

2018 Budget

City of Markham
Ontario, Canada

Aaniin
Community Centre & Library



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Markham
Ontario**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morrill

Executive Director

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2018 EXECUTIVE SUMMARY

The City of Markham, located in the Region of York (York Region) within the Greater Toronto Area (GTA) has a population of over 350,000 and is the fourth most populous community within the GTA after Toronto, Mississauga and Brampton. Markham is a diverse and dynamic community that continues to experience tremendous growth with the City population having increased over 50,000 since 2006. Founded in the 1790's, today Markham offers a rich heritage, outstanding community planning and services, and a vibrant local economy. Markham is home to more than 400 corporate head offices and over 1,100 high technology and life sciences companies due to a well-defined transportation and communication network, high quality facilities, a diverse and highly educated labour force and pro-business environment.

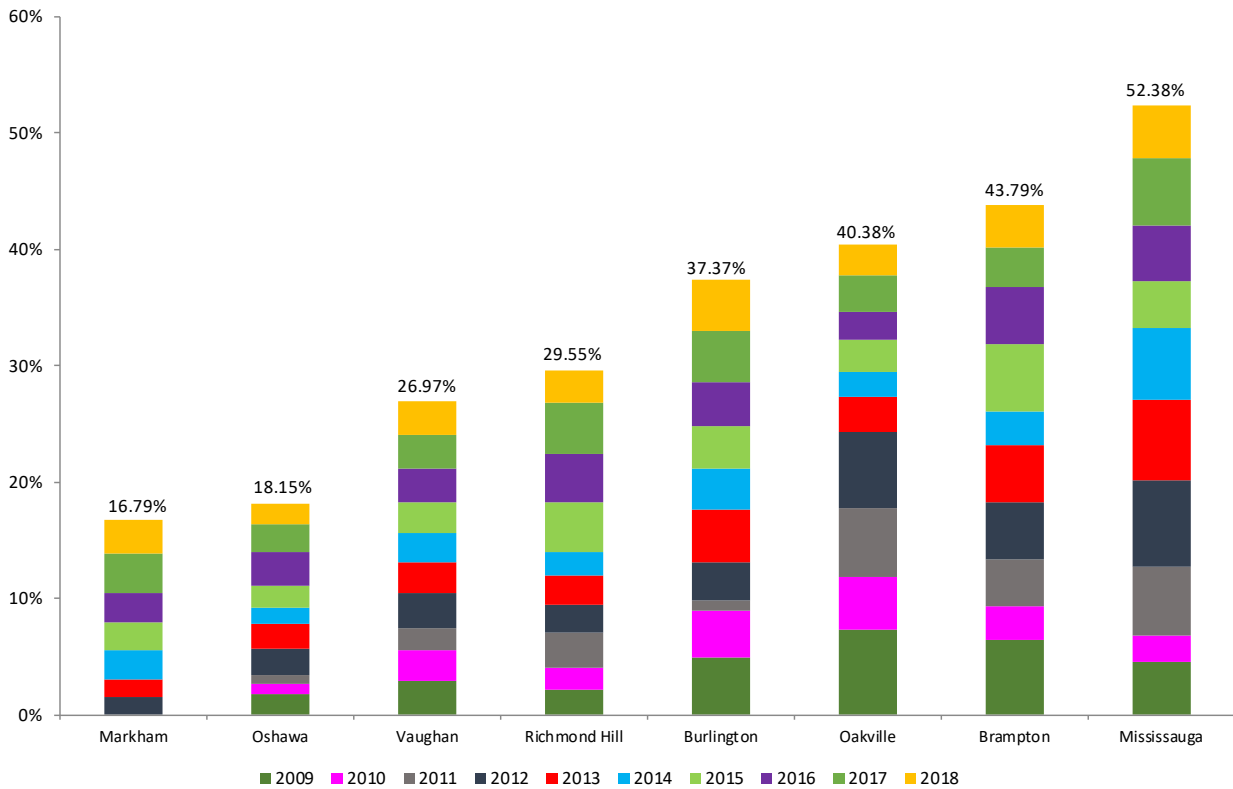
This is substantiated by the opening of General Motor's (GM) Canadian Technical Centre in Markham, employing around 700 people. The main reasons behind GM's attraction to the City was due to its highly-skilled, highly-educated and diverse workforce, along with a flourishing innovation ecosystem. It was also announced in early 2018 that Markham, along with other GTA municipalities, is a contender for the world's largest internet retailer Amazon's second North American headquarters. If successful, Amazon will join an elite group of multinational companies whose Canadian headquarters are located in Markham; including Honda Canada, Hyundai, Johnson & Johnson, Avaya, IBM, Motorola, Oracle, Toshiba, Toyota Financial Services and Honeywell.

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 2017 commercial, industrial and multi-residential property tax rates continue to be the lowest in the GTHA (Greater Toronto and Hamilton Area). In 2017, the NRU (Novae Res Urbis), a Toronto based publication reporting on the abilities and services of municipal governments, ranked Markham's property tax rates the lowest in the Greater Toronto and Hamilton Area (GTHA). In 2017, Markham had the lowest commercial tax rate for the fifth consecutive year, the lowest industrial tax rate for the eighth consecutive year, and the lowest multi-residential tax rate for the ninth consecutive year. Markham's residential tax rate was also the third lowest in the GTHA.

Markham's ten year (2009-2018) cumulative residential tax rate increase of 16.79% or 1.68% per year is the lowest among GTA municipalities.

**Residential Tax Rate Comparison with Other Municipalities
10 Year Total (2009-2018)**

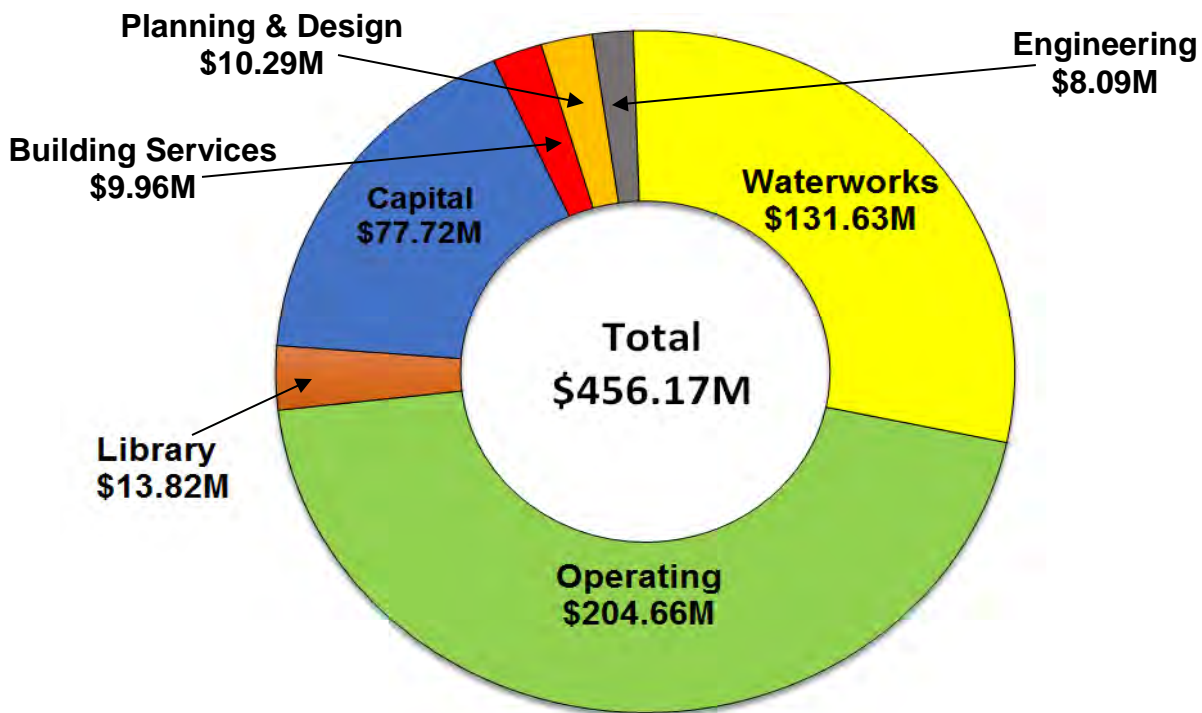


Despite the low tax rate increases, the City continues to invest tax dollars to improve infrastructure such as roads and bridges, and community facilities. The Aaniin Community Centre located in the south east of the City opened in December 2017. The Centre’s name means “hello” or “welcome” in Ojibway, in recognition of Canada’s Indigenous Peoples who first inhabited the lands that now make up Markham. The name celebrates Canada 150 and further honours Markham’s partnership with the Eabametoong First Nation. The 122,000-square-foot, fully accessibly LEED Gold facility is located on more than 13 acres of land and features a swimming pool, fitness centre with an indoor walking/running track, triple gymnasium, library with Makerspace, youth room, older adult room, and a teaching kitchen. This facility, along with the similar ones built during the past few years, substantiates the City’s commitment to investment in state of the art facilities to meet the changing needs of its residents. This investment, particularly in the PanAm Centre, brings people across the world to Markham. Recently it was announced that The World Junior Badminton Championships will be held at Markham’s award winning PanAm Centre in the fall of 2018.

Markham has also been innovative in its approach to various initiatives including its recycling textile program launched in 2016, which was the first of its kind in a Canadian municipality to ban textiles from curbside collection. 108 textile recycling bins have been deployed across the City, with over 6 million pounds of textiles collected to date. The program will be expanded in 2018 to include an additional 42 bins, for a total of 150 bins.

2018 Budget Process

On December 12, 2017 Markham Council approved the 2018 budget of \$456.17M. The major components are:



Council also approved a tax rate increase of 2.90% which comprises of a 1.94% increase to support day-to-day operations plus a 0.5% increase relating to infrastructure investment to ensure there are sufficient funds set aside in the Life Cycle Replacement and Capital Reserve Fund for the next 25 years. The remaining 0.46% was approved to address the new Provincial Legislation Bill 148, *Fair Workplaces, Better Jobs Act, 2017*.

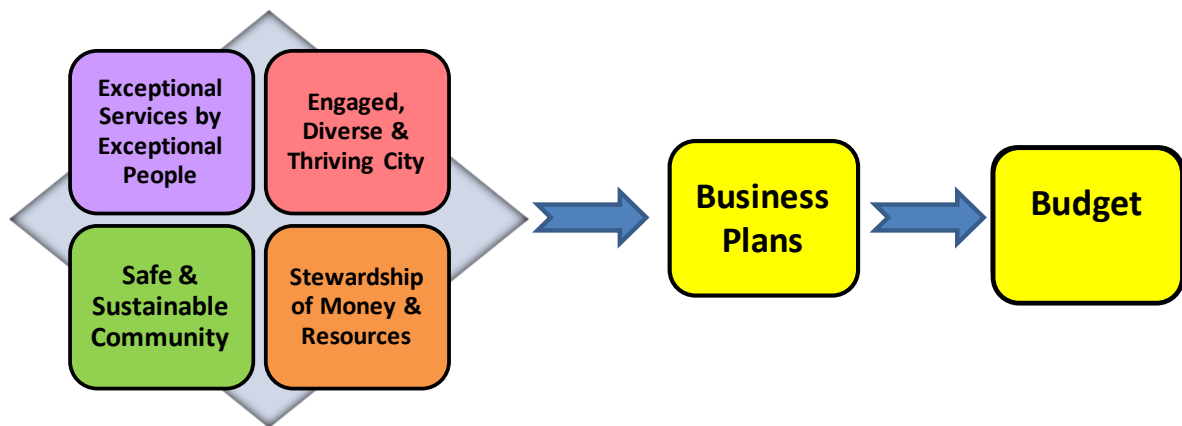
The 2018 Budget supports the rapidly growing City of Markham. It illustrates the City's pledge to keep tax rate increases low while enhancing services and building new facilities. This year's tax rate increase of 2.90% addresses the economic realities and social needs of the community, and Council approved the 2018 budget through a transparent and consultative process.



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.

Building Markham's Future Together 2015-2019 (BMFT) is the City's Strategic Plan. It is the blueprint for Council and Senior Management to make informed and strategic decisions about the City's future to ensure its success.

In the plan, there are four strategic goals, and the goals directly relate to all projects undertaken by staff. The annual budget is an action item under Stewardship of Money and Resources. The strategic plan guides the business planning process which takes place at the beginning of each year when departments develop their business plans. The business plans then form the basis for the budget.



During October and November 2017, 7 Budget Committee meetings were held. All meetings were open to the public and were video-streamed through Markham's portal. A public consultation meeting was held on November 16, 2017 to obtain feedback and views from residents about the proposed budget.

The Budget Committee, supported by Senior Staff, actively encouraged input and feedback from stakeholders to ensure taxpayers are receiving value for money. Every year, the budget process includes a robust communications plan to reach out to the residents for their input.

Through Council's direction and support, Staff were directed to identify efficiencies and mitigating strategies to deliver a fiscally responsible budget that would provide strategic investments in our community, while enhancing services for our residents.

Like all other municipalities, there is the challenge for Council and Staff to deliver a balanced budget which meets resident expectations and incorporates minimal tax rate increases, whilst at the same time accounting for economic pressures

One significant impact was the increase in the minimum wage (Bill 148, *Fair Workplaces, Better Jobs Act, 2017*) which came into effect on 1st January, 2018. Many of the City's staff were affected by this change in legislation due to the nature of their working schedules, which represented a significant cost increase beyond the City's control. Staff presented to Council a hybrid option of ensuring the cost of this change would be reflected with a minimal tax rate increase to its residents, and at the same time ensuring that the user fee increases for City facilities remained competitive and good value for money. The impact of Bill 148 on the 2018 operating budget is \$2.50M and is partially offset by higher revenues of \$1.82M, resulting in a net amount of \$0.68M to be funded through a tax rate increase.

2018 Operating Budget Highlights

The 2018 operating budget includes an increase in expenditures of \$5.30M partially offset by an increase in revenues of \$1.73M, resulting in a net shortfall of \$3.57M compared to the 2017 budget, which equates to a 2.90% tax rate increase, including 1.94% for day-to-day operations, 0.5% for infrastructure investment and 0.46% resulting from Provincial Legislation

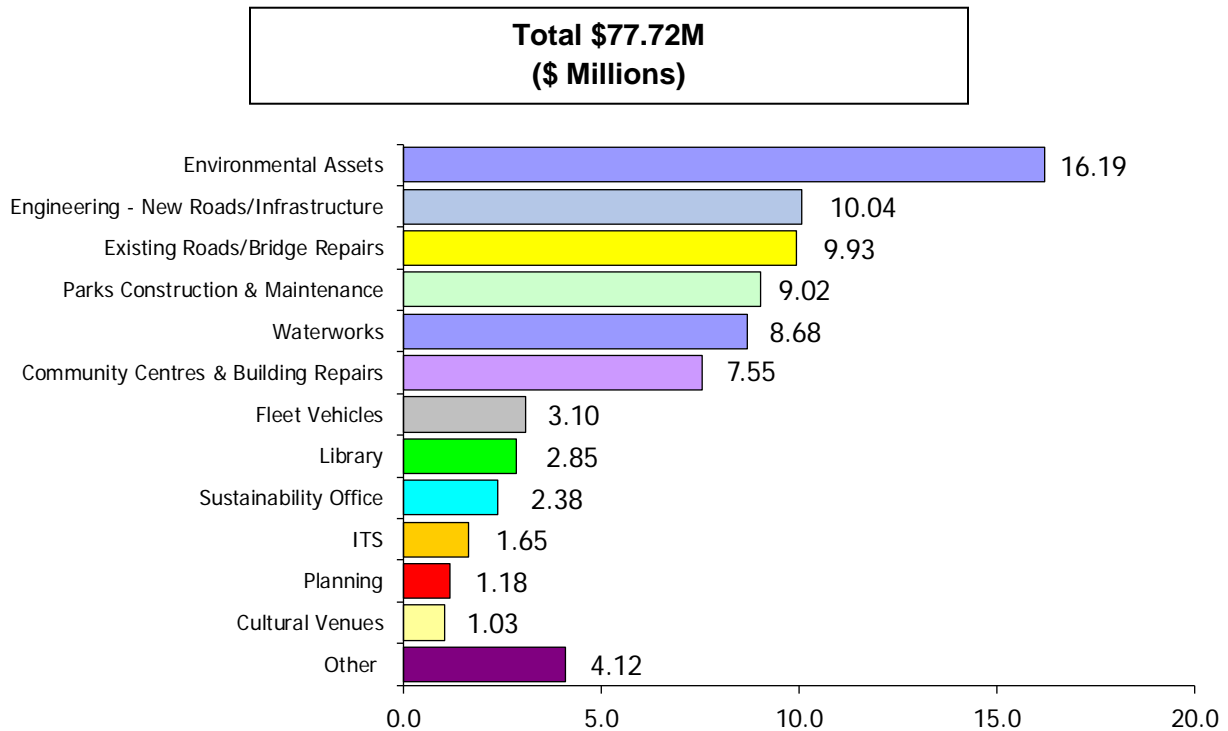
The 2018 operating budget includes service level enhancements while providing Markham residents value for their money. Markham is a growing municipality, and budgetary requirements increase as the City continues to add to its inventory of parks, streetlights, and roads each year, requiring additional resources to maintain and replace assets.

2018 Capital Budget Highlights

The 2018 Capital Budget of \$77.72 million effectively addresses each of the City's strategic priorities. Incorporating the longer-term thinking approach within the capital budget provides assurance to residents that the existing community facilities are maintained in a state of good repair. Overall the capital budget demonstrates the City's commitment to its residents by making the appropriate plans to invest in their future needs. Staff undertook a comprehensive process to ensure capital requests were aligned with the City's strategic plan, as well as ensuring that City assets were being maintained and replaced effectively and efficiently, and that investment in new assets and infrastructure would meet resident needs over the longer term.



The chart below illustrates a breakdown of the 2018 Capital Budget by category type:



The 2018 Capital Budget includes an advancement of parts of the Flood Control Program in response to the flooding experienced in early summer 2017. As part of the 30 year City-wide initiative to improve draining capacity to help protect public and private properties, and make critical infrastructure more resilient to climate change, the City will carry out integrated sanitary sewer upgrades and initiate a sanitary system downspout disconnection program in parts of Markham during 2018. The total amount earmarked for investment in 2018 is \$14.30M.

\$9.02M has been allocated in 2018 for the design and construction of new parks across the City with the goal of providing residents access to parks as soon as possible after they move into a new community. Work will also continue on the City's multi-use pathways, with the 2018 project including 1.1km of new trails as well as pedestrian and cyclist bridges.

The Train Whistle Cessation Program (Anti-Whistling) includes the necessary actions to address whistle cessation on Stouffville GO line which includes upgrades at 13 crossings in the urban areas to meet safety requirements. Work is underway at 5 crossings and 5 more will be tendered in the near future for construction to start in Q1 2018. The project is on target to be completed by summer 2018 for the 13 crossings.

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

With the appointment of the current Council in 2014, the 2015-2019 Strategic Plan was developed to act as a blueprint for how Council and senior staff will make decisions about the City’s future to ensure its success. During the community consultation process, the City set out to find out what is important to its residents and members of the business community through an innovative and interactive online survey. With over 2,300 surveys completed, members of Markham’s communities 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

Exceptional Services by Exceptional People

Engaged, Diverse and Thriving City

Safe and Sustainable Community

Stewardship of Money and Resources

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	2017 Accomplishments
Exceptional Services by Exceptional People	Expanded the eProcurement system to include all procurement types (quotes, tenders and RFPs), resulting in all goods and services being procured online; achieved an eBilling enrollment of 7.5%, exceeding the 2017 goal of 5.1% eBilling allows residents and business owners to receive their property tax bill online and reduces the City’s printing and mailing requirements
	Deployed ePlan system for the Building Department for permit review and approval process
	Completed the 5-year Emerald Ash Borer capital program this year by reaching the goal of 17,000 trees removed, stumped and replaced
	Received Council approval of the Digital Markham Strategy

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	2017 Accomplishments
Engaged, Diverse and Thriving City	Launched Markham's first Toy Library – lending educational toys to support children's school readiness and early literacy development in the home
	Managed the corporate Volunteer Management Program comprised of 3,212 active volunteers and completing 35,544 volunteer hours to support activities in recreation, culture, library, special events, boards and committees, and emergency preparedness
	Attracted major new business investments (General Motors)
	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	2017 Accomplishments
Safe and Sustainable Community	Completed 38.76 km of road rehabilitation: 25.9 km of pavement preservation; and 12.86 km of road rehabilitation
	Constructed 14 Parks totaling approximately 10 ha. (24.4 acres) completed and in service in 2017
	Implemented the School Zone Flex Post Pilot Program and will be expanded in 2018

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.

Goal Area	2017 Accomplishments
Stewardship of Money and Resources	The City received Provincial and Federal grant funding for 7 projects to celebrate Canada's 150th birthday totalling \$3.9 million
	Secured over \$200,000 from utility incentives for completing energy conservation projects
	Annual update of lifecycle reserve studies to sustain the replacement of assets for the next 25 years based on known inflows and outflows
	The Auditor General completed three Financial Services audits (Cash Handling, Property Tax Revenue, and Vendor Management). The audits identified several strengths in the areas of effective and efficient internal controls and zero observations that require immediate attention
	Received the Distinguished Budget Presentation Award for the seventeenth consecutive year and the Canadian Award for Excellence in Financial Reporting for the sixteenth consecutive year
	Achieved over \$25M in expenditure reduction and revenue enhancements since the implementation of the E3 program in 2009 (Excellence through Efficiency and Effectiveness)

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.

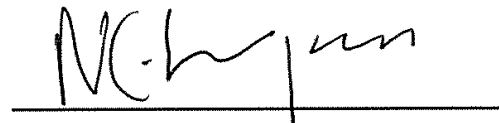
Summary

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


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



Frank Scarpitti
Mayor



Logan Kanapathi
Budget Chief & Ward 7 Councillor



Amanda Collucci
Vice Chair, Budget Committee & Ward 6 Councillor

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2018 CITY OF MARKHAM STREET MAP



CITY OF MARKHAM COAT OF ARMS



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



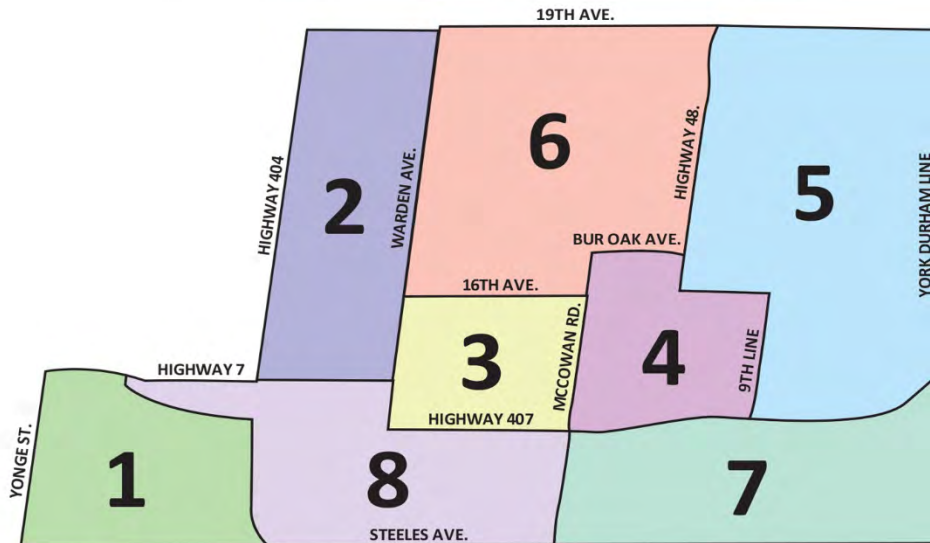
**Ward 6 Councillor
Amanda Collucci**



**Ward 7 Councillor
Logan Kanapathi**



**Ward 8 Councillor
Alex Chiu**

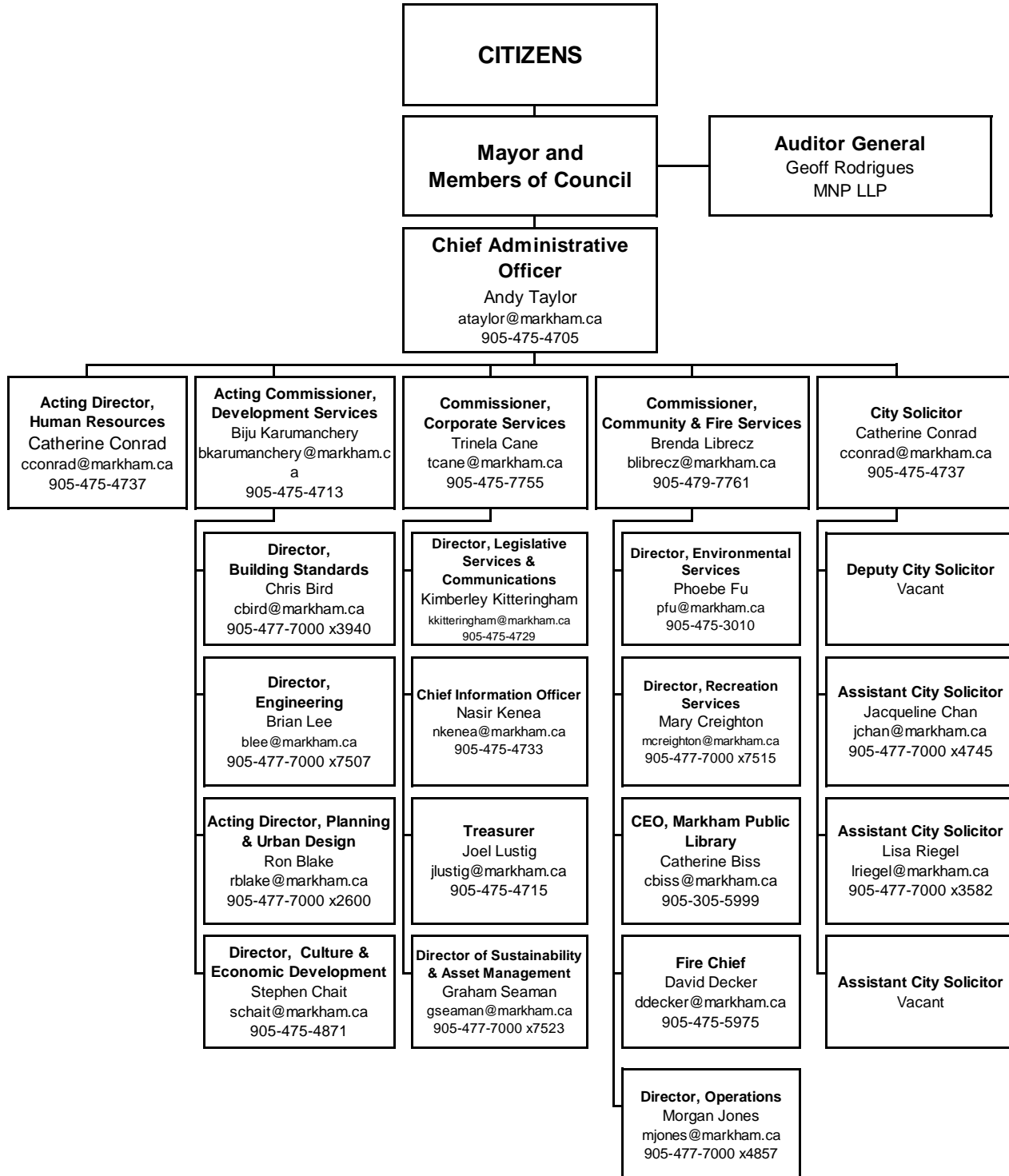




ORGANIZATIONAL STRUCTURE

CITY OF MARKHAM

Organizational Chart



2018 BUDGET HEAD COUNT APPROVED FULL TIME COMPLEMENT

Department / Commission	2014	2015	2016	2017	2018
Mayor & Council*	3	3	3	3	3
Human Resources	18	18	18	17	17
Legal Services	10	10	10	11	11
Sustainability Office	3	3	3	0	0
CAO's Office	4	4	4	3	3
Total CAO, Legal, HR & Sustainability Office	35	35	35	31	31
Communications & Community Relations	13	14	14	0	0
Financial Services	48	49	49	50	50
Information Technologies Services	33	34	34	34	34
Legislative Services & Communications	59	59	59	73	73
Sustainability & Asset Management	0	0	0	18	18
Commissioner's Office	2	2	2	2	2
Total Corporate Services	155	158	158	177	177
Culture & Economic Development	7	7	7	29	29
Commissioner's Office	11	11	10	10	10
Total Development Services	18	18	17	39	39
Asset Management	30	31	31	0	0
Culture	23	24	24	0	0
Environmental Services	0	0	0	10	10
Environmental Services - Waste Management	6	5	5	5	5
Fire & Emergency Services	278	278	278	278	278
Markham Public Library	70	70	70	70	78
Operations	110	111	111	115	117
Recreation Services	109	120	120	120	132
Commissioner's Office	4	5	5	4	4
Total Community & Fire Services	630	644	644	602	624
Corporate	0	0	0	6	6
Sub Total	841	858	857	858	880
Building Services	54	54	54	54	54
Engineering	39	40	40	45	47
Planning & Design	50	50	51	53	57
Waterworks	64	65	65	66	67
Total Corporation	1,048	1,067	1,067	1,076	1,105

* Excludes Mayor & Council Members



2018 Budget

The approved 2018 full time complement of 1,105 represents an addition of 29 new full time staff. 20 of these positions were added during 2017 for the opening of the Aaniin Community Centre and Library and 9 positions were added through the 2018 budget. The details of the 9 new positions are shown below.

DETAILS OF 2018 STAFF ADDITIONS

Community & Fire Services		
Operations	Supervisor, Road Operations	1
	Technical Coordinator	1
Waterworks	Technical Coordinator	1
Development Services		
Engineering	Development Engineer	1
	Transportation Engineer	1
Planning & Urban Design	Senior Planner, Future Urban Area (FUA)	2
	Senior Planner, Urban Design	2
Total		9

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.

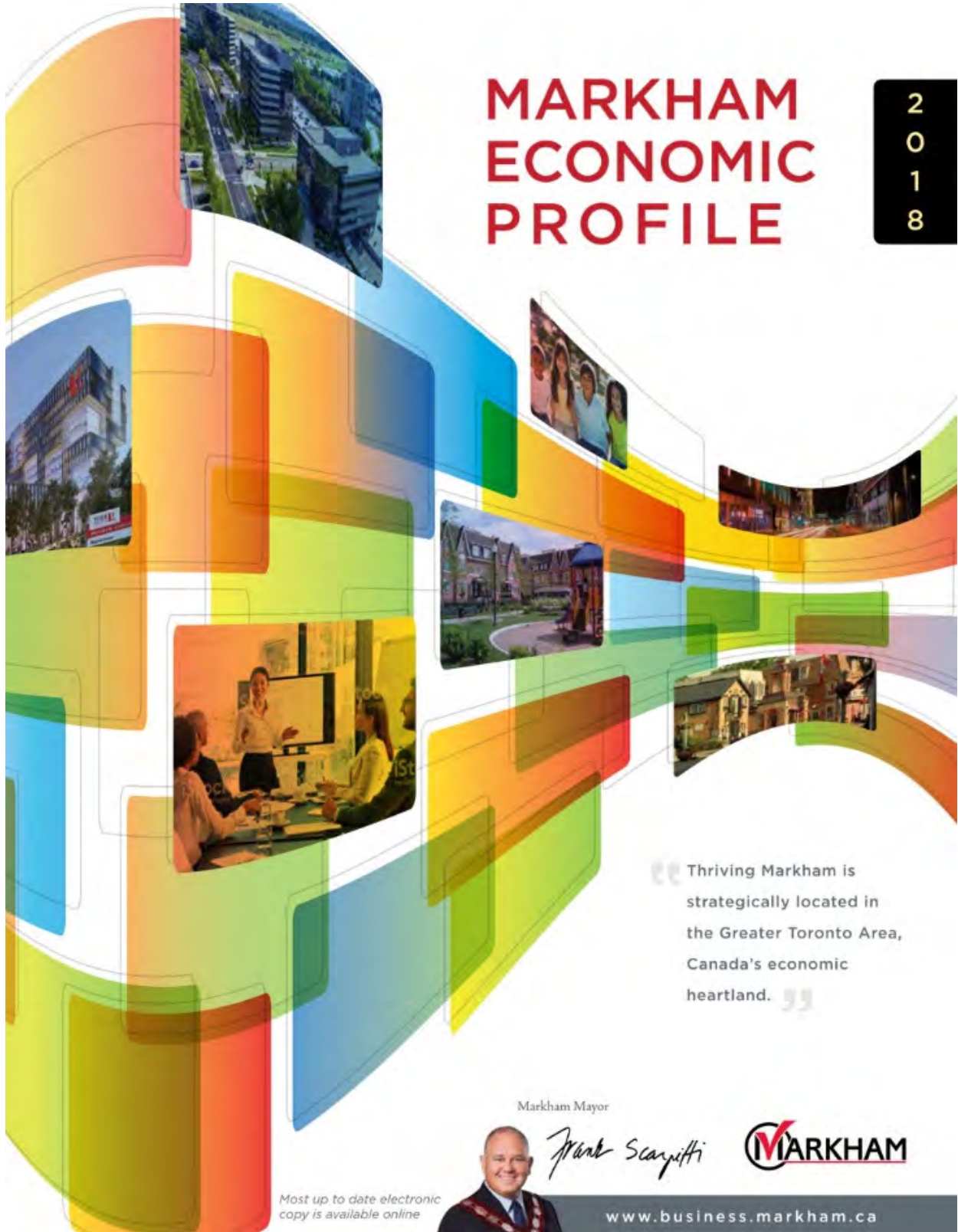
By 1969, the Township of Markham consisted of several villages, including Markham, Unionville, and parts of Thornhill. In 1971, the Regional Municipality of York was established. Northern portions of Markham Township were annexed to the municipalities of Richmond Hill and Whitchurch-Stouffville, while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

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 **355,000** and a land area of **212 square kilometres**.



Markham is a leader in attracting foreign direct investment **10,680 companies in Markham** there are more than 210 foreign companies located here, employing more than **28,000 people**. Leading innovators in Markham include: IBM, Aviva Insurance, AMD, GM Canada Technical Centre, Bank of China, GE Digital Energy, Honeywell, Huawei Technologies, Lenovo, Johnson & Johnson, Toshiba, Honda and Hyundai.



Markham has the highest concentration of ICT employers per capita in Canada. Over **1,000 technology and life sciences companies** are based in Markham. These two sectors alone **employ 38,000 people** – over one-fifth of the total workforce of **172,400**.

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
- HOMELIFE LANDMARK REALTY INC
- TD INSURANCE
- AVIVA CANADA
- ALLSTATE INSURANCE
- JOHNSON AND JOHNSON INC.
- CAA SOUTH CENTRAL ONTARIO
- ENERCARE HOME SERVICES
- WSP CANADA GROUP LTD.
- AUTOLIV ELECTRONICS CANADA INC.
- HONDA CANADA
- FIRST STUDENT CANADA
- COSTCO WHOLESALE CANADA LTD.
- GE GRID IQ INNOVATION CENTRE
- GM CANADA TECHNICAL CENTRE

Data source: 2017 York Region Employment Survey

High Tech Cluster

HIGH-TECH CLUSTER

4

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Computer Systems Design and Related Services	301
Engineering Services	116
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	72
Electronic and Precision Equipment Repair and Maintenance	57
Graphic Design Services	34
Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler-Distributors	33
Management Consulting Services	32
Wireless Telecommunications Carriers (except Satellite)	27
Software Publishers	26
Research and Development in the Physical, Engineering and Life Sciences	24
Data Processing, Hosting, and Related Services	22
Navigational, Measuring, Medical and Control Instruments Manufacturing	19
Semiconductor and Other Electronic Component Manufacturing	18
Other Scientific and Technical Consulting Services	16
Wired Telecommunications Carriers	14
Other Telecommunications	14
Environmental Consulting Services	12
Computer and Peripheral Equipment Manufacturing	11
Management of Companies and Enterprises	8
Internet Publishing and Broadcasting, and Web Search Portals	5
Industrial Design Services	5
Electrical Equipment Manufacturing	4
All Other Electrical Equipment and Component Manufacturing	4
All Other Professional, Scientific and Technical Services	4
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	3
Other Communications Equipment Manufacturing	3
Geophysical Surveying and Mapping Services	3
Surveying and Mapping (except Geophysical) Services	3
Telephone Apparatus Manufacturing	2
Audio and Video Equipment Manufacturing	2
Communication and Energy Wire and Cable Manufacturing	2
Electric Power Generation	1
Manufacturing and Reproducing Magnetic and Optical Media	1
Research and Development in the Social Sciences and Humanities	1
TOTAL NO. OF HIGH TECH COMPANIES	899

Note: Data was obtained from the 2017 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	57
Medical Equipment and Supplies Manufacturing	37
Medical and Diagnostic Laboratories	19
Research and Development in the Physical, Engineering and Life Sciences	18
Computer Systems Design and Related Services	17
Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors	16
Management of Companies and Enterprises	10
Home Health Care Services	8
Navigational, Measuring, Medical and Control Instruments Manufacturing	7
Testing Laboratories	6
Other Scientific and Technical Consulting Services	3
Pharmaceutical and Medicine Manufacturing	3
Office Administrative Services	3
Toiletries Preparation Manufacturing	2
Management Consulting Services	2
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	1
Research and Development in the Social Sciences and Humanities	1
TOTAL NO. OF LIFE SCIENCES COMPANIES	210

5

Industrial/Commercial Activity

DEVELOPMENT ACTIVITY

Development Activity

6

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

2017 Tax Rates (%)

	COMMERCIAL	INDUSTRIAL
Toronto	2.52%	2.59%
Mississauga	2.02%	2.30%
Vaughan	1.68%	1.98%
Markham	1.65%	1.93%



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 2017

Land Use Designation Categories	Serviced and Market Ready (acres)	Unserviced (acres)
Commercial Office	95.78	14.13
Commercial Retail	34.80	39.99
Commercial Mixed	51.72	53
Total Commercial	182.29	107.12
Total Industrial	432.56	1161.98

Average Price Per Acre (Industrial) \$1,100,000-1,300,000
 Average Price Per Acre (Commercial) \$1,600,000 - \$1,800,000

Industrial Inventory, 2017 (Q3)

Total inventory (sq.ft.)	34,391,126
Vacancy rate - class A	0.8%
Average net rent (sq.ft.)	\$7.67

Commercial Office Inventory, 2017 (Q3)

Total inventory (sq.ft.)	8,524,471
Vacancy rate - class A	6.67%
Average net rent (sq.ft.)	\$17.56

All values are in Canadian Dollars. Source: Colliers International

RESIDENTIAL ACTIVITY & UTILITIES

Residential Development



Number of New Residential Units Per Year



Average Home Prices

(Toronto Real Estate Board, Market Watch, December 2017)



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

Municipal Utilities

Water & Sewer Infrastructure, 2017 Rate

Water & wastewater rate per cubic metre	\$3.8555/m ³
Sanitary sewers	918.7 km
Water mains	1078.1 km

Electricity Costs and Charges, Business Rates

50KW OR LESS

Distribution rate	\$0.0189/kWh
Monthly fixed charge	\$28.95/month

GREATER THAN 50KW DEMAND

Distribution rate	\$4.8510/kW
Monthly fixed charge	\$140.97/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.

Recreation & Culture

Number of Parks	203
Trails/Pathway System	151 km
Public Libraries	8
Community Centres & Facilities	32
Golf Courses	9
Ice Arenas	10 pads
Flato Markham Theatre, Markham Museum, Varley Art Gallery, McKay Art Centre	
Heritage Areas - Thornhill Village, Unionville Village, Markham Village, Buttonville Village	

Seneca

Number of Parks	203
Trails/Pathway System	151 km
Public Libraries	8
Community Centres & Facilities	32
Golf Courses	9
Ice Arenas	10 pads

Public Health & Education

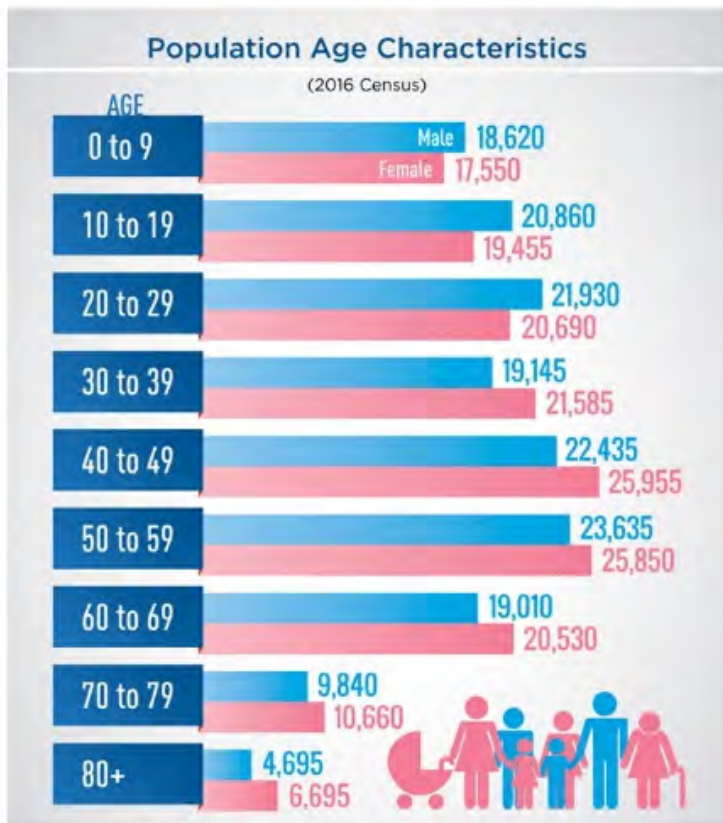
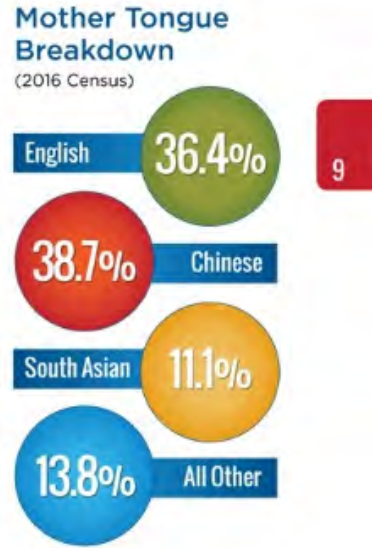
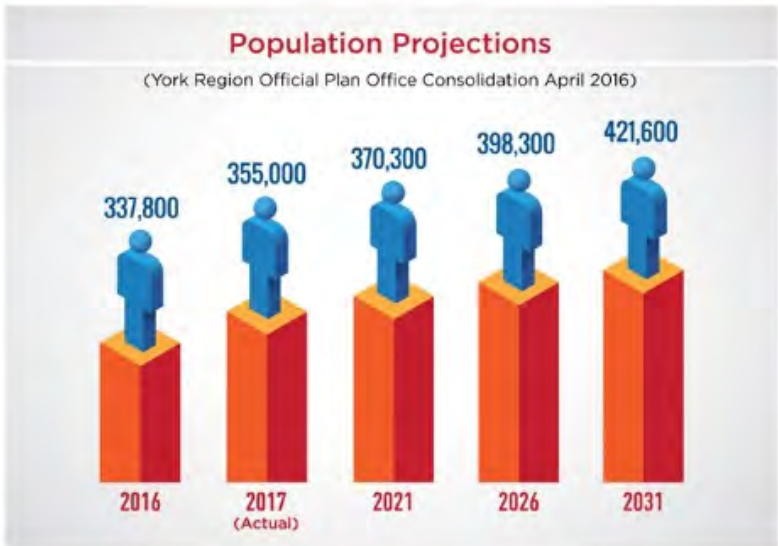
Markham Stouffville Hospital (beds)	284
Shouldice Hernia Centre (beds)	89
Elementary Schools	74
High Schools	14
Community Colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	7

Transportation Infrastructure & Service Providers

Roads (excludes private roads)	1233 km
Highways (404 and 407)	32 km
Sidewalks	1061.5 km
Multi Use Path	27.7 km
Cycle Track	2.8km
York Region Transit (YRT)/Viva	www.yorkregiontransit.com
Toronto Transit Commission (TTC)	www.ttc.ca
GO Transit	www.gotransit.com
CN Rail	www.cn.ca
407 ETR	www.407etr.com
Toronto Buttonville Municipal Airport	www.torontoairways.com



DEMOGRAPHIC PROFILE



Labour Force Profile

ABOUT FORCE PROFILE

Basic Indicators

(2016 Census)

Number of Persons Employed	159,640
Unemployment Rate	7.3%
Labour Force Participation Rate	63.3%

10

Labour Force by Industry

(2016 Census)

Finance, Insurance, and Real Estate	13.8
Professional, Scientific and Technical	12.3
Retail Trade	11.3
Manufacturing	9.1
Health Care and Social Assistance	8.4
Wholesale Trade	7.2
Educational Services	7.0
Accommodation and Food Services	5.8
Information, Cultural, Arts, Entertainment and Recreation	4.8
Public Administration	4.3
Construction	3.4
Other	12.6

Average Total Income

(2016 Census, for the population aged 15 years and over in private households)



Markham Average
\$45,184



Ontario Average
\$47,915



Canadian Average
\$47,487

Wage Rates

(Ministry of Labour)

Minimum Wage Rate	Rates from Jan 1, 2018 to Dec 31, 2018	Rates from Jan 1, 2019 to Oct 1, 2019
General Minimum Wage	\$14.00 per hour	\$15.00 per hour
Student Minimum Wage	\$13.15 per hour	\$14.10 per hour

Average Earnings, by Selected Occupation, in Markham

(Statistics Canada 2016 Census)

Management	\$ 83,438
Natural and applied sciences and related	\$ 75,796
Health	\$ 62,873
Business, finance and administrative	\$ 52,358
Education, law and social, community and government services	\$ 49,434
Trades, transport and equipment operators and related	\$ 37,588
Sales and service	\$ 29,493
Manufacturing and utilities	\$ 34,381
Art, culture, recreation and sport	\$ 24,602
Natural resources, agriculture and related production occupations	\$ 22,505

Note: For other Census topics, please visit www150.statcan.gc.ca

Data for Average Earnings by Selected Occupations is based on the Markham Census Subdivision Area (CSA) from Statistics Canada 2016 Census.



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

Number of New Dwelling Units Issued in Year 2017

Single Dwellings	114
Double Dwellings	19
Row Dwellings	577
Apartments	128
Total	838

Construction Value of Permits Issued in 2017

(in \$000's)

Residential	\$	362,356
Commercial	\$	207,079
Other	\$	12,663
Total	\$	582,098

STRATEGIC PLAN AND INITIATIVES

Building Markham's Future Together 2015 – 2019 Strategic Plan

The process to update Building Markham's Future Together for the current Council term (2015 – 2019) took place in early 2015, and 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 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 years the 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 2017 include:

- City of Markham signed a historic accord – an agreement of Cultural Collaboration with Eabametoong First Nation
- Celebrating Canada's 150th Birthday – the City received Provincial and Federal grant funding for 7 projects to celebrate Canada's birthday totally \$3.9 million
- Digital Strategy - developed the approach and obtained Council approval on the Strategy
- Electronic Plan Review (ePlan) Phase A - deployed ePlan system to the Building Department for permit review and approval process
- Secured over \$200,000 from utility incentives for completing energy conservation projects
- School Zone Flex Post Pilot Program implemented and will be expanded in 2018
- e-Services - expanded the eProcurement system to include all procurement types (quotes, tenders and RFPs), resulting in all goods and services being procured online; achieved an eBilling enrolment of 7.5%, exceeding the 2017 goal of 5.1%. eBilling allows residents and business owners to receive their property tax bill online and reduces the City's printing and mailing requirements
- Completed the Future Urban Area Conceptual Master Plan
- Published Heritage Markham 40th Anniversary Book and held a celebration
- Constructed 14 parks totalling 24.42 acres or 9.88 hectares
- The Auditor General completed three Financial Services audits (Cash Handling, Property Tax Revenue, and Vendor Management). The audits identified several strengths in the areas of effective and efficient internal controls and zero observations that require immediate attention
- Implemented a new HRIS system – EPIC (Employee Personal Information Centre) for all staff
- Conducted first business mission to Japan
- Launched Markham's first Toy Library – lending educational toys to support children's school readiness and early literacy development in the home.
- Completed the 5-year Emerald Ash Borer capital program this year by reaching the goal of 17,000 trees removed, stumped and replaced

- Completed 38.76 km of road rehabilitation: 25.9 km of pavement preservation; and 12.86 km of road rehabilitation
- Managed the corporate Volunteer Management Program comprised of 3,212 active volunteers and completing 35,544 volunteer hours to support activities in recreation, culture, library, special events, boards and committees, and emergency preparedness
- Promoted Markham Pan Am Centre as a sport event destination through the hosting of over 106 sport events in which the facility was booked 48 out of 52 weekends, including Jr. Pan Am Badminton and two world-level events (Dodgeball and Women's World Cup Table Tennis)

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 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 uses as building blocks in setting its Strategic Objectives and governing Action Plans. These Strategic Objectives and Action Plans drive Markham's Business Plans which forms the basis for the budget process.

The four goals below are the long-standing goals for the City that extend beyond the current Council term and the 2015-2019 Strategic Plan.





