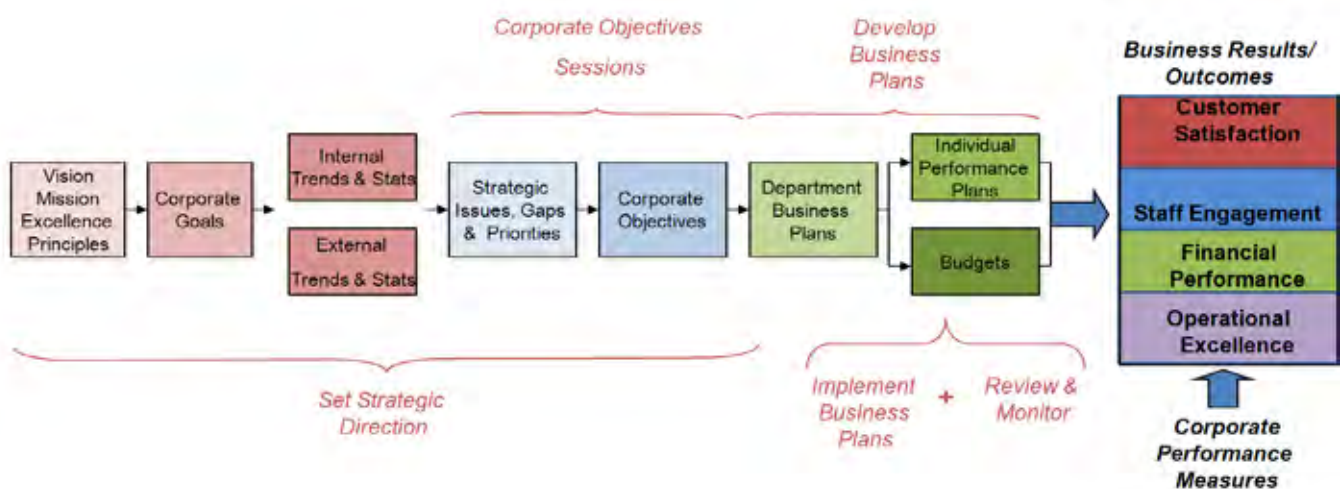
## BUSINESS PLAN INTRODUCTION

Each City of Markham Department reports to one of the following Commissions:

- CAO's Office;
- Corporate Services;
- Development Services;
- Community and Fire Services.

This section outlines the annual business planning process, provides an overview of each Commission, and includes the Departmental Business Plans and Operating Budgets.

### Annual Business Planning Process



The Annual Business Planning Process delivers on the goals and objectives of the Council approved “Building Markham’s Future Together 2015 - 2019 Strategic Plan” (BMFT), and aligns with the Excellence Markham Framework.

Two key outputs of the Annual Business Planning Process are the confirmation of the corporate actions stated in the BMFT document and the development of the multi-year Departmental Business Plans (Dept BP). The actions of the Dept BP ensure each Department is contributing to the relevant corporate objectives, in addition to other initiatives a department may need to undertake to maintain and advance its business operations.



The BMFT document identifies:

- Corporate Goals that the organization is pursuing over 2015-2019
- Corporate Objectives that further each of the Corporate Goals
- Corporate Actions to achieve the Corporate Objectives
- Performance Measures that are identified for each Corporate Goal

The annual Dept BP identifies:

- Linkages to the Corporate Goals, Corporate Objectives and Corporate Actions outlined in the BMFT document
- Departmental Objectives and Departmental Actions, along with the relevant Performance Measures

The City regards overall success in a balanced manner. Trends and inter-relationships among the performance measures will be utilized to identify objectives that are working well, and others that require attention.

The Dept BP identifies the proposed objectives and actions for the upcoming year, followed by the annual corporate budgeting process where resource requirements such as funding and staffing are addressed.

## 2017 Departmental Business Plan Summary

As highlighted in the Executive Summary, and detailed in Section 2 - Corporate Strategic Plan, the 2017 Departmental Business Plans align with the BMFT 2015 – 2019 Strategic Goals:



The following pages contain a brief overview of each Commission along with a summary of each Department. Also included are departmental Operating Budget, Business Plans, Key Performance Measures, and Long-term Business Plans. *Note: Blank items under the Key Performance Measures Charts indicate either completion at a later date or not applicable.*

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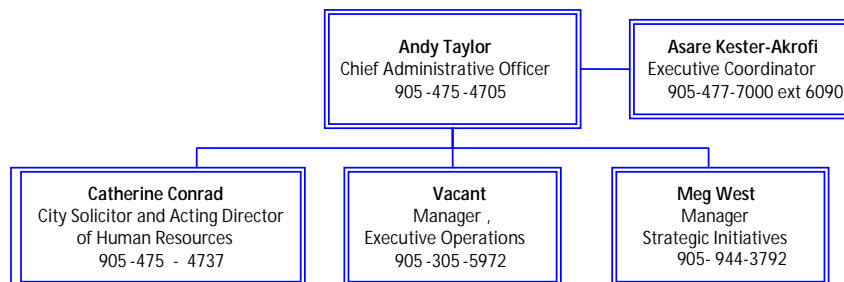
## MAYOR AND COUNCIL 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenue</b>								
RECOVERIES & CONTRIBUTIONS	\$40	\$59	\$0	\$0	\$0	0.0%	(\$59)	-100.0%
<b>Expenses</b>								
SALARIES AND BENEFITS	\$2,650	\$2,601	\$2,727	\$2,727	\$0	0.0%	\$126	4.8%
PRINTING & OFFICE SUPPLIES	34	18	23	23	-	0.0%	6	31.4%
OPERATING MATERIALS & SUPPLIES	11	26	12	12	-	0.0%	(14)	-53.5%
VEHICLE SUPPLIES	4	4	3	3	-	0.0%	(1)	-16.4%
COMMUNICATIONS	2	1	15	15	-	0.0%	14	1113.4%
TRAVEL EXPENSES	104	131	111	111	-	0.0%	(20)	-15.2%
TRAINING	5	-	6	6	-	0.0%	6	
MAINT. & REPAIR - TIME & MATERIAL	-	-	7	7	-	0.0%	7	0.0%
RENTAL/LEASE	3	3	14	14	-	0.0%	11	325.0%
PROFESSIONAL SERVICES	11	154	159	159	-	0.0%	5	3.1%
LICENCES, PERMITS, FEES	2	2	4	4	-	0.0%	2	101.9%
PROMOTION & ADVERTISING	70	84	18	18	-	0.0%	(66)	-79.0%
OTHER PURCHASED SERVICES	-	-	18	18	-	0.0%	18	0.0%
MISCELLANEOUS EXPENSES	12	12	-	-	-	0.0%	(12)	-100.0%
<b>Total Expenses</b>	<b>\$2,908</b>	<b>\$3,037</b>	<b>\$3,119</b>	<b>\$3,119</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$82</b>	<b>2.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$2,867</b>	<b>\$2,978</b>	<b>\$3,119</b>	<b>\$3,119</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$141</b>	<b>4.7%</b>
<b>Full Time Complement</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>				

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes

## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 1,076 and approximately 1,650 part time/seasonal staff who provide superior services to residents, businesses and visitors and respond to issues of the growing City. The responsibilities of the CAO include management of a \$443.3 million dollar budget, oversight of 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, 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, the 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

### **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 and other tribunal hearings



- Carriage of 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, disposition and lease 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 labour and employee relations, health and safety, staffing and succession planning, workforce planning and analytics, compensation and benefits, learning and development, business transformation and change, wellness, and diversity and inclusion.

The department is also the corporate sponsor and champion of the City's multi-year Diversity Action Plan "Everyone Welcome" and the City's People Plan.



## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
<b>Revenues</b>									
USER FEES & SERVICE CHARGES	\$262	\$366	\$245	\$245	\$0	0.0%	(\$120)	-32.9%	
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%	
OTHER REVENUE	0	2	-	-	-	0.0%	(2)	-100.0%	
<b>Total Revenues</b>	<b>\$262</b>	<b>\$368</b>	<b>\$245</b>	<b>\$245</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$123)</b>	<b>-33.3%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$4,357	\$4,158	\$4,638	\$4,592	(\$46)	-1.0%	\$434	10.4%	
PRINTING & OFFICE SUPPLIES	34	14	29	27	(2)	-7.9%	13	90.8%	
OPERATING MATERIALS & SUPPLIES	89	81	102	107	5	4.6%	25	31.2%	
COMMUNICATIONS	9	9	16	17	1	4.5%	7	74.1%	
TRAVEL EXPENSES	15	15	38	32	(6)	-16.4%	17	112.9%	
TRAINING	256	285	280	280	-	0.0%	(5)	-1.8%	
CONTRACTS & SERVICE AGREEMENTS	(201)	(190)	(154)	(159)	(5)	-3.2%	31	16.1%	
RENTAL/LEASE	8	10	9	9	-	0.0%	(2)	-17.4%	
PROFESSIONAL SERVICES	498	555	545	545	-	0.0%	(11)	-1.9%	
LICENCES, PERMITS, FEES	60	62	76	76	(0)	-0.1%	14	22.5%	
PROMOTION & ADVERTISING	277	168	237	237	-	0.0%	69	41.1%	
OTHER EXPENDITURES	4	5	174	177	4	2.1%	172	3282.9%	
	<b>\$5,406</b>	<b>\$5,175</b>	<b>\$5,990</b>	<b>\$5,939</b>	<b>(\$50)</b>	<b>-0.8%</b>	<b>\$765</b>	<b>14.8%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$5,144</b>	<b>\$4,806</b>	<b>\$5,744</b>	<b>\$5,694</b>	<b>(\$50)</b>	<b>-0.9%</b>	<b>\$887</b>	<b>18.5%</b>	
<b>Full Time Complement</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>31</b>					

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



## CAO's OFFICE – COMMISSION SUPPORT 2017 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>		<u>2017 Bud. vs. 2016 Act.</u>	
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenues</b>								
OTHER INCOME	-	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	-	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$788	\$757	\$803	\$755	(\$48)	-6.0%	(\$2)	-0.2%
PRINTING & OFFICE SUPPLIES	3	2	5	3	(2)	-39.8%	1	54.2%
OPERATING MATERIALS & SUPPLIES	3	4	2	4	2	128.1%	(0)	-8.1%
COMMUNICATIONS	2	2	4	4	0	9.5%	2	128.4%
TRAVEL EXPENSES	4	7	23	17	(6)	-25.0%	10	133.2%
TRAINING	1	0	4	4	-	0.0%	4	4451.7%
CONTRACTS SERVICES AGREEMENT	(13)	(31)	10	9	(1)	-5.6%	40	130.2%
RENTAL/LEASE	0	0	1	1	-	0.0%	1	1581.8%
LICENCES, PERMITS, FEES	18	24	17	19	2	11.3%	(5)	-20.9%
OTHER EXPENSES	53	55	207	210	4	1.7%	155	282.9%
<b>Total Expenses</b>	<b>\$859</b>	<b>\$821</b>	<b>\$1,075</b>	<b>\$1,026</b>	<b>(\$48)</b>	<b>-4.5%</b>	<b>\$206</b>	<b>25.1%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$859</b>	<b>\$821</b>	<b>\$1,075</b>	<b>\$1,026</b>	<b>(\$48)</b>	<b>-4.5%</b>	<b>\$206</b>	<b>25.1%</b>
<b>Full Time Complement</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>				

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



## LEGAL SERVICES 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$262	\$366	\$245	\$245	\$0	0.0%	(\$120)	-32.9%
<b>Total Revenues</b>	<b>\$262</b>	<b>\$366</b>	<b>\$245</b>	<b>\$245</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$17)</b>	<b>-6.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,379	\$1,330	\$1,507	\$1,508	\$1	0.1%	\$178	13.4%
PRINTING & OFFICE SUPPLIES	11	5	6	6	(0)	-5.5%	1	11.1%
OPERATING MATERIALS & SUPPLIES	14	17	9	12	3	27.0%	(5)	-31.0%
COMMUNICATIONS	3	3	3	4	0	10.3%	1	24.2%
TRAVEL EXPENSES	7	0	7	6	(1)	-7.4%	6	1547.0%
TRAINING	1	3	1	3	2	168.2%	0	17.7%
CONTRACTS & SERVICE AGREEMENTS	(57)	(58)	(58.5)	(58.1)	0	0.6%	0	0.6%
RENTAL/LEASE	4	4	4	4	-	0.0%	(0)	-0.1%
PROFESSIONAL SERVICES	190	260	269	269	-	0.0%	9	3.5%
LICENCES, PERMITS, FEES	30	29	43	39	(4)	-9.3%	10	35.9%
<b>Total Expenditures</b>	<b>\$1,580</b>	<b>\$1,593</b>	<b>\$1,791</b>	<b>\$1,793</b>	<b>\$1</b>	<b>0.1%</b>	<b>\$200</b>	<b>12.6%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$1,318</b>	<b>\$1,227</b>	<b>\$1,546</b>	<b>\$1,547</b>	<b>\$1</b>	<b>0.1%</b>	<b>\$320</b>	<b>26.1%</b>
Full Time Complement	10	10	10	11				

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



## LEGAL SERVICES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	To improve customer service and business process efficiencies	Undertake a Customer Satisfaction Survey for internal customers
	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, policy and regulatory matters
1.2 Transforming Services through Technology and Innovation	Support the development of a sustainable electronic document management system	Assist in the implementation of the Electronic Agenda Management System
1.3 Strengthening Organizational Capacity and Effectiveness	Assist in the Implementation of the People Plan Goals	Participate in the Talent Review data gathering process and discussions
		Participate in strategic and targeted workforce planning
	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 - TBA

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Achieve overall customer satisfaction					95	2016
Number of key processes mapped					1	Annual
Improvement in selected driver over two year periods (Team Rec)			66.7	73		
Improvement in selected driver over two year periods (Work Env)			52.0	74.6	5%	2016
Staff Recognition (combined)	48.3		70.1	68.7	75.1	2016
Staff Satisfaction	85.0		86.4	88.1	87	2016
Organizational Engagement			81.0	87.4	85	2016
Job Engagement			84.2	87.1	85	2016
Healthy Work Environment Index	68.4		70.4	73.2	75.4	2016
Absenteeism				3.7		

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Support the implementation of the “Corporate Community Engagement Plan”	Support the implementation of the Public Realm Strategy: Framework and Implementation
2.2 Ensuring Markham is Welcoming and Inclusive		
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support the development of the new York University	Implement site plan recommendations into an agreement
		Implement an agreement of purchase and sale with York University

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	Participate in the development of a Markham Centre Parking Strategy	Implement recommendations through agreements, By-laws and/or Parking Authority
3.2. Managing Growth in Markham	Provide strategic advice and services in support of City initiatives as required including expert advice in support of City’s compliance with legislation	Provide advice and support of growth related initiatives
3.3. Ensuring the Reliability of the Corporation’s Services	Ensure the Legal Services Department has sound emergency planning strategies and procedures in place	Participate in Emergency Management Exercise and Training
		Business Continuity Plan – implement and train
3.4. Protecting and Respecting our Built and Natural Environment	Support the establishment of Rouge National Urban Park	Supporting the implementation of the Rouge Park through legal agreements, conveyances, etc. as required



## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality		
4.2. Stewarding of the City's Assets	Ensure that the City's Real Property needs for acquisition and disposition are met in a timely way – maximizing benefit to the City	Keep current with changing market conditions/intelligence and work with key City departments to identify and capitalize on opportune real estate transactions that create value for the City.
	Increase service excellence for internal clients and external clients	Work with IT and GIS departments to develop a web-based tool that will allow users to easily identify City properties using various search criteria
	Acquisition of strategic parcels for City purposes or land banking purposes	Development a multi-year plan to acquire land/facilities to meet the current and future needs of the City at fair market value or through partnerships or creative, alternative arrangements
	Disposition of surplus City assets to generate new revenue opportunities	Identify surplus City assets and develop a strategic disposition plan through the rationalization of the real estate portfolio
	Ensure that Markham Enterprise Corporation operates effectively and in compliance with the Legislation	Provide timely and strategic legal advice to MEC
	Improve transparency with subsidiaries	Working with MDEI and MEC to improve transparency, while ensuring necessary confidentiality
4.3. Increasing Transparency and Accountability	Improve transparency with subsidiaries	Working with MDEI and MEC to improve transparency, while ensuring necessary confidentiality

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target
Circulation response time (in days) from other City departments	N/A	N/A	N/A	N/A	N/A
Dollar amount of proceeds generated from the sale of surplus assets	N/A	N/A	N/A	N/A	N/A
Number of new external customer inquiries regarding City owned realty assets	N/A	N/A	N/A	N/A	N/A

## LEGAL SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	To improve customer service and business process efficiencies	Undertake a Customer Satisfaction Survey for internal customers	Ongoing
	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, policy and regulatory matters	Ongoing
1.2 Transforming Services through Technology and Innovation	Support the development of a sustainable electronic document management system	Assist in the implementation of the Electronic Agenda Management System	2018
		Update Portal content	Ongoing
1.3 Strengthening Organizational Capacity and Effectiveness	Assist in the Implementation of the People Plan Goals	Participate in strategic and targeted workforce planning	Ongoing
	To improve staff satisfaction and engagement in the Department	Identify and deliver a Staff Satisfaction improvement project within the Department	2018, 2020
		Implement the Corporate Staff Satisfaction Project - TBA	2018, 2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Support the implementation of the “Corporate Community Engagement Plan”	Support the implementation of the Public Realm Strategy: Framework and Implementation	2018
2.2. Ensuring Markham is Welcoming and Inclusive			
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support the development of the new York University	Implement site plan recommendations into an agreement	2018-19
		Support development of York University	Ongoing

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Participate in the development of a Markham Centre Parking Strategy	Implement recommendations through agreements, By-laws and/or Parking Authority	2018-19
3.2. Managing Growth in Markham	Provide strategic advice and services in support of City initiatives as required including expert advice in support of City's compliance with legislation	Provide advice and support of growth related initiatives	Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Ensure the Legal Services Department has sound emergency planning strategies and procedures in place	Participate in Emergency Management Exercise and Training	Ongoing
		Business Continuity Plan – implement and train	Ongoing
	Develop Mitigation plans for our corporate infrastructure to respond to climate change and other risks	Support the implementation of the strategy	2018
3.4. Protecting and Respecting our Built and Natural Environment	Support the establishment of Rouge National Urban Park	Supporting the implementation of the Rouge Park through legal agreements, conveyances, etc. as required	2018-19

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Refresh E3 strategy to increase non-tax revenues and maintain or lower operating costs in a growing Markham	Support the E3 Strategy refresh	Ongoing
4.2. Stewarding of the City's Assets	Ensure that the City's Real Property needs for acquisition and disposition are met in a timely way – maximizing benefit to the City	Keep current with changing market conditions/intelligence and work with key City departments to identify and capitalize on opportune real estate transactions that create value for the City.	Ongoing
	Increase service excellence for internal clients and external clients		
	Acquisition of strategic parcels for City purposes or land banking purposes	Development a multi-year plan to acquire land/facilities to meet the current and future needs of the City at fair market value or through partnerships or creative, alternative arrangements	Ongoing
	Disposition of surplus City assets to generate new revenue opportunities	Identify surplus City assets and develop a strategic disposition plan through the rationalization of the real estate portfolio	Ongoing
	Ensure that Markham Enterprise Corporation operates effectively and in compliance with the Legislation	Provide timely and strategic legal advice to MEC	Ongoing
4.3. Increasing Transparency and Accountability	N/A		



## HUMAN RESOURCES 2017 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>		<u>2017 Bud. vs. 2016 Act.</u>		
					<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
<b>Revenues</b>									
OTHER REVENUE	\$0	\$2	\$0	\$0	\$0	0.0%	(\$2)	-100.0%	
<b>Total Revenues</b>	<b>\$0</b>	<b>\$2</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$0)</b>	<b>-100.0%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$2,190	\$2,071	\$2,328	\$2,329	\$2	0.1%	\$258	12.5%	
PRINTING & OFFICE SUPPLIES	20	7	18	\$18	0	0.0%	11	165.3%	
OPERATING MATERIALS & SUPPLIES	72	60	91	\$91	0	0.0%	31	51.6%	
COMMUNICATIONS	4	5	9	\$9	0	0.0%	4	85.3%	
TRAVEL EXPENSES	4	7	9	\$9	0	0.0%	1	17.1%	
TRAINING	254	282	275	\$273	(2)	-0.7%	(9)	-3.3%	
CONTRACTS SERVICES AGREEMENT	(130)	(101)	(106)	(\$111)	(5)	-4.6%	(10)	-199.6%	
RENTAL/LEASE	4	6	4	\$4	0	0.0%	(2)	-36.4%	
PROFESSIONAL SERVICES	259	246	223	\$223	0	0.0%	(23)	-9.3%	
LICENCES, PERMITS, FEES	12	10	16	\$18	2	12.4%	9	90.0%	
PROMOTION & ADVERTISING	277	168	237	\$237	0	0.0%	69	41.1%	
MISCELLANEOUS EXPENSES	0	0	20	\$20	0	0.0%	20	100.0%	
<b>Total Expenses</b>	<b>\$2,967</b>	<b>\$2,761</b>	<b>\$3,123</b>	<b>\$3,120</b>	<b>(\$3)</b>	<b>-0.1%</b>	<b>\$359</b>	<b>13.0%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$2,966</b>	<b>\$2,759</b>	<b>\$3,123</b>	<b>\$3,120</b>	<b>(\$3)</b>	<b>-0.1%</b>	<b>\$361</b>	<b>13.1%</b>	
<b>Full Time Complement</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>17</b>					

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



# HUMAN RESOURCES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Cascaded action- Align with and support “Implement new Customer Experience Strategy”	Align with, and provide support, as needed
		Execute an annual customer service survey
1.2 Transforming Services through Technology and Innovation	Cascaded action- Align with and support corporate technology initiatives and multi technology roadmap	Support development of “multi-year technology roadmap”
		Update relevant HR portal/web sites (external and internal) and ensure compliance with AODA
		Work with stakeholders across organization to complete HRIS conversion project
		Select new learning management system and begin the implementation and interface with HRIS
1.3 Strengthening Organizational Capacity and Effectiveness	Cascaded action- Align with and support corporate staff satisfaction strategy	Implement a corporate staff satisfaction improvement project
		Implement a department staff satisfaction improvement project
	Negotiation of collective agreements	Complete negotiation of 5 collective agreements to ratification, and roll out changes
	Build systems to ensure safe workplace for all staff that meets legislative requirements, reduces health and safety risks	Continue the development and roll out of Health and Safety Management System policies, procedures and standards
	Lead City’s People Plan	Develop and roll out a Talent Review process
		Support revised performance review process
		Continue to align refreshed core competencies with City’s people programs
Refine succession planning program based on feedback from stakeholders		
Roll out a people training program for new Managers		
Provide education about, and supports for, needs of multi-generations in workforce		
		Roll out and/or support change leadership framework

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Departmental Performance Measures in support of Goal	2013	2014	2015	Target	Year
Customer service survey- survey execution	0	0	1	1	2016
Customer service survey- overall satisfaction	n/a	n/a	70.2%	80%	Annual
Customer service survey- extremely/very satisfied	n/a	n/a	49.5%	50%	Annual
HR staff satisfaction survey- overall satisfaction with the City of Markham	n/a	76%	82.1%**	75%	
HR staff satisfaction survey- organizational engagement	n/a	72.5%	76.7%**	75%	
HR satisfaction survey- job engagement	n/a	73.8%	75.2%**	75%	
HR staff satisfaction survey- organizational outcome index	n/a	72.6%	75.6%**	75%	Ongoing
HR staff satisfaction survey- healthy workplace index	n/a	70.2%	73.9%**	75%	Ongoing
Number of corporate learning hours per Human Resources employee*	8.2	8.9	7.5	10	Ongoing
Number of days absent per HR employee	2.3	2.2	3.5	6.5	Ongoing
Number of HR employee days lost due to injury	0	0	0	0	Ongoing
People Plan delivery	n/a	On target	Slightly behind	On target	2014-18

\* As of 2015, this department metric expands from corporate learning to overall learning hours



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Cascaded action- Implement community engagement tools	Align with, and provide support, as needed
	Cascaded action- Align with, and support, recommended process of volunteer engagement	Align with, and provide support, as needed
	Update the Integrated Leisure Master Plan	Align with, and provide support, as needed
2.2. Ensuring Markham is Welcoming and Inclusive	Lead the City's Diversity Action Plan	Provide support to business units as needed
		Continue to monitor and track progress against Diversity Action Plan
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Cascaded action- Align with and support strategies for Destination Markham and new York University	Align with, and provide support, as needed

Departmental Performance Measures in support of Goal	2013	2014	2015	Target	Year
Diversity Action Plan delivery	On target	On target	On target	On target	Ongoing
Participation in, and support of, Engaged, Diverse and Thriving corporate initiatives	n/a	On target	On target	On target	Ongoing

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action
3.1. Managing our Road and Transportation System	Cascaded action- Align with and support related strategies	Align with, and provide support, as needed
3.2. Managing Growth	Cascaded action- Align with and support related strategies	Align with, and provide support, as needed
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded action- Establish department business continuity plans	Align with, and provide support, as needed
3.4. Protecting our Built and Natural Environment	Cascaded action- Align with and support related strategies	Align with, and provide support, as needed

Departmental Performance Measures in support of Goal	2013	2014	2015	Target	Year
Participation in, and support of, Safe and Sustainable Community corporate initiatives	n/a	On target	On target	On target	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Cascaded action- Align with and support multi-year operating and capital budget planning	Develop and/or forecast multi-year business plans and budgets as relevant
	Cascaded action- Ensure all projects are funded	Ensure all projects are funded
	Cascaded action- Support E3 strategy	Increase revenues or reduce costs as possible
	Cascaded action- Ensure services are delivered efficiently	Complete HRIS Conversion Project and begin implementation of upgraded learning management system
	Cascaded action- Review, select, and report on appropriate Departmental Performance Measures	Review, select and report on appropriate departmental performance measures
4.2. Stewarding of City Assets	Cascaded action- Align with and support related strategies	Align with, and provide support, as needed
4.3. Increasing Transparency and Accountability	Cascaded action- Align with and support related strategies	Support corporate value of transparency in work
		Support Directors' Forum corporate policy initiative
		Finalize and roll out revised Employee Code of Ethics and Conduct policy

Departmental Performance Measures in support of Goal	2013	2014	2015	Target	Year
Ensure multi-year budget and business plans are in place	n/a	n/a	In place	In place	Ongoing
Net cost of Human Resources Department per household		\$7,909	\$7,265		
Human Resources staff ratio to employee population	1:70.4	1:73	1:74.6	Below CBoC	Ongoing
Human Resources cost per City employee	\$3,281	\$3,187	\$2,990	Below CBoC	Ongoing

# HUMAN RESOURCES LONG-TERM BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with and support Customer Experience Strategy	Execute an annual customer service survey	Ongoing
1.2 Transforming Services through Technology and Innovation	Align with and support corporate technology initiatives and multi technology roadmap	Complete implementation of the upgraded learning management system (part of HRIS roadmap)	2018
		Update relevant HR portal/web sites and ensure compliance with AODA	Ongoing
1.3 Strengthening Organizational Capacity and Effectiveness	Align with and support corporate staff satisfaction survey	Support corporate staff satisfaction improvement project	Ongoing
		Implement a department staff satisfaction improvement project	Ongoing
	Build systems to ensure safe workplace for all staff that meets legislative requirements, reduces health and safety risks	Continue the development and roll out of Health and Safety Management system policies, procedures and standards	2018-2020
	Attraction of high quality candidate	Partner with Fire to develop an updated Firefighter recruitment methodology	2018
	Lead City's People Plan	Develop and implement knowledge transfer strategies and tools	2018 – 2019
		Initiate partnerships with other municipalities including leadership development	2018-2020
		Develop employment branding, attraction, and talent pipeline strategies	2018-2019
		Continue to adapt and respond to needs of changing demographics in the workplace	2018 - 2020
Calibrate talent review process		2018	
Support succession plans for executive positions		2018-2020	
	Continue to align, embed and support previously executed People Plan initiatives to make them “stick”	Ongoing	

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing
2.2. Ensuring Markham is Welcoming and Inclusive	Lead the City's Diversity Action Plan	Continue to expand focus of DAP to include mental health, LGBTQ, aboriginals	Ongoing
		Support corporate initiatives in the area of diversity, inclusion and accessibility	Ongoing
	Provide support and expertise to York Region's diversity strategy	Provide support and expertise to the development of York Region's diversity strategy including policy and statement	Ongoing
		Provide support and expertise to the refreshing of York Region's immigration strategy	Ongoing
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

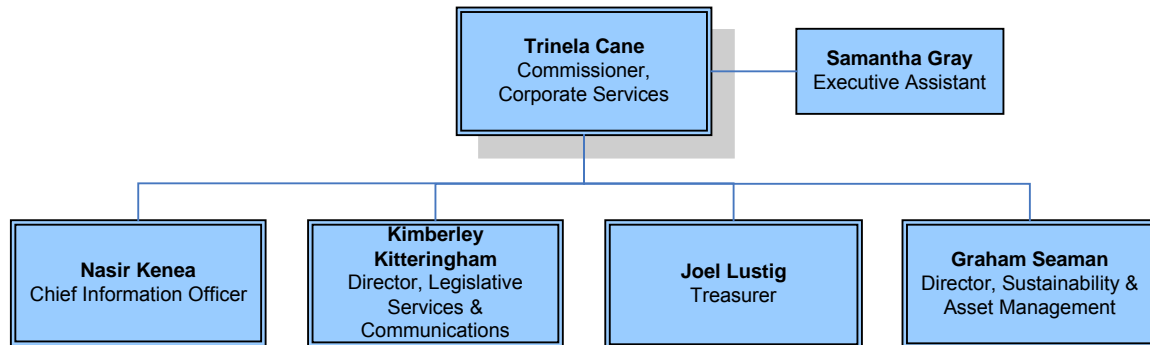
Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing
3.2. Managing Growth in Markham	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Align with and support multi-year operating and capital budget planning	Develop and/or forecast multi-year business plans and budgets as relevant	Ongoing
	Ensure all projects are funded	Ensure all projects are funded	Ongoing
	Support E3 strategy	Increase revenues or reduce costs where possible	Ongoing
	Ensure services are delivered efficiently	Continue to explore partnership opportunities with various entities- Contact Centre, other municipalities	Ongoing
	Review, select and report on appropriate departmental performance measures	Review, select and report on appropriate departmental performance measures	Ongoing
4.2. Stewarding of the City's Assets	Cascaded corporate objectives	Align with, and provide support, as needed	Ongoing
4.3. Increasing Transparency and Accountability	Align with and support related strategies	Support corporate value of transparency in work	As needed
		Support DF's corporate policy initiative	Ongoing

## CORPORATE SERVICES



The Corporate Services Commission provides financial, administrative, technical and facility 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, holistic asset management and the fulfillment of fiduciary and legislative responsibilities of the Corporation while applying a lens of corporate sustainability.

