



Town of Markham
Ontario, Canada
2005 BUDGET



COMMUNITY VISION



CORPORATE MISSION

Working with the community to provide high quality municipal services that meet, if not exceed, the expectations of Town residents and businesses

CORPORATE GOALS

- Environmental Focus
- Fiscal Stewardship
- Infrastructure Management
- Managed Growth
- Quality Community
- Economic Development
- Organizational Excellence



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Markham
Ontario**

For the Fiscal Year Beginning

January 1, 2004

Nancy L. Ziehl
President

Jeffrey R. Egan
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Town of Markham, Ontario** for its annual budget for the fiscal year beginning **January 1, 2004**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

2005 BUDGET

EXECUTIVE SUMMARY

We are pleased to present the 2005 Operating, Capital & Waterworks Budget for the Town of Markham. After extensive discussion and planning involving residents, community and business groups, Council and staff have produced a balanced budget that addresses the social needs of the community, maintains service levels and kept the increase in the municipal portion of the tax rates at a minimal level. Vital Markham services such as fire protection, waste management and roads services have been supported at 2004 levels.

The Town of Markham approved the following 2005 Budgets, totalling \$257.5 million:

- Operating \$137.4 million
- Capital \$75.9 million
- Waterworks \$44.2 million

Operating Budget

The Town of Markham continues to face budgetary pressures in many aspects of its operations. Wage settlements, general inflation, contract escalations and renewals including winter maintenance contracts and high energy costs have continued to challenge municipal budgets. Further, as the Town grows, the additional inventory of parks, community centres, watermains, roads, and sidewalks results in the need for increased resources to maintain and replace these assets. In addition to the above, the budget includes phasing in of operating costs related to future facility openings such Cornell Fire Station and the East Community Centre and Library.

The budgetary impact of these pressures were partially offset by increases in revenue resulting in a nominal property tax levy tax rate increase over 2004 of 3.9% or \$35.08 per year on the municipal portion of the tax bill for an average home valued at \$358,000. This is the lowest tax rate approved in York Region to date and one of the lowest in the Greater Toronto Area (GTA). Of the total residential property taxes collected, the Town receives about 24 cents of every dollar, with the remainder going to education – 29 cents and the Region of York – 47 cents.

Capital Budget

The Capital Budget approved for the year continues to focus on projects that align to Council's short term priorities of

- Addressing Gridlock and Rapid Transit
- Creating a better quality of community
- Improving Environmental Protection & Management
- Implementation of Markham Centre Downtown
- Safe Streets and
- Improved Standards of Service and Service Delivery

Some of the 2005 Budget highlights include:

- \$14.8 million for purchase of land for the East & Southeast Community Centres & Library
- \$8.0 million for property acquisition for Enterprise Drive Phase 2 and Enterprise Drive underpass Phase 2
- \$5.8 million for 6 new parks (8 hectares), and additional park elements
- \$4.7 million in watermains service and replacement
- \$4.0 million for road resurfacing
- \$1.4 million for maintenance program at major Community Centres and Cultural Venues
- \$0.4 million for traffic safety projects

Waterworks Budget

The Waterworks Budget has increased by \$5.2 million (net) compared to the previous year. Increased legislative requirements affecting the Town's Water Distribution and Wastewater collection like the Safe Drinking Water Act (Bill 195), Sustainable Water and Sewage Systems Act (Bill 175) have resulted in an increase in resource requirements. This Budget has addressed these requirements as well as growth-related expenditures.

Some of the initiatives addressed in this budget are listed below. These and other initiatives are discussed in detail in the various sections of this document. They represent a strong reaffirmation to the Town's residents, businesses and visitors that the Town of Markham is a best place to work, live and play.

Looking Ahead

The following initiatives are major programs to be funded in the current and future budgets:

Markham Centre – Markham Centre is Markham's downtown core: an environmentally sustainable, transit-friendly, attractive home for about 25,000 new residents and 17,000 employees. Located on more than 900 acres north of Highway 407, east of Warden Avenue, Markham Centre will have a distinctively urban character with high densities, strong streetscapes complemented by ample green spaces. “Downtown Markham” will be integrated into its natural heritage setting with a central gathering place for Markham residents and businesses. The urban mixed use plan for ‘Downtown Markham’ was initially approved in July 2003.

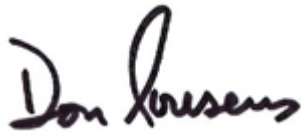
Transportation – Council recognizes transportation as one of the most important strategic initiatives of the Town of Markham. A strategy has been developed with the goal of achieving a balanced transportation system where the road network provides a reasonable level of service during peak hours. In cooperation with the Region of York, the ‘VIVA’ initiative will commence in the fall of 2005 which will improve existing bus services along major transit corridors including Highway 7, Yonge Street and Warden Avenue. The “VIVA” initiative will feature upgraded buses, automatic ticket and payment systems at key locations across the transit corridors.

eMarkham - As Canada's High-Tech Capital, Markham is taking a leading role in exploring ways to improve its service delivery using electronic technology, to conduct an e-business government and to communicate with stakeholders. In 2003, the Town opened its Customer Contact Centre to provide residents with electronic access to its services. In November 2003, the

Town successfully used on-line voting technology in support of its latest municipal election. Markham will continue to use the latest information management methods in municipal governance and communication to its residents and stakeholders.

Environment – Markham continues to maintain its leadership role in protecting and improving its natural environment. Strategies being developed include tree planting initiatives for residents and businesses, and initiatives to improve natural areas (ravines and valley lands), beautifying streetscapes are being reviewed. Further, the Town of Markham is implementing a Green Fleet/Hybrid Pilot project as well as establishing an anti-idling By-Law. Emission audits at all Town of Markham buildings will be conducted beginning with the Civic Centre.

Markham continues to build on its reputation as “Canada’s High-Tech Capital” with these initiatives and also its commitment to preserving natural resources which results in a community that is vibrant and provides a quality of life that makes us proud to be part of the community. The 2005 Budget and its long-term initiatives are to promote these values.



W. Donald Cousens
Mayor



Dan Horchik
Budget Chief & Ward 6 Councillor

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
1. Introduction	
Markham Map	1
Markham Council	4
Markham Coat of Arms and Motto	5
History of Markham	6
Economic Profile	8
New Dwelling Units and Construction Values	11
2. Corporate Overview	
Organization Structure	12
Long-Term Strategic Plans & Initiatives	13
3. Budget Policies & Guidelines	
Financial Policies	18
Budgeting Policies	22
Capital Budget Guidelines	24
Operating Budget Guidelines	28
4. 2005 Budget	
Budget Calendar	35
Budget Framework	36
Budget Process	36
Budget Summary	37
Operating Budget	
- Operating Budget	40
- Consolidated by Department & Commission	48
- Consolidated by Commission & Account	51
Capital Budget	52
- Capital Budget by Department	55
- Summary of Other Funding Sources	61
- Capital Induced Operating Costs	62
- Capital Budget Forecast	63
- Description of Capital Projects Value over \$1 Million	64
Waterworks Budget	82
Budget Presentation to Public	84
Treasurer and Commissioner Budget Report to Council	105
Comments from Stakeholders	113
Media Article	114
5. Head Count	
2005 Budget Full Time Complement	115
Explanation of Changes	117

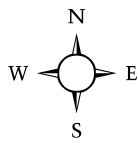


TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
6. Funds Summary	
Summary of Funds Overview	118
Reserve & Reserve Fund:	
Description	119
Reserve Study Recommendations	123
Continuity Schedule	124
Explanation of Changes	125
Trust Fund Description	126
Debt	128
Summary of Funds	129
7. Department Overview, Business Plans and Detailed Operating Budget	
Mayor & Council	131
CAO's Commission	132
Corporate Services Commission	148
Development Services Commission	181
Community and Fire Services Commission	206
Corporation Consolidated	255
8. Glossary of Terms	256

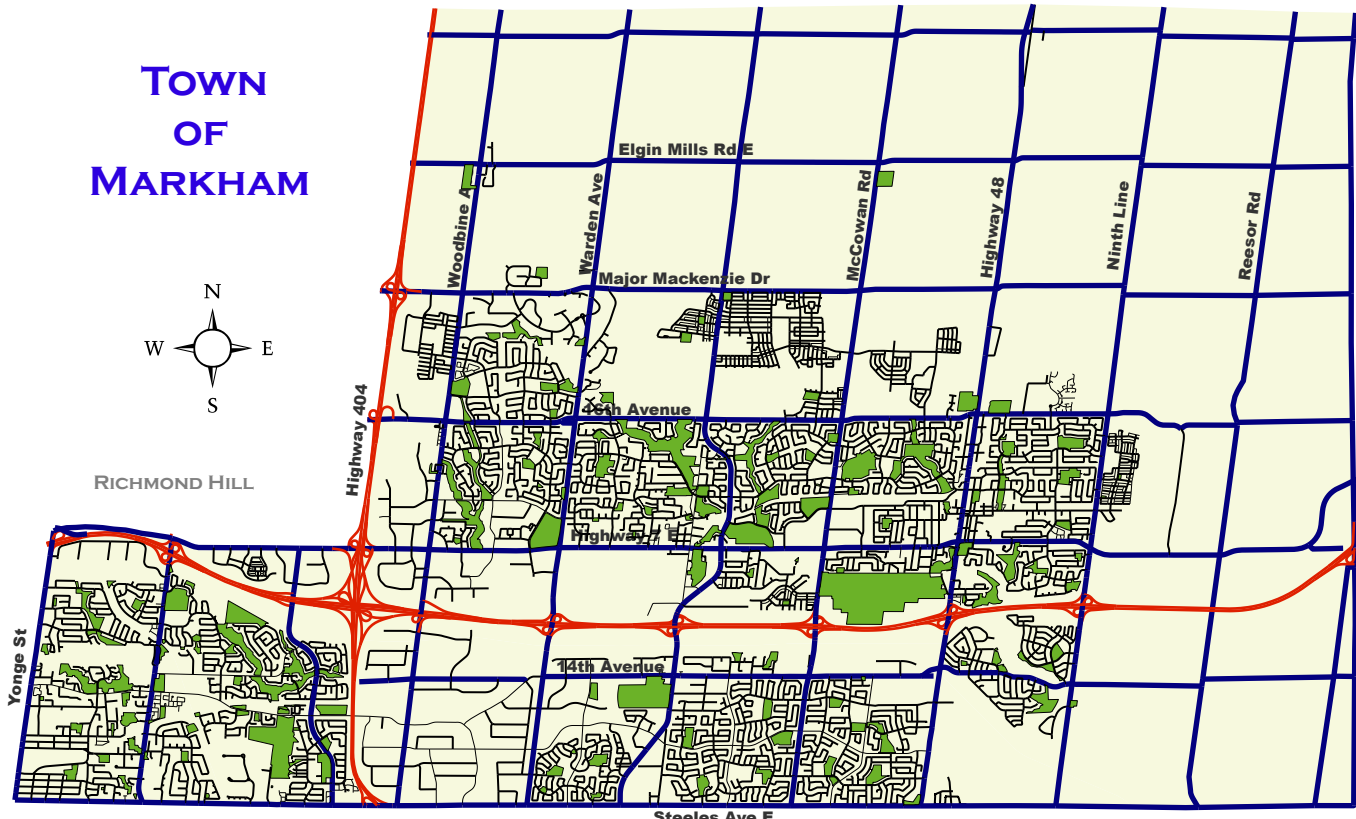


TOWN OF MARKHAM



WHITCHURCH - STOUFFVILLE

RICHMOND HILL



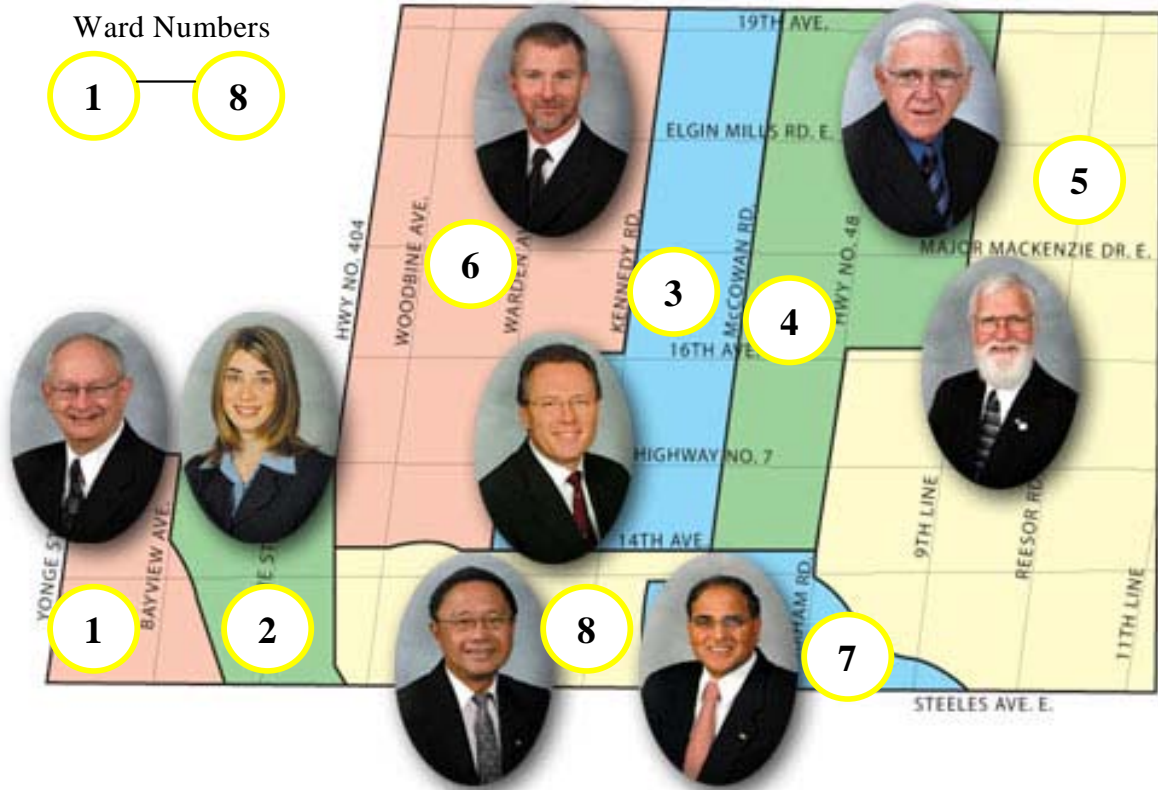
PICKERING

Steeles Ave E

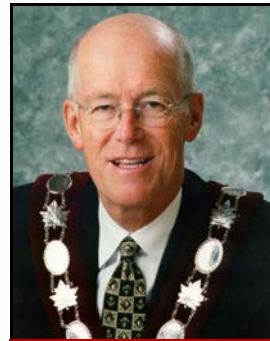
TORONTO

Town of Markham

Ward Map



Markham Council



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Dep. Mayor/Reg. Councillor
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Regional Councillor
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Jim Jones
Regional Councillor
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Bill O'Donnell
Regional Councillor
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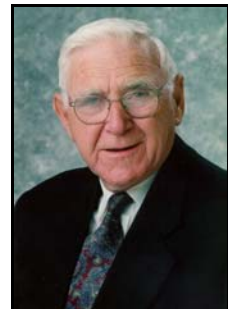
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COAT OF ARMS

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 -
Base -	Computer Chips for a high-tech community 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.



HISTORY OF MARKHAM

The source from which Markham draws its name is rich in both resonance and history. When Upper and Lower Canada were established in 1791, John Graves Simcoe was appointed the first Lieutenant-Governor of Upper Canada. Simcoe named the Township of Markham, north of the Town of York (now Toronto), after his friend, William Markham, the Archbishop of York.

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

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

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

From 1803 - 1812, the largest group of settlers was Pennsylvania Germans, most of who were Mennonites. These highly skilled craftsmen and knowledgeable farmers had the best chance for survival because they had already survived harsh conditions in Pennsylvania. From 1830 on, many Irish, Scottish and English immigrated to Upper Canada to escape the famine and overpopulation of their homeland.

HISTORY OF MARKHAM (Cont'd)

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 woolen mills.

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

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

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

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

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

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

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is approx 250,000 at the end of 2004. Through this change and growth, many reminders of Markham's roots endure. Still rich in fertile farmland, it stands as Canada's pre-eminent high technology centre, known worldwide for innovative products and services.

Economic Activity

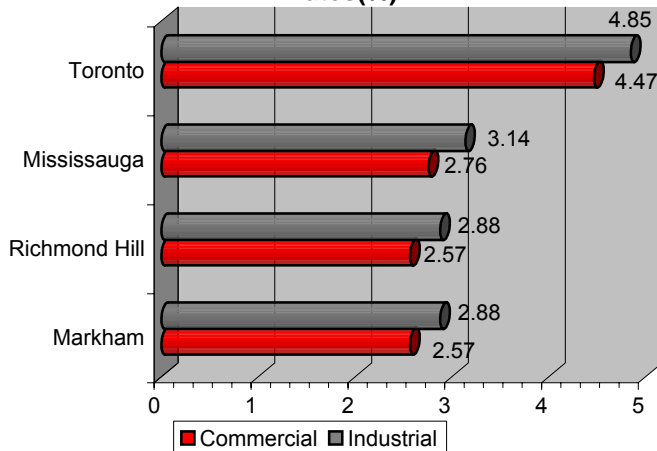
Markham's Five (5) Largest Employers

	# of Employees
IBM Canada Ltd	7000
AMEX Canada	3000
ATI Technologies Inc.	1740
Miller Paving Ltd.	1700
Markham Stouffville Hospital	1487

Markham is Canada's Hi-Tech and Life Sciences Capital with over 860 companies, including...