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

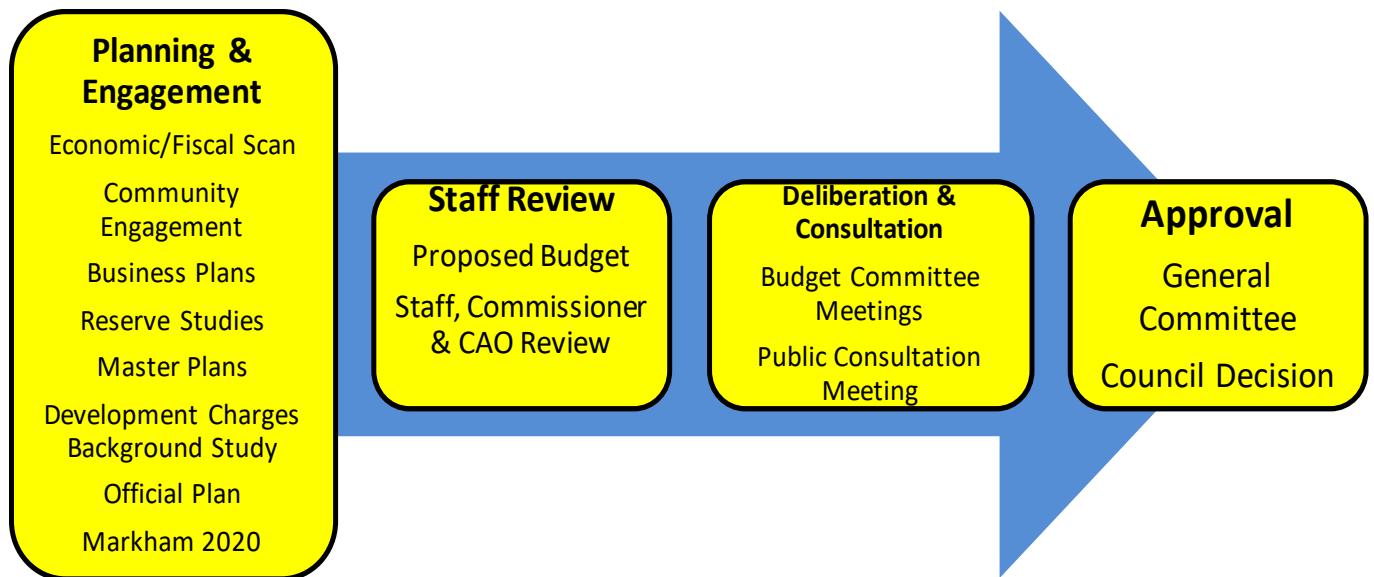
4.3. Increasing Transparency and Accountability

- 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

2018 BUDGETING PROCESS





2018 BUDGETING PROCESS DETAILED LEVEL

Proposed Timeline

Date	Business Plan (Managed by: Strategy Managers)	Budget (Managed by: Financial Services)
February 28	Joint Executive Leadership Team (ELT)/Director Forum (DF) meeting	
March	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 of departmental business plan with Commissioner	
May 9		Budget Committee #1 – Life Cycle Reserve Study Update
May 20	Business Plan due to Strategy Manager	
May 24 - 27	Final Review by Commissioner	
May 31	2018-2021 Departmental Business Plan finalized	
June 1 - 30		Capital Budget database open for input of capital project requests
July 1 - 14		Director review of Operating and Capital Budget reports with Commissioner including Commissioner sign-off
July 24 - Aug 1		CAO review of Capital Budget requests
August 9		E-file to Directors
August 14, 16 & 17		DF review of Capital Budget (operating non-lifecycle, gas tax and split funded projects)
September 8, 14 & 19		ELT review of Operating and Capital budgets
October 10		Budget Committee #2 – Economic Scan, Operating and Capital budget overview
October 13, 17, & 19		Budget Committee #3, #4 & #5 - Capital Budget review
October 27		Budget Committee #6 – Operating Budget review including Bill 148, Fair Workplaces, Better Jobs Act 2017
October 31		Budget Committee #7 – Operating Budget review
November 16		Public Budget Consultation Meeting
November 21		Budget Committee #8 – Feedback from the Public Consultation meeting, Operating Budgets, Planning & Design, Engineering, Building and Waterworks Operating Budgets
December 4		General Committee Decision
December 12		Council Decision
December 13		Press Conference

2018 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 the Capital Budget Program

Budget Framework

Council meets every four years to set the City's goals and priorities. For 2018, Council's strategic priorities address the initiatives defined in the 2015 - 2019 Council term that are 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

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 Budget Staff Committee, comprising of members from across the organization, with at least one representative from each Commission, develops the criteria and framework for the 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 March 2017, staff began working on the 2018 BP for each Business Unit. Each Business Unit filled out a BP that served as a single reference for identifying its Unit's 2018 proposed objectives in alignment to the corporate goals and Council priorities. Within each BP, Business Units included a proposed 2018 Operating Budget and Capital Project Budget that 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 total of eight Budget Committee meetings were held between October and November 2017 to discuss, review and finalize the 2018 Operating and Capital Budget. One public consultation meeting was held on November 16, 2017 as an opportunity for residents, business and community leaders to obtain an overview of the City's budget process and the 2018 proposed budget. Attendees were invited to inquire about the Budget and to provide feedback at these meetings.

On December 12, 2017 Council approved the Capital Budget and Waterworks Operating budget as well as the Operating, Planning & Design, Engineering, and Building Budgets for 2018.

Approved Budget

The total approved 2018 Budget is \$456.2 million broken down as follows:

Budget Component	(in \$ millions)
Operating	\$204.7
Library	\$13.8
Capital	\$77.7
Planning and Design	\$10.3
Engineering	\$8.1
Building Standards	\$10.0
Waterworks	\$131.6
Total	\$456.2

The 2018 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.



2018 OPERATING BUDGET (\$'000s)

<u>Description</u>	<u>2017 Budget</u>	<u>2018 Budget</u>	<u>2018 Bud. vs. 2017 Bud.</u>	
			<u>\$ Incr./(Decr.)</u>	<u>% Change</u>
Revenues				
TAX LEVIES	\$149,879	\$150,801	\$922	0.6%
2.90% PROPERTY TAX RATE INCREASE	\$0	\$4,250	\$4,250	0.0%
PAYMENTS-IN-LIEU OF TAXES	\$1,209	\$1,209	\$0	0.0%
GRANTS AND SUBSIDIES	\$1,641	\$2,034	\$393	24.0%
LICENCES & PERMITS	\$1,928	\$1,974	\$46	2.4%
PENALTY & INTEREST	\$3,950	\$4,158	\$208	5.3%
INCOME FROM INVESTMENTS	\$21,893	\$16,243	(\$5,650)	-25.8%
FINES	\$3,077	\$3,399	\$322	10.5%
USER FEES & SERVICE CHARGES	\$17,376	\$19,087	\$1,711	9.8%
RENTALS	\$8,461	\$9,541	\$1,080	12.8%
SALES	\$615	\$623	\$7	1.2%
RECOVERIES & CONTRIBUTIONS	\$1,587	\$1,642	\$56	3.5%
OTHER INCOME	\$3,774	\$3,523	(\$251)	-6.7%
Total Revenues	\$215,390	\$218,483	\$3,094	1.4%
Expenses				
SALARIES AND BENEFITS	\$125,470	\$131,763	\$6,293	5.0%
PRINTING & OFFICE SUPPLIES	\$436	\$416	(\$20)	-4.5%
PURCHASES FOR RESALE	\$432	\$423	(\$9)	-2.1%
OPERATING MATERIALS & SUPPLIES	\$2,697	\$2,714	\$17	0.6%
VEHICLE SUPPLIES	\$1,622	\$1,633	\$11	0.7%
SMALL EQUIPMENT SUPPLIES	\$4	\$2	(\$2)	-57.7%
BOTANICAL SUPPLIES	\$266	\$277	\$11	4.3%
CONSTRUCTION MATERIALS	\$1,820	\$1,890	\$70	3.8%
UTILITIES	\$9,157	\$9,094	(\$63)	-0.7%
COMMUNICATIONS	\$1,305	\$1,303	(\$1)	-0.1%
TRAVEL EXPENSES	\$408	\$396	(\$12)	-3.0%
TRAINING	\$815	\$812	(\$3)	-0.4%
CONTRACTS & SERVICE AGREEMENTS	\$6,317	\$6,823	\$506	8.0%
MAINTENANCE & REPAIRS	\$7,012	\$7,128	\$116	1.7%
RENTAL/LEASE	\$731	\$709	(\$21)	-2.9%
INSURANCE	\$2,433	\$2,433	\$0	0.0%
PROFESSIONAL SERVICES	\$2,812	\$2,813	\$1	0.0%
LICENCES, PERMITS, FEES	\$788	\$797	\$10	1.2%
CREDIT CARD SERVICE CHARGES	\$298	\$294	(\$4)	-1.2%
PROMOTION & ADVERTISING	\$1,301	\$1,327	\$27	2.1%
CONTRACTED MUNICIPAL SERVICES	\$10,757	\$11,129	\$372	3.5%
OTHER PURCHASED SERVICES	\$1,320	\$1,425	\$105	8.0%
PROPERTY TAX ADJUSTMENTS	\$663	\$1,021	\$358	54.0%
OTHER EXPENDITURES	\$3,481	\$3,103	(\$377)	-10.8%
TRANSFERS TO RESERVES	\$33,045	\$28,756	(\$4,290)	-13.0%
Total Expenses	\$215,390	\$218,483	\$3,094	0.0%
Surplus/(Deficit)	-	-	-	

RELATIONSHIP BETWEEN FUNCTIONAL UNITS, MAJOR FUNDS & NON-MAJOR FUNDS

Department / Type of Fund	Operating Fund	Capital Development Fund	Development Fee	Building Fee	Waterworks/ Stabilization Capital Reserve
Council and Administration	X				
Development Services (DS)					
<i>Building</i>				X	
<i>Culture & Economic Development</i>	X	X			
<i>Engineering (including Traffic Operations)</i>	X	X	X		
<i>Planning and Design</i>		X	X		
<i>Commissioner's Office, DS</i>	X				
CAO, Legal, HR & Sustainability					
<i>CAO's Office</i>	X				
<i>Human Resources</i>	X				
<i>Legal</i>	X				
Corporate Services (CS)					
<i>Financial Services</i>	X	X			
<i>ITS</i>	X	X			
<i>Communications & Legislative Services</i>	X				
<i>Sustainability & Asset Management</i>	X	X			
<i>Commissioner's Office, CS</i>	X				
Community & Fire Services (CFS)					
<i>Fire and Emergency Services</i>	X	X			
<i>Markham Public Library</i>	X	X			
<i>Recreation Services</i>	X	X			
<i>Operations and Operations Admin</i>	X	X			
<i>Environmental Assets</i>	X	X			
<i>Waste and Environmental Management</i>	X	X			
<i>Waterworks</i>		X			
<i>Commissioner's Office, CFS</i>	X				
Corporate Items	X				

The table above describes the 5 main types of fund used for the City's operations.

- Operating Fund
- Capital Development Fund
- Development Fee Fund (used to fund the operations of the Planning & Design and Engineering departments)
- Building Fee Fund (used to fund the operations of the Building department)
- Waterworks/Stabilization Capital Reserve (used to fund the operations of the Waterworks department)

The Operating Fund is the primary operating fund of the City, used to account for all revenues and expenditures of the City not legally restricted as to use or required to be accounted for in another fund. The tables on the following pages show the departmental relationship by use of funding type and the total available resources and the use of these resources including revenues, expenditures, transfers in and transfers out.



2018 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
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Revenues

Property Tax	155,051	-	-	-	-	-	155,051
Other Taxes	1,209	-	-	-	-	-	1,209
Grants	2,043	-	-	-	-	-	2,043
Licences & Permits	1,897	-	-	-	9,927	-	11,824
Interest & Penalties	4,158	-	-	-	-	-	4,158
Investment Income	16,243	-	-	-	-	-	16,243
Fines	3,275	-	-	-	-	-	3,275
User Fees & Service Charges	20,090	-	10,294	8,013	30	556	38,984
Rental & Sales Income	9,069	-	-	-	-	550	9,619
Billings	-	-	-	-	-	130,221	130,221
Other Income	5,449	-	-	75	-	307	5,831
Capital Fund	-	77,715	-	-	-	-	77,715
Transfer from Reserves	-	-	-	-	-	-	-
	218,483	77,715	10,294	8,088	9,957	131,634	456,171

Expenditures

Salaries & Benefits	131,828	-	6,851	5,306	6,076	7,729	157,790
Printing & Office Supplies	423	-	39	22	57	33	574
Operating Materials & Supplies	2,866	-	6	13	24	212	3,121
Vehicle Supplies	1,620	-	-	-	-	-	1,620
Construction Materials	1,820	-	-	-	-	557	2,377
Utilities	9,121	-	-	-	-	56	9,177
Communications	1,303	-	16	24	36	74	1,453
Travel & Training Expenses	1,218	-	51	30	32	107	1,438
Contracts & Service Agreements	6,707	-	2,369	2,505	2,742	3,451	17,774
Maintenance & Repair	6,848	-	-	3	-	474	7,325
Rental/Lease	689	-	-	6	-	6	701
Insurance	2,433	-	-	-	-	-	2,433
Professional Services	2,810	-	18	15	11	117	2,971
Licences, Permits & Credit Card Charges	1,081	-	41	32	40	51	1,245
Promotion & Advertising	1,295	-	6	-	-	-	1,301
Contracted Municipal Services	11,167	-	-	-	-	100,989	112,156
Other Purchased Services	1,425	-	-	-	-	2,492	3,917
Other Expenditures	5,073	-	-	1	-	5	5,079
Capital Expenditures	-	77,715	-	-	-	-	77,715
Transfers to Reserves	28,756	-	898	131	939	15,281	46,005
	218,483	77,715	10,294	8,088	9,957	131,634	456,171

2018 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 2018 Budget	2017 Budget
Council and Administration	3,318	-	-	-	-	3,318	3,119
<i>Building</i>	-	-	-	9,957	-	9,957	8,802
<i>Culture & Economic Development</i>	7,925	1,117	-	-	-	9,042	8,671
<i>Engineering (including Traffic Operations)</i>	1,478	11,095	8,088	-	-	20,661	21,477
<i>Planning and Design</i>	-	5,950	10,294	-	-	16,244	23,234
<i>Commissioner's Office, DS</i>	1,206	-	-	-	-	1,206	1,143
Development Services (DS)	10,609	18,162	18,382	9,957	-	57,110	63,327
<i>CAO's Office</i>	752	-	-	-	-	752	1,026
<i>Human Resources</i>	2,973	-	-	-	-	2,973	3,120
<i>Legal</i>	2,009	-	-	-	-	2,009	1,793
CAO, Legal, HR & Sustainability	5,734	-	-	-	-	5,734	5,939
<i>Financial Services</i>	5,692	961	-	-	-	6,653	10,394
<i>ITS</i>	7,534	1,674	-	-	-	9,208	9,925
<i>Communications & Legislative Services</i>	10,830	-	-	-	-	10,830	10,482
<i>Sustainability & Asset Management</i>	3,996	6,735	-	-	-	10,731	7,206
<i>Commissioner's Office, CS</i>	485	-	-	-	-	485	393
Corporate Services (CS)	28,537	9,370	-	-	-	37,907	38,400
<i>Fire and Emergency Services</i>	36,584	478	-	-	-	37,062	36,588
<i>Markham Public Library</i>	13,889	2,850	-	-	-	16,739	14,823
<i>Recreation Services</i>	35,529	3,941	-	-	-	39,470	34,197
<i>Operations and Operations Admin</i>	36,372	16,700	-	-	-	53,072	47,703
<i>Environmental Assets</i>	910	17,245	-	-	-	18,155	15,547
<i>Waste and Environmental Management</i>	9,618	32	-	-	-	9,650	9,282
<i>Waterworks</i>	-	8,936	-	-	131,634	140,570	130,097
<i>Commissioner's Office, CFS</i>	686	-	-	-	-	686	822
Community & Fire Services (CFS)	133,588	50,183	-	-	131,634	315,405	289,059
Corporate Items	36,697	-	-	-	-	36,697	43,499
	218,483	77,715	18,382	9,957	131,634	456,171	443,344

Note 1: Refer to Section 3b - Operating Budget for further details on Operating Budget breakdown

Note 2: Refer to Section 3c - Capital Budget for further details on Capital Budget breakdown

Note 3: Development Fee breakdown in \$000's: Planning & Design = \$10,294; Engineering = \$8,088



Operating Budget Summary

The Operating Budget is completed through a collaborative effort between Council and Staff. As described in the 2018 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 2018 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 \$5.3 million impact to the Operating Budget expenditures, offset by an increase in revenues of \$1.7 million, resulting in a net shortfall of approximately \$3.6 million equivalent to a tax rate increase of 1.94%. In addition, another 0.5% for infrastructure investment was included in the 2018 tax rate increase as well as a 0.46% increase to address the new provincial legislation Bill 148, *Fair Workplaces, Better Jobs Act, 2017*, for a total of 2.90%.

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

Capital Budget Summary

The approval of the 2018 Capital Budget of \$77.7 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 September 2017, Council approved the Capital Budget pre-approval report which included 2 projects totaling \$1.5 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 December 2017, Council subsequently approved an additional 236 projects totaling \$76.2 million. In aggregate, 238 capital projects were approved for the 2017 Capital Budget, totalling \$77.7 million.

	# of projects	\$ (in millions)
Pre-approvals (September 26, 2017)	2	\$1.5
Remaining projects to be approved (December 12, 2017)	236	\$76.2
Total	238	\$77.7

The 2018 Capital Budget includes the design and construction of 1.6 acres of new urban parkland to be completed by spring 2018, 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, increase to library collections, environmental assessment and design of multi-use pathways and intersection improvements

The 2018 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. 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 2018 Waterworks Budget of \$131.6 million. This represents an increase of \$10.6 million over the 2017 Operating Budget. The 2018 Water and Wastewater rate of \$4.1442/m³ effective April 1, 2018 (an increase of 7.5% over the 2017 rate) is incorporated into the 2018 Waterworks Operating Budget.

Planning & Design Budget

The Planning & Design Budget is primarily funded through Planning Fees. For 2018, Council approved the Planning & Design Budget of \$10.3 million. This represents an increase of \$0.7 million from the 2017 Budget.

Engineering Budget

The Engineering Budget is primarily funded through Engineering Fees. For 2018, Council approved the Engineering Budget of \$8.1 million. This represents an increase of \$0.8 million from the 2017 Budget.

Building Standards Budget

The Building Budget is primarily funded through Building Licenses and Permits. For 2018, Council approved the Building Services Budget of \$10.0 million. This represents an increase of \$1.7 million from the 2017 Budget.

SUMMARY OF FUNDS

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

1. Operating Fund – included in Consolidated Statements
2. Capital Fund – included in Consolidated Statements
3. Reserves and Reserve Funds – included in Consolidated Statements
4. Trust Funds – reported separately from Consolidated Statements

Operating Fund

The Operating Fund funds 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 prior year balance in the Operating Fund is transferred to the Reserve/Reserve fund during in the following fiscal year.

Capital Fund

The Capital Fund provides funding for all capital projects in the City of Markham, and it is mainly funded by the following three sources:

- Development charges
- Transfers from Operating Fund – tax funded
- Transfers from Reserves and Reserve Funds

Reserves and Reserve Funds

A Reserve is an allocation of accumulated net revenue. It has no reference to any specific asset, nor does it require the physical segregation of monies. The establishment and use of a Reserve is wholly at the discretion of Council.

A Reserve Fund represents assets that have been segregated and restricted to meet a specific purpose.

A Reserve Fund is created:

- 1) by Council when it passes a by-law setting aside the revenues for a specified future use (Discretionary), or;
- 2) whenever a statute requires revenue received for a special purpose to be segregated from the general revenues (Legislative)



DESCRIPTION OF RESERVES AND RESERVE FUNDS

The maintenance of Reserves and Reserve Funds is very important to the City of Markham, since the availability of these sources of funding provides Council and Senior Management with greater flexibility in planning for the future. At December 31, 2017, the balance in the City's Reserves and Reserve Funds was \$217.2 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	Accumulates funds to pay for all long term disability benefits and associated administrative expenses.
Partnerships	Accumulates 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.
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	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	Fund asset life cycle replacements and other capital
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	The non-growth portion of growth related funds for capital projects
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 the Flood Control Implementation Program
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 and the Environmental Services – Waterworks day to day operations
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

Description	Actual Balance December 31, 2016	Actual Balance December 31, 2017	2018 Budget			Estimated Balance December 31, 2018
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
<u>RESERVES</u>						
Berczy Land Scape Feature	203	203				203
Building Fee	11,734	10,251		939	(46)	11,144
Capital Gain Reserve	3,680	4,160				4,160
Corporate Rate Stabilization	19,783	20,459		945		21,404
Development Fee	(9,612)	(6,650)		1,029	(164)	(5,785)
Election Expenses	710	860		300		1,160
Election Rebate	(3)	416		259		675
Facility Ramp - Up	15,809	12,547				12,547
Firefighter's Sick Leave Benefits	6,340	6,340				6,340
Insurance	3,316	3,884				3,884
Long Term Disability Benefit	19,151	20,260				20,260
Partnership	16	-				-
Recreation & Culture Capital Replacement	-	-		369		369
Train Anti-Whistling	318	-				-
Waste Management Stabilization / Capital	28	-				-
Waterworks Stabilization / Capital	60,853	71,765		15,281	(10,197)	76,848
Total Reserves	132,325	144,495	-	19,122	(10,408)	153,209
<u>RESERVE FUNDS</u>						
Cemetary Operations	114	115				115
Deginated Heritage Property Grant	57	66				66
Emerald Ash Borer	(4,134)	956				956
Environmental Land Acquisition	9,130	9,506				9,506
Environmental Sustainability	132	131				131
Heritage Preservation	86	83			(30)	53
Land Acquisition Reserve Fund	(68,858)	(166,721)				(166,721)
Library Building Program	6,011	6,097				6,097
Life Cycle Replacement & Capital	73,217	90,067		33,397	(28,523)	94,941
Markham Heritage Loans	241	214				214
Markham Trees for Tomorrow	35	42			(66)	(24)
Museum Endowment	60	17				17
Non DC Growth	8,699	7,148			(568)	6,580
Post-Retirement Benefits	13,590	13,876				13,876
Public Art Acquisition	1,038	1,423				1,423
Stormwater Fee	(736)	1,799		8,670	(11,965)	(1,496)
Theatre Capital Improvement Fund	337	366				366
Theatre Endowment	351	383		10		393
Workplace Safety Insurance Board (WSIB)	3,365	4,097				4,097
WSIB Excess Compensation	611	857				857
Waterworks	239	-				-
Road Resurfacing	11	-				-
Parks 5% Cash in Lieu	28,542	34,190			(477)	33,713
Section 37 funds	3,417	3,350			(112)	3,238
Tree Replacement	6	-				-
Gas Tax Revenue	4,040	7,491	9,173		(9,600)	7,064
Total Reserve Funds	79,602	15,552	9,173	42,077	(51,340)	15,461
Total Reserve And Reserve Funds	211,927	160,047	9,173	61,199	(61,748)	168,670
Development Charges Reserve Funds *	66,817	57,138	18,721	-	(15,967)	59,891
Total	278,744	217,185	27,893	61,199	(77,715)	228,562

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

RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from/ (to) Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Building Fee</u>			
Transfer to Operating Fund	939		Transfer of Building Operating Budget based on 2018 projected performance
Transfer to fund Capital Projects		(46)	Funding of 2018 capital projects associated with Building department
<u>Corporate Rate Stabilization</u>			
Transfer of 2017 Operating surplus	945		Transfer of Operating surplus for 2017 based on actual performance
<u>Development Fee</u>			
Transfer to Operating Fund	1,029		Transfer of Planning and Engineering Operating Budget based on 2018 projected performance
Transfer to fund Capital Projects		(164)	Funding of 2018 capital projects associated with Planning and Engineering department
<u>Election Expenses</u>			
Transfer from Operating Fund	300		Transfer to fund 2018 election costs
<u>Election Rebate</u>			
Transfer from Operating Fund	259		Transfer to fund 2018 election rebate costs
<u>Recreation & Culture Capital Replacement</u>			
Transfer of funds for future replacement	369		Transfer to reserves in order to sustain Recreation and Capital Replacement requirements
<u>Waterworks Stabilization / Capital</u>			
Transfer from Waterworks Operating Fund 2018 projected surplus	15,281		Transfer of Waterworks Operating Budget based on 2018 projected performance
Funding of Capital Projects		(10,197)	Transfer to Capital Budget on order to fund Waterworks 2018 capital projects
<u>Life Cycle Replacement & Capital</u>			
Transfer from Operating Fund net of 2017 surplus	4,651		Transfer of Operating Budget surplus based on 2016 performance
Transfer from Operating Fund	28,746		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(28,523)	Funding of 2018 capital projects associated to asset replacements
<u>Markham Trees for Tomorrow</u>			
Transfer to fund Capital Projects		(66)	Funding of 2018 capital projects associated to tree planting
<u>Non Development Charges Growth</u>			
Transfer to fund Capital Projects		(568)	Funding of 2018 capital projects associated with non-growth related area
<u>Storm water fee</u>			
Transfer from Other Revenue 2018 projected fees	8,670		Revenue based on 2018 projected fee
Transfer to fund Capital Projects		(11,965)	Funding of 2018 capital projects associated with storm water



RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from/ (to) Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Theatre Endowment</u>			
Transfer from Operating Fund	10		Transfer from Culture Operating Budget for future Theatre capital expenditures net of transfer to operating fund
<u>Gas Tax Revenue</u>			
Transfer from Other Revenue	9,173		Gas tax revenue received from federal government transferred funds for capital projects
Transfer to fund Capital Projects		(9,600)	Funding of 2018 capital projects identified as gas tax revenue eligible or for capital projects to be developer funded
<u>Workplace Safety Insurance Board</u>			
Transfer from Operating Fund net of 2016 surplus			Transfer of Operating Budget surplus based on 2016 performance to fund future liabilities
<u>Parks 5% Cash in lieu</u>			
Transfer to fund Capital Projects		(477)	Funding of 2018 capital projects associated with parks
<u>Section 37 funds</u>			
Transfer to fund Capital Projects		(112)	Funding of 2018 capital projects associated with public realm

2016 TO 2018 SUMMARY OF RESERVE AND RESERVE FUNDS (000's)

	2016 Actual	2017 Actual	2018 Budget
Balance as of January 1	196,057	211,927	160,047
Other Revenue	623	770	-
Dividend from Markham Enterprises Corporation	7,444	6,547	2,000
Transfers in from Operating Fund	50,039	60,282	68,372
Transfer out to Capital Fund (net of unspent)	(42,236)	(119,479)	(61,748)
Balance as of December 31	<u>211,927</u>	<u>160,047</u>	<u>168,671</u>
Development charges Reserve Funds *	66,817	57,138	59,891
Total	<u>278,744</u>	<u>217,185</u>	<u>228,562</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.

<p>Morgan Park Trust Fund</p>	<p>The T. & G. Morgan Memorial Fund in Markham Village was established in 1918 as a result of the last Will and Testament of George Morgan to hold funds, the interest earned on which can be used to offset certain maintenance costs of Morgan Park.</p>
<p>Varley- McKay Art Foundation Trust Fund</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. 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>
<p>Markham Environmental Advisory Committee Trust Fund</p>	<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>
<p>Cemetery Trust Fund</p>	<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>
<p>Older Adults in Action Trust Fund</p>	<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>
<p>Markham History – Research and Publication Trust Fund</p>	<p>The Markham History – Research & Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham’s history. The Trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee, the Markham & District Historical Society and the Museum Advisory Board.</p>



TRUST FUND CONTINUITY SCHEDULE

Statement of Financial Position

December 31, 2017 with comparative figures for 2016

	2017						2016	
	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	\$ 79,885	\$ 1,302,047	\$ 2,033	\$ 927,791	\$ 10,140	\$ 95,004	\$ 2,416,900	\$ 2,348,897
Payable to Varley-McKay Foundation	-	(3,243)	-	-	-	-	(3,243)	(3,328)
Fund balance	\$ 79,885	\$ 1,298,804	\$ 2,033	\$ 927,791	\$ 10,140	\$ 95,004	\$ 2,413,657	\$ 2,343,569

Statement of Financial Activities and Fund Balances

Year ended December 31, 2017 with comparative figures for 2016

Receipts								
Interest Earned	2,266	38,013	91	25,233	288	2,692	68,583	73,303
Sale of plots	-	-	-	67,525	-	-	67,525	23,767
	2,266	38,013	91	92,758	288	2,692	136,108	97,070
Expenses								
Distributed to Foundation	-	(38,013)	(2,774)	(25,233)	-	-	(28,007)	(27,918)
	-	(38,013)	(2,774)	(25,233)	-	-	(38,013)	(41,200)
	-	(38,013)	(2,774)	(25,233)	-	-	(66,020)	(69,118)
Excess/(Shortfall) of receipts over expenses	2,266	-	(2,683)	67,525	288	2,692	70,088	27,952
Fund balance, beginning of year	\$ 77,619	\$ 1,298,804	\$ 4,716	\$ 860,266	\$ 9,852	\$ 92,312	\$ 2,343,569	\$ 2,315,617
Fund balance, end of year	\$ 79,885	\$ 1,298,804	\$ 2,033	\$ 927,791	\$ 10,140	\$ 95,004	\$ 2,413,657	\$ 2,343,569

2018 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 – 2018 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 – 2018 Budget.

The Operating Budget includes the following three components:

- Personnel Costs
- Non-personnel Costs
- Revenues

Budget Details

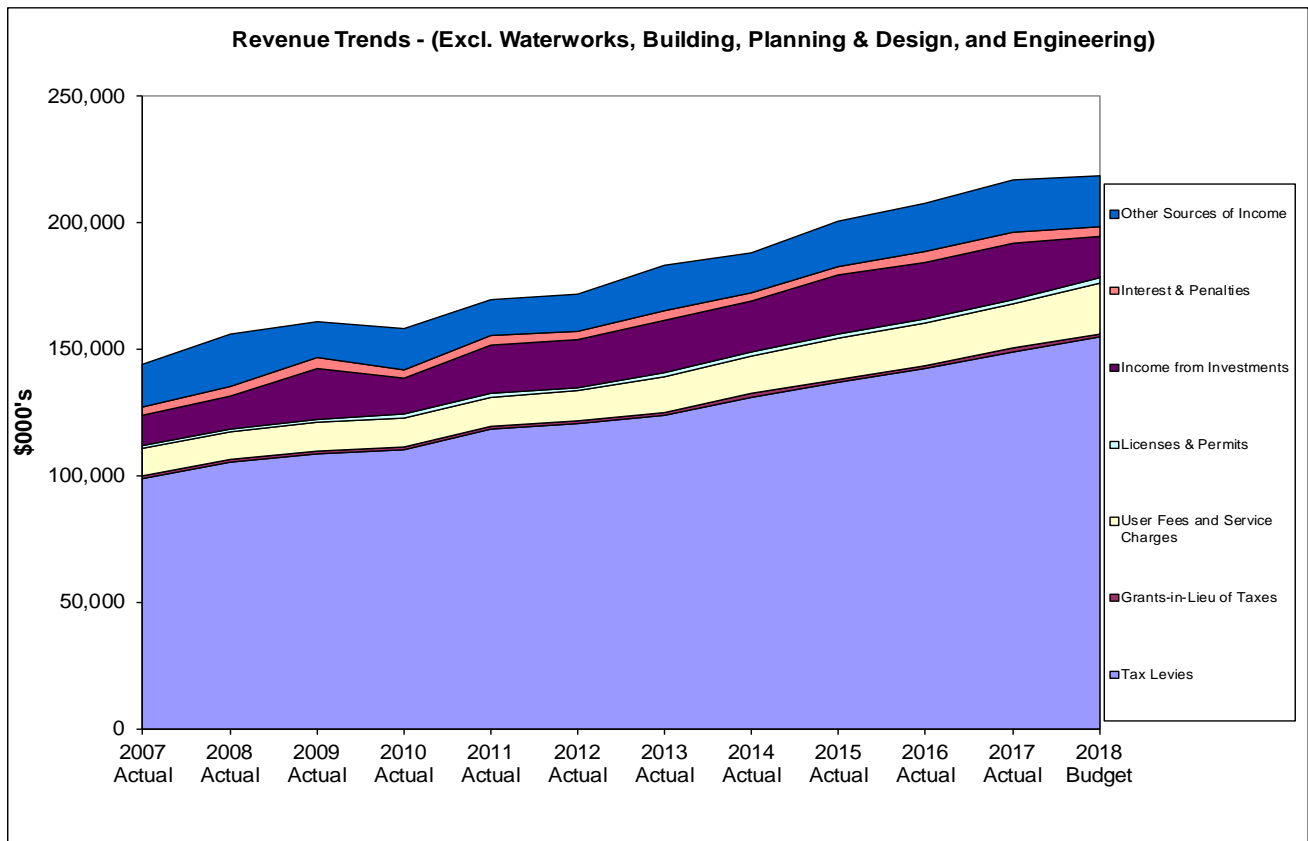
The 2018 Operating Budget for City services totals \$218.5 million excluding, Waterworks, Building Standards, Planning & Design and Engineering. This represents an increase of \$3.1 million over the 2017 Operating Budget.



Budget Component	(in \$ millions)
Operating	\$204.7
Library	\$13.8
Capital	\$77.7
Planning and Design	\$10.3
Engineering	\$8.1
Building Standards	\$10.0
Waterworks	\$131.6
Total	\$456.2

Total Operating Budget: \$218.5M

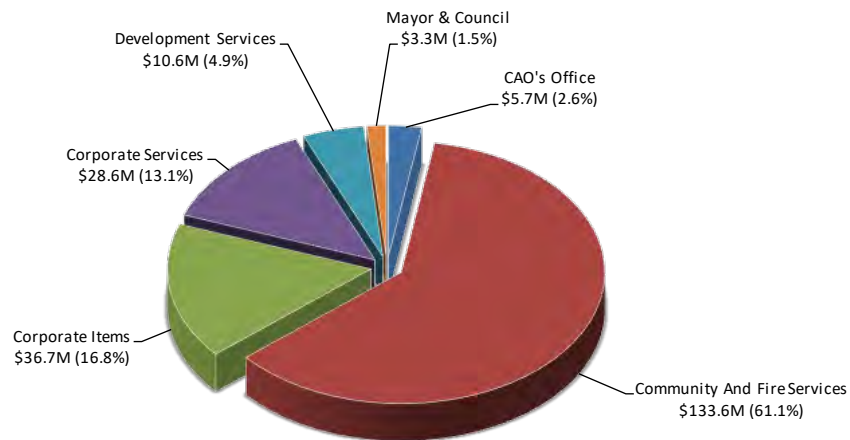
On a consolidated basis, Markham maintains a consistent level of revenues each year to partially offset increases in expenditures. The main drivers for the revenue increase are related to assessment growth, core services revenue strategies, and other operational revenues. Revenues from Waterworks, Building,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



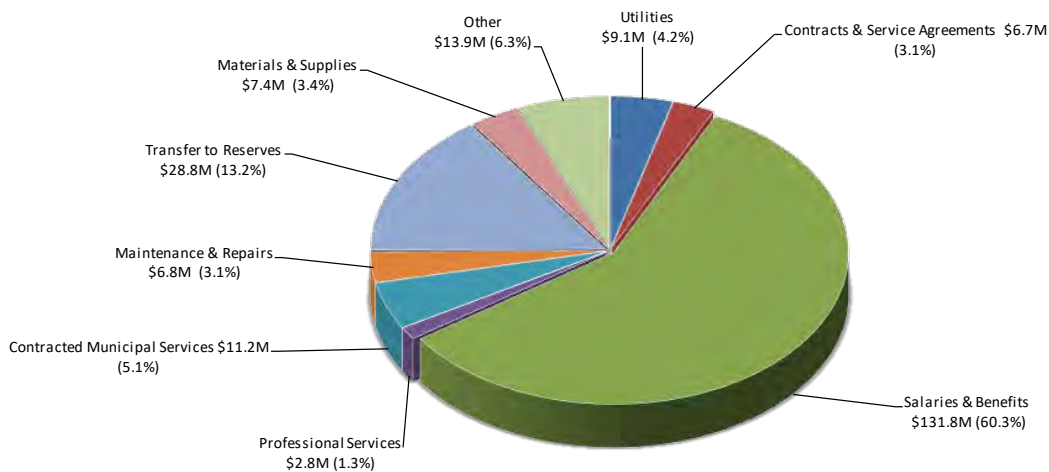
Expenditures

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)
Total \$218.5M

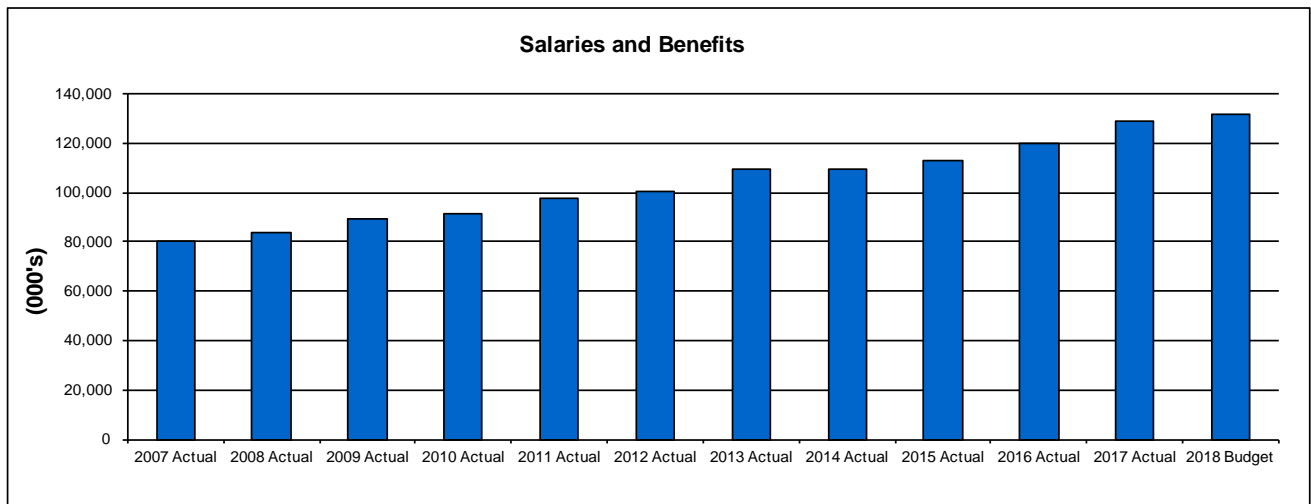


Operating Budget Expenditures by Component
(excluding Waterworks, Building, Planning & Design, and Engineering)
Total \$218.5M



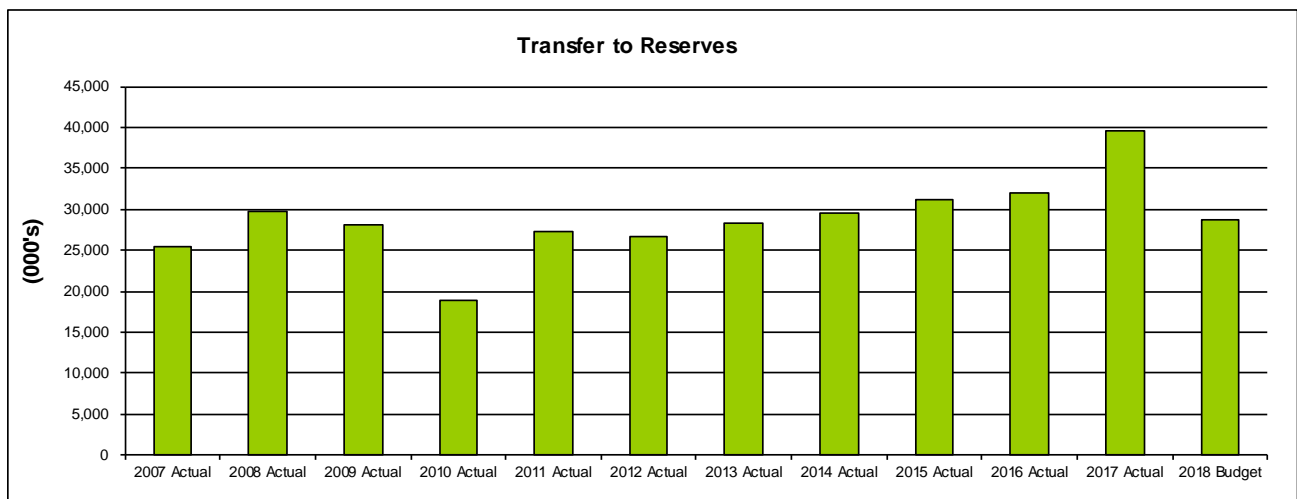
Personnel Costs

Approximately 60% of expenditures relate to salaries and benefits. Increase in costs is directly driven by the Canadian Union of Public Employees (CUPE) and Markham Professional Fire Fighter’s Association (MPFFA) collective agreements and cost of living adjustments for non-union staff. The 2018 budget also includes the increased annual costs related to Bill 148 *Fair Workplaces, Better Jobs Act, 2017*.

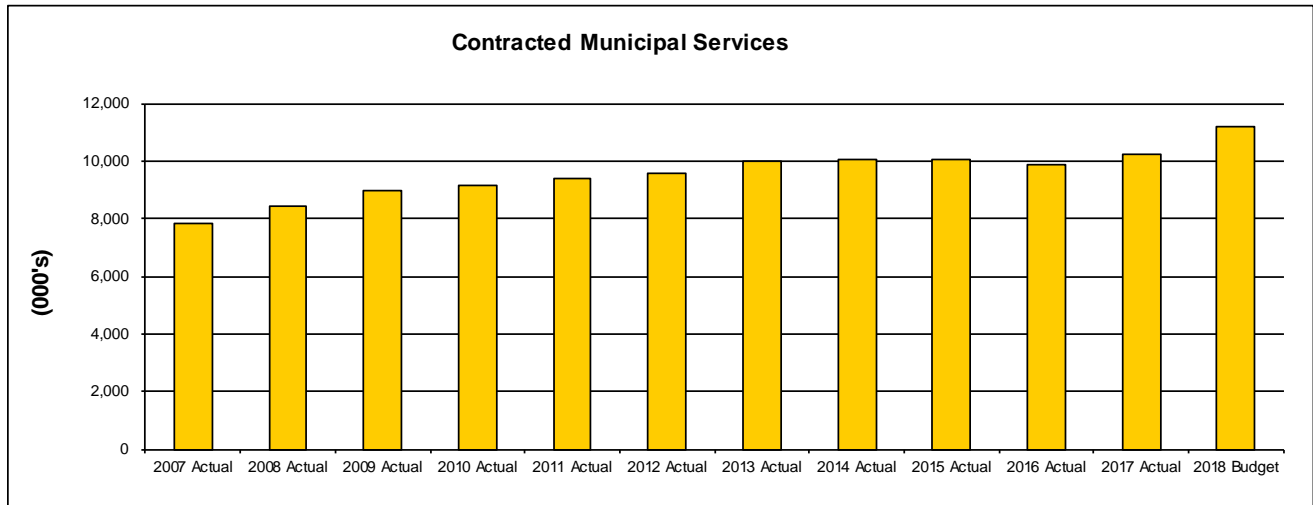


Non-personnel Costs

The next highest component in the Operating Budget Expenditures by account chart is Transfer to Reserves at 13%. 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 2% 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:

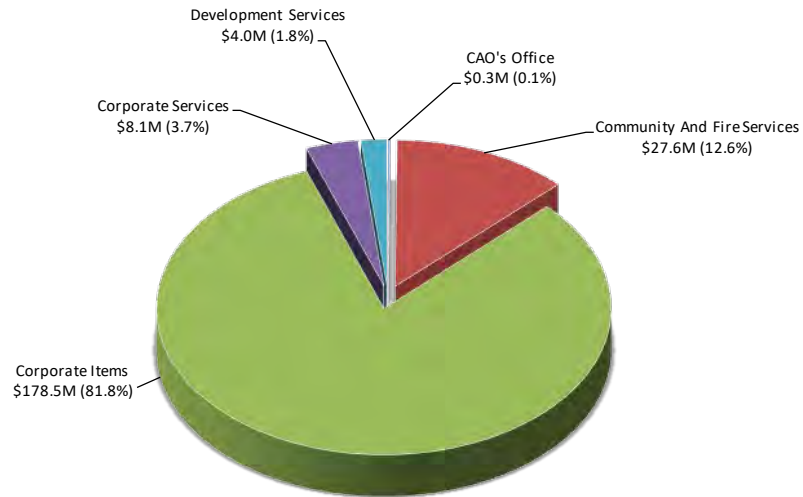
- Price adjustments - External service contract commitments
- Price adjustments - Commodity price increases/decreases
- Growth related requirements
- Council approved recommendations
- Annualization
- Capital induced operating costs
- Indirect cost recoveries

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

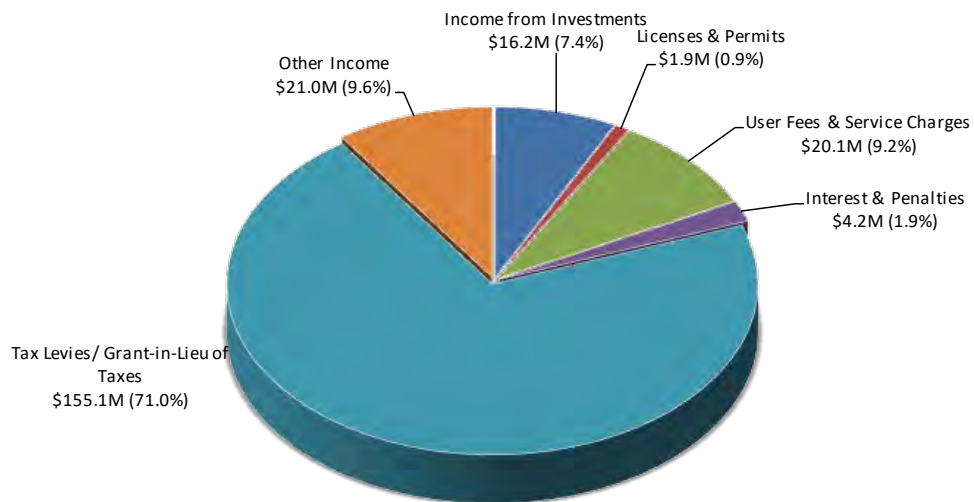
Revenues

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)
 Total \$218.5M



Operating Budget Revenues by Component
 (excluding Waterworks, Building, Planning, & Engineering Departments)
 Total \$218.5M



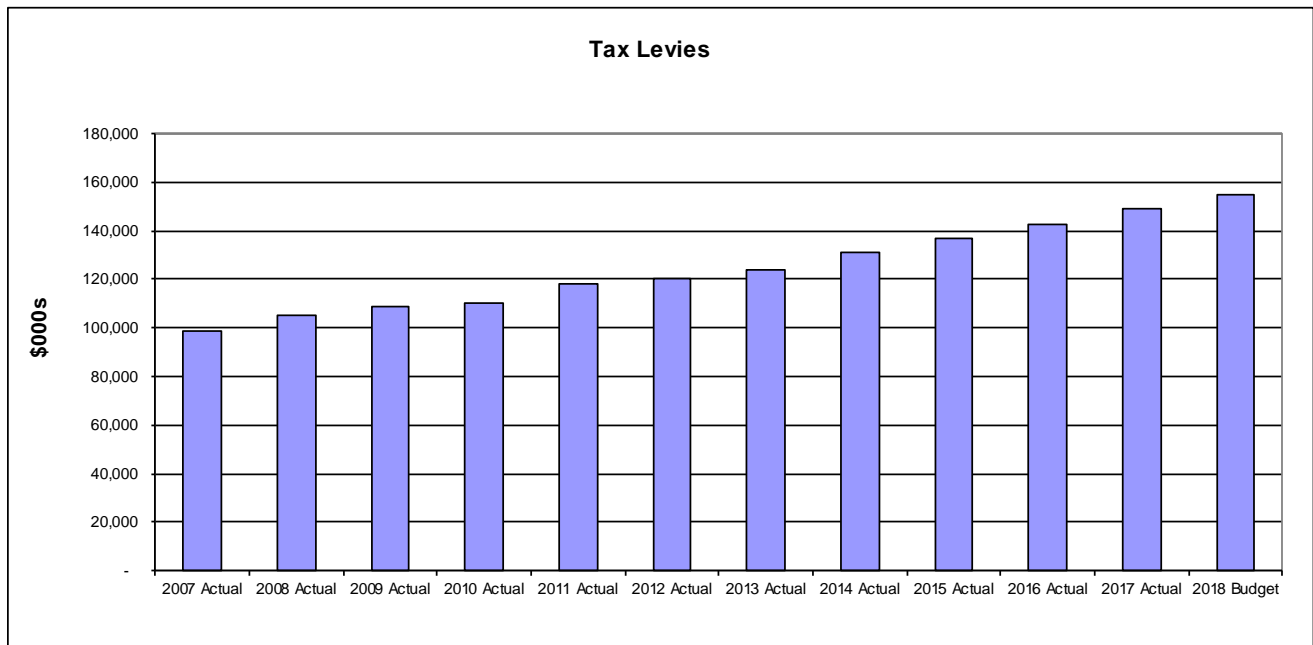
The \$218.5 million Operating Budget is 90% funded through the following sources:

- Tax levies paid by the City's taxpayers
- User fees and service charges
- Interest and dividend income
- Rentals, licenses and permits

The remaining 10% of revenues is generated from fines and recoveries, property tax interest and penalties, grants and subsidies.

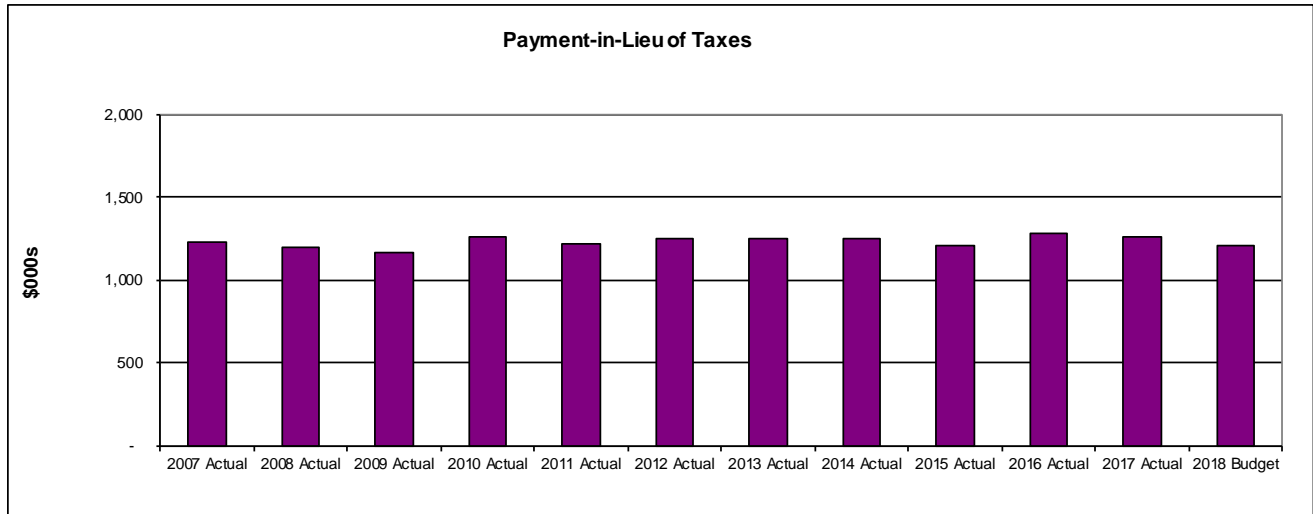
Tax Levies

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 2018 tax levies is at \$155.0 million, an increase of \$5.2 million from 2017. The tax revenue has increased steadily in the past years due to assessment growth in the City and tax rate increases. The 2018 budgeted assessment growth is 1.01% versus 1.69% in 2017.



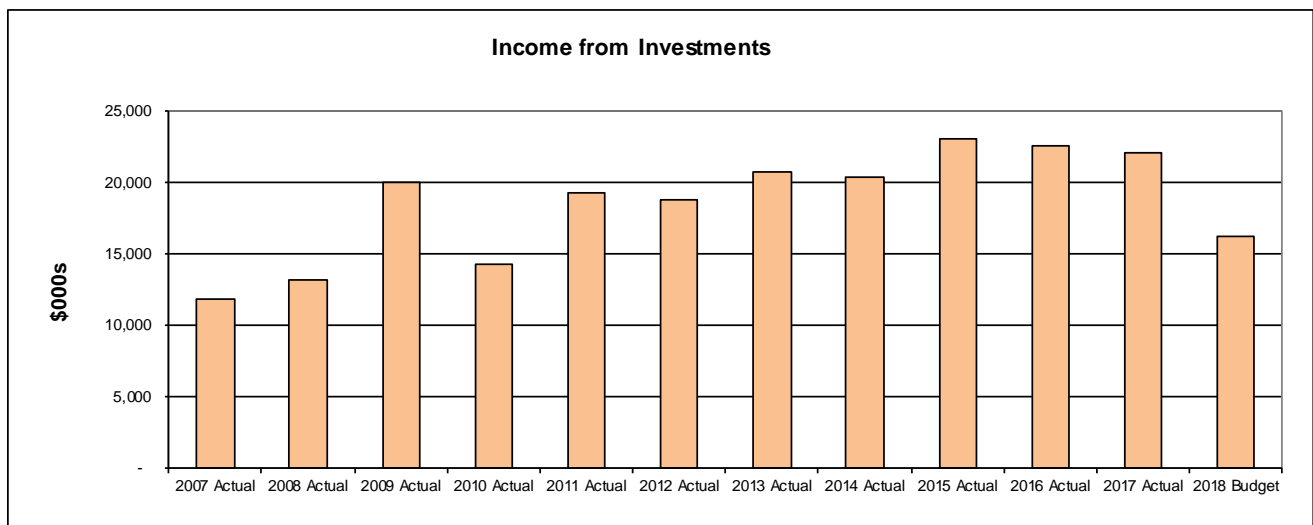
Grants-in-Lieu

Grants-in-Lieu are payments received in lieu of taxation on properties owned by government and government agencies. The 2018 Budget is \$1.2 million which is trending consistently with prior years.