The Commission has a full time complement of 177 employees representing the following departments, each with their own areas of expertise and responsibility.

- Information Technology Services
- Legislative Services and Communications
- Financial Services
- Sustainability and Asset Management

### 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 Infrastructure (Data Centre, Network, Desktop, Telephony, and Audio Visual support)
- Client Delivery (Service Desk, Project Delivery, and Support)
- Business Applications and GIS (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:

- Financial Planning
- Financial Reporting & Payroll
- Procurement & Accounts Payable
- Financial Strategy & Investments (Development Finance, Investments, Risk Management, and Special Projects)
- Revenues & Property Tax (Tax Billing and Collection, Assessment Review, Cash Management)



## Legislative Services & Corporate Communications

The Legislative Services and the Corporate Communications and Community Engagement Departments recently merged to offer more effective and efficient service delivery. The realigned Department serves as a liaison between Council, staff and the public, and provides a variety of services, including corporate customer service, municipal election administration, secretariat services, enforcement of City By-laws, and the processing of access to information requests. Our team of communication professionals manages the City's public and internal staff communication programs through Markham's website and intranet, printed and digital publications, social media, advertising and media relations. The Department is divided into five divisions:

- By-law and Regulatory Services
- Business Licensing and Standards
- Corporate Communications and Community Engagement
- Public Services
- Secretariat Services

Each division provides different frontline services and support to Markham residents, the public, businesses, Members of Council, and City staff.



## Sustainability & Asset Management

As of January 3, 2017 the Sustainability Office and Asset Management (Facility Assets and Asset Database) joined the Corporate Services Commission to become the Sustainability & Asset Management department. The combination of these two groups improves our ability to continue reducing the Corporation's environmental footprint while also moving all City facility and lifecycle related services to have a broader corporate outlook.

The department is comprised of three divisions:

- Sustainability (corporate and community sustainability initiatives)
- Asset Database (GIS asset inventory and mapping services)
- Facility Assets (Facility operations, security, accessibility, life cycle planning and large capital projects)



## CORPORATE SERVICES CONSOLIDATED 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$1,529	\$1,592	\$1,725	\$1,745	\$20	1.2%	\$153	9.6%
INCOME FROM INVESTMENTS	29	26	25	25	-	0.0%	(2)	-6.1%
FINES	2,634	3,231	3,056	3,066	10	0.3%	(165)	-5.1%
USER FEES & SERVICE CHARGES	1,790	1,707	1,608	1,608	-	0.0%	(99)	-5.8%
RENTALS	190	188	185	185	-	0.0%	(3)	-1.6%
SALES	32	47	30	30	-	0.0%	(17)	-36.3%
RECOVERIES & CONTRIBUTIONS	234	282	689	689	-	0.0%	407	144.3%
OTHER REVENUE	88	80	21	21	-	0.0%	(59)	-73.8%
INTERDEPARTMENTAL RECOVERIES	-	-	(66)	(66)	-	0.0%	(66)	-100.0%
SOLAR REVENUE	268	314	275	275	-	0.0%	(39)	-12.4%
ELECTRIC VEHICLE CHARGING STATION	-	2	1	1	-	0.0%	(0)	-27.4%
<b>Total Revenues</b>	<b>\$6,792</b>	<b>\$7,469</b>	<b>\$7,549</b>	<b>\$7,579</b>	<b>\$30</b>	<b>0.4%</b>	<b>\$110</b>	<b>1.5%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$17,982	\$18,575	\$19,143	\$19,152	\$9	0.0%	\$577	3.1%
PRINTING & OFFICE SUPPLIES	129	97	209	208	(1)	-0.4%	111	115.0%
PURCHASES FOR RESALE	67	73	67	87	20	29.8%	14	19.4%
OPERATING MATERIALS & SUPPLIES	165	197	200	202	2	1.0%	4	2.2%
UTILITIES	674	680	711	711	-	0.0%	31	4.5%
COMMUNICATIONS	936	846	1,036	988	(48)	-4.6%	142	16.8%
TRAVEL EXPENSES	47	33	58	63	5	9.4%	30	93.2%
TRAINING	67	53	158	164	5	3.2%	110	206.1%
CONTRACTS & SERVICE AGREEMENTS	2,960	2,678	2,405	2,478	73	3.0%	(200)	-7.5%
MAINT. & REPAIR-TIME/MATERIAL	544	1,211	1,426	1,426	-	0.0%	215	17.7%
RENTAL/LEASE	111	111	122	122	-	0.0%	11	10.1%
PROFESSIONAL SERVICES	411	442	453	453	-	0.0%	11	2.4%
LICENCES, PERMITS, FEES	124	124	111	114	3	2.6%	(11)	-8.7%
CREDIT CARD SERVICE CHARGES	37	43	23	23	0	0.2%	(20)	-46.6%
PROMOTION & ADVERTISING	174	185	190	190	-	0.0%	4	2.4%
OTHER PURCHASED SERVICES	-	-	4	4	-	0.0%	4	100.0%
WRITE-OFFS	-	3	-	-	-	0.0%	(3)	-100.0%
TRANSFERS TO/(FROM) OWN FUNDS	253	225	186	186	-	0.0%	(39)	-17.4%
KEY COMMUNICATION PROGRAMS	325	309	432	432	-	0.0%	123	39.8%
OTHER EXPENDITURES	4	1	2	2	-	0.0%	1	72.2%
<b>Total Expenses</b>	<b>\$25,011</b>	<b>\$25,887</b>	<b>\$26,935</b>	<b>\$27,003</b>	<b>\$69</b>	<b>0.3%</b>	<b>\$1,116</b>	<b>4.3%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$18,220</b>	<b>\$18,418</b>	<b>\$19,385</b>	<b>\$19,425</b>	<b>\$39</b>	<b>0.2%</b>	<b>\$1,007</b>	<b>5.5%</b>
Full Time Compliment	158	158	158	177				

**Major changes in 2017 Budget from the 2016 Budget:**

**Contracts & Service Agreements:** Increase in software and licensing contracts in IT Services.



## LEGISLATIVE SERVICES AND COMMUNICATIONS 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$1,529	\$1,592	\$1,725	\$1,745	\$20	1.2%	\$153	9.6%
INCOME FROM INVESTMENTS	29	26	25	25	-	0.0%	(2)	-6.1%
FINES	2,634	3,231	3,056	3,066	10	0.3%	(165)	-5.1%
USER FEES & SERVICE CHARGES	574	561	612	612	-	0.0%	51	9.1%
RENTALS	75	76	77	77	-	0.0%	1	1.9%
SALES	22	38	30	30	-	0.0%	(8)	-20.1%
RECOVERIES & CONTRIBUTIONS	271	328	672	672	-	0.0%	344	104.8%
OTHER REVENUE	7	6	-	-	-	0.0%	(6)	-100.0%
INTER-DEPARTMENTAL RECOVERIES	-	-	(73)	(73)	-	0.0%	(73)	0.0%
<b>Total Revenues</b>	<b>\$5,140</b>	<b>\$5,858</b>	<b>\$6,124</b>	<b>\$6,154</b>	<b>\$30</b>	<b>0.5%</b>	<b>\$296</b>	<b>5.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$7,521	\$7,971	\$8,048	\$8,140	\$92	1.1%	\$169	2.1%
PRINTING & OFFICE SUPPLIES	48	28	114	\$114	\$0	0.0%	87	311.6%
PURCHASES FOR RESALE	67	73	67	\$87	\$20	29.8%	14	19.4%
OPERATING MATERIALS & SUPPLIES	183	206	182	\$182	\$0	0.0%	(24)	-11.6%
COMMUNICATIONS	377	331	363	\$363	\$0	0.0%	32	9.7%
TRAVEL EXPENSES	23	16	24	\$24	\$0	0.0%	9	56.2%
TRAINING	29	33	53	\$53	\$0	0.0%	20	60.4%
CONTRACTS & SERVICE AGREEMENTS	506	694	493	\$483	(\$9)	-1.9%	(210)	-30.3%
MAINT. & REPAIR-TIME/MATERIAL	44	54	46	\$46	\$0	0.0%	(8)	-15.3%
RENTAL/LEASE	104	105	115	\$115	\$0	0.0%	10	9.4%
PROFESSIONAL SERVICES	230	227	223	\$223	\$0	0.0%	(4)	-1.6%
LICENCES, PERMITS, FEES	29	34	15	\$15	\$0	0.0%	(19)	-56.3%
CREDIT CARD SERVICE CHARGES	24	31	10	\$10	\$0	0.0%	(21)	-67.9%
PROMOTION & ADVERTISING	174	185	189	\$189	\$0	0.0%	4	2.1%
OTHER PURCHASED SERVICES	-	-	4	\$4	\$0	0.0%	4	100.0%
OTHER EXPENDITURES	0	6	5	\$2	(\$3)	-69.9%	(5)	-76.1%
TRANSFERS TO OWN FUNDS	50	-	-	-	\$0	0.0%	-	0.0%
KEY COMMUNICATION PROGRAMS	325	309	432	\$432	\$0	0.0%	123	39.8%
<b>Total Expenses</b>	<b>\$9,735</b>	<b>\$10,302</b>	<b>\$10,383</b>	<b>\$10,482</b>	<b>\$99</b>	<b>1.0%</b>	<b>\$180</b>	<b>1.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$4,595</b>	<b>\$4,444</b>	<b>\$4,259</b>	<b>\$4,328</b>	<b>\$69</b>	<b>1.6%</b>	<b>\$116</b>	<b>2.6%</b>
<b>Full Time Complement</b>	<b>59</b>	<b>59</b>	<b>59</b>	<b>73</b>				

**Major changes in 2017 Budget from the 2016 Budget:**

No significant changes.

# LEGISLATIVE SERVICES AND COMMUNICATIONS

## BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Provide excellent resident & business customer service.	<p>Support the Customer Experience Strategy, Digital Strategy and People Plan &amp; participate in the development &amp; implementation of the standard protocol for creating a consistently welcoming environment at all City locations.</p> <hr/> <p>Develop Service Level Agreements with each department (as required) to align with the customer experience strategy.</p> <hr/> <p>Create, formalize &amp; communicate service delivery standards in Corporate Communications.</p> <hr/> <p>Undertake a follow-up client survey for Corporate Communications.</p> <hr/> <p>Complete a Staff survey on effectiveness of new portal intranet.</p> <hr/> <p>Establish customer service training for staff.</p> <hr/> <p>Develop Communications Services Guide.</p> <hr/> <p>Develop a Communications Plan for the People Plan.</p> <hr/> <p>Implement a Code of Conduct for City Boards &amp; Committees.</p> <hr/> <p>Plan for the successful administration of the 2018 Municipal Election.</p> <hr/> <p>Partner with ITS in the replacement of the CLASS system.</p>

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.

Strategic Objective	Departmental Objective	Departmental Action
1.2 Transforming Services through Technology & Innovation	Leverage technology solutions to improve efficiencies.	Support the development of multi-year technology roadmap by being involved in the Digital Markham project.
		Support the Launch of the new Portal
		Implement e-learning opportunities related to privacy & access, records management, and deputation to Council & Standing Committees.
		Complete implementation of a new Customer Relationship Management (CRM) system in the Contact Centre.
		Partner with ITS in the implementation of an Electronic Document Management /SharePoint solution (with input from records & retention policy) including the scanning of business license applications, parking documents and related documentation.
		Enhance the Markham E-Alert System database to expand the number of residents enrolled in the system to at least 4,000 people by Q4 2017.
		Implement Corporate Communications Service Request System & On-line Event Application system
1.3 Strengthening Organizational Capacity & Effectiveness	Improve staff satisfaction	Based on the feedback received through the 2016 Staff Satisfaction Survey, Legislative Services to work on identified areas of improvement for implementation in 2017 and undertake an improvement project.
		Develop a detailed succession plan for future staffing needs & develop knowledge transfer strategies.
		Support the recommendations of the Corporate People Plan

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.*

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
<b>Department Wide</b>						
Healthy workplace environment index (from staff survey)	68%	n/a	66%	n/a	≥ 75%	Ongoing
Recognition rating (from staff survey)	60%	n/a	58%	n/a	≥ 65%	Ongoing
Staff satisfaction rating (from staff survey)	74%	n/a	69%	n/a	≥ 80%	Ongoing
Average corporate learning hours per employee	7.6	3.7	3.2	4.0	20	Ongoing
Staff turnover rate	2%	4%	7.5%	0.0%	≤ 7.5%	Ongoing
Average sick days (staff absenteeism)	6.4	7.4	7.2	5.0	≤ 8.4	Ongoing
Average overall customer satisfaction for formal survey(s) completed (%)	n/a	n/a	84%	n/a	≥ 80%	Ongoing
<b>Contact Centre Services</b>						
Percentage of customer call-backs (follow up on cases)	10%	10%	11%	11%	10%	2016
Percentage of calls answered in the Contact Centre within 30 seconds (excluding switchboard)	72%	70%	70%	68%	70%	Ongoing
Percentage of calls resolved on the first call	85%	85%	86%	86%	86%	Ongoing
<b>Licensing &amp; Standards Services</b>						
Number of pet licences issued (includes new licences & renewals)	4,799	4,683	4,383	3,281	5,000	2019
<b>Public Services</b>						
Number of freedom of information requests received	95	90	130	73	80	2018
Number of freedom of information appeals received	3	1	4	2	2	2018
Number of insurance claims received	120	117	124	123	120	Ongoing
Number of marriage licences issued	1,344	1,625	1,621	1,509	1,600	2018
<b>Corporate Communications &amp; Community Engagement</b>						
Average overall satisfaction for formal survey(s) completed (%)			82%	85%	>80%	Ongoing
Average extremely/very satisfied for formal survey(s) completed (%)			46%	70%	>35%	Ongoing
% of service requests meeting established service levels			88%	92%	100%	Ongoing
# of Bandstand, Road Closure and Banner applications	NA	NA	NA	47	40	Ongoing
No. Of design projects completed in-house	383	708	715	750	700	Ongoing
% of projects completed on time and on budget	95%	96%	96%	97%	100%	Ongoing
Healthy work environment index from Staff Satisfaction Survey	56%		53%		75%	Ongoing
Staff absenteeism (days)	4.1	2.3	10.1	2.0	8.4	Ongoing
Number of learning hours per regular full time employee	3.5	4.1	4.4	1.7	20	2018
Staff turnover rate	8%	8%	8%	7.1%	<7.5%	Ongoing



## GOAL 2 - Engaged, Diverse & Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring & interconnected community; & 2) We will enable a strong economy & effectively manage change while respecting our community's history, meeting current requirements & anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Support the Corporate Community Engagement Plan	Review possible internet voting expansion & other technical innovation for the 2018 Municipal Election.
		Implement the multi-year Corporate Communications strategy based on BMFT direction & branding research
2.2. Ensuring Markham is Welcoming & Inclusive	Support Everyone Welcome Program.	Based on a review of the City's Ground Transportation options (UBER, Limos and Taxicabs), incorporate accessible requirements into the model
2.3. Promoting Markham as the Best Place in Canada to Invest & Locate Knowledge-based Industries	Support Markham York University campus.	Support the development of the York University campus by reviewing Property Standards By-law.
	Create Destination Markham	Lead the City of Markham's communications & marketing efforts for the York University project.  Promote Markham's brand through research & related promotional strategies in support of a Destination Markham Strategy

Departmental Performance Measures in Support of Goal

	2012	2013	2014	2015	Target	Year
<b>Public Services</b>						
Total number of bookings for the wedding chapel	349	315	300	257	350	2019
Total number of bookings for the wedding room	252	280	233	205	250	2019
<b>Secretariat Services</b>						
Percentage of Advisory Committee members that self-identify as being a member of diverse community*	n/a	n/a	56%	52%	72%**	Ongoing
<b>Corporate Communications &amp; Community Engagement</b>						
# of Community Events Supported	220	119	101	102	100	Ongoing
# of Corporate Events Support	n/a	108	92	129	100	Ongoing
Average Public Attendance per Corporate Community Event	n/a	1,000	1,250	1430	1000	Ongoing
# of media releases	56	108	111	163	150	Ongoing
# of media inquiries	98	175	203	272	220	Ongoing
% of media inquiries addressed within prescribed deadline	98%	96%	98%	95%	100%	Ongoing
# of media press conferences	33	30	29	26	25	Ongoing
# of City E- News	166	130	146	149	120	Ongoing

\* Survey is voluntary & based on the number of individuals that self-identified.

\*\* Based on 2011 census data, this is the percentage of Markham residents that self-identify as a visible minority.



## GOAL 3 - Safe & Sustainable Community

**Goal Statement:** We will protect the public & respect the natural & built environments through excellence in sustainable community planning, infrastructure management, & programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation & Road Network	N/A	
3.2. Managing Growth in Markham	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	Improve safety in communities.	Provide effective communications tools for residents about community emergencies & significant service issues through EOC
		Participate in Emergency Management Exercise & Training, as required.
		Complete review of tow truck regulations to ensure compliance with Provincial standards.
3.4. Protecting & Respecting our Built & Natural Environment	Ensure the protection of Markham's wildlife & preserve natural habitat.	Review of regulatory matters regarding the shared economy (e.g. UBER, AirBnB, etc.).
		Develop a Wildlife Strategy for the City of Markham (2015 deferred action).

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
<b>Department Wide</b>						
Number of lost days due to injury	0	0	1	0	0	Ongoing
<b>By-Law &amp; Regulatory Services</b>						
Number of orders issued (includes zoning standards, by-law standards, & property standards)	1,179	1,117	1,099	1,545	1,100	Ongoing
<b>Licensing &amp; Standards Services</b>						
Number of stationary business inspections	1,887	1,739	2,080	2,317	6,000	2019
Number of mobile business inspections	399	575	586	4,323	6,000	2019
<b>Prosecution Services</b>						
Number of small claims court prosecutions conducted	4	3	3	2	3	2018
Number of Provincial Offences Act prosecutions conducted	145	133	222	180	190	2018
Number of Fire Code prosecutions conducted	7	3	4	15	20	2018
Number of Building Code prosecutions conducted	37	10	10	10	15	2018
Number of heritage prosecutions conducted	0	3	1	2	3	2018

## GOAL 4 - Stewardship of Money & Resources

**Goal Statement:** We will demonstrate sound, transparent & responsible financial & resource management to mitigate risks while ensuring efficient & effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent & Efficient Municipality	Ensure efficient delivery of services.	Support the E3 Strategy Refresh by expanding the Administrative Monetary Penalty System (AMPS) to other Licensing & Animal Services By-Laws (2016 deferred action).
		Continue to review processes to increase revenues (non-property tax) & maintain or lower operating costs in a growing Markham.
		Partner with ITS in the replacement of the Point of Sale (POS) Cashiering system & the replacement of facility booking
	Support the E3 Strategy Refresh	Develop the Corporate Sponsorship Strategy across departments where sponsorship opportunities are present.
		Increase non-tax revenue through corporate & facility sponsorship by \$35,000 – Q4 2017
4.2. Stewarding of the City's Assets	Support a sustainable records management program.	Increase non-tax revenue through facility advertising by \$15,000 – 2017
		Digitization of most frequently requested records.
		Continue implementation of Infolinx Replacement Project.
		Develop & implement required amendments to records-keeping practices resulting from the City's updated Records Retention By-law. Engage external consultant to assist with identifying obsolete records, & destruction of records once the Records Retention By-Law is adopted.
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	Review Accountability Officers (Closed Meeting Investigator, Integrity Commissioner, etc).
		Implement a Code of Conduct for City Boards & Committees.
		Revise department policies where required.
		Implement a Routine Disclosure Policy to facilitate access to Municipal information.
		Continue corporate-wide review & update of existing policies & procedures.

## GOAL 4 - Stewardship of Money & Resources

**Goal Statement:** We will demonstrate sound, transparent & responsible financial & resource management to mitigate risks while ensuring efficient & effective service delivery.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
<b>By-Law &amp; Regulatory Services</b>						
Average dollar per parking penalty notice	n/a	n/a	n/a	\$61	\$58	2018
Number of parking penalty notices issued	n/a	n/a	n/a	13,803 (oct-dec)	55,000	2018
Number of parking penalty notices cancelled	n/a	n/a	n/a	87 (oct-dec)	1800	2018
Dollar value of parking penalty notices cancelled	n/a	n/a	n/a	\$4,030	\$20,000	2018
<b>Secretariat Services</b>						
Number of Code of Conduct complaints (requested with the Integrity Commissioner)	n/a	0	1	1	0	Ongoing
Number of closed meeting investigations	1	1	0	0	0	Ongoing
<b>Corporate Communications &amp; Community Engagement</b>						
Net cost of Markham Life per household	\$0.26	\$0.00	\$0.03	\$0.04	\$0	Ongoing
Sponsorships /facility advertising & sales gross revenue	\$308,771	\$238,904	\$262,614	\$322,358	\$400,000	Ongoing



## LEGISLATIVE SERVICES AND COMMUNICATIONS LONG TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Provide excellent Council & Committee administration	Support corporate customer experience strategy.	2018
		Undertake customer surveys in the following areas; Stationary businesses, Corporate Communications Service Request System, On-line Event Application 2018; Mobile businesses 2019; Advisory Committees 2020.	2018-2020
		Provide orientation to new Council for the term of 2018-2022.	2019
		Plan for the successful administration of the 2022 Municipal Election.	2020
1.2 Transforming Services through Technology & Innovation	Leverage technology solutions to improve efficiencies.	Continued support of the development of multi-year technology roadmap by being involved in the Digital Markham project.	2018-2020
		Implement E-agenda system	
		Continued communications support of the multi-year technology roadmap, Digital Markham strategy	2018-2020
		Implement plan for transition of Markham Life magazine from print to digital format	2018-2020
		Continued expansion of Corporate E-Alerts resident & stakeholder database	2018-2020
	<ul style="list-style-type: none"> <li>- 6,000 names 2018</li> <li>- 7,500 names 2019</li> <li>- 10,000 names 2020</li> </ul>		
1.3 Strengthening Organizational Capacity & Effectiveness	Improve staff satisfaction	Detailed succession plan for future staffing needs & develop knowledge transfer strategies.	2018-2020
		Based on the feedback received through the 2018 Staff Satisfaction. Survey, Legislative Services staff will identify areas of improvement for implementation in 2018 & 2019.	2018-2019

## GOAL 2 - Engaged, Diverse & Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring & interconnected community; & 2) We will enable a strong economy & effectively manage change while respecting our community's history, meeting current requirements & anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Ensure an integrated approach to communications & marketing consistent with BMFT – Phase II & City's Brand	Implement the multi-year communications strategy based on BMFT direction & branding research	2018-2019
		Provide support & guidance to senior staff on implementation of the Corporate Community Engagement Strategy & tools	2018
2.2. Ensuring Markham is Welcoming & Inclusive	Ensure all services are fully accessible.	Report to Council on accessibility enhancements in the 2018 Municipal Election.	2019
2.3. Promoting Markham as the Best Place in Canada to Invest & Locate Knowledge-based Industries	Support Markham York University campus.	Support the development of the York University campus.	2018-2020
	Create Destination Markham	Confirm & promote Markham's current brand through research & related promotional strategies in support of a Destination Markham Strategy	2018-2020

### GOAL 3 - Safe & Sustainable Community

**Goal Statement:** We will protect the public & respect the natural & built environments through excellence in sustainable community planning, infrastructure management, & programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation & Road Network	N/A		
3.2. Managing Growth in Markham	N/A		
3.3. Ensuring the Reliability of the Corporation's Services	Improve safety in communities.	Business Continuity Plan Implementation to minimize Legislative Services' disruptions in case of an emergency situation.	2018-2020
		Provide effective communications tools for residents about community emergencies & significant service issues	2018-2020
		Participate in emergency Management Exercise & Training, as required.	2018-2020
3.4. Protecting & Respecting our Built & Natural Environment	N/A		

## GOAL 4 - Stewardship of Money & Resources

**Goal Statement:** We will demonstrate sound, transparent & responsible financial & resource management to mitigate risks while ensuring efficient & effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent & Efficient Municipality	Ensure efficient delivery of services.	Administer Election Rebate Program.	2019
	Support the E3 Strategy Refresh	Implement the Corporate Sponsorship Strategy across departments where sponsorship opportunities are present.	2018-2020
		Target increase in non-tax revenue through corporate & facility sponsorship over the 2016	2018-2020
		\$40,000 – 2018 \$80,000 – 2019 \$120,000 – 2020	
		Target increase in non-tax revenue through facility advertising over 2016	2018-2020
		\$10,000 – 2018 \$20,000 – 2019 \$30,000 – 2020	
4.2. Stewarding of the City's Assets	Support a sustainable records management program.	Complete implementation of Infolinx Replacement Project.	2018
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	Continue corporate-wide review & update of existing policies & procedures.	2018-2020



## FINANCE SERVICES 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$1,216	\$1,145	\$995	\$995	\$0	0.0%	(\$150)	-13.1%
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%
OTHER REVENUE	13	8	-	-	-	0.0%	(8)	-100.0%
<b>Total Revenues</b>	<b>\$1,228</b>	<b>\$1,153</b>	<b>\$995</b>	<b>\$995</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$158)</b>	<b>-13.7%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,488	\$4,653	\$4,989	\$5,012	\$23	0.5%	\$359	7.7%
PRINTING & OFFICE SUPPLIES	74	64	76	76	(0)	0.0%	12	18.3%
OPERATING MATERIALS & SUPPLIES	(125)	(118)	(109)	(109)	-	0.0%	9	8.0%
COMMUNICATIONS	4	5	5	5	-	0.0%	0	1.1%
TRAVEL EXPENSES	3	3	3	3	-	0.0%	0	0.3%
TRAINING	5	0	20	20	-	0.0%	20	100.0%
CONTRACTS & SERVICE AGREEMENTS	69	65	90	94	4	4.6%	30	45.8%
MAINT. & REPAIR-TIME/MATERIAL	3	2	3	3	-	0.0%	0	15.8%
RENTAL/LEASE	5	5	5	5	-	0.0%	(1)	-12.8%
PROFESSIONAL SERVICES	98	114	119	119	-	0.0%	5	4.4%
LICENCES, PERMITS, FEES	88	87	89	89	-	0.0%	2	2.4%
CREDIT CARD SERVICE CHARGES	13	12	13	13	-	0.0%	1	8.0%
OTHER EXPENSES	1	1	-	-	-	0.0%	(1)	-100.0%
<b>Total Expenses</b>	<b>\$4,728</b>	<b>\$4,894</b>	<b>\$5,304</b>	<b>\$5,331</b>	<b>\$27</b>	<b>0.5%</b>	<b>\$437</b>	<b>8.9%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,500</b>	<b>\$3,741</b>	<b>\$4,309</b>	<b>\$4,336</b>	<b>\$27</b>	<b>0.6%</b>	<b>\$595</b>	<b>15.9%</b>
<b>Full Time Complement</b>	<b>49</b>	<b>49</b>	<b>49</b>	<b>50</b>				