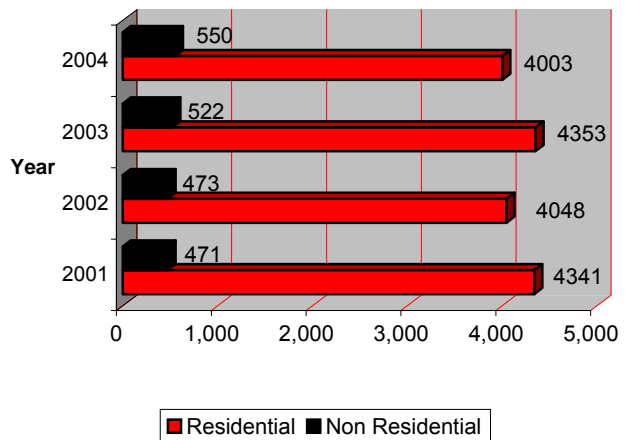


2004 Commercial & Industrial Tax Rates(%)

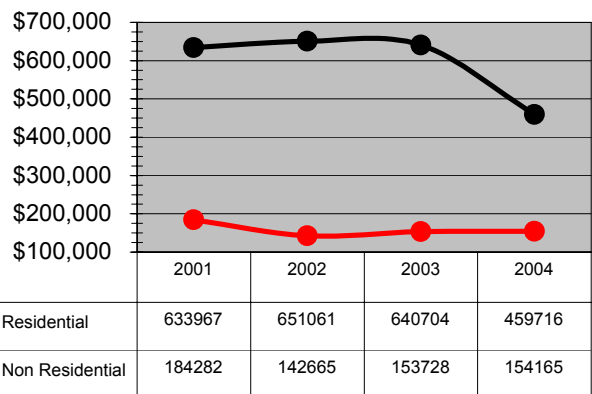


Development Activity

Number of Building Permits Issued



Value of Construction (000's)



Municipal Utilities

Water & Sewer Infrastructure

Water & Wastewater rate @ 1000 Litres	\$1.41
Sewer Mains 684 km	Watermains 780 km

Electricity Costs and Charges, 2005 business rates

50kW or Less

Distribution Rate	\$0.0084 / kWh
Commodity kWh Charge (≤ 750 kWh)	\$0.047
Monthly Customer Charge	\$36.00

Greater than 50 kW

Distribution Rate	\$1.4905 / kWh
Commodity kWh Charge (≤ 750 kWh)	\$0.047
Monthly Customer Charge	\$400.15

Fact Summary - Year End 2004

Industrial/Commercial Development

Industrial & Business Parks, 2004 (year end)

Employment Areas - Business Parks	16
Registered & Draft approved lands	220 acres
Total Vacant Employment land	730
Average Price per acre	\$400,000 - \$750,000

Industrial Inventory, 2004 (year end)

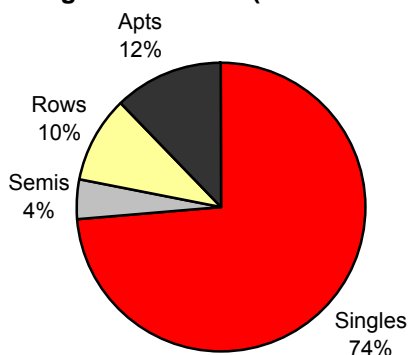
Total Inventory (sq.ft.)	33,413,338
Vacancy Rate	4.6%
Average net rent (sq ft)	\$6.75

GTA North Office Inventory, 2004 (year end)

Total Inventory (sq. ft.)	14,666,482
Vacancy Rate - Class A	15.9%
Average net rent (sq ft) - Class A	\$12.40

Residential/Community Development

Housing Stock Profile (Mid Year 2004)



Total number of housing units	71,516
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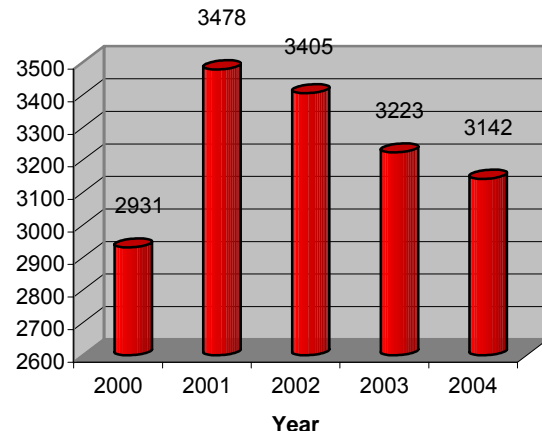
Housing Prices, Mid Year 2004 (Average)

Standard Condominium Apt	\$260,000.00
Luxury Condominium Apt.	\$320,000.00
Standard Townhouse	\$210,000.00
Detached Bungalow	\$330,000.00
Standard Two Story	\$350,000.00
Executive Two-Story	\$385,000.00
Senior Executive	\$400,000.00

Residential/Community Development

Continued

Housing Starts (Dwelling Units)



Quality of Life

Recreation and Culture

Total Land Area	206 Sq Km
Number of Parks	168
Greenspace (acres)	1,800
Number of Trees	250,000
Number of Sports Fields	175
Trails/pathway system	15 Km
Number of golf courses	12
Performing arts theatre, museums, art	3
Public Libraries	5
Community Centres & Facilities	17

Public Health and Education

Number of Hospitals	1
Number of Hospital Beds	207
Number of Elementary Schools	42
Number of High Schools	10
Number of Fire Stations	6

Transportation Infrastructure & Service Providers

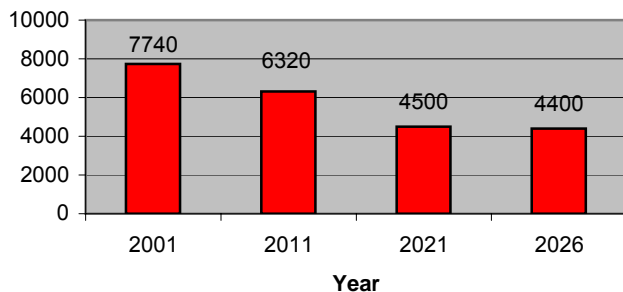
York Region Transit, TTC Connecting Routes, GO Transit
Railway Infrastructure - GO Train and CN
Sidewalks 551 km
Roads 789 km
Airport - Markham's own Buttonville Airport

Demographic Profile

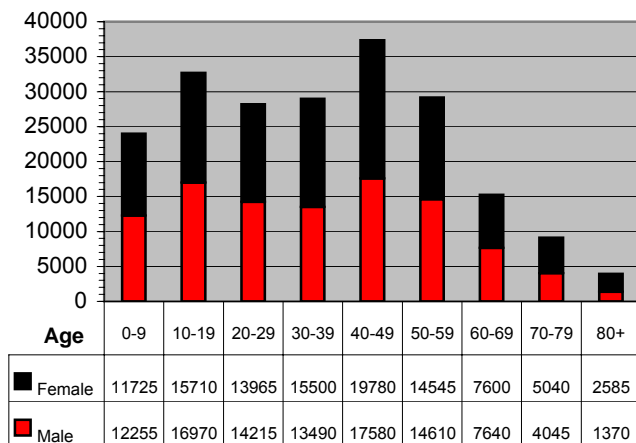
Population Totals & Projections

2004 (year end)	257,419
2001	217,760
2011	281,000
2021	326,000
2026	348,000

Annual Population Growth Rate During Preceding 10 Year Period



Population Age Characteristics (2001 Census)



Population by Mother Tongue (2001 Census)

English	49.39%
Cantonese	14.53%
Chinese	10.43%
French	0.85%

Income Levels of persons reporting income (2001 Census)

Markham Average	\$39,260
Ontario Average	\$35,185
Canadian Average	\$31,757

Labour Force Profile

Basic Indicators

Number of persons employed (2001 Census)	114,850
Unemployment rate (2001 Census)	5.40%
Participation rate (2001 Census)	68.20%

Labour Force By Industry (2001 Census)

Industry	Employment
Mining	80
Agriculture	265
Manufacturing	16,015
Construction	3,845
Finance & Insurance	10,295
Real Estate	3,060
Wholesale Trade	8,550
Retail Trade	13,870
Transportation	2,795
Professional & Scientific	13,145
Health Care	8,230

Wage Rates in Markham, (2001 Census)

Category	Hourly rate or Salary
Minimum Wage Rates	
Under 18 years of age	\$6.85
Over 18 years of age	\$7.10

Selected Occupations

Data Entry Clerks	\$30,801
Parts Assemblers / Fabricators / Testers	\$32,796
Shippers / Receivers	\$33,138
Secretaries / Administrative Assistants	\$36,129
Customer Service Reps / Information Clerks	\$37,290
Industrial Electricians	\$47,107
Computer Programmers	\$52,578
Manufacturing Engineer	\$64,450
Mechanical Engineers	\$67,765
Sales/ Marketing / Advertising Managers	\$85,029

Educational Attainment age 20 - 64 (2001 Census)

Less than high school	13.9%
High school certificate/diploma	26.5%
Trades, college or non-university diploma	24.1%
University Degree	35.6%

Number of Colleges & Universities Located Within 1-Hr. Drive of Markham

Community Colleges	7
Universities	5

Town of Markham

YEAR ENDING DECEMBER 31st 2004

New Dwelling Units and Residential & Non-Residential Values

Number of New Dwelling Units in Year 2004

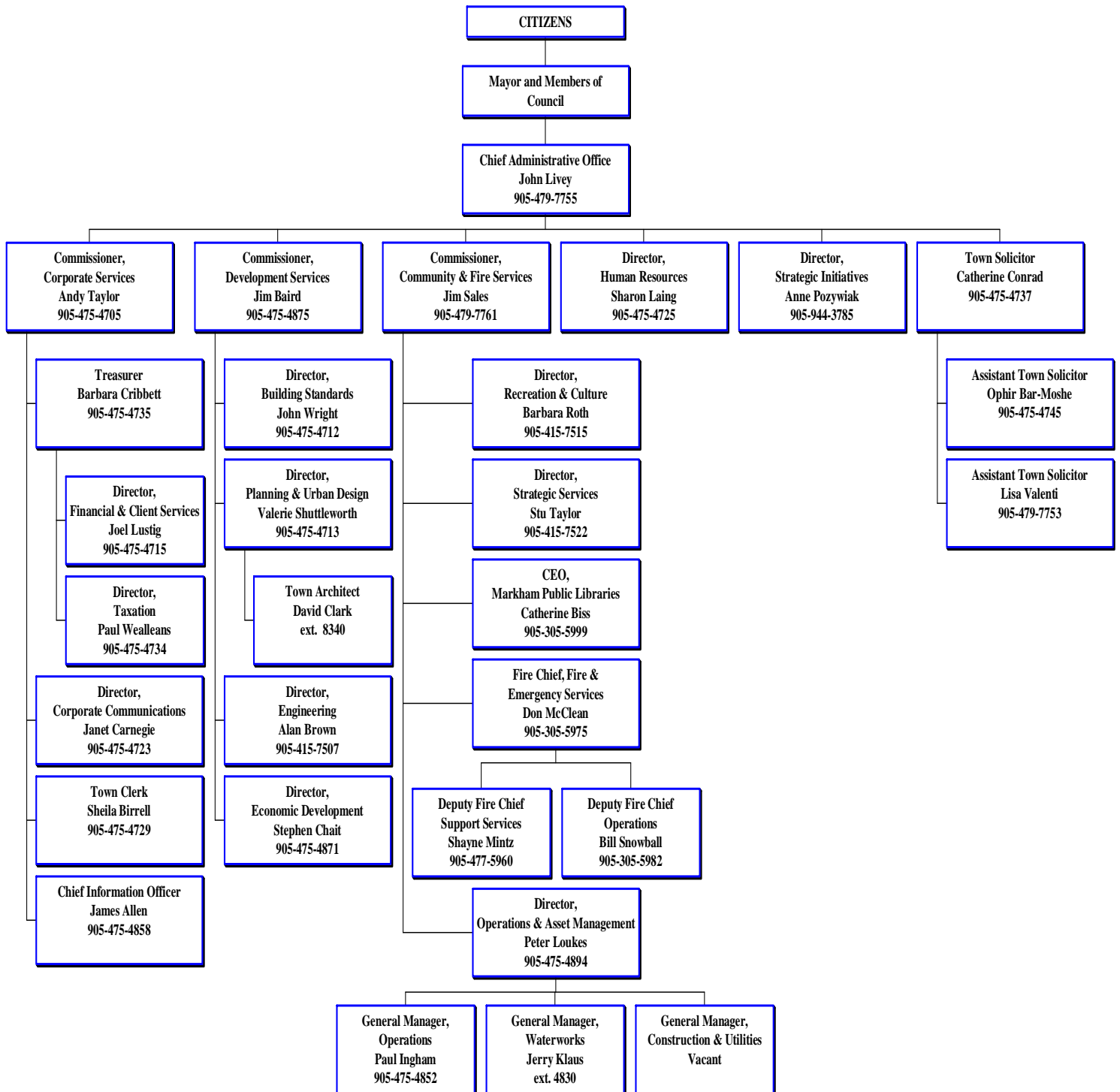
Single Dwellings	1,292
Double Dwellings	601
Row Dwellings	640
Apartments	<u>599</u>
Total	<u>3,142</u>

Construction Value in Year 2004

Residential	\$459,716,215
Industrial	\$ 25,057,957
Commercial	\$ 82,582,024
Institutional and Governmental	<u>\$ 46,524,664</u>
Total	<u>\$613,880,500</u>

TOWN OF MARKHAM

Organizational Chart



Long-Term Strategic Plans and Initiatives

Internationally known and respected as one of Canada's most successful and prosperous municipalities, the Town of Markham has contributed resources in the process of addressing the challenges of dynamic growth and making the strategic choices that are necessary to shape and guide its future. Using the criteria for excellence put forward by Canada's National Quality Institute, the Town developed a framework for management principles and practices.

Development of a vision, mission and long-range strategic plan is one of the key elements of this excellence framework and resulted in the Engage 21st Century Markham project to develop the 20-year vision. It has called attention to the vision, desires and values of its many stakeholders, and has built on a tradition of local volunteerism and engagement that has strengthened the ability of community members and leaders to make important and difficult decisions: to choose a desired 20 year destiny for Markham and to charter a municipal mission that fosters and supports that destiny.

Engage 21st Century Markham Project

Community Vision

The 20-year vision is a shared picture of what the community wants to become. It is a definition of future success that inspires a community and fosters commitment and support. The vision, when combined with the corporate mission goals, sets the context and framework for building the detailed corporate and commission business plans that will guide the allocation of the Town's resources in the future.

The vision reflects the Town's ambition to be seen as the Canadian leader in the delivery of outstanding municipal services. It reinforces the Town's image as a progressive and innovative high-tech capital, which is attractive and welcoming to Canadian business. As well, it builds on two key themes identified through the consultation process. One is the Town's desire to protect and enhance its unique diversity. The other is to preserve and enhance the Town's uniquely defined communities – geographic, ethnic and/or interest group based – that, acting together, create an integrated and successful community.

This vision statement expresses the Town's firm intention to keep the best of its past, whether it is the natural environment, heritage buildings, ethnic diversity, and/or the small-town atmosphere. And finally, it focuses on the future by ensuring that the Town builds a solid foundation of policies, programs, and systems to act as a base for future success. The vision statement and five key elements listed below capture the essence of what the Markham community wants to be.

Community Vision

“Markham – the leading Canadian Municipality – embracing technological innovation, celebrating diversity, characterized by vibrant and healthy communities, preserving the past, building for the future”

Key Elements of the Community Vision

Community Excellence

- ❖ We are recognized as an international leader in the management and delivery of high quality municipal services, which meet the expectations of the citizens within the context of the Greater Toronto Authority (GTA) and beyond.
- ❖ We are the high tech/knowledge-based capital of Canada.
- ❖ We manage growth proactively. Infrastructure is built in time to meet new demand. Cross-boundary concerns are addressed before they become an issue. Urban design is seen as critical to overall success.
- ❖ We have achieved a balance between urban and rural development.
- ❖ We have a safe, secure and healthy community.

Integrated yet Diverse Communities

- ❖ We have built on the separate yet integrated needs, expectations and requirements of the different communities - geographic, ethnic, and interest groups - within the Town.
- ❖ Our communities, even though independent and distinct, feel connected.
- ❖ There is active participation by all communities in the on-going decision-making of the Town.
- ❖ We have, and continue to preserve and enhance, a sense of community.

Opportunities for All

We support the provision of a wide range of community facilities, programs, employment opportunities and housing types to meet the needs and expectations of different age, income and ethnic groups.

Harmony in Diversity

- ❖ A recognition, understanding and respect of cultural differences are the cornerstone of the Town's plans, policies and service delivery.
- ❖ There is active representation and participation by ethnic groups in the planning and delivery of Town services.
- ❖ We are recognized as an international leader in multi-culturalism - we have harmony in diversity.

Preserving Our Natural & Built Environment

- ❖ We are a leader in preserving environmental and historic areas. We create plans and policies to support this leadership role.
- ❖ We aggressively expand the Town's ownership of, and provision for, green space and heritage buildings.

Corporate Mission

The Town's corporate mission statement must be in alignment with the preferred 20-year community vision. Every corporation has a mission that defines its purpose, its raison d'être. Over the past years, the Town's corporate mission has been "we exist to serve our clients". This mission statement fails to address the 20-year community vision and needs to be replaced with a

mission statement that describes the role the Town's administration will play in realizing the community vision. The Town's corporate mission is,

“Working with the community to provide high quality municipal services that meet, if not exceeds, the expectations of Town residents and businesses”.