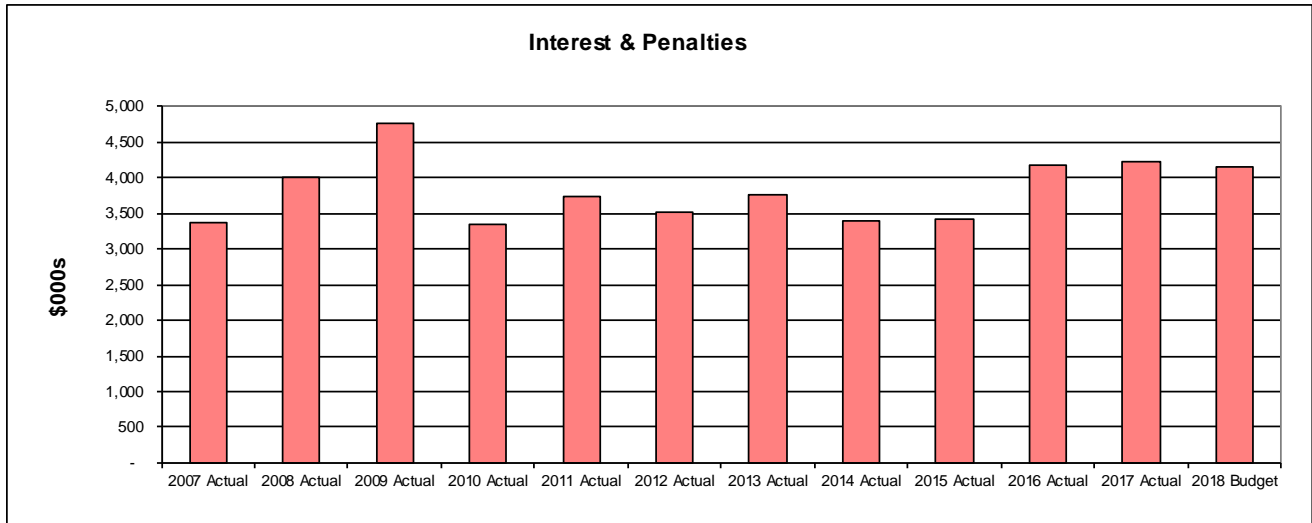
Investment Income

The City of Markham earns income on investments for all major City funds and reserves. Income from investments is at \$16.2 million; this amount includes interest and dividends from the City’s holdings in Markham Enterprises Corporation and Markham District Energy Incorporated.



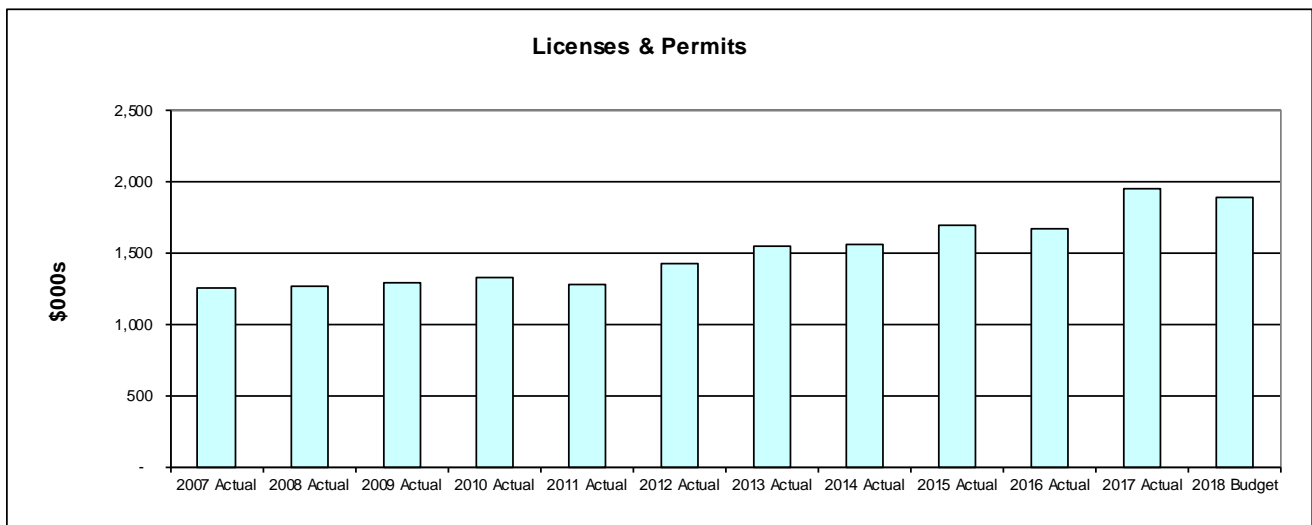
Interest and Penalties

Interest and penalties relate to late payment of property tax bills. For 2018, the budget for this account is \$4.2 million.



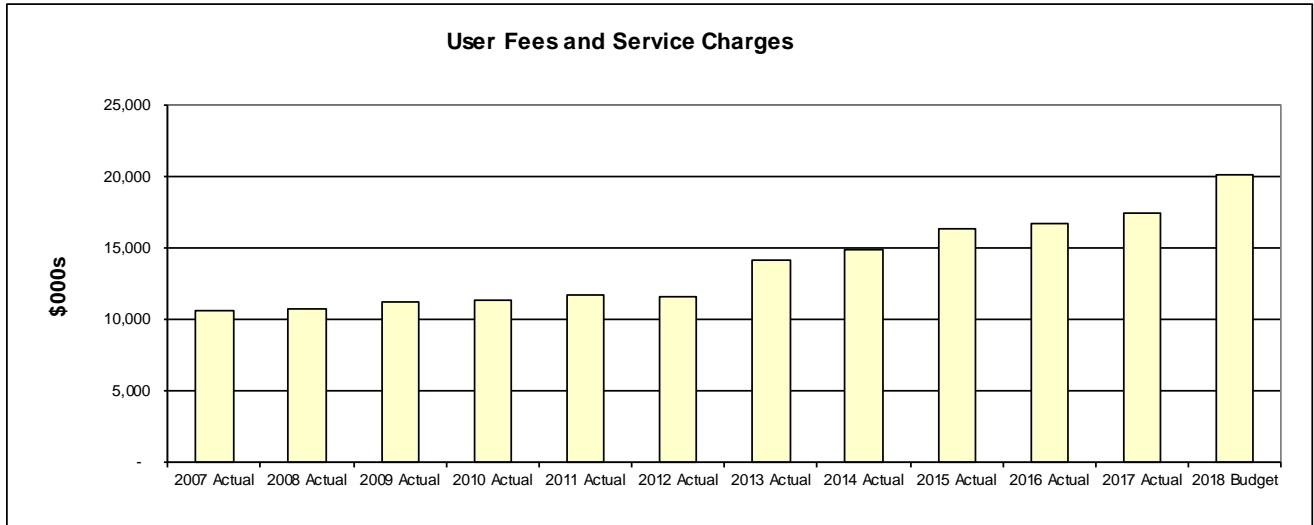
Licenses & Permits

Licenses and Permits revenues are generated by Legislative Services from the sale of business, marriage and other licenses. The 2018 Budget is \$1.9 million.



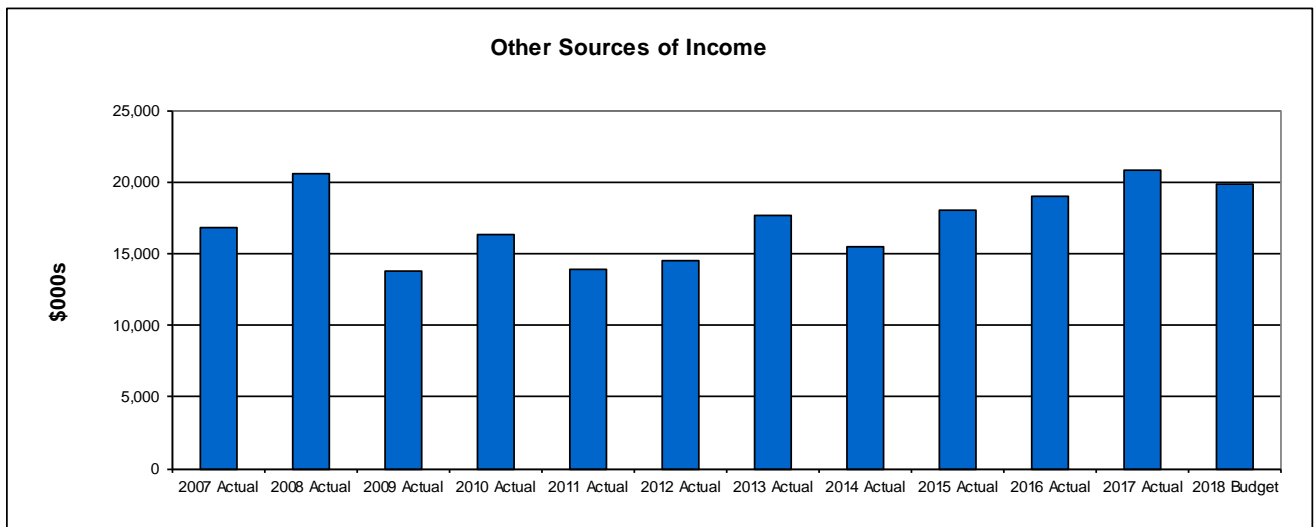
User Fees

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 2018 Budget of \$20.0 million represents a \$2.7 million increase from the 2017 budget, which is mainly due to the new Aaniin Community Centre and Library, increased fees to address inflation and to offset increased annual costs related to Bill 148, *Fair Workplaces, Better Jobs Act, 2017*.



Other Income

The Other Income Operating Budget of \$19.8 million represents an increase of \$0.8 million from 2016.



2018 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)	2017 Actual	2017 Budget	2018 Budget	2018 Budget vs. 2017 Budget		2017 Budget vs. 2016 Actual	
			Approved	Incr(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	2,625	2,085	2,284	199	9.6%	29	1.4%
Mayor & Councillors	368	1,034	1,034	(0)	0.0%	53	5.4%
Total Council	2,993	3,119	3,318	199	6.4%	82	2.7%
CAO's Office	857	1,026	752	105	11.4%	206	25.1%
Human Resources	2,952	3,120	2,971	(3)	-0.1%	361	13.1%
Legal Dept.	1,379	1,547	1,759	1	0.1%	320	26.1%
Total CAO	5,188	5,694	5,483	(211)	-3.7%	887	18.5%
Commissioner's Office	357	393	485	3	0.9%	31	8.4%
Legislative Services, Corporate Communications & Community Engagement	4,334	4,328	4,367	73	1.7%	(112)	-2.5%
Financial Services	3,865	4,336	4,485	27	0.6%	595	15.9%
ITS Department	6,815	7,064	7,534	38	0.5%	472	7.2%
Sustainability & Asset Management	3,250	3,304	3,548	(101)	-3.0%	21	0.7%
Total Corporate Services	18,621	19,425	20,419	994	5.1%	1,007	5.5%
Commissioner's Office	1,190	1,143	1,206	(59)	-4.9%	(45)	-3.8%
Culture & Economic Development	3,850	4,053	3,879	(16)	-0.4%	110	2.8%
Traffic Operations	1,348	1,410	1,477	36	2.6%	146	11.6%
Total Development Services	6,388	6,606	6,562	(44)	-0.7%	211	3.3%
Commissioner's Office	610	822	686	1	0.1%	197	31.5%
Fire Services	34,959	35,312	36,219	47	0.1%	(226)	-0.6%
Markham Public Libraries	11,079	10,940	12,802	157	1.5%	315	3.0%
Operations	29,150	31,660	33,155	996	3.2%	(4,095)	-11.5%
Operations Administration	1,491	2,002	1,698	60	3.1%	122	6.5%
Recreation Services	9,738	11,223	12,642	985	9.6%	804	7.7%
Environmental Services	8,433	8,885	8,860	(149)	-1.7%	882	11.0%
Total Community And Fire Services	95,460	100,844	106,061	5,217	5.2%	(2,001)	-1.9%
Corporate Items	(134,250)	(135,687)	(141,842)	(6,155)	4.5%	4,719	-3.4%
Net (Surplus)/Defecit	(5,600)	0	0	0	54.8%	4,905	-100.0%

The 2017 surplus of \$5.6M will be transferred as follows:

- \$0.95M to the Corporate Rate Stabilization Reserve; and
- \$4.65M to the Life Cycle Replacement and Capital Reserve Fund.



2018 RESTATED OPERATING BUDGET SCHEDULE – CONSOLIDATED (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

EXHIBIT 1

2018 CONSOLIDATED BUDGET

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

REVENUES

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)	\$217,409,800	
- Library	\$1,073,461	
- Planning & Design	\$10,294,001	
- Engineering	\$8,088,242	
- Building Standards	\$9,956,946	
- Waterworks	\$131,634,019	
Total Revenues from Operations		\$378,456,469
Non-Tangible Capital	\$19,626,831	
Tangible Capital Assets	\$58,088,469	
Total Capital - Tangible & Non-Tangible	\$77,715,300	
<i>Less: Transfer from Reserve / Reserve Funds</i>	<i>(1)</i>	<i>(\$50,822,615)</i>
Net Revenues to fund Capital	(2)	\$26,892,685
TOTAL REVENUES		\$405,349,154

EXPENSES

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)	\$204,664,482	
- Library	\$13,818,779	
- Planning & Design	\$10,294,001	
- Engineering	\$8,088,242	
- Building Standards	\$9,956,946	
- Waterworks	\$131,634,019	
Total Operating Expenses	\$378,456,469	
<i>Less: Transfer to Reserve / Reserve Funds</i>	<i>(3)</i>	<i>(\$46,004,412)</i>
<i>Add: TCA Amortization Expenses</i>	<i>(4)</i>	<i>73,756,585</i>
<i>Add: Post-employment benefit Expenses</i>	<i>(5)</i>	<i>\$77,494</i>
Net Operating Expenses		\$406,286,136
Net Capital Expenses - Not Capitalized	(6)	\$19,626,831
TOTAL EXPENSES		\$425,912,967

ADJUSTED BUDGET: 2018 FULL ACCRUAL ACCOUNTING BUDGET DEFICIT **(7)** **(\$20,563,813)**

NOTES:

- (1) Represents transfers from reserves and/or reserve funds to fund expenditures. These are not considered revenues under the full accrual method of accounting.
- (2) Represents new revenues to fund the 2018 capital budget
- (3) Represents contributions to reserves and/or reserve funds. These are not considered expenditures under the full accrual method of accounting, but become part of the actual year end surplus (retained earnings).
- (4) TCA Amortization Expenses are calculated based on actual amortization expenses from "in-service" assets as of 2017 and amortization expenses for assets projected to be "in-service" in 2018 using the 1/2 year rule.
- (5) Post-employment Benefit Expenses based on estimates provided by Nexus.
- (6) Non-Tangible Capital are included in the 2018 capital budget, and they will be restated as operating expenses.
- (7) Projected deficit is based on the restated 2018 budget.

2018 OPERATING BUDGET SUMMARY – EXPENDITURES

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

Department/Commission (in \$000's)	2017 Actual	2017 Budget	2018 Budget Approved	2018 Budget vs. 2017 Budget	
				Incr(Decr.)	%Change
Administrative Costs	2,625	2,085	2,284	199	9.6%
Mayor & Councillors	456	1,034	1,034	(0)	0.0%
Total Council	3,081	3,119	3,318	199	6.4%
CAO's Office	857	1,026	752	(274)	-26.7%
Human Resources	2,956	3,120	2,973	(147)	-4.7%
Legal Dept.	1,710	1,793	2,009	216	12.1%
Total CAO	5,523	5,939	5,735	(205)	-3.4%
Commissioner's Office	357	393	485	92	23.3%
Legislative Services, Corporate Communications & Community Engagement	10,051	10,482	10,830	348	3.3%
Financial Services	4,930	5,331	5,692	361	6.8%
ITS Department	6,815	7,064	7,534	470	6.6%
Sustainability & Asset Management	3,720	3,733	3,996	263	7.0%
Total Corporate Services	25,873	27,003	28,537	1,533	5.7%
Commissioner's Office	1,190	1,143	1,206	63	5.5%
Culture & Economic Development	7,823	7,669	7,925	256	3.3%
Traffic Operations	1,348	1,411	1,478	67	4.7%
Total Development Services	10,361	10,224	10,609	385	3.8%
Commissioner's Office	610	822	686	(136)	-16.6%
Fire Services	35,262	35,679	36,584	905	2.5%
Markham Public Libraries	12,147	12,039	13,889	1,850	15.4%
Operations	30,114	32,626	34,348	1,722	5.3%
Operations Administration	1,759	2,242	2,024	(218)	-9.7%
Recreation Services	30,485	32,056	35,529	3,473	10.8%
Environmental Services	9,992	10,291	10,528	237	2.3%
Total Community And Fire Services	120,369	125,756	133,588	7,832	6.2%
Corporate Items	46,183	43,349	36,697	(6,652)	-15.3%
Total Corporation	211,390	215,390	218,483	3,093	1.4%



2018 OPERATING BUDGET SUMMARY – REVENUES

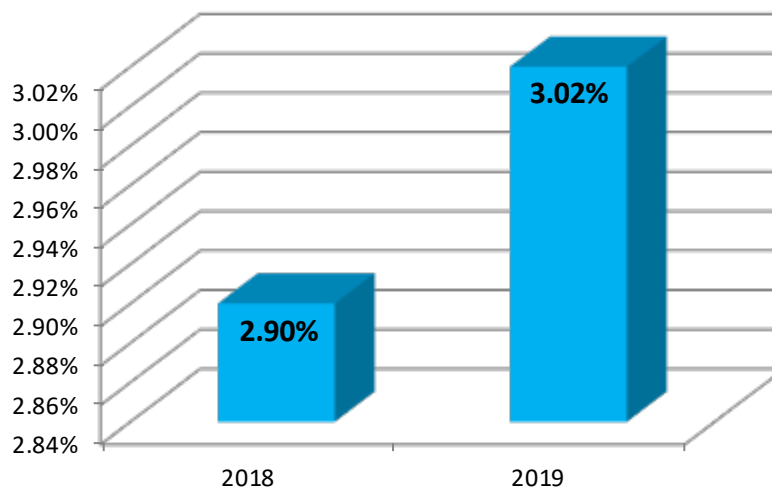
(EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

Department/Commission (in \$000's)	2017 Actual	2017 Budget	2018 Budget Approved	2018 Budget vs. 2017 Budget	
				Incr(Decr.)	%Change
Administrative Costs	0	0		0	0.0%
Mayor & Councillors	88	0		0	0.0%
Total Council	88	0	0	0	0.0%
CAO's Office	0	0	0	0	0.0%
Human Resources	4	0	2	2	0.0%
Legal Dept.	331	245	250	5	1.8%
Total CAO	335	245	252	7	2.7%
Commissioner's Office	0	0	0	0	0.0%
Legislative Services, Corporate Communications & Community Engagement	5,717	6,154	6,463	309	5.0%
Financial Services	1,065	995	1,207	212	21.3%
ITS Department	0	0	0	0	0.0%
Sustainability & Asset Management	470	430	448	18	4.2%
Total Corporate Services	7,252	7,579	8,118	539	7.1%
Commissioner's Office	0	0	0	0	0.0%
Culture & Economic Development	3,973	3,616	4,046	430	11.9%
Traffic Operations	0	1	1	0	0.0%
Total Development Services	3,973	3,617	4,047	430	11.9%
Commissioner's Office	0	0	0	0	0.0%
Fire Services	303	366	365	(1)	-0.2%
Markham Public Libraries	1,068	1,100	1,087	(12)	-1.1%
Operations	964	966	1,193	227	23.5%
Operations Administration	268	240	326	86	35.8%
Recreation Services	20,747	20,833	22,887	2,054	9.9%
Environmental Services	1,559	1,407	1,668	261	18.6%
Total Community And Fire Services	24,909	24,912	27,527	2,615	10.5%
Corporate Items	180,433	179,036	178,539	(497)	-0.3%
Total Corporation	216,990	215,390	218,483	3,093	1.4%

LONG TERM OPERATING BUDGET FORECAST

As part of the City’s multi-year 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 2019 tax rate increase outlook is as follows (as at December 2015):

Approved Tax Rate Increase (2018) and Projected Tax Rate Increase (2019)



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.

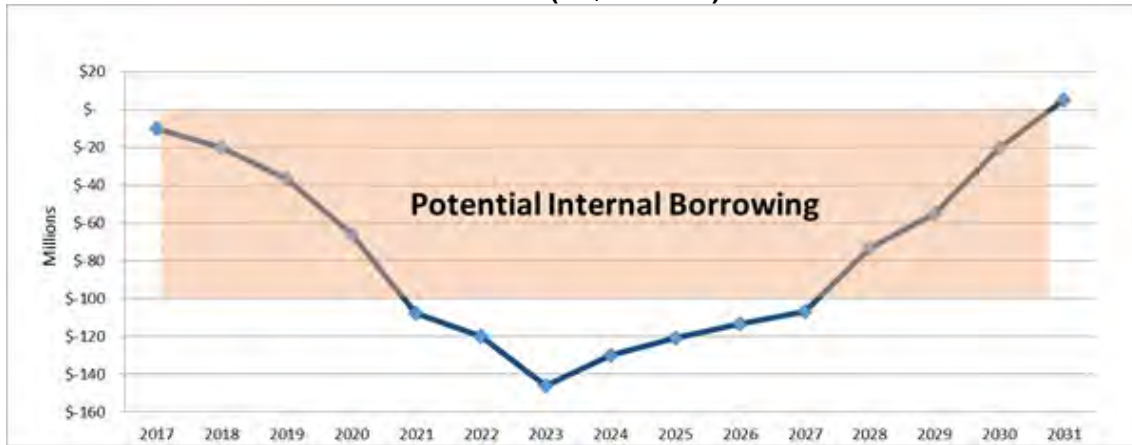
A new Council term will commence following the Municipal Election in the fall of 2018. At this time, the City will review and revise its long term operating budget forecast.

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 2017 General Portfolio balance, internal borrowing would be capped at \$97.6M. The City has prepared a debt projection forecast as follows:



Development Charges Internal Debt Projection (in \$ millions)



Debt Obligations

On July 1, 2010 and April 14, 2014, the City received a loan of \$12M from Canada Mortgage Housing Corporation (CMHC) and a \$4M low-interest loan from Federation of Canadian Municipalities (FCM) respectively through York Region. As a lower tier municipality, the City does not have the ability to borrow long-term funds, and as such the borrowing was done through the Region.

The loan received on July 1, 2010 was used to fund the purchase of the Markham District Energy Birchmount plant. The plant was subsequently leased back to Markham District Energy (MDE), a 100% subsidiary of Markham Enterprises Corporation (MEC). The loan received on April 14, 2014 was used to partially fund the cost of Cornell Community Centre and Library.

The loan of \$12M is to be amortized over a period of 20 years, at an interest rate of 4.04%. An annual payment to the Region of \$886,111.33 consists of principal and interest. The \$4M loan is to be amortized over a period of 20 years, at an interest rate of 2%. An annual payment to the Region of \$243,649.74 consists of principal and interest.



CANADA MORTGAGE HOUSING CORPORATION (CMHC)

PRINCIPAL - \$12 million

INTEREST RATE - 4.04% per annum

TERM - 20 years

YEAR	PRINCIPAL Bal b/fwd	PRINCIPAL PAID	INTEREST PAID	PRINCIPAL Bal c/fwd	TOTAL ANNUAL PAYMENT
2014	\$ 12,000,000.00	\$ 401,311.33	\$ 484,800.00	\$ 11,598,688.67	\$ 886,111.33
2015	\$ 11,598,688.67	\$ 417,524.31	\$ 468,587.02	\$ 11,181,164.36	\$ 886,111.33
2016	\$ 11,181,164.36	\$ 434,392.29	\$ 451,719.04	\$ 10,746,772.07	\$ 886,111.33
2017	\$ 10,746,772.07	\$ 451,941.74	\$ 434,169.59	\$ 10,294,830.33	\$ 886,111.33
2018	\$ 10,294,830.33	\$ 470,200.18	\$ 415,911.15	\$ 9,824,630.15	\$ 886,111.33
2019	\$ 9,824,630.15	\$ 489,196.27	\$ 396,915.06	\$ 9,335,433.88	\$ 886,111.33
2020	\$ 9,335,433.88	\$ 508,959.80	\$ 377,151.53	\$ 8,826,474.08	\$ 886,111.33
2021	\$ 8,826,474.08	\$ 529,521.78	\$ 356,589.55	\$ 8,296,952.30	\$ 886,111.33
2022	\$ 8,296,952.30	\$ 550,914.46	\$ 335,196.87	\$ 7,746,037.84	\$ 886,111.33
2023	\$ 7,746,037.84	\$ 573,171.40	\$ 312,939.93	\$ 7,172,866.44	\$ 886,111.33
2024	\$ 7,172,866.44	\$ 596,327.53	\$ 289,783.80	\$ 6,576,538.92	\$ 886,111.33
2025	\$ 6,576,538.92	\$ 620,419.16	\$ 265,692.17	\$ 5,956,119.76	\$ 886,111.33
2026	\$ 5,956,119.76	\$ 645,484.09	\$ 240,627.24	\$ 5,310,635.67	\$ 886,111.33
2027	\$ 5,310,635.67	\$ 671,561.65	\$ 214,549.68	\$ 4,639,074.02	\$ 886,111.33
2028	\$ 4,639,074.02	\$ 698,692.74	\$ 187,418.59	\$ 3,940,381.28	\$ 886,111.33
2029	\$ 3,940,381.28	\$ 726,919.93	\$ 159,191.40	\$ 3,213,461.35	\$ 886,111.33
2030	\$ 3,213,461.35	\$ 756,287.49	\$ 129,823.84	\$ 2,457,173.86	\$ 886,111.33
2031	\$ 2,457,173.86	\$ 786,841.51	\$ 99,269.82	\$ 1,670,332.35	\$ 886,111.33
2032	\$ 1,670,332.35	\$ 818,629.90	\$ 67,481.43	\$ 851,702.45	\$ 886,111.33
2033	\$ 851,702.45	\$ 851,702.45	\$ 34,408.78	\$ (0.00)	\$ 886,111.23
TOTAL		\$ 12,000,000.00	\$ 5,722,226.50		\$ 17,722,226.50

FEDERATION OF CANADIAN MUNICIPALITIES (FCM)

PRINCIPAL - \$4 million

INTEREST RATE - 2.0% per annum

TERM - 20 years

YEAR	PRINCIPAL Bal b/fwd	PRINCIPAL PAID	INTEREST PAID	PRINCIPAL Bal c/fwd	TOTAL ANNUAL PAYMENT
2014	\$ 4,000,000.00	\$ 81,715.28	\$ 40,109.59	\$ 3,918,284.72	\$ 121,824.87
2015	\$ 3,918,284.72	\$ 166,113.80	\$ 77,535.94	\$ 3,752,170.92	\$ 243,649.74
2016	\$ 3,752,170.92	\$ 169,398.86	\$ 74,250.88	\$ 3,582,772.06	\$ 243,649.74
2017	\$ 3,582,772.06	\$ 172,905.83	\$ 70,743.91	\$ 3,409,866.23	\$ 243,649.74
2018	\$ 3,409,866.23	\$ 176,333.02	\$ 67,316.72	\$ 3,233,533.21	\$ 243,649.74
2019	\$ 3,233,533.21	\$ 179,877.31	\$ 63,772.43	\$ 3,053,655.90	\$ 243,649.74
2020	\$ 3,053,655.90	\$ 183,448.41	\$ 60,201.33	\$ 2,870,207.49	\$ 243,649.74
2021	\$ 2,870,207.49	\$ 187,218.78	\$ 56,430.96	\$ 2,682,988.71	\$ 243,649.74
2022	\$ 2,682,988.71	\$ 190,943.26	\$ 52,706.48	\$ 2,492,045.45	\$ 243,649.74
2023	\$ 2,492,045.45	\$ 194,781.21	\$ 48,868.53	\$ 2,297,264.24	\$ 243,649.74
2024	\$ 2,297,264.24	\$ 198,662.06	\$ 44,987.68	\$ 2,098,602.18	\$ 243,649.74
2025	\$ 2,098,602.18	\$ 202,717.67	\$ 40,932.07	\$ 1,895,884.51	\$ 243,649.74
2026	\$ 1,895,884.51	\$ 206,764.05	\$ 36,885.69	\$ 1,689,120.46	\$ 243,649.74
2027	\$ 1,689,120.46	\$ 210,920.00	\$ 32,729.74	\$ 1,478,200.46	\$ 243,649.74
2028	\$ 1,478,200.46	\$ 215,136.27	\$ 28,513.47	\$ 1,263,064.19	\$ 243,649.74
2029	\$ 1,263,064.19	\$ 219,500.73	\$ 24,149.01	\$ 1,043,563.46	\$ 243,649.74
2030	\$ 1,043,563.46	\$ 223,895.71	\$ 19,754.03	\$ 819,667.75	\$ 243,649.74
2031	\$ 819,667.75	\$ 228,396.01	\$ 15,253.73	\$ 591,271.74	\$ 243,649.74
2032	\$ 591,271.74	\$ 232,975.47	\$ 10,674.27	\$ 358,296.27	\$ 243,649.74
2033	\$ 358,296.27	\$ 237,674.40	\$ 5,975.34	\$ 120,621.87	\$ 243,649.74
2034	\$ 120,621.87	\$ 120,621.87	\$ 1,202.91	\$ 0.00	\$ 121,824.78
TOTAL		\$ 4,000,000.00	\$ 872,994.71		\$ 4,872,994.71

2018 CAPITAL BUDGET

Capital Budget Overview

The City of Markham defines an expenditure as a capital expenditure when it meets 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 54% of the 2018 Capital Budget is funded from the Development Charge Reserve (21%) and the Life Cycle Replacement and Capital Reserve Fund (33%). 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.

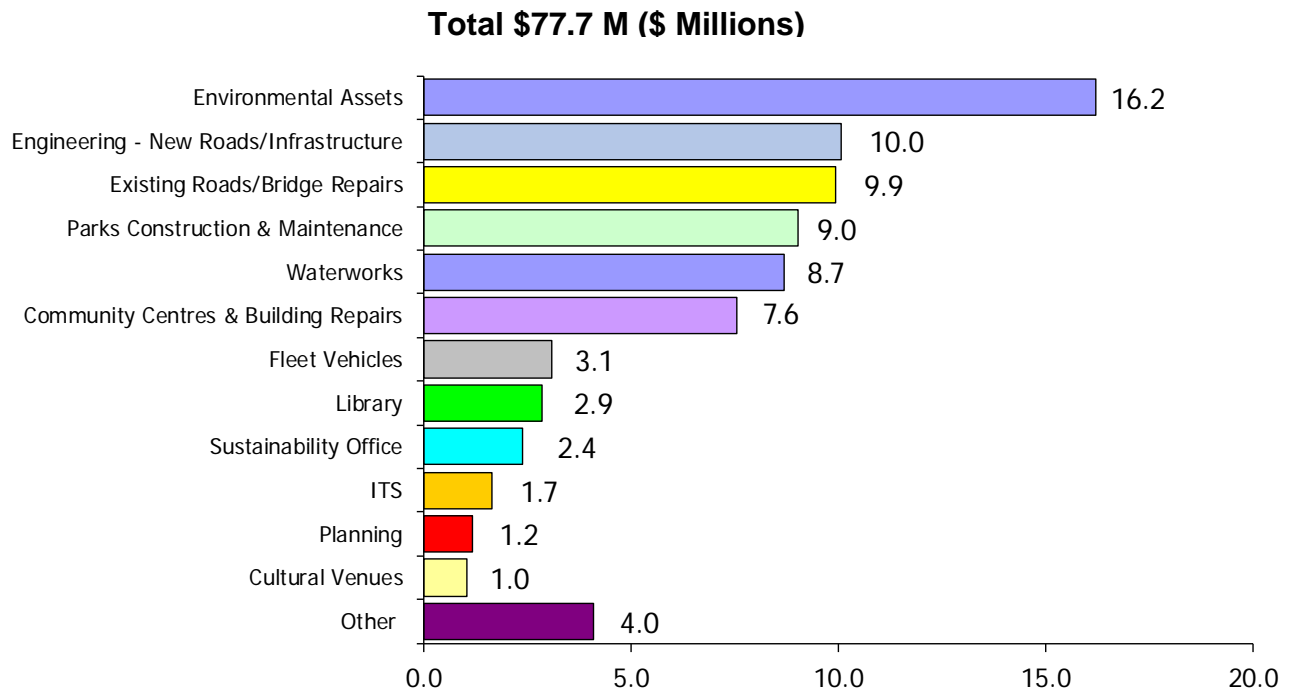
The DC Background Study was updated in 2017, with the study for City-Wide Hard Services covering the period from 2017 - 2031, and the study for City-Wide Soft Services covering the period from 2017 - 2022.

The Life Cycle Reserve study is updated annually to determine if there are sufficient funds in the Life Cycle Replacement and Capital Reserve Fund for the rehabilitation and replacement of the City's existing assets for the next 25 years based on known inflows and outflows.

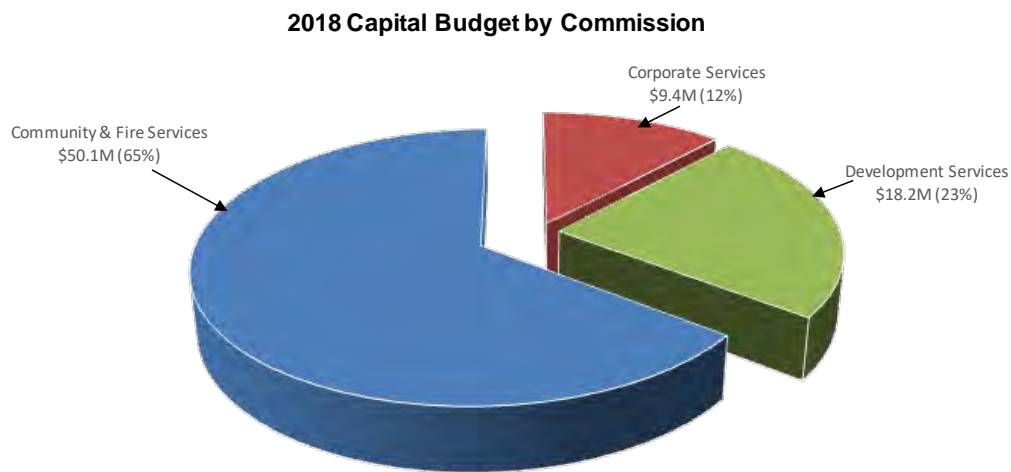


Budget Details

Breakdown of the City of Markham's 2018 approved \$77.7 million Capital Budget is shown below, by type:



The Capital Budget is allocated by Commission as follows:



The 2018 Capital Budget of \$77.7 million is funded through a variety of sources. Approximately \$41.5 million (54%) of the Capital Budget is funded through the Life Cycle Replacement and Capital Reserve Fund, and Development Charges Reserve, while the remaining \$36.2 million (46%) of the Capital Budget is made up of Federal Gas Tax Reserves and Other Reserves. The following schedule presents the allocation of the Capital Budget by Department according to funding source

2018 CAPITAL BUDGET BY DEPARTMENT AND BY FUNDING SOURCE

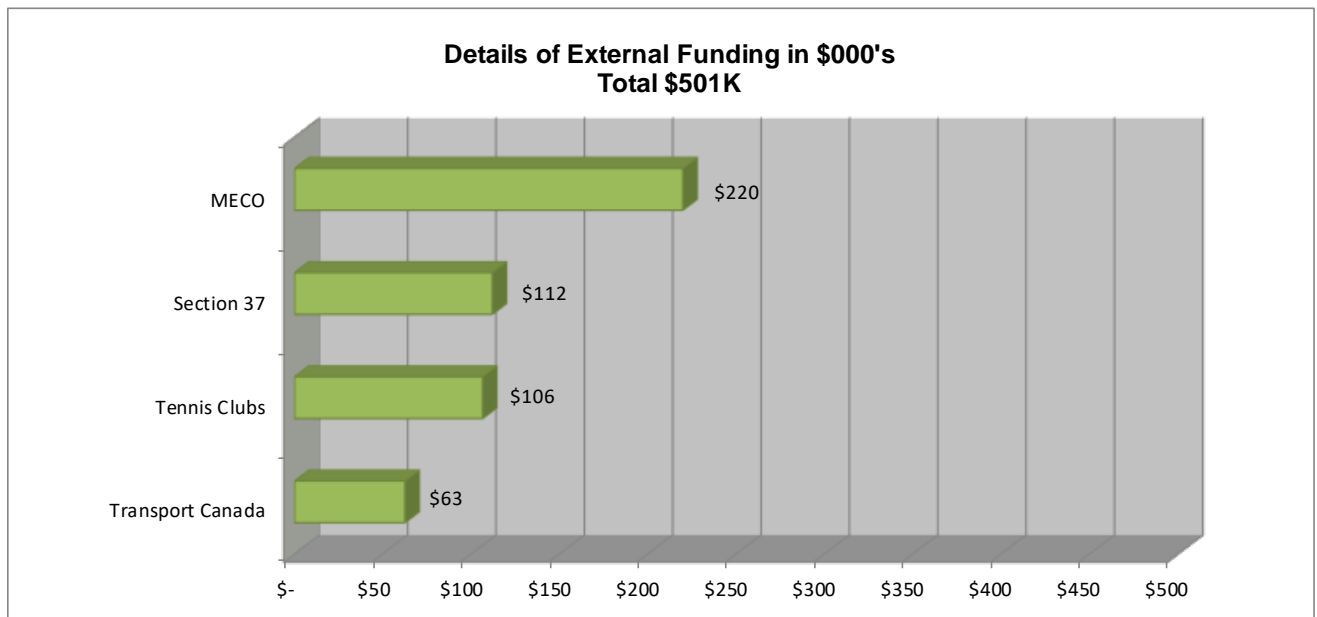
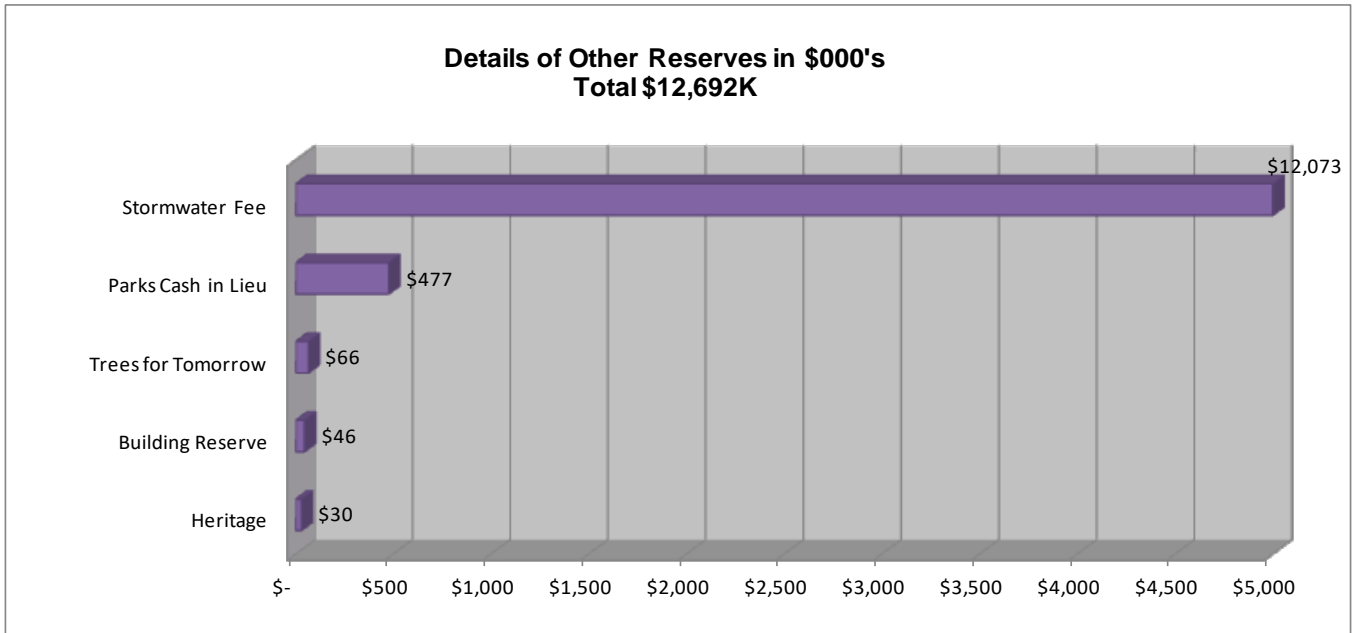
(in 000's)	Operating Budget (Tax Funded)	Life Cycle Replacement and Capital Reserve	Development Charges (DC Reserve)	Development & Building Fees	Federal Gas Tax Revenues	Waterworks/ Stabilization Reserve	Non-DC Growth Reserve	Other Reserves	Total 2018 Budget	2017 Budget
Arts Centres	-	262	-	-	-	-	-	-	262	127
Culture	45	-	-	-	-	-	-	-	45	195
Design	-	-	4,290	-	-	-	-	477	4,767	12,311
Engineering	580	518	9,429	-	-	-	568	-	11,095	12,711
Museum	-	238	-	-	-	-	-	-	238	230
Planning	101	-	906	101	-	-	-	76	1,184	1,773
Theatre	168	403	-	-	-	-	-	-	572	451
Development Services	894	1,421	14,624	101	-	-	568	553	18,162	27,798
Financial Services	-	6	955	-	-	-	-	-	961	5,063
Sustainability & Asset Management - Facility Assets	278	3,854	-	-	-	-	-	5	4,137	3,066
ITS	890	524	-	64	-	197	-	-	1,674	2,861
Sustainability & Asset Management - Sustainability	-	2,379	-	-	-	-	-	220	2,598	407
Corporate Services	1,168	6,762	955	64	-	197	-	225	9,370	11,397
Fire and Emergency Services	-	478	-	-	-	-	-	-	478	909
Environmental Services - Environmental Assets	-	187	-	-	3,666	267	-	12,074	16,194	12,685
Environmental Services - Right of Way Assets	153	899	-	-	-	-	-	-	1,052	2,113
Environmental Services - Waste and Environmental Management	32	-	-	-	-	-	-	-	32	51
Environmental Services - Waterworks	-	-	-	-	-	8,936	-	-	8,936	8,924
Markham Public Library	53	2,798	-	-	-	-	-	-	2,850	2,784
Operations - Business & Technical Services	31	-	-	-	-	-	-	112	143	-
Operations - Fleet	-	2,373	38	-	-	689	-	-	3,099	918
Operations - Parks	224	4,185	-	-	-	-	-	167	4,576	3,502
Operations - Roads	-	2,069	350	-	5,933	-	-	63	8,415	8,076
Operations - Utility Inspection & Survey Group	-	466	-	-	-	-	-	-	466	28
Recreation Services	46	3,895	-	-	-	-	-	-	3,941	2,141
Community & Fire Services	539	17,351	388	-	9,600	9,892	-	12,415	50,183	42,129
Corporate Wide	-	-	-	-	-	-	-	-	-	150
Corporate Wide	-	-	-	-	-	-	-	-	-	150
	2,601	25,533	15,967	164	9,600	10,089	568	13,193	77,715	81,474

A complete 2018 Capital project listing is included at the end of this section.



2018 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 2018 Capital Projects:



2018 CAPITAL INDUCED OPERATING COSTS

Capital induced operating costs are added to the City's Operating Budget during the year of project completion. Projects with capital induced costs that impact the City's 2018 Operating Budget for 2018 are as follows:

<u>Project #</u>	<u>Department/Capital Project Description</u>	<u>2018 Annualized Operating Impact costs/(savings) (in \$000's)</u>	<u>Comments</u>
<u>Planning and Design</u>			
18033	Markham Centre Riverwalk Urban Park - Design & Construction	6	Maintenance
18034	Wismer Park Pavillion & Washrooms - Design & Construction	8	Maintenance
		<u>\$14</u>	
<u>Engineering</u>			
18049	Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)	\$13	Maintenance
		<u>\$13</u>	
<u>Recreation Services</u>			
18120	Angus Glen CC Building Automation System	(15)	Hydro cost savings
18128	Armadale CC Lobby, Furniture and Lighting Retrofit	(2)	Hydro cost savings
18148	Millikken Mills CC Library and Lighting Replacement	(5)	Hydro cost savings
18176	Thornhill CC Lighting Retrofit to LED	(9)	Hydro cost savings
		<u>(\$30)</u>	
<u>Operations - Fleet</u>			
18250	New Fleet - Waterworks	1	Vehicle Parts and Fuel
		<u>\$1</u>	
<u>Environmental Services - Right of Way</u>			
18271	Streetlights - Miscellaneous Requests	4	Maintenance
		<u>\$4</u>	
<u>Waterworks</u>			
18296	Online Chlorine Analyzers (2)	1	Maintenance
		<u>\$1</u>	
	Total Capital Induced Operating Costs	<u>\$3</u>	



BUILDING MARKHAM'S FUTURE TOGETHER STRATEGIC PLAN

As discussed in Section 2 – Corporate Strategic Plan and Section 3 – 2018 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 2018 Capital projects in relation to Council's 2015 – 2019 Strategic Plan:

Goal 1: Exceptional Services by Exceptional People

- \$2.7M Library collections and e-resources
- \$1.3M Playstructure and Rubberized Surface Replacement
- \$0.3M courts resurfacing and reconstruction
- \$0.1M sportsfield maintenance and reconstruction

Goal 2: Engaged, Diverse and Thriving City

- \$1.3M Markham Centre Riverwalk urban park – 1.56 acres to be completed Spring 2018
- \$1.2M Rouge Valley Trail Multi-Use Pathway Phase 4 of 5 – to be completed Fall 2018
- \$1.1M Wismer Park pavilion and washrooms – to be completed Fall 2019
- \$1.1M Box Grove Community Park – bridge construction to be completed Spring 2019
- \$1.0M Cornell Park pavilion and washrooms – to be completed Winter 2019

BUILDING MARKHAM'S FUTURE TOGETHER STRATEGIC PLAN

Goal 3: Safe and Sustainable Community

- \$12.8 for the construction of phase 2C West Thornhill Flood Control program
- \$7.9 for the exterior and interior facility improvement program at Community Centres, Libraries, Fire Stations, Civic Centre and other City facilities
- \$5.9M for asphalt resurfacing
- \$5.2M for water system and water meter replacement/upgrade program
- \$2.0M sanitary sewer and pumping station rehabilitation program
- \$0.7M for intersection improvements
- \$0.2M for the Park Signage Implementation program - Phase 3 of 3
- \$0.2M for traffic operational improvements
- \$0.1M for the continuation of the Trees for Tomorrow initiative

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 based on known inflows and outflows



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 from Development Charges (DC's) collected from Developers in the City of Markham. The remaining portion 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 updated its Development Charges Background Study (DC Study) and DC By-laws in 2017.

A capital forecast based on the 2017 DC Study information is included for the period 2019 to 2023.

2019 to 2023 Capital Budget Forecast

(in \$000's – gross cost)

Category	2019	2020	2021	2022	2023	TOTAL
(A) General Government	1,770	1,770	1,770	1,770	1,770	8,850
(B) Library	-	-	15,514	-	-	15,514
(C) Fire Services	9,553	-	9,128	-	9,153	27,834
(D) Indoor Recreation	1,866	8,094	1,968	2,021	7,303	21,252
(E) Park Development & Facilities	19,553	9,250	9,357	8,931	9,661	56,752
(F) Public Works	14,146	190	105	385	3,265	18,091
(G) Parking	-	228	-	435	-	663
(H) Waste Management	570	270	250	1,716	1,079	3,885
TOTAL	47,458	19,802	38,092	15,258	32,231	152,841

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, Fleet
- G. Parking Studies
- H. Buildings, Land, Furniture & Equipment, Fleet

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 rehabilitation and replacement expenditures for the next 25 years.

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.

A capital forecast based on the 2017 Life Cycle Reserve Study Update is included for the period 2019 to 2023.