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



# FINANCE SERVICES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action
<p>1.1 Improving Customer Service</p>	<p>To improve customer service and business process efficiencies through technology</p>	<p>Of the 14 e-applications, 10 or 71% of the applications are in HTML format, Finance will continue to partner with ITS in 2017 to implement the final four Property Tax e-applications (Charity Rebate Application, Heritage Property Tax Reduction Application, Separate School Support Lease and Application for Direction of School Support). Q4</p> <p>Continue the development of fully integrated online applications with the implementation of the TXM integrated mailing address change form. Deferred item from 2016 – Q2</p> <p>Continue the development of fully integrated online applications. For 2017 ITS will investigate the feasibility and cost of the integration of the ownership change form. Q4</p> <p>Continue to promote the marketing campaign to generate awareness of e-billing as the preferred method of Property Tax Bill Delivery. The goal is to stabilize future postage and printing costs. 2017 goal is to increase tax accounts registered for e-billing from 3.7% to 5.1%. Ongoing</p> <p>Update and improve the content and layout of the Property Tax portal pages.</p> <p>Expand the e-tendering solution to include tenders and RFPs with the 2017 goal of increasing the percentage of Procurement bids submitted online from 44.3% to 75.0%. Q2</p> <p>Initiate the process to implement an electronic contract management tool in 2018 that will track when contract terms are changing, notify vendors when new insurance documents are required, and generate contract award letters.</p> <p>Partner with ITS to transition from existing Capital Budget Access databases to the Eclipse software system for the 2019 capital budget process. January 2018.</p> <p>Support the Customer Experience Strategy. Ongoing</p> <p>Partner with ITS and the various User Departments, to migrate to a new Windows 10 compliant version of Cayenta. Q3</p> <p>Complete a customer service survey with the VISA card users and follow-up surveys for Letters of Credit. Q4</p>
<p>1.2 Transforming Services through Technology and Innovation</p>	<p>Leverage technology solutions to improve efficiencies</p>	<p>Develop and present a business case for ELT that supports the implementation of an A/P software solution that reduces transaction costs in Accounts Payable. Q3</p> <p>Payroll staff will continue to work with the EPIC Project partners and users to ensure annual targeted efficiencies are realized in 2018 (target 1,820 hours). Q3</p> <p>Support the implementation of the Multi-year Technology Roadmap (Digital Markham). Ongoing</p> <p>Investigate the feasibility of online tax receipts. Q4</p>
<p>1.3 Strengthening Organizational Capacity and Effectiveness</p>	<p>To improve Staff satisfaction</p>	<p>Based on the feedback received through the 2016 Staff Satisfaction Survey, Finance staff will implement the areas of improvement identified in 2016. Ongoing</p> <p>Support the recommendations of the City's People Plan. Ongoing</p>

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Departmental Performance Measures in support of Goal		2012	2013	2014	2015	Target	Year
1	% of Finance applications available (in an HTML format) that are completed and submitted online		21.4%	28.6%	50.0%	100%	2018
2	% of Finance HTML Applications Submitted Online (uptake)		11.0%	29.0%	47.6%	85.0%	2018
3	% of Integrated Finance Applications		0%	7.1%	7.1%	21.0%	2018
4	% of Property Accounts enrolled in E-Billing		n/a	n/a	1.0%	8.0%	2018
5	% of Property Tax Payments made at Cash Counter		n/a	7.9%	6.6%	5.6%	2018
6	% of Procurement bid documents submitted online		n/a	37.9%	43.3%	100%	2020
7	% of Procurement bids meeting the established Project Process Workflow timelines		n/a	79.7%	79.9%	85.0%	Ongoing
8	Average Cost per A/P transaction processed		\$7.58	\$7.30	\$7.40	\$6.00	2018
9	Overall customer satisfaction with Finance (annual divisional surveys)		70.0%	85.0%	71.8%	80.0%	Ongoing
10	Staff Satisfaction with the City of Markham	75.0%	n/a	68.5%	n/a	80.0%	Ongoing
11	Staff Satisfaction (Engagement Drive Average)	66.0%	n/a	66.2%	n/a	80.0%	Ongoing
12	Organizational Outcome Index from Staff satisfaction survey	70.5%	n/a	65.4%	n/a	80.0%	Ongoing
13	Healthy Work Environment Index from Staff Satisfaction survey	65.4%	n/a	67.8%	n/a	80.0%	Ongoing
14	Staff Absenteeism (days)	1.8	5.2	2.6	4.2	≤8.4	Ongoing
15	Staff Turnover	0.0%	10.4%	4.2%	6.1%	≤7.5%	Ongoing
16	Number of learning hours per regular full time employee	4.4	2.4	5.9	2.4	20.0	Ongoing

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Support the City's Community Engagement Plan	Provide support and financial advice to Corporate and Departmental projects as required. Ongoing  Continue to provide support and financial advice during the refresh of the Integrated Leisure Master Plan. Q3
2.2. Ensuring Markham is Welcoming and Inclusive	Ensure the City's Purchasing practices are inclusive to all diverse groups	Develop a supplier diversity policy and provide seminars through Markham Small Business Office to reach out to diverse suppliers. Moved from 2016
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Maintain a competitive tax rate increase	Complete the Development Charges Background Study and associated By-laws. Q4  Provide support and financial advice on the development of the York University Markham Campus. Ongoing  Participate in the development of a strategy for Destination Markham. Ongoing

### Departmental Performance Measures in support of Goal

		2012	2013	2014	2015	Target	Year
1	% of bids >\$25k in which diverse suppliers participate in the procurement process	n/a	n/a	n/a	26.4%	30.0%	2018
2	% point differential between tax rate increase & CPI (December, Toronto All Items) A negative figure reflects a tax rate increase that is less than CPI.	(0.71)	0.50	0.84	0.23	= CPI	2015

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	N/A	
3.2. Managing Growth in Markham	Support the development of Sustainable and Integrated Growth Plans	Support the implementation of the Rouge National Urban Park utilizing the new financial framework for revenue in lieu of property taxes. Ongoing  Provide support and strategic advice on the Future Growth Areas Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	Participate as required in the Emergency Management Exercise and Training. Ongoing
3.4. Protecting and Respecting our Built and Natural Environment	To Increase Markham's Leadership role in the area of green procurement while promoting environmental leadership	Support the update of the Greenprint Strategy Ongoing  In conjunction with Sustainability and Asset Management Department (S&AM) the Procurement division will pilot a process to monitor all 2017 S&AM purchases to ensure compliance with the Green Procurement Guide.

Departmental Performance Measures in support of Goal		2012	2013	2014	2015	Target	Year
1	Number of loss days due to injury	n/a	n/a	0	0	0	Ongoing
2	% of Procurement bids issued which identified sustainable procurement options.	n/a	n/a	n/a	n/a	TBD	2018

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	Continue the cross-commission and departmental process of multi-year (2017 – 2020) assessment growth forecasting, enabling the City to make informed decisions based on growth costs vs. growth revenues. Q3
		Increase the City's VISA rebate to \$50k in 2017 by identifying additional suppliers that accept VISA. Q4
		Continue to pursue E3 opportunities. Ongoing
		Partner with ITS in the replacement of the Point of Sale (POS) Cashiering system. Ongoing
		Partner with ITS and Recreation in the replacement of the program and facility booking system. Ongoing
		Support ITS during the PCI implementation requirements. Ongoing
4.2. Stewarding of the City's Assets	Ensure adequate funding for City Assets	Update the Life Cycle Reserve to identify the need for additional infrastructure investment in 2018 in order to sustain the future rehabilitation and replacement requirements for the next 25 years. Q2
4.3. Increasing Transparency and Accountability	Ensure the accountability of the Financial Services processes and polices	Continue the review, update, and develop Financial Services policies as required (General Terms and Conditions, Expenditure Control, Payment Acceptance). Ongoing
		Develop a Procurement Card Policy. Q2
		In conjunction with the Planning Dept., develop a Parks Cash-in-lieu Policy. Q4
		In conjunction with the Planning Dept., develop at Section 37 collection methodology and allocation policy. Q2
		Implement the Auditor General's recommendations from the Property Tax Revenue audit. Ongoing
		Support the Auditor General in the Procurement/Vendor Management audit and commence the implementation of the recommendation(s). Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.3. Increasing Transparency and Accountability	Ensure the accountability of the Financial Services processes and polices	Support the Auditor General in the Cash Handling audit and commence the implementation of the recommendation(s). Ongoing
		Implement the Auditor General's Powerstream contract recommendation from the Water Revenue audit and indirectly support the other audit recommendations. Ongoing
		Indirectly support the Auditor General's findings on the Cyber Security, and IT System Effectiveness Audits, as required. Ongoing

Departmental Performance Measures in support of Goal		2012	2013	2014	2015	Target	Year
1	Accuracy of the annual Lifecycle outflows	82.8%	93.6%	98.2%	88.4%	90.0%	Ongoing
2	Average annual budget variance (%) of all closed capital projects (initial approved budget)	n/a	n/a	29.0%	21.0%	<10.0%	Ongoing
3	Adequacy of funding in the reserve based on known inflows to sustain future rehabilitation and replacement requirements for the next 25 years	25 yrs	25 yrs	25 yrs	25 yrs	25 yrs	Ongoing
4	% of invoices paid through P Card	n/a	n/a	38.7%	37.0%	TBD	2018
5	Annual P Card Charge Dollar Volume	n/a	n/a	\$4.4M	\$4.1M	\$6.0M	2018
6	Net Financial Assets or Net Debt as a % of City Taxation & User Fees	170.9%	177.9%	169.7%	145.7%	>-50.0%	Ongoing
7	Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses	67.3%	73.1%	56.7%	53.0%	>20.0%	Ongoing
8	Debt Servicing Cost as a % of Total Operating Revenue	0.2%	0.2%	0.2%	0.2%	<5.0%	Ongoing
9	Total Tax Receivable less allowance for Uncollectable as a % of Total Taxes	7.2%	5.4%	5.0%	4.7%	<10.0%	Ongoing
10	Total Cash and Temporary Investments as a % of Operating Expenses	115.4%	102.9%	89.7%	87.8%	>10.0%	Ongoing
11	Net Book Value of Capital Assets as a % of Cost of Capital Assets	71.9%	72.1%	70.8%	68.3%	>50.0%	Ongoing
12	Properties with overdue tax levies as % of total properties	9.4%	8.8%	8.2%	6.2%	<10.0%	Ongoing
13	Financial Position Per Capita	\$1,295	\$1,327	\$1,285	\$1,296	>\$1,000	Ongoing
14	Debt per \$100,000 of Assessment	\$21	\$18	\$22	\$20	\$0	Ongoing
15	Total Property Tax Per Capita	n/a	n/a	\$1,125	\$1,157	<\$1,450	Ongoing
16	Reserves as a % of Revenues	56.0%	89.7%	64.7%	59.0%	80.0%	Ongoing
17	Net Cost per household to operate municipality	\$1,127	\$1,150	\$1,194	\$1,208	\$1,171	2015
18	% of Letters of Credit processed within 5 days	92.8%	88.9%	91.2%	92.1%	95.0%	2015

## FINANCE SERVICES LONG TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	To improve customer service and business process efficiencies through technology	Continue to promote e-billing as the preferred method of Property Tax Bill Delivery, with the goal of 8% enrollment by 2018 and to stabilize postage and printing costs.	2018
		Continue to promote and educate customers on paying property taxes at a bank or through internet banking. 2018 Goal – Property Tax payments made at the Cash Counter ≤ 5%.	2018
		Continue to work towards the 2018 goal of having 100% of Procurement bids submitted electronically.	2018
		Complete the implementation of an electronic contract management tool that will track when contract terms are changing, notify vendors when new insurance documents are required, and generate contract award letters.	2018
		Rollout Eclipse as the new Capital Budget software for the 2019 capital budget process. Q1	2018
		Complete a follow-up customer service survey for reporting of monthly financial statements.	2018
		Complete a follow-up customer service survey for Capital Budget system and Procurement Plan.	2019
		Complete a customer service survey for Cash Management services.	2019
		Complete Letters of Credit, and Procurement survey.	2020



## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action	Year
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	Review EPIC with all stakeholders to ensure system is meeting expectations and implement changes as required.	2018
		Investigate the cost and functionality of Investment Tracking software.	2018
		Implement investment tracking software.	2019
		Implement an online and self entry business expense reimbursement tool to eliminate the paper form.	2018
1.3 Strengthening Organizational Capacity and Effectiveness	To improve Staff Satisfaction	Based on the feedback received through the 2018 Staff Satisfaction Survey, Finance staff will identify areas of improvement for implementation in 2018 and 2019.	2018 & 2019
		Support the recommendation of the City's People Plan. Ongoing	2018

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	N/A		
2.2. Ensuring Markham is Welcoming and Inclusive		Educate user department Staff on Supplier Diversity plans/objectives and establish an internal & external communication Plan.	2018
		Establish a diverse Supplier Roundtable to identify and offer opportunities to diverse suppliers so that they can effectively compete for business.	2018
		Track and measure the progress of the supplier diversity program (i.e. mandatory fields in a bid document).	2019
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Maintain a competitive tax rate increase	N/A	



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	N/A		
3.2. Managing Growth in Markham	N/A		
3.3. Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	Participate as required in the Emergency Management Exercise and Training.	2018 & 2019
3.4. Protecting and Respecting our Built and Natural Environment	To Increase Markham's Leadership role in the area of green procurement while promoting environmental leadership		

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	Complete an analysis (every 5 years) and re-evaluation of the Stormwater Fee / Rate, as a result of growth, updated construction and program costs.	2019
		Review the Chart of Accounts to ensure the departmental and corporate financial reporting needs are being met.	2018
		As a follow-up to the new Chart of Accounts, Finance will partner with ITS and User Departments to identify additional Cayenta functionalities to mechanize other Financial processes.	2019
		Continue to pursue E3 opportunities	2018 to 2020
4.2. Stewarding of the City's Assets		Support the Enterprise Asset Management/Hansen Upgrade/ Replacement – For Life Cycle, Work Order, Facility and Capital Asset Management.	2018
4.3. Increasing Transparency and Accountability	Ensure the accountability of the Financial Services processes and polices	Continue the review and update Financial Services policies as required.	2018 to 2020
		Implement the Auditor General's recommendations for the Procurement/Vendor Management audit.	2018
		Implement the Auditor General's recommendations for the Development Charges and Payroll (EPIC) audits.	2018 & 2019
		Indirectly support the Auditor General's audits of: <ul style="list-style-type: none"> <li>· Physical Infrastructure &amp; Assets</li> <li>· Information Management</li> <li>· Building and Development Review Process</li> </ul>	2018 2019



## INFORMATION TECHNOLOGY SERVICES 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
<b>Revenues</b>									
SALES	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%	
OTHER REVENUE	-	-	-	-	-	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	\$4,033	\$4,087	\$4,267	\$4,281	\$15	0.3%	\$195	4.8%	
PRINTING & OFFICE SUPPLIES	4	3	14	11	(3)	-22.2%	8	264.2%	
OPERATING MATERIALS & SUPPLIES	8	9	15	16	1	3.6%	7	79.2%	
COMMUNICATIONS	549	503	658	601	(58)	-8.7%	98	19.5%	
TRAVEL EXPENSES	5	6	10	10	-	0.0%	4	67.7%	
TRAINING	32	18	65	65	-	0.0%	47	260.3%	
CONTRACTS & SERVICE AGREEMENTS	1,577	1,103	969	1,052	83	8.5%	(52)	-4.7%	
MAINT. & REPAIR-TIME/MATERIAL	67	769	913	913	-	0.0%	144	18.8%	
RENTAL/LEASE	1	1	2	2	-	0.0%	2	267.5%	
PROFESSIONAL SERVICES	82	93	111	111	-	0.0%	18	19.2%	
LICENCES, PERMITS, FEES	2	1	2	2	0	4.9%	1	80.5%	
MISCELLANEOUS EXPENSES	2	-	-	-	-	0.0%	-	0.0%	
<b>Total Expenses</b>	<b>\$6,363</b>	<b>\$6,592</b>	<b>\$7,027</b>	<b>\$7,064</b>	<b>\$38</b>	<b>0.5%</b>	<b>\$702</b>	<b>11.0%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$6,362</b>	<b>\$6,592</b>	<b>\$7,027</b>	<b>\$7,064</b>	<b>\$38</b>	<b>0.5%</b>	<b>\$702</b>	<b>11.0%</b>	
<b>Full Time Complement</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>34</b>					

### Major changes in 2017 Budget from the 2016 Budget:

**Communications:** Due to budget reduction based on historical actual results through 2017 budget process.

**Contracts & Service Agreements:** Increase in software and licensing contracts in IT Services.



# INFORMATION TECHNOLOGY SERVICES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	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	Continue Portal Phase 4 – Implement a newly redesigned look and feel with navigational and accessibility enhancements as well as additional on-line services and mobile app enhancements.
		Continue the process for replacing the CLASS System – To manage recreation programs and facilities, including payment.
		Continue the project to replace the CRM/ACR System - To track, route and manage citizen inquiries and requests to deliver improved service to customers.
		Implement Administrative Monetary Penalties System (AMPs) Phase 2 – To adjudicate municipal licensing infractions.
		Undertake additional system application/ hardware upgrade/replacement or implementation: Symphony Workflows Client, Intellex, Waterworks applications, GIS, TXM, Sharepoint, Galigeo, Envisionware, etc.
		Initiate the process to replace the Learning Management System (LMS) – To manage and track learning objectives and activities for City employees.
		Implement upgrade of AMANDA application – To manage property/licensing/compliance.
		Implement Blue Cloud (Symphony) Analytics module for Library reporting.
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	Support the Customer Experience Strategy.
		Implement Digital Strategy – Implement recommendations within the 2017 scope as defined in the Digital Strategy roadmap.
		Continue to implement Electronic Plan Review system (ePlan) - To transform the existing paper based permit & plan review and approval process to a fully electronic and efficient system.
		Continue HRIS enhancements – To manage the human resources functions of the organization, automation of related processes, better management and access to information, and enhanced reporting.

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	Continue Hansen Upgrade/Replacement including Enterprise Asset Management requirements - For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures.  Investigate Electronic Document Management /SharePoint solution (input from records and retention policy) and implement proof of concept.  Implement enhanced AVL dashboard capabilities.
	Implement and maintain secured, efficient and reliable information technology infrastructure	Implement key IT Security Recommendations based on threat analysis conducted in 2015 as well as vulnerability and penetration assessment: including establishing a Patch Management process and implementing Radius Authorization on network devices.  Implement VPN remote access solution for City staff users using 2 factor authentication.  Develop and test an IT disaster recovery plan to support business continuity in case of a disaster.  Provide the necessary technology support for 2018 municipal election  Participate in emergency Management Exercise and Training, as required.
1.3 Strengthening Organizational Capacity and Effectiveness	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	Implement Portal Phase 4 scope – Build a new employee portal that also includes collaboration capabilities.  Based on the feedback received through the 2016 Staff Satisfaction Survey, identify areas of improvement for implementation in 2017.  Support the recommendations of the corporate People Plan.

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of formal customer satisfaction surveys completed	1	0	1	1	1 a year	Ongoing
Overall satisfaction (satisfied and above) for formal survey(s) completed (%)	91%	n/a	94%	81% **	≥ 80%	Ongoing
Average extremely/very satisfied for formal survey(s) completed (%)	52%	n/a	68%	n/a	≥ 35%	Ongoing
# of informal satisfaction surveys completed	12	12	12	12	12	Ongoing
Average customer satisfaction % (satisfied/very satisfied) – informal surveys	92%	94%	94%	93%	≥ 75%	Ongoing
Call abandonment at Service Desk	14%	17%	15%	14%	10%	Ongoing
Average number of answered calls by Service Desk/month	925	903	946	850	n/a	Ongoing
Calls resolved on first contact at Service Desk	40%	52%	46%	46%	50%	Ongoing
Incidents resolved within severity-based set targets	82%	93%	94%	94%	85%	Ongoing
Administrative requests resolved within severity-based set targets	87%	95%	96%	96%	85%	Ongoing
Staff absenteeism	5.5	4.1	7.3	4.2	6.3	Ongoing
Number of learning hours per regular full time employee	8.2	13	2.5	2.1	n/a	Ongoing
Staff satisfaction	73%	n/a	72%	n/a	≥80%	Ongoing
Organizational Outcome Index from Staff satisfaction survey	69.4%	n/a	72.1%	n/a	≥ 80%	Ongoing
Healthy Work Environment Index from Staff Satisfaction survey	66.3%	n/a	68.9%	n/a	≥ 80%	Ongoing
Staff Turnover	0.0%	0.0%	6.1%	2.9%	≤ 7.5%	Ongoing
Business continuity service achievement (%)	99.96%	99.98%	99.93%	99.91%	99.95%	Ongoing
Technology Changes implemented successfully (%)	n/a	n/a	98%	97%	90%	Ongoing

\*\* Results from alternate survey conducted in 2015 and may not be directly compared with standard surveys from previous years.

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population	<p>Implement Corporate Content Management System (CMS) – For Public EIB/Displays and Marquees at City Facilities.</p> <p>Deploy technology infrastructure for South East Community Centre and Library.</p>
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Partner with internal and external parties to promote the economic development objectives through technology	

**GOAL 3 - Safe and Sustainable Community**

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action
3.1. Managing our Road and Transportation System	N/A	
3.2. Managing Growth	N/A	
3.3. Ensuring the Reliability of the Corporation's Services		Continue Business Continuity Strategy related to ITS to minimize service disruptions; continue plan development, implementation and testing.
3.4. Protecting our Built and Natural Environment	N/A	

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Number of loss days due to injury		0	0	0	0	Ongoing



## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Pursue responsible financial and resource management practices	Plan and begin implementing a Capital Budgeting system for Finance Dept. (Eclipse module)
		Implement upgrade of Cayenta financial management application
		Provide support for the implementation of a Multi-Year Budgeting Process and related technology solutions as required
		Replace the Point of Sale (POS) Cashiering system – To accept and manage payments at City facilities and on line; addressing PCI requirements to protect credit card holder data.
		Continue to pursue E3 opportunities
4.2. Stewarding of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	Replace user computers across the City (Desktop, Laptop, Tablet, Thin Client) including Operating System, MS Office and browser, encryption etc.
		Software upgrades to maintain compatibility with upgraded Operating System including: Resource Central, Adobe suite, Certicheck, Infonet, Infoworks, etc.
		Infrastructure System upgrades including: AD, Exchange, Enterprise Vault, VMWare and Citrix.
		Replace the Safire System – For records storage and location management
		Hardware Lifecycle Replacement: -Smart phone -Library 3M equipment
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	Launch the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish related processes and governance.
		As per the Auditor General Audit Plan, directly support the Cyber Security and IT System Effectiveness audits as required.



# INFORMATION TECHNOLOGY SERVICES LONG-TERM BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	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	Complete a formal customer satisfaction survey, identify action areas.	2018
		Continue Portal Phase 4 - implementation of new design features.	2018
		Continue CRM/ACR System Replacement - To track, route and manage citizen inquiries and requests.	2018
		Continue the process for replacing the CLASS System – To manage recreation programs and facilities, including payment.	2018
		Undertake additional system application/hardware upgrade, replacement or implementation as identified.	2018/20
		Continue Learning Management System (LMS) implementation – Data migration for additional Business Units to manage and track learning objectives and activities.	2018
		Support the Customer Experience Strategy.	2018
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	Continue Hansen Upgrade/ Replacement including Enterprise Asset Management requirements – For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures.	2018/19

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action	Year
1.2 Transforming Services through Technology and Innovation	Implement and maintain secured, efficient and sustainable information technology infrastructure	Continue implementation of Electronic Document Management /Sharepoint solution (input from records and retention policy).	2018
		Continue implementation of Electronic Plan Review system (ePlan) - To transform the existing paper based permit and plan review and approval process to a fully electronic and efficient system.	2018
		Provide the necessary technology support for 2018 municipal election.	2018
		Continue to develop and test an IT disaster recovery plan to support business continuity in case of a disaster.	2018/20
1.3 Strengthening Organizational Capacity and Effectiveness	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	Complete a formal Staff Satisfaction Survey; identify improvement initiatives based on results.	2018
		Implement improvement initiatives identified based on 2018 Staff Satisfaction Survey results.	2019
		Support the recommendations of the corporate People Plan.	2018



**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population		
2.2. Ensuring Markham is Welcoming and Inclusive	N/A		
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Partner with internal and external parties to promote the economic development objectives through technology		

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System	N/A		
3.2. Managing Growth	N/A		
3.3. Ensuring the Reliability of the Corporation's Services	N/A		
3.4. Protecting our Built and Natural Environment	N/A		

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Pursue responsible financial and resource management practices	Implement a Capital Budgeting system for Finance Dept. (Eclipse module)	2018
		Obtain PCI Requirement Certification – To attest to completion of PCI compliance requirements	2018/19
		Investigate an Accounts Payable Automation solution	2018
		Continue to pursue E3 opportunities	2018/20
4.2. Stewarding of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	Complete the replacement of additional Hardware Lifecycle items as identified	2018/20
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	Continue the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish related processes and governance	2018/20
		Support the Auditor in the review of implemented changes from the 2017 Cyber Security and IT System Effectiveness audits	2018

## SUSTAINABILITY AND ASSET MANAGEMENT 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
OTHER REVENUE	\$155	\$144	\$155	\$155	\$0	0.0%	\$11	7.8%
SOLAR REVENUE	268	314	275	275	-	0.0%	(39)	-12.4%
<b>Total Revenues</b>	<b>\$423</b>	<b>\$458</b>	<b>\$430</b>	<b>\$430</b>	<b>-</b>	<b>0.0%</b>	<b>(\$28)</b>	<b>-6.1%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,586	\$1,508	\$1,466	\$1,342	(\$123)	-8.4%	(\$166)	-11.0%
PRINTING & OFFICE SUPPLIES	2	2	2	5	2	92.6%	3	176.7%
OPERATING MATERIALS & SUPPLIES	98	101	111	113	1	1.3%	12	11.5%
UTILITIES	674	680	711	711	-	0.0%	31	4.5%
COMMUNICATIONS	6	8	9	19	10	107.6%	11	140.3%
TRAVEL EXPENSES	6	0	4	10	5	123.8%	9	2033.1%
TRAINING	0	2	17	22	5	29.5%	20	976.3%
CONTRACTS SERVICES AGREEMENTS	816	825	862	857	(5)	-0.6%	33	3.9%
MAINT. & REPAIR - TIME & MATERIAL	429	386	464	464	-	0.0%	78	20.3%
RENTAL/LEASE	-	-	0	0	-	0.0%	0	0.0%
LICENCES, PERMITS, FEES	6	2	1	4	3	201.9%	3	150.7%
OTHER EXPENDITURES	205	226	186	186	0	0.0%	(40)	-17.6%
<b>Total Expenses</b>	<b>\$3,829</b>	<b>\$3,740</b>	<b>\$3,835</b>	<b>\$3,733</b>	<b>(101)</b>	<b>-2.6%</b>	<b>(\$6)</b>	<b>-0.2%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,406</b>	<b>\$3,282</b>	<b>\$3,405</b>	<b>\$3,304</b>	<b>(101)</b>	<b>-3.0%</b>	<b>\$21</b>	<b>0.7%</b>
<b>Full Time Complement *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>				

\* Part of Asset Management realigned with Sustainability

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.

# SUSTAINABILITY AND ASSET MANAGEMENT BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Support the development and implementation of the Customer Experience to improve customer satisfaction with a targeted goal 80+% satisfaction rating by 2018	Analyze results from 2016 survey's undertaken and implement changes to improve services to achieve 80% customer satisfaction. Conduct at least one customer service survey for each of our three Divisions in 2017.
		<p>Substantially complete the Civic Centre Security Corridor and associated staff moves by end of 2017.</p> <p>Improve Asset Database map printing services so that customers can order and pay on-line, restructure fees to be cost neutral or revenue positive.</p>
1.2 Transforming Services through Technology and Innovation	Support Digital Markham roadmap	Support the development of the multi-year technology roadmap (Digital Strategy).
		Support the advancement of GIS technology to improve customer service, operational efficiency and make better informed business decisions.
		Participate in the Hansen Upgrade/Replacement that meets Enterprise Asset Management requirements - For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures.
1.3 Strengthening Organizational Capacity and Effectiveness	Implement "Corporate People Plan"	Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT).
	Increase staff satisfaction and engagement within the department	Based on the feedback received through the 2016 Staff Satisfaction Survey, Sustainability & Asset Management staff will focus on the following improvement areas: Opportunities for Advancement, Job Impact on Personal Life and Recognition Until 2018.



## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

### Strategic Objective

### Departmental Objective

### Departmental Action

1.3 Strengthening Organizational Capacity and Effectiveness	Improve the organizations' Sustainability by increasing awareness and knowledge of sustainable practises	Roll-out and promote two new eLearning modules and seek DF and ELT's support for a staff competition in the administration buildings that leverages the Battle of the Buildings competition.
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Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Average corporate training hours per employee	9.9	10.0	7.6	7.8	TBD	TBD
Healthy Work Environment Index*	70%	-	69%		>=75%	TBD
Staff Absenteeism (Average # of days per employee)	9.0	8.0	5.3	7.3	N/A	TBD
Average # of days for facility work orders to be completed	6	6	8	6	7	TBD
Overall Customer Satisfaction					80%	2018
Third party recognition for sustainability excellence					1 award	2017
Organizational Outcome Index from Staff satisfaction survey	79.2%		89.6%	81.3%*	90%	2018
Percent of staff that have completed Corporate Sustainability Education e-learning modules				10%	50%	2016
Staff satisfaction with the City of Markham					80%	Ongoing
Organizational Outcome Index from Staff satisfaction survey					80%	Ongoing
Healthy Work Environment Index from Staff satisfaction survey					80%	Ongoing
Staff Absenteeism (days)					≤ 8.4	Ongoing
Staff Turnover					≤ 7.5%	Ongoing
Number of learning hours per regular full time employee					20	Ongoing

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Support the enhancement in the quality and frequency of engagement	Support the Corporate Volunteer Management Plan. Make use of available corporate community engagement tools.  Undertake departmental activities to support Canada's 150th anniversary celebration.  New action – Lead the green Markham campaign to raise stakeholder awareness of Markham's long and continued sustainability leadership and deliver a "kick ass" event.
	Support the development and implementation of the Community Activation Framework	Facilitate the development of improved integration of department outreach at public engagement events in order to provide a more cost and resource effective one stop public engagement service.
2.2 Ensuring Markham is Welcoming and Inclusive		Initiate gender inclusive renovations at Fire Stations. (94 and 96) (Phase 2) Participate in the development of our corporate diversity and inclusion statement.
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus.
		Participate in the development of our Destination Markham Strategy.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Awareness - We will improve community Greenprint/general sustainability awareness.	N/A	1280	6051	1429	1000	2017
Education - We will improve community sustainability education. Measured by event participation, Enviro-Pac sign-outs and more.	N/A	43	1341	1198	2000	2017
Engagement - Number of Sustainability volunteers.	N/A	18	29	4	10	2017
Engagement - Sustainability volunteer accumulated hours	N/A	N/A	227.5	27	100	2017
Engagement - Sustainability Program participation	N/A	179	380	75	300	2017

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network		Participate in the implementation of the Master Transportation Plan recommendations (DF).
3.2 Managing Growth in Markham	Managing Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	Work with FUA Stakeholders to develop and finalize an ambitious Community Energy Plan that supports the objective of the Municipal Energy Plan.
3.3 Ensuring the Reliability of the Corporation's Services	Support the development of a comprehensive and synergistic enterprise risk management program encompassing Business Continuity and Emergency Management	Participate in Emergency Management Exercise and Training, as required. Support the implementation and promotion of this objective where appropriate and ensure S&AM plan is reviewed once a year and the team is aware of the BCP and our own department's needs as well as the Corporations. Initiate development of a Corporate Security Plan beginning with benchmarking of best practices and a gap analysis of current state.
	Lead development of mitigation plans for our corporate infrastructure to respond to climate change and other risks	Form and lead the team to conduct a Corporate/Community extreme weather resilience inventory (carry over from 2016 – move to 2018). Work with Planning and Engineering to ensure best practise climate change adaptations are addressed in the Future Urban Area.
3.4 Protecting and Respecting our Built and Natural Environment	Continue to lead Markham's support for the establishment of Rouge National Urban Park, help leverage RNUP where possible.	Act as liaison with Parks Canada, report to Council on developments and seek decisions where necessary. Facilitate the transfer of the City's lands in the RNUP Study Area to Parks Canada.
	Continue to implement Markham's Corporate Energy Management Plan to reduce energy risk via conservation, efficiency and investment in renewable energy.	Implement operational and capital projects as per the Corporate Energy Management Plan. Avoided energy cost target of \$90,000 Revenue target of \$293,000
	Present the final Municipal Energy Plan to Council for endorsement and begin implementation	Begin implementing the Municipal Energy Plan with a number of small pilot projects/partnerships to engage and activate our community to begin achieving net zero 2050. Coordinate Markham's role in addressing the 2023 forecasted 150MW electricity demand shortfall.
	Lead the partnership with Operations, Parks Development and Planning Policy to establish Markham as a leading pollinator friendly City in North America	Implement the first year of recommended actions from the Pollinator Strategy. Continue to develop partnerships to leverage this program. Monitor and report to Council on the plan's activities in Q3 2017.
	Support existing and new community gardens as needed	Support the Legacy Organic Garden as they fundraise for water service and other amenity improvements.

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of days lost due to injury	-	3	0	24	N/A	TBD
Corporate Facility GHG Emissions per square feet	4.86	5.03	5.42	TBD	TBD	2016
Corporate Greenhouse Gas Emissions per capita (direct and indirect, includes energy, waste and water)	37.61	36.18	34.99	33.50	5%	2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Ensure efficient delivery of Services	Continually pursue cost reduction and revenue improvement opportunities, develop robust business case with risk assessment as necessary
4.2 Stewarding of the City's Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	Initiate Phase II Enhanced Asset Management Strategy Complete capital budget requests by Q2, 2017
4.3 Increasing Transparency and Accountability	N/A	

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
% capital projects that adheres to Financial Policies	-	-	97%	88%	>=85%	TBD
Energy Savings		\$96,570	\$120,000	\$118,000	\$144,000	2016
Energy Revenues		\$213,000	\$201,000	238,000	\$300,000	2016

# SUSTAINABILITY AND ASSET MANAGEMENT LONG-TERM BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action	Year	
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfied customer service for internal and external clients	Complete customer surveys, ensure follow up and improvements are made.	2018-2020	
		Support Customer Experience Strategy actions, as required.	2018-2020	
1.2 Transforming Services through Technology and Innovation	Continue to implement the recommendations of the Centralized Building Automation Systems Study	Implement the Building Automation System Strategy while continuing to optimize energy use and performance improvements for operators and building occupants.	Ongoing	
		Target of \$58,000 in energy savings for 2018.	2018	
		Set new target for 2019+	2019	
		Support Digital Markham roadmap	Implement Asset Management Software.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	Continue to champion the development of a culture of sustainability for City Staff	Develop new initiatives that promote and celebrate Staff Sustainability achievements.	Ongoing	
		Implement "Corporate People Plan"	Support actions required under the People Plan.	2018-2020
		Increase staff satisfaction and engagement within the department	Participate in corporate staff satisfaction survey.	2018, 2020
			Make staff satisfaction improvements.	2019

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	N/A		
2.2. Ensuring Markham is Welcoming and Inclusive	N/A		
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus	Ongoing

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System	N/A		
3.2. Managing Growth in Markham	Managing Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	Participate in Sustainable and Integrated Growth Management Projects, as required.	2018-2020
3.3. Ensuring the Reliability of the Corporation's Services	Lead development mitigation plans for our corporate infrastructure to respond to climate change and other risks	Continue to support the City's adaptation to climate change. Take advantage of any programs or funding the Province will enable in the 2017 Climate Change Adaptation Plan.	Ongoing 2018
	Develop and maintain a Business Continuity Plan that identifies essential services and resources	Participate in Emergency Management Exercise and Training, as required.	2018-2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.4. Protecting and Respecting Our Built and Natural Environment	Continue to lead Markham's support for the establishment of Rouge National Urban Park, help leverage RNUP where possible.	Act as liaison with Parks Canada, report to Council on developments and seek decisions where necessary.	Ongoing
	Continue to implement Markham's Corporate Energy Management Plan to reduce energy risk via conservation, efficiency and investment in renewable energy.	Implement operational and capital projects as per the Corporate Energy Management Plan.	Ongoing
		Lead the Corporate Energy Team to continuously improve corporate energy performance, monitoring and reporting to meet the budgeted annual utility rate and volumes.	Ongoing
	Implement the Municipal Energy Plan to achieve net zero 2050	Support the development of the Community Energy Plan for the Future Urban Area	Ongoing
		Coordinate Markham's role in addressing the 2023 forecasted 150MW electricity demand shortfall.	Ongoing
	Develop a sustainable community retrofit program to launch in 2018	As part of the Municipal Energy Plan begin our next holistic community retrofit project, ensure adequate funding is secured	Ongoing
	Lead the partnership with Operations, Parks Development and Planning Policy to establish Markham as the leading pollinator friendly City in North America	Implement the second and subsequent years of recommended actions from the Pollinator Strategy	Ongoing
	Support existing and new community gardens as needed	Support the Legacy Organic Garden as they fund raise for water service and other amenity improvements.	Ongoing
Participate in the Energy Management Team and support Energy reduction programs throughout the City	Participate in the Corporate Energy Management Plan	2018-2020	



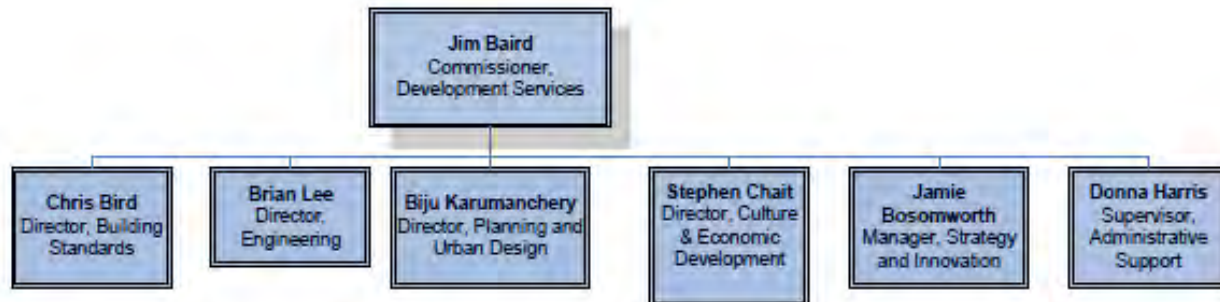
## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Complete multi-year budget and identify E3 opportunities	Support E3 Strategy	2018-2020
4.2. Stewarding of City Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	Continue implementation of Corporate Asset Management Strategy and ensure alignment by departments corporately	2018-2020
		Support the audits conducted by the Auditor General, specifically Physical Infrastructure & Asset in 2018	2018-2020
4.3. Increasing Transparency and Accountability	N/A		



## DEVELOPMENT SERVICES



The commission provides direction and support to envision, create and deliver the most habitable community in North America. Aligned with the City's four goals (Exceptional Services by Exceptional People, Engaged, Diverse and Thriving City, Safe and Sustainable Community and Stewardship of Money and Resources), this is achieved through a multi-disciplined team of professional, technical 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 neighbourhoods, quality infrastructure, excellent culture venues and activities and a people friendly community.

The following Business Units are included under Development Services Commission:

- Ø Building Standards
- Ø Planning and Urban Design
- Ø Engineering
- Ø Culture & Economic Development
- Ø Strategy & Innovation

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:

- Ø Architectural
- Ø Mechanical
- Ø Structural
- Ø Plumbing
- Ø Zoning
- Ø Application Review

## **Engineering**

This department carries out its major functions through the following sections:

- Ø Development & Environmental Engineering
- Ø Municipal Inspections, Capital Contract Administration & Quality Control
- Ø Infrastructure and Capital Works
- Ø Transportation

### **Development & Environmental Engineering**

The Development and Environmental Engineering section is responsible for review and approval of a variety of development applications from the engineering perspective, and also for managing environmental cleanup, and water resources engineering studies related to land developments.

These projects include:

- Ø Planning Act applications: OPA, Secondary Plan, Plan of Subdivision, Site Plan Control, Minor Variance, etc.
- Ø Subwatershed studies, Stormwater management and water resources studies
- Ø Municipal servicing design review and approval

### **Municipal Inspections, Capital Contract Administration & Quality Control**

This section ensures that all municipal infrastructures in land development are constructed in accordance with the City's standards and best practices. They also administer the agreements between the City and the landowners to ensure the various obligations are fulfilled.

This section also provide a contract administration function for the Infrastructure and Capital Works section and provide services to implement capital projects such as preparation of tenders, tender evaluation, monitoring of construction progress, inspection, payment, acceptance, etc.

## **Infrastructure and Capital Works**

This section is responsible for major infrastructure and capital works undertaken by the City. Most of these projects consist of roads construction, bridge structures, sidewalks and trails, and installation of water services. The section plans and project manages a consultant for the detailed design for these projects. The construction is usually undertaken by a general contractor which is hired through the City's procurement process.

## **Transportation**

The Transportation section is made up of two groups: Traffic Operations and Transportation. Traffic Operations is responsible for the day to day issues with operating the City's road network, such as installation of traffic signals, dealing traffic complaints, speed issues, The Transportation section reviews and approves transportation studies, reviews and recommends policies, is also involved in review of planning applications.

## **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.

In addition to the above, this department also manages the design and construction of new parks being constructed in the City and evaluates, assess and process heritage resources for the City.

This department is currently the lead department for the City in managing a new Official Plan meeting the requirements of Provincial policies.

## **Culture & Economic Development**

The Culture & Economic Development department provides vision and leadership for the City's economic strategy and investment attraction programs, and its cultural institutions, strategies and activities to address the growing requirements of a diverse, multi-cultural municipality.

The department fosters 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:

- Ø Business attraction
- Ø Business retention and expansion
- Ø Small business/entrepreneur development
- Ø Innovation and commercialization services
- Ø Industrial and office real estate research



The department is responsible for the programming and operation of the Flato Markham Theatre, the Markham Museum and the Varley Art Gallery. It provides strategic cultural leadership to Council through the implementation of the Markham Culture Plan and Public Art advisory services.

## **Strategy and Innovation**

This Division of the Commissioner's office is responsible for front counter operations including, answering enquiries, accepting, entering and circulating applications and caretakers of City documents. In addition this group manages process improvements; support of the City's tracking application system, AMANDA, and support for various administrative services.



## DEVELOPMENT SERVICES CONSOLIDATED (EXCLUDING BUILDING, PLANNING & DESIGN, AND ENGINEERING) 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
GRANTS AND SUBSIDIES	\$524	\$399	\$254	\$239	(\$15)	-6.0%	(\$160)	-40.2%	
USER FEES & SERVICE CHARGES	2,738	2,727	\$2,516	2,661	145	5.8%	(66)	-2.4%	
RENTALS	414	438	\$430	414	(17)	-3.9%	(24)	-5.6%	
SALES	53	132	\$114	133	19	16.4%	1	0.5%	
RECOVERIES & CONTRIBUTIONS	59	70	\$68	77	9	13.0%	6	9.2%	
OTHER REVENUE	92	97	78	94	16	20.5%	(3)	-3.3%	
<b>Total Revenues</b>	<b>\$3,879</b>	<b>\$3,864</b>	<b>\$3,460</b>	<b>\$3,617</b>	<b>\$157</b>	<b>4.5%</b>	<b>(\$247)</b>	<b>-6.4%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$5,940	\$6,120	\$6,133	\$6,172	\$38	0.6%	\$51	0.8%	
PRINTING & OFFICE SUPPLIES	\$76	\$60	\$88	\$86	(2)	-2.3%	25	42.0%	
PURCHASES FOR RESALE	\$29	\$59	\$43	\$55	12	28.2%	(5)	-7.8%	
OPERATING MATERIALS & SUPPLIES	\$227	\$208	\$220	\$224	4	1.8%	16	7.7%	
VEHICLE SUPPLIES	\$0	\$0	\$1	\$1	-	0.0%	1	0.0%	
SMALL EQUIPMENT SUPPLIES	\$1	\$1	\$2	\$2	-	0.0%	1	164.6%	
UTILITIES	\$220	\$328	\$308	\$292	(16)	-5.1%	(36)	-11.1%	
COMMUNICATIONS	\$34	\$36	\$46	\$43	(3)	-6.6%	7	18.9%	
TRAVEL EXPENSES	\$51	\$74	\$74	\$83	9	12.0%	8	10.8%	
TRAINING	\$15	\$17	\$29	\$31	2	7.0%	13	75.5%	
CONTRACTS & SERVICE AGREEMENTS	\$965	\$785	\$823	\$822	(0)	0.0%	37	4.7%	
MAINT. & REPAIR-TIME/MATERIAL	\$126	\$130	\$114	\$119	5	4.4%	(11)	-8.2%	
RENTAL/LEASE	\$39	\$39	\$23	\$23	-	0.0%	(16)	-41.2%	
PROFESSIONAL SERVICES	\$1,529	\$1,489	\$1,417	\$1,441	23	1.7%	(48)	-3.2%	
LICENCES, PERMITS, FEES	\$52	\$71	\$71	\$72	2	2.1%	1	2.0%	
CREDIT CARD SERVICE CHARGES	\$13	\$7	\$9	\$9	-	0.0%	2	33.8%	
PROMOTION & ADVERTISING	\$816	\$767	\$686	\$730	44	6.4%	(37)	-4.8%	
OTHER PURCHASED SERVICES	\$3	\$6	\$17	\$17	-	0.0%	11	191.0%	
OTHER EXPENDITURES	\$4	\$13	(\$7)	(\$7)	-	0.0%	(20)	-152.3%	
TRANSFERS TO/(FROM) OWN FUNDS	\$23	\$47	\$10	\$10	-	0.0%	(37)	-78.7%	
<b>Total Expenses</b>	<b>\$10,163</b>	<b>\$10,259</b>	<b>\$10,106</b>	<b>\$10,224</b>	<b>\$118</b>	<b>1.2%</b>	<b>(\$36)</b>	<b>-0.3%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$6,284</b>	<b>\$6,396</b>	<b>\$6,645</b>	<b>\$6,606</b>	<b>(\$39)</b>	<b>-0.6%</b>	<b>\$211</b>	<b>3.3%</b>	
<b>Full Time Complement</b>	<b>42</b>	<b>41</b>	<b>41</b>	<b>43</b>					

**Major changes in 2017 Budget from the 2016 Budget:**

**User Fees & Service Charges:** Increase in theatre ticket sales, camps, and programming revenues.



## BUILDING STANDARDS 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenue</b>								
LICENCES & PERMITS	\$6,005	\$9,237	\$6,997	\$8,281	\$1,284	18.4%	(\$956)	-10.3%
USER FEES & SERVICE CHARGES	77	77	30	30	-	0.0%	(47)	-60.8%
OTHER REVENUE	(5)	(1)	-	-	-	0.0%	1	-100.0%
<b>Total Revenues</b>	<b>\$6,077</b>	<b>\$9,313</b>	<b>\$7,027</b>	<b>\$8,311</b>	<b>\$1,284</b>	<b>18.3%</b>	<b>(\$1,002)</b>	<b>-10.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,211	\$5,337	\$5,873	\$5,952	\$79	1.4%	\$615	11.5%
PRINTING & OFFICE SUPPLIES	50	38	57	57	-	0.0%	19	50.5%
OPERATING MATERIALS & SUPPLIES	16	13	24	24	-	0.0%	11	83.6%
COMMUNICATIONS	29	28	36	36	-	0.0%	7	26.1%
TRAVEL EXPENSES	7	5	6	6	-	0.0%	1	12.1%
TRAINING	22	27	26	26	-	0.0%	(1)	-2.1%
CONTRACTS & SERVICE AGREEMENTS	2,556	2,569	2,569	2,650	81	3.2%	81	3.2%
RENTAL/LEASE	0	-	-	-	-	0.0%	-	0.0%
PROFESSIONAL SERVICES	2	2	11	11	-	0.0%	9	515.1%
LICENCES, PERMITS, FEES	22	26	25	25	-	0.0%	(1)	-3.3%
CREDIT CARD SERVICE CHARGES	14	20	15	15	-	0.0%	(5)	-23.2%
PROMOTION & ADVERTISING	2	-	-	-	-	0.0%	-	0.0%
TRANSFERS TO/FROM OWN FUNDS	(1,852)	1,249	(1,614)	(490)	1,124	69.6%	(1,739)	-139.2%
<b>Total Expenses</b>	<b>\$6,077</b>	<b>\$9,313</b>	<b>\$7,027</b>	<b>\$8,311</b>	<b>\$1,284</b>	<b>18.3%</b>	<b>(\$1,002)</b>	<b>-10.8%</b>
<b>Net Expenditures/ (Revenue)</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>Full Time Complement</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**Licences & Permits:** Increase is due to increased number of permits expected in 2017.

**Contracts & Service Agreements:** Increase is due to the annual adjustment of support costs charged from the City to departments.

**Transfers to/(draw from) Reserves:** Represents a draw from Reserve to fund the budgeted deficit of (\$490k) to present a balanced budget.

## BUILDING STANDARDS BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Improve customer satisfaction with department's services.	Undertake at least one customer satisfaction survey.  Develop and document improved construction standards and guidelines for infill housing and demolition projects and inform the general public through web site presence.
	Align to City-wide Customer Experience Strategy and provide satisfactory customer service for internet and external clients	Support the Customer Experience Strategy to formalize, refresh and communicate service delivery standards, participate in the development and implementation of the standard protocol while creating a consistently welcoming environment at all City locations.
1.2 Transforming Services through Technology and Innovation	Modernize building permit application & review systems through process change & use of technology.	Fully implement ePlan throughout department, including training. Evaluate lessons learned and create new departmental policies and procedures. Increase self help information and promote additional self help services.
		Support execution of multi-year technology roadmap.
1.3 Strengthening Organizational Capacity and Effectiveness	Build capacity for innovation and change	Develop and implement change management and communication plan to address the effects of transforming business processes from paper plan review to digital electronic plan review through 2017.  Implement staff improvement project arising out of Staff Satisfaction Survey results.
	People Plan	Consider Building Code amendments arising out of provincial climate change initiatives and assess and respond with staff resources.  Update department job descriptions to incorporate ePlan implementation & digital media.  Succession Planning –anticipate possible retirements and develop a succession plan to maintain or adjust service levels.



Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	2017
Overall customer satisfaction rate			87%	-	>80%	2017
Services provided within timeframe			63%	95%	>80%	2017
Median processing time in working days for housing (MPMP)	12	11	11	13	10	2017
Median processing time in working days for small buildings (MPMP)	16	10	16	19	15	2017
Median processing time in working days for large buildings (MPMP)	23	21	20	19	20	2017
Median processing time in working days for complex buildings (MPMP)	27	26	28	22	30	2017
Percentage of applications filed as complete (MPMP)	77%	60%	69%	80%	>80%	2017
Permits applied for in calendar year that are issued in six months or less	80%	86%	78%	76%	>80%	2017
Percentage of permit applications filed online	n/a	n/a	1.1%	<1%	>50%	2017
Percentage of compliance letters filed online	n/a	n/a	8%	23%	>50%	2017
Percentage of zoning inquiries filed online	100%	100%	100%	100%	100%	2017
Healthy work environments Index for Staff Satisfaction Survey		n/a	62.4%	n/a	83%	2018
Average sick days	6.2		8.6	7.5	<8.4	2017
Annual Learning hours per regular full time employee			3.3	23	20	2017
Lost days due to workplace injury	1	0	0	0	0	2017
Annual hours of health & safety training per inspector		3	26	23	>6	2017



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Introduce progressive revisions to the City Sign By-law	Implement New Sign By-law including training and public awareness
2.2. Ensuring Markham is Welcoming and Inclusive		Implement the appropriate community engagement tools in 2017 Support Corporate programs -Hiring and on-boarding practices -Translation services
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Conditional permit agreement compliance rates		20%	20%	0%	80%	2017
Conditional permits issued as a % age of permits requiring site plan approval		54%	60%	100%	<40%	2017

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network		Support accessibility on active transportation solutions in building designs.
3.2. Managing Growth in Markham	Modernize and consolidate City zoning	<b>Zoning By-law consolidation project:</b> Continued support and interpretive advice to Planning. Post self help zoning information on the website.
3.3. Ensuring the Reliability of the Corporation's Services		Implement Business Continuity Plan (BCP) for department including staff awareness and training.
3.4. Protecting and Respecting our Built and Natural Environment	Promote advancements in innovative built forms and alternative solutions	Implement new code amendments and construction safety guidelines for mid-rise wood frame construction projects anticipated in 2017
		Implement new Building Code amendments applying to energy efficiency design of buildings after December 31, 2016 – Consider any resource needs/procedural changes and implement.
		Consider resource needs and implement any proposed Building Code amendments arising out of Elliot Lake failures.
		Provide advice and support to development of Municipal Sustainability Metrics.
		Provide advice and support for the development of a CEP (Community Energy Plan) for FUA (Future Urban Area) and a MEP (Municipal Energy Plan).

#### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target	Year
Code inspections conducted within timeframes	43,200	55,559	50,691	42,657	>40K/y	2017
Dormant/open building permits inspected and closed	291	401	198	281	300	2017
Illegal building orders issued annually	67	187	81	160	100	2017
Unsafe buildings - Response % within target time frame of <24hrs	100%	100%	100%	100%	100%	2017
Average processing time in days for non housing photovoltaic permits	n/a	n/a	21	0	10	2017

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Sustain and secure a building permit revenue/cost balance to maintain stable funding of Building Standards operations through periods of variable development volume.	Establish and maintain a target reserve fund balance to fund building operations.
		Review Building By-law and make recommendations for revenue opportunities.
		Support the E3 Strategy Refresh.
		Review and make recommendations to amend process of Model Home Permits.
4.2. Stewarding of the City's Assets	N/A	Dormant Permits - Track and actively pursue inactive permits and applications and revoke or cancel accordingly.
4.3. Increasing Transparency and Accountability		Support and implement the audits conducted by the Auditor General.

### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target	Year
Year end reserve balance as a % of one years' total operation cost	167%	190%	150%	121%	100%	2017
Revenue average over 3 years, compared to total operating cost	184	162	182	97	100	2017
Annual user fee increases	0	0	0	3.8%	<5%	2017
Number of new staff positions	0	0	0	0	<2	2017
Number of applications processed per examiner	524	418	158	130	>250	2017
Department operating cost \$ per \$1000 of construction value averaged over three years (MPMP)	3.72	5.00	7.29	9.39	<\$9	2017

## BUILDING STANDARDS LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service		Civic Centre Corridor Security Project	2018
		Undertake a customer satisfaction survey.	2018
1.2 Transforming Services through Technology and Innovation	Modernize building permit application & review systems through process change & use of technology.	Evaluate and document success and lessons learned from ePlan. Revise and update processes & procedures accordingly.	2018
1.3 Strengthening Organizational Capacity and Effectiveness		Succession Planning –anticipate possible retirements and develop a succession plan to maintain or adjust service levels.	2018

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Implement consolidated Zoning By-law	Support the public in understanding and navigating the new zoning by-laws.	2018 2019
		Assess the needs of the public in understanding the new by-law, and adapt the zoning search process to address those needs.	2018 2019
2.2. Ensuring Markham is Welcoming and Inclusive		Support Corporate programs -Hiring practices -Translation services	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus.	2018- 2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network		Support accessibility on active transportation solutions in building designs.	2018-2020
3.2. Managing Growth in Markham	Assist in the management of the new by-law consolidation.	Monitor effectiveness of consolidated zoning by-law, and work with Planning to resolve any unanticipated issues.	2018
		Assist with amending non-zoning by-laws (licensing, fence etc) impacted by the by-law consolidation.	2018
3.3. Ensuring the Reliability of the Corporation's Services		Evaluate Business Continuity Plan (BCP) and update and implement as required. Continue staff awareness and training.	2018
3.4. Protecting and Respecting our Built and Natural Environment	Implement new building code amendments to apply energy efficiency design of buildings after December 31, 2016	Implement new building code amendments applying to energy efficiency design of buildings. Consider any resource needs and implement	2018
		Provide support for development of CEP (Community Energy Plan) for FUA (Future Urban Area) and MEP (Municipal Energy Plan).	2018-2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality		Support the E3 Strategy Refresh	2018-2020
		Review Building By-law and make recommendations for revenue opportunities	2018-2020
4.2. Stewarding of the City's Assets	N/A		
4.3. Increasing Transparency and Accountability		Support and implement the audits conducted by the Auditor General.	2018-2020



## ENGINEERING 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$5,513	\$5,814	\$6,117	\$7,205	\$1,089	17.8%	\$1,391	23.9%
SALES	(23)	-	-	-	-	0.0%	-	0.0%
RECOVERIES & CONTRIBUTIONS	143	163	65	75	10	15.0%	(88)	-54.0%
OTHER REVENUE	-	2	-	-	-	0.0%	(2)	-100.0%
<b>Total Revenues</b>	<b>\$5,632</b>	<b>\$5,978</b>	<b>\$6,182</b>	<b>\$7,280</b>	<b>\$1,098</b>	<b>17.8%</b>	<b>\$1,302</b>	<b>21.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,451	\$4,165	\$4,589	\$4,927	\$338	7.4%	\$762	18.3%
PRINTING & OFFICE SUPPLIES	23	9	22	22	-	0.0%	13	155.9%
OPERATING MATERIALS & SUPPLIES	7	10	13	13	-	0.0%	3	34.8%
COMMUNICATIONS	21	19	24	24	-	0.0%	5	24.9%
TRAVEL EXPENSES	8	14	15	15	-	0.0%	1	6.2%
TRAINING	4	3	15	15	-	0.0%	11	335.0%
CONTRACTS & SERVICE AGREEMENTS	1,935	2,234	2,234	2,282	48	2.2%	48	2.2%
MAINT. & REPAIR-TIME/MATERIAL	-	-	3	3	-	0.0%	3	0.0%
RENTAL/LEASE	3	3	6	6	-	0.0%	3	91.4%
PROFESSIONAL SERVICES	16	10	15	15	-	0.0%	5	43.1%
LICENCES, PERMITS, FEES	26	30	32	32	-	0.0%	2	6.3%
TRANSFERS TO/FROM OWN FUNDS	(862)	(522)	(787)	(75)	712	90.5%	447	85.6%
OTHER EXPENSES	-	3	2	2	-	0.0%	(1)	-34.0%
<b>Total Expenses</b>	<b>\$5,632</b>	<b>\$5,978</b>	<b>\$6,182</b>	<b>\$7,280</b>	<b>\$1,098</b>	<b>17.8%</b>	<b>\$1,302</b>	<b>21.8%</b>
<b>Net Expenditures/ (Revenue)</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>Full Time Complement</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>45</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**User Fees & Service Charges:** Increase due to higher construction charges on capital projects.