Strategic Implication

The vision and mission statements suggest a number of strategic choices and decisions that will govern future decisions concerning the focus and priorities of the Town in decision-making and resource allocation. These include:

- ❖ The Town will continue to focus on and actively support its position as the high tech/knowledge based capital of Canada
- ❖ The Town will invest in the expectations and requirements of the different communities within the Town
- ❖ The Town will recognize, promote and support its ethnic diversity meaning that there will be ongoing investment in, and priority for, those programs and activities that support multi-culturalism.
- ❖ The Town will pursue programs, services, facilities, and employment and housing opportunities
- ❖ The Town will be a leader in e-government services
- ❖ The Town will be a leader in the efficient and effective management of growth
- ❖ The Town will be a leader in preservation of both its natural and built environment

Corporate Goals

Corporate goals focus the efforts of the Town in meeting the needs and expectations of the community given the overall community vision and corporate mission. Through public consultations and the work that has been completed by Town Council and staff, seven long range goals have been adopted as described below:

Environmental Focus

To protect, enhance and restore Markham's natural features and green spaces as part of a vital and healthy ecosystem.

Fiscal Stewardship

To ensure that resources are managed responsibly and taxpayers receive the best value for their money.

Infrastructure Management

To build, renew and strategically manage the Town's infrastructure to meet the demands and expectations of a growing community.

Managed Growth

Provide a framework for the timely delivery of well-planned new communities that are phased and coordinated with the provision of infrastructure.

Quality Community

To recognize, promote and strengthen a sense of community and multiculturalism while appealing to all ages and stages of life by providing high-quality services

Economic Development

To establish, promote and support Markham as the best location for diverse high-tech and related businesses.

Organizational Excellence

To achieve excellence in managing and delivering quality services through quality people.

Strategic Initiatives

Markham's Strategic Plan framework incorporates the community vision, corporate mission, and corporate goals.

Achieving a 20-year vision will require a concerted focus on strategic initiatives and projects. The Town of Markham has several significant strategic projects already underway which are consistent with the stated vision, mission, and goals.

These projects include: the development of Markham Centre (a downtown modeled on new urbanism principles) and the Markham Transportation Strategy (an aggressive and comprehensive plan of transit and road based initiatives) and Environment.

The vision, mission, goals and strategic initiatives will work together to create a strategic direction for the Town.

Markham Centre

Markham Centre is Markham's downtown core: an environmentally sustainable, transit-friendly, attractive home for about 25,000 new residents and 17,000 employees.

Located on more than 900 acres north of Highway 407, around Warden Avenue, the Centre will combine the excitement and energy of a city with the intimacy and comfort of a small town.

Markham Centre will have a distinctly urban character-higher density development with strong streetscapes-complemented by ample green spaces. Markham Centre, based on the principles of New Urbanism and Smart Growth represents a radical departure from suburban sprawl.

Markham Centre will be integrated into its natural heritage setting on the Rouge River and will be a central place for Markham residents and businesses for many generations to come. Our Centre will create a focus and gathering place for the municipality bringing together the many communities that make up the Town of Markham.

Markham Centre will set a new standard for Smart Growth that will:

- Celebrate Markham's community values

- Enhance Markham's quality of life
- Be sustainable for future generations
- Protect and enhance our natural environment
- Build on transit initiatives and existing infrastructure
- Enhance the economic vitality of our community

Markham Transportation Strategy

Transportation is one of the single most important strategic initiatives of the Town of Markham. In cooperation with the Region of York, the VIVA initiative will commence in the fall of 2005. It will significantly improve existing bus service along major transit corridors including Highway 7, Yonge Street and Warden Avenue. VIVA is funded by the regional, provincial and federal governments and will feature upgraded buses, improved service levels and automatic ticket and payment systems at key locations across Markham's major transit corridors. Markham continues to design its new communities with the transportation system in mind. By incorporating a grid network of streets and mixed land use, travel time between home, work and shopping will be reduced. The Town is also working with community groups to make traveling on its roads more efficient and safe.

Environment

Markham will continue to maintain its leadership role in protecting and improving its natural environment. The Rouge Park Official Plan is the blueprint for the largest urban park in North America. The Town is also developing tree planting initiatives for businesses and reviewing its master plan for bicycle paths. Markham has ongoing initiatives to improve its natural areas, including ravines and valley lands, as well as beautifying its streetscapes. In order to improve the air quality, Markham is implementing a Green Fleet/Hybrid Pilot Project, establishing an anti-idling By-Law and performing emission audits on all Town of Markham buildings starting with the Civic Centre.

TOWN OF MARKHAM

FINANCIAL POLICIES

1. FINANCIAL PLANNING POLICY

A. Budget Process

Proposed Budget

A proposed budget shall be prepared by the Financial Planning and Budgets department with the participation of all of the Town's departments within the provisions of the Town's charter.

i) The Budget shall include four basic cost segments for review and evaluation. The segments being,

- Personnel Costs
- Operations and Maintenance costs
- Taxation Revenues
- Other Operating Revenues

ii) The Budget review process shall include the Town's Budget Committee participation in the development of each of the above segments of the proposed budget and public hearings to enable community participation and input.

iii) The Budget process shall be for a sufficient time span to adequately address policies and fiscal issues by the Budget Committee.

iv) The proposed Budget shall be presented by the Budget Committee to the Finance & Administrative Committee for consent and forwarding to the Council.

Adoption of Budget

Upon receiving the recommendations from the Finance and Administrative Committee, the Council will subsequently adopt by resolution such Budget, as the Town's annual Budget for the year beginning January 1.

B. Balanced Budget

The Operating Budget will be balanced with revenues equalling costs for the Budget period. Any shortfall in budgeted revenues versus budgeted expenditures for a budget period will be offset by tax levies equal to the shortfall thereby resulting in a balanced budget.

C. 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 identified to minimize the Town's exposure including drawing from Reserves, reallocating budgets and spending constraints.

D. 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.

E. 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.

F. 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 monthly to the Council by the Director of Financial and Client Services. Such reports will be in a format that will enable the Council to understand the budget and the financial status of the Town.

G. Operating Fund Balance

Actual Surplus or Deficit during a budget period will be transferred to a Corporate Rate Stabilization Reserve. The balance in this reserve shall be used to minimize the effect of any large variations in major sources of revenue or expenditure.

2. LONG RANGE PLANNING

General

The Development Services Commission manages the comprehensive planning of development related to growth and conservation within the Town. 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

Support the general plan for Recreation, Parks, Fire Stations, Community Centres, and Libraries.

Adequate facilities

The Town adopts a 5 year master plan for its infrastructure to serve the pace of development.

Capital Improvement Plan

The capital budget prepared annually identifies the revenue sources and expenditures for the budget year and the next succeeding four years. The plan is updated annually.

Funding of Capital Improvement

The Town shall attempt to fund capital projects through developers contribution wherever possible. When such funds are not sufficient or if projects do not meet the criteria for developers funds, the Town shall utilize dedicated reserves to fund the capital projects. The Town shall transfer from its operating funds up to \$500,000 from the net annualized growth in assessment each year.

Maintenance and Replacement

The Town intends to set aside funds to finance regular ongoing maintenance and replacement needs consistent with the Town's policy of keeping its fixed assets in good condition and maximize the assets useful life.

Post Budget Approval – Controlling Expenditures

When a Capital Project is cancelled or a completed project results in unspent dollars, those dollars shall be returned to the original funding sources of the project. This money may be used for additional and/or new capital project requests not included in the Approved Capital Budget. Such requests must be submitted in a report to be approved by Council. Contrarily, if overspending is anticipated, the department would require prior approval before spending and also identify offsetting savings within another project in the same Commission. If other projects cannot be identified, any overrun above \$50,000 shall be approved by the Finance and Administrative Committee.

3. REVENUES

Use of one time revenues

The Town 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 Town provided it is duly approved by Council. Unallocated one time revenue is transferred to the Corporate Rate Stabilization Reserve.

User Fees and Revenue Diversification

The Town will establish cost recovery policies for the 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 and cover that percentage of the total cost deemed appropriate. The Town will strive to maintain a diversified and stable revenue system to shelter the Town from short run fluctuations in any one revenue source and ensure its ability to provide ongoing service.

Use of Unpredictable Revenues

Certain Town revenues fluctuate widely year to year. At year-end whenever these revenues are above budget they will be transferred to the Corporate Rate Stabilization Reserve.

Use of Supplemental Tax Revenue

Supplementary taxes will continue to be budgeted for. To the maximum extent possible supplemental property tax levies above budget will not be used to balance the operating budget

but be used for future requirements by transferring all supplemental taxes above budget to the Corporate Rate Stabilization Reserve.

Use of Prior Year's Surplus/Deficit

The Town 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.

TOWN OF MARKHAM

BUDGETING POLICIES

A. Basis of Accounting / Budgeting

The Town of Markham prepares its financial information in accordance with the local government accounting standards of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

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 and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

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

The Town of Markham prepares budgets for the Operating, Capital, 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.

B. Fixed Assets

The historical cost and accumulated depreciation of fixed assets are not recorded nor required for municipal purposes. The Town of Markham records fixed assets as an expenditure in the year of acquisition and budgets accordingly.

C. Operating Fund

Funds all Town of Markham operations except for water and sanitary sewer operations. Tax revenue is the main source of funding.

D. Waterworks Fund

Funds all water and sanitary sewer operations. Water billings are the main source of funding. This fund is consolidated with the operating fund for operating statements.

E. Capital Fund

Provides funding for all capital projects in the Town of Markham. Development charges, transfers from operating fund and transfers from reserves are the main sources of funding.

F. 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.

G. 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 Town as trustee and outlining its responsibilities. The funds are administered by the Town but not consolidated with the operating statement.

At the end of 2004, the Town of Markham had 7 trust funds with a total balance of \$1,559,549

H. 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 then subleases them back to TAL. This arrangement makes TAL eligible for Regional Grant funding. The Town of Markham operates the bank accounts for TOWNCO in the transfer of these funds to TAL but does not itself make any grants.

I. Reserve and Reserve Funds

As at December 31, 2004, there were 14 Reserves and 14 Reserve Funds. Out of the total of 28 funds, 22 were discretionary i.e. set aside by Council and 6 obligatory i.e. mandated by legislation). The balance in the funds as of December 31, 2004 was \$123,419,535.

2005 CAPITAL BUDGET GUIDELINES

A copy of this document and all forms you may require for the 2005 Capital Budget Process have been placed into your Department's folder on the U: drive.

KEY DATES

Monday October 4:

- *Information Technology Capital Budget Request* forms are due to Information Technology Services (ITS) department. Submit directly to Francis Poon for consolidation
- Business Cases & Capital Request forms for NEW fleet are due to Operations – Fleet, for review, before final submission to Finance (Submit directly to Laurie Canning)

Wednesday October 13:

- *2005 Capital Funding Request* forms and *5 Year Plan (2005 to 2009 Capital Forecast)* are due to Finance (Save in your U: drive folder & notify Sandra Skelcher, ext. 3880, when complete)

2005 CAPITAL FUNDING REQUEST FORM

The following items are needed to be filled up in the 2005 Capital Funding Request Form. They have been added into the summary (top) section of the form:

- Choose 1 of the following descriptions for the project:
 - 'New' for One Time projects,
 - 'Reoccurring' for Repairs / Replacements, or,
 - 'Enhanced' for Council requests
- If applicable, identify if the project:
 - Was "Deferred from Prior Year", or
 - If it has been "Accelerated (i.e., was originally in 2006 or 2007 but has been moved up to 2005).
- Indicate how Service Level will be affected by the project; that is, will service level be 'Maintained', 'Increase' or 'Decrease' after implementation. If the response is either 'Increase' or 'Decrease', please provide a detailed explanation.

GENERAL INFORMATION

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 must meet or exceed \$5,000.

Priority Setting

Submissions for tax rate funded capital projects will be considered in accordance with their Priority Ranking. Projects should be ranked as *High, Medium, or Low* priority. A project should be considered a *High* Priority if it addresses one or more of the following issues:

- Health & Safety
- Legislation
- Project cannot be deferred another year
- Transportation Issues and Opportunities
- Environmental Focus

2005 Business Plans

The 2005 Business Plans will be incorporated into the 2005 Capital and Operating Budget process.

Pre-Budget Approval

Please identify, in the appropriate section on the 2005 Capital Budget submission, those projects that may require pre-budget approval.

Special Funding

Please identify projects that may require bridge financing because the proposed funding (e.g. sale of assets, grants and subsidies) will not be available at the time of expenditure. (Please note in the detail section on the appropriation form).

Projects Managed by Other Departments

ITS:

Complete a *2005 IT Capital Budget Request* form for all discretionary IT requirements, (Francis Poon, ITS, will consolidate all requests & forward to Finance). Please contact your IT Client Advisor if you have any questions or require any clarification. Note: Non-discretionary requirements (e.g., PC upgrades/replacements, etc.) will be managed by ITS and should not be included in your submissions.

Capital Assets/Fleet:

All Business Cases & *2005 Capital Funding Request* forms for NEW fleet should be vetted through Operations – Fleet. Laurie Canning will review all forms before submitting them to Finance.

Council Priority Projects

Council Members are encouraged to identify projects to be included in the 2005 Budget submission. Please forward your requests to Sandra Skelcher (ext. 3880), Financial Planning by Friday October 29.

Taxes (Provincial & Federal):

All capital projects must be budgeted at the project cost excluding taxes. All applicable taxes (8% PST) must be identified separately. Note: Consulting fees are exempt from PST.

For example, a project with a quote/estimate of \$200,000 should be budgeted at \$200,000 with PST (\$16,000) identified separately.

Development Charge Projects – 10% Tax Rate Funding

Certain Development Charge projects require tax rate funding equivalent to 10% of the project cost. Items exempt from the 10% charge are:

- 1) Water supply services, including distribution and treatment services.
- 2) Waste water services, including sewers and treatment services.
- 3) Storm water drainage and control services.
- 4) Services related to a highway (as defined in subsection 1 of the Municipal Act).
- 5) Electrical power services.
- 6) Police services.
- 7) Fire protection services.
- 8) Other services as prescribed.

Projects that do not fall under one of the above exemptions must be noted as requiring 10% tax rate funding. For example, a new park with a project cost of \$100,000, inclusive of taxes, would have tax rate 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 Town cost. For example, if a project requires that the Town 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 Town is to undertake the project, it must be budgeted.

Donations and Donations-In-Kind

Donations and Donations-In-Kind should be included in your 2005 Capital Budget submissions. The funding source being identified as 'Other' with a description of *Donation* or *Donation-In-Kind*.

Local Improvements Act

Road reconstruction capital projects that upgrade existing rural standard residential streets must be completed under the provisions of the Local Improvements Act. When budgeting for these projects, the cost to urbanize an existing rural road, less the cost of the reconditioning of the pavement to existing standards, will be shared 50% by the Town tax rate funding and 50% by the benefiting property owners.

Capital Induced Operating Costs

The Town will coordinate development of the capital budget with development of the operating budget. Future operating costs associated with new capital improvement must be identified so as to be included in the operating budgets. All operating costs must be reported on the *Capital Funding Request* form as part of the Capital Budget Process.

Quotes

To provide more accurate budget figures, where appropriate, all capital projects put forward should have written quotes from vendors. Information regarding the quotes should be noted in Section 1 of the Capital Funding Request Form.

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.

Internal Administration Fees

Charge backs of administration fees should not be included as part of the Capital Budget process for those projects fully funded from the tax rate.

POST BUDGET APPROVAL - CONTROLLING EXPENDITURES

Under Spending

In accordance with the Council approved policy of February 8, 1998, when a Capital Project is cancelled or a completed project results in unspent dollars, those dollars must be returned to the original funding source of the project. This money may be used for additional and / or new capital project requests not included in the Approved Capital Budget. Such requests must be submitted in a report to be approved by Council.

Over Spending

Capital contract overruns that exceed budget must have alternative funding sources identified. In cases where alternative funding sources are not available, a report will be written to Council requesting additional funds.

The level of authority for capital expenditures that exceed awarded commitments will be as follows:

<i>Contract Overrun Value</i>	<i>Approval Required</i>
\$10,000 and < 10% of contract value	Director
\$25,000 and < 10% of contract value	Commissioner
\$50,000 and less	Treasurer
\$100,000 and less	CAO
Greater than \$100,000	Council

2005 OPERATING BUDGET GUIDELINES

This document is divided into three sections:

- A. General Narrative and Assumptions
- B. Budget Preparation Guidelines
- C. Budget Administrative Guidelines

A. General Narrative and Assumptions

The 2005 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 Town'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, plus addresses increasing service levels based on demand where necessary;* and
- *maintains a competitive compensation and benefits package* for our work force.

Projected costs and revenues are estimates and are subject to variations inherent in all such projections. Consequently, the estimates should not be viewed as precise predictions, but rather as indications of expected trends, given certain expenditure, revenue, and financing assumptions.

It is assumed that:

General Inflation will be at 2.5 % during 2005.

Gross Assessment Growth will be approximately 3.5%

The above assumptions do not necessarily mean there is an absolute increase in either expenditures or tax dollars.

The focus of the 2005 budget will revolve around infrastructure management, the environment, and transportation issues. This budget will provide for adequate maintenance of capital, plant, and equipment, and for orderly replacement of equipment. Further the Budget will continue to set aside dollars that will be required to offset the staffing costs related to opening of future facilities like the Cornell Fire Station and the East Community Centre and Library.

Through the 2005 Budget Process, the Town will continue its strategic thinking at all levels of the organization and critically evaluate the status quo.

The Town will continue to focus on cost recovery through its use of User Fees.

In preparing the proposed budget, the recommendation from the Core Services Implementation team identifying areas of revenue generation other than tax revenues will be included.