2019 to 2023 Capital Budget Forecast (in \$000's – gross cost)

CATEGORY	2019	2020	2021	2022	2023	TOTAL
Fire Fighter Equipment	227	532	311	337	458	1,865
Traffic Signals	217	272	574	530	414	2,007
ITS Infrastructure	1,807	1,921	2,094	1,026	2,701	9,549
Parks	2,154	2,495	3,424	2,126	2,767	12,967
Library Collections	2,858	2,916	2,974	3,033	3,094	14,875
Streetlights	4,843	313	34	7,545	158	12,893
Vehicles	4,077	2,296	3,942	3,846	5,119	19,281
Structures (Bridges & Culverts)	2,912	13,238	3,349	1,849	2,753	24,099
Storm Sewers, Storm Water Mgmt & Landfill	4,705	3,378	3,654	2,077	2,641	16,455
Roads	8,799	8,580	8,153	8,035	8,688	42,255
Facilities	12,959	23,738	9,587	13,618	8,907	68,809
TOTAL	45,557	59,679	38,095	44,022	37,700	225,053



2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Development Services							
Culture & Economic Development							
18000	Culture Public Art Coordinator	45	45	-	-	-	-
18001	Museum - Baptist Church	37	-	37	-	-	-
18002	Museum - Strickler Barn Phase 1 of 2	120	-	120	-	-	-
18003	Museum Maintenance	81	-	81	-	-	-
18004	Stage Equipment Replacement	86	-	86	-	-	-
18005	Building Envelope - Design	32	-	32	-	-	-
18007	Facility Electrical Assessment & Replacement	21	-	21	-	-	-
18008	Facility Maintenance	19	-	19	-	-	-
18009	Intelligent Lighting Replacement	70	-	70	-	-	-
18010	Lighting Console & Fixtures Replacement	150	-	150	-	-	-
18011	New Theatre Complex Study	168	168	-	-	-	-
18012	Water Heater Replacement	26	-	26	-	-	-
18016	Gallery HVAC Cooling Tower, Chiller + Exhaust Fan	199	-	199	-	-	-
18017	Gallery McKay House Maintenance	44	-	44	-	-	-
18018	Gallery Varley and McKay House Signage	20	-	20	-	-	-
TOTAL Culture & Economic Development		1,117	213	904	-	-	-
Planning							
18020	Secondary Suites: Communication Plan	46	-	-	-	-	46
18021	Consultant Studies	100	-	-	90	-	10
18022	Designated Heritage Property Grant Program Yr 2 of 3	30	-	-	-	-	30
18023	Growth Monitoring Program & Data Collection	17	-	-	16	-	2
18024	Heritage Façade Improvements/Sign Replacement	25	25	-	-	-	-
18025	Langstaff Master Plan	153	-	-	137	-	15
18026	Markham Centre Secondary Plan Study	500	-	-	450	-	50
18027	Official Plan Conformity - 2017 Provincial Plans	236	-	-	213	-	24
18028	Unionville Core Area Streetscape Master Plan	76	76	-	-	-	-
TOTAL Planning		1,184	101	-	906	-	177
Design							
18030	Cornell Park Pavilion & Washrooms Construction	985	-	-	886	-	98
18031	Box Grove Community Park Bridge -Construction	1,126	-	-	1,013	-	113
18033	Markham Centre Riverwalk Urban Park - Design & Const	1,283	-	-	1,155	-	128
18034	Wismer Park Pavilion & Washrooms - Design & Const.	1,213	-	-	1,092	-	121
18035	Parking Lot Adjacent Yarl Cedarwood Park - Design & Constr.	160	-	-	144	-	16
TOTAL Design		4,767	-	-	4,290	-	477

2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Development Services							
<i>Engineering</i>							
18040	Active Transportation Master Plan	253	-	-	253	-	-
18042	Cycling Awareness Program	95	33	-	62	-	-
18043	Downstream Improvement Work Program	934	-	327	607	-	-
18044	Intersection Improvements	755	-	-	755	-	-
18045	John Street MUP Design	166	58	-	108	-	-
18046	Markham Rd./Mt. Joy Secondary Plan MESP	253	-	-	253	-	-
18047	Planning for Higher Order Transit Stations - Phase 1 of 2	127	-	-	127	-	-
18048	Regional Mid-Block Crossing EA & Design	1,367	-	-	1,367	-	-
18049	Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)	1,281	448	-	832	-	-
18050	Sidewalk Construction (CityWide)	1,624	-	-	1,056	-	568
18051	Smart Commute Markham – Richmond Hill	76	-	-	76	-	-
18052	Standardizing Capital Works/Capital Specs for Projects	127	-	-	127	-	-
18053	Streetlight Design Criteria & Standards Update	64	-	-	64	-	-
18054	Streetlighting Program (Design)	316	-	-	316	-	-
18055	Traffic Assets Replacement - Annual	191	-	191	-	-	-
18056	Traffic Operational Improvements - Annual	41	41	-	-	-	-
18057	Traffic Signal Controller Upgrades	163	-	-	163	-	-
18058	Transportation Studies Related to Secondary Plans	597	-	-	597	-	-
18059	Victoria Square Boulevard - Detailed Design	810	-	-	810	-	-
18060	2018 Engineering Salary Recovery	924	-	-	924	-	-
18061	Yorktech Drive Extension (Design)	932	-	-	932	-	-
TOTAL Engineering		11,095	580	518	9,429	-	568
TOTAL Development Services		18,162	894	1,421	14,624	-	1,222
Corporate Services							
<i>ITS</i>							
18070	Theatre - Ticketing System Replacement	63	63	-	-	-	-
18071	Library - Web Based Discovery & eResource Mgmt Solution	58	58	-	-	-	-
18072	Fire - Dispatch Upgrade	305	305	-	-	-	-
18073	Operations - Road Occupancy Permit Mapping	25	25	-	-	-	-
18075	Operations - Utility Billing Automation	25	25	-	-	-	-
18077	Enterprise Asset Management Solution - Additional Funds	509	352	-	-	-	156
18078	Infrastructure Support Specialist	121	-	97	-	-	24
18079	IT Life cycle Asset replacement	492	-	428	-	-	64
18081	Finance - Budgeting Software (Additional Funding)	76	61	-	-	-	15
TOTAL ITS		1,674	890	524	-	-	260
Finance							
18080	Internal Project Management	961	-	6	955	-	-
TOTAL Finance		961	-	6	955	-	-



2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Corporate Services							
<i>Sustainability & Asset Management</i>							
18082	Alectra Embedded Energy Projects	103	-	-	-	-	103
18083	Angus Glen CC Combined Heat and Power (CHP) System	2,379	-	2,379	-	-	-
18084	Corporate Building Automation System	117	-	-	-	-	117
18085	8100 Warden Facility Improvements	71	-	71	-	-	-
18086	Accessibility Retrofit Program	102	-	102	-	-	-
18087	Building Condition Audit - FTE	141	-	141	-	-	-
18088	Building Envelope/Structural Review	77	-	77	-	-	-
18089	Civic Centre Improvements	215	-	215	-	-	-
18090	Corporate Accommodations	170	-	170	-	-	-
18091	Corporate Security Operations & System Upgrades	614	197	417	-	-	-
18092	Designated Substances Management	123	-	123	-	-	-
18093	Fire Facility Improvements	306	61	245	-	-	-
18094	Library Facility Improvements	203	-	203	-	-	-
18095	Municipal Building Backflow Prevention Testing	20	-	20	-	-	-
18096	Operations Facilities Improvements	230	-	230	-	-	-
18097	Facility Improvements	349	-	349	-	-	-
18098	Parking Lot Light Replacement	92	-	92	-	-	-
18099	Recycling Depot Improvements	77	-	77	-	-	-
18100	Roofing Maintenance and Repair	61	-	61	-	-	-
18101	Roofing Replacement Projects	1,128	-	1,128	-	-	-
18102	Satellite Community Centre Improvements	128	-	128	-	-	-
18103	Tennis Clubhouse Improvements	10	-	5	-	-	5
18104	Crosby Arena Canopy Installation	20	20	-	-	-	-
TOTAL Sustainability & Asset Management		6,735	278	6,232	-	-	225
TOTAL Corporate Services		9,370	1,168	6,762	955	-	485
Community & Fire Services							
<i>Fire & Emergency Services</i>							
18110	Air Monitor Devices	45	-	45	-	-	-
18111	Bunker Gear Life Cycle Replacement	155	-	155	-	-	-
18112	Firefighting Tools & Equipment Replacement	97	-	97	-	-	-
18115	Replacement of Equipment due to Staff Retirements	84	-	84	-	-	-
18116	Rescue Equipment	98	-	98	-	-	-
TOTAL Fire & Emergency Services		478	-	478	-	-	-

2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Community & Fire Services							
Recreation Services							
18120	Angus Glen C.C. Building Automation System	440	-	440	-	-	-
18121	Angus Glen C.C. Drinking Fountains	11	-	11	-	-	-
18122	Angus Glen C.C. Duct Insulation	65	-	65	-	-	-
18123	Angus Glen C.C. Pool Change Room Lockers	192	-	192	-	-	-
18124	Angus Glen C.C. Pool Deck Drain Pipes	54	-	54	-	-	-
18125	Angus Glen C.C. Ride On Floor Scrubber	20	-	20	-	-	-
18126	Armadale C.C. Boiler Pump Replacement	8	-	8	-	-	-
18127	Armadale C.C. Kitchen Equipment Replacement	17	-	17	-	-	-
18128	Armadale C.C. Lobby Furniture and Lighting Retrofit	18	-	18	-	-	-
18129	Armadale C.C. Public Paging & Audio Equipment	10	-	10	-	-	-
18130	Camp Chimo Site Improvements	27	-	27	-	-	-
18131	Centennial C.C. Arena Board Frame & Plastic Replacement	180	-	180	-	-	-
18132	Clatworthy Arena Compressors	120	-	120	-	-	-
18133	Clatworthy Arena Doors	47	-	47	-	-	-
18134	Clatworthy Arena Painting	18	-	18	-	-	-
18135	Clatworthy Arena Spectator Benches	6	-	6	-	-	-
18136	Crosby C.C. Exterior Masonry Repairs	61	-	61	-	-	-
18137	Crosby C.C. Painting Exterior Metal Siding	30	-	30	-	-	-
18138	Crosby C.C. Gas Monitors	12	-	12	-	-	-
18139	Crosby C.C. Hot Water Storage Tank	8	-	8	-	-	-
18140	Crosby C.C. West Overhead Doors	20	-	20	-	-	-
18141	Markham Village Arena Heater Replacement	30	-	30	-	-	-
18142	Markham Village Arena Score Clock	14	-	14	-	-	-
18143	Markham Village Emergency Lighting	7	-	7	-	-	-
18145	Milliken Mills C.C Pool Chemical Controller Replacement	12	-	12	-	-	-
18146	Milliken Mills C.C. Pool Dehumidifier	104	-	104	-	-	-
18147	Milliken Mills CC Arena Dehumidifiers	82	-	82	-	-	-
18148	Milliken Mills CC Library Lighting Replacement	37	-	37	-	-	-
18149	Milliken Mills CC Soccer Clubhouse Lighting Replacement	16	-	16	-	-	-
18150	Milliken Mills C.C. Visual Equipment Replacement	12	-	12	-	-	-
18151	Milliken Mills CC Universal Change Room Design Ph 1 of 2	111	46	65	-	-	-
18152	Morgan Pool Revitalization Project Design-Phase 1 of 2	267	-	267	-	-	-
18154	Mt Joy Condenser	90	-	90	-	-	-
18155	Mt Joy Heated Glycol Pump	9	-	9	-	-	-
18157	Mt Joy Plate & Frame Heat Exchanger	11	-	11	-	-	-
18158	Old Unionville Library Refurbishments	82	-	82	-	-	-
18161	Pan Am Centre Gymnasium Floor Refinishing	25	-	25	-	-	-
18164	Pingle House Exterior Refurbishment	10	-	10	-	-	-
18165	Recreation AED Program	11	-	11	-	-	-
18166	Recreation Aquatic Equipment	85	-	85	-	-	-
18167	Recreation Fitness Equipment	144	-	144	-	-	-
18168	Recreation Pool Grouting	50	-	50	-	-	-
18169	Recreation Program Equipment	97	-	97	-	-	-
18170	Recreation Table and Chairs Replacement	54	-	54	-	-	-
18171	Rouge River C.C. Audio Equipment	9	-	9	-	-	-
18172	Rouge River C.C. Facility Painting	35	-	35	-	-	-



2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Community & Fire Services							
18173	Rouge River C.C. Golf Course Kitchen Equipment	14	-	14	-	-	-
18174	Rouge River C.C. Wood Floor Refurbishment	19	-	19	-	-	-
18175	Thornhill C.C. Gymnasium Hardwood Floor Refinishing	13	-	13	-	-	-
18176	Thornhill C.C. Lighting Retrofit To LED	76	-	76	-	-	-
18177	Thornhill C.C. Painting	7	-	7	-	-	-
18178	Thornhill C.C. Washroom Renovation	128	-	128	-	-	-
18179	Thornhill C.C. Arena Changeroom Refurbishments	100	-	100	-	-	-
18180	Thornhill C.C. Compressor Replacement	269	-	269	-	-	-
18181	Thornhill C.C. Door Replacement	63	-	63	-	-	-
18182	Thornhill C.C. Duct Insulation	25	-	25	-	-	-
18183	Thornhill C.C. Equipment Replacement	32	-	32	-	-	-
18184	Thornhill C.C. Fitness Changeroom Floor Replacement	22	-	22	-	-	-
18185	Thornhill Fitness Centre Dectron Replacement	25	-	25	-	-	-
18186	Thornlea Gymnasium HVAC	256	-	256	-	-	-
18187	Thornlea Gymnasium Refurbishments	44	-	44	-	-	-
18188	Thornlea Pool Doors	25	-	25	-	-	-
18189	Unionville Train Station Light Fixtures & Panel	13	-	13	-	-	-
18190	Unionville Train Station Refurbishments	11	-	11	-	-	-
18191	Water Street Senior Centre - Painting	33	-	33	-	-	-
TOTAL Recreation Services		3,941	46	3,895	-	-	-
Markham Public Library							
18195	Customer Service Improvement (E-Resources) -Phase 4 of 5	53	53	-	-	-	-
18196	Library Collections	2,659	-	2,659	-	-	-
18197	Library Furniture, Equipment & Shelving (Phase 3 of 3)	138	-	138	-	-	-
TOTAL Markham Public Library		2,850	53	2,798	-	-	-
Operations - Roads							
18200	Asphalt Resurfacing	5,933	-	-	-	-	5,933
18201	Boulevard Repairs	55	-	55	-	-	-
18202	Bridge Structure Preventative Maintenance - Roads	24	-	24	-	-	-
18203	City Owned Fence Replacement Program	106	-	106	-	-	-
18204	Don Mills Storm Channel	19	-	19	-	-	-
18205	Emergency Repairs	110	-	110	-	-	-
18207	City Owned Entrance Feature Repairs	33	-	33	-	-	-
18208	Guiderail- Install/Repair/Upgrade	190	-	190	-	-	-
18209	Localized Repairs - Curb & Sidewalk	758	-	758	-	-	-
18211	Parking Lots - Localized Repairs	112	-	112	-	-	-
18212	Parking Lots- Rehabilitation	384	-	384	-	-	-
18213	Railway Crossing Improvements	198	-	136	-	-	63
18214	Retaining Walls Program	10	-	10	-	-	-
18215	Storm Sewer Inspection	106	-	106	-	-	-
18216	Storm Water Retention Pond Maintenance Program	27	-	27	-	-	-
18217	Winter Maintenance Vehicles	350	-	-	350	-	-
TOTAL Operations - Roads		8,415	-	2,069	350	-	5,996

2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Community & Fire Services							
Operations - Parks							
18220	Artificial Turf- Bill Crothers S.S.	814	-	814	-	-	-
18221	Bleachers (Metal) Replacement at Featherstone Park	11	-	11	-	-	-
18222	Bridge Structure Preventative Maintenance-Parks	24	-	24	-	-	-
18223	City Park Furniture / Amenities	165	-	165	-	-	-
18224	Court Resurfacing/Reconstruction	334	-	233	-	-	101
18225	Fence (Backstop and Outfield) Replacement	38	-	38	-	-	-
18226	Fence (Tennis Courts)	31	-	31	-	-	-
18227	Floodlights, Poles & Cross Arms Replacement	66	-	66	-	-	-
18228	Gazebo Refurbishment	43	-	43	-	-	-
18229	Goal Posts Replacement	13	-	13	-	-	-
18230	Markham Trees for Tomorrow	122	56	-	-	-	66
18231	Parks Signage Implementation- Phase 3 of 3	158	-	158	-	-	-
18232	Pathways Resurfacing	134	-	134	-	-	-
18233	Planter Replacement	237	-	237	-	-	-
18234	Playstructure Replacement	1,254	-	1,254	-	-	-
18235	Playstructure Rubberized Surface Replacement	53	-	53	-	-	-
18237	Relamping & Fixtures Refurbishment	38	-	38	-	-	-
18238	Replacement of Recycling Containers	80	-	80	-	-	-
18239	Replacement of Boulevard/Park Trees	203	-	203	-	-	-
18240	Sportsfield Maintenance & Reconstruction	132	-	132	-	-	-
18241	Stairways and Retaining Wall Repairs	220	-	220	-	-	-
18242	Morgan Park Ball Diamond	345	168	177	-	-	-
18243	Rejuvenation of Community Centres Landscapes - Yr 1 of 3	60	-	60	-	-	-
TOTAL Operations - Parks		4,576	224	4,185	-	-	167
Operations - Fleet							
18245	Corporate Fleet Refurbishing	37	-	37	-	-	-
18246	Corporate Fleet Replacement - Fire	999	-	999	-	-	-
18247	Corporate Fleet Replacement - Non-Fire	1,143	-	1,143	-	-	-
18248	Ice Resurfacing Machine Replacement	194	-	194	-	-	-
18250	New Fleet-Waterworks	51	-	-	-	-	51
18251	Waterworks Fleet Replacement	638	-	-	-	-	638
18252	New Fleet-Parks	28	-	-	28	-	-
18253	Corporate Fleet Growth - Non Fleet	10	-	-	10	-	-
TOTAL Operations - Fleet		3,099	-	2,373	38	-	689
Operations - Utility Inspection & Survey							
18255	German Mills Meadow - Northern Header Upgrade (Constn)	316	-	316	-	-	-
18256	German Mills Meadow-Equipment Maintenance	122	-	122	-	-	-
18257	Survey Monument Replacement	28	-	28	-	-	-
TOTAL Operations - Utility Inspection & Survey		466	-	466	-	-	-
Operations - Business & Technical Services							
18261	Public Realm-Markham's Shared Places Our Spaces - Sec.37	112	-	-	-	-	112
18262	Public Realm-Markham's Shared Places Our Spaces	31	31	-	-	-	-
TOTAL Operations - Business & Technical Services		143	31	-	-	-	112



2018 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
Community & Fire Services							
<i>Environmental Services - Right-of-way Assets</i>							
18265	Bridges and Culverts - Condition Inspection	33	-	33	-	-	-
18266	Culverts Rehabilitation (2 Structures) - Design & Const.	339	-	339	-	-	-
18267	Culverts Replacement (11 Structures) - Construction	238	-	238	-	-	-
18268	MNRF Monitoring for Capital Projects at Water Crossings	16	-	16	-	-	-
18269	ROW Assets - Structures Program-FTE	137	-	137	-	-	-
18270	Storm Sewer Culvert Inspection	17	-	17	-	-	-
18271	Streetlights - Miscellaneous Requests	153	153	-	-	-	-
18272	Streetlights - Poles Replacement Program	119	-	119	-	-	-
TOTAL Environmental Services - ROW Assets		1,052	153	899	-	-	-
<i>Environmental Services - Environmental Assets</i>							
18273	Flood Control Remediation - Study	1,274	-	-	-	-	1,274
18275	City-wide Erosion Master Study - Update	160	-	160	-	-	-
18276	Storm Sewer Pipes - Rehabilitation	529	-	-	-	-	529
18277	SWM Pond Cleaning - Ponds ID#9 & ID#49	1,137	-	-	-	-	1,137
18278	Water Quality Improvements and Geese Control	27	-	27	-	-	-
18279	West Thornhill Flood Control Implementation - Ph2C Constr.	11,901	-	-	-	-	11,901
18280	West Thornhill Flood Control Implementation - Ph4 Design	916	-	-	-	-	916
18281	Sanitary System Downspout Disconnection Prog - Ph 6	250	-	-	-	-	250
TOTAL Environmental Services - Environmental Assets		16,193	-	187	-	-	16,007
<i>Environmental Services - Waste & Environmental Management</i>							
18286	Textile Recycling - Smart Bins (3)	32	32	-	-	-	-
TOTAL Environmental Services - Waste & Environmental Management		32	32	-	-	-	-
<i>Environmental Services - Waterworks</i>							
18291	Cathodic Protection of Ductile Iron Watermains	556	-	-	-	-	556
18292	CI Watermain Replacement - West Thornhill Ph 2C Const.	4,520	-	-	-	-	4,520
18293	Curb Box Inspection and Replacement Program	459	-	-	-	-	459
18294	District Metering Area (DMA) Pilot	193	-	-	-	-	193
18296	Online Chlorine Analyzers (2)	56	-	-	-	-	56
18297	Sanitary Sewage Pumping Stations - Condition Inspection	61	-	-	-	-	61
18298	Sanitary Sewage Pumping Stations - Improvements	56	-	-	-	-	56
18299	Sanitary Sewers - Laterals Inspection	156	-	-	-	-	156
18300	Sanitary Sewers - Rehabilitation	1,041	-	-	-	-	1,041
18301	Sanitary Sewers - Syphons Structural Lining	791	-	-	-	-	791
18302	Wastewater Flow Monitoring - Annual Program	153	-	-	-	-	153
18303	Water Meters - Replacement Program	726	-	-	-	-	726
18304	Water System Model Calibration	168	-	-	-	-	168
TOTAL Environmental Services - Waterworks		8,936	-	-	-	-	8,936
TOTAL Community & Fire Services		50,183	539	17,349	388	-	31,907
TOTAL PROJECTS		77,715	2,601	25,533	15,967	-	33,614

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	2018 Budget	Operating Cost	
			From	To
18031	Box Grove Community Park Bridge -Construction	\$ 1,126	\$ -	\$ 10
18033	Markham Centre Riverwalk Urban Park - Design & Const	\$ 1,283	\$ 6	\$ 6
18034	Wismer Park Pavilion & Washrooms - Design & Const.	\$ 1,213	\$ 8	\$ 8
18048	Regional Mid-Block Crossing EA & Design	\$ 1,367	TBD	TBD
18049	Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)	\$ 1,281	\$ 13	\$ 13
18050	Sidewalk Construction (City Wide)	\$ 1,624	\$ -	\$ 10
18083	Angus Glen CC Combined Heat and Power (CHP) System	\$ 2,379	\$ -	\$ -
18101	Roofing Replacement Projects	\$ 1,128	\$ -	\$ -
18196	Library Collections	\$ 2,649	\$ -	\$ -
18200	Asphalt Resurfacing	\$ 5,933	\$ -	\$ -
18234	Playstructure Replacement	\$ 1,254	\$ -	\$ -
18247	Corporate Fleet Replacement - Non-Fire	\$ 1,143	\$ -	\$ -
18273	Flood Control Remediation - Study	\$ 1,274	\$ -	\$ 10
18277	SWM Pond Cleaning - Ponds ID#9 & ID#49	\$ 1,137	\$ -	\$ 10
18279	West Thornhill Flood Control Implementation - Ph2C Constr.	\$ 11,901	\$ -	\$ 10
18292	CI Watermain Replacement - West Thornhill Ph 2C Const.	\$ 4,520	\$ -	\$ 10
18300	Sanitary Sewers - Rehabilitation	\$ 1,041	\$ -	\$ 10

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Box Grove Community Park Bridge - Construction**

Project Number **18031**

Estimated Total Cost of Project **\$1,125,900**

Commission Development Services

Department Design

Project Description

This project is to construct a steel pedestrian bridge over the tributary at the Box Grove Community Park. Council endorsed the Box Grove Community Park Draft Conceptual Master Plan in June 2017 which included the construction of a pedestrian bridge.

Location

Box Grove Community Park is located at south west corner of Box Grove By-pass and Copper Creek Drive.

Work to be Performed

To engineer and construct a steel pedestrian bridge spanning approximately 55m to 60m with concrete structural foundations at both ends.

Reason for Work

To provide a pedestrian and light vehicular connection between the western (phase 2) and eastern (phase 1) portions of the community park.

Impact on Future Operating Budgets

Negligible.

Estimated Project Completion Date – In service date: October 2019.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Markham Centre Riverwalk Urban Park – Design & Construction**

Project Number **18033**

Estimated Total Cost of Project **\$1,283,100**

Commission Development Services

Department Design

Project Description

This project is to undertake the design and construction of an urban park adjacent to the Riverwalk condos on Highway 7. This urban square is 1.56 acre (0.63 hectare).

Location

Between RougeSide Promenade and Hwy 7, west of Uptown Drive.

Work to be Performed

Construction of planned park amenities include: a shade structure, paved plaza, walkways, children's play area, seating areas, planters, possible water feature, trees and associated landscaping.

Reason for Work

To provide required recreation/leisure activities to the Uptown Community in Markham Centre.

Impact on Future Operating Budgets

Negligible - Future operating cost is \$5,585 (based on \$8,865 per hectare).

Estimated Project Completion Date – In service date: August 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Wismer Park Pavilion & Washrooms – Design & Construction

Project Number 18034

Estimated Total Cost of Project \$1,213,000

Commission Development Services

Department Design

Project Description

This project is to undertake the design and construction of a park pavilion with washrooms at Wismer Park. This building is similar to the one at Berczy Park.

Location

Within Wismer Park generally between Bur Oak Avenue and Castlemore Avenue, and west of Mingay Avenue.

Work to be Performed

Construction of a masonry park pavilion and washroom building, including seating, games tables, plaza area, landscaping, walkways and associated site works.

Reason for Work

To provide the required pavilion and washrooms associated with community parks.

Impact on Future Operating Budgets

Negligible – Future operating cost is \$7,560 (based on \$8,865 per hectare).

Estimated Project Completion Date – In service date: August 2020.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Regional Mid-Block Crossing EA & Design**

Project Number **18048**

Estimated Total Cost of Project **\$1,366,900**

Commission **Development Services**

Department **Engineering**

Project Description

Highway 404 Mid-Block Crossings. Region of York is managing the environmental assessment (EA) and detailed design projects. Cost of the EA and detailed design is to be shared between Region, Richmond Hill, and Markham. This request is to obtain the City's portion and financial contribution to the Region.

Location

- i) For Midblock-crossing North of 16th Avenue (EA and Design)
- ii) North of Major Mackenzie Drive (EA)
- iii) North of Elgin Mills Road (EA per York Region's Mid-Block Crossings policy)

Work to be Performed

EA, detailed design, and construction of three mid-block collector roads.

Reason for Work

To facilitate new Highway 404 crossings in accordance with the City's Official Plan (OP) and York Region Transportation Master Plan.

Impact on Future Operating Budgets

TBD.

Estimated Project Completion Date – December 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)

Project Number 18049

Estimated Total Cost of Project **\$1,280,600**

Commission Development Services

Department Engineering

Project Description

The Phase 4 Rouge Valley Trail construction includes the construction of a pedestrian bridge and two limestone and asphalt trails between 1) Markham Road and Tuclor Lane and 2) 14th Avenue and Tree Line Court.

Location

Markham Road to Tuclor Lane and 14th Ave to Treeline Court through the Rouge River valleys.

Work to be Performed

Construction of limestone and asphalt trail and one pedestrian bridge.

Reason for Work

To provide access to the natural environment and to create a walkable livable healthy community.

Impact on Future Operating Budgets

Slight – Future operating cost is \$13,000.

Estimated Project Completion Date – August 2018.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Sidewalk Construction (City Wide)

Project Number 18050

Estimated Total Cost of Project **\$1,624,400**

Commission Development Services

Department Engineering

Project Description

To construct sidewalks in various areas within the City to provide pedestrian access and links to intermediate areas.

Location

No.	Street	Location	Approximate Length (m)	Sidewalk Width	Design Work
1	Rodick Road	East side - Clegg Road to 16th Ave	2,100	1.5	Sidewalk
2	Rose Way	East side - Elm Lea Street to Rose Way	80	1.5	Sidewalk
3	14th Avenue	South side - Woodbine Ave to Alden Rd	1,700	1.5	Sidewalk
4	Denison Street	North side - Warden Ave to Birchmount Rd	800	3.0	Sidewalk
5	John Street	North side - Pomona Mills Tennis Club to Henderson Ave	480	1.5	Sidewalk
6	South Park Road	North side - Pond Dr to Commerce Valley Dr	280	1.5	Sidewalk
7	Micro Court	Birchmount Rd to East End (location to be identified)	240	1.5	Sidewalk
8	9th Line	West side - Bur Oak Ave to DCP	280	1.5	Sidewalk

Work to be Performed

Construction of concrete sidewalks across the City.

Reason for Work

The City has developed an annual sidewalk construction program to facilitate a safe and reliable sidewalk network.

Impact on Future Operating Budgets – Negligible.

Estimated Project Completion Date – November 2018.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Angus Glen CC Combined Heat and Power (CHP) System

Project Number 18083

Estimated Total Cost of Project \$2,378,500

Commission Corporate Services

Department Sustainability & Asset Management

Project Description

This project requests funding for Markham to procure, install, and commission a Combined Heat and Power (CHP) system at Angus Glen Community Centre. \$270,000/year estimated net cost savings, \$646,000 in one-time utility incentives, with a 6.4 year payback.

Location

Angus Glen Community Centre. 3990 Major Mackenzie Drive East, Markham, Ontario.

Work to be Performed

Install and integrate a 400kW CHP.

Reason for Work

Utility savings, community resiliency.

Impact on Future Operating Budgets

Positive – expected net savings of \$270,000/year.

Estimated Project Completion Date – September 2019.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Roofing Replacement Projects

Project Number 18101

Estimated Total Cost of Project **\$1,128,100**

Commission Corporate Services

Department Sustainability & Asset Management

Project Description

This project includes roofing and accessories replacement works at various locations throughout the City based on condition assessment and feedback from staff.

Location

Seniors Centre, Markham Theatre, Fire Station 94, 555 Miller Domes, Milliken Mills Community Centre, Angus Glen Community Centre, and Rouge River Community Centre Brown and Pesticide building.

Work to be Performed

Work at the sites varies and will include various work including but not limited to complete roof replacement, localized repairs, EIFS installation, and skylight replacement.

Reason for Work

To maintain the water tightness of the facility which will ensure that the facility operations are not disrupted, and is better able to serve the community.

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 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Library Collections**

Project Number **18196**

Estimated Total Cost of Project **\$2,649,350**

Commission **Community & Fire Services**

Department **Markham Public Library**

Project Description

Collections are the Library's primary product and are made available to all residents. Currency of collections is key to library users, who expect current best-sellers, materials in multiple languages, materials accessible to the print disabled, online databases, eBooks and periodicals.

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. Prior to 2011, this budget item was in the Operating Budget but due to PSAB rules it has been transferred to Capital. From 2015, the periodicals and the electronic resources are included in this project.

Impact on Future Operating Budgets

Negligible.

Estimated Project Completion Date – December 2018.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Asphalt Resurfacing – Annual Program

Project Number 18200

Estimated Total Cost of Project **\$5,933,000**

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

Negligible.

Estimated Project Completion Date – July 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Playstructure Replacement - Annual**

Project Number **18234**

Estimated Total Cost of Project **\$1,254,300**

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.

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.

Estimated Project Completion Date – December 2018.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Corporate Fleet Replacement – Non-Fire

Project Number 18247

Estimated Total Cost of Project \$1,142,600

Commission Community & Fire Services

Department Operations - Fleet

Project Description

This is the annual fleet replacement program for corporate fleet vehicles and equipment from all departments except for Fire Services and Waterworks.

Location

Various locations.

Work to be Performed

The replacement of 12 licensed vehicles, 10 non-licensed equipment units, and various small equipment (e.g. string trimmers, chainsaws).

Reason for Work

Vehicles and equipment identified for replacement as part of this project have met or surpassed their optimal replacement interval threshold and through a condition assessment. Replacement of these vehicles and equipment are required in order to not negatively impact service delivery.

Impact on Future Operating Budgets

There is no impact on future operating budgets as the project is for the replacement of assets already in service. The operating costs associated with these vehicles and equipment units are already accounted for in the existing operating budget.

Estimated Project Completion Date – June 2018.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Flood Control Remediation – Study**

Project Number **18273**

Estimated Total Cost of Project

\$1,274,000

Commission **Community & Fire Services**

Department **Environmental Services - Environmental Assets**

Project Description

To continue with the flood remediation study in Markham Village and Unionville.

Location

Markham Village and Unionville.

Work to be Performed

Storm sewer upgrades including oil and grit separator (OGS) installation.

Reason for Work

Council direction to upgrade the storm sewer system Citywide to 100 year level protection.

Impact on Future Operating Budgets

Negligible.

Estimated Project Completion Date – June 2020.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name SWM Pond Cleaning – Ponds ID#9 & ID#49

Project Number 18277

Estimated Total Cost of Project \$1,136,700

Commission Community & Fire Services

Department Environmental Services – Environmental Assets

Project Description

Sediment cleaning, maintenance and repairs to Stormwater Management (SWM) Pond #9 – East Pond and Pond #49.

Location

Pond #9 – East Pond - South east of Highway 7/Pond DR. and Pond #49 – South west of CNR/McCowan Rd.

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.

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.

Estimated Project Completion Date – December 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **West Thornhill Flood Control Implementation – Ph
2C Construction**

Project Number **18279**

Estimated Total Cost of Project **\$11,900,700**

Commission **Community & Fire Services**

Department **Environmental Services - Environmental Assets**

Project Description

Continuation of the flood remediation program in the West Thornhill area.

Location

Phase 2C of the West Thornhill area – Steeles Avenue East to Meadowview Avenue.

Work to be Performed

Upgrades of the storm pipes and construction of a new head wall at Proctor Park and replacement of existing head at wall at Woodland Park as a result of recent storms.

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.

Estimated Project Completion Date – December 2019.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **CI Watermain Replacement - West Thornhill Ph 2C Construction**

Project Number **18292**

Estimated Total Cost of Project **\$4,519,900**

Commission **Community & Fire Services**

Department **Environmental Services - Waterworks**

Project Description

Replacement of cast iron (CI) watermain that have reached the end of their service life within West Thornhill Phase 2C area.

Location

1. Meadowview Ave (Dudley Avenue to Jewell Street)
2. Grandview Ave (Jewell Street to Yonge Street)
3. Woodward Ave (Jewell Street to Yonge Street)
4. Highland Park Blvd (Jewell Street to Yonge Street)
5. Jewell St (Grandview Avenue to Meadowview Avenue)
6. Dudley Ave (Steeles Avenue East to Meadowview Avenue)
7. Between Grandview Avenue and Woodward Avenue)

Work to be Performed

Replacement of aged cast iron watermain with PVC watermain.

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.

Estimated Project Completion Date – December 2019.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Sanitary Sewers - Rehabilitation**

Project Number **18300**

Estimated Total Cost of Project **\$1,011,000**

Commission **Community & Fire Services**

Department **Environmental Services - 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

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.

Estimated Project Completion Date – June 2019.

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.

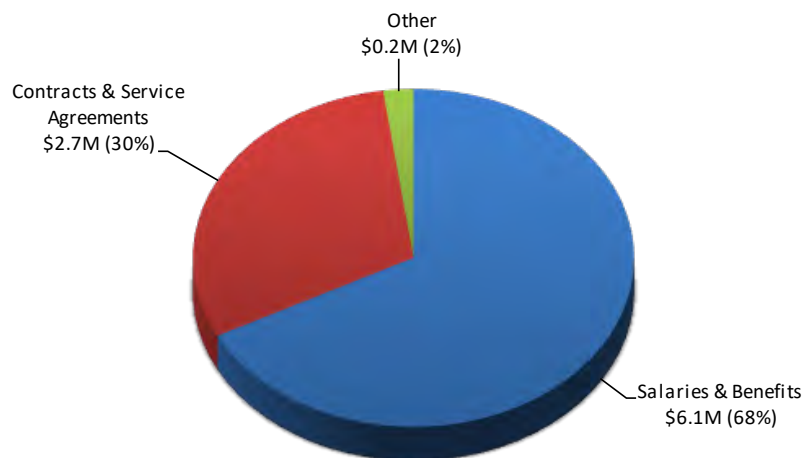
Building Standards Operating Budget

The 2018 Operating Budget for Building totals \$9.0 million before transfer to reserves. This marks an increase of approximately \$0.2 million from the 2017 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. Other expenditures accounts for 2% of the Operating Budget.

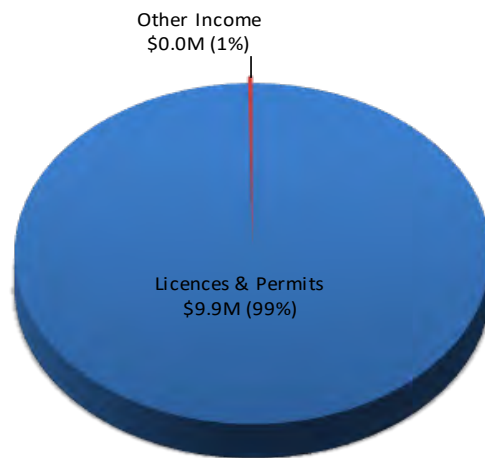
**Building Standards Operating Budget Expenditures by Account
(excluding Transfer to Reserve)
Total \$9.0M**



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 Total \$9.9M



Building Standards Capital Budget

Building Standards does not have any 2018 capital projects.

BUILDING STANDARDS CONSOLIDATED 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenue								
LICENCES & PERMITS	\$9,237	\$7,332	\$8,281	\$9,927	\$1,645	19.9%	\$2,594	35.4%
USER FEES & SERVICE CHARGES	77	100	30	30	-	0.0%	(70)	-69.8%
OTHER REVENUE	(1)	(10)	-	-	-	0.0%	10	-100.0%
Total Revenues	\$9,313	\$7,422	\$8,311	\$9,957	\$1,645	19.8%	\$2,535	34.2%
Expenses								
SALARIES AND BENEFITS	\$5,337	\$5,423	\$5,952	\$6,076	\$124	2.1%	\$653	12.0%
PRINTING & OFFICE SUPPLIES	38	56	57	51	(6)	-10.5%	(5)	-9.4%
OPERATING MATERIALS & SUPPLIES	13	7	24	20	(4)	-15.8%	13	203.4%
COMMUNICATIONS	28	22	36	31	(5)	-14.7%	9	40.1%
TRAVEL EXPENSES	5	5	6	6	-	0.0%	1	11.4%
TRAINING	27	17	26	34	8	30.8%	17	96.2%
CONTRACTS & SERVICE AGREEMENTS	2,569	2,650	2,650	2,743	93	3.5%	93	3.5%
MAINT. & REPAIR - TIME & MATERIAL	-	0	-	-	-	0.0%	(0)	-100.0%
PROFESSIONAL SERVICES	2	6	11	9	(2)	-19.0%	3	49.5%
LICENCES, PERMITS, FEES	26	27	25	28	3	10.0%	0	1.2%
CREDIT CARD SERVICE CHARGES	20	25	15	15	-	0.0%	(10)	-39.0%
PROMOTION & ADVERTISING	-	3	-	6	6	0.0%	3	88.2%
TRANSFERS TO/FROM OWN FUNDS	1,249	(819)	(490)	939	1,429	291.6%	1,758	-214.6%
Total Expenses	\$9,313	\$7,422	\$8,311	\$9,957	\$1,645	19.8%	\$2,535	34.2%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Full Time Complement	54	49	54	54				

Major changes in the 2017 Budget from the 2016 Budget:

Licenses & Permits: Increase is due to approved fee increases effective January 1st, 2018 and an increased number of permits.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Transfers to/(draw from) Reserves: Represents a transfer of the budgeted surplus to Reserve in order 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

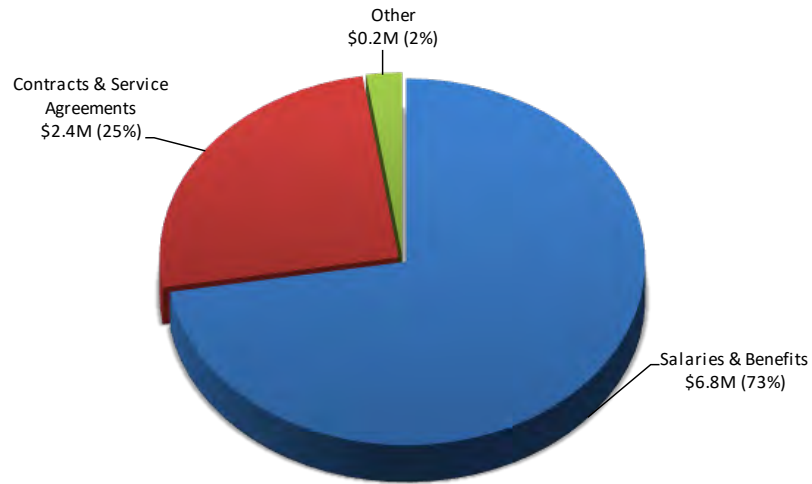
Expenditures

The 2018 Operating Budget for Planning & Design totals \$9.4 million before transfers to reserves, which represents an increase of \$0.7 million from 2017.

The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 73% of the Operating Budget. Contracts & service agreement represents 25% which include indirect costs such as IT support, other department's services and overhead costs. Other expenditures accounts for 2% of the Operating Budget.

**Planning & Design Operating Budget Expenditures by Account
(excluding Transfer to Reserve)**

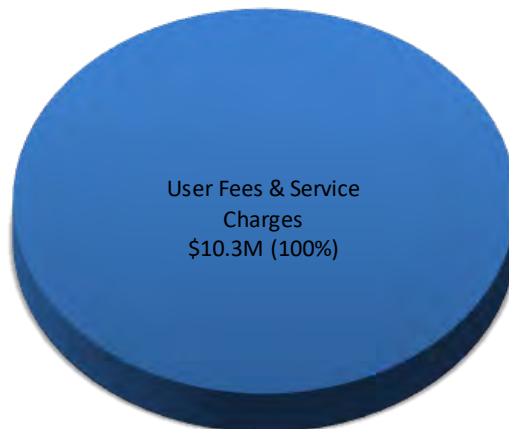
Total \$9.4M



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
Total \$10.3M**





Capital Budget

The 2018 Planning Capital Budget totals \$1.2 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 2018 Design Capital Budget totals \$4.8 million which is primarily funded from Development Charges. The capital projects include the design and construction of 1.6 acres of a new urban park, construction of the final phase of a Multi-Use Pathway and pavilion, washroom and bridge construction in existing parks.

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

PLANNING & DESIGN CONSOLIDATED 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenue								
USER FEES & SERVICE CHARGES	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%
Total Revenues	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
Expenses								
SALARIES AND BENEFITS	\$5,582	\$5,265	\$6,268	\$6,851	\$583	9.3%	\$1,586	30.1%
PRINTING & OFFICE SUPPLIES	31	32	38	35	(3)	-7.6%	4	11.0%
OPERATING MATERIALS & SUPPLIES	5	5	7	6	(1)	-19.2%	1	11.9%
COMMUNICATIONS	10	9	16	12	(4)	-26.2%	3	36.7%
TRAVEL EXPENSES	37	35	29	36	6	22.0%	1	1.7%
TRAINING	7	9	15	15	-	0.0%	6	75.9%
CONTRACTS & SERVICE AGREEMENTS	2,178	2,225	2,225	2,369	143	6.4%	143	6.4%
RENTAL/LEASE	-	-	3	1	(3)	-83.3%	1	0.0%
PROFESSIONAL SERVICES	8	9	39	17	(22)	-57.1%	7	77.6%
LICENCES, PERMITS, FEES	41	42	23	41	18	78.3%	(1)	-2.5%
CREDIT CARD SERVICE CHARGES	5	7	2	5	3	174.3%	(2)	-26.6%
PROMOTION & ADVERTISING	6	2	4	6	2	37.5%	4	159.2%
OTHER EXPENDITURES	3	1	-	4	4	0.0%	3	596.0%
TRANSFERS TO/FROM OWN FUNDS	1,412	2,273	481	898	417	86.7%	(1,375)	-60.5%
Total Expenses	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
Net Expenditures/ (Revenue)	\$0	\$0	(\$0)	\$0	\$0	-100.0%	\$0	0.0%
Full Time Complement	51	40	53	57				

Major changes in the 2018 Budget from the 2017 Budget:

User Fees & Service Charges: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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 transfer of the budgeted surplus to Reserve in order 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.

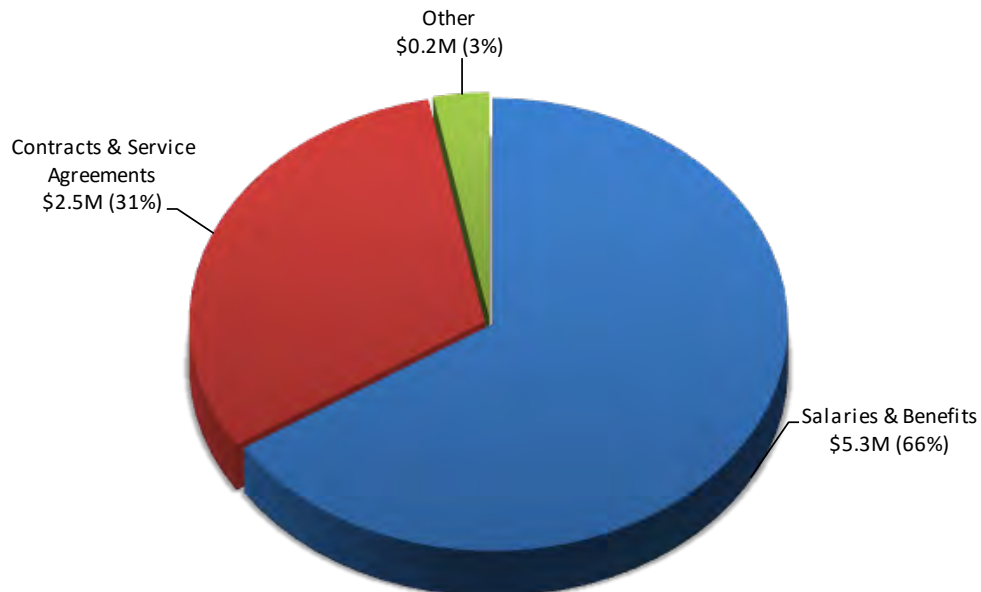
Engineering Operating Budget

Expenditures

The 2018 Operating Budget for Engineering totals \$8.1 million before draw from reserves. This marks an increase of \$0.6 million from the 2017 Operating Budget due to an increase in contract service agreements and salaries and benefits.

The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 66% of the Operating Budget. Contracts & service agreements represents 31% of the Operating Budget which include indirect costs such as ITS support, other department's services and overhead costs. Other expenditures accounts for 3% of the Operating Budget.

**Engineering Operating Budget Expenditures by Account
(excluding Transfer to Reserve)
Total \$8.0M**

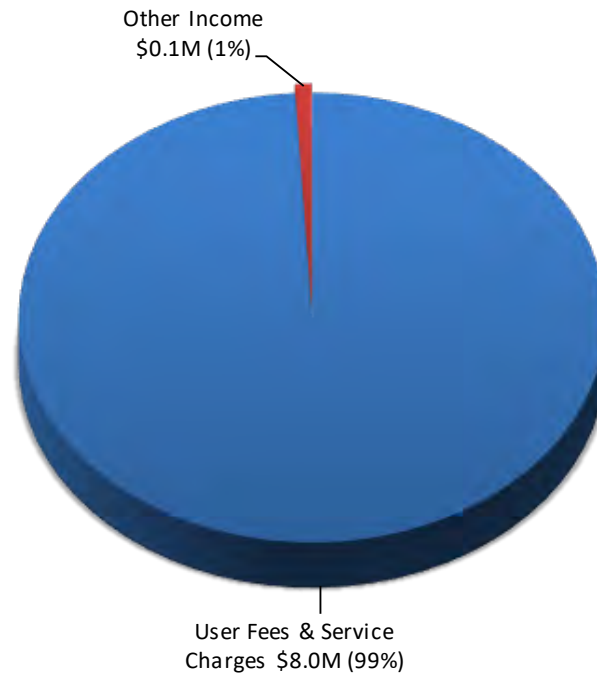


Revenues

The Operating Budget is funded mainly through revenues from user fees & service charges related to Engineering Fees.

Engineering Operating Budget Revenues by Account

Total \$8.1M



Capital Budget

The 2018 Engineering Capital Budget totals \$18.1 million which is primarily funded from Development Charges. The capital projects include multi-use pathways, regional mid-block crossings, sidewalk construction, downstream improvement work, transportation studies and intersection improvements.

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



ENGINEERING CONSOLIDATED 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
Revenue									
USER FEES & SERVICE CHARGES	\$5,814	\$8,263	\$7,205	\$7,938	\$733	10.2%	(\$324)	-3.9%	
RENTALS	2	2	-	-	-	0.0%	(2)	-100.0%	
RECOVERIES & CONTRIBUTIONS	163	232	75	150	75	100.7%	(82)	-35.5%	
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%	
Total Revenues	\$5,978	\$8,497	\$7,280	\$8,088	\$808	11.1%	(\$409)	-4.8%	
Expenses									
SALARIES AND BENEFITS	\$4,165	\$4,656	\$4,927	\$5,306	\$379	7.7%	\$650	14.0%	
PRINTING & OFFICE SUPPLIES	9	8	22	22	(1)	-2.3%	14	171.8%	
OPERATING MATERIALS & SUPPLIES	10	9	13	12	(1)	-9.2%	3	28.8%	
COMMUNICATIONS	19	18	24	22	(1)	-6.0%	4	23.8%	
TRAVEL EXPENSES	14	9	15	15	-	0.0%	6	63.1%	
TRAINING	3	8	15	16	2	10.3%	8	93.9%	
CONTRACTS & SERVICE AGREEMENTS	2,234	2,282	2,282	2,505	223	9.8%	223	9.8%	
MAINT. & REPAIR-TIME/MATERIAL	-	-	3	1	(3)	-83.3%	1	0.0%	
RENTAL/LEASE	3	-	6	5	(1)	-16.7%	5	0.0%	
PROFESSIONAL SERVICES	10	14	15	19	4	24.0%	5	36.6%	
LICENCES, PERMITS, FEES	30	20	32	32	-	0.0%	12	62.0%	
TRANSFERS TO/FROM OWN FUNDS	(522)	1,474	(75)	131	206	274.7%	(1,343)	91.1%	
OTHER EXPENSES	3	(1)	2	4	2	75.0%	4	-797.2%	
Total Expenses	\$5,978	\$8,497	\$7,280	\$8,088	\$808	11.1%	(\$409)	-4.8%	
Net Expenditures/ (Revenue)	\$0	\$0	\$0	\$0	(0)	-100.0%	-	0.0%	
Full Time Complement	40	41	45	47					

Major changes in the 2018 Budget from the 2017 Budget:

User Fees & Service Charges: Increase due to higher construction charges on capital projects and approved fee increases effective January 1, 2018.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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 transfer of the budgeted surplus to Reserve to in order 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.

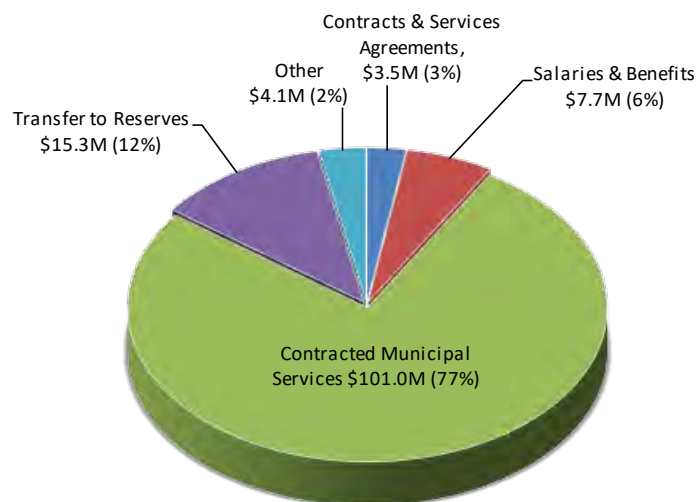
Operating Budget

Expenditures

The 2018 Operating Budget for Waterworks totals \$131.6 million (excluding prior year's surplus). This marks an increase of \$10.5M million over the 2017 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 and to support the Environmental Services – Waterworks department day-to-day operations. Contract & service agreements accounts for 3% of the Operating Budget, which 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.

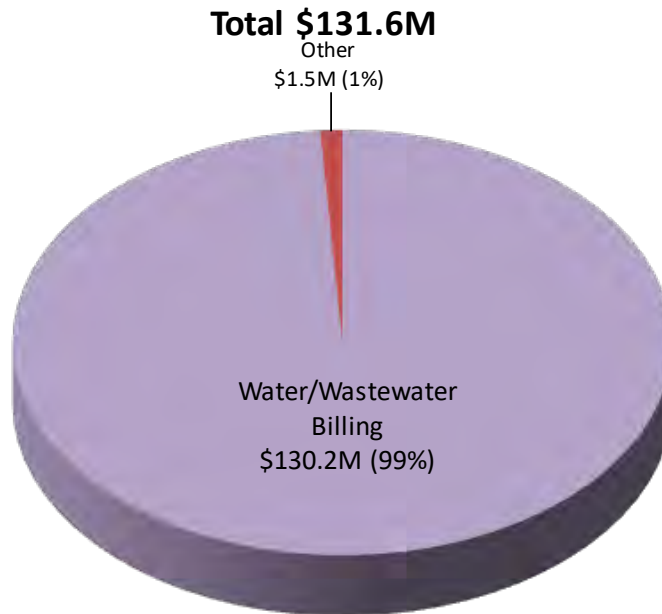
**2018 Operating Budget Expenditures by Account by
\$131.6M**



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 7.5% 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 (6.8% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (0.7% impact).