**Contracts & Service Agreements:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a draw from Reserve to fund the budgeted deficit of (\$75k) to present a balanced budget.

## ENGINEERING BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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 Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Quality of service provided by Department	Summer 2017 undertake developer / consultant survey related to inspection services as a follow up to “Make it Happen” recommendations
		Support corporate customer experience strategy
	Provide better communication to residents/businesses re: capital projects Provide timely information to Mayor and Councillors on Provincial, Regional information that affects Markham	Update Engineering web site re: major capital projects Provide memos and staff reports to Mayor and Councillors, including DSC and Council Meetings
1.2 Transforming Services through Technology and Innovation	Streamline process and improve effectiveness	Continue to implement E Plan & Amanda 4 upgrades
		Continue to migrate processes and information to web site
		Support execution of the multi-year technology roadmap
1.3 Strengthening Organizational Capacity and Effectiveness	Continue to address staff satisfaction issues	Work with HR to address compensation, workload and space planning issues
	Undertake succession planning strategy	Continue to train candidates for future management positions Participate in the Talent review data gathering process and discussions
	Implement training program	Training for both corporate and performance review requirements

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target
# of formal customer satisfaction surveys completed	1				1/yr
Average overall satisfaction or above for formal survey(s) completed (%)	84%	Nil	Nil	85%	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	27%	Nil	Nil	50%	≥35%
% of Planning applications processed in an agreed upon time frame	80%	80%	80%		85%
% of Engineering submissions processed in service level time frame	95%	95%	95%		85%
% of Site Plan and Subdivisions Agreements processed in an agreed upon time frame	95%	90%	90%		85%
% of ACR cases completed within service level time frame	100%	100%	100%	100%	95%
Healthy Workplace Environment Index (from staff survey)	63%		67.2%		≥75%
Recognition rating (from staff survey)	53%		56.3%		≥65%
Staff Satisfaction rating (from staff survey)	71%		71.5%		≥80%
Completion rate for performance management	88%				100%
Average Corporate learning hours per full-time employee	12.8	4.5	4.4	3.7	20.0
Staff absenteeism (average #of days per employee)	4.7	3.2	3.3	7.3	≤8.4
Staff turnover rate	5%	5%	10%	2.5	≤7.5%

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Seek broader public input into engineering projects to ensure public awareness Coordinate Regional and Provincial projects / studies	Review and implement alternative means of public input for engineering projects
		Implement the appropriate community engagement tools in 2017
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus, with a focus on transportation, parking and servicing



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action
3.1. Managing our Road and Transportation System	Continue to implement road, transit, cycling and TDM initiatives	Coordinate and advance with Metrolinx, York and Toronto, various transportation initiatives
	Participate in Markham Centre Mobility Hub	Working with Metrolinx / VIVA of Phase 1 of the mobility hub study
	Parking Strategy	Coordinate and Finalize Parking Strategy and Parking Business Plan for Markham Centre (related to York University and Metrolinx GO Station) and zoning by-law update
3.2. Managing Growth	Implement FUA, Langstaff, Buttonville and other applications	Undertake various Engineering studies (transportation, serving, environment) to ensure applications meet municipal requirements Implement Construction Management Studies for growth Update Master Servicing Requirements (sanitary and water)
	Reflect operating and maintenance cost for major development and capital projects	Incorporate in reports the Operations and Maintenance cost of Capital Projects and other special initiatives
	Implement Project Charters for development and capital	Implement approved Project Charters re: internal approval process for development and capital
3.3. Ensuring the Reliability of the Corporation's Services		Continue to review and update the Business Continuity Plan for the Engineering Department
3.4. Protecting our Built and Natural Environment	Completion of sub-watershed study for FUA and MESP for Markham Centre	Complete studies and engage stakeholders to finalize environmental and servicing requirements

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target
Cycling & Pedestrian Pathways Added (KM)	-	-	5.3km	3.5km	
% of Capital programs committed Capital – Engineering	70%	65%	70%	60%	80%

## GOAL 4 – Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Update 10 year Capital Program	Review and update Capital needs for development Support the E3 Strategy refresh
	Continue to implement PMO and QAQC initiatives	Process improvements related to Capital delivery
	4.2. Stewarding of City Assets	Update CWH and ASDC By-laws
Ensure sustainable funding model for operating		Review new or revise revenue opportunities
4.3. Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Development Revenue/Expenditure Ratio	\$ 1.22	\$ .79	\$ 1.00		1.0	
Engineering Capital Revenue/Expenditure Ratio	\$ 1.00	\$ 1.00	\$ .88		1.0	

## ENGINEERING LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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 Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Quality of service provided by Department	Undertake bi annual survey to clients re: performance of sections	
	Provide better communication to residents/businesses re: capital projects	Implement recommendations to improve customer needs	
1.2 Transforming Services through Technology and Innovation	Streamline process and improve effectiveness	Continue to implement E Plan in Engineering Department	2018
1.3 Strengthening Organizational Capacity and Effectiveness	Increase productivity and efficiency	Adjust department structure and service levels as needed	ongoing

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Seek broader public input into EA Studies to ensure public awareness	Review and implement alternative means of public input	2018
2.2. Ensuring Markham is Welcoming and Inclusive	N/A		
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus	2018-2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System		Implement Transportation Strategy and capital program	2018-2021
	Undertake Parking Business Plan for Langstaff and Airport	Implement Parking Business Plan for Langstaff and Airport	2018-2021
3.2. Managing Growth		Implement Future Urban Area in North Markham and Secondary Plans	2017-2021
3.3. Ensuring the Reliability of the Corporation's Services		Review and update Business Plan, continue as needed	
3.4. Protecting our Built and Natural Environment		Work with other departments to update Sustainability Community Design Criteria	2018
		Review and update the Business Continuity Plan as required	

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality		Support the E3 Strategy Refresh	2018-2021
4.2. Stewarding of City Assets		Finalize DC by-law update for WH, ASDC, FUA, Airport, and Langstaff etc.	2017-2018
4.3. Increasing Transparency and Accountability		Incorporating Auditor General's Recommendations	



## PLANNING AND URBAN DESIGN 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$7,302	\$9,324	\$7,979	\$9,151	\$1,172	14.7%	(\$174)	-1.9%
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	<b>\$7,302</b>	<b>\$9,324</b>	<b>\$7,979</b>	<b>\$9,151</b>	<b>\$1,172</b>	<b>14.7%</b>	<b>(\$174)</b>	<b>-1.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,183	\$5,582	\$5,840	\$6,268	\$428	7.3%	\$686	12.3%
PRINTING & OFFICE SUPPLIES	36	31	38	38	-	0.0%	7	23.0%
OPERATING MATERIALS & SUPPLIES	7	5	7	7	-	0.0%	2	40.0%
COMMUNICATIONS	9	10	16	16	-	0.0%	6	59.0%
TRAVEL EXPENSES	35	37	29	29	-	0.0%	(7)	-19.9%
TRAINING	7	7	15	15	-	0.0%	8	116.7%
CONTRACTS & SERVICE AGREEMENTS	2,273	2,178	2,178	2,225	48	2.2%	48	2.2%
RENTAL/LEASE	-	-	3	3	-	0.0%	3	0.0%
PROFESSIONAL SERVICES	5	8	39	39	-	0.0%	30	362.1%
LICENCES, PERMITS, FEES	37	41	23	23	-	0.0%	(18)	-43.9%
CREDIT CARD SERVICE CHARGES	4	5	2	2	-	0.0%	(3)	-63.0%
PROMOTION & ADVERTISING	3	6	4	4	-	0.0%	(2)	-26.1%
OTHER EXPENDITURES	2	3	-	-	-	0.0%	(3)	-100.0%
TRANSFERS TO/FROM OWN FUNDS	(311)	1,412	(215)	481	696	-323.4%	(931)	-65.9%
<b>Total Expenses</b>	<b>\$7,290</b>	<b>\$9,324</b>	<b>\$7,979</b>	<b>\$9,151</b>	<b>\$1,172</b>	<b>14.7%</b>	<b>(\$174)</b>	<b>-1.9%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>(\$12)</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>50</b>	<b>51</b>	<b>51</b>	<b>53</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**User Fees & Service Charges:** Increase due to a higher number of applications expected in 2017 and increased rates for fees.

**Transfers to/(draw from) Reserves:** Represents a draw to the Reserve from a budgeted surplus of (\$481k) to present a balanced budget.

# PLANNING AND URBAN DESIGN BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** 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.

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfactory customer service for internal and external clients	Support the Customer Experience Strategy and participate in the development and implementation of the standard protocol for creating a consistently welcoming environment at all city locations.
		Support the Customer Experience Strategy action: formalize, refresh and communicate service delivery standards.
		Complete Customer satisfaction survey.
1.2 Transforming Services through Technology and Innovation	Update planning applications review systems through process change and use of technology  Use technology to assist in the application review and decision making process	Continue to implement e-plan project & AMANDA upgrades.
		Implement 3D modelling capability.  Support execution of the “multi-year technology strategy”.
1.3 Strengthening Organizational Capacity and Effectiveness		Undertake additional Corporate Improvement Project(s) identified from Staff Satisfaction Survey.  Align with and support the Corporate People Plan.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	year
# of formal customer satisfaction surveys completed				1	1/yr	
Average overall satisfaction for formal survey (s) completed (%)					≥80%	
Number of applications circulated	524	501	468	419		
% of applications processed in agreed upon time frames					85%	2017
Percentage of site plan approvals completed within targeted timeframes					85%	2017
Percentage of site plan agreements completed within targeted timeframes					85%	2017
Percentage of Parks construction projects completed in agreed upon timeframes in 2017					90%	2017
Healthy Workplace Environment Index (from staff survey)	59%		61.2%		≥75%	
Recognition rating (from staff survey)	44%		52.8%		≥65%	
Staff Satisfaction rating (from staff survey)	64%		67.1%		≥80%	
Average Corporate learning hours per full-time employee	1.9	4.6	5.2	3.5	20.0	
Staff absenteeism (average # of days per employee)	3.6	5.0	5.0	3.7	≤8.4	
Staff turnover rate	2%	4.1	1.9%	5.5	≤7.5%	

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Support key objectives of other departments involving corporate interests	Participate in the update of the Integrated Leisure Master Plan
		Implement the appropriate community engagement tools in 2017.
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure an excellent urban experience in Markham	Support the development of the York University Campus
		Support the Corporate Public Art program



## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network		Support implementation of Master Transportation Plan Support completion of Markham Center Mobility Hub Study
3.2. Managing Growth in Markham	Streamline /improve application approval process	Complete streamlining and updating the Subdivision Agreement Template with Engineering and Legal Services Update Design Implementation Guidelines
	Advance the Future Urban Area Project in order to expedite development in North Markham	Complete Conceptual Master Plan for the Future Urban Area (FUA)
	Update Secondary Plans /Planning documents	Update Secondary Plans for Cornell, Milliken Center, Unionville Heritage Center and Markham Road/Mount Joy Update Unionville Heritage District Plan to be consistent with Secondary Plan
	Develop a comprehensive Zoning By-law	Continue to draft comprehensive modern web based zoning by-law Complete Parking Study associated with comprehensive Zoning By-law
	Improving Parks delivery	Continue the expedited parks delivery program for existing communities initiated in 2015 Complete Parks and Open Space Master Plan and acquisition strategy (includes strata parks study)
	Advance sustainability	Implement evaluation tool for measuring sustainability performance of all developments Initiate and complete first phase (base criteria for approval) of Markham Centre Wind Modelling Study and Guidelines
3.3. Ensuring the Reliability of the Corporation's Services	Implement risk management framework and ownership accountability to achieve corporate resiliency by 2018	Continue to support the Department Business Continuity Plan. Support research inventory and gap analysis for Climate Change initiatives
3.4. Protecting and Respecting our Built and Natural Environment	Create criteria for compensation of Natural Heritage impacts from development	Commence update of terms of reference for Environmental Impact Studies



## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality		Support the E3 strategy refresh
4.2. Stewarding of the City's Assets	N/A	
4.3. Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

## PLANNING AND URBAN DESIGN

### LONG TERM BUSINESS PLAN

#### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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 Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfactory customer service for internal and external clients	Customer satisfaction survey to determine impact of e-plan review	2018
		Continue to implement recommendations arising from Customer Satisfaction Survey(s)	2018 2019 2020
		Continue to support corporate Customer Experience Strategy	2018 2019 2020
1.2 Transforming Services through Technology and Innovation	Use technology to assist in the application review and decision making process	Fine tune e-Plan review implementation	2018
		Create 3D model of City	2018
1.3 Strengthening Organizational Capacity and Effectiveness		Undertake additional Corporate Improvement project identified from Staff Satisfaction Survey (if necessary)	2018 2019 2020



**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) 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	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement		Continue to implement appropriate community engagement tools	2018
			2019
			2020
2.2. Ensuring Markham is Welcoming and Inclusive		Update the Markham Home Buyers Guide	2018
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure an excellent Urban Experience in Markham	Support the development of York University	2018
			2019
			2020
		Support the Corporate Public Art Program	2018
			2019
	2020		

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year	
3.1. Managing our Road and Transportation System		Support implementation of Master Transportation Plan	2018 2019 2020	
	3.2. Managing Growth	Advance the Future urban Area project in order to expedite development in North Markham	Complete Secondary Plans for Future Urban Area Initiate Conceptual master Plan work for Future urban Area expansion to 2041	2018 2018
		Update Secondary Plans	Highway 404 North and Buttonville West	2018
Thornhill Heritage Center and Markham village Heritage Center			2019	
Buttonville Heritage Center	2020			
	Develop a comprehensive Zoning by-law	Complete drafting of a comprehensive modern web based zoning by-law	2018	
		Address appeals to comprehensive zoning by-law	2019	
	Improving parks Delivery	Continue the expedited parks delivery program for existing communities initiated in 2015	2018 2019 2020	
3.3. Ensuring the Reliability of the Corporation's Services	N/A			
3.4. Protecting and Respecting our Built and Natural Environment	Manage private land encroachment into public lands	The Natural heritage Encroachment Brochure to be completed	2018	
		Complete update of terms of reference for Environmental Impact Studies	2018	



## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality		Support the E3 strategy refresh	2018
			2019
			2020
4.2. Stewarding of City Assets	N/A		
4.3. Increasing Transparency and Accountability		Support the Audits conducted by the Auditor General	2018
			2019
			2020



## CULTURE & ECONOMIC DEVELOPMENT 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$524	\$399	\$254	\$239	(\$15)	-6.0%	(\$160)	-40.2%
USER FEES & SERVICE CHARGES	2,738	2,727	2,516	2,661	145	5.8%	(66)	-2.4%
RENTALS	414	438	430	414	(17)	-3.9%	(24)	-5.6%
SALES	53	132	114	133	19	16.4%	1	0.5%
RECOVERIES & CONTRIBUTIONS	59	70	68	77	9	13.0%	6	9.2%
OTHER REVENUE	91	90	77	93	16	20.8%	3	3.7%
<b>Total Revenues</b>	<b>\$3,879</b>	<b>\$3,856</b>	<b>\$3,459</b>	<b>\$3,616</b>	<b>\$157</b>	<b>4.5%</b>	<b>(\$240)</b>	<b>-6.2%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,635	\$4,649	\$4,565	\$4,647	\$82	1.8%	(\$2)	0.0%
PRINTING & OFFICE SUPPLIES	63	60	87	85	(2)	-2.3%	25	41.5%
PURCHASES FOR RESALE	29	59	43	55	12	28.2%	(5)	-7.8%
OPERATING MATERIALS & SUPPLIES	225	206	220	224	4	1.8%	18	8.6%
VEHICLE SUPPLIES	-	-	1	1	-	0.0%	1	0.0%
SMALL EQUIPMENT SUPPLIES	1	1	2	2	-	0.0%	1	164.6%
UTILITIES	220	328	308	292	(16)	-5.1%	(36)	-11.1%
COMMUNICATIONS	34	36	44	41	(3)	-6.7%	6	16.0%
TRAVEL EXPENSES	45	61	56	64	8	14.4%	3	4.9%
TRAINING	11	14	18	18	-	0.0%	5	34.1%
CONTRACTS & SERVICE AGREEMENTS	416	423	433	433	-	0.0%	10	2.4%
MAINT. & REPAIR-TIME/MATERIAL	126	130	114	114	-	0.0%	(16)	-12.1%
RENTAL/LEASE	15	16	14	14	-	0.0%	(2)	-9.9%
PROFESSIONAL SERVICES	939	909	828	840	11	1.4%	(70)	-7.6%
LICENCES, PERMITS, FEES	48	67	70	70	-	0.0%	3	3.9%
CREDIT CARD SERVICE CHARGES	13	7	9	9	-	0.0%	2	29.2%
PROMOTION & ADVERTISING	816	767	686	730	44	6.4%	(37)	-4.8%
OTHER PURCHASED SERVICES	3	6	17	17	-	0.0%	11	191.0%
OTHER EXPENDITURES	-	13	3	3	-	0.0%	(10)	-77.6%
TRANSFERS TO/FROM) OWN FUNDS	23	47	10	10	-	0.0%	(37)	-78.7%
<b>Total Expenses</b>	<b>\$7,663</b>	<b>\$7,799</b>	<b>\$7,528</b>	<b>\$7,669</b>	<b>\$141</b>	<b>1.9%</b>	<b>(\$130)</b>	<b>-1.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,785</b>	<b>\$3,943</b>	<b>\$4,069</b>	<b>\$4,053</b>	<b>(\$16)</b>	<b>-0.4%</b>	<b>\$110</b>	<b>2.8%</b>
<b>Full Time Complement</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>29</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**User Fees & Service Charges:** Increase in ticket sales, camps, and programming revenues.



# CULTURE & ECONOMIC DEVELOPMENT BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Create additional customer service surveys to respond to our customers' needs	Conduct a customer satisfaction survey each year Conduct rental and event surveys each year
	Maintain a high level of program participation/ customer satisfaction	Continue to work on program initiatives with Markham Public Library, Recreation and other departments, as the opportunity arises
	Align with City wide customer experience strategy	Support implementation of customer experience strategy
1.2 Transforming Services through Technology and Innovation	Assist with the development and implementation of the Digital Markham technology roadmap	Support implementation of a new CRM/ACR System
	Implement technology-based service delivery improvements	Support execution of the "multi-year technology roadmap" as per plan Manage and update contents of the department websites
1.3 Strengthening Organizational Capacity and Effectiveness	Implement a corporate People Plan	Support implementation of new corporate PPRF process
	Increase staff satisfaction and engagement in the department	Undertake improvement project arising from staff satisfaction survey Review and reassess individual work plans for full time staff Conduct workload audits for full time staff

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of formal customer satisfaction surveys completed	-	-	1	2	1 per year	2016
% of extremely satisfied with summer camps	-	34.7	29.5	37.8	25%	2016
% of very satisfied with summer camps	-	44.0	52.5	37.8	30%	2016
Average fill rates for community and camp programs	74%	77%	82%	73%	80%	2016
Average corporate learning hours per employee	4.1	-	4.7	2.9	20.0	2016
Workload Index from the staff satisfaction survey*	38%	-	45%	-	60%	2016
Healthy work environment from the staff satisfaction survey*	66%	-	69%	-	70%	2016
Overall customer satisfaction rate (% very or extremely satisfied)	70%			90%	>35%	2016
Number of MSBC web page views			35,511	32,572	>30,000	2016
Number of Economic Development web page views			29,294	19,340	>25,000	2016
Number of webinars				3	4	2016
Staff recognition rating	71%		67.4%		>65%	2016
Staff satisfaction rate	88%		83.3%		>80%	2016
Healthy workplace environment index	76%		70.6%		>75%	2016
Average corporate learning hours	1.0	1.7	3.4	2.0	5.0	2016

Note: \* - Data is generated every even year



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Celebrate diversity in Markham	Undertake departmental activities to support Canada's 150 <sup>th</sup> anniversary celebration Celebrate Varley Art Gallery 20 <sup>th</sup> anniversary
	Engage business associations in the delivery of economic development programs	Involve business associations and educational institutions in the development and delivery of economic development programs Implement the appropriate community engagement tools
2.2 Ensuring Markham is Welcoming and Inclusive	Ensure welcoming and inclusive spaces for the community	Support implementation of the Older Adult Strategy
		Participate in the update of the Integrated Leisure Master Plan
		Continue to build Markham's public art inventory
		Implement the design and undertake the construction of the Gallery Courtyard
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Attract investment from new immigrant business owners and entrepreneurs	Implement the Museum Strickler Barn retrofit
		Support Recreation and Urban Design/Operations in the public art components of the Canada 150 Infrastructure projects - Benjamin Thorne Memorial (Recreation) and Veterans Square (Urban Design/Operations)
		Support ethnic business associations
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Develop the "Destination Markham" initiative	Deliver targeted entrepreneurship training programs
		Lead development of Destination Markham strategy along with staff from other departments.
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus
		Lead the Destination Markham initiative

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
% of extremely satisfied with staff ensuring a welcoming environment	-	47.8%	37.5%	41.7%	N/A	2015
Number of public art installations/year	1	0	2	7	2	2016
# of volunteer hours contributed annually	24,996.75	25,578.14	22,891.5	18,468.5	20,315.35	2016
Number of programs delivered in collaboration with business partners			90		85	2016
Number of sponsored events with ethnic business associations	7	7	8		8	2016
Number of targeted entrepreneurship training programs and events	28		38		35	2016

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	Support continued land and built capacity for targeted employment growth	Promote preservation of employment lands
		Promote appropriate and competitively advantageous regulations and policies
	Department's Strategic and Business Unit Plans	Implement Markham 2020 Economic Strategy Implement and update MSBC Annual Marketing Plan
3.2 Managing Growth in Markham	Ensure culture keeps pace with growth	Ensure new growth and intensification areas include public art
		Ensure Culture Department feeds into various City strategies and plans
		Pursue initiation of new Theatre feasibility study
3.3 Ensuring the Reliability of the Corporation's Services	Ensure continuity of operations in times of crisis affecting business units	Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
		Strategic Plans in the department
	Complete the Public Art Master Plan	Implement the Flato Markham Theatre Strategic Plan
		Implement the Flato Markham Theatre Brand Review
Implement the Markham Museum Strategic Plan		
3.4 Protecting and Respecting our Built and Natural Environment	Act as a role model to fulfill the City's environmental and sustainability plan through partnerships and education	Investigate partnerships with Rouge National Park

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of recommendations addressed in the approved Culture Plan	0	2	3	13	5/year	2016
Number of hectares of vacant employment lands	660	615	476	350	>500	2016
Total employment (jobs)	140,343	142,826	155,890	162,000	165,000	2016
ICT employment (jobs)			31,879	30,632	33,000	2016
Professional, Scientific, Technical (jobs)	26,288	20,067	29,256	27,987	32,000	2016
Finance and Insurance (jobs)	11,343	10,982	13,011	13,110	14,000	2016
Life Sciences			6,655	6,821	7,000	2016

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscal responsibility while providing engaging and enriching cultural opportunities	Support E3 Strategy
	Ensure that Departmental services are delivered efficiently	Review Departmental and staff memberships
4.2 Stewarding of the City's Assets	Improve access to collections	Make collections more accessible by continuing to digitize them and putting them online either as curated exhibitions or as an information database
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target	Year
Completion rate of capital projects (Finance data)	-	-	-	-	80%	2015
Annual revenue generated through grants, donations and sponsorships as a percentage of total operating revenues	12%	12	13%	12	15%	2018
Annual expenditure for Department memberships		\$6,579	\$7,307		\$6,000	2016

## CULTURE & ECONOMIC DEVELOPMENT

### LONG-TERM BUSINESS PLAN

#### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Create additional customer service surveys to respond to our customers' needs	Undertake customer satisfaction survey each year	2018-2020
1.2 Transforming Services through Technology and Innovation	N/A		
1.3 Strengthening Organizational Capacity and Effectiveness	Implement a corporate People Plan	Support development of knowledge transfer strategies	2018
	Increase staff satisfaction and engagement in the department	Participate in corporate staff satisfaction survey	2018, 2020
		Undertake improvement project arising from staff satisfaction survey	2019

#### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	N/A		
2.2 Ensuring Markham is Welcoming and Inclusive	N/A		
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus	2018-2019
		Participate in the RFP for the new 10-year Economic Strategy	2019

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	N/A		
3.2 Managing Growth in Markham	N/A		
3.3 Ensuring the Reliability of the Corporation's Services	N/A		
3.4 Protecting and Respecting our Built and Natural Environment	Act as a role model to fulfill the City's environmental and sustainability plan through partnerships and education	Investigate Public Art with Rouge Park National	2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscal responsibility while providing engaging and enriching cultural opportunities	Develop metrics to measure economic impact of cultural activities for the community	2019
		Support E3 Strategy	2018-2020
4.2 Stewarding of the City's Assets	N/A		
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2018-2020



## COMMUNITY AND FIRE SERVICES COMMISSION

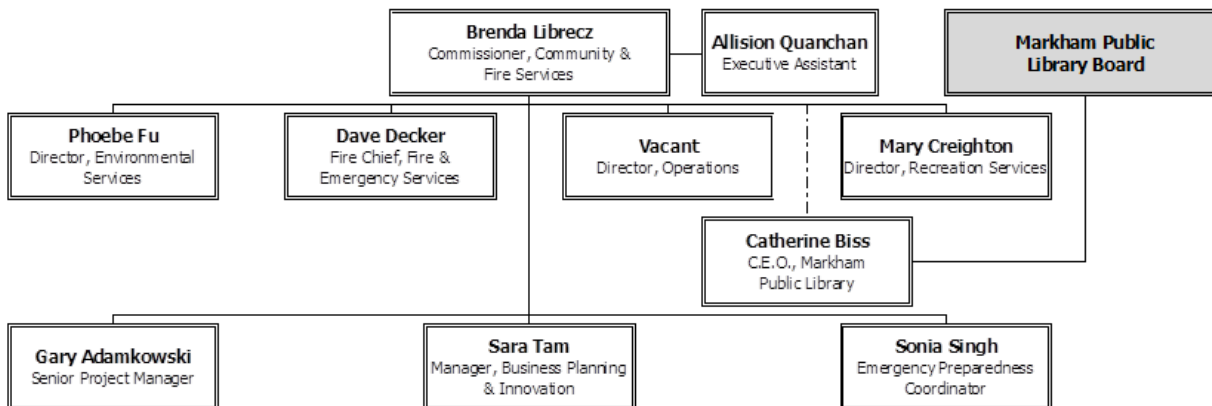
“*Working with the community to make Markham a vibrant place to live, work and play,*” is the mission statement of the Community & Fire Services Commission. Services to the public are delivered by five departments, as coordinated by the Commissioner’s Office.