B. Budget Preparation Guidelines

The 2005 Budget will be a 'Budget by Exception'. This means that all accounts will be budgeted at 2004 base levels except for additional funding related to salary increases (CUPE, MPFFA, grid movement), contract escalations, annualization of costs related to the full year operations at the Angus Glen Community Centre, new ramp ups for anticipated expenditures relating to future Fire stations and community centres, as well as an increase in the tax-funded portion of the Capital Budget. Excluding the predetermined increases mentioned above, departments will have to fill out a 'Change to Base Budget' form, which includes completing a Business Case, for any additional funding requirements above the base budget for new initiatives, programs, growth, or service level changes. Business Cases are expected to contain a 'Value Proposition', meaning that the department will have to clearly identify a corresponding incremental benefit to the Town that the additional funds would generate. Each 'Change to Base Budget' form (including completed business cases) should be approved at the Commissioner level before they are submitted to Financial Planning.

No new debt

The Town will make no provision for the issuance of debt in this budget. The Town's share of any work to be done under The Local Improvement Act will not constitute debt as defined here.

Establish the Base Level

The Base Level for the 2005 Budget would be the 2004 cost of providing all the services approved in the 2004 budget, except for one-time projects.

The 2005 Base Level Budget is set by taking the inputs approved in the 2004 budget and costing them, adjusting for the annualized costs, growth and inflation, in that order.

1. **Annualized Costs** - For example, last year's budget might have included staff to start in April; this year's budget will include the full year's salary. The only annualized costs that will appear in the 2005 Budget will be Salary related and other costs related to Angus Glen Community Centre and Library. These costs have already been identified and included in the 2005 Base Budget.
2. **Growth** - Allow for growth that will occur in the Town in 2005. For example, if new roads were constructed in 2004, their upkeep would be part of the 2005 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 should be included in the Budget. However,

you must indicate the full-year cost of the growth. The 2005 'Change to Base Budget' Forms must be completed to justify the extra funding required.

3. **Inflation** - As mentioned above, General Inflation of 2.5% is anticipated in 2005. All departments are expected to absorb this inflation within their 2005 approved budgets. However, exceptions will be made for extraordinary commodity price increases and contractually related increases. Departments have already identified contractual related increases, which have been incorporated in the Budget.

Service Level Changes

There will be a critical analysis of each department 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 in their 2005 Base Budget submission all existing services at 2004 levels. Any requests for funding to increase service levels will need a 'Change to Base Budget' Form 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 'Change to Base Budget' form. Only the portion of the cost from the date of implementation to the end of the year should be included in the Budget. However, you must indicate the full-year cost of the program.

Salaries and Benefits - Full Time

The Town will continue to scrutinize personnel costs as a percentage of the budget. Financial Planning will provide the salary figures for the 2005 Base Budget that will reflect movement through the salary grids, as well as CUPE and MPFFA impacts. The 2005 Base Budget from each Department will include only the 2004 full time approved complement. Financial Planning will complete the 2005 Human Resources portion of the budget by the end of October. The Human Resources budget data will be sent to the respective budget coordinators for confirmation regarding positions and grades of full time staff.

Gapping Estimates

Salaries and Wages will be budgeted for using the approved full time complement as at December 31, 2004. The salary figures will be provided by the Financial Planning Department. A list of the unfilled vacancies at the end of 2004, as well as an estimate of future vacancies, should be provided to Financial Planning. This Gapping Estimate will indicate the estimated time each vacancy will remain unfilled. Gapping savings occur during the period that an employee leaves and a replacement is hired. For example, a one-month vacancy for a \$60k position would generate approximately \$5k in gapping dollars.

Fringe Benefits

2005 fringe benefits will be based on known rate increases (if any). These numbers will be provided by the Financial Planning Department based on analysis of 2004 actual benefit costs and the impact of higher pension plan costs announced by OMERS for 2005.

Part Time Salaries

The 2005 Budget Guidelines require that all permanent part-time staff be budgeted for by person/position (to be provided in a separate document listing dollars and hours). The 2005 costs and the annualized costs must be provided in this document. Part Time staff should have 3 pay periods budgeted in the months of **April** and **October**. The annualization of Part-time job evaluation has already been included in the Base Budget.

Shift Premium

Shift Premium will be budgeted at 2004 levels.

Overtime Dollars and Hours

Overtime dollars and hours will be budgeted at 2004 levels

Rate increases

Increases have been provided for as follows:

U.S Exchange Rate

U.S. Exchange Rate - 1.25

Investment Income

The forecasted 2005 interest rate of 3.70% will be used for budgeting. The Financial Planning Department will be incorporating this rate in the development of the investment income budget.

Sales Taxes

Due to the full rebate available to municipalities, the 7 % Goods and Sales tax (GST) will no longer apply to purchases made. Hence no allowance is required. However, the Provincial Sales Tax (PST) of 8% will continue.

Use the accrual basis for budgeting

Expenses

Expense items should be budgeted for in the month when the goods or services are expected to be received not when they are to be paid for. For example, if a Purchase Order is issued in November 2005 and the goods are expected to arrive in December 2005 with payment terms of 45 days, the expenditure would be budgeted to occur in December 2005 because that is when the goods are expected to be received. The

actual goods will be paid for in early 2006 due to the terms of the invoice but since they were received in December they should be budgeted for in December.

Revenues

Revenue items should be budgeted for in the month in which the revenue is earned not when the revenue is to be received. For example, if a group rents the arena in December 2005 but is given 30 days to pay, the revenue would be budgeted for in December since this is when the service was provided. The money for the rental will be collected in January but the revenue will have been earned and budgeted for in December.

Chargebacks

Financial Planning will revisit and review the process in place for the use of chargebacks. Any revisions will be implemented and communicated as necessary.

Utilities

Currently, the Town is negotiating a fixed rate for Natural Gas and any changes to the base budget will be disseminated to the user departments. It is anticipated that the hydro supply rates would be revised effective May 2005. Finance will make the changes to the base budget accordingly.

User Fees and Service Charges

The 2005 Budget will include no user fee or service charge increases/decreases from approved 2004 levels, unless a 'Change to Base Budget' form is submitted and approved at the Commissioner level.

All departments should attempt to identify potential new sources of revenue excluding the above noted user fee rate increases.

Debt Charges

The Town is currently debt free and there will be no debt charges included in the Budget.

Provincial Subsidies

Please notify Financial Planning for inclusion of any Provincial Subsidies relating to specific programs other than those that are included in the 2005 Base Level budget.

Identification of Major Service Contracts

The identification of major service contracts up for renewal in 2005 has been completed by Financial Planning and factored into the Budget. Please contact Sandra Skelcher (x.3880) for details and confirm for outstanding contracts, if any.

C. Budget Administrative Guidelines

Budget Transfers

Budget transfers refer to permanent transfers in the Base Budget and are not intended as a method of reallocation for budget overspending. **All budget transfers are restricted to non-salary accounts only.**

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 at the Commission level and must be noted on the 'Operating Costs Transfer' Forms provided by Financial Planning. Total 2005 budget dollars for the Commission should not change. Any cross-departmental transfers within the same Commission are to be approved at the Commissioner level.

Please notify Financial Planning if your re-allocation results in permanent savings that can be removed from the budget (i.e. reduce the shortfall) or re-allocated to other Commissions.

Budget Spending

The Town Budget cannot be overspent. Within the various cost centres and line items we recognize there may be variations throughout the year 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 Divisions, Departments, or line items that may exceed budget. Provided these stay within the Commission, the Commissioner is authorized to make the necessary balancing decisions, that need to be done, occur. Commissioners are responsible to ensure that procedures are in place within their Commission to prevent budget overspending.

On a monthly basis, the CAO & Commissioners' Committee (CCC) will be undertaking a detailed review of budget over/under spending and make decisions on spending reallocations, if required.

Unless prior authorization is given, all departments will be expected to contain expenditures within budgeted amounts.

Monthly Budget Monitoring

Budget status reports will be prepared for the Finance and Administrative Committee on a monthly basis comparing actual revenues and expenditures to budgeted amounts. Further quarterly reports will be presented to the Finance and Administrative Committee, which will include a detailed analysis of variances.

Financial Statements for the previous months results will be delivered by Financial Reporting to each Commission by the 6th business day of the following month. Based on this information, departments will provide Financial Planning with details of material variances and projections for the remainder of the year.

Financial Planning will then consolidate the information and present a monthly Reporting Package to the Finance and Administrative Committee.

Monthly Budget Reporting Content

Financial Planning will include in the quarterly report to the Finance and Administrative Committee the following:

Gapping

Vacancies

Spending variances in full time, part time, overtime and consultants

Vacancies

Vacancies not filled within 6 months from the date of vacancy will be subject to review by the Chief Administrative Officer (CAO).

Overtime

The Commissioners and the CAO on a monthly basis will monitor overtime.

Services-In-Kind Tracking

Financial Services will ensure that services-in-kind provided by staff for the various festivals will be tracked and reported on by festival to the CAO.

Year-end Projections

Year-end projections and factors that may affect the year-end based on feedback from all departments will be included in the mid year and third quarter variance report to the Finance and Administrative Committee.

2005 Budget Calendar

Key Dates

2004

September 16: Business Unit Profile / Business Plans presentation to the CAO & Commissioner's Committee (CCC)

September 28: Business Unit Profile / Business Plans presentation to the CAO & Commissioner's Committee (CCC)

October 4: *Information Technology Capital Budget Request* forms are due to Information Technology Services (ITS) department

Business Cases & Capital Request forms for NEW fleet are due to Operations – Fleet, for review, before final submission to Finance

October 13: *2005 Capital Funding Request* forms and *5 Year Plan (2005 to 2009 Capital Forecast)* are due to Finance

October 15: CAO review of Capital Projects submitted by departments

October 20: Capital Budget binders distributed to Councillors for review

October 26: Budget Sub Committee - Preliminary Operating Budget & Capital Budget review

October 29: Receipt of Councillor requests for Capital Projects

November 15: Budget Sub Committee - Capital Budget and Councillor requests review

November 29: Budget Sub Committee – Finalization of Capital Budget, Operating Budget and Waterworks Budget

2005

January 25: Budget Breakfast – Budget Presentation to public

February 8: Budget Sub Committee – Review feedback from Budget Breakfast and recommendation of Budget to the Committee of the Whole

February 8: Budget Approval by Council

2005 BUDGET OVERVIEW

BUDGET FRAMEWORK

Council meets every three years to set the Town's goals and priorities. While the long term corporate goals have remained unchanged, Council's strategic priorities for the term 2004 -2006 addresses the following initiatives. Specific capital projects as they relate to these initiatives are included under the Capital Budget section in Pages 49-51.

- **Addressing Gridlock and Rapid Transit**
To deal effectively with gridlock issues and addressing areas of improving public transportation, making public transit more accessible and improve walking and biking trails.
- **Creating a better quality of community**
To ensure a better quality of community including preserving the community's history while balancing the challenges of development. To build a knowledge community where post secondary education is accessible to all and enabling Markham to compete in the knowledge economy of tomorrow.
- **Improving environmental protection and management**
To protect, restore and enhance Markham's natural features and green spaces to ensure the maintenance of a vital and healthy ecosystem
- **Implementation of Markham Centre Downtown**
To implement the Town vision of a downtown core and ensuring urban design details correspond with the approved vision
- **Safe Streets**
To develop a well managed transportation system as well as design new communities that incorporate elements that make them liveable and pedestrian friendly
- **Improving standards of service and service delivery**

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

BUDGET PROCESS

In June 2004, staff began working on the business plans for 2005 for the respective Business Units. A presentation highlighting 2004 accomplishments, core services growth requirements and new initiatives in 2005 as they aligned to council's priorities, was made by the respective department heads to the senior management consisting of the Chief Administrative Officer (CAO) and Commissioners. The suggestions from senior management were incorporated and the final business plan was presented at the first Budget Sub Committee meeting in October 2004,

when eight members of Council that made up the Budget Committee began their deliberations. These members included Budget Chief Dan Horchik, Deputy Mayor Frank Scarpitti, Regional Councillors Jack Heath, Jim Jones, and Councillors, Alex Chiu, Stan Daurio, Erin Shapero, and Khalid Usman. This Committee, along with other council members who attended the Budget Committee meetings helped to shape the budget and report progress to the Finance and Administrative Committee.

A total of three Budget Sub Committee meetings were held during the period October and November 2004 to discuss the 2005 Budget. Further, standing committee meetings supplemented Budget Sub Committee meetings. On January 25, 2005 the Mayor, Councillors, Town Staff and members of the community participated in the Town's Fifth Annual Budget Breakfast. The Budget Breakfast was an opportunity for residents, business and community leaders to obtain an overview of the Town's budget process and the status of the 2005 Budget. All attendees were invited to ask questions and to provide feedback at the Budget Breakfast. The feedback was positive and the Budget Committee presented its budget recommendations to the Finance and Administrative Committee at the meeting held on February 8, 2005 and was subsequently approved at the Council meeting later that day.

The session was broadcast live over the Internet with a live audio feed of the presentation by Budget Chief Dan Horchik, and Andy Taylor, Commissioner of Corporate Services. The Budget was completed in accordance with the Town of Markham financial policies.

Amendments to Approved Budget

No further amendments to the budget are expected. However, any amendments after adoption would require a majority vote by Council as outlined in the financial policies section of the Budget document.

BUDGET SUMMARY

The total approved 2005 Budget is \$257.5M comprising of \$137.4M (excluding prior years surplus transfers to Reserves) towards operating, \$75.9M towards Capital and \$44.2M for Waterworks.

Operating Budget

The Town of Markham continues to face inflationary pressures in many aspects of its operations. Wage settlements, general inflation, winter maintenance contracts, operating costs associated with aging infrastructure including higher repair and maintenance costs, increased costs related to Town adding to its inventory of parks, community centres and roads, other contract renewals, and the continuation of high fuel/natural gas costs have resulted in increased operating expenditures. Further, the Budget Sub-Committee has approved the continuation of the Town's practice of setting aside operating funds for salary costs related to future facility openings such as the Cornell Fire Station, and the East Community Centre & Library. The total impact of these pressures on expenditures is \$12.7M.

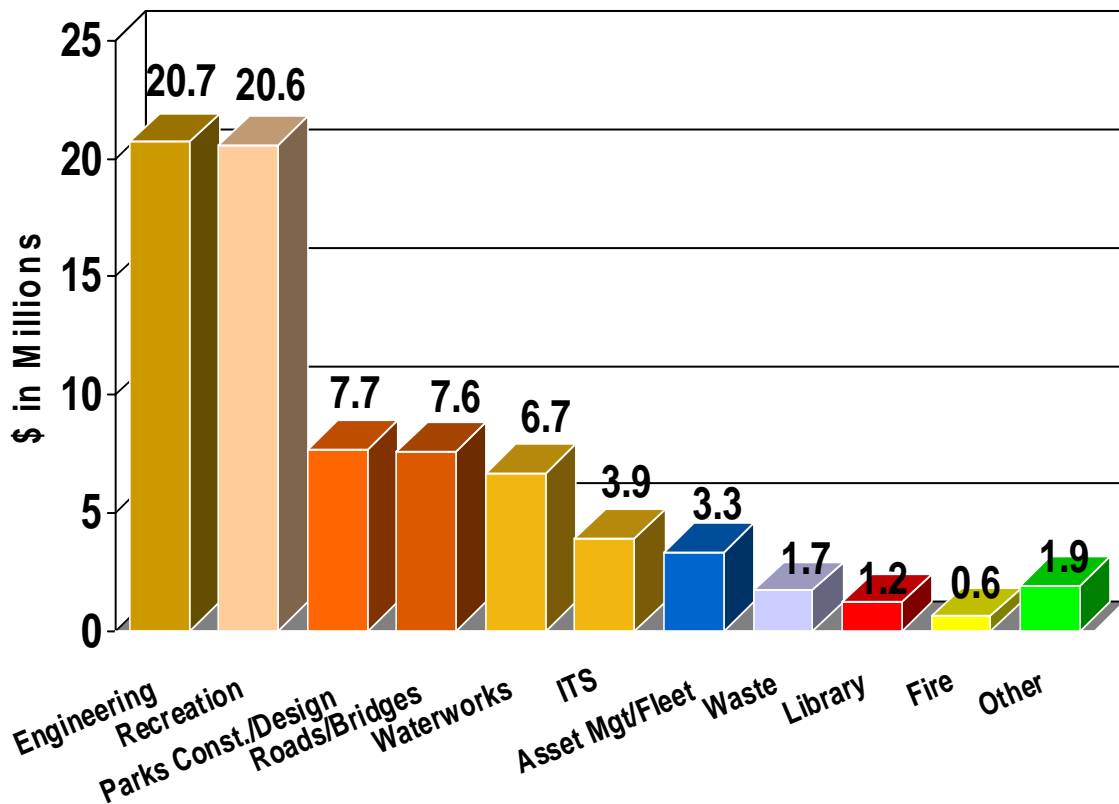
To mitigate the impact of increased expenditures, the Town reviewed its revenue sources and increased revenues in areas of Assessment Growth, planned implementation of the Town's Revenue Strategy and other operating revenues totalling \$9.7M.

The Town has been able to maintain existing service levels with minimal increases in user fees, and a minimum increase to Council grants. However, as a result of the above noted budgetary pressures mitigated partially through increased revenues, a reduced operating shortfall of \$3.0M (\$12.7M - \$9.7M) or a tax levy increase of 3.9% was presented by the Budget Committee to Council.

The 3.9% increase in the net tax levy applies only to the municipal portion of the tax bill. For an average household valued at \$358,000, this equates to an extra \$35.08 per year.

Capital Budget

The Town of Markham's approved Capital Budget of \$75.9M includes \$16.7M of property tax funded projects. The breakdown of total capital expenditure by department is shown below.



Consistent with Town policy, the property tax funding of the capital budget was increased by \$0.5M from 2004, to \$16.7M. Reserves and Developers contribution are the other major sources of funding for the Capital Budget.