2018 Operating Budget Revenues By Account



Capital Budget

The 2018 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 2018 capital budget includes funding from Waterworks reserve in the amount of \$10.1 million.



WATERWORKS CONSOLIDATED 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
FINES/BILLINGS	111,708	111,284	119,794	130,221	\$10,427	8.7%	\$18,937	17.0%
USER FEES & SERVICE CHARGES	390	405	581	533	(48)	-8.3%	128	31.5%
SALES	623	542	426	567	141	33.0%	24	4.5%
RECOVERIES & CONTRIBUTIONS	320	371	373	300	(73)	-19.6%	(72)	-19.3%
OTHER REVENUE	22	76	-	14	14	0.0%	(62)	-81.6%
TRANSFERS FROM RESERVES	(622)	(764)	-	-	-	0.0%	764	100.0%
Total Revenues	\$112,442	\$111,915	\$121,173	\$131,634	\$10,461	8.6%	\$19,719	17.6%
Expenses								
SALARIES AND BENEFITS	\$7,482	\$6,777	\$7,594	\$7,729	\$134	1.8%	\$952	14.0%
PRINTING & OFFICE SUPPLIES	27	49	33	34	1	1.5%	(15)	-30.6%
OPERATING MATERIALS & SUPPLIES	161	113	142	246	104	73.1%	133	117.3%
CONSTRUCTION MATERIALS	410	384	612	581	(30)	-4.9%	198	51.5%
UTILITIES	27	36	56	56	0	0.1%	20	55.6%
COMMUNICATIONS	53	55	99	74	(25)	-25.0%	19	34.0%
TRAVEL EXPENSES	22	37	47	47	-	0.0%	10	27.3%
TRAINING	46	60	57	60	3	5.2%	1	1.0%
CONTRACTS & SERVICE AGREEMENTS	3,089	2,647	3,336	3,368	32	0.9%	721	27.2%
MAINT. & REPAIR-TIME/MATERIAL	441	320	413	474	61	14.8%	154	48.2%
RENTAL/LEASE	7	6	6	6	(0)	-6.7%	(0)	-2.0%
PROFESSIONAL SERVICES	77	52	113	117	4	3.1%	65	124.1%
LICENCES, PERMITS, FEES	47	51	57	50	(7)	-11.6%	(1)	-2.3%
CREDIT CARD SERVICE CHARGES	1	2	0	1	1	400.0%	(1)	-38.3%
PROMOTION & ADVERTISING	-	-	3	-	(3)	-100.0%	-	0.0%
CONTRACTED MUNICIPAL SERVICES	83,594	83,793	90,758	100,989	10,230	11.3%	17,196	20.5%
OTHER PURCHASED SERVICES	2,381	2,492	2,404	2,517	114	4.7%	25	1.0%
WRITE-OFFS	4	30	20	5	(15)	-75.0%	(25)	-83.4%
TRANSFERS TO/(DRAW FROM) RESERVES	15,339	15,012	15,424	15,281	(143)	-0.9%	269	1.8%
Total Expenses	\$113,206	\$111,915	\$121,173	\$131,634	\$10,461	8.6%	\$19,719	17.6%
Net Expenditures/(Revenues)	\$764	\$0	\$0	\$0	\$0	0.0%	(\$0)	-100.0%
Full Time Complement	65	61	66	67				

Major changes in the 2018 Budget from the 2017 Budget:

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

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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

Transfers to/(draw from) Reserves: Represents a transfer of the budgeted surplus to Reserve to in order to present a balanced budget.

FINANCIAL POLICIES

POLICY NAME	POLICY SUMMARY	APPENDIX NO.
Financial Planning and Budgeting Policy	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: <ul style="list-style-type: none"> • Operating Budget process guideline • Capital Budget process guideline 	1
Capital Budget Control Policy	Provides the guiding principles to improve the management, administration, and reporting of Capital Projects by defining: <ul style="list-style-type: none"> • Project categories • Standardized percentages for Capital Budgeting funding • Return of surplus funds • Reporting requirements to Council • Process for requesting changes to Capital Projects • Process for requesting closure of Capital Projects 	2
Investment Policy	Covers investment objectives of the City related to: <ul style="list-style-type: none"> • Legality of Investments • Preservation of Principal • Maintenance of Liquidity • Competitive Rate of Return 	3
Development Charge Borrowing Policy	Provides a framework with respect to borrowing funds to complete Development Charge (DC) related capital projects.	4
Investment Allocation Interest Policy	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).	5

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

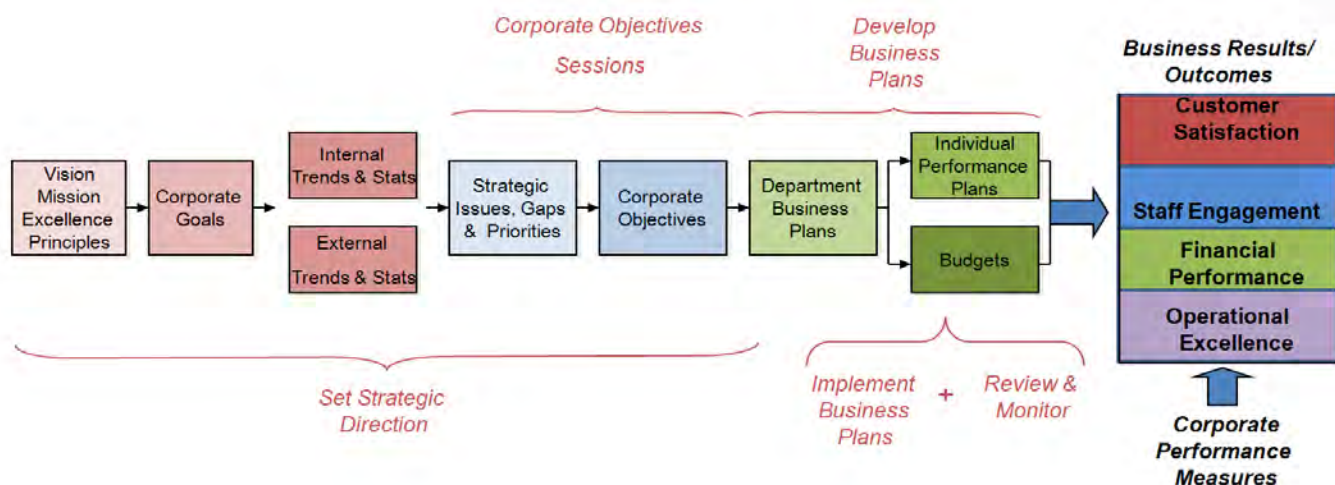
BUSINESS PLAN INTRODUCTION

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

- CAO's Office;
- Corporate Services;
- Development Services; or
- 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 strategic 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:

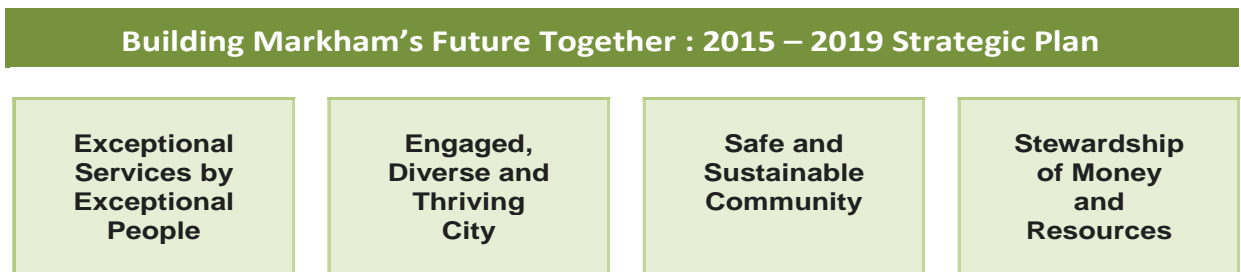
- Linkages to the Corporate Goals, Corporate Objectives and Corporate Actions outlined in the BMFT document
- Departmental Objectives and Departmental Actions, along with the relevant Performance Measures supporting each Corporate Goal

The Corporate Goals were created specifically to define overall success in a balanced manner. The annual Departmental Actions and Performance Measures ensure a Department is aligned to the overarching Corporate Goals.

The Dept BPs are developed and finalized six months in advance of the year in question and prior to the annual budgeting process. Therefore, the most current full-year performance data that can be included for the 2018 plans is 2016, as the Dept BPs are finalized in June, 2017. Completing the business planning process allows resource requirements, such as funding and staffing, to be addressed in the annual budgeting process.

2018 Departmental Business Plan Summary

As highlighted in the Executive Summary, and detailed in Section 2 - Corporate Strategic Plan, the 2018 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 Budgets, Business Plans, Key Performance Measures, and Long-term Business Plans.

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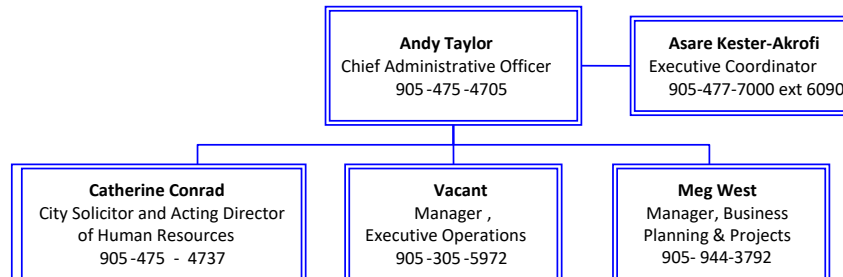
MAYOR AND COUNCIL 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenue								
RECOVERIES & CONTRIBUTIONS	\$59	\$88	\$0	\$0	\$0	0.0%	(\$88)	-100.0%
Expenses								
SALARIES AND BENEFITS	\$2,601	\$2,625	\$2,727	\$2,896	\$170	6.2%	\$271	10.3%
PRINTING & OFFICE SUPPLIES	18	28	23	23	-	0.0%	(5)	-17.4%
OPERATING MATERIALS & SUPPLIES	26	21	12	12	-	0.0%	(9)	-43.3%
VEHICLE SUPPLIES	4	3	3	3	-	0.0%	(0)	-2.4%
COMMUNICATIONS	1	2	15	15	-	0.0%	13	669.0%
TRAVEL EXPENSES	131	169	111	111	-	0.0%	(58)	-34.1%
TRAINING	-	7	6	6	-	0.0%	(1)	-17.9%
CONTRACTS SERVICES AGREEMENTS	-	15	-	30	30		15	97.1%
MAINT. & REPAIR - TIME & MATERIAL	-	-	7	7	-	0.0%	7	0.0%
RENTAL/LEASE	3	3	14	14	-	0.0%	11	354.5%
PROFESSIONAL SERVICES	154	111	159	159	-	0.0%	48	43.7%
LICENCES, PERMITS, FEES	2	2	4	4	-	0.0%	3	161.5%
PROMOTION & ADVERTISING	84	83	18	18	-	0.0%	(65)	-78.7%
OTHER PURCHASED SERVICES	-	-	18	18	-	0.0%	18	0.0%
MISCELLANEOUS EXPENSES	12	12	-	-	-	0.0%	(12)	-100.0%
Total Expenses	\$3,037	\$3,082	\$3,119	\$3,318	\$200	6.4%	\$237	7.7%
Net Expenditures/(Revenues)	\$2,978	\$2,993	\$3,119	\$3,318	\$200	6.4%	\$325	10.9%
Full Time Complement	3	3	3	3				

Major changes in 2018 Budget from the 2017 Budget:

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER (CAO)



The Chief Administrative Officer provides leadership to budgeted full-time staff of 1,105 and approximately 1,646 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 \$456.2 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 Director of Human Resources, the City Solicitor, the Manager Business Planning & Projects and the Manager of Executive Operations (vacant).

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, Business Planning & Projects. 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 commenced by or 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 and advance the interest of the City
- 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 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
Revenues								
USER FEES & SERVICE CHARGES	\$366	\$331	\$245	\$250	\$5	1.9%	(\$81)	-24.4%
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%
OTHER REVENUE	2	4	-	\$2	2	0.0%	(2)	-50.6%
Total Revenues	\$368	\$335	\$245	\$252	\$7	2.7%	(\$83)	-24.7%
Expenses								
SALARIES AND BENEFITS	\$4,158	\$4,383	\$4,592	\$4,558	(\$34)	-0.7%	\$176	4.0%
PRINTING & OFFICE SUPPLIES	14	16	27	24	(3)	-11.5%	7	46.4%
OPERATING MATERIALS & SUPPLIES	81	90	107	97	(9)	-8.8%	8	8.4%
COMMUNICATIONS	9	14	17	16	(0)	-1.7%	2	16.1%
TRAVEL EXPENSES	15	17	32	17	(16)	-48.6%	(0)	-2.6%
TRAINING	285	256	280	310	30	10.6%	53	20.8%
CONTRACTS & SERVICE AGREEMENTS	(190)	(212)	(159)	(163)	(4)	-2.5%	48	22.8%
RENTAL/LEASE	10	10	9	10	2	17.6%	0	4.6%
PROFESSIONAL SERVICES	555	517	545	541	(4)	-0.7%	24	4.6%
LICENCES, PERMITS, FEES	62	58	76	83	7	8.6%	25	42.9%
PROMOTION & ADVERTISING	168	198	237	237	-	0.0%	39	19.6%
OTHER EXPENDITURES	5	9	177	5	(172)	-96.9%	(4)	-40.7%
	\$5,175	\$5,357	\$5,939	\$5,735	(\$204)	-3.4%	\$378	7.1%
Net Expenditures/(Revenues)	\$4,806	\$5,022	\$5,694	\$5,483	(\$211)	-3.7%	\$460	9.2%
Full Time Complement	35	30	31	31				

Major changes in 2018 Budget from the 2017 Budget:

No significant changes.



CAO'S OFFICE – COMMISSION SUPPORT 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
OTHER INCOME	-	-	-	-	-	0.0%	-	0.0%
Total Revenues	-	-	-	-	-	0.0%	-	0.0%
Expenses								
SALARIES AND BENEFITS	\$757	\$627	\$755	\$649	(\$106)	-14.0%	\$22	3.5%
PRINTING & OFFICE SUPPLIES	2	2	3	3	(0)	-5.0%	1	73.9%
OPERATING MATERIALS & SUPPLIES	4	2	4	5	1	21.0%	3	141.9%
COMMUNICATIONS	2	2	4	2	(2)	-45.0%	0	26.3%
TRAVEL EXPENSES	7	10	17	7	(10)	-59.3%	(3)	-28.9%
TRAINING	0	0	4	4	-	0.0%	4	1785.7%
CONTRACTS SERVICES AGREEMENT	(31)	(22)	9	5	(4)	-43.3%	27	123.8%
RENTAL/LEASE	0	0	1	1	-	0.0%	1	1323.1%
LICENCES, PERMITS, FEES	24	17	19	20	1	5.3%	2	13.9%
OTHER EXPENSES	55	53	210	57	(153)	-72.9%	4	7.9%
Total Expenses	\$821	\$691	\$1,026	\$752	(\$274)	-26.7%	\$62	9.0%
Net Expenditures/(Revenues)	\$821	\$691	\$1,026	\$752	(\$274)	-26.7%	\$62	9.0%
Full Time Complement	4	4	3	3				

Major changes in 2018 Budget from the 2017 Budget:

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

HUMAN RESOURCES 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenues								
OTHER REVENUE	\$2	\$4	\$0	\$2	\$2	0.0%	(\$2)	-50.6%
Total Revenues	\$2	\$4	\$0	\$2	\$2	0.0%	(\$0)	-15.2%
Expenses								
SALARIES AND BENEFITS	\$2,071	\$2,180	\$2,329	\$2,197	(\$132)	-5.7%	\$17	0.8%
PRINTING & OFFICE SUPPLIES	7	10	18	15	(3)	-16.5%	4	41.1%
OPERATING MATERIALS & SUPPLIES	60	73	91	76	(16)	-17.0%	3	3.5%
COMMUNICATIONS	5	4	9	5	(4)	-44.7%	0	9.7%
TRAVEL EXPENSES	7	6	9	9	0	0.0%	3	50.5%
TRAINING	282	249	273	296	23	8.5%	48	19.2%
CONTRACTS SERVICES AGREEMENT	(101)	(132)	(111)	(111)	0	0.0%	21	0.0%
RENTAL/LEASE	6	5	4	5	1	24.7%	(0)	-0.4%
PROFESSIONAL SERVICES	246	352	223	232	9	4.0%	(120)	-34.0%
LICENCES, PERMITS, FEES	10	8	18	12	(6)	-33.2%	4	57.0%
PROMOTION & ADVERTISING	168	198	237	237	0	0.0%	39	19.6%
MISCELLANEOUS EXPENSES	0	3	20	0	(20)	-98.8%	(3)	100*%
Total Expenses	\$2,761	\$2,957	\$3,120	\$2,973	(\$147)	-4.7%	\$16	0.6%
Net Expenditures/(Revenues)	\$2,759	\$2,953	\$3,120	\$2,971	(\$149)	-4.8%	\$19	0.6%
Full Time Complement	18	18	17	17				

Major changes in 2018 Budget from the 2017 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.*

Strategic 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 the City's multi-year technology roadmap and the City's digital strategy	Support development of multi-year technology roadmap
		HRIS Conversion Project items- continue to leverage system and program for Bill 148 changes
		Support portal refresh by updating HR sites
		Implement and roll out the upgraded learning management system, develop Employee Personal Information Centre (EPIC) interfaces and use change management practices working with ITS and client groups
1.3 Strengthening Organizational Capacity and Effectiveness	Cascaded action - Align with and support corporate staff satisfaction strategy	Implement a corporate staff satisfaction improvement project, as needed
		Implement department staff satisfaction project
	Continued negotiation of collective agreements	Complete negotiation of collective agreements for the Library and MPFFA
		Implement and roll out changes related to collective agreement as needed
	Compliance with legislative changes	Respond and adopt to legislative changes including Bill 148, changes to parental leave and upcoming cannabis legislation. Roll out new policies, forms and processes to organization and make changes to EPIC.
Build systems to ensure safe workplace for all staff that meet legislative	Continue the development and roll out of Health and Safety Management System policies, procedures and standards	

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
	requirements, reduce health and safety risks	Oversee Recreation Violence Risk Assessment
	Wellness Program	Refresh program framework and develop mechanisms to ensure program is accessible and meets needs of stakeholders, incorporating technology where relevant
	Lead City's People Plan	Performance review refresh - Obtain and respond to refresh feedback
		York Region Municipal Manager Training Consortium Project- Roll out first year of manager training
		Succession planning for Directors and above
		Continue to embed revised core competencies
		Develop a Talent Review process
		Develop a mentoring and reverse mentoring program framework for roll out in 2019
		Continued education about multiple generations in workplace
Identify recruitment refresh areas of priority		

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Participation in, and support of, Exceptional Services by Exceptional People Goal	n/a	On target	On target	On target	On target	Ongoing
Customer service survey- survey execution	0	0	1	1	1	Annual
Customer service survey- overall satisfaction	n/a	n/a	70.2%	87.5%	80%	Annual
Customer service survey- extremely/very satisfied	n/a	n/a	49.5%	60%	50%	Annual
HR staff satisfaction survey- overall satisfaction with City of Markham	n/a	76%	n/a	82.1%	75%	Bi-annually
HR staff satisfaction survey- organizational engagement	n/a	72.5%	n/a	76.7%	75%	Bi-annually
HR staff satisfaction survey- job engagement	n/a	73.8%	n/a	75.2%	75%	Bi-annually
HR staff satisfaction survey- organizational outcome index	n/a	72.6%	n/a	75.6%	75%	Bi-annually
HR staff satisfaction survey- healthy workplace index	n/a	70.2%	n/a	73.9%	75%	Bi-annually
Number of corporate learning hours per HR employee*	8.2	8.9	7.5	10.2	10	
Number of days absent per HR employee	2.3	2.2	3.5	6.5	6.5	
Number of HR employee days lost due to injury	0	0	0	0	0	Annual

* As of 2015, this department metric expanded 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.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Cascaded action - Implement community engagement tools	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 advice and guidance to departments, about initiatives and to York Region as needed on emerging issues related to diversity, inclusion and accessibility
		Offer unconscious bias training in support of diversity and inclusion
		Indigenous focus- First Nation’s day, land acknowledge statement
		Finalize and roll out a regional and municipal diversity statement
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 Markham site	Continued diversity and inclusion support and education for leadership
		Align with, and provide support, as needed

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	Cascaded action - Align with and support related strategies	Align with, and support, as needed
3.2. Managing Growth in Markham	Cascaded action - Align with and support related strategies	Align with, and support, as needed
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded action - Establish department business continuity plans	Maintain and update department business continuity plan and ensure staff are informed of plan
3.4. Protecting and Respecting our Built and Natural Environment	Cascaded action - Align with and support related strategies	Align with, and support, as needed

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	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	Continue to leverage EPIC as much as possible
		Implement and roll out 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 the City's 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
		Finalize and roll out revised Employee Code of Ethics and Conduct policy
	Respond to Auditor General audit requests	In partnership with other stakeholders, prepare for, and respond to, Auditor General audits on HRIS project and payroll processes.

Departmental Performance Measures in support of Goal

	2013	2014	2015	2016	Target	Year
100 City employees to # of HR staff ratio	100 ees to 0.62 HR staff	100 ees to 0.64 HR staff	100 ees to 0.58 HR staff	100 ees to 0.57 HR staff	Below CBoC- 1.66 HR	Ongoing
HR cost per City employee*		\$1,150.04	\$1,077.64	\$996.35	Below CBoC: \$3,114	Ongoing

Total HR budget divided by number of residential households

* Total number of unique employees averaged out over quarters divided by total HR budget

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	Annual
1.2 Transforming Services through Technology and Innovation	Align with and support corporate technology initiatives and multi-year technology road map	Align with and support as needed	Ongoing
		Continue to leverage EPIC and streamline EPIC related processes	2019
		Complete implementation of upgraded learning management system, related interfaces, and changes to roles and processes	2019
1.3 Strengthening Organizational Capacity and Effectiveness	Align with and support corporate staff satisfaction survey (2018, 2020)	Support corporate staff satisfaction improvement project	Ongoing
		Implement a departmental staff satisfaction improvement project	Ongoing
	Compliance with legislative changes	Respond and adopt to legislative changes including Bill 148 and cannabis, rolling out to the organization	2019-20
	Build systems to ensure a 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	Ongoing
	Collective bargaining	Collective bargaining for MPFFA (expires 2019)	2019-20
		Collective bargaining for CUPE Inside, Outside and Library (expires 2020)	2020-21
	Lead City's People Plan	Continue with talent management programs including talent reviews, succession planning, mentoring, new Manager on-boarding program	2019
Roll out recruitment refresh areas of focus		2019-20	

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
		Start to develop and implement knowledge transfer strategies and tools	2019-21
		Continue to educate, adapt and respond to needs of changing demographics in the workplace	2019-2021

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 into emerging areas including indigenous peoples, LGBTQ, newcomers, mental health, multiple generations in workplace	2019-2021
		Support corporate initiatives in the area of diversity, inclusion and accessibility	Ongoing
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 the new York University in Markham	Align with and provide support	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 action - Align with and support related strategies	Align with, and support, as needed	Ongoing
3.2. Managing Growth in Markham	Cascaded action - Align with and support related strategies	Align with, and support, as needed	Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded action - Align with and support related strategies	Maintain and update department business continuity plan and ensure staff are informed of plan	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment	Cascaded action - Align with and support related strategies	Align with, and 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	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	Ongoing
	Cascaded action - Ensure all projects are funded	Ensure all projects are funded	Ongoing
	Cascaded action - Support E3 strategy	Increase revenues or reduce costs as possible, and increase efficiency and effectiveness	Ongoing
	Cascaded action - Ensure services are delivered efficiently	Continue to maximize technology automation opportunities as much as possible	Ongoing
	Cascaded action - Have departmental performance measures in place	Ensure departmental performance measures are in place	Ongoing
4.2. Stewarding of the City's Assets	Cascaded action - Align with and support related strategies	Align with, and provide support, as needed	Ongoing
4.3. Increasing Transparency and Accountability	Cascaded action - Align with and support related strategies	Support corporate value of transparency in work	Ongoing
	Respond to Auditor General requests	Respond to Auditor General requests	Ongoing

LEGAL SERVICES 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2018 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
Revenues								
USER FEES & SERVICE CHARGES	\$366	\$331	\$245	\$250	\$5	1.9%	(\$81)	-24.4%
Total Revenues	\$366	\$331	\$245	\$250	\$5	1.9%	(\$116)	-31.6%
Expenses								
SALARIES AND BENEFITS	\$1,330	\$1,576	\$1,508	\$1,712	\$204	13.5%	\$137	8.7%
PRINTING & OFFICE SUPPLIES	5	4	6	6	-	0.0%	2	49.4%
OPERATING MATERIALS & SUPPLIES	17	15	12	17	5	45.1%	2	14.7%
COMMUNICATIONS	3	8	4	9	5	145.7%	1	17.2%
TRAVEL EXPENSES	0	1	6	1	(5)	-84.9%	(0)	-30.2%
TRAINING	3	8	3	9	6	197.0%	2	25.8%
CONTRACTS & SERVICE AGREEMENTS	(58)	(58)	(58.1)	(58)	-	0.0%	-	0.0%
MAINT. & REPAIR - TIME & MATERIAL	-	1	-	-	-	-	(1)	-100.0%
RENTAL/LEASE	4	4	4	4	1	12.8%	(0)	-1.3%
PROFESSIONAL SERVICES	260	119	269	257	(12)	-4.3%	139	116.8%
LICENCES, PERMITS, FEES	29	33	39	51	12	29.4%	18	55.0%
Total Expenditures	\$1,593	\$1,710	\$1,793	\$2,009	\$216	12.1%	\$299	17.5%
Net Expenditures/(Revenues)	\$1,227	\$1,379	\$1,547	\$1,759	\$212	13.7%	\$380	27.6%
Full Time Complement	10	10	11	11				

Major changes in 2018 Budget from the 2017 Budget:

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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 clients
	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, Enforcement and Licensing 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
	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
1.3 Strengthening Organizational Capacity and Effectiveness	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 – Performance Management

Departmental Performance Measures in support of Goal	2014	2015	2016	Target	Year
Improvement in selected driver over two year periods (Team Rec)	66.7		73		
Improvement in selected driver over two year periods (Work Env)	52		74.6	5%	2018
Staff Recognition (combined)	70.1		68.7	75.1	2018
Staff Satisfaction	86.4		88.1	87	2018
Organizational Engagement	81.0		87.4	85	2018
Job Engagement	84.2		87.1	85	2018
Healthy Work Environment Index	70.4		73.2	75.4	2018

Performance measures obtained from the staff satisfaction survey conducted every 2 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.

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	N/A	N/A
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 the Memorandum of Agreement 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
		Development of comprehensive zoning by-law to implement the City's new Official Plan
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
		Supporting the enforcement of the City's by-laws and prosecution of offences.
3.4. Protecting and Respecting our Built and Natural Environment	Support the establishment of Rouge National Urban Park	Support the implementation of the Rouge Park through legal agreements, conveyances, etc. as required
		Implementation of the new Plan, ensuring a sound approach to parkland dedication, acquisition and delivery over the next 25 years
	Establishment of the MUP, and stewardship of valleys	Support implementation of the MUP etc. through leases, expropriation, licences, conveyances and Permission to Enter documents as required

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Number of Provincial Offences Act prosecutions conducted	133	222	180	244	190	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	Efficient use of resources	Work with Finance and other departments to clearly identify roles and responsibilities for issues affecting real property, including leases and licences
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	Through strategic positioning, 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
4.3. Increasing Transparency and Accountability	Improve transparency with subsidiaries	Working with MDEI and MEC to improve transparency, while ensuring necessary confidentiality

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	Ongoing
		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	Ongoing
		Implement the Corporate Staff Satisfaction Project – Performance Management	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	Support the implementation of the "Corporate Community Engagement Plan"	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
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	Ongoing
		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.

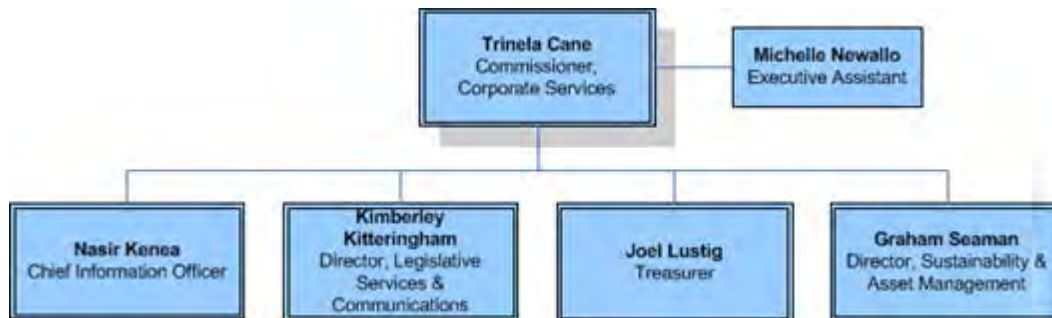
Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Participate in the development of a Markham Centre Parking Strategy	Implement recommendations through agreements, By-laws and/or Parking Authority	2019-2020
3.2. Managing Growth in Markham	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
		Development of comprehensive zoning by-law to implement the City's new Official Plan	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
		Support the implementation of the strategy	Ongoing
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	Ongoing
		Implementation of the new Plan, ensuring a sound approach to parkland dedication, acquisition and delivery over the next 25 years	Ongoing
		Support implementation of the MUP etc, through leases, expropriations, licences, conveyances and Permission to Enter documents, as required.	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	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	N/A	
	Acquisition of strategic parcels for City purposes or land banking purposes	Through strategic positioning, 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	N/A	

CORPORATE SERVICES



The Corporate Services Commission is responsible for the delivery of financial, administrative, technical and facility services that enhance the performance of our customers and partners. This is accomplished through the fulfillment of fiduciary and legislative responsibilities of the Corporation, timely, accurate, and complete analysis, strategic advice and information, project implementation and support, asset management and front line services to customers.

The Commission has a full time complement of 177 employees across four departments, each with their own areas of expertise and responsibility:

- Information Technology Services
- Financial Services
- Legislative Services and Corporate Communications
- 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 is comprised 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 effective financial management and stewardship of City resources.

The Department is comprised of 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 & Corporate Communications Department plays an important liaison role between Council, staff and the public, and provides a variety of services, including by-law enforcement, corporate customer service (Contact Centre), and municipal election administration. Our team of communication professionals manage 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 comprised of five divisions:

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





Sustainability & Asset Management

The Sustainability & Asset Management Department is responsible for managing the corporate sustainability agenda through effective facility management and automation, and municipal and community-based initiatives to reduce energy consumption, and greenhouse gas emissions. The department manages the City asset management plan to ensure optimal lifecycle planning, as well as large capital projects for City facilities.

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 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
LICENCES & PERMITS	\$1,592	\$1,631	\$1,745	\$1,753	\$8	0.5%	\$122	7.5%
INCOME FROM INVESTMENTS	26	25	25	28	3	12.1%	3	10.2%
FINES	3,231	2,970	3,066	3,396	331	10.8%	427	14.4%
USER FEES & SERVICE CHARGES	1,707	1,624	1,608	1,785	177	11.0%	161	9.9%
RENTALS	188	196	185	193	8	4.1%	(3)	-1.4%
SALES	47	118	30	46	16	53.3%	(72)	-61.1%
RECOVERIES & CONTRIBUTIONS	282	227	689	672	(17)	-2.5%	445	196.3%
OTHER REVENUE	80	161	21	42	21	99.6%	(120)	-74.0%
INTERDEPARTMENTAL RECOVERIES	-	-	(66)	(73)	(7)	11.3%	(73)	-100.0%
SOLAR REVENUE	314	298	275	275	-	0.0%	(23)	-7.7%
ELECTRIC VEHICLE CHARGING STATION	2	2	1	1	-	0.0%	(1)	-48.3%
Total Revenues	\$7,469	\$7,251	\$7,579	\$8,118	\$539	7.1%	\$867	12.0%
Expenses								
SALARIES AND BENEFITS	\$18,575	\$18,325	\$19,454	\$20,352	\$897	4.6%	\$2,026	11.1%
PRINTING & OFFICE SUPPLIES	97	120	208	118	(90)	-43.3%	(2)	-1.8%
PURCHASES FOR RESALE	73	95	87	79	(8)	-9.2%	(16)	-16.6%
OPERATING MATERIALS & SUPPLIES	197	135	202	200	(2)	-0.7%	66	48.7%
UTILITIES	680	627	711	688	(23)	-3.3%	61	9.8%
COMMUNICATIONS	846	917	988	965	(23)	-2.4%	49	5.3%
TRAVEL EXPENSES	33	40	63	57	(7)	-10.4%	16	39.9%
TRAINING	53	83	164	159	(5)	-2.9%	76	92.3%
CONTRACTS & SERVICE AGREEMENTS	2,678	2,604	2,389	2,907	518	21.7%	303	11.6%
MAINT. & REPAIR-TIME/MATERIAL	1,211	1,465	1,426	1,490	64	4.5%	25	1.7%
RENTAL/LEASE	111	116	122	115	(7)	-5.9%	(1)	-0.5%
PROFESSIONAL SERVICES	442	413	453	430	(23)	-5.1%	17	4.1%
LICENCES, PERMITS, FEES	124	135	114	136	22	19.8%	1	1.0%
CREDIT CARD SERVICE CHARGES	43	47	23	44	21	90.1%	(4)	-7.6%
PROMOTION & ADVERTISING	185	181	190	182	(8)	-4.0%	1	0.5%
OTHER PURCHASED SERVICES	-	-	4	-	(4)	-100.0%	-	100.0%
WRITE-OFFS	3	(0)	-	-	-	0.0%	0	-100.0%
TRANSFERS TO/(FROM) OWN FUNDS	225	211	186	186	-	0.0%	(25)	-12.0%
KEY COMMUNICATION PROGRAMS	309	360	432	429	(3)	-0.6%	69	19.2%
OTHER EXPENDITURES	1	1	2	0	(1)	-80.0%	(0)	-50.1%
Total Expenses	\$25,887	\$25,873	\$27,217	\$28,537	\$1,320	4.8%	\$2,664	10.3%
Net Expenditures/(Revenues)	\$18,418	\$18,622	\$19,638	\$20,419	\$781	4.0%	\$1,797	9.7%
Full Time Complement	158	150	177	177				

Major changes in 2018 Budget from the 2017 Budget:

Fines: Increased parking violations.

User Fee & Service Charges: Increase in the mortgage administrative fee.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Contracts & Service Agreements: Increase in software and licensing contracts in IT Services and ADP payroll system.



FINANCIAL SERVICES 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
USER FEES & SERVICE CHARGES	\$1,145	\$1,064	\$995	\$1,207	\$211	21.2%	\$142	13.4%
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%
OTHER REVENUE	8	0	-	-	-	0.0%	(0)	-100.0%
Total Revenues	\$1,153	\$1,065	\$995	\$1,207	\$211	21.2%	\$142	13.3%
Expenses								
SALARIES AND BENEFITS	\$4,653	\$4,574	\$5,012	\$5,263	\$251	5.0%	\$689	15.1%
PRINTING & OFFICE SUPPLIES	64	67	76	66	(10)	-12.8%	(0)	-0.5%
OPERATING MATERIALS & SUPPLIES	(118)	(141)	(109)	(119)	(11)	9.7%	22	15.7%
COMMUNICATIONS	5	5	5	5	1	12.9%	0	5.0%
TRAVEL EXPENSES	3	1	3	3	-	0.0%	2	154.4%
TRAINING	0	4	20	17	(3)	-16.6%	13	100.0%
CONTRACTS & SERVICE AGREEMENTS	65	228	94	222	128	135.5%	(7)	-2.8%
MAINT. & REPAIR-TIME/MATERIAL	2	2	3	3	(0)	-10.6%	1	64.3%
RENTAL/LEASE	5	5	5	6	1	23.7%	1	20.4%
PROFESSIONAL SERVICES	114	87	119	119	(1)	-0.4%	31	36.0%
LICENCES, PERMITS, FEES	87	86	89	94	5	5.0%	7	8.4%
CREDIT CARD SERVICE CHARGES	12	13	13	13	-	0.0%	0	2.8%
OTHER EXPENSES	1	1	-	-	-	0.0%	(1)	-100.0%
Total Expenses	\$4,894	\$4,931	\$5,331	\$5,691	\$361	6.8%	\$761	15.4%
Net Expenditures/(Revenues)	\$3,741	\$3,866	\$4,336	\$4,485	\$149	3.4%	\$619	16.0%
Full Time Complement	49	45	50	50				

Major changes in 2018 Budget from the 2017 Budget:

User Fee & Service Charges: Increase in the mortgage administrative fee.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Contracts & Service Agreements: Increase relates to the City's payroll system (ADP).

FINANCIAL 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 through technology	<ul style="list-style-type: none"> • Continue the development of the four remaining HTML Tax forms (Charity Rebate Application, Heritage Property Tax Reduction Application, Separate School Support Lease and Application for Direction of School Support) • Continue the development of the fully integrated online applications, with the implementation of the TXM integrated mailing address & ownership change form • Continue to promote the marketing campaign to generate awareness of e-billing as the preferred method of property tax bill delivery. The 2018 goal is to stabilize future postage and printing costs and increase tax accounts registered for e-billing from 7.8% to 10.0%. Ongoing • Continue to promote and educate customers on paying property taxes at a bank or online through internet banking. 2018 Goal – property tax payments made at the Cash Counter ≤ 5%. • Analyze options and develop a strategy to phase out in-person cash payments at the Civic Centre. Ongoing • Analyze options and develop a strategy to phase out personal cheque payments City-wide. Ongoing • Complete the implementation of the electronic contract management tool that; tracks contract terms, notifies vendors when new insurance documents are required, and generates contract award letters. • In partnership with ITS, issue a tender in 2018 and rollout capital budget software system in Q1 2019 for the 2020 capital budget process. • Complete letters of credit survey. • Support the Customer Experience Strategy. Ongoing
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	<ul style="list-style-type: none"> • Obtain ELT approval and, in partnership with ITS, initiate the implementation of an A/P software solution that reduces transaction costs in Accounts Payable. Issue RFP in Q4 and implement in 2019 • Investigate the replacement of the current paper based staff expense reimbursement process with an online process to eliminate data entry in Finance.

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 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	<ul style="list-style-type: none"> Investigate and assess the feasibility of implementing Electronic Fund Transfers for vendor invoice payments.
		<ul style="list-style-type: none"> Investigate the ability to electronically approve (sign) Purchase Orders, eliminating the need to print Purchase Orders for approval.
		<ul style="list-style-type: none"> Investigate the cost and functionality of an investment tracking software.
		<ul style="list-style-type: none"> Support the implementation of online tax receipts as part of the new theatre ticketing software Q4
		<ul style="list-style-type: none"> Support the implementation of the Digital Markham technology roadmap. Ongoing
1.4 Strengthening Organizational Capacity and Effectiveness	To improve Staff satisfaction	<ul style="list-style-type: none"> Based on the feedback received through the 2018 Staff Satisfaction Survey, Finance staff will identify the areas of improvement. Ongoing
		<ul style="list-style-type: none"> Support the recommendations of the City's People Plan. Ongoing

Departmental Performance Measures in Support of Goal	2013	2014	2015	2016	Target	Year
% of Finance applications available (in an HTML format) that are completed and submitted online	21.4%	28.6%	50.0%	71.0%	100%	2018
% of Finance HTML Applications Submitted Online (uptake)	11.0%	29.0%	47.6%	46.6%	85.0%	2018
% of Integrated Finance Applications	0%	7.1%	7.1%	7.1%	21.0%	2018
% of Property Accounts enrolled in E-Billing	-	-	1.0%	3.7%	13.0%	2019
% of Property Tax Payments made at Cash Counter	-	7.9%	6.6%	6.5%	≤5.0%	2018
% of Procurement bid documents submitted online	-	37.9%	43.3%	44.3%	100%	2020
% of Procurement bids meeting the established Project Process Workflow timelines	-	79.7%	79.9%	75.3%	85.0%	Ongoing
Average Cost per A/P transaction processed	\$7.58	\$7.30	\$7.40	\$7.59	\$6.00	2018
Overall customer satisfaction with Finance (annual divisional surveys)	70.0%	85.0%	71.8%	92.6%	80.0%	Ongoing
Staff Satisfaction with the City of Markham	-	68.5%	-	71.5%	80.0%	Ongoing
Staff Satisfaction (Engagement Drive Average)	-	66.2%	-	68.8%	80.0%	Ongoing
Organizational Outcome Index from Staff satisfaction survey	-	65.4%	-	67.7%	80.0%	Ongoing
Healthy Work Environment Index from Staff Satisfaction survey	-	67.8%	-	68.3%	75.0%	Ongoing
Staff Absenteeism (days)	-	2.6	4.2	1.9	≤8.4	Ongoing
Staff Turnover	10.4%	4.2%	6.1%	0.0%	≤7.5%	Ongoing
Number of learning hours per regular full time employee	2.4	5.9	2.4	2.6	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	N/A
2.2 Ensuring Markham is Welcoming and Inclusive	N/A	N/A
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Create an environment to attract new development	<ul style="list-style-type: none"> • Provide support and financial advice on the development of the York University Markham campus.
		<ul style="list-style-type: none"> • Participate in the development of a strategy for Destination Markham.

Departmental Performance Measures in Support of Goal	2013	2014	2015	2016	Target	Year
% point differential between tax rate increase & CPI (December, Toronto All Items) A negative figure reflects a tax rate increase that is less than CPI.	0.50	0.84	0.23	0.44	= CPI	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
3.1 Managing our Transportation and Road Network	N/A	N/A
3.2 Ensuring Markham is Welcoming and Inclusive	Support the development of Sustainable and Integrated Growth Plans	<ul style="list-style-type: none"> • Investigate a community improvement plan to stimulate large office development. Q2 (Mark) • Provide support and strategic advice on the Future Growth Areas. Ongoing • Support the implementation of the Rouge National Urban Park utilizing the new financial framework for revenue in lieu of property taxes. Ongoing • Partner with Building Services to automate the development growth forecasting process for assessment revenue projections.
3.3 Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Support the update of the Greenprint Strategy. 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
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	<ul style="list-style-type: none"> • Initiate an analysis (every 5 years) and re-evaluation of the Stormwater Fee / Rate, as a result of growth, updated construction and program costs. Complete analysis in Q4 and report to Council in 2019. • Support ITS during the PCI implementation requirements. • Review the Chart of Accounts to ensure the departmental and corporate financial reporting needs are being met. • With ITS and the various User Departments complete the Cayenta system upgrade from version 7.5.2 to version 7.9.0. • Develop training plan for new/enhanced features of Cayenta & roll-out to all users. • Partner with ITS and other Business Units in the replacement of the program/facility booking system and the Point of Sale (POS) cashiering system. Finalize vendor selection and begin implementation in 2018 with a go live date of 2019. • Review and update the standardized contingency % for capital projects. • Continue to pursue E3 opportunities. • Engage with stakeholders and the hotel industry regarding the potential of a Municipal Accommodation Tax (MAT). • Develop a Financial Strategy to define the City's Financial Vision including key principals that will direct the development of future budgets and ensure the City long-term financial viability. • Develop a four-year operating budget forecast for the years 2019-2022.
4.2 Stewardship of the City's Assets	Ensure adequate funding for City Assets	<ul style="list-style-type: none"> • Update the Life Cycle Reserve to identify the need for additional infrastructure investment in 2019 in order to sustain the future rehabilitation and replacement requirements for the next 25 years. • Support the Enterprise Asset Management/Hansen replacement.

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
<p>4.3 Increasing Transparency and Accountability</p>	<p>Ensure the accountability of the Financial Services processes and polices</p>	<ul style="list-style-type: none"> • Continue to review and update Financial Services policies as required. • Including: Procurement Bylaw , Accounts Receivable Collections • Develop a Cash Handling Policy <ul style="list-style-type: none"> ○ Develop a Change Float Procedure ○ Develop Cash Handling Procedural Manual • Assist with the development of a Suspected Waste, Fraud or Wrongdoing Policy • Assist with the development of a Security Camera Placement Review) • Implement the Auditor General's Alectra contract recommendation from the Water Revenue audit and indirectly support the other audit recommendations. • Develop a Cash-in-Lieu of Parkland Expenditure Policy. • Develop a Land Acquisition Strategy and associated Policy. • Develop a Refundable Deposits Policy • Determine the impact of CETA/CFTA requirements on the General Terms and Conditions (GTC) and the Procurement Bylaw and ensure compliance by Q2. • Determine the impact of Bill 142 on the GTC, Procurement Bylaw and the A/P process by Q2. Ensure compliance once final proclamation dates are determined. • Implement the Auditor General's recommendations for the Procurement Vendor Management audit. • Implement the Auditor General's recommendations for the Cash Handling Audit. • Support the Auditor General in the HRIS project and Payroll audit and commence the implementation of the recommendation(s).

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
		<ul style="list-style-type: none"> Support the Auditor General in the Development Charges audit and commence the implementation of the recommendation(s). Indirectly support the Auditor General's audit of the Physical Infrastructure & Assets.

Departmental Performance Measures in Support of Goal	2013	2014	2015	2016	Target	Year
Approved vs. prior year forecast of Lifecycle budget	93.6%	98.2%	88.4%	81.6%	90.0%	Ongoing
Average annual budget variance (%) of all closed capital projects to initial approved budget	-	29.0%	21.0%	25.0%	<10.0%	Ongoing
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
% of invoices paid through P Card	-	38.7%	37.0%	43.5%	60.0%	2020
Annual P Card Charge Dollar Volume	-	\$4.4M	\$4.1M	\$4.2M	\$10.0M	2020
Total Taxes Receivable less Allowance for Uncollectibles as a % of Total Taxes Levied	5.4%	5.0%	4.7%	4.3%	>-5.0%	Ongoing
Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees	177.9%	169.7%	157.0%	136.6%	>20.0%	Ongoing
Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses	73.1%	56.7%	51.0%	45.4%	<5.0%	Ongoing
Total Cash and Cash Equivalents as a % of Current Liabilities	134.5%	79.6%	107.0%	103.9%	<10.0%	Ongoing
Debt Servicing Cost as a % of Total Operating Revenue	0.2%	0.2%	0.2%	0.3%	>10.0%	Ongoing
Asset Consumption Ratio	18.3%	18.8%	19.4%	19.9%	>50.0%	Ongoing
Operating Surplus Ratio	47.4%	34.2%	39.4%	17.6%	>=0%	Ongoing
Properties with overdue tax levies as % of total properties	8.8%	8.2%	6.2%	6.3%	<10.0%	Ongoing
Financial Position Per Capita	\$1,327	\$1,285	\$1,296	\$1,223	>\$1,000	Ongoing
Debt per \$100,000 of Assessment	\$18	\$22	\$20	\$17	\$0	Ongoing
Total Property Tax Per Capita	-	\$1,125	\$1,157	\$1,268	<\$1,450	Ongoing
Reserves as a % of Revenues	89.7%	64.7%	59.0%	49.0%	80.0%	Ongoing
Net Cost per household to operate municipality	\$1,161	\$1,204	\$1,217	\$1,251	\$1,257	2017
% of Letters of Credit processed within 5 days	88.9%	91.2%	92.1%	96.0%	95.0%	Ongoing

FINANCIAL 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 through technology	<ul style="list-style-type: none"> Continue to promote e-billing as the preferred method of Property Tax bill delivery, with the goal to increase enrollment from 10% to 13% in 2019 and to stabilize postage/ printing costs. 	2019
		<ul style="list-style-type: none"> Continue to promote and educate customers on paying property taxes at a bank or online through internet banking. The 2019 goal is dependent on the outcome of the 2018 in person payment project. 	2019
		<ul style="list-style-type: none"> Implement strategy to phase out in-person cash payments at the Civic Centre 	2019/20
		<ul style="list-style-type: none"> Develop City-wide phase-out plan for personal cheques 	2019/20
		<ul style="list-style-type: none"> Investigate opportunities to integrate Financial Services forms within one system i.e. Purchase Order Adjustment Form (POAF)/ Capital/Operating Acquisition Transmittal (COAT) / Staff award report. 	2019
		<ul style="list-style-type: none"> Investigate a replacement for the current operating budget database. 	2020
		<ul style="list-style-type: none"> In partnership with ITS, implement a software system for the 2022 operating budget process. 	2021
		<ul style="list-style-type: none"> Complete customer service follow-up survey for reporting of monthly financial statements. 	2019
		<ul style="list-style-type: none"> Complete customer service surveys for Capital Budget system and Procurement Plan. 	2020
		<ul style="list-style-type: none"> Complete customer service surveys for Point of Sale Cash Management services 	2020
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	<ul style="list-style-type: none"> Implement investment tracking software, if feasible. 	2019
		<ul style="list-style-type: none"> Implement an online and self entry business expense reimbursement tool to eliminate the paper form. 	2019
1.3 Strengthening Organizational Capacity and Effectiveness	To improve Staff Satisfaction	<ul style="list-style-type: none"> Based on the feedback received through the 2018 Staff Satisfaction survey, Finance staff will implement improvements. 	2019
		<ul style="list-style-type: none"> Support the recommendation of the People Plan. 	2019/21

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 City's Community Engagement Plan	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Maintain a competitive tax rate increase	<ul style="list-style-type: none"> Complete the Development Charges Background Study and associated By-laws. 	2022

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	N/A	
3.2. Managing Growth in Markham	Support the development of Sustainable and Integrated Growth Plans	<ul style="list-style-type: none"> Initiate the implementation of an assessment growth projection tool. 	2019/20
3.3. Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	<ul style="list-style-type: none"> Participate as required in the Emergency Management Exercise and Training. 	2019-21

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.*

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	N/A	
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Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	<ul style="list-style-type: none"> Report back to Council on the re-evaluation of the Stormwater Fee / Rate, as a result of growth, updated construction and program costs. 	2019
		<ul style="list-style-type: none"> Implement changes to the Chart of Accounts to ensure the departmental and corporate financial reporting needs are being met. 	2019
		<ul style="list-style-type: none"> Implement the new program/facility booking system and Point of Sale (POS) cashiering system. 	2019
		<ul style="list-style-type: none"> Continue to pursue E3 opportunities 	2019-21
4.2. Stewardship of the City's Assets	N/A	N/A	
4.3. Increasing Transparency and Accountability	Ensure the accountability of the Financial Services processes and polices	<ul style="list-style-type: none"> Continue to review and update Financial Services policies as required 	2019-21
		<ul style="list-style-type: none"> Ensure the City's Procurement and A/P processes comply with Bill 142 requirements. 	2019
		<ul style="list-style-type: none"> Implement the Auditor General's recommendations for the Development Charges and Payroll audits. 	2019
		<ul style="list-style-type: none"> Indirectly support the Auditor General's audit of the Building and Development Review Process 	2019

INFORMATION TECHNOLOGY SERVICES 2018 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2016 Actual</u>	<u>2017 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>	<u>2018 Bud. vs. 2017 Bud.</u>		<u>2018 Bud. vs. 2017 Act.</u>		
					<u>\$ Incr./((Decr.)</u>	<u>% Change</u>	<u>\$ Incr./((Decr.)</u>	<u>% Change</u>	
Revenues									
SALES	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
RECOVERIES & CONTRIBUTIONS	-	-	-	-	-	0.0%	-	0.0%	
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses									
SALARIES AND BENEFITS	\$4,087	\$4,150	\$4,281	\$4,458	\$176	4.1%	\$307	7.4%	
PRINTING & OFFICE SUPPLIES	3	2	11	5	(6)	-54.3%	3	152.7%	
OPERATING MATERIALS & SUPPLIES	9	12	16	19	3	19.1%	6	50.9%	
COMMUNICATIONS	503	536	601	578	(23)	-3.8%	42	7.9%	
TRAVEL EXPENSES	6	2	10	10	-	0.0%	8	413.4%	
TRAINING	18	42	65	65	-	0.0%	23	56.0%	
CONTRACTS & SERVICE AGREEMENTS	1,103	1,034	1,052	1,295	243	23.1%	262	25.3%	
MAINT. & REPAIR-TIME/MATERIAL	769	914	913	989	76	8.3%	75	8.2%	
RENTAL/LEASE	1	1	2	2	-	0.0%	1	132.5%	
PROFESSIONAL SERVICES	93	120	111	111	-	0.0%	(9)	-7.6%	
LICENCES, PERMITS, FEES	1	2	2	2	-	0.0%	0	3.9%	
MISCELLANEOUS EXPENSES	-	-	-	-	-	0.0%	-	0.0%	
Total Expenses	\$6,592	\$6,815	\$7,064	\$7,534	\$470	6.6%	\$942	14.3%	
Net Expenditures/(Revenues)	\$6,592	\$6,815	\$7,064	\$7,534	\$470	6.6%	\$942	14.3%	
Full Time Complement	34	32	34	34					

Major changes in 2018 Budget from the 2017 Budget:

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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

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
<p>1.1 Improving Customer Service</p>	<p>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</p>	<ul style="list-style-type: none"> • Complete a formal customer satisfaction survey, identify action areas • Complete the Portal Redesign - 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 on-line payment and POS • Continue the project to replace the CRM/ACR System - To track, route and manage citizen inquiries and requests to deliver improved service to customers • Undertake additional system application/hardware upgrade/replacement or implementation as identified, including: <ul style="list-style-type: none"> • Upgrade Fire Dispatch System • Implement Administrative Monetary Penalties System (AMPs) Phase 2 – To adjudicate municipal licensing infractions • Implement upgrade of AMANDA application – To manage property/licensing/compliance • Continue Learning Management System (LMS) implementation – Data migration for additional Business Units to manage and track learning objectives and activities • Support the Customer Experience Strategy
<p>1.2 Transforming Services through Technology and Innovation</p>	<p>Implement optimized and innovative technology solutions that mitigate business risks and are cost effective</p>	<ul style="list-style-type: none"> • Continue Digital Strategy Implementation – Implement recommendations of the digital strategy for the City within the yearly scope as defined in the Digital Strategy technology roadmap.