These departments include:

1. Environmental Services
2. Fire & Emergency Services
3. Markham Public Library
4. Operations (*Roads/Parks/Fleet*)
5. Recreation Services

The Commissioner’s Office is responsible for the overall coordination of business operations and strategic activities at the Commission level, emergency preparedness for the overall organization, special initiatives, and coordination with other Commissions.

The structure of the Community & Fire Services Commission was realigned, following the merger of the Culture Department with the Economic Development Office in 2016 and the redistribution of the Asset Management Department into the Environmental Services Department, Sustainability Office, and Operations Department at the start of 2017. The new structure is shown below.

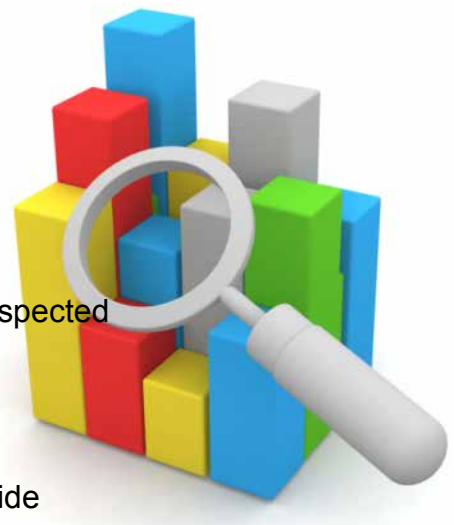


In 2017, this Commission, which includes Waterworks, has an approved full-time complement of 668 positions, a gross operating expenditures budget of \$247.0 million, revenues budgeted at \$146.1 million, and a capital budget of \$42.1 million.

Our programs and management practices are recognized externally, bringing distinction and prestige to the City of Markham.





### 2016 Commission Facts

- 8.3 million visits at **recreation facilities**
- 63,972 direct **recreation program registrations**
- 67,496 **sportsfield hours** booked
- 88 **sporting events**, including 1 international, 2 national, 13 provincial, and 15 regional
- 4,949,260 **library items** borrowed
- 4,880,345 in-person and online **library visits**
- 61,400 calls answered by **Fire dispatch**
- 7,030 responses to **Fire emergency incidents**
- 1,123 ha of **parks and open space** maintained
- 2,193 lane km of **city roads** maintained
- 1,076 km city **sidewalk** maintained
- 128 **culverts** and **vehicular and pedestrian bridges** inspected and 13 rehabilitated
- 857 city **fleet vehicles** maintained
- 31.97 million cubic metres of **water consumed**
- 61,230 tonnes of **waste diverted from landfill** by curbside
- 80% community **waste diversion rate**





Corporate direction guides the focus of our Commission and the work of each department and its business plan. That direction is summarized below.

Goal & Goal Statement	<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>We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.</p> <p>We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.</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>We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.</p>
Objectives	<p>1.1 Improving Customer Service</p> <p>1.2 Transforming Services through Technology and Innovation</p> <p>1.3 Strengthening Organizational Capacity and Effectiveness</p>	<p>2.1 Increasing Community Engagement</p> <p>2.2 Ensuring Markham is Welcoming and Inclusive</p> <p>2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge Based Industries</p>	<p>3.1 Managing our Transportation and Road Network</p> <p>3.2 Managing Growth in Markham</p> <p>3.3 Ensuring the Reliability of the Corporation's Services</p> <p>3.4 Protecting and Respecting our Built and Natural Environment</p>	<p>4.1 Ensuring a Fiscally Prudent and Efficient Municipality</p> <p>4.2 Stewardship of the City's Assets</p> <p>4.3 Increasing Transparency and Accountability</p>

### Organizational Alignment of Work





A brief summary of each department is provided below:

**Environmental Services**

The Environmental Services Department was realigned in 2017, bringing together **Right-of-Way (ROW) Assets, Waste & Environmental Management, and Waterworks**, as supported by the **Business Compliance** function.

**ROW 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 the following sections.

- Right-of-Way Assets is responsible for the planning of the City's *capital works rehabilitation programs* such as *bridges, culverts, streetlights, and storm sewer outfalls inspection and rehabilitation*. It works closely with the Engineering and Operations Departments.
- Stormwater Group is responsible for the management of the City's Stormwater infrastructure, such as the rehabilitation and upgrades of existing storm sewers and the maintenance of storm management ponds.



**Waste & Environmental Management** is responsible for the management of curbside pickup of household recyclables, garbage, organic waste, and yard waste. Other services include the operation of recycling depots, large appliances and metal pickup, special recycling programs, policy development, and public education programming. Markham currently diverts 80% of its waste from landfill.

**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, and 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 the drinking water meets Provincial Standards.

**Business Compliance** is responsible for ensuring the department is compliant with corporate financial procedures, legislative requirements for technical and health and safety training, and the Ministry of Environment and Climate Change 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 supports the Commissioner's Office to deliver the corporate Emergency Preparedness program, where a Deputy Fire Chief performs the function of the Community Emergency Management Coordinator.

### **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 Vision/Mission is to be "the place where Markham comes together to imagine, create, learn and grow."



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 learning 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, collaborative partnerships, technology that meets residents' learning, creative and business needs, 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) and the Minister's Award for Innovation in 2015. MPL is also a library sector leader in the implementation of RFID-based self-service technology – in 2016, 84% 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, Business & Technical Services, and starting in 2017, Survey & Utilities.



- 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, road occupancy permitting, 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, multi-use pathways, walkways of city-owned facilities, and monitoring of natural areas and valley lands.
- 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 Operations' administration and accounting, including budget management and accounting activities, and asset and life-cycle analysis. Business & Technical Services is also responsible for the Public Realm portfolio, which includes management of the City's public space, the Parks Renaissance program, and the Tree Preservation program.
- Survey & Utilities** is responsible for administration and coordination of utility approvals within the City's right-of-ways, providing survey services to various internal departments, and maintaining the street lighting system.

### **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 Development Strategy will be used to guide the development of 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 CONSOLIDATED (EXCLUDING WATERWORKS) 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$1,491	\$1,747	\$1,342	\$1,402	\$60	4.5%	(\$345)	-19.8%
LICENCES & PERMITS	169	71	100	\$137	37	37.4%	66	93.2%
FINES	\$0	\$4	\$3	\$3	-	0.0%	(1)	-25.0%
USER FEES & SERVICE CHARGES	11,502	11,878	12,111	\$12,856	745	6.1%	979	8.2%
RENTALS	6,775	7,250	7,550	\$7,813	263	3.5%	563	7.8%
SALES	383	389	545	\$521	(24)	-4.5%	131	33.7%
RECOVERIES & CONTRIBUTIONS	964	824	1,079	\$781	(298)	-27.6%	(44)	-5.3%
OTHER REVENUE	486	497	579	\$569	(11)	-1.8%	72	14.5%
INTERDEPARTMENTAL RECOVERIES	714	714	721	\$830	109	15.2%	116	16.2%
<b>Total Revenues</b>	<b>\$22,484</b>	<b>\$23,375</b>	<b>\$24,030</b>	<b>\$24,912</b>	<b>\$881</b>	<b>3.7%</b>	<b>\$1,537</b>	<b>6.6%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$76,413	\$79,058	\$79,952	\$80,902	\$950	1.2%	\$1,844	2.3%
PRINTING & OFFICE SUPPLIES	215	165	234	242	8	3.4%	77	46.8%
PURCHASES FOR RESALE	272	241	271	297	25	9.3%	55	22.9%
OPERATING MATERIALS & SUPPLIES	1,885	1,730	2,085	2,079	(6)	-0.3%	350	20.2%
VEHICLE SUPPLIES	1,500	1,455	1,630	1,614	(16)	-1.0%	159	10.9%
SMALL EQUIPMENT SUPPLIES	2	6	4	4	-	0.0%	(2)	-28.3%
BOTANICAL SUPPLIES	267	227	226	266	40	17.7%	39	17.3%
CONSTRUCTION MATERIALS	1,733	2,237	1,827	1,824	(3)	-0.2%	(414)	-18.5%
UTILITIES	6,616	6,724	6,950	7,759	809	11.6%	1,035	15.4%
COMMUNICATIONS	257	234	282	280	(2)	-0.6%	46	19.7%
TRAVEL EXPENSES	96	108	130	129	(1)	-0.5%	22	20.0%
TRAINING	250	263	302	311	9	2.8%	48	18.4%
CONTRACTS & SERVICE AGREEMENTS	8,963	9,579	10,598	10,896	298	2.8%	1,317	13.8%
MAINT. & REPAIR-TIME/MATERIAL	4,398	4,543	4,712	5,453	741	15.7%	910	20.0%
RENTAL/LEASE	497	506	499	527	28	5.7%	21	4.1%
INSURANCE	12	12	13	13	-	0.0%	1	10.9%
PROFESSIONAL SERVICES	175	122	189	179	(10)	-5.2%	58	47.3%
LICENCES, PERMITS, FEES	529	496	516	460	(56)	-10.9%	(36)	-7.3%
CREDIT CARD SERVICE CHARGES	307	321	241	242	1	0.2%	(80)	-24.8%
PROMOTION & ADVERTISING	95	106	90	82	(9)	-9.6%	(24)	-22.8%
CONTRACTED MUNICIPAL SERVICES	10,049	9,888	10,657	10,753	96	0.9%	866	8.8%
OTHER PURCHASED SERVICES	745	753	753	856	103	13.7%	103	13.7%
WRITE-OFFS	-	0	-	45	45	0.0%	45	100+%
OTHER EXPENDITURES	175	191	177	106	(71)	-40.0%	(85)	-44.3%
TRANSFERS TO/(DRAW FROM) RESERVES	437	525	437	437	-	0.0%	(88)	-16.7%
	<b>\$115,888</b>	<b>\$119,489</b>	<b>\$122,777</b>	<b>\$125,756</b>	<b>\$2,979</b>	<b>2.4%</b>	<b>\$6,267</b>	<b>5.2%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$93,404</b>	<b>\$96,114</b>	<b>\$98,747</b>	<b>\$100,844</b>	<b>\$2,098</b>	<b>2.1%</b>	<b>\$4,730</b>	<b>4.9%</b>
<b>Full Time Complement</b>	<b>644</b>	<b>644</b>	<b>644</b>	<b>602</b>				



## ENVIRONMENTAL ASSETS 2017 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>		<u>2017 Bud. vs. 2016 Act.</u>		
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b><u>Expenses</u></b>									
SALARIES AND BENEFITS	\$685	\$870	\$1,012	\$1,099	\$87	8.6%	\$230	26.4%	
PRINTING & OFFICE SUPPLIES	7	7	8	4	(4)	-46.1%	(3)	-42.9%	
OPERATING MATERIALS & SUPPLIES	1	2	2	25	23	100+%	23	100+%	
COMMUNICATIONS	13	14	16	4	(11)	-71.7%	(10)	-68.8%	
TRAVEL EXPENSES	7	12	12	5	(8)	-61.5%	(7)	-60.6%	
TRAINING	10	8	12	4	(7)	-61.5%	(4)	-47.3%	
CONTRACTS SERVICES AGREEMENTS	-	-	-	(89)	(89)	0.0%	(89)	0.0%	
RENTAL/LEASE	2	2	2	2	-	0.0%	(0)	-5.4%	
LICENCES, PERMITS, FEES	5	8	10	5	(4)	-44.1%	(3)	-34.7%	
CREDIT CARD SERVICE CHARGES	0	0	0	0	(0)	-66.2%	(0)	-71.4%	
WRITE-OFFS	-	-	-	-	-	0.0%	-	0.0%	
<b>Total Expenses</b>	<b>\$731</b>	<b>\$924</b>	<b>\$1,073</b>	<b>\$1,061</b>	<b>-\$12</b>	<b>-1.1%</b>	<b>\$136</b>	<b>14.8%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$731</b>	<b>\$924</b>	<b>\$1,073</b>	<b>\$1,061</b>	<b>(\$12)</b>	<b>-1.1%</b>	<b>\$136</b>	<b>14.8%</b>	
<b>Full Time Complement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>					

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.



## ENVIRONMENTAL SERVICES - WASTE 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$1,180	\$1,365	\$1,071	\$1,071	\$0	0.0%	(\$293)	-21.5%
USER FEES & SERVICE CHARGES	9	11	17	17	-	0.0%	6	57.1%
SALES	97	85	141	141	-	0.0%	55	64.9%
OTHER REVENUE	166	166	175	177	2	1.4%	11	6.4%
<b>Total Revenues</b>	<b>\$1,453</b>	<b>\$1,628</b>	<b>\$1,404</b>	<b>\$1,407</b>	<b>\$2</b>	<b>0.2%</b>	<b>(\$221)</b>	<b>-13.6%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$649	\$629	\$669	\$676	\$7	0.0%	\$40	6.4%
PRINTING & OFFICE SUPPLIES	32	10	27	53	26	96.4%	43	428.9%
PURCHASES FOR RESALE	189	166	200	206	6	3.2%	40	24.3%
OPERATING MATERIALS & SUPPLIES	26	50	62	63	1	1.5%	13	26.1%
UTILITIES	5	4	5	5	-	0.0%	1	25.0%
COMMUNICATIONS	6	7	11	9	(2)	-15.8%	2	34.1%
TRAVEL EXPENSES	3	4	9	9	1	6.6%	5	111.3%
TRAINING	5	1	3	3	0	1.2%	2	161.8%
CONTRACTS SERVICES AGREEMENTS	21	75	22	22	-	0.0%	(53)	-70.7%
MAINT. & REPAIR-TIME/MATERIAL	15	10	8	9	2	22.7%	(0)	-2.1%
RENTAL/LEASE	0	0	1	0	(1)	-89.8%	(0)	-71.8%
PROFESSIONAL SERVICES	32	31	31	41	10	32.1%	10	33.5%
LICENCES, PERMITS, FEES	1	2	2	2	0	8.3%	(0)	-2.6%
CREDIT CARD SERVICES CHARGES	4	3	2	2	1	35.3%	(1)	-27.6%
PROMOTION & ADVERTISING	27	26	49	10	(39)	-79.3%	(16)	-61.4%
CONTRACTED MUNICIPAL SERVICES	7,904	7,649	8,227	8,077	(150)	-1.8%	428	5.6%
OTHER PURCHASED SERVICES	30	38	38	42	3	8.0%	3	8.0%
<b>Total Expenses</b>	<b>\$8,949</b>	<b>\$8,706</b>	<b>\$9,365</b>	<b>\$9,231</b>	<b>(\$135)</b>	<b>-1.4%</b>	<b>\$525</b>	<b>6.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$7,496</b>	<b>\$7,078</b>	<b>\$7,961</b>	<b>\$7,824</b>	<b>(\$137)</b>	<b>-1.7%</b>	<b>\$746</b>	<b>10.5%</b>
Full Time Complement	5	5	5	5				

### Major changes in 2017 Budget from the 2016 Budget:

**Contracted Municipal Services:** Decrease due to reduction in waste tonnage based on actual trending.



## ENVIRONMENTAL SERVICES - WATERWORKS 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
FINES/ BILLINGS	100,926	111,708	113,975	119,794	\$5,819	5.1%	\$8,085	7.2%
USER FEES & SERVICE CHARGES	505	390	581	581	-	0.0%	191	49.1%
SALES	569	623	366	426	60	16.4%	(197)	-31.7%
RECOVERIES & CONTRIBUTIONS	219	320	373	373	-	0.0%	53	16.4%
OTHER REVENUE	(8)	22	-	-	-	0.0%	(22)	-100.0%
TRANSFERS FROM RESERVES	1,992	(622)	-	-	-	0.0%	622	100.0%
<b>Total Revenues</b>	<b>\$104,203</b>	<b>\$112,442</b>	<b>\$115,295</b>	<b>\$121,173</b>	<b>\$5,879</b>	<b>5.1%</b>	<b>\$8,732</b>	<b>7.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$7,160	\$7,482	\$7,364	\$7,594	\$231	3.1%	\$113	1.5%
PRINTING & OFFICE SUPPLIES	37	27	33	33	-	0.0%	7	25.6%
OPERATING MATERIALS & SUPPLIES	94	161	132	142	11	8.0%	(19)	-11.6%
CONSTRUCTION MATERIALS	569	410	610	612	1	0.2%	201	49.0%
UTILITIES	49	27	56	56	-	0.0%	29	105.6%
COMMUNICATIONS	51	53	102	99	(3)	-2.7%	46	87.0%
TRAVEL EXPENSES	18	22	47	47	(1)	-1.1%	25	113.8%
TRAINING	44	46	57	57	-	0.0%	11	24.6%
CONTRACTS & SERVICE AGREEMENTS	3,237	3,089	3,176	3,336	160	5.0%	247	8.0%
MAINT. & REPAIR-TIME/MATERIAL	319	441	400	413	13	3.3%	(27)	-6.2%
RENTAL/LEASE	5	7	6	6	-	0.0%	(1)	-8.9%
PROFESSIONAL SERVICES	81	77	113	113	-	0.0%	36	46.0%
LICENCES, PERMITS, FEES	50	47	55	57	2	3.2%	10	20.8%
CREDIT CARD SERVICE CHARGES	1	1	0	0	-	0.0%	(1)	-78.0%
PROMOTION & ADVERTISING	1	-	3	3	-	0.0%	3	0.0%
CONTRACTED MUNICIPAL SERVICES	75,185	83,594	84,774	90,758	5,984	7.1%	7,165	8.6%
OTHER PURCHASED SERVICES	2,336	2,381	2,381	2,404	23	0.9%	23	0.9%
WRITE-OFFS	0	4	25	20	(5)	-20.0%	16	404.0%
TRANSFERS TO/(DRAW FROM) RESERVES	15,589	15,339	15,961	15,424	(537)	-3.4%	85	0.6%
<b>Total Expenses</b>	<b>\$104,826</b>	<b>\$113,206</b>	<b>\$115,295</b>	<b>\$121,173</b>	<b>\$5,879</b>	<b>5.1%</b>	<b>\$7,968</b>	<b>7.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$622</b>	<b>\$764</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$764)</b>	<b>-100.0%</b>
<b>Full Time Complement</b>	<b>64</b>	<b>65</b>	<b>65</b>	<b>66</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**Fines/Billings:** Increase in water sales due to water rate increase, growth and volume adjustments.

**Sales:** Water sales through bulk meters increased based on historical actuals.

**Contracted Municipal Services:** Increased water purchases from the Region of York based on increased rates, growth and volume adjustments

**Transfers to Reserves:** Decrease due to reduced revenue margin on sales of water to water only accounts.



## ENVIRONMENTAL SERVICES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Ensure: 1. Timely response to customer inquiries 2. Appointments are on-time 3. Customers are treated with fairness and respect 4. Minimize the number and duration of service interruptions	Continue Service Planning to improve services and programs (Complete Phase 4)
		Conduct one formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes
		Support corporate customer experience strategy, as required.
		Leverage use of dashboards to create measures and monitor productivity/completion rates on programs and services
1.2 Transforming Services through Technology and Innovation	Leverage technology, where necessary and feasible, to improve work flow, data capture, and decision-making	Support implementation of CRM/ACR system
		Complete evaluation and commence implementation of Enterprise Asset Management solution, including work order functionalities, in Waterworks
		Initiate data integration with PowerStream, including ensure consistent data through database table matching (Auditor General Recommendation #1), and develop data transfer business case for Extract, Transfer and Load (ETL) software (Auditor General Recommendation #2)
Support continuous improvement by capitalizing on innovative ways to do our business	Participate in the evaluation of Automated Vacuum Waste Collection System (AVAC) (subject to favourable outcome from Feasibility Study)	
1.3 Strengthening Organizational Capacity and Effectiveness	Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department	Complete office reconfiguration within 8100 Warden
		Complete a Staff Satisfaction improvement project
		Fine-tune the realigned department, including team-building activities and a fulsome update of the 2018-2020 Departmental Actions as part of the 2018 Departmental Business Plan
		Support implementation of new corporate HRIS deployment, new PPRF process, and awaiting HR confirmation of any additional People Plan items (ELT)
Develop protocol/procedure for knowledge transfer (e.g. On-boarding new staff)		Develop protocol/procedure for knowledge transfer (e.g. On-boarding new staff)

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of Formal Customer Satisfaction Surveys Completed	2	2	0	1	2 every 2 years	2016
Overall rating on specific services surveys (informal door hangers, phone call follow-ups)	84%	81%	90%	91%	80%	current
% of Preventative Service Levels achieved	92%	95%	-	-	>95%	TBD
# of Multi-res buildings receiving municipal waste collection	-	94	95	109	N/A	TBD
Healthy Work Environment Index from Staff Sat Survey <sup>1</sup>	64%	-	69%	-	70%	current
Organizational Engagement Index from Staff Sat Survey <sup>1</sup>	71%	-	73%	-	70%	current
# of Hours of Training per employee – HR data <sup>2</sup>	-	-	1.6	5.9	20	current
# of Hours of Training per employee (Waterworks)	82	71	82	83.81	75	current
<b>Service Reliability Metrics</b>						
Water main break per 100km of water main (NBMI)	3.44	3.41	3.05	4.14	<5	current

Notes:

<sup>1</sup> - Data is generated every even year

<sup>2</sup> - H&S training not included in 2014 data

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Ensure that the services we provide to residents at home are available in public spaces (Leadership)	Develop Water Efficiency Strategy to address <ul style="list-style-type: none"> <li>· Outdoor Water Use</li> <li>· Tips on water saving</li> </ul> Undertake departmental activities to support Canada's 150 <sup>th</sup> anniversary celebration
2.2 Ensuring Markham is Welcoming and Inclusive	Provide our services to the community, respecting the many cultures and demographic differences	Continue Multi-lingual Communication Service by providing key messages in multiple languages
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of community events attended	28	31	36	37	N/A	TBD
# of presentations conducted for children and adult students	20	15	19	50	N/A	TBD
# of residents enrolled in Assisted Recycling Collection	13	25	17	13	N/A	TBD
# of public water refill stations	-	-	-	-	N/A	TBD
# of multi-res presentation/implementation	-	-	-	8	N/A	TBD

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network		
3.2 Managing Growth in Markham	Ensure adequate capacities in sewers and water mains and promote waste diversion to accommodate future needs	Participate in development of a guideline to identify the cost contributions from developers for servicing upgrades with the Engineering Department
		Participate in Sustainable and Integrated Growth Management Projects, as required
		Support Future Urban Area project (ELT)
3.3 Ensuring the Reliability of the Corporation's Services	Involve in emergency preparedness corporately, as well as ensuring Business Continuity	Participate in Emergency Management Exercise and Training, as required
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
	Provide quality drinking water and wastewater services to the residents and businesses in Markham that meet, if not exceed, legislative requirements	Continue with the Downspout Disconnection program
	Develop mitigation plans for our infrastructure to respond to climate change and other risks	Continue to work with Engineering staff on current engineering design standards and inspection protocols to deal with extreme weather conditions
3.4 Protecting and Respecting our Built and Natural Environment	Document and quantify services & productivity	Implement performance metrics to track work and support resource planning/management strategy
	Provide opportunities for our residents to divert as much waste resources from landfill as possible	Implement textile recycling centres, with potential funding from FCM, as part of multi-year roll-out
	Manage Capital projects to improve City's infrastructure that minimizes City's risk	Continue with the Implementation of Flood Remediation Program in West Thornhill (Complete Phase 2A & 1C by Q3, 2017 and initiate Phase 2B by Q1, 2017)  Complete Don Mills Channel EA Study by Q4, 2017

#### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target	Year
# of days Markham is under a partial or full Boil Water Advisory	0	0	0	0	0	current
MOE Inspection Rating	99%	100%	100%	100%	100%	current
Waste diversion rate	71%	80%	81%	81%	80%	2014
% of municipal facilities using Zero Waste Program	-	41%	41%	41%	100%	2020
# of waste depot visits ('000)	116	136	129	126	N/A	TBD

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage our Non-Revenue Water	Add additional Bulk Water Stations Complete Business Case for District Metering Area (DMA) for improved water loss tracking (Auditor General Recommendation #4)
	Complete multi-year budget and identify E3 opportunities	Complete approved capital projects accordingly to policy - annual project within the budget year; minor projects within 1 year of initiation; major projects per project schedule Support E3 Strategy
4.2 Stewarding of the City's Assets	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Complete life cycle reserve by Q1, 2017. Complete capital budget requests by Q2, 2017 Further evaluate and refine current Lifecycle Reserve analysis to provide enhanced infrastructure planning
	Develop Asset Management Plans for city-owned assets that considers accountability, risk of ownership, and fiscal stewardship	Support Corporate Asset Management Strategy Update Oil Grit Separator (OGS) database and implement maintenance program
4.3 Increasing Transparency and Accountability		Address Auditor General recommendations, in addition to Departmental Actions noted in 1.2 and 4.1: <ul style="list-style-type: none"> <li>Recommendation #3: Complete AMI Business Case</li> <li>Recommendation #5: Water revenue collection process documentation</li> <li>Recommendation #7: Include QA/QC controls with PowerStream</li> <li>Recommendation #8: Complete Workflow automation with PowerStream</li> </ul>

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Residential water consumption (litres/capita/day)	202	195	189	188	150	2040
Gross non-revenue water	14.8%	12.3%	10.4%	12.0%	<11.0%	current

# ENVIRONMENTAL SERVICES LONG-TERM BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Ensure: 1. Timely response to customer inquiries 2. Appointments are on-time 3. Customers are treated with fairness and respect 4. Minimize the number and duration of service interruptions by implementing effective and proactive maintenance programs	Undertake Service Planning to improve services and programs	On-going
		Conduct a formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes	Annual
		Support Corporate customer experience strategy	Multi-year
		Leverage use of dashboards to create measures and monitor productivity/completion rates on programs and services (Phase 2+)	2018-multi-year
1.2 Transforming Services through Technology and Innovation	Leverage technology, where necessary and feasible, to improve work flow, data capture, and decision-making  Support continuous improvement by capitalizing on innovative ways to do our business	Begin implementation of Advance Metering Infrastructure (AMI) to provide better water consumption data for regional billing reconciliation (5 yr)	2018-2021
		Work with PowerStream to leverage their new CIS system to provide us with better reporting and tracking on trends (i.e. consumption, estimated reads, zero reads)	2018-2019
		Support implementation of a new CRM/ACR system	2018
		Continue work on AVAC (subject to favourable outcome from Feasibility Study)	2018+
1.3 Strengthening Organizational Capacity and Effectiveness	Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department	Address potential relocation of office or reconfiguring within 8100	2018+
		Address issues identified in the staff satisfaction survey	2018+
		Support implementation of knowledge transfer strategies	2018
		Develop protocol to document and facilitate knowledge transfer of information from retiring staff	2018+

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	Ensure that the services we provide to residents at home are available in public spaces (Leadership)	Implement Water Efficiency Strategy	TBD
2.2 Ensuring Markham is Welcoming and Inclusive	Provide our services to the community, respecting the many cultures and demographic differences	Develop Multi-lingual Communication Service, a multi-year strategy to offer key messages in multiple languages	2018+
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A		



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	N/A		
3.2 Managing Growth in Markham	Ensure adequate capacities in sewers and water mains and promote waste diversion to accommodate future needs		
	Provide quality drinking water and wastewater services to the residents and businesses in Markham that meet, if not exceed, legislative requirements	Continue with the downspout disconnection program	2018-2020
3.3 Ensuring the Reliability of the Corporation's Services	Develop mitigation plans for our infrastructure to respond to climate change and other risks	Review possible program for sanitary lateral inspection and repair	2018
	Provide opportunities for our residents to divert as much waste resources from landfill as possible	Focus on diversion from Multi-Res and high rise	2018+
	Document and quantify services & productivity	Implement performance metrics to track work and support resource planning/management strategy	2018-2019
3.4 Protecting and Respecting our Built and Natural Environment	Provide opportunities for our residents to divert as much waste resources from landfill as possible	Implement textile recycling centres, with potential funding from FCM, as part of multi-year roll-out	2018-2019
		Continue Water audits on city facilities	2018+
		Continue with implementation of West Thornhill (complete Ph2B by Q3,2018, Ph2C by Q3,2019 and Ph2D by Q3,2020)	2018-2020



## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage our Non-Revenue Water	Implement District Metering Area and Sector Management Area for improved water loss tracking	2018-multi-year
	Look for synergies within our department or corporation that could lead to resource savings and efficiencies	Support E3 Strategy	2018-2019
4.2 Stewarding of the City's Assets	Ensure the long term funding for the system repairs and replacements through use of Reserve Study	Support Corporate Asset Management Strategy to develop an integrated strategy for maintenance and repairs	2018+
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2018-2019



## FIRE AND EMERGENCY SERVICES 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
FINES	\$0	\$4	\$3	\$3	-	0.0%	(\$1)	-25.0%
USER FEES & SERVICE CHARGES	11	7	32	32	-	0.0%	25	346.5%
SALES	-	-	2	2	-	0.0%	2	0.0%
RECOVERIES & CONTRIBUTIONS	216	260	301	301	-	0.0%	41	15.7%
OTHER REVENUE	62	38	28	28	-	0.0%	(10)	-27.2%
<b>Total Revenues</b>	<b>\$290</b>	<b>\$310</b>	<b>\$366</b>	<b>\$366</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$57</b>	<b>18.3%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$33,068	\$34,948	\$34,606	\$34,653	\$47	0.1%	(\$295)	-0.8%
PRINTING & OFFICE SUPPLIES	17	16	30	30	-	0.0%	14	85.2%
PURCHASES FOR RESALE	4	-	4	4	-	0.0%	4	0.0%
OPERATING MATERIALS & SUPPLIES	338	333	376	376	-	0.0%	43	12.9%
VEHICLE SUPPLIES	4	2	3	3	-	0.0%	1	31.6%
UTILITIES	260	285	289	289	-	0.0%	4	1.2%
COMMUNICATIONS	35	30	27	27	-	0.0%	(2)	-7.9%
TRAVEL EXPENSES	22	20	27	27	-	0.0%	7	35.7%
TRAINING	11	16	29	29	-	0.0%	13	79.9%
CONTRACTS & SERVICE AGREEMENTS	29	38	77	77	-	0.0%	39	103.8%
MAINT. & REPAIR-TIME/MATERIAL	76	98	104	104	-	0.0%	6	6.0%
RENTAL/LEASE	2	3	3	3	-	0.0%	0	10.8%
PROFESSIONAL SERVICES	15	15	10	10	-	0.0%	(4)	-29.9%
LICENCES, PERMITS, FEES	5	3	5	5	-	0.0%	2	44.2%
TRANSFERS TO/(DRAW FROM) RESERVES	41	41	41	41	-	0.0%	-	0.0%
OTHER EXPENSES	0	0	-	-	-	0.0%	(0)	-100.0%
<b>Total Expenses</b>	<b>\$33,927</b>	<b>\$35,849</b>	<b>\$35,632</b>	<b>\$35,679</b>	<b>\$47</b>	<b>0.1%</b>	<b>-\$170</b>	<b>-0.5%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$33,638</b>	<b>\$35,539</b>	<b>\$35,266</b>	<b>\$35,312</b>	<b>\$47</b>	<b>0.1%</b>	<b>-\$226</b>	<b>-0.6%</b>
<b>Full Time Complement</b>	<b>278</b>	<b>278</b>	<b>278</b>	<b>278</b>				

### Major changes in 2017 Budget from the 2016 Budget:

No significant changes.