Significant Capital projects approved include continuation of the construction of Enterprise Drive located south of Highway 7, from east of Warden Avenue to the GO rail line, renovations at the Centennial Community Centre including accessibility improvements, renovations at the Markham Village Library, Implementation of the final Phase of the 3 Stream Waste Collection Program and Land Purchases for the East and South East Community Centre & Library.

Waterworks Budget

Council approved the 2005 Waterworks Budget of \$44,220,802 (excluding prior year's surplus transfer to reserves). The budget represents a \$5.2 million (net) increase over the prior year's budget. The increase is made up of growth related to supply/purchase of water, personnel costs and additional costs in areas such as testing, maintenance of water meters.

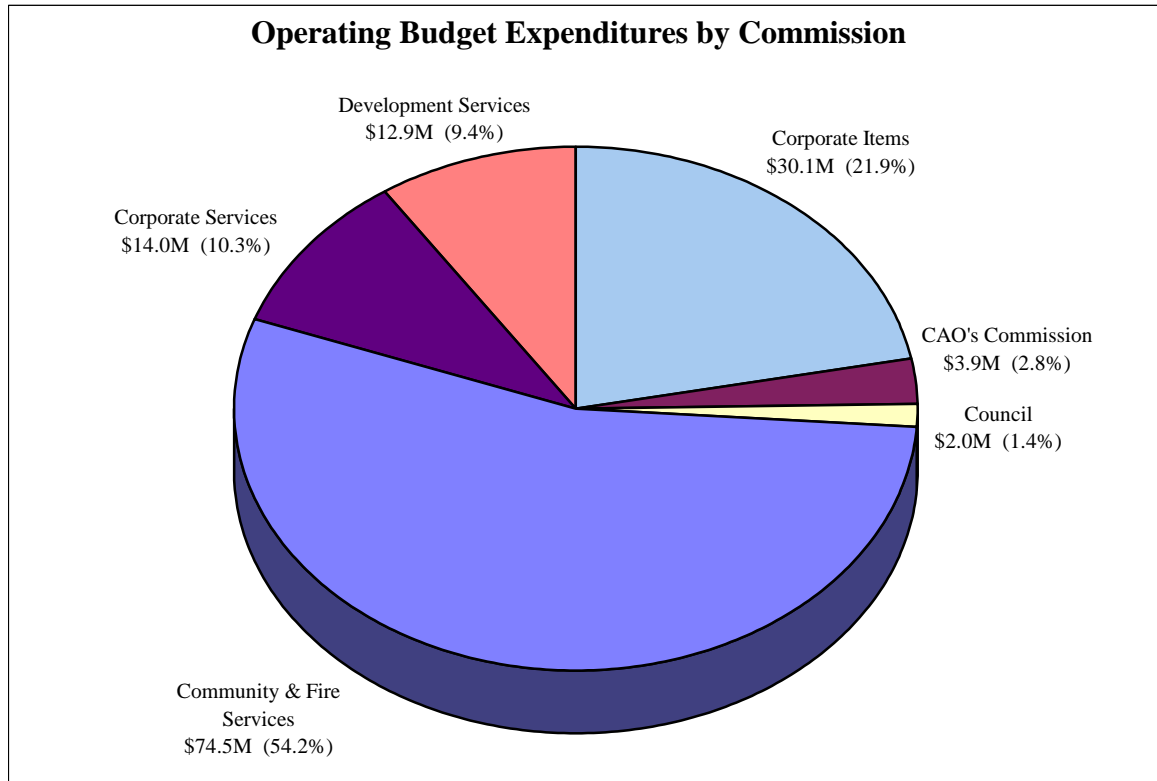
Prior' years surplus will be transferred to the Corporate Rate Stabilization Reserve after audit of year end accounts is completed.

2005 OPERATING BUDGET

Expenditures

The 2005 Operating Budget for Town services totals \$137,354,323. This marks an increase of \$12.7 million over the 2004 Operating Budget. Exhibit 1 shows the composition of the Operating Budget expenditures by Commission.

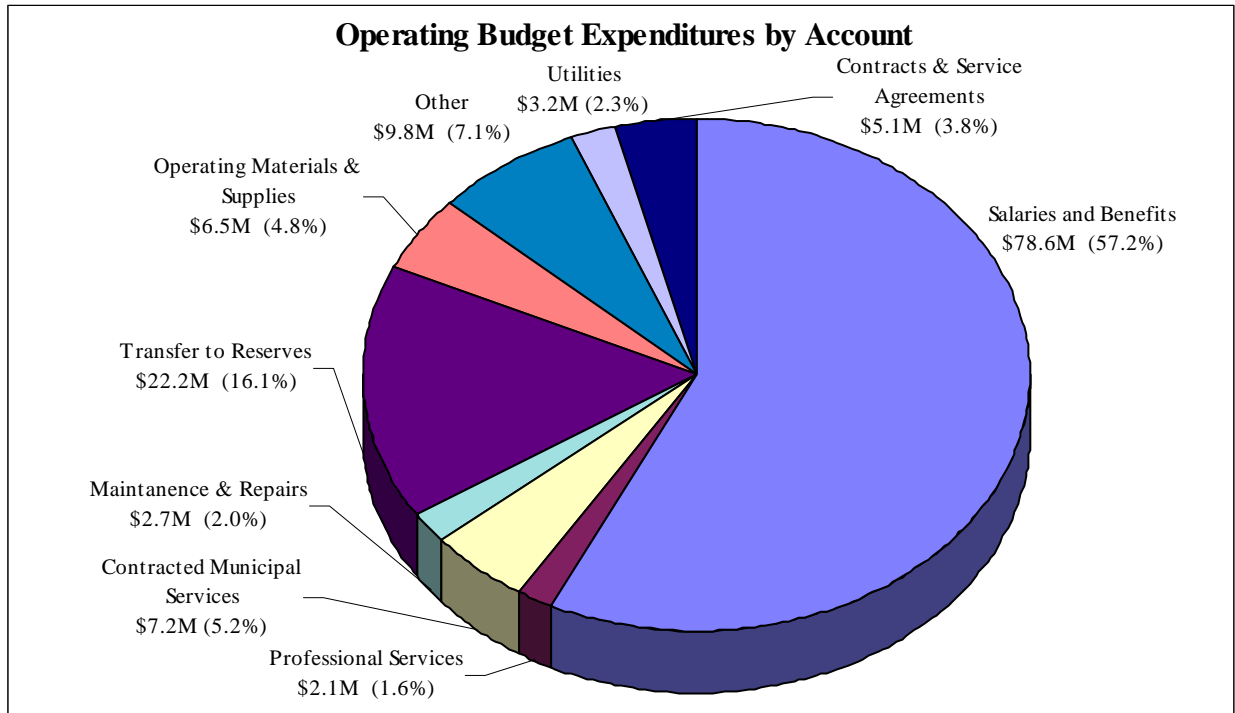
Exhibit 1



The Community & Fire Services Commission accounts for 54.2% of the total Budget expenditures. This Commission includes Fire, Recreation Services, Parks Maintenance, Asset Management, Waste Management, Roads, Utilities & Contracts, Library, Theatre and Museum. Corporate Items (comprised largely of Transfer to Reserves for the tax funded portion of the 2005 Capital Budget program) represents 21.9% of the Budget.

The 2005 Operating Budget expenditures can be alternatively broken down by account. Exhibit 2 indicates that 57.2% of budgeted expenditures are related to the salaries and benefits of Town employees. The next highest individual component is the Transfer to Reserves, which represents 16.1% of the total Budget. The 'Other' category, which accounts for 7.1% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, licences, permits fees, promotion & advertising.

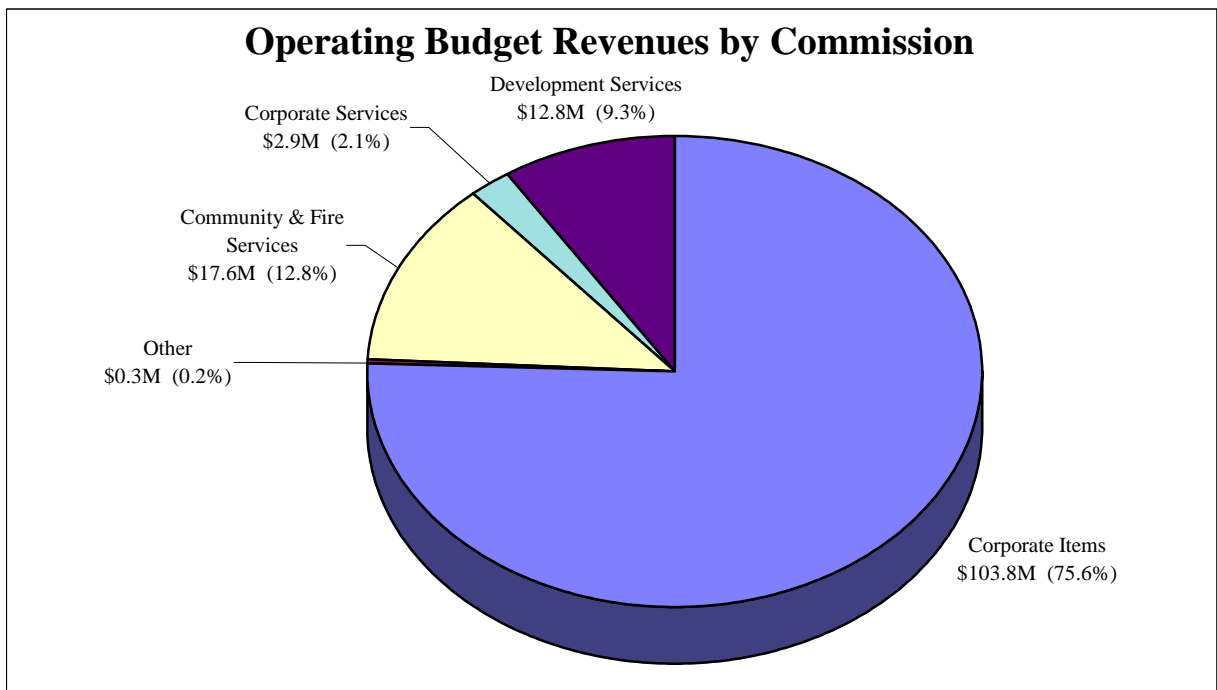
Exhibit 2



Revenues

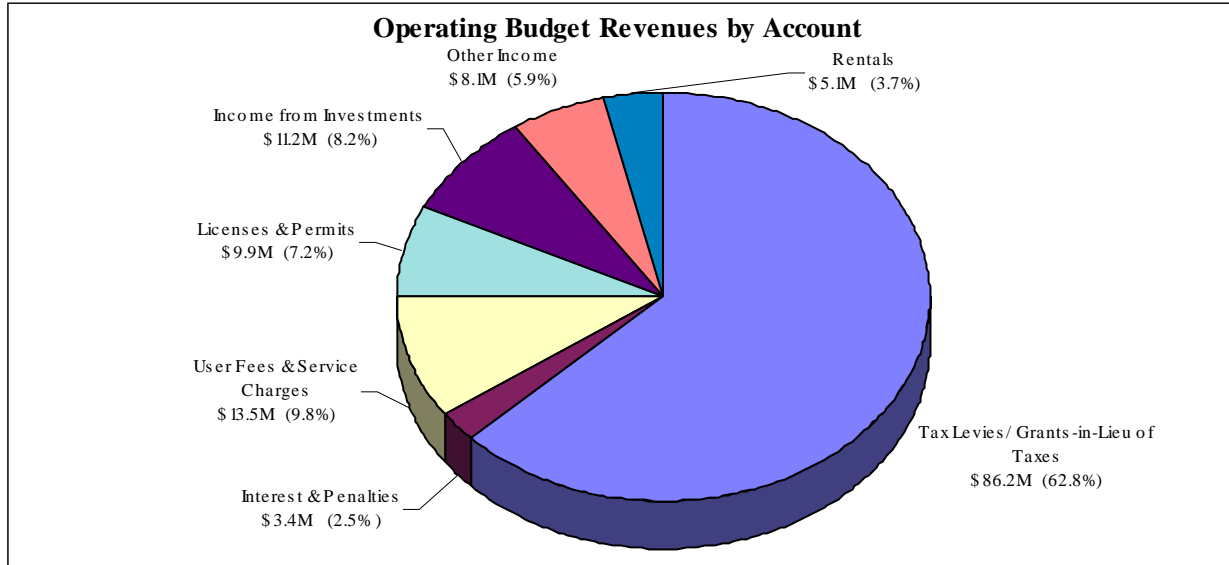
The \$137,354,323 Operating Budget is funded mainly through revenues associated with the following Commissions: Corporate Items (75.6%), Community Services (12.8%), and Development Services (9.3%). Corporate Items consist largely of Taxation Revenues, Investment Income, and Interest & Penalties. Please refer to Exhibit 3.

Exhibit 3



62.8% of the Operating Budget is funded through Taxation Revenues. Please refer to Exhibit 4.

Exhibit 4

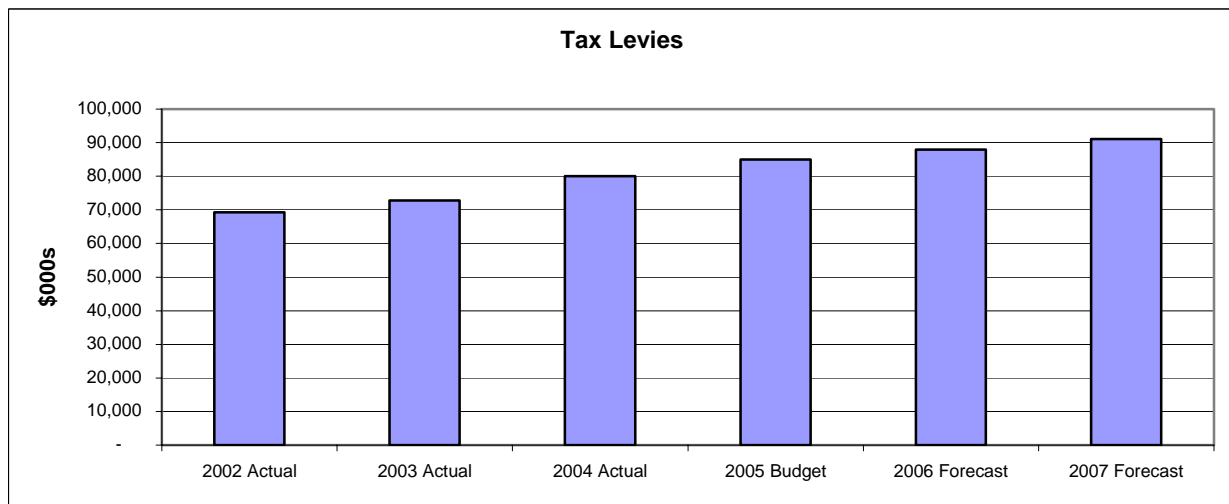


Major Revenue Sources

Tax Levies

Budgeted Tax Levies is at \$ 85.0 million, an increase of \$7.3 million or 8.4% from 2004. Council authorized a 3.0 million (3.9%) increase in the net tax levy in order to eliminate the budget shortfall caused by the aforementioned pressures. Council was able to keep the increase to a minimum, partly through the use of \$4.3 million of projected residential, commercial, and industrial assessment growth. Assessment growth is expected to be 3.5% in each of 2006 and 2007. Please refer to Exhibit 5.

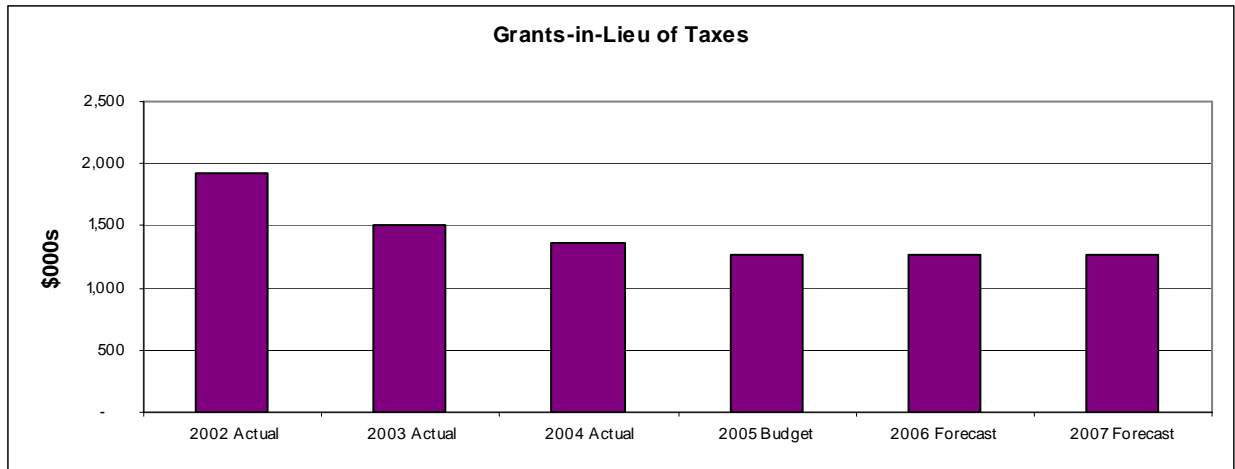
Exhibit 5



Grants-in-Lieu of Taxes

The 2005 Budget of \$1.3 million is a decrease of \$0.2 million from 2004. This is due to reduction in revenues from both federal and provincial owned properties with reduced land values, and which have been reclassified as farmland thereby attracting a lower tax (a 75% lower) rate. It is expected that the \$1.3 million budget will be kept constant through 2007. Please refer to Exhibit 6.