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
		<ul style="list-style-type: none"> • Implement GIS (Geographical Information Systems) Strategy – To enhance the use of GIS applications and services across the corporation • Continue implementation of 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 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
1.3 Strengthening Organizational Capacity and Effectiveness	Implement and maintain secured, efficient and reliable information technology infrastructure To foster an engaging and supportive work environment that enables staff excellence through	<ul style="list-style-type: none"> • Provide the necessary technology support for 2018 municipal election • 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 • Continue to develop and test an IT disaster recovery plan to support business continuity in case of a disaster • Participate in emergency Management Exercise and Training, as required • Based on the feedback received through the 2018 Staff Satisfaction Survey, ITS staff will identify the areas for improvement • 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.*

Corporate Objective	Departmental Objective	Departmental Action
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enhanced collaboration and high performance

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of formal customer satisfaction surveys completed	0	1	1	1	1 a year	Ongoing
Overall satisfaction (satisfied and above) for formal survey(s) completed (%)	n/a	94%	81%	95%	≥ 80%	Ongoing
Average extremely/very satisfied for formal survey(s) completed (%)	n/a	68%	n/a	66%	≥ 35%	Ongoing
# of informal satisfaction surveys completed	12	12	12	12	12	Ongoing
Average customer satisfaction % (satisfied/very satisfied) – informal surveys	94%	94%	93%	96%	≥ 75%	Ongoing
Call abandonment at Service Desk	17%	15%	14%	11%	10%	Ongoing
Average number of answered calls by Service Desk/month	903	946	850	771	n/a	Ongoing
Calls resolved on first contact at Service Desk	52%	46%	46%	47%	50%	Ongoing
Incidents resolved within severity-based set targets	93%	94%	94%	94%	85%	Ongoing
Administrative requests resolved within severity-based set targets	95%	96%	96%	97%	85%	Ongoing
Staff absenteeism	4.1	7.3	4.2	4.6	<8.4	Ongoing
Number of learning hours per regular full time employee	13	2.5	2.1	4.5	20	Ongoing
Staff satisfaction	n/a	72%	n/a	83%	≥ 80%	Ongoing
Organizational Outcome Index from Staff satisfaction survey	n/a	72.1%	n/a	81.8%	≥ 80%	Ongoing
Healthy Work Environment Index from Staff Satisfaction survey	n/a	68.9%	n/a	76.6%	≥ 75%	Ongoing
Staff Turnover	0.0%	6.1%	2.9%	5.9%	≤ 7.5%	Ongoing
Business continuity service achievement (%)	99.98%	99.93%	99.91%	99.99%	99.95%	Ongoing
Technology Changes implemented successfully (%)	n/a	98%	97%	96%	90%	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
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2.1. Increasing Community Engagement

Enable and support Business Units with information and communication technology solutions that facilitate community

- Implement and enhance Social Media tools for increased digital engagement with the community
- Continue to implement Corporate Content Management System (CMS) – For Public EIB/Displays and Marquees at City Facilities.

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
	engagement and services to diverse population	<ul style="list-style-type: none"> • Continue to deploy technology infrastructure for South East Community Centre and Library.
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	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	<ul style="list-style-type: none"> • Continue to leverage the Digital Alliance Group to identify, promote and develop partnerships with key stakeholders

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	N/A
3.2. Managing Growth	N/A	N/A
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A
3.4. Protecting our Built and Natural Environment	N/A	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
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Pursue responsible financial and resource management practices	<ul style="list-style-type: none"> • Implement a Capital Budgeting system for Finance Dept. (Eclipse module) • Obtain PCI Requirement Certification – To attest to completion of PCI compliance requirements • Investigate and initiate implementation of an Accounts Payable Automation solution • Implement upgrade of Cayenta financial management application • Continue to pursue E3 opportunities
4.2. Stewardship of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	<ul style="list-style-type: none"> • Complete the replacement of additional Hardware Lifecycle items as identified <ul style="list-style-type: none"> -Smart phone -Library 3M equipment • Complete replacement of user computers across the City (Desktop, Laptop, Tablet, Thin Client) including Operating System, MS Office and browser, encryption etc. • Infrastructure System upgrades including: AD, Exchange, Enterprise Vault, VMWare and Citrix • Complete replacement of the Safire System – For records storage and location management
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	<ul style="list-style-type: none"> • Continue the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish related processes and governance • Implement required changes based on Auditor General Cyber Security Report to enhance the Cyber Security posture of Information Technology infrastructure for the City of Markham

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	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.	2020
		• Continue to implement items from Portal/Mobile App roadmap – to expand and enhance the Portal and Mobile App experience.	2019/20
		• Continue replacement of the CLASS System – To manage recreation programs and facilities, including on-line payment and POS.	2019
		• Continue enhancement of CRM/ACR replacement system - To track, route and manage citizen inquiries and requests.	2019
		• Undertake additional system application/hardware upgrade, replacement or implementation as identified.	2019-21
		• Support the Customer Experience Strategy.	2019-21

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	Departmental Action	Year
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	<ul style="list-style-type: none"> 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. 	2019
		<ul style="list-style-type: none"> Continue Digital Strategy Implementation – Implement recommendations of the digital strategy for the City within the yearly scope as defined in the Digital Strategy technology roadmap. 	2019-21
		<ul style="list-style-type: none"> Continue investigation and implementation of Electronic Document Management /Sharepoint solution (input from records and retention policy). 	2019
1.3 Transforming Services through Technology and Innovation	Implement and maintain secured, efficient and sustainable information technology infrastructure	<ul style="list-style-type: none"> Review the technology experience for the 2018 municipal election; determine lessons learned, document recommendations for the future 	2019
		<ul style="list-style-type: none"> Continue to enhance, test and refine an IT disaster recovery plan to support business continuity in case of a disaster 	2019-21
1.4 Strengthening Organizational Capacity and Effectiveness	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	<ul style="list-style-type: none"> Based on the feedback received through the 2018 Staff Satisfaction Survey, ITS staff will implement the areas for improvement 	2019
		<ul style="list-style-type: none"> Based on the feedback received through the 2020 Staff Satisfaction Survey, ITS staff will identify and implement the areas for improvement 	2020/21
		<ul style="list-style-type: none"> Continue to support the recommendations of the corporate People Plan. 	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	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population	<ul style="list-style-type: none"> Continue to implement and enhance Social Media tools for increased digital engagement with the community 	2019/20
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	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	<ul style="list-style-type: none"> Continue to leverage the Digital Alliance Group to identify, promote and develop partnerships with key stakeholders 	2019-21

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	N/A	
3.2. Managing Growth	N/A	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A	
3.4. Protecting our Built and Natural Environment	N/A	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	<ul style="list-style-type: none"> • Maintain technology requirements for PCI Certification – ensure compliance requirements are upheld for new or updated systems 	2019-21
		<ul style="list-style-type: none"> • Complete implementation of an Accounts Payable Automation solution 	2019
		<ul style="list-style-type: none"> • Continue to pursue E3 opportunities 	2019-21
4.2. Stewardship of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	<ul style="list-style-type: none"> • Complete the replacement of additional Hardware Lifecycle items as identified 	2019-21
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	<ul style="list-style-type: none"> • Continue the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish/enhance related processes and governance 	2019-21
		<ul style="list-style-type: none"> • Continue to implement required changes based on Auditor General Report to enhance the Cyber Security posture of the Information Technology infrastructure for the City of Markham. 	2019
4.4.		<ul style="list-style-type: none"> • 	

LEGISLATIVE SERVICES AND COMMUNICATIONS 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenues									
LICENCES & PERMITS	\$1,592	\$1,631	\$1,745	\$1,753	\$8	0.5%	\$122	7.5%	
INCOME FROM INVESTMENTS	26	25	25	28	3	12.1%	3	10.2%	
FINES	3,231	2,970	3,066	3,396	331	10.8%	427	14.4%	
USER FEES & SERVICE CHARGES	561	559	612	578	(34)	-5.6%	19	3.4%	
RENTALS	76	76	77	79	2	2.6%	3	4.5%	
SALES	38	110	30	26	(4)	-13.3%	(84)	-76.4%	
RECOVERIES & CONTRIBUTIONS	328	329	672	672	-	0.0%	343	104.2%	
OTHER REVENUE	6	17	-	4	4	0.0%	(13)	-76.3%	
INTER-DEPARTMENTAL RECOVERIES	-	-	(73)	(73)	-	0.0%	(73)	0.0%	
Total Revenues	\$5,858	\$5,717	\$6,154	\$6,463	\$310	5.0%	\$747	13.1%	
Expenses									
SALARIES AND BENEFITS	\$7,971	\$7,699	\$8,140	\$8,422	\$282	3.5%	\$723	9.4%	
PRINTING & OFFICE SUPPLIES	28	49	114	40	(\$74)	-64.6%	(8)	-16.8%	
PURCHASES FOR RESALE	73	95	87	79	(\$8)	-9.2%	(16)	-16.6%	
OPERATING MATERIALS & SUPPLIES	206	156	182	189	\$7	3.7%	32	20.6%	
COMMUNICATIONS	331	362	363	362	(\$1)	-0.2%	0	0.0%	
TRAVEL EXPENSES	16	22	24	19	(\$5)	-20.1%	(2)	-10.4%	
TRAINING	33	32	53	52	(\$1)	-2.4%	20	63.2%	
CONTRACTS & SERVICE AGREEMENTS	694	606	483	637	\$154	31.9%	32	5.2%	
MAINT. & REPAIR-TIME/MATERIAL	54	102	46	49	\$4	7.6%	(52)	-51.4%	
RENTAL/LEASE	105	109	115	107	(\$8)	-7.0%	(2)	-2.0%	
PROFESSIONAL SERVICES	227	206	223	200	(\$23)	-10.3%	(6)	-2.8%	
LICENCES, PERMITS, FEES	34	39	15	31	\$16	108.7%	(8)	-19.4%	
CREDIT CARD SERVICE CHARGES	31	34	10	30	\$20	208.1%	(4)	-12.5%	
PROMOTION & ADVERTISING	185	181	189	182	(\$8)	-4.0%	1	0.3%	
OTHER PURCHASED SERVICES	-	-	4	-	(\$4)	-100.0%	-	100.0%	
OTHER EXPENDITURES	6	-	2	0	(\$1)	-80.0%	0	0.0%	
TRANSFERS TO OWN FUNDS	-	-	-	-	\$0	0.0%	-	0.0%	
KEY COMMUNICATION PROGRAMS	309	360	432	429	(\$3)	-0.6%	69	19.2%	
Total Expenses	\$10,302	\$10,051	\$10,482	\$10,830	\$348	3.3%	\$779	7.7%	
Net Expenditures/(Revenues)	\$4,444	\$4,334	\$4,328	\$4,366	\$38	0.9%	(\$32)	-0.7%	
Full Time Complement	59	56	73	73					

Major changes in 2018 Budget from the 2017 Budget:

Fines: Increase in parking violations.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Contracts & Service Agreements: Increase in MTO searches relating to parking violations.

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
<p>1.1 Improving Customer Service</p>	<p>Provide excellent resident & business customer service.</p>	<ul style="list-style-type: none"> • Support the Customer Experience Strategy, Digital Strategy and People Plan & participate in the development & implementation of the standard protocol for creating a consistently welcoming environment at all City locations. • Develop Service Level Agreements between the Contact Centre with internal Departments (as required) to align with the customer experience strategy. • Create, formalize & communicate service delivery standards in Corporate Communications. • Undertake a follow-up client survey for Corporate Communications. • Complete an internal survey of staff on the effectiveness of new portal intranet. • Develop a Communications Plan for the People Plan. • Ensure the proper legislative and administrative conduct of the 2018 Municipal Election. • Undertake customer surveys in the following areas; Municipal Elections, Licensing & Standards, Corporate Communications. • Partner with ITS in the replacement of the CLASS system.
<p>1.2 Transforming Services through Technology & Innovation</p>	<p>Leverage technology solutions to improve efficiencies.</p>	<ul style="list-style-type: none"> • Actively participate in the implementation of multi-year technology roadmap by being involved in the Digital Markham project. Provide communications support to same. • Implement E-agenda system (eScribe) for the Corporation (Standing Committee & Council agendas). • Explore different options for the future of Markham Life magazine - including transitioning it from a print to a digital format.

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

1.3 Strengthening Organizational Capacity & Effectiveness

Improve staff satisfaction

- Expand the Corporate E-Alerts resident & stakeholder database (6,000 names by 2018).
- Implement Corporate Communications Service Request System & On-line Event Application system
- Detailed succession plan for future staffing needs & develop knowledge transfer strategies.
- Based on the feedback received through the 2018 Staff Satisfaction Survey, Legislative Services staff will identify areas of improvement for implementation in 2018 & 2019.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Healthy workplace environment index (from staff survey)	n/a	66%	n/a	n/a	≥ 75%	Ongoing
Recognition rating (from staff survey)	n/a	58%	n/a	65%	≥ 65%	Ongoing
Staff satisfaction rating (from staff survey)	n/a	69%	n/a	67%	≥ 80%	Ongoing
Average corporate learning hours per employee	3.7	3.2	4.0	4.4	20	Ongoing
Staff turnover rate	4%	7.5%	0.0%	7.2%	≤ 7.5%	Ongoing
Average sick days (staff absenteeism)	7.4	7.2	5.0	7.9	≤ 8.4	Ongoing
Average overall customer satisfaction for formal survey(s) completed (%)	n/a	84%	n/a	n/a	≥ 80%	Ongoing
Percentage of customer call-backs (follow up on cases)	10%	11%	11%	17%	10%	2016
Percentage of calls answered in the Contact Centre within 30 seconds (excluding switchboard)	70%	70%	68%	69%	70%	Ongoing
Percentage of calls resolved on the first call	85%	86%	86%	86%	86%	Ongoing
Number of pet licences issued (includes new licences & renewals)	4,683	4,383	3,281	4,675	5,000	2019
Number of freedom of information requests received	90	130	73	107	80	2018
Number of freedom of information appeals received	1	4	2	1	2	2018
Number of insurance claims received	117	124	123	121	120	Ongoing
Number of marriage licences issued	1,625	1,621	1,509	1,521	1,600	2018
Number of marriage licences returned due to error	n/a	n/a	n/a	5	3	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	<ul style="list-style-type: none"> Provide support & guidance to senior staff on implementation of the Corporate Community Engagement Plan & tools.
2.2. Ensuring Markham is Welcoming & Inclusive	Support Everyone Welcome Program.	<ul style="list-style-type: none"> Based on a review of the City's Ground Transportation options (UBER, Limos and Taxicabs), incorporate accessibility requirements into a new legislative model.
2.3. Promoting Markham as the Best Place in Canada to Invest & Locate Knowledge-based Industries	Support Markham York University campus.	<ul style="list-style-type: none"> Lead the City of Markham's communications & marketing efforts for the York University project.
	Create Destination Markham	<ul style="list-style-type: none"> Promote Markham's brand through research & related promotional strategies in support of a Destination Markham Strategy.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Total number of bookings for the wedding chapel	315	300	257	287	350	2019
Total number of bookings for the wedding room	280	233	205	211	250	2019
Percentage of new Advisory Committee members that self-identify as being a member of diverse community*	n/a	56%	52%	50%	72%**	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	N/A
3.2. Managing Growth in Markham	N/A	N/A
3.3. Ensuring the Reliability of the Corporation's Services	Improve safety in communities.	<ul style="list-style-type: none"> • 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. • Participate in the Business Continuity Plan Implementation - to minimize Legislative Services disruptions in case of an emergency situation. • Review of regulatory matters regarding the shared economy (e.g. UBER, AirBnB, etc.).
3.4. Protecting & Respecting our Built & Natural Environment	Ensure the protection of Markham's wildlife & preserve natural habitat.	<ul style="list-style-type: none"> • Complete Wildlife Services Inventory for the City of Markham (2016 deferred action).

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Number of lost days due to injury	0	1	0	0	0	Ongoing
Number of orders issued (includes zoning standards, by-law standards, & property standards)	1,117	1,099	1,545	887	1,100	Ongoing
Number of stationary business inspections	1,739	2,080	2,317	5,661	6,000	2019
Number of mobile business inspections	575	586	4,323	3,453	6,000	2019
Number of Provincial Offences Act prosecutions conducted	133	222	180	244	190	2018
Number of Fire Code prosecutions conducted	3	4	15	21	20	2018
Number of Building Code prosecutions conducted	10	10	10	14	15	2018
Number of heritage prosecutions conducted	3	1	2	4	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	<ul style="list-style-type: none"> 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. Implement the Corporate Sponsorship Strategy across departments where sponsorship opportunities are present. Target increase in non-tax revenue through corporate & facility sponsorship \$40,000 – 2018. Target increase in non-tax revenue through facility advertising \$10,000 – 2018.
4.2. Stewardship of the City's Assets	Support a sustainable records management program.	
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	<ul style="list-style-type: none"> Continue corporate-wide review & update of existing policies & procedures.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Average dollar per parking penalty notice	n/a	n/a	\$61	n/a	\$58	2018
Number of parking penalty notices issued	n/a	n/a	13,803 (Oct-Dec)	52,755	55,000	2018
Number of parking penalty notices cancelled	n/a	n/a	87 (Oct-Dec)	1999	1800	2018
Dollar value of parking penalty notices cancelled	n/a	n/a	\$4,030	n/a	\$20,000	2018
Number of Code of Conduct complaints (requested with the Integrity Commissioner)	0	1	1	2	0	Ongoing
Number of closed meeting investigations	1	0	0	0	0	Ongoing

LEGISLATIVE SERVICES AND COMMUNICATIONS BUSINESS 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	• Provide orientation to new Council for the term of 2018-2022.	2019
		• Undertake customer surveys in the following areas; Mobile businesses 2019; Advisory Committees 2020.	2019/ 2020
		• Plan for the successful administration of the 2022 Municipal Election.	2020/ 2021
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.	2019- 2021
		• Continued communications support of the multi-year technology roadmap, Digital Markham strategy	2019- 2021
		• Implement plan for transition of Markham Life magazine from print to digital format	2019- 2021
		• Continued expansion of Corporate E-Alerts resident & stakeholder database- - 7,500 names 2019 - 10,000 names 2020	2019- 2020
1.3 Strengthening Organizational Capacity & Effectiveness	Improve staff satisfaction	• Continue succession planning for future staffing needs	2019/ 2020
		• Based on the feedback received through the 2018 Staff Satisfaction Survey, Legislative Services staff will identify areas of improvement for implementation in 2019.	2019
		• Undertake improvement projects arising from 2020 Staff Satisfaction survey.	2020

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	<ul style="list-style-type: none"> Implement the multi-year communications strategy based on BMFT direction & branding research 	2019
2.2. Ensuring Markham is Welcoming & Inclusive	Ensure all services are fully accessible.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> Support the development of the York University campus. 	2019/ 2020
	Create Destination Markham	<ul style="list-style-type: none"> Confirm & promote Markham's current brand through research & related promotional strategies in support of a Destination Markham Strategy 	2019- 2021

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	Departmental Action	Year
3.1. Managing our Transportation & Road Network	N/A	N/A	
3.2. Managing Growth in Markham	N/A	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.	2019
		• Provide effective communications tools for residents about community emergencies & significant service issues	2019-2021
		• Participate in emergency Management Exercise & Training, as required.	2019-2021
3.4. Protecting & Respecting our Built & Natural Environment	N/A	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.	<ul style="list-style-type: none"> Administer Election Rebate Program. 	2019
	Support the E3 Strategy Refresh	<ul style="list-style-type: none"> Implement the Corporate Sponsorship Strategy across departments where sponsorship opportunities are present. 	2019-2021
		<ul style="list-style-type: none"> Target increase in non-tax revenue through corporate & facility sponsorship \$80,000 – 2019 \$120,000 – 2020 	2019/2020
		<ul style="list-style-type: none"> Target increase in non-tax revenue through facility advertising \$20,000 – 2019 \$30,000 – 2020 	2019/2020
4.2. Stewarding of the City's Assets	Support a sustainable records management program.	N/A	
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	<ul style="list-style-type: none"> Continue corporate-wide review & update of existing policies & procedures. 	2019-2021

SUSTAINABILITY AND ASSET MANAGEMENT 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
OTHER REVENUE	\$144	\$172	\$155	173	\$18	11.7%	\$1	0.5%
SOLAR REVENUE	314	298	275	275	-	0.0%	(23)	-7.7%
Total Revenues	\$458	\$470	\$430	\$448	18	4.2%	(\$22)	-4.7%
Expenses								
SALARIES AND BENEFITS	\$1,508	\$1,548	\$1,645	\$1,741	\$96	5.8%	\$192	12.4%
PRINTING & OFFICE SUPPLIES	2	3	5	4	(1)	-10.4%	1	52.4%
OPERATING MATERIALS & SUPPLIES	101	107	113	112	(1)	-0.6%	5	4.5%
UTILITIES	680	627	711	688	(23)	-3.3%	61	9.8%
COMMUNICATIONS	8	13	19	18	(0)	-0.7%	5	37.3%
TRAVEL EXPENSES	0	5	10	8	(2)	-17.1%	3	65.3%
TRAINING	2	6	22	22	-	0.0%	17	301.7%
CONTRACTS SERVICES AGREEMENTS	825	744	768	761	(7)	-1.0%	17	2.2%
MAINT. & REPAIR - TIME & MATERIAL	386	447	464	449	(15)	-3.2%	2	0.3%
RENTAL/LEASE	-	1	0	-	(0)	-100.0%	(1)	-100.0%
LICENCES, PERMITS, FEES	2	7	4	6	2	37.9%	(1)	-17.3%
OTHER EXPENDITURES	226	211	186	187	1	0.5%	(24)	-11.5%
Total Expenses	\$3,740	\$3,720	\$3,947	\$3,996	49	1.3%	\$277	7.4%
Net Expenditures/(Revenues)	\$3,282	\$3,250	\$3,517	\$3,548	31	0.9%	\$299	9.2%
Full Time Complement *	-	15	18	18				

* New organization structure, effective January 1st, 2017

Major changes in 2018 Budget from the 2017 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	<ul style="list-style-type: none"> Analyze results from previous surveys undertaken and implement changes to improve services to achieve 80% customer satisfaction. Conduct at least one customer service survey. Improve Asset Database map printing services so that customers can order and pay on-line, restructure fees to be cost neutral or revenue positive (carry-over from 2017).
1.2 Transforming Services through Technology and Innovation	Support Digital Markham roadmap	<ul style="list-style-type: none"> Support the implementation of the multi-year technology roadmap via Digital Strategy Action Item 5.4 – Smart City Buildings. Support the implementation of the Enterprise GIS strategy and advancement of GIS technology to improve customer service, operational efficiency and make better informed business decisions. Participate in the Enterprise Asset Management software update - For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures. Support the Customer Resource Management software project as needed. Collaborate with the ePlan team and their clients to ensure GIS digitization is efficient and accurate.
	Continue to implement the recommendations of the Centralized Building	<ul style="list-style-type: none"> Use Corporate BAS Design Specification to replace/retrofit BAS while continuing to optimize energy use and performance improvements

	Automation Systems Study	for operators and building occupants with a target of \$58,000 in energy savings for 2018. Update target for 2019 and onward
1.3 Strengthening Organizational Capacity and Effectiveness	Implement "Corporate People Plan"	<ul style="list-style-type: none"> Achieve remote accessibility and functionality to 17 of 18 BAS facility systems to provide improved facility support and trouble shooting.
	Increase staff satisfaction and engagement within the department	<ul style="list-style-type: none"> Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT). Based on the feedback received through the 2018 Staff Satisfaction Survey, Sustainability & Asset Management staff will identify the areas of improvement.
	Seek efficiencies in City wide maintenance contracts	<ul style="list-style-type: none"> In advance of contract end dates – develop and refine contract terms and requirements to improve and simplify management, user decision making and better manage costs based on current internal best practices. Continue to ensure all users are updated in contract changes and expectations as part of the Life Cycle training session.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Number of learning hours per regular full time employee	10.0	7.6	7.8	11.4	20.0	Ongoing
Staff Absenteeism (Average # of days per employee)	8.0	5.3	7.3	5.7	≤ 8.4	Ongoing
Staff Turnover	n/a	n/a	n/a	4.3%	≤ 7.5%	Ongoing
Overall Customer Satisfaction	n/a	n/a	n/a	76% *	80%	2018
Average # of days for facility work orders to be completed	6	8	6	4	7	2018
Third party recognition for sustainability excellence	n/a	n/a	n/a	n/a	1 award	Ongoing
Healthy Work Environment Index	n/a	70.0%	n/a	69.0%	≥75%	2018
Organizational Outcome Index from Staff satisfaction survey	n/a	89.6%	n/a	81.3%	90%	2018
Percent of staff that have completed Corporate Sustainability Education e-learning modules	n/a	n/a	10%	70%	50%	Ongoing

*Battle of the Building Survey

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	<ul style="list-style-type: none"> Support the Corporate Volunteer Management Plan. Make use of available corporate community engagement tools.
	Support the development and implementation of the Community Activation Framework	<ul style="list-style-type: none"> Support Corporate Communications and Community Engagement in coordinating integrated community event engagement in order to provide a more cost and resource effective one stop public engagement service. Evaluate our role and area of focus community engagement
2.2 Ensuring Markham is Welcoming and Inclusive	Support inclusivity in our facilities	<ul style="list-style-type: none"> Participate in the development of corporate diversity and inclusion statement. Initiate the universal change room project at Milliken Mills CC - design phase.
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	<ul style="list-style-type: none"> Support the development of the York University campus. Participate in the development of the Destination Markham Strategy.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Awareness - We will improve community Greenprint/general sustainability awareness.	1,280	6,051	1,429	1,562	1,000	2017
Education - We will improve community sustainability education. Measured by event participation, Enviro-Pac sign-outs and other measures	43	1,341	1,198	1,482	2,000	2017
Engagement - Number of Sustainability volunteers.	18	29	4	7	10	2017
Engagement - Sustainability volunteer accumulated hours	n/a	227.5	27	56	100	2017
Engagement - Sustainability Program participation	179	380	75	n/a	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	N/A	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Work with FUA Stakeholders to finalize and begin implementation of the Community Energy Plan that supports the objectives of the Municipal Energy Plan.
3.3 Ensuring the Reliability of the Corporation's Services	Support the development of a comprehensive and integrated enterprise risk management program encompassing Business Continuity and Emergency Management	<ul style="list-style-type: none"> 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 needs as well as the Corporation's needs.
	Lead implementation of our Security Improvement Plan	<ul style="list-style-type: none"> Implement approved recommendations from the security review and ensure appropriate security programs and resources are in place to provide improved corporate security needs across the City. Identify improvement requirements of the security video capture system and policies to comply with the relevant privacy legislation.
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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> Review progress to date, develop new strategies/goals and complete draft of CEMP update by Q4 2018. Finalize CEMP and make public by July 1, 2019. Design and implement Angus Glen CHP by Q4 2019 to achieve an estimated \$270,000 per year net cost saving Continue to support the Electric Vehicle Workplace Pilot Project with Alectra and

Continue to implement the Municipal Energy Plan	the IESO and recruit at least 10 EV users for the program.
	<ul style="list-style-type: none"> Develop and implement a number of small pilot projects/partnerships to engage and activate our community to begin achieving Net Zero Energy Emissions by 2050.
	<ul style="list-style-type: none"> Continue to seek funding to support the MEP project (MOECC Funding) Continue to support Markham's role in addressing the 2023 forecasted 150MW electricity demand shortfall.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of days lost due to injury	3	0	24	3	0	Ongoing
Corporate Facility GHG Emissions per square feet	5.03	5.42	4.59	n/a	TBD	2018
Corporate Greenhouse Gas Emissions per capita (direct and indirect, includes energy, waste and water)	36.18%	34.99%	33.50%	31.18%	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	<ul style="list-style-type: none"> Continually pursue cost reduction and revenue improvement opportunities, develop robust business case with risk assessment as necessary.
4.2 Stewardship of the City's Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	<ul style="list-style-type: none"> Lead the development of Markham's Asset Management Plan as required by Provincial regulation by O Reg.588/17 due by July 2019. Apply best practice climate change elements to this plan. Support Auditor General Physical Asset Audit and implement recommendations pertaining to physical assets.
4.3 Increasing Transparency and Accountability	N/A	N/A

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
% capital projects that adheres to Financial Policies	n/a	97%	88%	69%	>=85%	TBD
Energy Savings	\$96,570	\$120,000	\$118,000	\$280,000	\$144,000	2018
Energy Revenues (2016 & 2017 includes Solar lease of \$80,250)	\$213,000	\$201,000	\$238,000	\$300,970	\$300,000	2018

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.	2019-2021	
		• Support Customer Experience Strategy actions, as required.	2019-2021	
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	
		• Adhere to the Corporate BAS Design Specification with native BACnet web-based BAS, and 1 of the 2 approved BAS vendors when replacing or retrofitting BAS.	2019-2021	
		Support Digital Markham roadmap	• Implement Asset Management Software.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	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.	2019-2021
		Increase staff satisfaction and engagement within the department	• Participate in corporate staff satisfaction survey and identify and implement improvement opportunities.	2019-2021

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	Departmental Action	Year
2.1. Increasing Community Engagement	N/A	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	<ul style="list-style-type: none"> 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	N/A	
3.2. Managing Growth in Markham	Managing Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	<ul style="list-style-type: none"> Participate in Sustainable and Integrated Growth Management Projects, as required. 	2019-2021
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	<ul style="list-style-type: none"> Work with Planning and Engineering to ensure best practise climate change adaptations are addressed in the Future Urban Area. 	2019
		<ul style="list-style-type: none"> Form and lead the team to conduct a Corporate/Community extreme weather resilience inventory. Obtain LEED or BOMA certification - for Civic Centre. 	2019

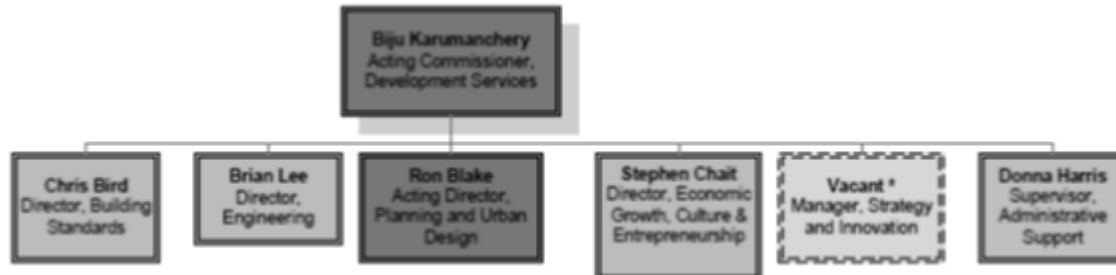
		<ul style="list-style-type: none"> • Develop a longer term facility resilience plan. 	2019
		<ul style="list-style-type: none"> • Develop a Sustainable purchasing/materials selection list. 	2019
	Develop and maintain a Business Continuity Plan that identifies essential services and resources	<ul style="list-style-type: none"> • Participate in Emergency Management Exercise and Training, as required. 	2019-2021
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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • Implement operational and capital projects as per the Corporate Energy Management Plan. 	Ongoing
	Implement the Municipal Energy Plan to achieve net zero 2050	<ul style="list-style-type: none"> • Lead the Corporate Energy Team to continuously improve corporate energy performance, monitoring and reporting to meet the budgeted annual utility rate and volumes. 	Ongoing
		<ul style="list-style-type: none"> • Support the development of the Community Energy Plan for the Future Urban Area. 	Ongoing
		<ul style="list-style-type: none"> • Coordinate Markham's role in addressing the 2023 forecasted 150MW electricity demand shortfall. 	Ongoing
	Develop a sustainable community retrofit program to launch in 2018	<ul style="list-style-type: none"> • As part of the Municipal Energy Plan begin our next holistic community retrofit project, ensure adequate funding is secured. 	Ongoing
Participate in the Corporate Energy Team and support Energy reduction programs throughout the City	<ul style="list-style-type: none"> • Finalize the revised Corporate Energy Management Plan. 	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.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Complete multi-year budget and identify E3 opportunities	<ul style="list-style-type: none"> Support E3 Strategy. 	2019-2021
4.2. Stewardship of City Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	<ul style="list-style-type: none"> Finalize the Asset Management Plan per O.Reg, 588/17 	2019
		<ul style="list-style-type: none"> Continue implementation of Corporate Asset Management Strategy and ensure alignment by departments corporately. 	2019/2020
		<ul style="list-style-type: none"> Support implementation of facility-related, recommendations from audits conducted by the Auditor General. 	2019
4.3. Increasing Transparency and Accountability	N/A	N/A	

DEVELOPMENT SERVICES



* Jamie Bosomworth, Currently on LTD

Commission Mission Statement and Overview

To develop and enhance a quality community by integrating superior services related to Planning, Growth, Culture, Entrepreneurship, Engineering and Building Standards.

The commission provides direction and support to envision, create and deliver the most livable community in North America. Aligned with the four goals the City's strategic plan "Building Markham's Future Together (Exceptional Services by Exceptional People; Engaged, Diverse and Thriving City; Safe and Sustainable Community; and Stewardship of Money and Resources), being a livable community 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 neighborhoods, quality infrastructure, excellent culture venues and activities in a vibrant community.

The following Business Units are included under Development Services Commission:

- Building Standards
- Planning and Urban Design
- Engineering
- Economic Growth, Culture and Entrepreneurship
- Strategy & Innovation

Currently, there are approximately 200 full time employees contract staff who are responsible for the day-to-day operations of the five departments.

Building Standards

The mission of the Building Standards Department 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 building failures and effect reasonable compliance with building regulations.

The Building Standards Department is responsible for the administration and enforcement of all aspects of the Ontario Building Code including fire and life safety systems, accessibility structural systems, mechanical, plumbing and electrical systems, energy efficiency and fire protection systems. Through Department process they also ensure buildings and land use complies with other applicable laws including the City's zoning by-laws. The department issues building permits and conducts building inspections for all new or renovated buildings within Markham's borders.

Engineering

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

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

- Planning Act applications: Official Plan Amendments, Secondary Plan, Plan of Subdivision, Site Plan Control, Minor Variance, etc.
- Subwatershed studies, Stormwater management and water resources studies
- 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 Planning Act agreements between the City and the landowners to ensure the various obligations are fulfilled as part of land development.

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.

This section also manages a number of infill development and reviews grading design and manages contracts for the installation of service connections to redevelopment of existing lots.

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, streetlights, intersection improvements, and installation of certain municipal 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.

This section also coordinates a number of environmental assessment studies and capital projects that are undertaken by other levels of government, e.g. Regional Environmental Assessment, Metrolinx network improvements, etc.

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 operations and maintenance of traffic signals, investigating traffic complaints, speed issues, conducting traffic survey and safety studies, etc. 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's primary focus is city building through growth management and the development of safe and sustainable communities. The Department creates civic pride through excellence in community planning and sustainable development. The Department participates in community outreach including liaison with the public and external agencies and organizations. The Department carries out its major functions through three primary divisions:

- Policy & Research
- Development Control
- Urban Design



Policy & Research

The Policy & Research division activities relate to long range statistic planning involving data collection, analysis, research, monitoring, and formulation of plans, policies, regulations and guidelines for land use. This division is also responsible for addressing natural heritage/environment matters in the policy context and is currently the lead division for the City in managing a new Official Plan and meeting the requirements of Provincial policies.

Development Control

The Development Control division's activities relate to development control through processing and evaluation of development applications including Committee of Adjustment applications. As part of application processing, this Division carries out extensive liaison with the development community, the general public and City politicians. This division is also responsible for the preservation of the City's heritage resources and digital mapping related functions.

Urban Design

The Urban Design division is divided into two separate sections: the Design section and the Parks Development section. The Design section's activities relate to working in coordination with the Development Control division and other City departments to achieve excellence in urban design, public realm and built form. This division champions the City's sustainability goals in the development context.

The Parks Development section is responsible for the design, appropriate public consultation, and construction of all new City parks and also takes the lead in major park renovations. The division's goal is excellence in parks design and timely construction having regard for assigned budgets.

Economic Growth, Culture and Entrepreneurship

The Economic Growth, Culture and Entrepreneurship 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:

- Business attraction
- Business retention and expansion
- Small business/entrepreneur development

- Innovation and commercialization services

- 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)

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Inc./.(Decr.)	% Change	\$ Inc./.(Decr.)	% Change
Revenues								
GRANTS AND SUBSIDIES	\$399	\$503	\$239	\$347	\$108	45.3%	(\$156)	-31.1%
USER FEES & SERVICE CHARGES	2,727	2,789	2,661	2,982	321	12.0%	193	6.9%
RENTALS	438	420	414	399	(15)	-3.5%	(21)	-5.0%
SALES	132	136	133	144	11	8.1%	8	5.9%
RECOVERIES & CONTRIBUTIONS	70	51	77	75	(2)	-2.0%	24	48.0%
OTHER REVENUE	97	75	94	100	6	6.4%	25	33.8%
Total Revenues	\$3,864	\$3,973	\$3,617	\$4,047	\$429	11.9%	\$73	1.8%
Expenses								
SALARIES AND BENEFITS	\$6,120	\$6,215	\$6,172	\$6,432	\$260	4.2%	\$217	3.5%
PRINTING & OFFICE SUPPLIES	60	62	86	78	(8)	-8.9%	16	25.1%
PURCHASES FOR RESALE	59	59	55	56	2	2.7%	(3)	-5.0%
OPERATING MATERIALS & SUPPLIES	208	203	224	218	(6)	-2.6%	16	7.7%
VEHICLE SUPPLIES	-	0	1	-	(1)	-100.0%	(0)	-100.0%
SMALL EQUIPMENT SUPPLIES	1	0	2	2	-	0.0%	1	1478.9%
UTILITIES	328	313	292	315	24	8.1%	2	0.7%
COMMUNICATIONS	36	19	43	40	(3)	-6.8%	21	112.3%
TRAVEL EXPENSES	74	64	83	93	10	12.6%	29	45.6%
TRAINING	17	9	31	31	-	0.0%	22	243.3%
CONTRACTS & SERVICE AGREEMENTS	785	705	822	828	5	0.7%	123	17.5%
MAINT. & REPAIR-TIME/MATERIAL	130	139	119	137	18	14.7%	(2)	-1.6%
RENTAL/LEASE	39	81	23	40	17	74.7%	(41)	-50.3%
PROFESSIONAL SERVICES	1,489	1,540	1,441	1,465	25	1.7%	(75)	-4.9%
LICENCES, PERMITS, FEES	71	58	72	74	1	2.1%	16	27.3%
CREDIT CARD SERVICE CHARGES	7	8	9	8	(2)	-19.0%	0	0.2%
PROMOTION & ADVERTISING	767	830	730	772	42	5.7%	(57)	-6.9%
OTHER PURCHASED SERVICES	6	8	17	10	(7)	-40.7%	2	28.8%
OTHER EXPENDITURES	13	0	(7)	-	7	-100.0%	(0)	-100.0%
TRANSFERS TO/(FROM) OWN FUNDS	47	47	10	10	-	0.0%	(37)	-78.9%
Total Expenses	\$10,259	\$10,360	\$10,224	\$10,609	\$385	3.8%	\$248	2.4%
Net Expenditures/(Revenues)	\$6,396	\$6,387	\$6,606	\$6,562	(\$44)	-0.7%	\$175	2.7%
Full Time Complement	41	39	43	43				

Major changes in 2018 Budget from the 2017 Budget:

Grants and Subsidies: Increase in grant revenue.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments. (COLA).

BUILDING STANDARDS 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenue								
LICENCES & PERMITS	\$9,237	\$7,332	\$8,281	\$9,927	\$1,645	19.9%	\$2,594	35.4%
USER FEES & SERVICE CHARGES	77	100	30	30	-	0.0%	(70)	-69.8%
OTHER REVENUE	(1)	(10)	-	-	-	0.0%	10	-100.0%
Total Revenues	\$9,313	\$7,422	\$8,311	\$9,957	\$1,645	19.8%	\$2,535	34.2%
Expenses								
SALARIES AND BENEFITS	\$5,337	\$5,423	\$5,952	\$6,076	\$124	2.1%	\$653	12.0%
PRINTING & OFFICE SUPPLIES	38	56	57	51	(6)	-10.5%	(5)	-9.4%
OPERATING MATERIALS & SUPPLIES	13	7	24	20	(4)	-15.8%	13	203.4%
COMMUNICATIONS	28	22	36	31	(5)	-14.7%	9	40.1%
TRAVEL EXPENSES	5	5	6	6	-	0.0%	1	11.4%
TRAINING	27	17	26	34	8	30.8%	17	96.2%
CONTRACTS & SERVICE AGREEMENTS	2,569	2,650	2,650	2,743	93	3.5%	93	3.5%
MAINT. & REPAIR - TIME & MATERIAL	-	0	-	-	-	0.0%	(0)	-100.0%
PROFESSIONAL SERVICES	2	6	11	9	(2)	-19.0%	3	49.5%
LICENCES, PERMITS, FEES	26	27	25	28	3	10.0%	0	1.2%
CREDIT CARD SERVICE CHARGES	20	25	15	15	-	0.0%	(10)	-39.0%
PROMOTION & ADVERTISING	-	3	-	6	6	0.0%	3	88.2%
TRANSFERS TO/FROM OWN FUNDS	1,249	(819)	(490)	939	1,429	291.6%	1,758	-214.6%
Total Expenses	\$9,313	\$7,422	\$8,311	\$9,957	\$1,645	19.8%	\$2,535	34.2%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Full Time Complement	54	49	54	54				

Major changes in 2018 Budget from the 2017 Budget:

Licences and Permits: Increase is due to approved fee increases effective January 1st, 2018 and an increased number of permits.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Transfers to/(draw from) Reserves: Represents a transfer of the budgeted surplus to Reserve in order 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 a customer satisfaction survey to survey the satisfaction and success of ePlan.
		Evaluate and document success and lessons learned from the implementation of ePlan. Revise and update processes & procedures accordingly.
		Support the Customer Experience Strategy.
		With the implementation of ePlan, the Civic Centre corridor security project and the redesign of the plan review area, undertake a review and assessment of front counter operations to optimize service to the public.
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	Develop metrics for evaluating the effectiveness of ePlan and its impact on permit processing efficiency and customer service.
		Support the implementation of the Multi-year Technology Roadmap (Digital Markham).
1.3 Strengthening Organizational Capacity and Effectiveness	Build capacity for innovation and change	Review staff resources and vacancies and consider options to build capacity for changing building code requirements and its enforcement and administration.
		Succession Planning –anticipate possible retirements and develop a succession plan to maintain or adjust service levels.
	To improve staff satisfaction	Implement Departmental Improvement Plans to improve two (2) drivers based on the results of the 2016 Staff Satisfaction Survey: <ol style="list-style-type: none"> 1. Work Area: Interdepartmental Cooperation 2. Work Area: Individual Recognition Support the recommendations of the City's People Plan.

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	2018
Overall customer satisfaction rate		87%	-	66.2%	>80%	2018
Services provided within timeframe		63%	95%	65%	>80%	2018
Median processing time in working days for housing (MPMP)	11	11	13	11	10	2018
Median processing time in working days for small buildings (MPMP)	10	16	19	16	15	2018
Median processing time in working days for large buildings (MPMP)	21	20	19	16	20	2018
Median processing time in working days for complex buildings (MPMP)	26	28	22	18	30	2018
Percentage of applications filed as complete (MPMP)	60%	69%	80%	74%	>80%	2018
Permits applied for in calendar year that are issued in six months or less	86%	78%	76%	51%	>80%	2018
Percentage of permit applications filed online	n/a	1.1%	<1%	1%	>50%	2018
Percentage of compliance letters filed online	n/a	8%	23%	66%	>50%	2018
Healthy work environments Index for Staff Satisfaction Survey	n/a	62.4%	n/a	63.6	83%	2018
Average sick days		8.6	7.5	7.7	<8.4	2018
Annual Learning hours per regular full time employee		3.3	23	57.9	20	2018
Lost days due to workplace injury	0	0	0	0	0	2018
Annual hours of health & safety training per inspector	3	26	23	29	>6	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
2.1. Increasing Community Engagement	Introduce progressive revisions to the City Sign By-law	Implement New Sign By-law including training and public awareness.
		Review and implement policies and procedures arising from Building Code and by-law amendments to permit second suites in houses.
		Implement the appropriate community engagement tools in 2018. Assess the needs of the public in understanding any new by-law amendments and adapt the zoning search process to address those needs.
2.2. Ensuring Markham is Welcoming and Inclusive		Continue to support Corporate programs: -Hiring and on-boarding practices -Translation services
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate		Support the development of the York University campus.

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
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Knowledge-based Industries		
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Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
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Conditional permit agreement compliance rates	20%	20%	0%	0%	80%	2018
Conditional permits issued as a % age of permits requiring site plan approval	54%	60%	100%	100%	<40%	2018

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
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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
	3.3. Ensuring the Reliability of the Corporation's Services	
3.4. Protecting and Respecting our Built and Natural Environment	Promote advancements in innovative built forms and alternative solutions	Implement new building code amendments and construction safety guidelines for mid-rise wood frame construction projects. One project is currently underway and continuing into 2018; evaluate and refine procedures accordingly.
		Implement new Building Code amendments applying to energy efficiency design of buildings after December 31, 2017. Consider

Zoning By-law consolidation project: Continued support and interpretive advice to Planning. Post self help zoning information on the website.

Monitor effectiveness of any by-law consolidations and continue to work with Planning and other departments to resolve policy or procedural issues.

Implement Business Continuity Plan (BCP) for department including staff awareness and training. Evaluate BCP and update/implement as required.

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
		any resource needs/procedural changes and implement.
		Consider resource needs and implement any proposed Building Code amendments arising out of Elliot Lake inquiry.
		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	2013	2014	2015	2016	Target	Year
Code inspections conducted within timeframes	55,559	50,691	42,657	32,925	>40K/y	2018
Dormant/open building permits inspected and closed	401	198	281	427	300	2018
Illegal building orders issued annually	187	81	160	294	100	2018
Unsafe buildings - Response % within target time frame of <24hrs	100%	100%	100%	100%	100%	2018
Average processing time in days for non housing photovoltaic permits	n/a	21	0	46	10	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	Sustain and secure a building permit revenue/cost balance to maintain stable funding of Building Standards operations through periods of variable development volume.	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.
		Dormant Permits - Track and actively pursue inactive permits and applications and revoke or cancel accordingly.
4.2. Stewarding of the City's Assets	N/A	Continue to provide occupancy data and support Finance in Supplementary Assessment and Multi-Year Growth Projections.
4.3. Increasing Transparency and Accountability	N/A	Support and implement the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal

	2013	2014	2015	2016	Target	Year
Year end reserve balance as a % of one years' total operation cost	190%	150%	121%	128%	100%	2018
Revenue average over 3 years, compared to total operating cost	162	182	97	104	100	2018
Annual user fee increases	0	0	3.8%	5%	<5%	2018
Number of new staff positions	0	0	0	0	<2	2018
Number of applications processed per examiner	418	158	130	163	>250	2018
Department operating cost \$ per \$1000 of construction value averaged over three years (MPMP)	5.00	7.29	9.39	9.26	<\$9	2018

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	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.	2019
		Undertake a customer satisfaction survey.	2019
1.2 Transforming Services through Technology and Innovation	N/A	Succession Planning –anticipate possible retirements and develop a succession plan to maintain or adjust service levels.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	N/A	N/A	

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.	2019
		Assess the needs of the public in understanding the new by-law, and adapt the zoning search process to address those needs.	2019
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	Support Corporate programs -Hiring practices -Translation services	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
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	Support the development of the York University campus.	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	Support accessibility on active transportation solutions in building designs.	2019-2021
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.	2019-2020
		Assist with amending non-zoning by-laws (licensing, fence etc) impacted by the by-law consolidation.	2019-2020
3.3. Ensuring the Reliability of the Corporation's Services	N/A	Update Business Continuity Plan (BCP) and implement as required. Continue staff awareness and training.	2019
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. Consider any resource needs, policy and procedural changes and implement as required	2019-2021
		Provide support for development of CEP (Community Energy Plan) for FUA (Future Urban Area) and MEP (Municipal Energy Plan).	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	N/A	Support the E3 Strategy Refresh	2019-2021
		Review Building By-law and make recommendations for revenue opportunities	2019-2021
4.2 Stewarding of the City's Assets	N/A	Continue to provide occupancy data and support Finance in Supplementary Assessment and Multi-Year Growth Projections.	2019-2021
4.3 Increasing Transparency and Accountability	N/A	Support and implement the audits conducted by the Auditor General.	2019-2021



CULTURE AND ECONOMIC DEVELOPMENT 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
GRANTS AND SUBSIDIES	\$399	\$503	\$239	\$347	\$108	45.3%	(\$156)	-31.1%
USER FEES & SERVICE CHARGES	2,727	2,789	2,661	2,982	321	12.0%	193	6.9%
RENTALS	438	420	414	399	(15)	-3.5%	(21)	-5.0%
SALES	132	136	133	144	11	8.1%	8	5.9%
RECOVERIES & CONTRIBUTIONS	70	51	77	75	(2)	-2.0%	24	48.0%
OTHER REVENUE	90	75	93	99	6	6.5%	24	32.5%
Total Revenues	\$3,856	\$3,973	\$3,616	\$4,046	\$429	11.9%	\$72	1.8%
Expenses								
SALARIES AND BENEFITS	\$4,649	\$4,632	\$4,647	\$4,851	\$204	4.4%	\$218	4.7%
PRINTING & OFFICE SUPPLIES	60	62	85	78	(7)	-8.5%	16	25.6%
PURCHASES FOR RESALE	59	59	55	56	2	2.7%	(3)	-5.0%
OPERATING MATERIALS & SUPPLIES	206	200	224	216	(7)	-3.3%	17	8.3%
VEHICLE SUPPLIES	-	0	1	-	(1)	-100.0%	(0)	-100.0%
SMALL EQUIPMENT SUPPLIES	1	0	2	2	-	0.0%	1	1478.9%
UTILITIES	328	313	292	315	24	8.1%	2	0.7%
COMMUNICATIONS	36	19	41	39	(3)	-6.9%	20	108.7%
TRAVEL EXPENSES	61	52	64	76	12	19.5%	24	46.6%
TRAINING	14	4	18	18	-	0.0%	14	315.5%
CONTRACTS & SERVICE AGREEMENTS	423	424	433	425	(8)	-1.9%	0	0.1%
MAINT. & REPAIR-TIME/MATERIAL	130	136	114	132	18	15.3%	(4)	-3.0%
RENTAL/LEASE	16	60	14	17	2	15.7%	(44)	-72.5%
PROFESSIONAL SERVICES	909	915	840	831	(8)	-1.0%	(84)	-9.1%
LICENCES, PERMITS, FEES	67	54	70	69	(1)	-1.0%	15	28.6%
CREDIT CARD SERVICE CHARGES	7	8	9	8	(1)	-16.1%	0	0.2%
PROMOTION & ADVERTISING	767	830	730	772	42	5.7%	(57)	-6.9%
OTHER PURCHASED SERVICES	6	8	17	10	(7)	-40.7%	2	28.8%
OTHER EXPENDITURES	13	0	3	-	(3)	-100.0%	(0)	-100.0%
TRANSFERS TO/FROM OWN FUNDS	47	47	10	10	-	0.0%	(37)	-78.9%
Total Expenses	\$7,799	\$7,823	\$7,669	\$7,925	\$256	3.3%	\$101	1.3%
Net Expenditures/(Revenues)	\$3,943	\$3,850	\$4,053	\$3,879	(\$174)	-4.3%	\$29	0.7%
Full Time Complement	-	27	29	29				

Major changes in 2018 Budget from the 2017 Budget:

Grants and Subsidies: Increase in grant revenue.