# FIRE AND EMERGENCY SERVICES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Provide exceptional customer service for internal and external clients and align with the Customer Experience Strategy	Conduct customer satisfaction survey(s) for external and internal customers
		Support corporate customer experience strategy by updating service standards to align to Master Fire Plan and providing mandatory and legislated training to staff
1.2 Transforming Services through Technology and Innovation	Use technology in a manner that will increase productivity, meet customer requirements, generate performance data, and provide efficiencies in the duties we carry out on a daily basis	Leverage AVL/GPS data, mapping, and analyses to support decision-making and resource deployment
		Implement integration with E-Plan to achieve integration of Amanda and pre-planning programs (ELT)
		Ensure existing reporting system (En-route) provide data feed to HRIS (ELT)
1.3 Strengthening Organizational Capacity and Effectiveness	Improve staff engagement within the department to provide a healthy, safe workplace that reflects corporate initiatives/ policies and applicable legislations	Address issues identified in the staff satisfaction survey
		Develop departmental succession plan
		Review the effectiveness of existing committees
		Respond to arbitration decision and update appropriate policies and practices
		Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT)
		Establish Standard Operating Procedure (SOP) Committee with a 4-year mandate

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Overall customer satisfaction rating received for survey completed in the calendar year	-	-	-	100%	>80%	2016
% of completion for identified health and safety training	-	-	-	100%	100%	2016
Benchmark against National Fire Protection Association (NFPA) 1221 for Dispatch Processing Time (60 sec)				84%	90 <sup>th</sup> percentile (PCTL)	2016
Benchmark against National Fire Protection Association (NFPA) 1710 for 1 <sup>st</sup> Truck Travel Time (4 min)	-	-	-	63%	90 <sup>th</sup> PCTL	2016
Benchmark against National Fire Protection Association (NFPA) 1710 for 1 <sup>st</sup> Alarm Response Travel Time (8 min)	-	-	-	75%	90 <sup>th</sup> PCTL	2016
% of Fire Prevention & Public Education CARE requests meet established timelines	-	-	-	100%	≤5 days	2016
% of staff obtained OFMEM accreditation	-	-	-		50%	2016
% compliance with Health and Safety Act	-	-	-		100%	2016
% of apparatus deployed using AVL/GPS	-	-	-		N/A	2016
% of staff registered on Target Solutions	-	-	-		100%	2016
% of vulnerable occupancies inspections completed	-	-	-		100%	2016

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Deliver programs that promote fire safety and healthy living to those that live, work and play in our community	Implement on-going assessment to ensure the outreach programs are meeting the needs of the community for the provision of fire safety education and healthy living Maintain and update planning documents as necessary by City, Province and Region Evaluate the community profile and provide programs that meet the needs of the residents Expand social media platform and outreach Undertake departmental activities to support Canada's 150 <sup>th</sup> anniversary celebration
2.2 Ensuring Markham is Welcoming and Inclusive	Deliver public education and prevention programs that are inclusive, accessible and provide enjoyable learning	Expand attendance at community events and reach out to new groups to provide fire and life safety education Expand outreach to vulnerable and diverse groups of people Initiate gender inclusive renovations at Fire Stations (94 and 96) (Phase 2)
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure that Fire and Emergency Services remains a Corporate partner in all initiatives	Support the development of York University campus, specifically future housing requirements and student safety

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	Involve in existing and future road network planning and decisions that may affect fire access	Participate in Future Urban Area and secondary planning processes (ELT)
3.2 Managing Growth in Markham	Ensure facilities, programs, services, equipment and staff training are appropriate to the new urban form and keep pace with growth	Continue with the implementation of NFPA Professional Standards
		Fire recruitment, as required
		Implement recommendations from the Training Committee and continue to implement specialized training
		Secure property for a new Markham Centre Fire Station
3.3 Ensuring the Reliability of the Corporation's Services	Ensure business continuity of department and support community emergency preparedness and response efforts	Upgrade two stations per year to digital signs that will serve as a communication device during an emergency (Ice Storm Plan recommendation)
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
	Adopt risk management principles	Implement recommendations from Master Fire Plan, Fire Underwriters Survey, and support research inventory and gap analysis relating to risk mitigation plans
3.4 Protecting and Respecting our Built and Natural Environment	Ensure continuity of operations while following Greenprint recommendations for fire stations, apparatus and equipment	Research the design and budget needed to acquire a vehicle with foam firefighting capability (flammable liquid fire suppression for rail emergencies)

### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target
% of projects completed on time and on budget	90%	90%	90%	90%	>90%
% of recruits trained in Live Fire	100%	0%	100%	100%	100%
% of procurement for new staff completed	100%	0%	100%	100%	100%
% Policies review completed every 4 years or less	-	-	-	-	TBD
# of Redundancies for CEMC positions for EOC	3	3	3	3	3
# of residential fire related civilian injuries averaged over 5 years per 1,000 persons (MPMP-2.3)	0.015	0.018	-	-	TBD
# of residential fire related civilian fatalities averaged over 5 years per 1,000 persons (MPMP-2.5)	0.003	0.003	-	-	TBD
# of residential structural fires per 1,000 households (MPMP-2.6)	0.500	0.526	-	-	TBD
# of cumulative recommendations implemented/considered from the approved Master Fire Plan	3	6	11	18	42
% of Fire Master Plan completed	7%	15%	26%	42%	100%

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage the increase in cost per capita of the Fire Service while maintaining the service levels	Support E3 Strategy
		Review and benchmark service costs per capita and address the need for future stations, including associated new apparatus and staffing costs
4.2 Stewarding of the City's Assets	Monitor and evaluate departmental assets to ensure proactive management of asset condition and life cycle	Update life cycle assets
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Total costs for fire services per \$1,000 assessment (MPMP-2.1b)	0.72	0.66	-	-	TBD	TBD

# FIRE AND EMERGENCY SERVICES

## LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Provide exceptional customer service for internal and external clients and align with the Customer Experience Strategy	Conduct customer satisfaction survey(s) in the designated Division(s)	2018-2020
1.2 Transforming Services through Technology and Innovation	Use technology in a manner that will increase productivity, meet customer requirements, generate performance data, and provide efficiencies in the duties we carry out on a daily basis	Leverage AVL/GPS data, mapping, and analyses to support decision-making and resource deployment	2018
		Implement integration with E-Plan	2018
1.3 Strengthening Organizational Capacity and Effectiveness	Improve staff engagement within the department to provide a healthy, safe workplace that reflects corporate initiatives/policies and applicable legislations	Address issues identified in the staff satisfaction survey	2018-2020
		Continue with NFPA standards implementation of OFMEM certification for all staff positions	2018-2020
		Support development of knowledge transfer strategies	2018
		Manage Standard Operating Procedure (SOP) Committee 2017-2020	2018-2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	On-going consideration of the Simplified Risk Assessment to identify public education opportunities, including programs and initiatives	Obtain and review available data, such as building stock and demographics	2018-2020
2.2 Ensuring Markham is Welcoming and Inclusive		Ensure that all fire facilities are barrier free and accessible	2018-2020
		Remove barriers to inclusiveness and ensure departmental workforce reflect the community that it serves	2018-2020
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Seek out opportunities for partnerships	Support the development of York University campus	2018-2020
		Participate in the RFP for the new 10-year Economic Strategy	2019



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Address the impacts of the existing and future transportation network on fire response time	Leverage mapping technology to support evaluation of service delivery by providing response time simulations and data that reflect current road congestions and future plans for the transportation network	2018-2020
3.2. Managing Growth in Markham	Ensure facilities, programs, services, equipment and staff training are appropriate to the new urban form and keep pace with growth	Implement specialized training plan, eg. special trench and confined space rescue	2018-2020
		Design, construct, and operationalize Markham Centre Fire Station	2018-2020
		Construct and operationalize training centre	2018-2020
		Plan for fire station to serve Langstaff corridor and establish DC funding source	2018
		Construct and operationalize Langstaff Fire Station	2019-2020
		Continue with planning for Future Urban Area (FUA) station	2018-2020
		On-going assessment of resources to ensure deployment meets legislative requirements	2018-2020
3.3. Ensuring the Reliability of the Corporation's Services	Ensure business continuity of department and support community emergency preparedness and response efforts	Upgrade to digital signs two stations per year as per recommendation from Ice Storm Plan as a communication device during an emergency	2018-2020
		Adopt risk management principles	2018-2020
3.4. Protecting and Respecting our Built and Natural Environment	Ensure that adequate services are identified to protect natural environmental areas	Evaluate requirements for ground fire protection and suppression activities	2018-2020
		Evaluate requirements for "off road" rescue capacity	2018-2020

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain or reduce the cost per capita of the Fire Service while maintaining the service levels	Support E3 Strategy	2018-2020
		Evaluate automatic aid response agreements for fire and technical rescue	2018-2020
4.2 Stewarding of the City's Assets	Monitor and evaluate departmental assets to ensure proactive management of asset condition and life cycle	Explore opportunities to share specialised equipment between municipalities	2018-2020
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support the audits conducted by the Auditor General	2018-2029
		Review and take into consideration all fire-related Coroner's Inquest recommendations	2018-2020



## MARKHAM PUBLIC LIBRARY 2017 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>2017 Bud. vs. 2016 Bud.</u>		<u>2017 Bud. vs. 2016 Act.</u>		
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenues</b>									
GRANTS AND SUBSIDIES	\$241	\$283	\$229	\$229	-	0.0%	(\$54)	-19.0%	
USER FEES & SERVICE CHARGES	620	593	733	735	2	0.2%	142	23.9%	
RENTALS	56	73	50	50	-	0.0%	(24)	-32.1%	
SALES	85	100	78	86	9	11.2%	(13)	-13.4%	
OTHER REVENUE	0	0	-	-	-	0.0%	(0)	-100.0%	
<b>Total Revenues</b>	<b>\$1,001</b>	<b>\$1,049</b>	<b>\$1,089</b>	<b>\$1,100</b>	<b>\$10</b>	<b>1.0%</b>	<b>\$51</b>	<b>4.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$9,842	\$9,876	\$10,065	\$10,098	\$33	0.3%	\$222	2.2%	
PRINTING & OFFICE SUPPLIES	38	40	43	43	1	1.2%	3	6.3%	
OPERATING MATERIALS & SUPPLIES	99	91	133	134	1	0.8%	42	46.5%	
UTILITIES	157	171	166	166	-	0.0%	(5)	-2.9%	
COMMUNICATIONS	80	81	82	89	7	7.9%	8	9.8%	
TRAVEL EXPENSES	38	45	44	44	-	0.0%	(2)	-3.7%	
TRAINING	48	60	48	57	9	18.7%	(3)	-4.3%	
CONTRACTS & SERVICE AGREEMENTS	233	242	210	224	15	6.9%	(18)	-7.3%	
MAINT. & REPAIR-TIME/MATERIAL	264	222	227	227	0	0.1%	5	2.1%	
RENTAL/LEASE	18	17	13	13	1	4.8%	(4)	-23.3%	
INSURANCE	12	12	12	12	-	0.0%	-	0.0%	
PROFESSIONAL SERVICES	44	40	52	52	0	0.2%	12	31.0%	
LICENCES, PERMITS, FEES	13	11	11	11	-	0.0%	(0)	-0.7%	
CREDIT CARD SERVICE CHARGES	6	6	6	7	1	8.3%	0	7.9%	
PROMOTION & ADVERTISING	30	33	34	34	-	0.0%	1	3.9%	
OTHER PURCHASED SERVICES	714	714	714	814	100	14.0%	100	14.0%	
OTHER EXPENDITURES	4	12	13	15	2	15.5%	3	28.6%	
<b>Total Expenses</b>	<b>\$11,640</b>	<b>\$11,674</b>	<b>\$11,871</b>	<b>\$12,039</b>	<b>\$168</b>	<b>1.4%</b>	<b>\$366</b>	<b>3.1%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$10,638</b>	<b>\$10,625</b>	<b>\$10,782</b>	<b>\$10,940</b>	<b>\$157</b>	<b>1.5%</b>	<b>\$315</b>	<b>3.0%</b>	
<b>Full Time Complement</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>					

### Major changes in 2017 Budget from the 2016 Budget:

**Other Purchased Services:** Chargeback of occupancy cost from Recreation for the new Aaniin Community Centre and Library



# MARKHAM PUBLIC LIBRARY BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Ensure customer satisfaction and requirements are incorporated into our services and programs	Implement Content Plan improvements based on 2016 survey results
		Support corporate customer experience strategy, ie. Formalize, review, and update service standards
		Undertake customer satisfaction surveys regarding IT services and library services for Older Adults, and develop improvement plans based on results
		Support CLASS replacement
1.2 Transforming Services through Technology and Innovation	Support development of “multi-year technology roadmap” by being involved in the digitization project	Support implementation of new CRM/ ACR system
		Support Portal Re-Design project
	Transform business processes through IT solutions	Migrate Integrated Library System (ILS) Symphony to Cloud to improve efficiencies and staff mobility
		Implement Library IT service improvements, based on 2016 analysis of service gaps, environmental scan, and best practice review
		Support changes recommended by Portal Steering Committee in managing and updating departmental web content
		Investigated automated sortation solutions for branches without sortation systems
Increase self-service transactions by replacing equipment to improve through-put and usage analytics, and to provide a virtual marketing opportunity		
Increase and improve online services	Implement bluecloud analytics to improve evaluation of usage of online services	
1.3 Strengthening Organizational Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Develop and implement digital skill staff training to support Digital Markham Strategy and digital literacy
		Support implementation of new corporate PPRF process and any additional People Plan items (ELT)
		Continue to implement HRIS system (ELT)
	Ensure there is a departmental culture that values staff satisfaction	Undertake staff survey improvement project

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	2016	Target	Year
# of formal customer satisfaction survey completed	0	0	0	0	1	1 per year	2016
Overall customer satisfaction <sup>1</sup>	7.5	8.1	8.2	8.1	8.7	9.0	2018
% of checkout through self-service	83%	83%	83%	83.5%	83.6%	90%	2018
Email notifications sent ('000)	154	169	224	250	270	300	2018
Healthy Work Environment Index from Staff Satisfaction Survey <sup>2</sup>	66%	-	68%	-		70%	2016
# of learning hours per FTE	22.4	25.9	19.4	5.7 <sup>3</sup>		25	2016
Staff Satisfaction: Training <sup>2</sup>	69%	-	72%	-		75%	2016
Staff Satisfaction: Individual Recognition & Reward <sup>2</sup>	57%	-	62%	-		65%	2016
Staff Satisfaction: Organizational Engagement <sup>2</sup>	75%	-	72%	-		75%	2016
Healthy Work Environment Index from Staff Satisfaction Survey <sup>2</sup>	66%	-	68%	-		70%	2016

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Strengthen community engagement and Community Activation Strategy through role in key corporate initiative	Undertake departmental activities to support Canada's 150 <sup>th</sup> anniversary celebration, the Veterans Square infrastructure project, and the Eabametoong First Nation Partnership
		Participate in Integrated Leisure Master Plan update and implementation
		Participate with Recreation in the development of a Community Engagement project in preparation for the launch of the Aaniin Community Centre & Library
2.2 Ensuring Markham is Welcoming and Inclusive	Continue to implement the Diversity Action Plan – Everyone Welcome	Support implementation of the Markham Older Adult Strategy
		Conduct further research into the current and future needs of Older Adults in relation to library services
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support Update of the Economic Strategy	Support recommendations of the new 10-year Economic Strategy
		Support the development of the York University campus and community engagement plan
		Support the rebranding of the City by Economic Development
	Support Destination Markham strategy	Support Destination Markham Strategy

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	2016	Target	Year
# of volunteer Hours	11,924	12,567	10,020	14,000	13,000	11,000	2018
# of partnered programs and events	-	57	176	295		200	2016
# of Cultural Access Passes issued to new Canadians	-	994	2,936	2,762		3,500	2016

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network		
3.2 Managing Growth in Markham	Support implementation of new Official Plan	Participate in projects as required Support planning for community services in Future Urban Area (ELT) and other Areas of Intensification
3.3 Ensuring the Reliability of the Corporation's Services	Support Business Continuity Plan	Support mitigation plans for corporate infrastructure to respond to climate change and other risks Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
3.4 Protecting and Respecting our Built and Natural Environment		

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	2016	Target	Year
Sq.ft. of library space per capita	0.40	0.46	0.45	0.44	0.43	0.60	TBD

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Support the multi-year Operating and Capital Budgets process	Support E3 Strategy
4.2 Stewarding of the City's Assets		Support replacement of User Computers and Operating System Upgrade
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General
		Continue to clarify roles, relationships, rights and responsibilities at City and Library Administrative levels.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
% completion of capital projects (Finance data)	-	-	-	-	100%	TBD



# MARKHAM PUBLIC LIBRARY LONG-TERM BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year	
1.1 Improving Customer Service	Ensure customer satisfaction and requirements are incorporated into our services and programs	Undertake customer satisfaction survey and develop improvement plan based on results	2018-2020	
		Implement Content Plan improvements based on 2016 survey results	2018-2020	
1.2 Transforming Services through Technology and Innovation	Support development of “multi-year technology roadmap” by being involved in the digitization project	Support implementation of new CRM/ACR system	2018-2020	
		Transform business processes through IT solutions	Expand Mobile Public Internet Access	2018-2020
		Increase and improve online services	Continue to implement Library IT service improvements	2018-2020
1.3 Strengthening Organizational Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Support development of knowledge transfer strategies	2018	
		Ensure there is a departmental culture that values staff satisfaction and engagement	Undertake staff survey improvement project	2018-2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Strengthen community engagement and Community Activation Strategy through role in key corporate initiative	Implement recommendations of the updated Integrated Leisure Master Plan	2018-2020
2.2. Ensuring Markham is Welcoming and Inclusive	Continue to implement the Diversity Action Plan – Everyone Welcome	Implement recommendations of the City and Library Older Adult Strategies	2018-2020
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support Update of the Economic Strategy	Support recommendations of the new 10-year Economic Strategy	2018-2020
		Support the development of the York University campus and community engagement plan	2018-2020
	Support Destination Markham strategy	Support implementation of Destination Markham Strategy	2018-2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network			
3.2 Managing Growth in Markham	Support implementation of new Official Plan	Participate in projects as required	2018-2020
3.3 Ensuring the Reliability of the Corporation's Services	Support mitigation plans for corporate infrastructure to respond to climate change and other risks	Support the implementation of the strategy	2018
3.4 Protecting and Respecting our Built and Natural Environment			

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Support the multi-year Operating and Capital Budgets process	Support E3 Strategy	2018-2020
4.2 Stewarding of the City's Assets			
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2018-2019

## OPERATIONS 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
LICENCES & PERMITS	\$168	\$69	\$100	\$137	37	37.4%	\$68	97.7%	
USER FEES & SERVICE CHARGES	203	169	174	176	2	1.2%	\$7	3.9%	
RENTALS	344	366	352	352	-	0.0%	(13)	-3.6%	
SALES	85	84	150	150	-	0.0%	66	79.6%	
RECOVERIES & CONTRIBUTIONS	669	483	688	390	(298)	-43.3%	(92)	-19.1%	
OTHER REVENUE	1	3	-	-	-	0.0%	(3)	-100.0%	
<b>Total Revenues</b>	<b>\$1,469</b>	<b>\$1,174</b>	<b>\$1,465</b>	<b>\$1,206</b>	<b>(\$259)</b>	<b>-17.6%</b>	<b>\$32</b>	<b>2.8%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$13,458	\$13,570	\$14,155	\$14,170	\$15	0.1%	\$600	4.4%	
PRINTING & OFFICE SUPPLIES	26	19	22	23	1	5.6%	4	19.8%	
OPERATING MATERIALS & SUPPLIES	213	221	193	189	(5)	-2.4%	(33)	-14.9%	
VEHICLE SUPPLIES	1,468	1,423	1,594	1,578	(16)	-1.0%	155	10.9%	
SMALL EQUIPMENT SUPPLIES	2	6	4	4	-	0.0%	(2)	-28.3%	
BOTANICAL SUPPLIES	267	227	226	266	40	17.7%	39	17.3%	
CONSTRUCTION MATERIALS	1,733	2,237	1,827	1,824	(3)	-0.2%	(414)	-18.5%	
UTILITIES	373	327	328	328	-	0.0%	1	0.4%	
COMMUNICATIONS	80	62	81	98	18	21.9%	36	58.1%	
TRAVEL EXPENSES	13	9	18	20	1	7.4%	10	108.5%	
TRAINING	38	32	50	53	3	5.4%	20	62.8%	
CONTRACTS & SERVICE AGREEMENTS	7,281	8,010	8,854	9,265	411	4.6%	1,255	15.7%	
MAINT. & REPAIR-TIME/MATERIAL	3,037	2,881	3,481	3,618	137	3.9%	738	25.6%	
RENTAL/LEASE	324	345	310	343	33	10.5%	(2)	-0.7%	
PROFESSIONAL SERVICES	7	7	9	9	-	0.0%	2	34.0%	
LICENCES, PERMITS, FEES	444	415	429	375	(54)	-12.6%	(40)	-9.6%	
PROMOTION & ADVERTISING	6	6	6	6	-	0.0%	(0)	-5.6%	
CONTRACTED MUNICIPAL SERVICES	2,127	2,224	2,417	2,662	245	10.1%	438	19.7%	
TRANSFERS TO OWN FUNDS	27	27	27	27	-	0.0%	-	0.0%	
TRANSFERS FROM OWN FUNDS	-	-	-	-	-	0.0%	-	0.0%	
OTHER EXPENSES	13	27	39	12	(28)	-70.8%	(16)	-58.1%	
<b>Total Expenses</b>	<b>\$30,937</b>	<b>\$32,077</b>	<b>\$34,070</b>	<b>\$34,868</b>	<b>\$798</b>	<b>2.3%</b>	<b>\$2,791</b>	<b>8.7%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$29,468</b>	<b>\$30,903</b>	<b>\$32,605</b>	<b>\$33,662</b>	<b>\$1,056</b>	<b>3.2%</b>	<b>\$2,758</b>	<b>8.9%</b>	
<b>Full Time Complement</b>	<b>111</b>	<b>111</b>	<b>111</b>	<b>115</b>					

### Major changes in 2017 Budget from the 2016 Budget:

**Recoveries & Contributions:** The City is no longer maintaining regional boulevard maintenance.

**Contracts & Service Agreements:** Increase due to Roads winter maintenance growth and contract escalations, and Parks maintenance growth.