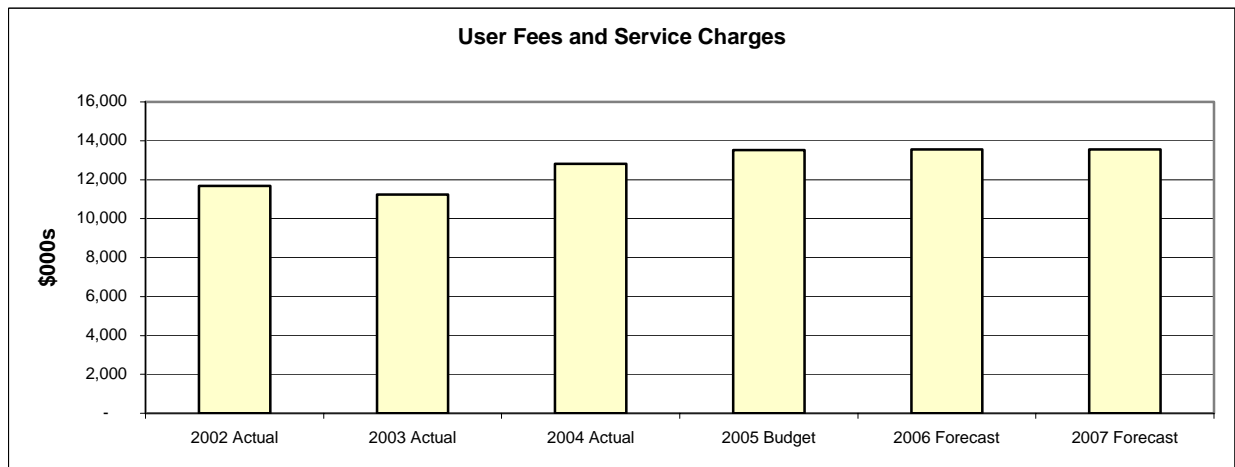
Exhibit 6



User Fees and Service Charges

User fees & service charges have increased by \$2.4 million mainly due to the full year operational impact of the Angus Glen Community Centre and Library. Recreation Fees (\$6.4 million), Development Services fees (Engineering, Planning & Design fees and compliance letters - \$3.6 million), and Cultural venue ticket sales (\$1.5 million) together represent 85% of the Town's 2005 budget for User Fees and Service Charges. The budget of \$13.5 million is expected to remain relatively stable for the years 2006 and 2007. Please refer to Exhibit 7.

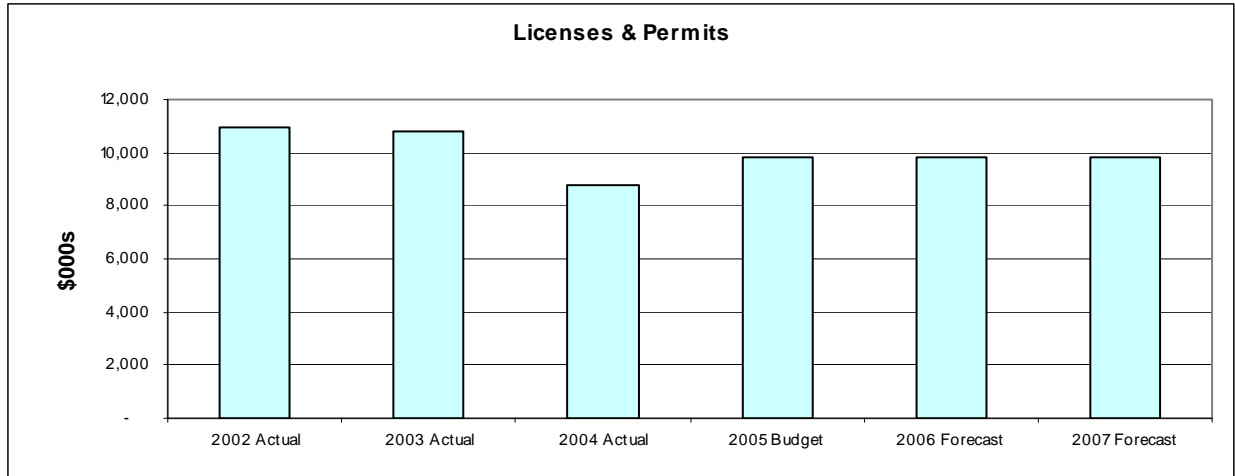
Exhibit 7



Licenses & Permits

The Town's License and Permit revenue consists mainly of revenues from issuance of Building Permits. While revenues over the past years have been around \$11 million, the year 2004 saw revenues that were in line with budget at \$9.5 million. Further, impending regulations from the Ontario government is expected to change the current fee structure for Building permits, which account for 90.8% (\$8.9 million) of the 2005 Licenses and Permits budget. The 2005 budget of \$9.9 million remains relatively unchanged from 2004 and are forecasted to remain constant until the Town is notified of any further developments in legislation with respect to Building permit fees. Please refer to Exhibit 8.

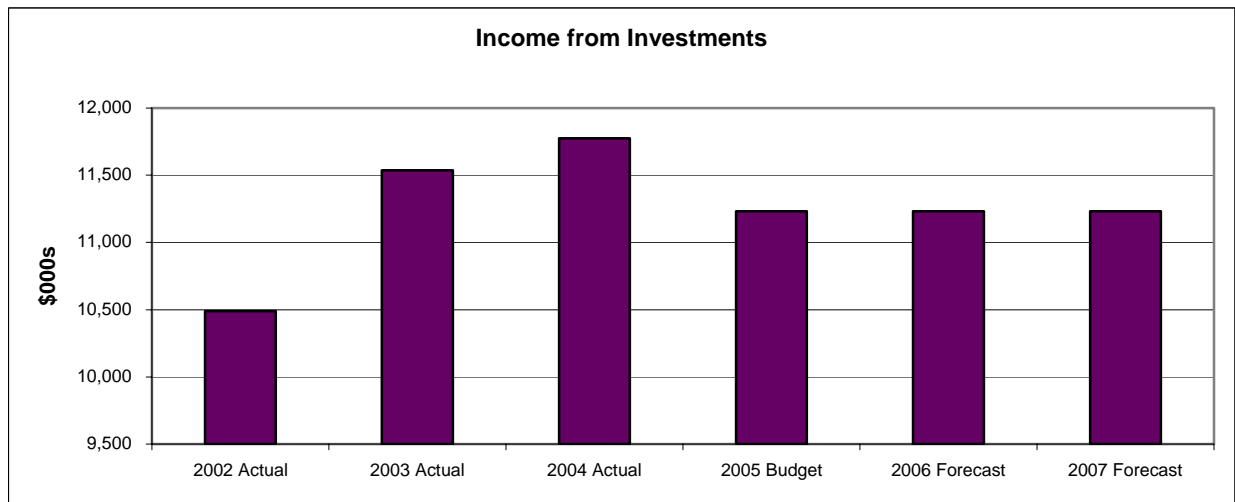
Exhibit 8



Income from Investments

Income from Investments is at \$11.2 million, an increase of \$600,000 over 2004 Budget. This increase is mainly due to higher interest rates on the known fixed portion of the Town's investment. Based on current portfolios held and anticipated future cash flows, combined with an anticipated minimal increase in interest rates, the forecast for future years is constant at 2005 Budget levels. Please refer to exhibit 9.

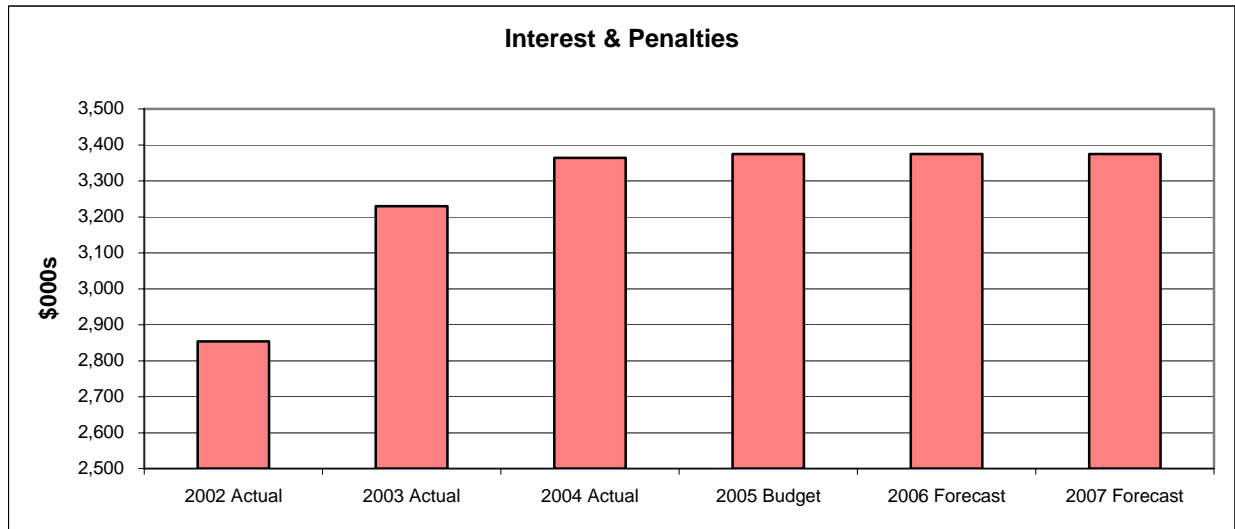
Exhibit 9



Interest and Penalties

Interest and penalties for late payment of property tax bills remains at the 2004 budgeted level of \$3.4 million, and is expected to remain constant through 2007. Please refer to Exhibit 10.

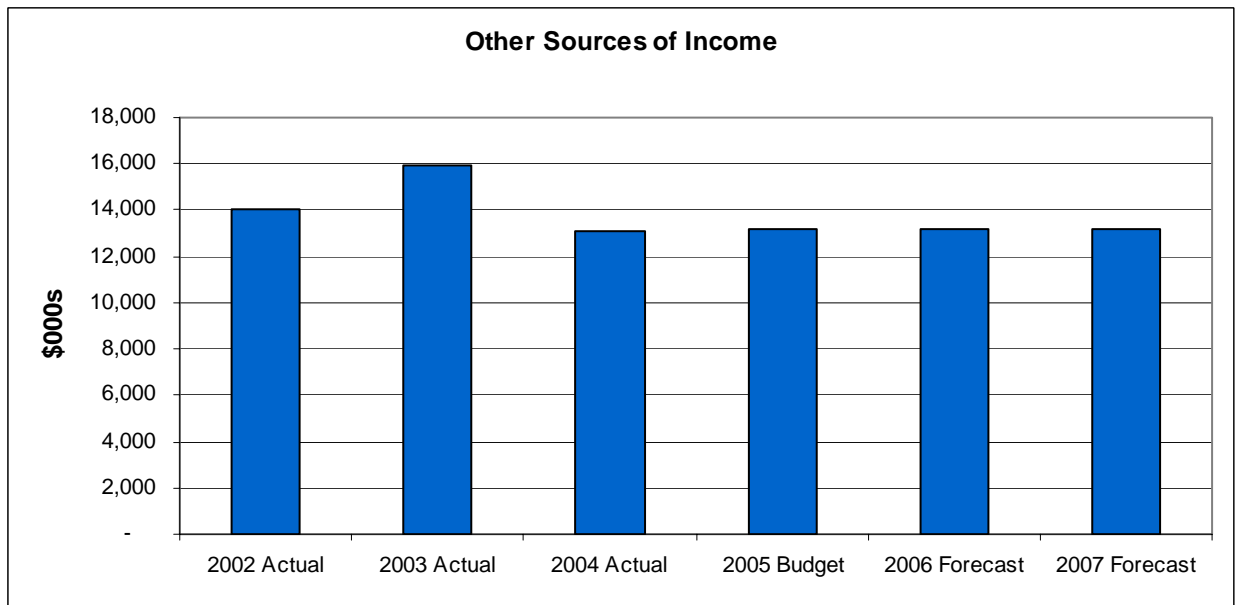
Exhibit 10



Other Income

Other Income budget of \$13.1 million has increased by \$2.2M over 2004 Budget due to increase in revenues from Fines (\$40,000), additional grants from Waste Diversion Ontario (WDO) on the Town's portion of redirecting garbage to recycling (\$450,000), rental revenue from recreational facilities (\$461,000), with the balance being achieved through the implementation of revenue strategies identified through Core Services Review and Implementation. Please refer to Exhibit 11.

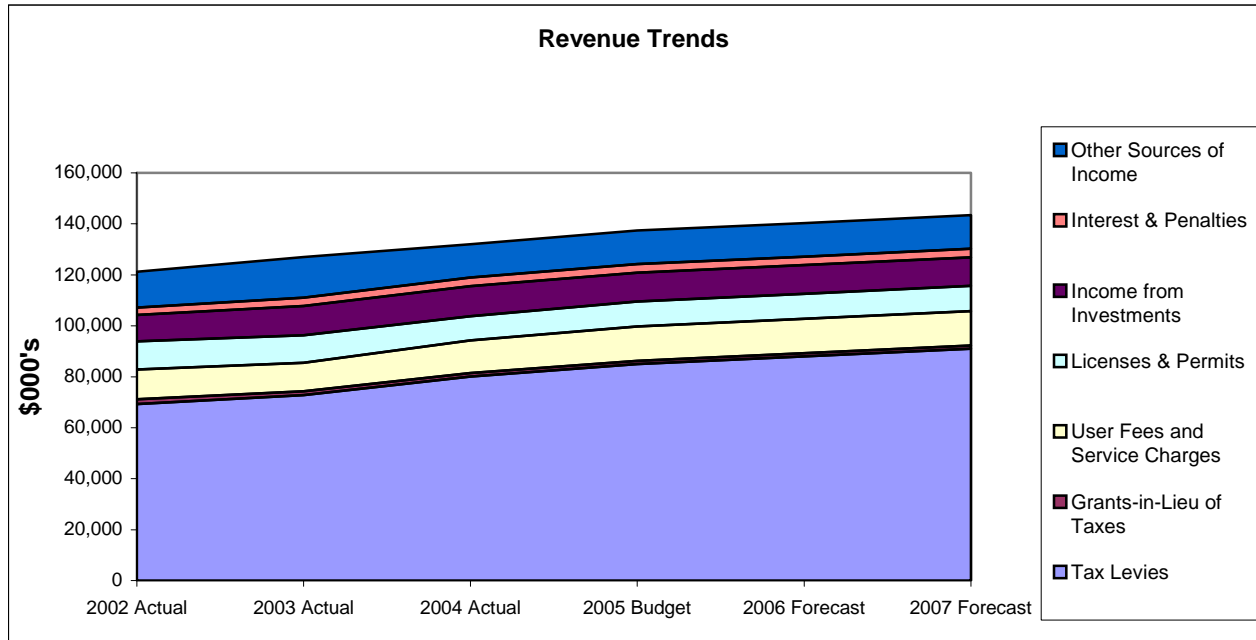
Exhibit 11



Revenue Summary

On a consolidated basis, Town revenues are expected to grow steadily between 2005 and 2007. The main reasons for the increase are related to assessment growth, additional investment income, Core Services revenue strategies, and other operational revenues. Please refer to Exhibit 12.

Exhibit 12



Highlights of the 2005 Operating Budget include:

New Assessment Growth of 5.6%

- \$4.3 million in additional tax revenues.

Maintain Existing Service levels

- Fire, Parks, Recreation, Roads and Waste Collection 2004 service levels protected. Complete roll out of the 3 stream waste collection program thereby increasing the diversion rate to recyclables.

Fiscal Stewardship Leadership

- Continued commitment to increase the Town's investment in Capital Projects by \$500,000 each year.
- The Town has provided for its future commitments and has no amounts to be recovered for current obligations from future tax revenues.
- Continued to ramp up Operating budget for future salary expenditures related to new Community Centres, Libraries and Fire Stations.
- Continued policy of not using one-time funding to balance the operating budget.

Continuation of Council Grants

- Budget increased by \$35,000 for “Celebrate Markham” for a total grants budget of \$219,500 in 2005.