User Fees & Service Charges: Increase in user fees Citywide and an increase in camps, programming and rentals.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

CULTURE AND 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 surveys to respond to our customers' needs	Conduct 4 surveys each year
	Maintain a high level of program participation & customer satisfaction	Continue to work on program initiatives with Markham Public Library & other departments at opportunities arise
	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	Undertake improvement project arising from staff satisfaction survey
		Review and reassess individual work plans for full time staff

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
C: # of formal customer satisfaction surveys completed		1	2	3	1 per year	2017
C: % extremely satisfied with summer camps	34.7	29.5%	37.8%	76.9%	>65%	2017
C: % very satisfied with summer camps	44.0	52.5%	37.8%	21.2%	30%	2017
C: Average fill rates for community & camp programs	77%	82%	73%	84.0%	>80%	2017
C: Average corporate learning hours per employee		4.7	2.9	2.3	20.0	2017
C: Workload index from the staff satisfaction survey		45%		60%	60%	2017
Healthy work environment from the staff satisfaction survey		69%		73.5%	70%	2017
ED: Overall customer satisfaction rate (% very or extremely satisfied)			90%	86.6%	>35%	2017
ED: Number of MSBC webpage views		35,511	32,572	36,642	>35,000	2017
ED: Number of Economic Development webpage views		29,294	19,340		>25,000	2017
Staff recognition rating		67.4%		70.6%	>65%	2017
Organizational Engagement		83.3%		82%	>80%	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 & anticipating needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Celebrate diversity in Markham	Support Canada 150 th anniversary celebration
		Celebrate Varley Art Gallery 20 th anniversary
		Celebrate Flato Markham Theatre 33 rd 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
2.2. Ensuring Markham is Welcoming and Inclusive	Ensure welcoming and inclusive spaces for the community	Implement the appropriate community engagement tools
		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
	Support other departments in the public art components of the Canada 150 infrastructure projects (i.e., Benjamin Thorne, Veterans Square)	
Develop the "Destination Markham" initiative	Lead development of Destination Markham strategy along with staff from other departments	
Attract investment from new immigrant business owners and entrepreneurs	Support ethnic business associations	
	Deliver targeted entrepreneurship training programs	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Implement Department's Strategic and Business Unit Plans	Support development of York University campus
		Implement Markham 2020 Economic Strategy
		Implement the MSBC Annual Marketing 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 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
3.2. Managing Growth in Markham	Ensure Culture keeps pace with City growth	Ensure new growth and intensification areas include public art
		Ensure Culture feeds into 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 Plans are executable and current staff trained in implementation
		Strategic Plans in the department
		Implement the Flato Markham Theatre Strategic Plan and Brand Review Implement the 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 Urban Park

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
ED: Number hectares of vacant employment lands	615	476	350	480	>500	2017
ED: Total employment (jobs)	142,826	155,890	162,000	167,000	170,000	2017
ED: Professional, scientific, technical employment (F-T jobs)	20,067	26,561	26,224	26,521	28,000	2017
ED: Finance and insurance employment (F-T jobs)	10,982	11,564	10,931	11,067	12,000	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	Maintain fiscal responsibility while providing engaging and enriching cultural opportunities	Support E3 Strategy
	Ensure that departmental services are delivered efficiently	Implement new Organization Plan/Design
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	N/A	Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Annual revenue generated through grants, donations and sponsorships as a % of total operating revenue	12%	13%	12%	12%	15%	2017

CULTURE AND 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 surveys each year	2019-2021
1.2 Transforming Services through Technology and Innovation	N/A	N/A	
1.3 Strengthening Organizational Capacity and Effectiveness	Implement a corporate People Plan	Support development of knowledge transfer strategies	2019
	Increase staff satisfaction and engagement in the department	Participate in corporate staff satisfaction survey	2020
		Undertake improvement project arising from 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	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	Ensure welcoming and inclusive spaces for the community	Initiate RFP for new Culture Strategic Plan	2019
2.3. Promoting Markham as the Best Place in		Support the development of the York University campus	2019-2021

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
Canada to Invest and Locate Knowledge-based Industries	Implement Department's Strategic and Business Unit Plans	Initiate RFP for new 10-year Economic Strategy	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	N/A	N/A	
3.2. Managing Growth in Markham	N/A	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	N/A	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	Examine potential for public art installations in Rouge National Urban Park	2019-2021
		Examine opportunity to return First Nations' artefacts from Ottawa to Markham	2019-2021

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	2019-2021
		Support E3 Strategy	2019-2021
4.2 Stewarding of the City's Assets	N/A	N/A	
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2019-2021



ENGINEERING 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2017 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenue								
USER FEES & SERVICE CHARGES	\$5,814	\$8,263	\$7,205	\$7,938	\$733	10.2%	(\$324)	-3.9%
RENTALS	2	2	-	-	-	0.0%	(2)	-100.0%
RECOVERIES & CONTRIBUTIONS	163	232	75	150	75	100.7%	(82)	-35.5%
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%
Total Revenues	\$5,978	\$8,497	\$7,280	\$8,088	\$808	11.1%	(\$409)	-4.8%
Expenses								
SALARIES AND BENEFITS	\$4,165	\$4,656	\$4,927	\$5,306	\$379	7.7%	\$650	14.0%
PRINTING & OFFICE SUPPLIES	9	8	22	22	(1)	-2.3%	14	171.8%
OPERATING MATERIALS & SUPPLIES	10	9	13	12	(1)	-9.2%	3	28.8%
COMMUNICATIONS	19	18	24	22	(1)	-6.0%	4	23.8%
TRAVEL EXPENSES	14	9	15	15	-	0.0%	6	63.1%
TRAINING	3	8	15	16	2	10.3%	8	93.9%
CONTRACTS & SERVICE AGREEMENTS	2,234	2,282	2,282	2,505	223	9.8%	223	9.8%
MAINT. & REPAIR-TIME/MATERIAL	-	-	3	1	(3)	-83.3%	1	0.0%
RENTAL/LEASE	3	-	6	5	(1)	-16.7%	5	0.0%
PROFESSIONAL SERVICES	10	14	15	19	4	24.0%	5	36.6%
LICENCES, PERMITS, FEES	30	20	32	32	-	0.0%	12	62.0%
TRANSFERS TO/FROM OWN FUNDS	(522)	1,474	(75)	131	206	274.7%	(1,343)	91.1%
OTHER EXPENSES	3	(1)	2	4	2	75.0%	4	-797.2%
Total Expenses	\$5,978	\$8,497	\$7,280	\$8,088	\$808	11.1%	(\$409)	-4.8%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	\$0	(0)	-100.0%	-	0.0%
Full Time Complement	40	41	45	47				

Major changes in 2018 Budget from the 2017 Budget:

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

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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 transfer of the budgeted surplus to Reserve in order 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.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Continue to develop improvements and find efficiencies to existing processes	Review current process/work program and redefine core business mandate. Prepare documentation to align resources with workload.
		Evaluate workload with available resources to prioritise projects and communicate with internal and external clients through service level agreements and Project Management Support Office (PMSO)
	Develop service level to provide timely communication to internal and external clients so that there is clear expectation and appropriate actions can be taken	Provide staff reports, briefing notes and email communication as appropriate to Council, Executive Leadership Team (ELT) and Commissioner Office on Federal, Provincial and other municipal information that affects Markham
1.2 Transforming Services through Technology and Innovation	Create new practices and enhance existing processes with new software technology	Implement E Plan, AMANDA upgrade, Residential Infill Grading & Servicing (RIGS), Customer Relationship Management (CRM), Eclipse, etc.
		Explore opportunities to use the Internal Web Portal to improve processes and increase collaboration
	Support Digital Markham	Participate in the Digital Markham dialogue to create a digitally-enabled city.
1.3 Strengthening Organizational Capacity and Effectiveness	Undertake succession planning and talent management strategy	Identify and enhance talent through relevant training
	Review department organization	Provide management training to management team and potential leaders
		Adjust department structure to align with strategic direction of Council and business function

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target
# of formal customer satisfaction surveys completed			1	0	1 / 2 yrs
Average overall satisfaction or above for formal survey(s) completed (%)			85%	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)			50%	N/A	≥35%
% of Planning applications processed in an agreed upon time frame	80%	80%	80%	80%	85%
% of Engineering submissions processed in service level time frame	95%	95%	90%	85%	85%
% of Site Plan and Subdivisions Agreements processed in an agreed upon time frame	90%	90%	90%	85%	85%
% of ACR cases completed within service level time frame	100%	100%	100%	100%	95%
Healthy Workplace Environment Index (from staff survey - %)		67.2		70.3	≥75
Recognition rating (from staff survey - %)		56.3		66.5	≥65
Staff Satisfaction rating (from staff survey - %)		71.5		73.5	≥80
Completion rate for performance management	100%	100%	100%	100%	100%
Average Corporate learning hours per full-time employee	4.5	4.4	3.7	3.5	20.0
Staff absenteeism (average # of days per employee)	3.2	3.3	7.3	3.9	≤8.4
Staff turnover rate	5%	10%	2.5%	11.4	≤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	Increase community awareness of the role of the Department	Engage community on department's mandate through various avenues such as public information centres for capital projects, Cycling & Pedestrian Advisory Committee, special events (in cooperation with Corporate Communication) Raise profile of the department through City website and our daily role
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	Support investment and new businesses through: (a) timely review, approval and implementation of development applications, (b) planning and construction of supporting infrastructure, while maintaining its role as an approval body

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	Improve and expand transportation system to support growth	Enhance the coordination of the City transportation initiatives and plans with Metrolinx, Ministry of Transportation, York Region, and adjacent municipalities
		Influence transportation policies and strategic directions of other jurisdictions to complement the growth of Markham
	Develop strategy to management travel demand	Develop plans to promote sustainable transportation modes (e.g. parking strategy, active transportation network, education and awareness program)
3.2. Managing Growth in Markham	Influence growth pattern and community design to minimize infrastructure needs and long term management of asset	Participate in the discussion and working sessions for the Official Plan and 2041 growth targets and pattern
		Conduct strategic servicing and transportation studies to determine infrastructure needs and phasing to support growth
		Identify life cycle cost of new infrastructure and other special initiatives in consultation with Operations and Environmental Services Departments
	Support the development of the Future Urban Area (FUA) and other Key Development Area (KDA) applications that meet City's objectives	Prepare and continuously assess the effectiveness of long range infrastructure plans to support urban expansion and urban renewal and intensification
		Develop design criteria in consultation will other departments and approval authorities to balance infrastructure needs and level of service
		Review technical documents and plans submitted in support of development applications to ensure impacts are properly identified and mitigated
	Inspect the construction of infrastructure to ensure it complies with the approved technical documents and plans	

3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A
3.4. Protecting and Respecting our Built and Natural Environment	Implement the Official Plan and the Greenprint, Sustainability Plan (2011)	<p>Approve development applications and implement capital projects that align with City's environmental leadership, Provincial and conservation authority legislation, policies and guidelines</p> <p>Use construction techniques that minimize negative impact to the built and natural environment</p>

Departmental Performance Measures in support of Goal

	2013	2014	2015	2016	Target	Year
No. of studies, policy development, strategic directions that staff participate with other levels of governments, adjacent municipalities.	N/A	N/A	N/A	N/A	10	
No. of OPA/Secondary Plan applications started	N/A	N/A	N/A	N/A	5	
No. of Plan of Subdivision application started	8	19	4	13	10	
No. of Site Plan Control application started	84	77	70	71	70	
No. of Committee of Adjustment, Minor Variance, etc. started	212	193	191	249	30	
No. of new policies, initiatives, policies, pilot projects, and other innovation started which relates to protection and respect of the built and natural environment ***	N/A	N/A	N/A	N/A	5	

*** New KPI for 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	Implement all City's bylaw and policies on Expenditure Control, Procurement	Make staff aware of importance of expenditure control and procurement and provide training where necessary
4.2. Stewarding of the City's Assets	N/A	N/A
4.3. Increasing Transparency and Accountability	Implement recommendations from Auditor General	Make staff aware of the importance of transparency and accountability and implement internal fiscal control and best practices

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.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	<ul style="list-style-type: none"> Quality of service provided by Department 	<ul style="list-style-type: none"> Continue to undertake bi annual survey to clients re: performance of sections 	
	<ul style="list-style-type: none"> Provide better communication to residents/businesses re: capital projects 	<ul style="list-style-type: none"> Continue to implement recommendations to improve customer needs 	
1.2 Transforming Services through Technology and Innovation	<ul style="list-style-type: none"> Streamline process and improve effectiveness 	<ul style="list-style-type: none"> Continue to implement E Plan in Engineering Department 	2019
1.3 Strengthening Organizational Capacity and Effectiveness	<ul style="list-style-type: none"> Increase productivity and efficiency 	<ul style="list-style-type: none"> 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.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	<ul style="list-style-type: none"> Seek broader public input into EA Studies to ensure public awareness 	<ul style="list-style-type: none"> Continue to review and implement alternative means of public input 	2019
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	<ul style="list-style-type: none"> Continue to support the development of the York University campus 	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.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Undertake Parking Business Plan for Langstaff and Airport	• Implement Transportation Strategy and capital program	2019 - 2021
		• Implement Parking Business Plan for Langstaff and Airport	2019 - 2021
3.2. Managing Growth in Markham		• Implement Future Urban Area in North Markham and Secondary Plans	2018 - 2021
3.3. Ensuring the Reliability of the Corporation's Services		• Review and update Business Plan, continue as needed	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment		• Continue to work with other departments to update Sustainability Community Design Criteria	2019
		• Continue to review and update the Business Continuity Plan as required	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	N/A	• Support the E3 Strategy Refresh	2019 - 2021
4.2 Stewarding of the City's Assets		• Finalize DC by-law update for WH, ASDC, FUA, Airport, and Langstaff etc.	2018 - 2019
4.3 Increasing Transparency and Accountability		• Incorporating Auditor General's Recommendations	2018 - 2019

PLANNING AND URBAN DESIGN 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
Revenue								
USER FEES & SERVICE CHARGES	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
OTHER REVENUE	-	-	-	-	-	0.0%	-	0.0%
Total Revenues	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
Expenses								
SALARIES AND BENEFITS	\$5,582	\$5,265	\$6,268	\$6,851	\$583	9.3%	\$1,586	30.1%
PRINTING & OFFICE SUPPLIES	31	32	38	35	(3)	-7.6%	4	11.0%
OPERATING MATERIALS & SUPPLIES	5	5	7	6	(1)	-19.2%	1	11.9%
COMMUNICATIONS	10	9	16	12	(4)	-26.2%	3	36.7%
TRAVEL EXPENSES	37	35	29	36	6	22.0%	1	1.7%
TRAINING	7	9	15	15	-	0.0%	6	75.9%
CONTRACTS & SERVICE AGREEMENTS	2,178	2,225	2,225	2,369	143	6.4%	143	6.4%
RENTAL/LEASE	-	-	3	1	(3)	-83.3%	1	0.0%
PROFESSIONAL SERVICES	8	9	39	17	(22)	-57.1%	7	77.6%
LICENCES, PERMITS, FEES	41	42	23	41	18	78.3%	(1)	-2.5%
CREDIT CARD SERVICE CHARGES	5	7	2	5	3	174.3%	(2)	-26.6%
PROMOTION & ADVERTISING	6	2	4	6	2	37.5%	4	159.2%
OTHER EXPENDITURES	3	1	-	4	4	0.0%	3	596.0%
TRANSFERS TO/FROM OWN FUNDS	1,412	2,273	481	898	417	86.7%	(1,375)	-60.5%
Total Expenses	\$9,324	\$9,913	\$9,151	\$10,294	\$1,143	12.5%	\$381	3.8%
Net Expenditures/ (Revenue)	\$0	\$0	(\$0)	\$0	\$0	-100.0%	\$0	0.0%
Full Time Complement	51	40	53	57				

Major changes in the 2018 Budget from the 2017 Budget:

User Fees & Service Charges: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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 transfer of the budgeted surplus to the Reserve in order to present a balanced budget.

PLANNING AND 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 process improvements
		Fine tune e-Plan review implementation
		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	2013	2014	2015	2016	Target	Year
# of formal customer satisfaction surveys completed			1	1	1/yr	2018
Average overall satisfaction for formal survey (s) completed (%)				56	≥80%	
Number of applications circulated	482	446	420	464		2018
% of applications processed in agreed upon time frames	71%	68%	95%	89%	85%	2018
Percentage of site plan approvals completed within targeted timeframes	65%	70%	58%	53%	85%	2018
Percentage of site plan agreements completed within targeted timeframes	79%	80%	92%	89%	85%	2018
Percentage of Parks construction projects completed in agreed upon timeframes in 2017	90%	95%	92%	89%	90%	2018
Healthy Workplace Environment Index (from staff survey)		61.2%		66.3%	≥75%	
Recognition rating (from staff survey)		52.8%		63%	≥65%	
Staff Satisfaction rating (from staff survey)		67.1%		69.8%	≥80%	
Average Corporate learning hours per full-time employee	4.6	5.2	3.5	6.2	20.0	
Staff absenteeism (average # of days per employee)	5.0	5.0	3.7	4.5	≤8.4	
Staff turnover rate	4.1	1.9%	5.5	7.5	≤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.
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	Update the Markham Home Buyers Guide
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
		Continue to collect Public Art funds through the development process

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	Departmental Action
3.1. Managing our Transportation and Road Network	N/A	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
	Advance the Future Urban Area Project in order to expedite development in North Markham	Approve all Secondary Plans for Future Urban Area
	Update Secondary Plans/ Planning documents	Update city wide Design Implementation Guidelines
		Finalize Secondary Plans for Milliken Centre, and initiate Secondary Plan for Markham Road/Mount Joy

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	Departmental Action
3.3. Ensuring the Reliability of the Corporation's Services	Develop a comprehensive Zoning By-law	Complete drafting of a comprehensive modern web based zoning by-law
	Improving Parks delivery	Complete Parking Study associated with comprehensive Zoning By-law
		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
		Complete first phase of Markham Centre Wind Modelling Study and Guidelines
3.4. Protecting and Respecting our Built and Natural Environment	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	Complete update of terms of reference for Environmental Impact Studies
		Complete Natural Heritage compensation Review (subject to OP 2014 approval)

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	N/A	Support the E3 strategy refresh
4.2. Stewarding of the City's Assets	N/A	N/A
4.3. Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

PLANNING AND 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	2019
		Continue to implement recommendations arising from Customer Satisfaction Survey(s)	2019 2020 2021
		Continue to support corporate Customer Experience Strategy	2019 2020 2021
1.2 Transforming Services through Technology and Innovation	Use technology to assist in the application review and decision making process		
1.3 Strengthening Organizational Capacity and Effectiveness	N/A	Undertake additional Corporate Improvement project identified from Staff Satisfaction Survey (if necessary)	2019 2020 2021

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	Continue to implement appropriate community engagement tools	2019
			2020
			2021
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	

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
2.3. 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	2019
			2020
		2021	
	Support the Corporate Public Art Program	2019	
		2020	
2021			

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	2019
			2020
3.2. Managing Growth in Markham	Advance the Future urban Area project in order to expedite development in North Markham	Initiate Official Plan Review to accommodate 2041 growth	2019
	Update Secondary Plans	Highway 404 North	2019
		Thornhill Heritage Center and Markham village Heritage Center	2019
		Buttonville Heritage Center	2020
	Develop a comprehensive Zoning by-law	Address appeals to comprehensive zoning by-law	2019
	Improving parks Delivery	Continue the expedited parks delivery program for existing communities initiated in 2015	2019
2020			
2021			

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
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A	
3.4. Protecting and Respecting our Built and Natural Environment	Manage private land encroachment into public lands	Complete Natural heritage Encroachment Brochure	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.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	N/A	Support the E3 strategy refresh	2019
			2020
			2021
4.2. Stewarding of City Assets	N/A	N/A	
4.3. Increasing Transparency and Accountability	N/A	Support the Audits conducted by the Auditor General	2019
			2020
			2021

TRAFFIC OPERATIONS 2018 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2016 Actual</u>	<u>2017 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>	<u>2018 Bud. vs. 2017 Bud.</u>		<u>2018 Bud. vs. 2017 Act.</u>		
					<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
Revenues									
OTHER REVENUE	8	0	1	1	-	0.0%	1	2172.7%	
Total Revenues	\$8	\$0	\$1	\$1	\$0	0.0%	\$1	2172.7%	
Expenses									
SALARIES AND BENEFITS	\$330	\$434	\$415	\$433	\$18	4.4%	(\$1)	-0.3%	
TRAVEL EXPENSES	-	1	1	1	-	0.0%	(0)	-10.8%	
TRAINING	-	2	2	2	-	0.0%	0	31.0%	
CONTRACTS & SERVICE AGREEMENTS	362	280	389	403	14	3.5%	123	43.7%	
MAINT. & REPAIR-TIME/MATERIAL	-	3	5	5	-	0.0%	2	59.3%	
PROFESSIONAL SERVICES	580	625	598	633	35	5.9%	8	1.3%	
LICENCES, PERMITS, FEES	-	1	2	2	-	0.0%	1	51.7%	
Total Expenses	\$1,272	\$1,346	\$1,411	\$1,478	\$67	4.8%	\$132	9.8%	
Net Expenditures/(Revenues)	(\$1,264)	\$1,346	\$1,410	\$1,477	\$67	4.8%	\$131	9.7%	
Full Time Complement	4	4	4	4					

Major changes in the 2018 Budget from the 2017 Budget:

No significant changes.

COMMUNITY AND FIRE SERVICES COMMISSION

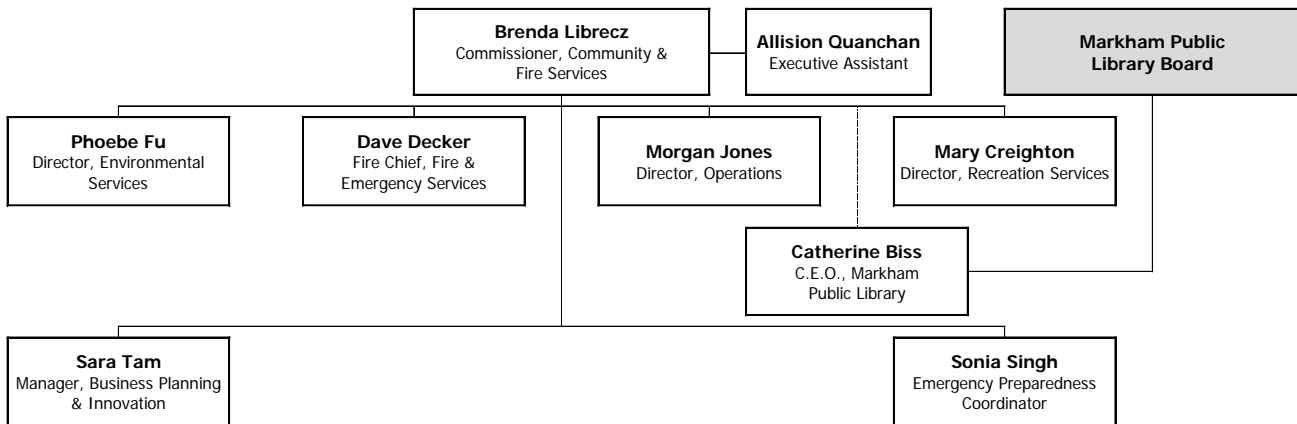
“*Working with the community to make Markham a vibrant place to live, work and play,*” is the mission statement of the Community & Fire Services Commission. Services to the public are delivered by five departments, as coordinated by the Commissioner’s Office.

These departments include:

1. Environmental Services
2. Fire & Emergency Services
3. Markham Public Library
4. Operations
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 2018, this Commission, which includes Waterworks, has an approved full-time complement of 691 positions, a gross operating expenditures budget of \$265.2 million, revenues budgeted at \$159.2 million, and a capital budget of \$50.2 million.





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

2017 Commission Facts

- 8.3 million visits at **recreation facilities**
- 81,946 direct **recreation program registrations**
- 64,588 **sportsfield hours** booked
- 110 **sporting events** held (3 world/international, 10 national, 20 provincial, 22 regional, 28 invitational, 26 community, and 1 corporate)
- 4.9 million **library items** borrowed
- 5.0 million in-person and online **library visits**
- 67,000 calls answered by **Fire dispatch**
- 7,161 responses to **Fire emergency incidents**
- 400+ **school visits** to promote fire safety
- 2,045 **fire inspections**
- 1,128 ha of **parks and open space** maintained
- 2,199 lane km of **city roads** maintained
- 1,100 km city **sidewalk** maintained
- 878 city **fleet vehicles** maintained
- 127 **culverts** and **vehicular and pedestrian bridges** inspected and 18 rehabilitated
- 29.60 million cubic metres of **water consumed**
- 62,723 tonnes of **waste diverted from landfill** through curbside pickup
- 81% 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	Exceptional Services by Exceptional People 	Engaged, Diverse and Thriving City 	Safe and Sustainable Community 	Stewardship of Money and Resources 
	<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 **Infrastructure, Waste & Environmental Management**, and **Waterworks**, as supported by the **Business Compliance** function.

Infrastructure is responsible for managing 81% of the City’s right-of-way assets that includes water, wastewater, stormwater, bridges, culverts, streetlights, and watercourses (erosion sites). These assets are valued at \$6.45 billion. Other responsibilities include conducting studies, such as Environmental Assessments (EA), and setting infrastructure programs, such as condition audits, replacements, and rehabilitations, to maximize the life of assets to minimize operating costs and risks while achieving service levels. **Infrastructure** is made up of the following sections:



- Right-of-Way Assets Group is responsible for the planning of the City’s capital works rehabilitation programs, including bridges, culverts, streetlights, water, wastewater, and storm sewer/ponds. 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.
- Water & Wastewater Group is responsible for the replacement, rehabilitation, and upgrade of the water and wastewater systems, as well as the water meters located inside private properties.

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 is one of a handful of forward looking municipalities in Canada and around the world to move beyond recycling and adopt a sustainable Zero Waste approach to eliminate waste. On average, 81% of curbside waste is diverted from landfill.

Waterworks is responsible for the provision of safe drinking water for domestic and commercial use throughout Markham. This includes the regular sampling of the water distribution system to ensure the quality of the drinking water meets Provincial Standards, along with other programs that assure the integrity of the water quality and the water distribution system. Another important service is the maintenance and emergency repair of the sanitary sewers collection system and related infrastructure up to the property line.

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 (MFES) Department has a mission to “*provide the highest level of life safety and property protection to those who live, work, or play in our community.*” MFES’ core functions are to provide high-quality and effective fire prevention, emergency, and fire safety services in a professional, sensitive and caring manner, supported



by Training, Mechanical, Communications, and Administration divisions. Services are deployed from nine fire stations and an administrative office.

Fire Prevention is a key component in fire protection. Existing buildings in Markham are inspected on a regular basis to ensure they meet the current fire code and work with property owners to achieve compliance. Plans for new buildings are reviewed prior to construction to ensure they meet the most current fire regulations.

Approximately 67,000 incoming and outgoing emergency and non-emergency service requests were handled in the past year. MFES responded to 7,161 emergency situations and fires throughout Markham in 2017. Although there are many dangers associated with firefighting, MFES takes great pride in providing this vital service. In addition to fires, other emergencies include medical, motor vehicle collisions, remote alarms, and hazardous material.

Along with Fire Prevention, Public Education is one of the most cost effective and successful means of providing fire protection to our Markham residents and businesses. MFES delivers its public education programs to Markham’s ethnically diverse community by offering materials in various languages and partnering with local media to get the message out. On average we provide over 280 school visits a year and attend in excess of 400 community events. Additionally, it actively supports the corporate Emergency Preparedness program.

Markham Public Library

Markham Public Library (MPL) is responsible for the delivery of library services through eight branches and its website. Administratively, it reports to the Markham Public Library Board, and the Commissioner of Community & Fire Services. The Library's Vision 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. Through over 60 partnerships, the Library leverages community assets to deliver an exceptional range of programs and learning opportunities to Markham residents. MPL is also a library sector leader in the implementation of RFID-based self-service technology to improve customer service while enhancing efficient material flow. In 2017, 84% of borrowing transactions were completed by customers through self-service options.

Markham's library branches serve as community hubs, places of interaction and social inclusion, which strengthen neighbourhoods, connect newcomers, celebrate diversity, support local innovation and creativity, and advance Markham's competitive position as an engaged, literate, and livable city.

MPL services, collections and programs are focused on lifelong self-directed learning, and the development of multiple literacies for all ages. The Library is currently expanding its focus on digital literacy and STEAM (Science, Technology, Engineering, Arts, Mathematics) education, as part of the Digital Markham Strategy, to advance the skills needed to thrive and participate fully in the digital economy.

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. Library CEO Catherine Biss won the 2018 WJ Robertson Medallion Award, which recognized her outstanding leadership in advancing MPL as a role model for excellence in public library service and innovation in Ontario.

Operations

The Operations Department is responsible for municipal roads, parks, and forestry services 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. Through its 6 major community centres and 17 satellite facilities, thousands of hours are permitted annually to various community-based organizations.

As well, the Markham Pan Am Centre is a multi-purpose sport facility for training, competition, and sport event hosting. 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)

2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues								
GRANTS AND SUBSIDIES	\$1,747	\$1,761	\$1,402	\$1,687	\$285	20.3%	(\$74)	-4.2%
LICENCES & PERMITS	71	148	137	215	78	56.5%	67	44.9%
FINES	4	-	3	3	-	0.0%	3	0.0%
USER FEES & SERVICE CHARGES	11,878	12,673	12,856	14,070	1,214	9.4%	1,397	11.0%
RENTALS	7,250	7,749	7,813	8,907	1,094	14.0%	1,158	14.9%
SALES	389	401	521	433	(88)	-17.0%	32	7.9%
RECOVERIES & CONTRIBUTIONS	824	842	781	896	115	14.7%	53	6.3%
OTHER REVENUE	497	521	569	487	(82)	-14.4%	(34)	-6.5%
INTERDEPARTMENTAL RECOVERIES	714	814	830	889	59	7.2%	75	9.2%
Total Revenues	\$23,375	\$24,909	\$24,912	\$27,587	\$2,675	10.7%	\$2,678	10.8%
Expenses								
SALARIES AND BENEFITS	\$79,058	\$79,449	\$80,600	\$87,867	\$7,268	9.0%	\$8,418	10.6%
PRINTING & OFFICE SUPPLIES	165	166	242	173	(69)	-28.3%	8	4.5%
PURCHASES FOR RESALE	241	255	297	288	(9)	-3.0%	33	12.9%
OPERATING MATERIALS & SUPPLIES	1,730	1,957	2,079	2,186	107	5.1%	229	11.7%
VEHICLE SUPPLIES	1,455	1,579	1,614	1,625	11	0.7%	46	2.9%
SMALL EQUIPMENT SUPPLIES	6	2	4	-	(4)	-100.0%	(2)	-100.0%
BOTANICAL SUPPLIES	227	261	266	277	11	4.3%	16	6.1%
CONSTRUCTION MATERIALS	2,237	2,011	1,824	1,890	67	3.7%	(120)	-6.0%
UTILITIES	6,724	6,525	7,759	7,595	(164)	-2.1%	1,070	16.4%
COMMUNICATIONS	234	240	280	267	(13)	-4.7%	27	11.1%
TRAVEL EXPENSES	108	100	129	123	(6)	-4.5%	24	23.6%
TRAINING	263	283	311	308	(3)	-1.0%	25	8.7%
CONTRACTS & SERVICE AGREEMENTS	9,579	9,563	10,985	11,575	590	5.4%	2,011	21.0%
MAINT. & REPAIR-TIME/MATERIAL	4,543	4,533	5,453	5,494	41	0.7%	960	21.2%
RENTAL/LEASE	506	523	527	529	2	0.5%	6	1.2%
INSURANCE	12	12	13	13	-	0.0%	1	10.9%
PROFESSIONAL SERVICES	122	148	179	173	(6)	-3.5%	25	17.0%
LICENCES, PERMITS, FEES	496	487	460	487	28	6.0%	1	0.1%
CREDIT CARD SERVICE CHARGES	321	303	242	243	1	0.6%	(60)	-19.8%
PROMOTION & ADVERTISING	106	99	82	84	2	3.0%	(15)	-15.1%
CONTRACTED MUNICIPAL SERVICES	9,888	10,237	10,753	11,129	376	3.5%	892	8.7%
OTHER PURCHASED SERVICES	753	856	856	856	-	0.0%	-	0.0%
WRITE-OFFS	0	2	-	-	-	0.0%	(2)	-100.0%
OTHER EXPENDITURES	191	113	106	27	(79)	-74.2%	(85)	-75.6%
TRANSFERS TO/(DRAW FROM) RESERVES	525	614	482	437	(45)	-9.3%	(176)	-28.7%
	\$119,489	\$120,318	\$125,542	\$133,648	\$8,106	6.5%	\$13,330	11.1%
Net Expenditures/(Revenues)	\$96,114	\$95,409	\$100,631	\$106,061	\$5,431	5.4%	\$10,652	11.2%
Full Time Complement	644	570	602	624				

Major changes in the 2018 Budget from the 2017 Budget:

Grants and Subsidies: Increase in grant revenue.

User Fees & Service Charges: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Rentals: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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

Contracted Municipal Services: Increase mainly due to contract escalation.

ENVIRONMENTAL ASSETS 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Expenses								
SALARIES AND BENEFITS	\$870	\$849	\$797	\$860	\$63	7.9%	\$12	1.4%
PRINTING & OFFICE SUPPLIES	7	0	4	4	-	0.0%	4	1993.4%
OPERATING MATERIALS & SUPPLIES	2	21	25	25	-	100+%	4	100+%
COMMUNICATIONS	14	4	4	4	-	0.0%	0	8.9%
TRAVEL EXPENSES	12	5	5	5	-	0.0%	0	1.9%
TRAINING	8	1	4	4	-	0.0%	3	273.7%
RENTAL/LEASE	2	0	2	2	-	0.0%	2	1340.0%
LICENCES, PERMITS, FEES	8	7	5	5	-	0.0%	(2)	-23.9%
CREDIT CARD SERVICE CHARGES	0	1	0	0	-	0.0%	(1)	-94.0%
WRITE-OFFS	-	-	-	-	-	0.0%	-	0.0%
Total Expenses	\$924	\$887	\$847	\$910	\$63	7.4%	\$23	2.6%
Net Expenditures/(Revenues)	\$924	\$887	\$847	\$910	\$63	7.4%	\$23	2.6%
Full Time Complement	-	9	10	10				

Major changes in the 2018 Budget from the 2017 Budget

No significant changes.



ENVIRONMENTAL SERVICES - WASTE 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
Revenues									
GRANTS AND SUBSIDIES	\$1,365	\$1,289	\$1,071	\$1,356	\$285	26.6%	\$67	5.2%	
USER FEES & SERVICE CHARGES	11	13	17	31	14	79.6%	18	143.3%	
SALES	85	97	141	113	(28)	-19.8%	16	16.0%	
OTHER REVENUE	166	160	177	168	(9)	-5.2%	8	4.8%	
Total Revenues	\$1,628	\$1,559	\$1,407	\$1,668	\$262	18.6%	\$109	7.0%	
Expenses									
SALARIES AND BENEFITS	\$629	\$659	\$676	\$705	\$29	0.0%	\$17	2.5%	
PRINTING & OFFICE SUPPLIES	10	5	53	5	(48)	-90.1%	0	5.1%	
PURCHASES FOR RESALE	166	175	206	201	(5)	-2.4%	27	15.4%	
OPERATING MATERIALS & SUPPLIES	50	107	63	125	62	99.2%	18	16.8%	
UTILITIES	4	3	5	4	(1)	-16.2%	1	44.0%	
COMMUNICATIONS	7	6	9	9	(0)	-0.4%	3	58.3%	
TRAVEL EXPENSES	4	6	9	9	(1)	-8.1%	2	38.7%	
TRAINING	1	0	3	0	(3)	-90.2%	0	58.7%	
CONTRACTS SERVICES AGREEMENTS	75	79	22	76	54	245.6%	(3)	-4.0%	
MAINT. & REPAIR-TIME/MATERIAL	10	5	9	12	3	33.4%	7	141.6%	
RENTAL/LEASE	0	0	0	-	(0)	-100.0%	(0)	-100.0%	
PROFESSIONAL SERVICES	31	17	41	30	(11)	-27.0%	13	79.2%	
LICENCES, PERMITS, FEES	2	1	2	2	-	0.0%	1	55.7%	
CREDIT CARD SERVICES CHARGES	3	4	2	4	1	57.4%	(0)	-1.0%	
PROMOTION & ADVERTISING	26	-	10	-	(10)	-100.0%	-	0.0%	
CONTRACTED MUNICIPAL SERVICES	7,649	7,996	8,077	8,394	317	3.9%	398	5.0%	
OTHER PURCHASED SERVICES	38	42	42	42	-	0.0%	-	0.0%	
Total Expenses	\$8,706	\$9,105	\$9,231	\$9,618	\$388	4.2%	\$514	5.6%	
Net Expenditures/(Revenues)	\$7,078	\$7,545	\$7,824	\$7,950	\$126	1.6%	\$405	5.4%	
Full Time Complement	5	5	5	5					

Major changes in the 2018 Budget from the 2017 Budget

Grants and Subsidies: Increase in grant revenue.

Contracted Municipal Services: Increase due to increase in waste tonnage due to growth and contract escalation.

ENVIRONMENTAL SERVICES - WATERWORKS 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenues								
FINES/BILLINGS	111,708	111,284	119,794	130,221	\$10,427	8.7%	\$18,937	17.0%
USER FEES & SERVICE CHARGES	390	405	581	533	(48)	-8.3%	128	31.5%
SALES	623	542	426	567	141	33.0%	24	4.5%
RECOVERIES & CONTRIBUTIONS	320	371	373	300	(73)	-19.6%	(72)	-19.3%
OTHER REVENUE	22	76	-	14	14	0.0%	(62)	-81.6%
TRANSFERS FROM RESERVES	(622)	(764)	-	-	-	0.0%	764	100.0%
Total Revenues	\$112,442	\$111,915	\$121,173	\$131,634	\$10,461	8.6%	\$19,719	17.6%
Expenses								
SALARIES AND BENEFITS	\$7,482	\$6,777	\$7,594	\$7,729	\$134	1.8%	\$952	14.0%
PRINTING & OFFICE SUPPLIES	27	49	33	34	1	1.5%	(15)	-30.6%
OPERATING MATERIALS & SUPPLIES	161	113	142	246	104	73.1%	133	117.3%
CONSTRUCTION MATERIALS	410	384	612	581	(30)	-4.9%	198	51.5%
UTILITIES	27	36	56	56	0	0.1%	20	55.6%
COMMUNICATIONS	53	55	99	74	(25)	-25.0%	19	34.0%
TRAVEL EXPENSES	22	37	47	47	-	0.0%	10	27.3%
TRAINING	46	60	57	60	3	5.2%	1	1.0%
CONTRACTS & SERVICE AGREEMENTS	3,089	2,647	3,336	3,368	32	0.9%	721	27.2%
MAINT. & REPAIR-TIME/MATERIAL	441	320	413	474	61	14.8%	154	48.2%
RENTAL/LEASE	7	6	6	6	(0)	-6.7%	(0)	-2.0%
PROFESSIONAL SERVICES	77	52	113	117	4	3.1%	65	124.1%
LICENCES, PERMITS, FEES	47	51	57	50	(7)	-11.6%	(1)	-2.3%
CREDIT CARD SERVICE CHARGES	1	2	0	1	1	400.0%	(1)	-38.3%
PROMOTION & ADVERTISING	-	-	3	-	(3)	-100.0%	-	0.0%
CONTRACTED MUNICIPAL SERVICES	83,594	83,793	90,758	100,989	10,230	11.3%	17,196	20.5%
OTHER PURCHASED SERVICES	2,381	2,492	2,404	2,517	114	4.7%	25	1.0%
WRITE-OFFS	4	30	20	5	(15)	-75.0%	(25)	-83.4%
TRANSFERS TO/(DRAW FROM) RESERVES	15,339	15,012	15,424	15,281	(143)	-0.9%	269	1.8%
Total Expenses	\$113,206	\$111,915	\$121,173	\$131,634	\$10,461	8.6%	\$19,719	17.6%
Net Expenditures/(Revenues)	\$764	\$0	\$0	\$0	\$0	0.0%	(\$0)	-100.0%
Full Time Complement	65	61	66	67				

Major changes in the 2018 Budget from the 2017 Budget

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

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Contracted Municipal Services: Increase in water purchases from the Region of York based on increased rates and growth.

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	Conduct one formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes
		Support corporate customer experience strategy and undertake completion of service standards
		Complete Waste Contract renewal by Q4, 2018
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 cross departmental IT projects (CRM/ACR system, Enterprise Asset Management, E-Plan, Learning Management System, Capital Budget Tool)
		Continue data integration with Alectra related to billing and reporting and develop Extract Transfer and Load (ETL) software (Auditor General Recommendation #2)
1.3 Strengthening Organizational Capacity and Effectiveness	Implement "Corporate People Plan"	Continue to undertake succession management and review/revise organizational structure to provide effective delivery of services
	Increase staff satisfaction and engagement within the department	Complete a Staff Satisfaction improvement project by Q4
	Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department	Continue implementation of protocol/procedure for knowledge transfer and to support staff retention

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of Formal Customer Satisfaction Surveys Completed	2	0	1	1	1 per year	2017
Overall rating on specific services surveys (informal door hangers, phone call follow-ups)	81%	90%	91%	90%	80%	current
Recognition Rating*	N/A	60%	N/A	59%	>=65%	current
Staff Satisfaction Rating*	N/A	75%	N/A	73%	>=80%	current
Healthy Work Environment Index from Staff Sat Survey ¹	N/A	69%	N/A	66%	70%	current
Organizational Engagement Index from Staff Sat Survey ¹	-	73%	-	70%	70%	current
# of Hours of Training per employee – HR data	N/A	1.6	5.9	3.6	20	current
# of Hours of Training per employee (Waterworks)	71.00	82.00	83.81	85.71	75.00	current
Staff Absenteeism (average # of days per employee)	N/A	N/A	N/A	9.6	N/A	N/A
# of days lost due to injury	N/A	N/A	N/A	1	N/A	N/A

¹ - 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	To support community engagement initiatives	Complete Water Efficiency Strategy by Q4, 2018
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	N/A

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of community events attended	31	36	37	30	N/A	N/A
# of presentations conducted for children and adult students	15	19	50	109	N/A	N/A
# of residents enrolled in Assisted Recycling Collection	25	37	54	67	N/A	N/A
# of multi-res buildings receiving 3 stream collection	56	70	78	83	121	2022

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	Adopt Asset Management practices to manage City assets	Ensure implementation of Asset Management practices in managing City's water, wastewater, stormwater, structures, and streetlight network
3.2 Managing Growth in Markham	Manage 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
		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	Ensure water and wastewater systems operates efficiently and maintained in compliance with DWQMS regulatory requirements
		Initiate development of Waste Water Quality Management System
Develop adaptation plans for our infrastructure to respond to climate change and other risks	Continue with the Downspout Disconnection program and Backflow prevention program	
	Support and participate as required	
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	Place new textile bins and enforce curbside textile collection ban. Continue to promote Markham textile program locally and nationally
	Manage Capital projects to improve City's infrastructure that minimizes City's risk	Continue with the Implementation of Flood Remediation Program in West Thornhill: (a) Complete Phase 2B implementation by Q3 2018; (b) Initiate Phase 2C implementation by Q2, 2018; and (c) Complete Phase 3 design by Q2, 2019. Complete Don Mills Channel EA Study by Q1, 2018

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of days Markham is under a partial or full Boil Water Advisory	0	0	0	0	0	Current
MOE Inspection Rating	86%	100%	100%	100%	100%	Current
# of water quality customer complaints / 1000 people served	1.01	0.77	0.91	0.90	N/A	N/A
# of Water main break per 100km of water main	3.41	3.05	4.14	2.71	<5	current
Waste diversion rate	80%	81%	81%	80%	80%	2016
# of waste depot visits ('000)	136	129	126	133	N/A	N/A
Reduction in Waste Generation (kg/capita)	N/A	N/A	66	64	60	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
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage our Non-Revenue Water	Initiate implementation of pilot area study for District Metering Area (DMA)
	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
4.2 Stewarding of the City's Assets	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Support E3 Strategy by continuing to pursue infrastructure grants to support renewal and cost containment
		Complete life cycle reserve by Q2, 2018. Complete capital budget requests by Q3, 2018
		Update Oil Grit Separator (OGS) database and implement maintenance program by Q4, 2018
	Develop Asset Management Plans for city- owned assets that considers accountability, risk of ownership, and fiscal stewardship	Complete life cycle sufficiency study for major water assets by Q3, 2018 and initiate Wastewater Asset Sufficiency Study
4.3 Increasing Transparency and Accountability	N/A	Participate in the Corporate Asset Management Plan Phase II to meet legislative requirements
		Integrate applicable stormwater maintenance activities within Environmental Services Department by Q2, 2018
4.3 Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Residential water consumption (litres/capita/day)	195	189	188	195	150	2040
Gross non-revenue water (% of volume)	12.3%	10.4%	12.0%	11.0%	<11.0%	Current
Cost to Provide Water Services/Population Served	128.71	127.91	144.38	147.00	N/A	N/A
Cost to Provide Wastewater Services/Population Served	121.34	124.01	141.11	153.09	N/A	N/A
Project Completion Rate – Right of Way	N/A	N/A	N/A	93%	>=85%	Current
Project Completion Rate – Waste and Waterworks	N/A	N/A	N/A	60%	>=85%	2018

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:	Undertake Service Planning to improve services and programs	Bi-Annual
	1. Timely response to customer inquiries	Conduct a formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes	Annual
	2. Appointments are on-time		
	3. Customers are treated with fairness and respect	Support Corporate customer experience strategy	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 implementation of cross departmental IT projects (CRM/ACR system, Enterprise Asset Management, E-Plan, Learning Management System, Capital Budget Tool)	2019
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 issues identified in the staff satisfaction survey	Annual
		Develop Succession Planning for Department	2019
		Continue knowledge transfer program	Multi-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	Year
2.1 Increasing Community Engagement	N/A	Implement Water Efficiency Strategy	2019
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	Annual
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	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	Adopt Asset Management practices to manage City assets	Ensure implementation of Asset Management practices in managing City's water, wastewater, stormwater, structures, and streetlight network	Annual
3.2 Managing Growth in Markham	Ensure adequate capacities in sewers and water mains and promote waste diversion to accommodate future needs	Support new FUA applications/implementation	Multi-year
3.3 Ensuring the Reliability of the Corporation's Services	Provide quality drinking water and wastewater services to the residents and businesses in	Ensure water and wastewater systems operates efficiently and maintained in compliance with DWQMS regulatory requirements	Annual

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
	Markham that meet, if not exceed, legislative requirements	Continue development of Waste Water Quality Management System	2019-2020
		Continue with the Downspout Disconnection program and Backflow prevention program	Annual
		Address potential opportunities to change water billing process and service provider as a result of PowerStream merger	2019-2020
	Develop mitigation plans for our infrastructure to respond to climate change and other risks	N/A	
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	Explore opportunities for provide carpet / mattress recycling, bulky material reuse	2019+
		Continue with implementation of West Thornhill Flood Remediation	Annual
		Initiate implementation of Don Mills Channel improvements	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	Manage our Non-Revenue Water	Continue monitoring of DMA Pilot Area	2019-2020
	Complete multi-year budget and identify E3 opportunities	Support E3 Strategy	2019
4.2 Stewarding of the City's Assets	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Complete life cycle sufficiency study for major wastewater assets	2019
	Develop Asset Management Plans for city- owned assets that considers accountability, risk of ownership, and fiscal stewardship	Participate in the Corporate Asset Management Plan Phase II	2019+
		Integration of applicable stormwater maintenance activities within Environmental Services Department	2019+
4.3 Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General	2019