**Maintenance & Repairs-Time/Material:** Increase due to Roads winter maintenance growth and contract escalations.

**Licences, Permits & Fees:** Decrease in tipping fees in Roads based on historical trending.

**Contracted Municipal Services:** Increase in salt purchases for winter maintenance based on historical trending.

## OPERATIONS BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align with the corporate Customer Experience Strategy to ensure exceptional service delivery	Support corporate customer experience strategy action: formalize, refresh and communicate service delivery standards
		Undertake customer satisfaction surveys for specific business units by engaging internal and external customers
		Continue exploration and implementation of potential opportunities identified in Type A Service fleet review (Phase 2 of 4)
		Provide utility approval and inspection services per MAA requirements, with services delivered within agreed upon timeframe
1.2 Transforming Services through Technology and Innovation	Support multi-year roll-out of Corporate technology roadmap and maximize benefits for department	Develop and incorporate AVL data into the management of our program and services, as appropriate
		Expand mobile work technology to Parks Supervisors and Working Supervisors
		Advance the acquisition of a new work order system (EAM) that will result in implementation for Operations in 2018 in order to optimize work management and job costing
		Support implementation of a new payroll and attendance tracking system (HRIS - ELT)
		Support implementation of a new customer response management (CRM) system to replace ACR
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement and program effectiveness within the department	Develop a succession plan through identification and mentoring of emerging leaders and skilled individuals within the Department
		Undertake improvement projects arising from staff satisfaction survey
		Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT)

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of formal customer surveys completed	1	0	0	1	1 per year	TBD
# of ACR work orders/requests (Parks, Roads)	13,846	20,900	29,464	27,690		TBD
# of utility permits issued and inspected per staff per year	1,182	1,262	1,061	1,371	TBD	TBD
Average # corporate training hours per full-time employee	3.3	6.4	24.4	1.6	20 hrs	TBD
Average # of health & safety training hours per full-time employee	-	-	-	5.5		TBD
# of work related injuries resulting in lost time	-	-	-	3	0.0	TBD
Healthy workplace environment index (from staff satisfaction survey)*	58%	-	57%	-	75%	TBD
Recognition Rating (from staff satisfaction survey)*	42%	-	48%	-	65%	TBD
Staff Satisfaction rating (from staff survey)*	65%	-	66%	-	80%	TBD
Completion rate for performance management	43%	-	100%	100%	100%	TBD
Staff absenteeism (average # of days per full-time employee)	8.4	4.1	8.3	9.8		TBD
Employee turn-over rate	6.4%	0.0%	9.6%	7.2%		TBD

Note: \* - Data is generated every even year

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Ensure services are inclusive, accessible and engaging for the Markham population	Implement Parks Renaissance Strategy; Undertake community consultation to assist in the identifying park enhancement opportunities
		Maintain improved partnership between Parks Operations and Parks Planning (Development Services) to optimize cost effective and engaging parks for our community
2.2 Ensuring Markham is Welcoming and Inclusive	Promote the identity of our community through the celebration, beautification, and enhancement of our public spaces	Shared rollout of the Public Realm Strategic Plan
		Participate in the update of the Integrated Leisure Master Plan
		Support implementation of the Older Adult Strategy
		Lead the phased roll-out of the Park Signage Program
		Undertake departmental activities, such as horticultural displays, to support Canada's 150 <sup>th</sup> anniversary celebration
		Support Urban Design in the Canada 150 Veterans Square infrastructure project
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Facilitate improved partnerships with other departments to assist with the promotion of the City	Participate in Markham Gateway Master Plan
		Support the development of the York University campus

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
# of parks maintained	-	-	-	250		TBD
Hectares of park maintained per 1,000 persons (MPMP)	3.6	4.0	3.0	3.0		TBD
Parkland hectares as % of total hectares in municipality	4.2%	4.3%	4.4%	4.5%		TBD
Availability of sportsfields for public use (in service rate in %)	96%	96%	100%	100%	100%	TBD
Met mowing standard of 12 – 14 days	95%	95%	95%	95%	100%	TBD
# of community volunteer initiatives supported	-	-	-	38		TBD



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	Promote a safe and efficient transportation system that balances needs for all users	Participate in the implementation of the Master Transportation Plan recommendations
		Support the implementation of the MUP roll-out and relevant policies in the City's parks and road right-of-way
		Participate in the design aspects of various transit, road and streetscaping projects
3.2 Managing Growth in Markham	Align departmental services and resources to effectively manage growth	Refine and develop metrics to determine existing vs. projected resource requirements to maintain service levels
		Participate in the planning and implementation of accelerated Parks projects
		Participate in the planning and implementation of Rouge Urban Park
		Play a strong role in the planning of new communities (Future Urban Area - ELT, Markham Centre, Buttonville, Langstaff) to ensure efficient and satisfactory service levels in order to minimize operating cost
3.3 Ensuring the Reliability of the Corporation's Services	Ensure the deployment of resources, programs, and services are reliable	Finalize and obtain approval for the central Public Works Facility and satellite locations as required for service efficiencies and resource optimization
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
3.4 Protecting and Respecting our Built and Natural Environment	Protect natural and built infrastructure and enhance their resilience	Implement Emerald Ash Borer Management program Phase 4 of 5
		Support Fuel Infrastructure Management Program in the multi-year remediation of underground storage tanks/systems and expand use of alternate fuels at works yards
		Create a Monarch Friendly Community that enhances our milkweed nursery by selecting locations to incorporate milkweed plantings within the parks network

#### Departmental Performance Measures in support of Goal

	2012	2013	2014	2015	Target	Year
% of paved lane kms where condition is rated good or above (As of 2014, no longer calculated by MPMP. 2014 data based on actuals)	87%	91%	70%	74%	85%	TBD
% of winter responses that meet/exceed road maintenance standards (As of 2014, this is no longer provided by MPMP. 2014 based on actuals)	100%	97%	97%	100%	100%	TBD
% of fleet utilizing hybrid technology (light duty vehicles under 10,000 lb GVW)	16%	16%	14%	15%	15%	TBD
Licensed fleet availability (in service rate in %)	96%	95%	95%	96%	90%	TBD
EAB planting target completion rate (%)	-	-	-	100%	100%	TBD
EAB removal target completion rate (%)	-	-	-	100%	100%	TBD
# of streets provided with speed display boards for a 2-month period	32	32	64	64	64	TBD

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscally cost-effective service provisions which addresses the City's growth needs	Review/revise existing fee structure for permits and services currently offered to offset operating costs
		Continue Phase 3 and 4 winter maintenance contract negotiations to ensure cost certainty
		Review cost structure of services within Parks
		Support the E3 Strategy
4.2 Stewarding of the City's Assets	Address impacts of growth on programs, services, and the bottom line	Participate in the plan review process for Secondary Plans, Community Design Plans, Plan of Subdivisions and communicating final plans prior to Committee approvals (move to intensification of growth)
		Implement revised model of the City-wide Streetscape program to optimize cost effective and impactful horticultural displays
		Support Phase II Enhanced Asset Management Strategy
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Completion rate of capital projects (% of planned budget spent)	75%	47%	67%	70%	80%	TBD
Total costs for paved roads per lane kilometre (As of 2014, MPMP no longer includes this info. 2014 data based on actuals.)	\$6,886	\$7,835	\$5,927	\$2,515		TBD
Operating costs of road winter maintenance per lane kilometre maintained (As of 2014, MPMP no longer includes this info. 2014 data based on actuals.)	\$2,280	\$5,062	\$5,144	\$3,687		TBD
Average annual operating cost per licensed unit in Fleet under 10,000 lb GVW	\$3,800	\$4,900	\$5,079	\$5,700		TBD

## OPERATIONS LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with the corporate Customer Experience Strategy to ensure exceptional service delivery	Undertake customer satisfaction survey each year	2018-2020
		Continue exploration and implementation of potential opportunities identified in Type A Service fleet review (Phases 3 and 4 of 4 phases)	2018-2020
1.2 Transforming Services through Technology and Innovation	Support multi-year roll-out of Corporate technology roadmap and maximize benefits for department	Seek additional resources to expand analytics capabilities of AVL data	2018-2020
		Expand use of mobile work technology	2018-2020
1.3 Strengthening Organizational Capacity and Effectiveness	Align to Markham's "People Plan" to develop/implement a departmental succession plan	Identify and mentor emerging leaders and skill individuals within the Department	2018-2020
		Support development of knowledge transfer strategies	2018
		Undertake improvement project arising from staff satisfaction survey	2018-2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	Ensure services are inclusive, accessible and engaging for the Markham population	Implement subsequent Parks Renaissance program phases (subject to budget)	2018-2020
2.2 Ensuring Markham is Welcoming and Inclusive	Promote the identity of our community through the celebration, beautification, and enhancement of our public spaces	Implement subsequent Public Realm program phases Lead the shared rollout of Parks and By-law Signage plan (subject to budget)	2018-2020 2018-2020
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus Participate in the RFP for the new 10 year Economic Strategy	2018-2020 2019

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	Promote a safe and efficient transportation system that balances needs for all users	Participate in the implementation of the Master Transportation Plan recommendations	2018-2020
		Support the implementation of the MUP roll-out and relevant policies	2018-2020
		Participate in the design aspects of various transit, road and streetscaping projects	2018-2020
3.2 Managing Growth in Markham	Ensure sufficient Operations resources are available to accommodate growth	Refine and develop metrics to determine existing vs. projected resource requirements to maintain service levels	2018-2020
		Participate in the planning and implementation of accelerated Parks projects	2018-2020
		Participate in the planning and implementation of Rouge Urban Park	2018-2020
3.3 Ensuring the Reliability of the Corporation's Services	Ensure the deployment of resources, programs, and services are reliable	Implement recommendations of the Public Works Facility Master Plan to increase operating efficiency and service delivery to existing and planned communities (subject to Plan receiving approval)	2018-2020
3.4 Protecting and Respecting our Built and Natural Environment	Protect natural and built infrastructure and enhance their resilience	Implement Emerald Ash Borer program Phase 5 of 5 (subject to budget)	2018-2019
		Implement Urban Forestry Management program Phase 3 of 3 (subject to budget)	2018-2019
		Support Fuel Infrastructure Management Program in the multi-year remediation of underground storage tanks/systems and expand use of alternate fuels at works yards	2018-2019

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Identify, where practical, enhanced and/ or alternative revenue opportunities that can offset the tax rate	Support E3 Strategy	2018-2020
		Continue subsequent phases winter maintenance contract negotiations to ensure cost certainty	2018-2020
4.2 Stewarding of the City's Assets	Address impacts of growth on programs, services, and the bottom line	Review plan review process for Secondary Plans, Community Design Plans, Plan of Subdivisions and communicating final plans prior to Committee approval (includes Future Urban Area, Markham Centre, Buttonville, Langstaff, etc.)	2018-2020
		Play a strong role in the planning of new communities to ensure cost-effective, efficient and satisfactory service levels	2018-2020
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2018-2019

## RECREATION 2017 OPERATING BUDGET

Description (in \$000's)	2015 Actual	2016 Actual	2016 Budget	2017 Budget	2017 Bud. vs. 2016 Bud.		2017 Bud. vs. 2016 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
GRANTS & SUBSIDIES	\$71	\$100	\$42	\$102	\$60	142.9%	\$2	2.0%
USER FEES & SERVICE CHARGES	10,659	11,096	11,154	11,895	741	6.6%	799	7.2%
RENTALS	6,375	6,811	7,148	7,411	263	3.7%	600	8.8%
SALES	116	121	175	142	(33)	-18.9%	21	17.2%
RECOVERIES & CONTRIBUTIONS	53	56	64	64	-	0.0%	9	15.4%
OTHER REVENUE	283	316	402	389	(13)	-3.2%	72	22.9%
INTERDEPARTMENTAL RECOVERIES	714	714	721	830	109	15.2%	116	16.2%
<b>Total Revenues</b>	<b>\$18,271</b>	<b>\$19,215</b>	<b>\$19,706</b>	<b>\$20,833</b>	<b>\$1,127</b>	<b>5.7%</b>	<b>\$1,618</b>	<b>8.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$17,879	\$18,468	\$18,594	\$19,355	\$760	4.1%	\$886	4.8%
PRINTING & OFFICE SUPPLIES	93	69	102	86	(16)	-15.8%	17	25.0%
PURCHASES FOR RESALE	80	75	68	86	19	28.0%	11	14.5%
OPERATING MATERIALS & SUPPLIES	1,202	1,025	1,311	1,284	(26)	-2.0%	259	25.3%
VEHICLE SUPPLIES	28	30	33	33	-	0.0%	3	11.5%
UTILITIES	5,821	5,937	6,163	6,972	809	13.1%	1,035	17.4%
COMMUNICATIONS	42	40	64	51	(13)	-20.5%	11	28.6%
TRAVEL EXPENSES	6	12	5	10	5	98.7%	(2)	-18.7%
TRAINING	118	126	127	131	4	3.1%	5	4.3%
CONTRACTS & SERVICE AGREEMENTS	1,508	1,325	1,548	1,507	(40)	-2.6%	182	13.7%
MAINT. & REPAIR-TIME/MATERIAL	1,006	1,332	892	1,494	602	67.5%	162	12.1%
RENTAL/LEASE	150	139	169	165	(4)	-2.4%	27	19.2%
INSURANCE	-	-	1	1	-	0.0%	1	0.0%
PROFESSIONAL SERVICES	55	24	67	47	(20)	-30.0%	22	91.3%
LICENCES, PERMITS, FEES	60	56	59	61	2	3.4%	5	8.7%
CREDIT CARD SERVICE CHARGES	296	308	233	233	(1)	-0.2%	(76)	-24.5%
PROMOTION & ADVERTISING	33	40	1	31	30	100%+	(9)	-22.0%
CONTRACTED MUNICIPAL SERVICES	18	15	13	14	2	11.8%	(0)	-2.7%
PMTS. TO CITIZENS/LOCAL GROUPS	45	45	45	45	-	0.0%	-	0.0%
OTHER EXPENDITURES	114	111	80	80	-	0.0%	(31)	-27.8%
TRANSFERS TO/(DRAW FROM) RESERVE:	369	457	369	369	-	0.0%	(88)	-19.2%
<b>Total Expenses</b>	<b>\$28,923</b>	<b>\$29,634</b>	<b>\$29,944</b>	<b>\$32,056</b>	<b>\$2,112</b>	<b>7.1%</b>	<b>\$2,422</b>	<b>8.2%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$10,653</b>	<b>\$10,420</b>	<b>\$10,238</b>	<b>\$11,223</b>	<b>\$985</b>	<b>9.6%</b>	<b>\$804</b>	<b>7.7%</b>
<b>Full Time Complement</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>				

### Major changes in 2017 Budget from the 2016 Budget:

**Grants & Subsidies:** Year 2 of 2 for Sport Development Grant

**User Fees & Service Charges:** Increase to budget due to fee increases in Q4 2017.

**Rentals:** Increase related to full year of operations at the Pan Am Facility.

**Interdepartmental Recoveries:** Southeast Library recovery.

**Utilities:** Onboarding of Southeast Community Centre & Library.

**Maint. & Repair – Time/Material:** Onboarding of Southeast Community Centre & Library and re-allocation between expenses accounts.

## RECREATION BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align with the corporate customer experience strategy	Undertake customer satisfaction survey-programs
		Participate in corporate customer experience team to support implementation of the strategy
		Implement Fitness Review
		Update service standards for all service areas – area selected: facilities
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process to protect/enhance revenues	Replace registration/booking software (CLASS)
		Maintain portal content as per Portal Steering Committee recommendations.
		Support the implementation of the “multi-year technology roadmap” as per plan.
		Implement Online booking for community centres halls, meeting rooms and gymnasiums will be included in CLASS replacement
		Participate as necessary on the update of the employee portal
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement in the department	Address issues identified in the staff satisfaction survey
		Participate in strategic and targeted workforce planning: Aquatic Recruitment Strategy & Aaniin Community Centre Staffing Plan
		Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT)

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Overall satisfaction by program, facility and sport group users	-	-	-	72.8	80%	n/a
# of annual visits at recreation facilities (in millions)	7.8	8.2	8.2	8.3	n/a	TBD
# of annual direct program registrations	84,791	85,321	69,678	62,494	94,000	2014
# of annual drop-in programs	-	-	-	660,967	TBD	TBD
Completion of project within established framework	-	-	-	-	n/a	2015
Healthy Work Environment Index (Staff Survey)*	61%	-	63%	-	70%	2016
Organizational Engagement Index (Staff Survey)*	66%	-	64%	-	70%	2016
# of loss days due to injury	12	-	5	26	0	n/a
# of corporate learning hours per regular full-time employees	1.9	-	2.9	3.9	20	n/a

Note: \* Data generated every even year



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Deliver services that will promote active living and wellness to Markham residents	Manage the corporate Volunteer Management program
		Finalize and implement Older Adult Strategy
		Prepare for the successful opening of the Aaniin Community Centre and Library
		Lead three grant funded projects: Thornhill Community Centre /Benjamin Thorne Memorial (Canada 150), Stiver Mill (Canada 150), and Youth Engagement (Ontario150)
		Undertake departmental activities to support Canada's 150 <sup>th</sup> anniversary celebration
		Support the Community Cycling Program
2.2 Ensuring Markham is Welcoming and Inclusive	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	Align with community activation strategy
		Implement and monitor the ongoing operating and marketing plan
		Participate in the development and review of a corporate diversity and inclusion strategy
		Lead the update of the Integrated Leisure Master Plan
	Ensure fair and equitable access to programs and facilities that continue to support the growth of sport in our community	Lead the implementation of the corporate Programs and Camps Review
		Finalize, seek approval, and implement the recommendations from the Markham Sport Plan
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Contribute to the Economic vitality of Markham through recreation and sport	Implement the Physical Literacy Plan across Recreation programs and services
		Implement Jump Start Program across Recreation programs
	Support Destination Markham	Ensure all residents have full and equal access to all facilities and recreation services in accordance with the accessibility guidelines
		Support the development of the York University campus with alignment to the Pan Am Centre
		Lead Sports Tourism Strategy
		Promote Markham Pan Am Centre as a sport event destination

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
% of annual increase in volunteers involved in Recreation Programs (2009 is base year =576)	4%	4%	-	-	5%	
Total participant hours for recreation programs per capita (MPMP)	13.65	13.65	-	-	15.00	2016
Unique resident participation in registered programs per capital	-	-	-	-	n/a	TBD
Individual receiving financial assistance as % of all registered participants	-	-	-	-	n/a	TBD
Community economic impact from municipal sport tourism annually (steam formula)	-	-	-	-	n/a	TBD
Retention rate of Fitness Centre members	61%	61%	-	-	65%	2015
% increase of participants of seniors (2012 base = 83,218)	0%	-	-	-	n/a	TBD
% increase of participants of youth (2012 base = 18,007)	0%	-	-	-	2% annually	TBD
% of children and youth access to sport facilities' vs. % of adults	-	-	-	-	n/a	TBD
# of annual provincial level and above events hosted	13	-	-	-	20	2016

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network		
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Support the sustainable and Integrated Growth Management Project as required to ensure alignment to the Integrated Leisure Master Plan
3.3 Ensuring the Reliability of the Corporation's Services	Adopt risk management program	Participate in Emergency Management Exercise and Training as required.
	Ensure Business Continuity in place	Ensure departmental Business Continuity Plan is executable and current, update related standard operating procedures, and staff trained in its implementation
3.4 Protecting and Respecting our Built and Natural Environment	Ensure that facilities operate using sustainable practices	Develop an energy management training program

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Provide accessible and affordable recreation and leisure opportunities that are fiscally responsible	Complete the Older Adult Strategy as the first step in establishing a revised pricing and subsidy strategy.
		Support E3 Strategy
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities and equipment in a fiscally prudent manner	Ensure that facilities are well maintained and meet service standards
		Ensure priority lifecycle projects are identified and managed effectively
4.3 Increasing Transparency and Accountability	Comply with all financial and corporate policies	Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2012	2013	2014	2015	Target	Year
Revenue as % of total gross Recreation operating expenditures	66%	-	-		70%	2016
Completion rate on approved capital projects	-	-	-		90%	Current

## RECREATION LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with the corporate customer experience strategy	Complete at least one Customer Service Survey each year: Fitness in 2018, Aquatics in 2019, Camps in 2020	2018-2020
		Continue to implement customer experience strategy	2018-2020
		Update service standards for all service areas – areas selected: Programs	2018-2020
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process	Continue to support the implementation of the new registration/booking system	2018-2020
		Support the implementation of the new CRM/ACR system	2018-2020
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement in the department	Address issues indentified in the staff satisfaction survey	2018-2020
		Support the People Plan Implementation <ul style="list-style-type: none"> <li>· Develop knowledge transfer strategy in 2018</li> </ul>	2018-2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	Deliver services that will promote active living and wellness to Markham residents	Implement recommended action from the Older Adult Strategy	2018-2020
		Develop a Sport League Program	2018
		Review Community Service Group application process	2018
2.2 Ensuring Markham is Welcoming and Inclusive	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	Implement the recommendation from the updated Integrated Leisure Master Plan	2018-2020
		Implement and monitor the ongoing operating and marketing plan	2018-2020
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure fair and equitable access to facilities that continue to support the growth of sport in our community	Implement the recommended actions of the Markham Sports Plan	2018-2020
		Implement the recommended actions of the Physical Literacy Plan	2018-2020
		Support the development of the York University campus with alignment to the Pan Am Centre	2018-2020
		Participate in the RFP for the new 10-year Economic Strategy	2018-2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network			
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Support the Sustainable and Integrated Growth Management Project as required and ensure alignment to the Integrated Leisure Master Plan	2018-2020
3.3 Ensuring the Reliability of the Corporation's Services	Adopt risk management program	Participate in Emergency Management Exercise and Training as required	2018-2020
	Complete Business Continuity Work	Complete Business Continuity Plan and update related standard Operating Procedures	2018-2020
3.4 Protecting and Respecting our Built and Natural Environment	Ensure that facilities operate using sustainable practices	Participate on the Corporate Energy Team	2018-2020

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Provide accessible and affordable recreational and leisure opportunities that are fiscally responsible	Department to identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate	2018-2020
		Ensure that facilities are well maintained and meet service standards	2018-2020
		Support E3 Strategy	2018-2020
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities and equipment in a fiscally prudent manner	Ensure priority lifecycle projects are identified and managed effectively	2018-2020
4.3 Increasing Transparency and Accountability	Comply with all financial and corporate policies	Support the audits conducted by the Auditor General	2018-2019

## 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>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
<b>TIF</b>	Tax Increment Financing

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**TRCA** Toronto and Region Conservation Authority is an organization that prepares and delivers programs for the management of the renewable natural resources within its watersheds.

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**VOIP** Voice Over Internet Protocol

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**WDO** 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.

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**YRDSB** 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: left;"><u>Tax Year</u></th> <th style="text-align: left;"><u>Base Year</u></th> </tr> </thead> <tbody> <tr> <td>1998, 1999, 2000</td> <td>June 1996</td> </tr> <tr> <td>2001, 2002</td> <td>June 1999</td> </tr> <tr> <td>2003</td> <td>June 2001</td> </tr> <tr> <td>2004, 2005</td> <td>June 2003</td> </tr> <tr> <td>2006, 2007, 2008</td> <td>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
<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												
<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.

Line Item	General Ledger account code
<b>Markham Enterprise Corporation</b>	A wholly owned subsidiary of the City of Markham that was incorporated 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>	<p>Sections referenced:</p> <p>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.</p> <p>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.</p>
<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).

# **APPENDIX 1 – FINANCIAL PLANNING AND BUDGETING POLICY**

## **THE 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 six segments for review and evaluation:
  1. Operating Budget
  2. Capital Budget
  3. Building Budget
  4. Engineering Budget
  5. Planning and Design Budget
  6. Waterworks Budget
- The Budget review process shall include the City's Budget Committee participation in the discussion and review 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.

### **Balanced Budget**

In 2017, the City developed a balanced Budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2017 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. 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.

## **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**

Funds all Building permit and inspection operations. Building permit revenues are the main source of funding.

### **Development Fee Fund**

Funds 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.

### **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.

### **Reserves and Reserve Funds**

As at December 31, 2016, 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).

## **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.

### **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.

### **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.

## OPERATING BUDGET GUIDELINES

The Operating 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.

The above assumption does not necessarily mean there is an absolute increase in either expenditures or tax dollars.

### **Budget Preparation Guidelines**

The current year Budget is budgeted at the previous year's 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 the 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 current year Budget will be the previous year's cost of providing all the services approved in the current year Budget, except for one-time projects. For example, the 2017 base level Budget is set by taking the inputs approved in the 2016 Budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

1. **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 2016. These costs are identified and included in the 2017 Base Budget.
2. **Growth** - Allow for growth that will occur in the City in the current year. For example, if new roads were constructed in 2016, their upkeep would be part of the 2017 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.
3. **Inflation** - All Departments are expected to absorb this inflation within their 2017 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 the previous year's levels in their current year 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 current year base budget. For example, the 2017 base Budget from each Department includes only the 2016 full time approved complement. Financial Planning completes the current year 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 the associated new revenue and cost savings identified. All new headcounts are reviewed and approved by Senior Management, CAO and Council.

## **Fringe Benefits**

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 the previous year's actual benefit costs and reflects its findings in the current year Budget.

## **Part Time Salaries**

The Budget guidelines require that all permanent part-time staff be budgeted for by person/position. Current year 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 current year levels.

## **Overtime Dollars and Hours**

Overtime dollars and hours will be budgeted at current year levels.

## **Investment Income**

The forecasted 2017 interest rate of 2.76% 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 the current year, and it has been reflected in the current year Budget.

### **User Fees and Service Charges**

User Fees in Recreation and Culture, Engineering and Planning Departments are adjusted to reflect market conditions & general inflation where applicable.

### **Debt Charges**

Currently, Markham has a \$12 million, 20-year loan from the Canada Mortgage and Housing Corporation (CMHC), and a \$4 million low-interest loan from the Federation of Canadian Municipalities (FCM). Both loans are 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. The loan of \$4 million received in 2014 from FCM was used to fund part of the cost of construction of Cornell Community Centre and Library.

## **Identification of Major Service Contracts**

The identification of major service contracts up for renewal in 2017 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 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 8<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.

# CAPITAL BUDGET GUIDELINES

## PROJECT CATEGORIES AND GUIDING PRINCIPLES\*

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>

\*Refer to Capital Budget Control Policy (Appendix 2) for further details on Project Categories

### 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 Capital Database for all projects planned:

- 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
  
- Development Charge / 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 current 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 have been identified as a funding source for repair/replacement of assets. Departments are required to complete the worksheet which compares the current 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

### **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 2017 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.

### **Operations - Fleet:**

All business cases and current year 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 the current year.

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in the current year.

### **Council Request**

Council members are encouraged to identify projects that should be included in the current year 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 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 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.

## **APPENDIX 2 - 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:

<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>

## 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.

Below 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.

## **APPENDIX 3 - INVESTMENT POLICY**

### **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 3A).

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 3A  
**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).

## **APPENDIX 4 - DEVELOPMENT CHARGE BORROWING POLICY**

### **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.

## **APPENDIX 5 - INVESTMENT ALLOCATION INTEREST POLICY**

### **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

## **APPENDIX 6 - RESERVE POLICY**

### **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.

## **APPENDIX 7 - DEBT POLICY**

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 2017 is approximately \$82.4 million.

## **APPENDIX 8 - 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.
- 2.02 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

	<b>Authority</b>
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

	<b>Authority</b>
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

	<b>Authority</b>
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

## **APPENDIX 9 - 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 11A.

### **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:

- Ø 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.
- Ø 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 Financial 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 assets are still in use and available.
- Reporting to departments regarding capital assets
- Ensuring that assets conveyed through development agreements are captured including the required values needed for PSAB compliance.



## APPENDIX 9A

### **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.

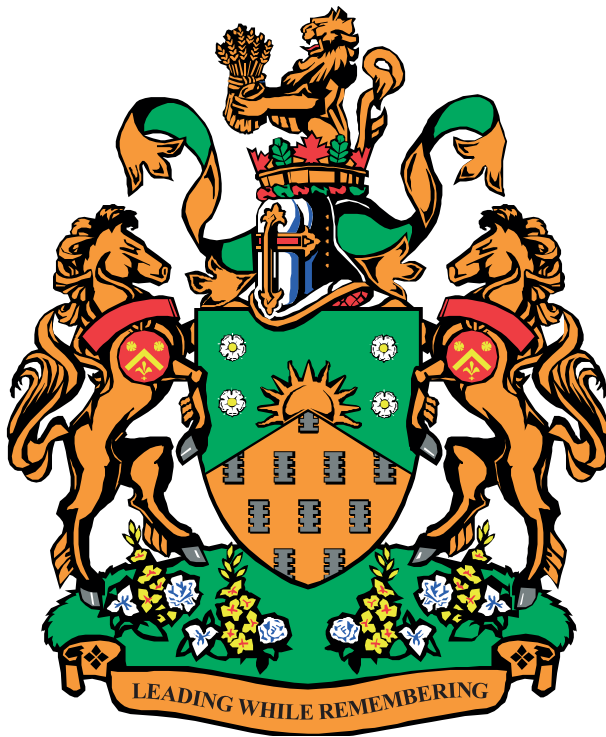
**Useful life** is the estimate of either the period over which a tangible capital asset can be used, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital 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	
<b>Buildings</b>			Single Asset (by Building)	40		
<b>Equipment</b>	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		
	Air-Supported Structure		Single Asset (by location)	20		
	Artificial Turf		Single Asset (by location)	15		
<b>Furniture &amp; Fixtures</b>	Facility Furniture		Pooled by Year	10		
	Office Furniture		Pooled by Year	15		
<b>Infrastructure</b>	Bridges	Substructure	Single Asset (by Bridge #)	75		
		Superstructure	Single Asset (by Bridge #)	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 (by Station)	100	
		Electrical		Single Asset (by Station)	50	
		Process Mechanical		Single Asset (by Station)	25	
		Substructure - Concrete		Single Asset (by Station)	100	
Substructure - Misc. Metals			Single Asset (by Station)	50		
Street Lights		Pooled by Year	35			
SWM Ponds		Single Asset (by Pond)	10			
Traffic Islands		Pooled by Year	25			
<b>Land</b>	Land Parcels		Single Asset (by Roll #)	n/a		
	Park Landscaping		Pooled by Year	n/a		
	Land Under ROW's		Pooled by Year	n/a		
<b>Library Furniture &amp; Fixtures</b>	Library Furniture & Fixtures		Pooled by Year	10		
<b>Library Media Collection</b>	Library Media Collection		Pooled by Year	7		
<b>Parks &amp; Pathways</b>	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			

Category 1	Category 2	Category 3	Recording Method	Useful Life-Years	Components	
<b>Vehicles</b>	Fire Apparatus		Pooled by Year	9		
	Licensed Vehicles		Pooled by Year	7		
<b>Waterworks Equipment</b>	O&M Tools and Equipment		Pooled by Year	9		
<b>Waterworks Infrastructure</b>	Drinking Water Distribution System		Pooled by Year	60		
	Sanitary Sewage Collection System		Pooled by Year	85		
	Sanitary Sewage Pumping Stations	Architecture		Single Asset (by Station)	50	
		Building Mechanical		Single Asset (by Station)	25	
		Building Structure		Single Asset (by Station)	100	
		Civil access area		Single Asset (by Station)	50	
		Civil - Fence and Pavement		Single Asset (by Station)	20	
		Civil - Underground Piping (100)		Single Asset (by Station)	100	
		Civil - Underground Piping (50)		Single Asset (by Station)	50	
		Electrical (25)		Single Asset (by Station)	25	
		Electrical (50)		Single Asset (by Station)	50	
		Instrumentation & Control		Single Asset (by Station)	15	
		Machinery		Single Asset (by Station)	50	
		Process Mechanical		Single Asset (by Station)	25	
		Substructure - Concrete		Single Asset (by Station)	100	
Substructure - Misc. Metals		Single Asset (by Station)	50			
<b>Waterworks Vehicles</b>	Licensed Vehicles		Pooled by Year	7		



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