Celebrate Markham activities include:

- Canada Day Celebrations
- Santa Claus parade
- Unionville/Markham/Thornhill/Milliken Mills Children’s festivals
- Volunteer Appreciation
- Character Community
- Markham Arts Council

Other

- Increased investment income by \$618,000.
- Communities in Bloom Program costs \$290,000
- Streetscapes improvements and native plant beds \$128,000
- Fire Emergency Management Program
- Plastic bag elimination program in Waste Management
- Alternate Dispute Resolution and Fire Training

**TOWN OF MARKHAM
2005 OPERATING BUDGET SUMMARY
CHARGE AGAINST TAX RATE**

<u>Department/Commission</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>	<u>%Change</u>	<u>2005 Bud. vs. 2004 Act.</u>	<u>% Change</u>
	\$	\$	\$	\$		\$	
Administrative Costs	1,262,806	1,326,213	1,421,913	95,700	7.2%	159,107	12.6%
Mayor & Councillors	496,783	546,850	561,479	14,629	2.7%	64,696	13.0%
Total Council	1,759,589	1,873,063	1,983,392	110,329	5.9%	223,803	12.7%
CAO's Office	418,839	396,427	419,078	22,651	5.7%	239	0.1%
Human Resources	2,018,870	1,811,887	2,028,762	216,875	12.0%	9,892	0.5%
Legal Dept.	759,712	672,001	801,822	129,821	19.3%	42,110	5.5%
Strategic Initiatives	245,224	373,198	414,716	41,518	11.1%	169,492	69.1%
Total CAO	3,442,645	3,253,513	3,664,378	410,865	12.6%	221,733	6.4%
Commissioner's Office	379,972	312,540	329,838	17,298	5.5%	-50,134	-13.2%
Contact Centre	665,618	691,555	707,878	16,323	2.4%	42,260	6.3%
Corporate Communications	690,459	762,127	773,927	11,800	1.5%	83,468	12.1%
Financial Services	2,734,309	2,804,404	2,992,278	187,874	6.7%	257,969	9.4%
ITS Department	3,758,839	4,141,401	4,556,239	414,838	10.0%	797,400	21.2%
Legislative Services	1,288,703	1,255,896	1,646,545	390,649	31.1%	357,842	27.8%
Total Corporate Services	9,517,900	9,967,923	11,006,705	1,038,782	10.4%	1,488,805	15.6%
Building Services	-4,060,146	-5,138,958	-4,933,343	205,615	-4.0%	-873,197	21.5%
Commissioner's Office	754,536	637,026	672,035	35,009	5.5%	-82,501	-10.9%
Economic Development	828,038	837,116	875,457	38,341	4.6%	47,419	5.7%
Engineering	309,091	1,423,492	1,716,800	293,308	20.6%	1,407,709	455.4%
Planning & Design	1,338,537	1,827,705	1,818,517	-9,188	-0.5%	479,980	35.9%
Total Development Services	-829,944	-413,619	149,466	563,085	-136.1%	979,410	-118.0%
Asset Management	1,459,995	1,447,647	1,396,786	-50,861	-3.5%	-63,209	-4.3%
Commissioner's Office	265,203	-1,009,376	-995,443	13,933	-1.4%	-1,260,646	-475.4%
Construction & Utilities	2,018,613	1,960,506	2,212,037	251,531	12.8%	193,424	9.6%
Culture	1,218,460	1,114,726	1,195,572	80,846	7.3%	-22,888	-1.9%
Fire Services	17,427,867	17,269,715	18,501,049	1,231,334	7.1%	1,073,182	6.2%
Markham Public Libraries	6,884,747	7,357,240	8,644,271	1,287,031	17.5%	1,759,524	25.6%
Operations	14,120,614	12,969,646	14,456,619	1,486,973	11.5%	336,005	2.4%
Operations & Asset Mgt -Admin	533,998	509,482	521,578	12,096	2.4%	-12,420	-2.3%
Recreation & Culture Administration	690,400	705,891	737,795	31,904	4.5%	47,395	6.9%
Recreation Services	2,602,058	2,930,069	3,222,806	292,737	10.0%	620,748	23.9%
Strategic Services	943,968	886,745	919,901	33,156	3.7%	-24,067	-2.5%
Waste	5,803,442	6,242,807	6,088,317	-154,490	-2.5%	284,875	4.9%
Total Community And Fire Services	53,969,365	52,385,098	56,901,288	4,516,190	8.6%	2,931,923	5.4%
Corporate Items	-77,787,199	-67,065,978	-73,705,229	-6,639,251	9.9%	4,081,970	-5.2%
Total Corporation (Excluding Waterworks)	-9,927,644	0	0	0	0.0%	9,927,644	-100.0%
Waterworks	-3,448,019	0	0	0	0.0%	3,448,019	-100.0%
Total Corporation	-13,375,663	0	0	0	0.0%	13,375,663	-100.0%

**TOWN OF MARKHAM
2005 OPERATING BUDGET SUMMARY
EXPENDITURES**

Department/Commission	2004 Actual	2004 Budget	2005 Budget	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
	\$	\$	Approved	Incr(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	1,262,806	1,326,213	1,421,913	95,700	7.2%	159,107	12.6%
Mayor & Councillors	533,256	546,850	561,479	14,629	2.7%	28,223	5.3%
Total Council	1,796,062	1,873,063	1,983,392	110,329	5.9%	187,330	10.4%
CAO's Office	418,839	396,427	419,078	22,651	5.7%	239	0.1%
Human Resources	2,018,870	1,811,887	2,034,206	222,319	12.3%	15,336	0.8%
Legal Dept.	936,000	864,001	1,031,822	167,821	19.4%	95,822	10.2%
Strategic Initiatives	245,224	373,198	414,716	41,518	11.1%	169,492	69.1%
Total CAO	3,618,933	3,445,513	3,899,822	454,309	13.2%	280,889	7.8%
Commissioner's Office	379,972	312,540	329,838	17,298	5.5%	-50,134	-13.2%
Contact Centre	673,246	691,555	715,878	24,323	3.5%	42,632	6.3%
Corporate Communications	690,459	763,627	775,427	11,800	1.5%	84,968	12.3%
Financial Services	2,986,987	3,124,909	3,660,783	535,874	17.1%	673,796	22.6%
ITS Department	3,765,145	4,151,401	4,566,239	414,838	10.0%	801,094	21.3%
Legislative Services	3,590,442	3,481,396	3,907,045	425,649	12.2%	316,603	8.8%
Total Corporate Services	12,086,251	12,525,428	13,955,210	1,429,782	11.4%	1,868,959	15.5%
Building Services	3,869,408	3,593,042	4,089,773	496,731	13.8%	220,365	5.7%
Commissioner's Office	754,536	662,026	697,035	35,009	5.3%	-57,501	-7.6%
Economic Development	1,013,027	918,950	957,291	38,341	4.2%	-55,736	-5.5%
Engineering	2,875,044	2,831,492	3,564,632	733,140	25.9%	689,588	24.0%
Planning & Design	3,548,452	3,447,705	3,593,412	145,707	4.2%	44,960	1.3%
Total Development Services	12,060,467	11,453,215	12,902,143	1,448,928	12.7%	841,676	7.0%
Asset Management	1,703,710	1,631,297	1,637,636	6,339	0.4%	-66,074	-3.9%
Commissioner's Office	265,203	-337,376	-323,443	13,933	-4.1%	-588,646	-222.0%
Construction & Utilities	2,183,891	2,042,506	2,314,037	271,531	13.3%	130,146	6.0%
Culture	3,307,996	3,067,109	3,354,223	287,114	9.4%	46,227	1.4%
Fire Services	17,869,423	17,732,715	19,124,049	1,391,334	7.8%	1,254,626	7.0%
Markham Public Libraries	7,262,649	7,778,547	9,149,478	1,370,931	17.6%	1,886,829	26.0%
Operations	15,179,924	13,777,422	15,316,395	1,538,973	11.2%	136,471	0.9%
Operations & Asset Mgt -Admin	533,998	509,482	521,578	12,096	2.4%	-12,420	-2.3%
Recreation & Culture Administration	770,617	772,891	804,795	31,904	4.1%	34,178	4.4%
Recreation Services	12,606,107	12,895,854	14,879,380	1,983,526	15.4%	2,273,273	18.0%
Strategic Services	1,111,180	1,038,911	1,072,067	33,156	3.2%	-39,113	-3.5%
Waste	6,527,763	6,407,916	6,634,426	226,510	3.5%	106,663	1.6%
Total Community And Fire Services	69,322,461	67,317,274	74,484,621	7,167,347	10.6%	5,162,160	7.4%
Corporate Items	33,152,234	29,998,556	30,128,835	130,279	0.4%	-3,023,399	-9.1%
Total Corporation (Excluding Waterworks)	132,036,408	126,613,049	137,354,023	10,740,974	8.5%	5,317,615	4.0%
Waterworks	35,809,120	39,827,007	44,220,802	4,393,795	11.0%	8,411,682	23.5%
Total Corporation	167,845,528	166,440,056	181,574,825	15,134,769	9.1%	13,729,297	8.2%

**TOWN OF MARKHAM
2005 OPERATING BUDGET SUMMARY
REVENUES**

<u>Department/Commission</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>	<u>2005 Bud. vs. 2004 Bud.</u>	<u>2005 Bud. vs. 2004 Act.</u>	<u>2005 Bud. vs. 2004 Act.</u>
	\$	\$	Approved	Incr(Decr.)	%Change	Incr.(Decr.)	% Change
			\$	\$		\$	
Mayor & Councillors	36,473	0	0	0	0.0%	-36,473	-100.0%
Total Council	36,473	0	0	0	0.0%	-36,473	-100.0%
Human Resources	0	0	5,444	5,444	0.0%	5,444	0.0%
Legal Dept.	176,288	192,000	230,000	38,000	19.8%	53,712	30.5%
Total CAO	176,288	192,000	235,444	43,444	22.6%	59,156	33.6%
Contact Centre	7,628	0	8,000	8,000	0.0%	372	4.9%
Corporate Communications	0	1,500	1,500	0	0.0%	1,500	0.0%
Financial Services	252,678	320,505	668,505	348,000	108.6%	415,827	164.6%
ITS Department	6,306	10,000	10,000	0	0.0%	3,694	58.6%
Legislative Services	2,301,739	2,225,500	2,260,500	35,000	1.6%	-41,239	-1.8%
Total Corporate Services	2,568,351	2,557,505	2,948,505	391,000	15.3%	380,154	14.8%
Building Services	7,929,554	8,732,000	9,023,116	291,116	3.3%	1,093,562	13.8%
Commissioner's Office	0	25,000	25,000	0	0.0%	25,000	0.0%
Economic Development	184,989	81,834	81,834	0	0.0%	-103,155	-55.8%
Engineering	2,565,953	1,408,000	1,847,832	439,832	31.2%	-718,121	-28.0%
Planning & Design	2,209,915	1,620,000	1,774,895	154,895	9.6%	-435,020	-19.7%
Total Development Services	12,890,411	11,866,834	12,752,677	885,843	7.5%	-137,734	-1.1%
Asset Management	243,715	183,650	240,850	57,200	31.1%	-2,865	-1.2%
Commissioner's Office	0	672,000	672,000	0	0.0%	672,000	0.0%
Construction & Utilities	165,278	82,000	102,000	20,000	24.4%	-63,278	-38.3%
Culture	2,089,536	1,952,383	2,158,651	206,268	10.6%	69,115	3.3%
Fire Services	441,556	463,000	623,000	160,000	34.6%	181,444	41.1%
Markham Public Libraries	377,902	421,307	505,207	83,900	19.9%	127,305	33.7%
Operations	1,059,310	807,776	859,776	52,000	6.4%	-199,534	-18.8%
Recreation & Culture Administration	80,217	67,000	67,000	0	0.0%	-13,217	-16.5%
Recreation Services	10,004,049	9,965,785	11,656,574	1,690,789	17.0%	1,652,525	16.5%
Strategic Services	167,212	152,166	152,166	0	0.0%	-15,046	-9.0%
Waste	724,321	165,109	546,109	381,000	230.8%	-178,212	-24.6%
Total Community And Fire Services	15,353,096	14,932,176	17,583,333	2,651,157	17.8%	2,230,237	14.5%
Corporate Items	110,939,433	97,064,534	103,834,064	6,769,530	7.0%	-7,105,369	-6.4%
Total Corporation (Excluding Waterworks)	141,964,052	126,613,049	137,354,023	10,740,974	8.5%	-4,610,029	-3.2%
Waterworks	39,257,139	39,827,007	44,220,802	4,393,795	11.0%	4,963,663	12.6%
Total Corporation	181,221,191	166,440,056	181,574,825	15,134,769	9.1%	353,634	0.2%

**TOWN OF MARKHAM
OPERATING BUDGET BY COMMISSION AND ACCOUNT
(\$000's)**

COMPARISON BY COMMISSION					COMPARISON BY ACCOUNT				
	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>Change</u>			<u>2004 Budget</u>	<u>2005 Budget</u>	<u>Change</u>	
			<u>Incr./</u>	<u>(Decr.)</u>				<u>Incr./</u>	<u>(Decr.)</u>
			<u>\$</u>	<u>%</u>				<u>\$</u>	<u>%</u>
<u>EXPENDITURES</u> *					<u>EXPENDITURES</u> *				
Mayor & Council	1,873	1,983	110	5.9	Personnel Services	70,051	78,584	8,533	12.2
CAO's Office	3,446	3,900	454	13.2	Materials & Supplies	5,965	6,531	566	9.5
Corporate Services	12,525	13,955	1,430	11.4	Purchased Services	25,334	27,621	2,286	9.0
Development Services	11,453	12,902	1,449	12.6	Capital Asset Acquisition	20	20	0	0.0
Community And Fire Services	67,317	74,485	7,167	10.6	Financial Expenses	1,022	501	(521.0)	(51.0)
Corporate Items	28,098	30,129	2,031	7.2	Other Expenditures	1,337	1,944	607	45.4
					Transfers to Own Funds	20,983	22,153	1,171	5.6
Total Expenditures	<u>124,712</u>	<u>137,354</u>	<u>12,642</u>	<u>10.1</u>	Total Expenditures	<u>124,712</u>	<u>137,354</u>	<u>12,642</u>	<u>10.1</u>
<u>REVENUES</u> *					<u>REVENUES</u> *				
Mayor & Council	-	-	-		Taxation Revenues	79,180	86,233	7,053	8.9
CAO's Office	192	235	-		Grant & Subsidy Revenues	525	863	338	64.5
Corporate Services	2,558	2,949	391	15.3	General Revenues	24,640	25,644	1,004	4.1
Development Services	11,867	12,753	-		User Fees and Service Charges	16,241	19,151	2,910	17.9
Community And Fire Services	14,932	17,583	2,651	17.8	Other Income	4,005	5,229	1,224	30.6
Corporate Items	95,164	103,834	8,671	9.1	Inter-Departmental	121	234	113	93.9
Total Revenues	<u>124,712</u>	<u>137,354</u>	<u>12,642</u>	<u>10.1</u>	Total Revenues	<u>124,712</u>	<u>137,354</u>	<u>12,642</u>	<u>10.1</u>

*
Excludes prior years surplus

2005 CAPITAL BUDGET

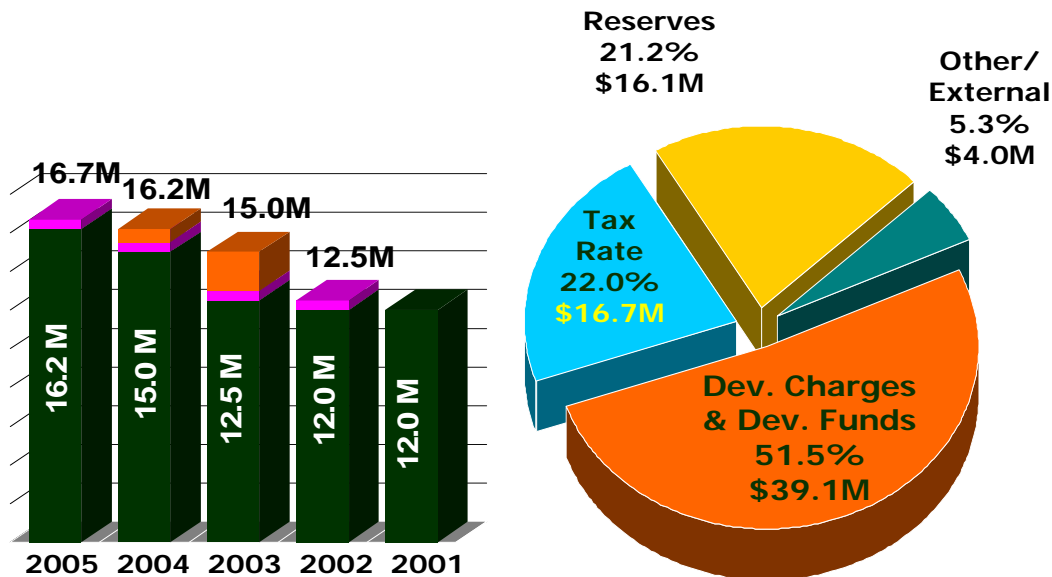
Definition of Capital

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

- It must have an expected useful life longer than one year
- The total costs must meet or exceed \$5,000

The 2005 Capital Budget totals \$75,884,688 and is funded through a variety of sources. \$16,700,000 (22.0%) of the Capital Budget is funded through the tax levy and appears as a 'Transfer to Reserves' in the Operating Budget. This marks a \$500,000 increase in tax rate funding over 2004 levels. Contributions from Developers (DCA, Developers Funds) and Reserves also account for large portion of the Capital Budget funding. Please refer to Exhibit 13.

Exhibit 13



Highlights of the 2005 Capital Budget as they align to Council's strategic priorities include:

ADDRESSING GRIDLOCK & RAPID TRANSIT

Travel Demand Management & Urban Transportation Showcase

- \$125,000 funding for the above program to promote alternatives to single occupant vehicles and implement programs to promote transit, carpooling, cycling and walking.

Birchmount Road Extension – 14th Avenue to Enterprise Drive

- \$ 428,100 funding for the construction of an extension, to provide an additional north-south collector road and a continuous connection between Highway 7 and Steeles Avenue. This has been recommended in planning and transportation studies including Markham Transportation Planning Study.

QUALITY COMMUNITY AND SAFE STREETS

Traffic Safety Projects

- \$360,000 for traffic safety projects to improve operations on the roads and intersections by providing a safer climate that accommodates both pedestrians and vehicles. The project includes signal modifications, audible pedestrian signals and installation of traffic signals.

Elimination of Train Whistling – Railway Crossings

- \$ 100,000. The objective of the project is to eliminate train whistling at all “At-Grade” railway crossings along the Uxbridge Subdivision CN rail line throughout the Town. The project provides for the safety audits & the implementation of the safety infrastructure, required at each crossing, to eliminate the need for train whistling.

IMPROVING ENVIRONMENTAL PROTECTION AND MANAGEMENT

Green Roof Phase 1

- \$125,000 for funding for a pilot project that will demonstrate the Town’s commitment to protecting the environment.

Waste 3 Stream Implementation Program

- \$1.6 million for final implementation of the curbside collection program for residential organic waste materials. Funding is for the purchase of curbside organic and kitchen organics collection bins.

Markham Environmental Sustainability Fund

- \$137,000 for replenishment of the Markham Environmental Sustainability Fund, whose purpose is to provide financial support for internal Town programs and community based programs and initiatives that promote environment responsibility and innovation.