FIRE AND EMERGENCY SERVICES 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
Revenues								
FINES	\$4	\$0	\$3	\$3	-	0.0%	\$3	0.0%
USER FEES & SERVICE CHARGES	7	7	32	10	(22)	-68.4%	3	51.1%
SALES	-	(0)	2	-	(2)	-100.0%	0	-100.0%
RECOVERIES & CONTRIBUTIONS	260	266	301	315	14	4.7%	50	18.7%
OTHER REVENUE	38	31	28	36	8	29.0%	5	15.0%
Total Revenues	\$310	\$303	\$366	\$364	-\$2	-0.5%	\$61	20.2%
Expenses								
SALARIES AND BENEFITS	\$34,948	\$34,328	\$34,653	\$35,549	\$896	2.6%	\$1,221	3.6%
PRINTING & OFFICE SUPPLIES	16	13	30	19	(11)	-36.7%	6	49.0%
PURCHASES FOR RESALE	-	1	4	2	(2)	-48.5%	1	258.4%
OPERATING MATERIALS & SUPPLIES	333	389	376	396	20	5.3%	7	1.7%
VEHICLE SUPPLIES	2	3	3	3	-	0.0%	(0)	-10.6%
UTILITIES	285	261	289	304	15	5.2%	43	16.4%
COMMUNICATIONS	30	31	27	30	3	10.4%	(1)	-1.7%
TRAVEL EXPENSES	20	19	27	26	(1)	-3.7%	7	36.5%
TRAINING	16	18	29	29	-	0.0%	11	63.6%
CONTRACTS & SERVICE AGREEMENTS	38	35	77	70	(7)	-9.5%	35	98.7%
MAINT. & REPAIR-TIME/MATERIAL	98	103	104	92	(12)	-11.6%	(11)	-10.9%
RENTAL/LEASE	3	4	3	3	-	0.0%	(1)	-23.6%
PROFESSIONAL SERVICES	15	12	10	15	5	46.6%	4	32.3%
LICENCES, PERMITS, FEES	3	4	5	5	-	0.0%	1	27.1%
TRANSFERS TO/(DRAW FROM) RESERVES	41	41	41	41	-	0.0%	-	0.0%
OTHER EXPENSES	0	1	-	-	-	0.0%	(1)	-100.0%
Total Expenses	\$35,849	\$35,262	\$35,679	\$36,584	\$905	2.5%	\$1,322	3.7%
Net Expenditures/(Revenues)	\$35,539	\$34,958	\$35,312	\$36,219	\$907	2.6%	\$1,261	3.6%
Full Time Complement	278	259	278	278				

Major changes in the 2018 Budget from the 2017 Budget.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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	Identify and undertake improvements arising from 2017 customer satisfaction surveys and undertake a customer satisfaction survey
		Support corporate customer experience strategy by updating service standards to align to Master Fire Plan and providing mandatory and legislated training to staff
		Develop business case and options for Fire Training Centre
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	Develop decision making systems and tools and make use of AVL/GPS, as appropriate
		Implement integration with E-Plan to achieve integration of Amanda and pre-planning programs
		Upgrade of ENROUTE dispatch software in Q2, 2018
		Roll out scenario-based on-line fire simulation training program to all officers and firefighters
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	Participate in the 2018 Staff Satisfaction Survey and leverage technology by having staff complete the survey online
		Support development of knowledge transfer strategies
		Develop departmental succession plan
		Revise Departmental Performance Measures in the Departmental Business Plan by April 2018
		Ensure compliance with legislative changes that will require increased specialized training by position

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

Respond to arbitration decision and update appropriate policies and practices, including 2016 collective agreement award, and receive Council mandate for 2017/18/19 collective bargaining process

Finalize plans for fire training, including the potential opportunity for mobile training platform for 24-hour shifts

Support implementation of new corporate PPRF process and await update on any additional People Plan initiatives

Departmental Performance Measures in support of Goal

	2013	2014	2015	2016	Target	Year
Overall customer satisfaction rating received for survey completed in the calendar year	-	-	100%	96%	>80%	2016
% of completion for identified health and safety training	100%	100%	100%	100%	100%	2016
Benchmark against National Fire Protection Association (NFPA) 1221 for Dispatch Processing Time (60 sec)	85%	83%	85%	85%	90 th percentile (PCTL)	2016
Benchmark against National Fire Protection Association (NFPA) 1710 for 1 st Truck Travel Time (4 min)	69%	66%	69%	73%	90 th PCTL	2016
Benchmark against National Fire Protection Association (NFPA) 1710 for 1 st Alarm Response Travel Time (8 min)	66%	66%	63%	67%	90 th PCTL	2016
% of Fire Prevention & Public Education CARE requests meet established timelines	100%	100%	100%	100%	≤5 days	2016
% compliance with Health and Safety Act	100%	100%	100%	100%	100%	2016
% of apparatus deployed using AVL/GPS	N/A	50%	75%	95%	100%	2016
% of staff registered on Target Solutions	N/A	100%	100%	100%	100%	2016
% of vulnerable occupancies inspections completed	100%	100%	100%	100%	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
		Support the Markham Fire Heritage Committee in the refurbishment of antique fire trucks and develop plan to build a heritage and education centre at Station 97
		On-going assessment to evaluate the community risk profile and provide programs that meet the needs of the residents
		Expand social media platform and outreach
2.2 Ensuring Markham is Welcoming and Inclusive	Deliver public education and prevention programs that are inclusive, accessible and provide enjoyable learning	Launch community-based recruitment outreach program and undertake three sessions annually
		Expand attendance at community events and outreach to provide fire and life safety education
		Expand outreach to vulnerable and diverse groups of people
		Complete an inspection of all fire stations and facilities with aim to achieve 100% barrier-free access by Q3, 2018
		Ongoing focus to remove barriers, advocate for inclusiveness and strive for a departmental workforce that reflects the community we serve
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	Complete gender-inclusive renovations at Fire Stations 94 and 96 by Q2, 2018 (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	Maintain involvement in the development of the 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	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
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 priorities of Master Fire Plan related to growth and risk mitigation, including approval to recruit for a second crew in Cornell in February, 2018
		Actively participate in the Secondary Plan process to ensure fire protection impacts and fire prevention opportunities are addressed, including the Future Urban Area (FUA)
		Implement specialized training plan, i.e. - trench and confined space rescue
		Secure property for a Markham Centre Fire Station
		Continue with planning for future stations (FUA, Langstaff)
3.3 Ensuring the Reliability of the Corporation's Services	Ensure business continuity of department and support community emergency preparedness and response efforts	Upgrade eight stations to digital signage, arising from Ice Storm Plan recommendations, by Q4, 2018
		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 on-going research, inventory and gap analysis relating to risk mitigation plans

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
3.4 Protecting and Respecting our Built and Natural Environment	Ensure continuity of operations while following Greenprint recommendations for fire stations, apparatus and equipment	Evaluate the feasibility and need for a vehicle with foam firefighting capability (flammable liquid fire suppression for rail emergencies) based on risk assessment and incorporate into 2019 Capital Budget cycle in 2018
		Establish a contract with the Federal Government for fire protection and other emergency response requirements at Rouge National Park Lands
		Evaluate requirements for "off road" rescue capacity

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
% of projects completed on time and on budget	90%	90%	90%	90%	>90%	TBD
% of recruits trained in Live Fire	0%	100%	100%	100%	100%	TBD
% of procurement for new staff completed	0%	100%	100%	100%	100%	TBD
% Policies review completed every 4 years or less	-	-	-	20%	25%	TBD
# of Redundancies for CEMC positions for EOC	3	3	3	2	3	TBD
# of cumulative recommendations implemented/considered from the approved Master Fire Plan	6	11	18	32	42	TBD
% of Master Fire Plan completed	15%	26%	42%	76%	100%	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 the increase in cost per capita of the Fire Service while maintaining the service levels	Support E3 Strategy and initiatives					
		Review and benchmark service costs per capita and address the need for future stations, including associated new apparatus and staffing costs					
		Evaluate automatic aid response agreements for fire and technical rescue with the Town of Richmond Hill and the City of Vaughan					
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.					
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support the audits conducted by the Auditor General					
		Review published inquest findings and adjust practices, as appropriate					
Departmental Performance Measures in support of Goal		2013	2014	2015	2016	Target	Year
Project Completion Rate (*newly approved by Directors Forum in 2017)		N/A	N/A	N/A	90%	90%	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)	2019-2021
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	N/A	
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	2019-2021
		Continue with NFPA standards implementation of OFMEM certification for all staff positions	2019-2021
		Manage Standard Operating Procedure (SOP) Committee	2019-2021

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	2019-2021
2.2 Ensuring Markham is Welcoming and Inclusive		Ensure that all fire facilities are barrier-free and accessible	2019-2021
		Remove barriers to inclusiveness and ensure departmental workforce reflect the community that it serves	2019-2021
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	2019-2021
		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	2019-2021
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, e.g. special trench and confined space rescue	2019-2021
		Design, construct, and operationalize Markham Centre Fire Station	2019-2021
		Operationalize long-term training plan and related facilities	2019-2021
		Construct and operationalize Langstaff Fire Station	2020-2021
		Continue with planning for Future Urban Area (FUA) station	2019-2021
		On-going assessment of resources to ensure deployment meets legislative requirements	2019-2021
3.3. Ensuring the Reliability of the Corporation's Services	Ensure business continuity of department and support community emergency preparedness and response efforts	N/A	
		Adopt risk management principles	2019-2021
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	2019-2021
		Evaluate requirements for "off road" rescue capacity	2019-2021

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	2019-2021
		Evaluate automatic aid response agreements for fire and technical rescue	2019-2021
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	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support the audits conducted by the Auditor General	2019-2021
		Review published inquest findings and adjust practices, as appropriate	2019-2021



MARKHAM PUBLIC LIBRARY 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
Revenues									
GRANTS AND SUBSIDIES	\$283	\$292	\$229	\$229	-	0.0%	(\$63)	-21.7%	
USER FEES & SERVICE CHARGES	593	615	735	723	(12)	-1.7%	108	17.5%	
RENTALS	73	62	50	50	-	0.0%	(12)	-20.0%	
SALES	100	98	86	86	-	0.0%	(12)	-12.0%	
OTHER REVENUE	0	0	-	-	-	0.0%	(0)	-100.0%	
Total Revenues	\$1,049	\$1,067	\$1,100	\$1,087	(\$12)	-1.1%	\$20	1.9%	
Expenses									
SALARIES AND BENEFITS	\$9,876	\$10,185	\$10,098	\$11,858	\$1,760	17.4%	\$1,673	16.4%	
PRINTING & OFFICE SUPPLIES	40	38	43	38	(5)	-11.2%	0	0.6%	
OPERATING MATERIALS & SUPPLIES	91	128	134	132	(2)	-1.3%	4	3.3%	
UTILITIES	171	164	166	176	10	6.1%	12	7.5%	
COMMUNICATIONS	81	90	89	103	15	16.4%	14	15.1%	
TRAVEL EXPENSES	45	41	44	44	-	0.0%	2	5.8%	
TRAINING	60	80	57	57	-	0.0%	(23)	-28.8%	
CONTRACTS & SERVICE AGREEMENTS	242	192	224	323	99	44.2%	131	68.1%	
MAINT. & REPAIR-TIME/MATERIAL	222	247	227	231	4	1.8%	(16)	-6.5%	
RENTAL/LEASE	17	17	13	15	2	15.3%	(2)	-9.1%	
INSURANCE	12	12	12	12	-	0.0%	-	0.0%	
PROFESSIONAL SERVICES	40	73	52	52	(0)	0.0%	(21)	-28.7%	
LICENCES, PERMITS, FEES	11	15	11	14	3	25.2%	(1)	-9.4%	
CREDIT CARD SERVICE CHARGES	6	6	7	7	-	0.0%	1	12.8%	
PROMOTION & ADVERTISING	33	36	34	33	(1)	-3.8%	(3)	-7.8%	
OTHER PURCHASED SERVICES	714	814	814	814	-	0.0%	-	0.0%	
OTHER EXPENDITURES	12	9	15	(20)	(34)	-230.8%	(29)	-306.6%	
Total Expenses	\$11,674	\$12,147	\$12,039	\$13,889	\$1,850	15.4%	\$1,742	14.3%	
Net Expenditures(Revenues)	\$10,625	\$11,080	\$10,940	\$12,802	\$1,862	17.0%	\$1,722	15.5%	
Full Time Complement	70	68	70	78					

Major changes in the 2018 Budget from the 2017 Budget.

Salaries and Benefits: Increase due to additional FTE, collective agreements and cost of living adjustments (COLA).

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	Improve customer service in response to changing customer requirements as identified through 2017 Strategic Check-in Survey
		Participate in 2018 City Staff Satisfaction Survey.
		Undertake customer satisfaction surveys regarding public computing services, and develop improvement plans based on results
		Implement Content Plan improvements for streaming services to meet emerging customer needs and priorities
1.2 Transforming Services through Technology and Innovation	Support development of “multi-year technology roadmap” by being involved in the digitization project	Support CLASS replacement
		Support implementation of new CRM/ ACR system
	Transform business processes through IT solutions	Launch MobileCirc to support offsite service delivery (membership creation, checkout, etc.)
		Implement Learning Management System replacement for library staff learning activities, including online
	Increase and improve online services	Leverage MPL Edu, a web-based staff training and on boarding tool, to support staff in self-directed learning and streamline training processes and administration
Implement online library card registration		
1.3 Strengthening Organizational		Support Digital Democracy initiative through promotion, voter list amendment, and training constituents to vote online
		Implement Digital Literacy Intensive training to support Digital Markham Strategy

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
Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Develop succession management program for the department
	Ensure there is a departmental culture that values staff satisfaction and engagement	Undertake staff survey improvement project to improve engagement scores

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of formal customer satisfaction survey completed	0	0	0	1	1 per year	2018
Overall customer satisfaction ¹	8.1	8.2	8.1	8.7	9.0	2018
% of checkout through self-service	83%	83%	83.5%	83.6%	90%	2018
Email notifications sent ('000)	169	224	250	270	300	2018
Healthy Work Environment Index from Staff Satisfaction Survey ²	-	68%	-	66%	70%	2018
# of learning hours per FTE	25.9	19.4	5.7	17.7 ³	20	2018
Staff Satisfaction: Training ²	-	72%	-	72%	75%	2018
Staff Satisfaction: Individual Recognition & Reward ²	-	62%	-	58%	65%	2018
Staff Satisfaction: Organizational Engagement ²	-	72%	-	68%	75%	2018

Notes:

- ¹ Data provided by Counting Opinions, an online survey tool that provides a continuous real-time stream of customer satisfaction data regarding all aspects of library services
- ² Data is generated every even year
- ³ Includes 2.5 hours per FTE through Markham Learn Centre.

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 engage residents in the advancement of literacies (reading, numeracy, digital, media and civic), educational achievement, and workforce skills	Participate in Integrated Leisure Master Plan update and implementation
		Undertake the official launch of the Aaniin Library
		Content Strategy: "Markham-ize" library eBook content with oral histories and books by local authors, to strengthen Markham's position as a destination for creative expression

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
		<p>Launch the Ready to Read library card, to engage families in early literacy development</p> <p>Launch Student Learning Engagement Project for elementary school students in Markham</p> <p>Launch Adult Library Volunteer Strategy to support and expand library services that engage the community in educational and personal growth</p>
<p>2.2 Ensuring Markham is Welcoming and Inclusive</p>	<p>Deliver library services and spaces that are inclusive, accessible, and safe, to build community identity, interaction and cohesion</p>	<p>Implement recommendations of the City Older Adult Strategy</p> <p>Implement Library Older Adult Strategy, with focus on homebound and socially isolated seniors</p> <p>Launch the Markham Brain Project, promoting brain health and dementia prevention</p> <p>Implement Digital Literacy Plan for residents, to train and educate our future and present workforce for the Markham Digital Destination initiative</p> <p>Expand library hours to reduce time constraints on public access to services and spaces that “complete” successful and thriving communities</p> <p>Expand services and programs for Special Needs and Print Disabled residents</p>
<p>2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries</p>	<p>Contribute to the economic vitality of Markham through workforce development and digital literacy education for all residents</p>	<p>Support recommendations of the new 10-year Economic Strategy</p> <p>Support the development of the York University campus and community engagement plan</p> <p>Incorporate the Digital Markham Strategy and the Digital Literacy Plan into the</p>

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
		existing library technology strategy to continue to bridge the 'Digital Divide'
		Implement the collaboration hub in the Aaniin Library, including state-of-the-art digital infrastructure and open-concept design spaces
		Implement communication strategy to attract citizens to the Aaniin collaboration hub
		Roll out new digital curriculum and courses at Aaniin Library and continue to increase digital maturity in the delivery of library services
	Expand digital STEAM (Science Technology Engineering Art Math) curriculum and courses across all library branches to develop digital literacy for Markham's workforce	
	Support Destination Markham strategy	Support implementation of the Destination Markham Strategy

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of volunteer Hours	12,567	10,020	14,000	13,000	15,000	2018
# of partnered programs and events	57	176	295	1,458	2,000	2019
# of Cultural Access Passes issued to new Canadians	994	2,936	2,762	1,535 ¹	3,000	2018

¹ICC (institute for Canadian Citizenship) advises that registration is down across the country in 2016 as fewer new citizens were sworn in 2016. Markham numbers are similar to other pick up locations across Canada. Markham is still considered a high volume pick up location. ICC expects citizenship #s to bounce back in 2018 with new legislation regarding citizenship expected to pass this fall).

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	N/A
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Participate in projects as required through Development Services consultation process.
		Support planning for community facilities in Future Urban Area (ELT) and other Areas of Intensification, to strengthen Markham's position as a place that attracts and retains investment and talent
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 are trained in its implementation
	Adopt Risk Management framework	Implement Enterprise Risk Management (ERM) monitoring reports and Key Risk Indicators (KRIs) for the Markham Public Library
3.4 Protecting and Respecting our Built and Natural Environment	N/A	N/A

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Sq.ft. of library space per capita	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 to provide accessible and affordable library services that are fiscally responsible	Support E3 Strategy
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities	Continue to judiciously execute lifecycle projects and operating budgets to provide facilities that enhance a strong sense of community, belonging, attachment, and civic pride Support replacement of user computers and operating system upgrade
4.3 Increasing Transparency and Accountability	Comply with all financial policies	Support the audits conducted by the Auditor General Continue to clarify roles, relationships, rights and responsibilities at City and Library Administrative levels.

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	Departmental Action	Year
1.1 Improving Customer Service	Ensure customer satisfaction and requirements are incorporated into our services and programs	Undertake customer satisfaction/ strategic check-in surveys and develop improvement plan based on results	2019 2021
		Conduct post-occupancy survey of Aaniin Library customers to evaluate success and impacts of new services (e.g. digital collaboration hub).	2019
		Implement Content Plan improvements– digital hotspots for households in priority neighbourhoods	2019
		Update service models and standards for all service areas	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	2019-2021
		Continue to support the implementation of the new program registration system	2019-2020
		Implement Corporate Content Management System (CMS) for public EIB/Displays at all library facilities for coordinated communication	2019
	Transform business processes through IT solutions	Replace Point of Sale (POS) cashiering system, including online (ITS project)	2019
		Execute priorities from the updated Digital Services Roadmap	2019-2021
Increase and improve online services	Continue to implement Library IT service improvements	2019-2021	

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	Departmental Action	Year
1.3 Strengthening Organizational Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Address issues identified in the staff satisfaction survey	2019-2021
		Support the People Plan Implementation	2019-2021
	Ensure there is a departmental culture that values staff satisfaction and engagement	Undertake staff survey improvement projects	2019-2021

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	Departmental Action	Year
2.1. Increasing Community Engagement	Deliver services that engage residents in the advancement of literacies (reading, numeracy, digital, media and civic), educational achievement, and workforce skills	Implement recommendations of the updated Integrated Leisure Master Plan	2019-2021
		Content Strategy: Increase visibility of local authors in library branches and online to advance Markham as a destination for creative and cultural expression and inspiration	2019-2021
2.2. Ensuring Markham is Welcoming and Inclusive	Deliver library services and spaces that are inclusive, accessible, and safe, to build community identity, interaction and cohesion	Implement recommendations of the City and Library Older Adult Strategies	2019-2021
		Expand library services to homebound / socially isolated seniors.	2019-2021
		Improve access to library resources for the print-disabled.	2019-2021

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	Departmental Action	Year
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 workforce development and digital literacy education for all residents	Support recommendations of the new 10-year Economic Strategy	2019-2021
		Support the development of the York University campus and community engagement plan	2019-2021
		Implement the multi-year recommendations of the Digital Markham Strategy regarding "the library as a centre of excellence for digital literacy"	2019-2021
		Expand Digital curriculum and courses (STEAM) across all library branches to improve develop digital literacy for Markham's workforce	2019-2021
		Host a collaborative design session in a hub and allow the community to help optimize the design of the next collaborative hubs	2019
	Support Destination Markham strategy	Support implementation of Destination Markham Strategy	2019-2021

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	N/A	
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Participate in projects as required through Development Services consultation process to strengthen Markham's position as a place that attracts and retains investment and talent	2019-2021
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	2019-2021
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation	2019-2021
3.4 Protecting and Respecting our Built and Natural Environment	N/A	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.

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 to provide accessible and affordable library services that are fiscally responsible	Support E3 Strategy	2019-2021
		Continue to judiciously execute lifecycle projects and operating budgets to provide facilities that enhance a strong sense of community, belonging, attachment, and civic pride	2019-2021
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities	Continue to judiciously execute lifecycle projects and operating budgets to provide facilities that enhance a strong sense of community, a sense of belonging, attachment, and civic pride	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial policies	Continue to clarify roles, relationships, rights and responsibilities at City and Library Administrative levels	2019-2021



OPERATIONS 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.		
					\$ Inc./.(Decr.)	% Change	\$ Inc./.(Decr.)	% Change	
Revenues									
PROVINCIAL GRANTS & SUBSIDIES	\$0	\$16	\$0	\$0	-	0.0%	(\$16)	-100.0%	
LICENCES & PERMITS	69	147	137	215	78	56.5%	\$68	45.8%	
USER FEES & SERVICE CHARGES	169	139	176	196	20	11.4%	\$57	41.2%	
RENTALS	366	357	352	520	168	47.6%	164	45.9%	
SALES	84	81	150	86	(65)	-43.0%	5	6.2%	
RECOVERIES & CONTRIBUTIONS	483	490	390	491	101	25.8%	2	0.3%	
OTHER REVENUE	3	3	-	11	11	0.0%	8	298.8%	
Total Revenues	\$1,174	\$1,232	\$1,206	\$1,519	\$313	25.9%	\$287	23.3%	
Expenses									
SALARIES AND BENEFITS	\$13,570	\$13,693	\$14,170	\$15,301	\$1,132	8.0%	\$1,609	11.7%	
PRINTING & OFFICE SUPPLIES	19	19	23	23	-	0.0%	4	24.1%	
OPERATING MATERIALS & SUPPLIES	221	210	189	199	11	5.7%	(11)	-5.1%	
VEHICLE SUPPLIES	1,423	1,546	1,578	1,589	11	0.7%	43	2.8%	
SMALL EQUIPMENT SUPPLIES	6	2	4	-	(4)	-100.0%	(2)	-100.0%	
BOTANICAL SUPPLIES	227	261	266	277	11	4.3%	16	6.1%	
CONSTRUCTION MATERIALS	2,237	2,011	1,824	1,890	67	3.7%	(120)	-6.0%	
UTILITIES	327	321	328	224	(103)	-31.6%	(96)	-30.0%	
COMMUNICATIONS	62	61	98	60	(39)	-39.1%	(1)	-2.4%	
TRAVEL EXPENSES	9	10	20	16	(4)	-20.4%	6	57.2%	
TRAINING	32	42	53	53	1	1.0%	11	26.9%	
CONTRACTS & SERVICE AGREEMENTS	8,010	7,949	9,265	9,642	377	4.1%	1,693	21.3%	
MAINT. & REPAIR-TIME/MATERIAL	2,881	2,708	3,618	3,582	(36)	-1.0%	874	32.3%	
RENTAL/LEASE	345	350	343	350	8	2.3%	0	0.1%	
PROFESSIONAL SERVICES	7	15	9	9	-	0.0%	(6)	-39.5%	
LICENCES, PERMITS, FEES	415	395	375	400	25	6.7%	5	1.4%	
PROMOTION & ADVERTISING	6	7	6	6	-	0.0%	(1)	-15.7%	
CONTRACTED MUNICIPAL SERVICES	2,224	2,223	2,662	2,721	59	2.2%	497	22.4%	
TRANSFERS TO OWN FUNDS	27	27	27	27	-	0.0%	-	0.0%	
TRANSFERS FROM OWN FUNDS	-	-	-	-	-	0.0%	-	0.0%	
OTHER EXPENSES	27	22.43	12	0	(11)	-99.6%	(22)	-99.8%	
Total Expenses	\$32,077	\$31,872	\$34,868	\$36,372	\$1,504	4.3%	\$4,499	14.1%	
Net Expenditures/(Revenues)	\$30,903	\$30,640	\$33,662	\$34,852	\$1,191	3.5%	\$4,212	13.7%	
Full Time Complement	111	103	115	117					

Major changes in the 2018 Budget from the 2017 Budget.

Rentals: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Recoveries and Contributions: Increased streetpole recoveries.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

Utilities: Lower usage based on actual trending.

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

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 survey for Tree Preservation By-law update
		Continue to undertake effective fleet life cycle strategies, including optimal replacement interval review
		Provide utility approval and inspection services per Municipal Access Agreement (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	Expand the use of AVL data to achieve continuous improvements and expand analytics capabilities of AVL data
		Support implementation of a new Learning Management System (LMS) to replace the Markham Learn Centre
		Advance the acquisition of a new work order system (EAM) that will result in implementation for Operations in order to optimize work management and job costing
		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
		Support development of knowledge transfer strategies
		Undertake improvement projects arising from staff satisfaction survey

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

Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items (ELT)

Undertake a service review of forestry operations

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of formal customer surveys completed	-	-	1	1	1 per year	TBD
# of ACR work orders/requests (Parks, Roads)	20,900	29,464	27,690	16,120		TBD
# of utility permits issued and inspected per staff per year	1,262	1,061	1,371	918	TBD	TBD
Average # corporate training hours per full-time employee	6.4	24.4	1.6	2.8	20 hrs	TBD
Average # of health & safety training hours per full-time employee	-	-	5.5	50.3		TBD
# of work related injuries resulting in lost time	-	-	3	4	0.0	TBD
Healthy workplace environment index (from staff satisfaction survey)*	-	57%	-	74%	75%	TBD
Recognition Rating (from staff satisfaction survey)*	-	48%	-	50%	65%	TBD
Staff Satisfaction rating (from staff survey)*	-	66%	-	58%	80%	TBD
Completion rate for performance management	N/A	100%	100%	100%	100%	TBD
Staff absenteeism (average # of days per full-time employee)	4.1	8.3	9.8	10.0		TBD
Employee turn-over rate	0.0%	9.6%	7.2%	9.3%		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 subsequent Parks Renaissance program phases
		Maintain improved partnership between Parks Operations and Parks Planning (Development Services) to optimize cost effectiveness and create 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	Implement subsequent Public Realm program phases
		Continue leading the shared rollout of Parks Signage plan (Year 3 of 3)
		Implement updated Integrated Leisure Master Plan recommendations, as appropriate
		Support implementation of the Older Adult Strategy
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	Develop a Markham Gateway Master Plan
		Support the development of the York University campus

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
# of parks maintained	202	210	219	237	N/A	TBD
Hectares of park maintained per 1,000 persons (MPMP)	2.87	2.88	2.89	2.92	N/A	TBD
Parkland hectares as % of total hectares in municipality	4.3%	4.4%	4.5%	4.6%	N/A	TBD
Availability of sportsfields for public use (in service rate in %)	96%	100%	100%	100%	100%	TBD
Met mowing standard of 12 – 14 days	95%	95%	95%	95%	100%	TBD
# of community volunteer initiatives supported	-	-	38	44	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	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 the total cost of ownership
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
		Implement recommendations of the Needs Assessment to increase operating efficiency and service delivery to existing and planned communities (subject to Plan receiving approval)
		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	Obtain Council endorsement and implement Emerald Ash Borer Management program future phases
		Continue to promote a Monarch Friendly Community by selecting locations to

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

incorporate pollinator friendly plantings within the parks network

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
% of paved lane kms where condition is rated good or above	91%	70%	74%	78%	85%	TBD
% of winter responses that meet/exceed road maintenance standards	97%	97%	100%	100%	100%	TBD
% of fleet utilizing hybrid technology (light duty vehicles under 10,000 lb GVW)	16%	14%	15%	16%	15%	TBD
Licensed fleet availability (in service rate in %)	95%	95%	96%	95%	90%	TBD
EAB planting target completion rate (%)	-	-	100%	95%	100%	TBD
EAB removal target completion rate (%)	-	-	100%	100%	100%	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	Implement the revised fee structure for permits and services currently offered to offset operating costs
		Implement future phasing of Bill 148 as required
		Complete review of cost structure of services within Parks Operations
		Support the E3 Strategy
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.)
		Monitor revised model of the City-wide Streetscape program to optimize cost effective and impactful horticultural displays
		Support future phases of the Enhanced Asset Management Strategy
		Play a strong role in the planning of new communities to ensure cost-effective, efficient and satisfactory service levels
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Completion rate of capital projects (% of planned budget spent)	47%	67%	70%	68%	80%	TBD
Total costs for paved roads per lane kilometre	\$7,835	\$5,927	\$2,515	N/A	N/A	TBD
Operating costs of road winter maintenance per lane kilometre maintained	\$5,062	\$5,144	\$3,687	\$4,067	N/A	TBD
Average annual operating cost per licensed unit in Fleet under 10,000 lb GVW	\$4,900	\$5,079	\$5,700	\$5,800	N/A	TBD
Project Completion Rate (*effective 2017)	N/A	N/A	N/A	86%	N/A	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	2019-2021
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	2019-2021
		Expand use of mobile work technology	2019-2021
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	2019-2021
		Undertake improvement project arising from staff satisfaction survey	2019-2021

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)	2019-2021

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
2.2 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 (subject to budget)	2019-2021
		Lead the shared rollout of Parks and By-law Signage plan (subject to budget)	2019-2021
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	Support the development of the York University campus	2019-2021
		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	Promote a safe and efficient transportation system that balances needs for all users	Participate in the implementation of the Master Transportation Plan recommendations	2019 - 2021
		Support the implementation of the MUP roll-out and relevant policies	2019 - 2021
		Participate in the design aspects of various transit, road and streetscaping projects	2019 - 2021
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	2019 - 2021

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
		Participate in the planning and implementation of Rouge Urban Park	2019 - 2021
3.3 Ensuring the Reliability of the Corporation's Services	Ensure the deployment of resources, programs, and services are reliable	Implement recommendations of the Needs Assessment Plan to increase operating efficiency and service delivery to existing and planned communities (subject to Plan receiving approval)	2019 - 2021
3.4 Protecting and Respecting our Built and Natural Environment	Protect natural and built infrastructure and enhance their resilience	Emerald Ash Borer program Future Phases	2019 - 2020
		Complete review and update of the Tree Preservation By-law	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	2019- 2021
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.)	2019- 2021
		Play a strong role in the planning of new communities to ensure cost-effective, efficient and satisfactory service levels	2019- 2021

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
4.3 Increasing Transparency and Accountability	N/A	Update MAA (for implementation in 2020)	2019-2020
		Support the audits conducted by the Auditor General	2019

RECREATION 2018 OPERATING BUDGET

Description (in \$000's)	2016 Actual	2017 Actual	2017 Budget	2018 Budget	2018 Bud. vs. 2017 Bud.		2018 Bud. vs. 2017 Act.	
					\$ Incr./Decr.	% Change	\$ Incr./Decr.	% Change
Revenues								
GRANTS & SUBSIDIES	\$100	\$164	\$102	\$102	\$0	0.0%	(\$62)	-37.7%
USER FEES & SERVICE CHARGES	11,096	11,899	11,895	13,110	1,214	10.2%	1,210	10.2%
RENTALS	6,811	7,330	7,411	8,337	927	12.5%	1,007	13.7%
SALES	121	126	142	148	6	4.3%	22	17.9%
RECOVERIES & CONTRIBUTIONS	56	67	64	64	-	0.0%	(2)	-3.2%
OTHER REVENUE	316	348	389	297	(92)	-23.7%	(51)	-14.7%
INTERDEPARTMENTAL RECOVERIES	714	814	830	889	59	7.2%	75	9.2%
Total Revenues	\$19,215	\$20,747	\$20,833	\$22,947	\$2,115	10.2%	\$2,200	10.6%
Expenses								
SALARIES AND BENEFITS	\$18,468	\$19,055	\$19,355	\$22,880	\$3,525	18.2%	\$3,825	20.1%
PRINTING & OFFICE SUPPLIES	69	90	86	81	(5)	-5.9%	(9)	-9.9%
PURCHASES FOR RESALE	75	80	86	85	(2)	-2.2%	5	5.7%
OPERATING MATERIALS & SUPPLIES	1,025	1,095	1,284	1,300	16	1.2%	206	18.8%
VEHICLE SUPPLIES	30	29	33	33	-	0.0%	4	12.4%
UTILITIES	5,937	5,776	6,972	6,886	(85)	-1.2%	1,110	19.2%
COMMUNICATIONS	40	48	51	59	8	15.6%	11	23.3%
TRAVEL EXPENSES	12	15	10	10	0	0.6%	(5)	-33.7%
TRAINING	126	121	131	130	(1)	-0.8%	9	7.8%
CONTRACTS & SERVICE AGREEMENTS	1,325	1,419	1,507	1,574	67	4.4%	156	11.0%
MAINT. & REPAIR-TIME/MATERIAL	1,332	1,470	1,494	1,576	82	5.5%	106	7.2%
RENTAL/LEASE	139	151	165	158	(7)	-4.4%	7	4.5%
INSURANCE	-	-	1	1	-	0.0%	1	0.0%
PROFESSIONAL SERVICES	24	30	47	47	-	0.0%	16	54.1%
LICENCES, PERMITS, FEES	56	62	61	60	(0)	-0.7%	(2)	-2.8%
CREDIT CARD SERVICE CHARGES	308	290	233	233	-	0.0%	(57)	-19.6%
PROMOTION & ADVERTISING	40	56	31	45	14	100%+	(11)	-19.6%
CONTRACTED MUNICIPAL SERVICES	15	18	14	14	-	0.0%	(4)	-19.8%
PMTS. TO CITIZENS/LOCAL GROUPS	45	45	45	45	-	0.0%	-	0.0%
OTHER EXPENDITURES	111	40	80	2	(78)	-97.5%	(38)	-95.0%
TRANSFERS TO/(DRAW FROM) RESERVE	457	571	369	369	-	0.0%	(202)	-35.3%
Total Expenses	\$29,634	\$30,460	\$32,056	\$35,590	\$3,533	11.0%	\$5,129	16.8%
Net Expenditures/(Revenues)	\$10,420	\$9,713	\$11,223	\$12,642	\$1,419	12.6%	\$2,929	30.2%
Full Time Complement	120	122	120	132				

Major changes in the 2018 Budget from the 2017 Budget.

User Fees and Service Charges: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Rentals: Increase due to approved fee increases effective January 1st, 2018 and a higher number of applications.

Salaries and Benefits: Increase due to collective agreements and cost of living adjustments (COLA).

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
		Support corporate customer experience strategy
		Update service standards for all service areas, starting with fitness area
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process to protect/enhance revenues Use technology to support the enhance business practices	Undertake replacement of 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
		Participate as necessary on the update of the employee portal
		Support the implementation of the corporate Learning Management System (LMS)
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
		Develop a succession plan and knowledge transfer strategies

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
Overall satisfaction by program, facility and sport group users	-	-	72.8	75.0	80%	N/A
# of annual visits at recreation facilities (in millions)	8.2	8.2	8.3	8.3	N/A	TBD
# of annual direct program registrations	85,321	69,678	62,494	63,972	94,000	2014
# of annual drop-in programs	-	-	660,967	92,424	TBD	TBD
Completion of project within established framework	-	-	-	-	N/A	2018
Healthy Work Environment Index (Staff Survey)*	-	63%	-	66%	70%	2018
Organizational Engagement Index (Staff Survey)*	-	64%	-	70%	70%	2018
# of loss days due to injury	-	5	26	3	0	N/A
# of corporate learning hours per regular full-time employees	-	2.9	3.9	5	20	N/A

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	Lead the implementation of the Older Adult Strategy plan
		Development of a Sport League Program
		Implement new Community Service Group application process
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 and monitor the ongoing operating and marketing plan
		Support the completion of the Integrated Leisure Master Plan
		Continue to implement the Aquatic Strategy
		Ensure fair and equitable access to programs and facilities that continue to support the growth of sport in our community
2.3. Promoting Markham as the Best Place in Canada to Invest	Contribute to the Economic vitality of Markham through recreation and sport	Implement the recommendations from the Markham Sport Plan
		Continue to support Physical Literacy plan across Recreation programs and services
2.3. Promoting Markham as the Best Place in Canada to Invest	Contribute to the Economic vitality of Markham through recreation and sport	Support the development of the York University campus with alignment to the Pan Am Centre

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
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and Locate
Knowledge-based
Industries

Support Destination
Markham

Implement sport tourism initiatives,
including the promotion of Markham Pan
Am Centre as a sport event destination

Departmental Performance Measures in support of Goal	2013	2014	2015	2016	Target	Year
% of annual increase in volunteers involved in Recreation Programs (2009 is base year =576)	4%	-	-	-	5%	N/A
Total participant hours for recreation programs per capita (MPMP)	13.65	-	-	-	15.00	2016
Unique resident participation in registered programs per capita (includes Culture programs)	-	-	65,534	63,248	N/A	TBD
Retention rate of Fitness Centre members	61%	60%	60%	58%	65%	2018
# of annual provincial level and above events hosted	-	-	-	16	20	2018

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	Support learn-to-bike programs within recreation programs
3.2. Managing Growth in Markham	Participate in all Growth Management projects	Support the sustainable and Integrated Growth Management Project as required
		Participate in the planning of future urban areas
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 Department 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 employee 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	Undertake the review of the Ability to Pay model as the first step in establishing a revised pricing and subsidy strategy (Older Adult Strategy)
		Identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate
		Support E3 Strategy Refresh
		Implement the recommendations of the Program and Camp review project
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 and meet completion rate targets
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	2013	2014	2015	2016	Target	Year
Revenue as % of total gross Recreation operating expenditures	-	-	63%	65%	70%	2016
Completion rate on approved capital projects	N/A	N/A	92%	98%	90%	2018

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	2019-2021
		Continue to implement customer experience strategy	2019-2021
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process	Continue to support the implementation of the new registration/booking system	2019-2021
		Support the implementation of the new CRM/ACR system	2019-2021
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement in the department	Address issues identified in the staff satisfaction survey	2019-2021
		Support the People Plan Implementation	2019-2021

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	2019-2021
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	2019-2021
		Implement and monitor the ongoing operating and marketing plan	2019-2021
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	2019-2021
		Implement the recommended actions of the Physical Literacy Plan	2019-2021
		Support the development of the York University campus with alignment to the Pan Am Centre	2019-2021
		Participate in the RFP for the new 10-year Economic Strategy	2019-2021

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	N/A	
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	2019-2021
3.3. Ensuring the Reliability of the Corporation's Services	Adopt risk management program	Participate in Emergency Management Exercise and Training as required	2019-2021
	Complete Business Continuity Work	Complete Business Continuity Plan and update related standard Operating Procedures	2019-2021
3.4. Protecting and Respecting our Built and Natural Environment	Ensure that facilities operate using sustainable practices	Participate on the Corporate Energy Team	2019-2021

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	2019-2021
		Ensure that facilities are well maintained and meet service standards	2019-2021
		Support E3 strategy Refresh	2019-2021
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	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial and corporate policies	Support the audits conducted by the Auditor General	2019-2021

ACRONYMS

BAU	Business As Usual
BIA	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.
BP	Business Plan
CAO	Chief Administrative Officer
COLA	Cost of Living Adjustment
CPI	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)
CUPE	Canadian Union of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
DBRS	Dominion Bond Rating Service
DCA	Development Charges Act – Provides guidelines on funding of identified growth related projects in the City from developers.
DF	Director's Forum
ELT	Executive Leadership Team
GAAP	Generally Accepted Accounting Principles – Uniform minimum standards for financial accounting a recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
GFOA	Government Finance Officers Association of the United States and Canada
HST	Harmonized Sales Tax (13%)
ITS	Information Technology Services
KPI	Key Performance Indicators (Performance Measures)
LEED	Leadership in Energy and Environmental Design



MEC	See Markham Enterprises Corporation in glossary of terms
MECO	See Markham Energy Conservation Office in glossary of terms
MESF	Markham Environmental Sustainability Fund
MPFFA	Markham Professional Firefighter's Association – An association of Firefighter's formed for protecting the rights of its members in their workplace environment.
MTO	The Ontario Ministry of Transport
NCMDD	National Centre for Medical Devices Development
OMERS	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.
PSAB	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.
SWM	Storm Water Management
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.
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.
YRDSB	York Region District School Board

GLOSSARY OF TERMS

Accrual Basis	A method of accounting that recognizes revenue as they are earned and expenditure when they are incurred rather than waiting until cash is exchanged.
Accumulated Depreciation	The total amount recorded, during a specified period of time, to reduce the value of a long-term tangible asset.
Assessment	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.
Administrative Expenses	Expenses incurred for the day-to-day operations e.g. Salaries, building rental, office expenses etc.,
Appropriation	A sum of money or total of assets devoted to a special purpose.
Bill 148	Legislation includes increases to the minimum wage, emergency leave, vacation pay, statutory holiday pay, equal pay for equal work and stand-by pay that impacts part-time, casual, temporary and seasonal employees.
Bill 175	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.
Bill 195	Legislation to safeguard health and prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing.
Balanced Budget	When total revenues equals total expenses in a fiscal year.
Budget	A financial plan for a given fiscal year showing revenues and expenditures for different funds of the City.
Capital Budget	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.
Capital Assets	Represents assets like Land, Building, Machinery etc whose benefits last several years.
Capital Receipts	Receipt of funds specifically for the creation of a Trust account.
Capital Expenditure	Money's spent for replacement, renovation or maintenance of fixed assets the benefits of which could spread over several years.



Capital Projects	Projects whose value is more than \$5,000 with benefits of expenditure lasting several years.
Chargebacks	Represents allocating a portion of costs incurred by the department, which provides a service to the department, which benefits from such service.
Depreciation	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.
Development Charges	A fee charged to new development to finance the cost of new growth- related capital facilities and infrastructure required to satisfy increased servicing needs
Donations in Kind	Represents the value of a commercial service received from external customers without any payment for the same.
Fixed Assets	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.
Fund	A sum of money set aside and earmarked for a specified purpose.
Gas Tax Rebate	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
Grants in Lieu	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.
Infrastructure	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).
Levy	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
Markham Enterprise Corporation	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.

Markham Energy Conservation Office	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’.
Municipal Act	<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>
New Urbanism	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.
Non-routine Capital Expenditures	Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.
Operating Budget	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.
Reserve	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.
Reserve Fund	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.

Surplus	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.
Supplementary Taxes	Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).
Tax Rate	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.
User Fees & Service Charges	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.

Balanced Budget

In 2018, the City developed a balanced Budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2018 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 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, 2017, there were 16 Reserves and 26 Reserve Funds. Out of the total of 42 funds, 36 were discretionary (i.e. set aside by Council) and 6 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.

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 2018 base level Budget is set by taking the inputs approved in the 2017 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 2017. These costs are identified and included in the 2018 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 2017, their upkeep would be part of the 2018 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 2018 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 2018 base Budget from each Department includes only the 2017 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 2018 interest rate of 2.59% 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 2018 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 8th 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"> - Multi-year. - Non-recurring.
Minor	<ul style="list-style-type: none"> - Non-recurring. - Completed within 12 months of initiation date. - Invoices processed and projects “closed” 3 months after project completion.
Annual	<ul style="list-style-type: none"> - Recurring. - Completed within the calendar year of approval. - Invoices processed and project “closed” no later than Q1 of the year following approval.

*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.

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 2018 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:

PROJECT CATEGORY	GUIDING PRINCIPLES
Major	<ul style="list-style-type: none"> - Multi-year - Non-recurring
Minor	<ul style="list-style-type: none"> - Non-recurring - Completed within 12 months of initiation date - Invoices processed and projects “closed” 3 months after project completion
Annual	<ul style="list-style-type: none"> - Recurring - Completed within the calendar year of approval - Invoices processed and project “closed” no later than Q1 of the year following approval



Standardized Contingency Percentages

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 2018 is approximately \$85.3 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:

Contract Value	Approval Authority
\$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:

Contract Value	Approval Authority
\$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:

Dollar Threshold*	Approval Authority
\$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:

Dollar Threshold	Approval Authority
\$0 - \$50,000	Director
\$50,001 - \$100,000	Commissioner
\$100,001 to limit	CAO

7 PROCEDURES

7.01 Goods and Services less than \$100 (excluding Taxes)

- a) Goods and services costing less than \$100 required in the normal course of business may be paid for from Petty Cash or by using the Corporate Procurement Card.
- b) All withdrawals from Petty Cash and all expenditures using Petty Cash must be authorized by the employee's next level of authority.
- c) Invoices will be approved by the appropriate authority and sent to the Accounts Payable Department for payment.



7.02 Goods and Services greater than \$100 and less than \$5,000 (excluding Taxes)

Goods and services costing more than \$100 and less than \$5,000, required in the normal course of business, may be purchased without a purchase order either through normal invoice procedures or by using the Corporate Procurement Card, except in the case of regular predictable expenses such as rent or utilities.

- a) Invoices will be approved by the appropriate authority and sent to the Accounts Payable Department for payment.

7.03 Goods and Services greater than \$5,000 (excluding Taxes)

- a) For goods and services costing more than \$5,000, a purchase order must be issued. The purchase order could be either a blanket, fixed or regular purchase order depending on the type of purchase.
- b) For purchases using a blanket or regular purchase order, invoices duly approved by the appropriate level of authority (sign off on the invoice), will be sent to Accounts Payable for payment processing.
- c) For fixed purchase orders, the invoices will be paid automatically by the Accounts Payable Department without the need for approval by the User Department. It is the responsibility of the User Department to inform Accounts Payable to stop payment for any reason before the payment is due.

7.04 Contingencies

- a) Any contingency fund authorized in a contract award will be issued on a separate purchase order. Authorized project change invoices will be posted against the contingency purchase order.

7.05 Invoice Authorization for Payment

- a) All invoices for expenditures less than \$5,000 must be signed by a Supervisor / Coordinator.
- b) All invoices for expenditures greater than \$5,000 must have two signatures / initials as follows (e.g. initials):
 - i. The first initial can be any staff member, within the User Department, that has been authorized by the User Department Commissioner.
 - ii. For purchases less than \$100,000 the second initial must be a manager's initials.
 - iii. For purchases above \$100,000 the second initial must be a Director's initials.
 - iv. Initials will be written on the face of the invoice. Accounts Payable will check to see that there are two sets of initials, ensuring that one is the appropriate Director or Manager.
- c) Invoices that do not have the correct purchase order and line item number noted will be returned to the Vendor for correction

7.06 Write-Offs

Authorization to write-off outstanding amounts owing to Markham as uncollectible is as follows:

- Write-off of any non-tax related invoices up to \$10,000 will be reviewed and authorized by the Treasurer. Council approval is required for any write-off in excess of \$10,000.
- Write-off of any tax related items that are tax reductions and are the result of successful appeal of assessment or taxes by a taxpayer will be reviewed and authorized by the Treasurer without any monetary ceiling.
- Write-off's requiring Council approval as mandated by legislation will be forwarded to Council through a report.
- Write-off's that have specifically been provided for within the approved Budget and/or year end closing provision, will be reviewed and authorized by the Treasurer.
- Allowances that have been provided for in the General Ledger will be reviewed and authorized by the Treasurer.

8 MISCELLANEOUS AUTHORITIES

8.01 Accounting

a) Personal Expense Claims

	Authority
a) Personal Expense Claims	
Staff member	Manager
Manager	Next Level/Director
Director	Next Level/Commissioner
Commissioner	Chief Administrative Officer
Chief Administrative Officer	Commissioner of Corporate Services
Councillor	Councillor
b) Cheque requisitions	Manager/Director as per clause 7.05
c) Procurement Card Purchase	Manager and/or Director
d) Petty Cash Expenditures	Manager

8.02 Payroll / Personnel

	Authority
a) Time Sheets	Cost Centre Manager
b) Overtime	Cost Centre Manager
c) Vacation	Cost Centre Manager
d) Salary Memorandums	Director - Human Resources
e) Termination/Leave of Absence	Director - Human Resources

8.03 Letters of Credit – Draws, Reductions, Releases

	Authority
a) up to \$100,000	Manager
b) up to \$350,000	Director
c) up to requested value	CAO, Commissioner, Treasurer

8.04 Miscellaneous

	Authority
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:

- Maintenance and repairs maintain the predetermined service potential of a TCA for a given useful life. Such expenditures are expensed in the accounting period in which they are incurred.
- Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the cost of the related asset.

Expenditures, regardless of value, which do not extend the useful life or improve the economic benefit of the asset, must be expensed in the period in which they occur.

14.0 Capital Leases

A capital lease is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to the City. For substantially all of the benefits and risks of ownership to be transferred, one or more of the following conditions must be met:

- There is reasonable assurance that the City will obtain ownership of the leased property by the end of the lease term.
- The lease term is of such duration that the City will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.
- The City would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

The process to account for a capital lease is the same as acquiring a capital asset and incurring a liability.

Notwithstanding the above, leases will be considered operating leases, therefore expensed, when the net present value of the future minimum lease payments or fair value, whichever is less, is less than \$10,000.

15.0 Accountability

Operating departments are responsible for:

- Providing information on capital request forms identifying all information required for the eventual calculation of amortization.
- Advising the Manager of 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	
Buildings			Single Asset (by Building)	40		
Equipment	Facility Equipment		Pooled by Year	10	Indoor Cleaning/Maintenance, Kitchen, Theatre, etc.	
	Facility Recycling Containers		Pooled by Year	10		
	Fire Services Equipment		Pooled by Year	11		
	ITS Equipment		Pooled by Year	7	Audio/Visual, Computers, Fire Dispatch, Library 3M HW, Network Device, Peripherals, Print Shop Equip, Printers, Servers & Telecomm.	
	Non-Licensed Construction/Maintenance Equipment		Pooled by Year	7		
	Parking Machines		Pooled by Year	10		
	Recreation Fitness & Program Equipment		Pooled by Year	5		
	Solar PV Panels		Single Asset (by location)	20		
	Air-Supported Structure		Single Asset (by location)	20		
	Artificial Turf		Single Asset (by location)	15		
Furniture & Fixtures	Facility Furniture		Pooled by Year	10		
	Office Furniture		Pooled by Year	15		
Infrastructure	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/Precast Concrete 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			
Land	Land Parcels		Single Asset (by Roll #)	n/a		
	Park Landscaping		Pooled by Year	n/a		
	Land Under ROW's		Pooled by Year	n/a		
Library Furniture & Fixtures	Library Furniture & Fixtures		Pooled by Year	10		
Library Media Collection	Library Media Collection		Pooled by Year	7		
Parks & Pathways	Other Structures	Lighting	Pooled by Year	30	Pathway & sportfield lighting.	
		Park Furnishings	Pooled by Year	10	Benches, waste receptacles, signage.	
		Shelters	Pooled by Year	40	Park buildings, gazebos, arbors.	
		Skate Parks	Pooled by Year	25		
		Sportsfield Structures	Pooled by Year	10	Fencing, Court surfaces, Bleachers, Goal posts.	
	Pathways		Pooled by Year	15		
	Playground Structures		Pooled by Year	15		
	Site Servicing & Drainage		Pooled by Year	60	Water supply & drainage.	
Waterplay Structures		Pooled by Year	20			



Category 1	Category 2	Category 3	Recording Method	Useful Life-Years	Components	
Vehicles	Fire Apparatus		Pooled by Year	9		
	Licensed Vehicles		Pooled by Year	7		
Waterworks Equipment	O&M Tools and Equipment		Pooled by Year	9		
Waterworks Infrastructure	Drinking Water Distribution System		Pooled by Year	60		
	Sanitary Sewage Collection System		Pooled by Year	85		
	Sanitary Sewage Pumping Stations	Architecture		Single Asset (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			
Waterworks Vehicles	Licensed Vehicles		Pooled by Year	7		



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