IMPLEMENTATION OF MARKHAM CENTRE DOWNTOWN

Property Acquisition for Enterprise Drive Phase 2 & Enterprise Drive Underpass Phase 2

- \$2.4 million for property acquisition to complete the connection to Kennedy Road through Unionville gate.
- \$5.6 million for the continuation of the construction of Enterprise Drive extension from the GO line to Kennedy Road.

Clegg Road Extension & Cedarland Drive Reconstruction

- \$2.1 million funding for extension of Clegg Road and reconstruction of Cedarland Drive from Town Centre Blvd to Warden Avenue and includes the construction, intersection improvements, installation of traffic signals and upgraded sidewalks and streetlights.

The above projects have been recommended in planning and transportation studies for Markham Centre.

IMPROVING STANDARDS OF SERVICE AND SERVICE DELIVERY

Information Technology Projects

- \$3.9 million for computers (new/replacement), wireless network implementation, Geographic Information Systems Ortho imagery updates and parking control systems and implementation of the Information Technology Services Strategic Plans.

New Parks

- \$5.8 million for design and construction of new parks totaling 8 hectares including Wismer Neighborhood Park, Cornell Neighborhood Park, High Glen Neighborhood Park and East Cathedral South Neighborhood Park.

Land Purchase for East and South East Community Centre and Library

- \$14.8 million for construction of a community centre and library at the Cornell area to meet the needs of the newly developed area and forecasted in the Master Plan.

Markham Village Library Renovation & Expansion

- \$1.1 million for the renovation and integrating with the existing building expansion program.

**TOWN OF MARKHAM
2005 CAPITAL BUDGET**

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
CAO's Office					
<i>Strategic Initiatives</i>					
Organizational excellence promotion and education	30,000	-	30,000	-	
Staff Satisfaction Survey	20,000	-	20,000	-	
NQI Organizational Quality Assessment	10,000	-	10,000	-	
Teamwork Day	20,000	-	20,000	-	
External support for corporate initiatives	50,000	-	50,000	-	
<i>Total Strategic Initiatives</i>	<u>130,000</u>	<u>-</u>	<u>130,000</u>	<u>-</u>	
Total CAO's Office	<u>130,000</u>	<u>-</u>	<u>130,000</u>	<u>-</u>	
Corporate Services Commission					
<i>Information Technology Services (ITS)</i>					
Core - Base Architecture	2,290,189	50,000	973,041	1,267,148	Water Res/Bldg Permit/Carry fwd
ITS Projects Requiring Business Cases	1,583,000	-	497,840	1,085,160	Bldg/Water/Subdiv Agmt/Hydro Sav'g
<i>Total ITS</i>	<u>3,873,189</u>	<u>50,000</u>	<u>1,470,881</u>	<u>2,352,308</u>	
<i>Financial Services</i>					
2005 Development Charges	644,375	590,617	53,758	-	
<i>Total Financial Services</i>	<u>644,375</u>	<u>590,617</u>	<u>53,758</u>	<u>-</u>	
<i>Corporate Communications</i>					
Annual Town of Markham Services and Events Calendar	59,400	-	59,400	-	
<i>Total Corporate Communications</i>	<u>59,400</u>	<u>-</u>	<u>59,400</u>	<u>-</u>	
Total Corporate Services	<u>4,576,964</u>	<u>640,617</u>	<u>1,584,039</u>	<u>2,352,308</u>	
Development Services					
<i>Economic Development</i>					
York Region Biotechnology Consortium	30,000	-	30,000	-	
Toronto Region Research Alliance	50,000	-	50,000	-	
Innovation Synergy Centre	350,000	-	350,000	-	
International Economic Alliances & Twinning Program	25,000	-	25,000	-	
Markham Competitiveness Strategy	150,000	90,000	10,000	50,000	Federal Grant
<i>Total Economic Development</i>	<u>605,000</u>	<u>90,000</u>	<u>465,000</u>	<u>50,000</u>	
<i>Planning</i>					
Consultant Studies	75,000	67,500	7,500	-	
Environmental Planning Program	75,000	37,500	37,500	-	
Heritage Façade Improvement/Replacement Program	60,000	-	60,000	-	
Markham Centre Advisory	25,000	12,500	12,500	-	
Markham Centre Amenity Feature	100,000	90,000	10,000	-	
Markham Centre Communications	85,000	76,500	8,500	-	
Markham Centre Parking Strategy	50,000	45,000	5,000	-	
OMB Growth Related Hearing	100,000	90,000	10,000	-	
Zoning Program	50,000	25,000	25,000	-	
Urban Design Award - Annual Funding	20,000	-	10,000	10,000	Carry forward
<i>Total Planning</i>	<u>640,000</u>	<u>444,000</u>	<u>186,000</u>	<u>10,000</u>	
<i>Design</i>					
Additional Park Elements	2,477,000	2,229,300	247,700	-	
Berczy Community Park Pavilion & Maintenance Building	858,000	772,200	85,800	-	
Cornell Neighbourhood Park 1 (Mattamy)	86,925	78,233	8,692	-	
Cornell Neighbourhood Park 2 (Mattamy)	197,600	177,840	19,760	-	
Cornell Neighbourhood Park (Metrus)	448,400	403,560	44,840	-	
East Cathedral South Neighbourhood Park	429,000	386,100	42,900	-	
High Glen Neighbourhood Park	599,500	539,550	59,950	-	
Wismer Neighbourhood Park 3	704,000	633,600	70,400	-	
<i>Total Design</i>	<u>5,800,425</u>	<u>5,220,383</u>	<u>580,042</u>	<u>-</u>	

TOWN OF MARKHAM
2005 CAPITAL BUDGET

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
Engineering					
Elimination of Whistling Railway Crossing	100,000	-	100,000	-	
Thornhill Task Force	50,000	-	50,000	-	
Traffic Safety Projects	360,000	43,730	241,270	75,000	Letter of Credit
Travel Demand Management and Urban Showcase	125,000	125,000	-	-	
Clegg Road Extension & Cedarland Dr.	2,101,900	1,942,380	49,360	110,160	Developers
Birchmount Road Extension: 14th Ave. to Enterprise	428,100	428,100	-	-	
Enterprise Drive Underpass at GO Line Phase 1, Stage 2	5,613,699	5,511,179	102,520	-	
Enterprise Drive Phase 2: Property Acquisition & Detailed Design	2,370,000	2,370,000	-	-	
Helen Ave: Reconstruction, E of Kennedy Road	500,600	500,600	-	-	
14th Ave. Watermain: McCowan to Boxwood	2,200,000	2,200,000	-	-	
Rodick Road reconstruction: Miller Ave. to 14th Ave.	203,700	131,748	-	71,952	Pre DCA
Miller Ave: Watermain Replacement: Woodbine to Rodick Road	60,000	15,000	-	45,000	Waterworks Reserve
Hwy 7 Sanitary & Trunk Sewer - Detailed Design. & Const.	1,900,000	1,900,000	-	-	
PD 1-7 & Mrkm SWM Pond #2: Property Acquisition & Design	790,000	790,000	-	-	
Illumination Requests	993,600	734,950	53,710	204,940	Pre DCA
Intersection Improvements	375,000	250,000	-	125,000	Letter of Credit
Sidewalk Requests	1,459,300	957,810	52,330	449,160	Pre DCA
Services Connection: Various Locations	30,000	-	-	30,000	Developers
Engineering Studies	60,000	-	-	60,000	Developers
New Construction Guidelines & Update Eng. Criteria & Drawings	60,000	60,000	-	-	
Stormwater Management Guideline Update	25,000	25,000	-	-	
TRCA Watercourse Crossing Policy Peer Review.	50,000	50,000	-	-	
Town wide Erosion Control Implementation Study	25,000	25,000	-	-	
Region Water & Sewer Capacity Review	50,000	50,000	-	-	
SWM Pond Temperature Monitoring	250,000	87,453	-	162,547	Developers
Noise Attenuation Guideline	25,000	25,000	-	-	
Downstream River Improvements Works Program	500,000	174,905	-	325,095	Pre DCA
Total Engineering	20,705,899	18,397,855	649,190	1,658,854	
Commissioner's Office - Development Services					
Prepare Fee by-law for development applications	75,000	-	-	75,000	Cost Recovery-Fees
Total Commissioner's Office - Dev. Services	75,000	-	-	75,000	
Total Development Services Commission	27,826,324	24,152,238	1,880,232	1,793,854	
Community & Fire Services Commission					
Museum					
Drainage Upgrade SW Quadrant	25,000	-	25,000	-	
Annual Program for Historical Artefacts Restoration	15,500	-	15,500	-	
Fire and Security System Upgrade and Relocate	50,000	-	50,000	-	
Annual Site Restoration Program	25,000	-	25,000	-	
Total Museum	115,500	-	115,500	-	
Theatre					
Front Canopy and Exterior Lighting Fixtures	45,500	-	45,500	-	
Bar Equipment	12,500	-	12,500	-	
HVAC and Electrical systems maintenance and upgrades	26,600	-	26,600	-	
Skylight and Window Repair	16,700	-	16,700	-	
Stage Equipment	67,200	-	67,200	-	
Stage Lighting equipment	69,300	-	69,300	-	
Total Theatre	237,800	-	237,800	-	
Arts Centres					
Varley Art Gallery - Bldg. Sealing - Windows/Vapour Barrier	5,000	-	5,000	-	
Varley - Interior Painting	8,400	-	8,400	-	
Total Arts Centres	13,400	-	13,400	-	

**TOWN OF MARKHAM
2005 CAPITAL BUDGET**

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
Recreation Services					
Thornhill - Sound System	6,000	-	6,000	-	
Annual Fitness Equipment Replacement	72,000	-	72,000	-	
Annual Town-wide Tables and Chairs Replacement Program	42,900	-	42,900	-	
Pool Safety Audits	13,200	-	13,200	-	
Aquatics Equipment Replacement	25,000	-	25,000	-	
Armada Community Centre Lobby Upgrades	14,700	-	14,700	-	
Safety Devices - Armadale Gym	7,000	-	7,000	-	
BWI and Unionville Train Station - Linoleum Floor Replacement	7,300	-	7,300	-	
Buttonville Women's Inst. - Repainting of Exterior Brick Walls	10,000	-	10,000	-	
Centennial Arena Change room , Showers & Washroom Reno.	53,900	-	-	53,900	Recreation Reserve
Centennial Kitchen Stove Replacement and Renovation	17,800	-	17,800	-	
Chimo - Canoes	23,100	-	23,100	-	
Clatworthy Arena Rink Beam Painting	40,000	-	-	40,000	Recreation Reserve
Crosby - Motorized Dampers and Exhaust Fans	5,000	-	5,000	-	
Crosby - Floor Renovations	27,000	-	27,000	-	
Crosby - Sound System	10,300	-	10,300	-	
Crosby - Trash Compactor	21,000	-	21,000	-	
Milliken Arena Board Replacement	143,300	-	-	143,300	Recreation Reserve
Milliken - Replace Rubberized Flooring in Arena	86,500	-	-	86,500	Recreation Reserve
Mount Joy and Markham Village - Fire Eqpt. Upgrades	5,600	-	5,600	-	
Mount Joy Comm. Centre Electrical Upgrades	21,000	-	21,000	-	
Markham Village Comm. Centre - Replace Rubber Flooring	18,500	-	18,500	-	
Markham Village Comm. Centre - Replace Vestibule Doors	18,900	-	18,900	-	
Old Unionville Library - Fire and Kitchen Upgrades	5,000	-	5,000	-	
Program Equipment Replacement	25,000	-	25,000	-	
Re-key Building - Crosby and Satellites	13,200	-	13,200	-	
Rouge River Pool - Filter System	112,000	-	112,000	-	
Satellites - Painting	7,500	-	7,500	-	
Soccer Dome - Construct Shed	14,200	-	14,200	-	
Soccer Dome - Install Permanent Field Lines	5,700	-	5,700	-	
Soccer Dome - Purchase Riding Carpet Sweeper	14,100	-	14,100	-	
Thornhill Comm. Centre Lower Level Feasibility Study	10,000	-	10,000	-	
Thornhill Community Centre - Cleaning Equipment	10,300	-	10,300	-	
Thornhill Automated Door Closures	17,500	-	17,500	-	
Thornhill West Arena Exhaust Fans	16,000	-	-	16,000	Recreation Reserve
Automatic External Defibrillator Purchase - Ann. Program	32,000	-	32,000	-	
Thornhill - Replace Transformer Door and Frame	10,000	-	10,000	-	
Thornlea Pool Repairs and Replacements	116,700	-	74,700	42,000	School Board
Warden House Flooring Replacement	22,400	-	22,400	-	
Warden House Washrooms	9,000	-	9,000	-	
Total Recreation Services	1,130,600	-	748,900	381,700	
Recreation & Culture Construction					
Centennial CC - 2nd Flr - Accessibility Improvements	100,000	-	-	100,000	Ramp Up Reserve
Centennial CC - Expansion - Energy Cons. Enhancements	285,000	-	-	285,000	225k Rec Reserve/60 Fed Grant
Centennial CC - Renovation	3,100,000	-	-	3,100,000	Ramp Up Reserve
Museum Reception Centre - Additional FF&E	78,000	-	-	78,000	Ramp Up Reserve
Museum Reception Centre - Parking Lot & Landscaping	412,000	-	-	412,000	Ramp Up Reserve
Central East Community Centre Land Purchase	7,300,000	6,570,000	-	730,000	General Capital Reserve
South East Community Centre Land Purchase	7,500,000	6,750,000	-	750,000	General Capital Reserve
Project Mgmt	322,300	322,300	-	-	
Total Recreation & Culture Construction	19,097,300	13,642,300	-	5,455,000	

**TOWN OF MARKHAM
2005 CAPITAL BUDGET**

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
Fire					
Defibrillation Training Aid (Mannequin Replacement)	11,300	-	11,300	-	
Firefighting Tools and Equipment	30,000	-	30,000	-	
Fitness Equipment	18,000	-	18,000	-	
Flashover Unit Refurbishment	27,000	-	27,000	-	
Fire Pumper Equipment	100,000	100,000	-	-	
Self Contained Breathing Apparatus Cylinders	35,100	-	35,100	-	
Thermal Imaging Camera	19,500	-	19,500	-	
2 FP vehicles	59,400	-	-	59,400	Second Suite Study Revenues
Bunker Gear Replacement Phase 1 of 2	274,000	-	-	274,000	Firefighter Clothing Reserve
Total Fire	574,300	100,000	140,900	333,400	
Roads					
Asphalt Resurfacing Program	4,000,000	-	4,000,000	-	
Boulevard Repairs	50,000	-	40,000	10,000	Carry forward
Fence Program to Protect Railway Lines	70,000	-	70,000	-	
LED Traffic Signal Displays Retrofit & Repl. Program	45,000	-	45,000	-	
Localized Repairs - Curb & Sidewalks	500,000	-	400,000	100,000	Pre DCA
Localized Repairs - Parking Lots	100,000	-	100,000	-	
Parking Lot Overlay - Thornhill Comm.Ctr (Phase 2)	200,000	-	200,000	-	
Railway Crossing Improvements	50,000	-	50,000	-	
Route & Seal Program	53,500	-	50,000	3,500	Carry forward
Salt Management Plan	50,000	-	50,000	-	
Secondary Road Works	700,000	-	-	700,000	Secondary Road Reserve
Sodding	20,000	-	15,000	5,000	Carry forward
Storage Building 555 Miller Ave	40,000	-	40,000	-	
Surface Treatment Annual Program	183,200	-	150,000	33,200	Carry forward
New Sidewalk Construction	100,000	-	-	100,000	Secondary Road Reserve
Total Roads	6,161,700	-	5,210,000	951,700	
Parks Construction & Maintenance					
Bleacher Replacement - Bishops Cross Soccer	102,000	-	102,000	-	
Boulevard Grass Cutting - Additional Equipment	76,000	-	76,000	-	
Court Resurfacing/Reconstruction - Annual Program	48,000	-	48,000	-	
Electrical & Cabling - Annual Program	80,000	-	65,000	15,000	Carry forward
Norway Maple - Block Pruning & Removal Program	150,000	-	150,000	-	
Parks Standards Review - Consultant	25,000	-	25,000	-	
Paving - Pathways/Facilities - Annual Program	100,000	-	100,000	-	
Playstructure and Safety Resurfacing - Annual Program	200,000	-	200,000	-	
Sportsfield Maintenance & Reconstruction	110,000	-	110,000	-	
Streetscapes Post Refurbishing	25,000	-	25,000	-	
Subdivision Assumption & Replacement Blvd./Park Trees	150,000	-	75,000	75,000	Urban Design Carry forward
Town Park Furniture/Amenities - Annual Program	120,000	-	120,000	-	
TRCA 50/50 Community Projects - Annual Program	40,000	-	20,000	20,000	TRCA 50 %
Top up of Adopt a Park Program	20,000	-	500	19,500	Carry forward
Main Street Markham Improvements	50,000	-	22,400	27,600	
Rain Barrel Program	25,000	-	-	25,000	Carry Forward
Heritage Interpretive Signage	10,000	-	-	10,000	Carry Forward
Total Parks Construction & Maintenance	1,331,000	-	1,138,900	192,100	

**TOWN OF MARKHAM
2005 CAPITAL BUDGET**

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
Asset Management					
Accessibility Projects - Facility Audits - Phase 1 of 3	10,000	-	10,000	-	
Building Condition Audits - Phase 1 of 5	50,000	-	50,000	-	
Carpet Replacement - Phase 4 of 5	175,000	-	175,000	-	
Corporate Accommodation Planning & Implementation	358,000	-	288,000	70,000	Carry forward
Masonry Repair Phase 3 of 3	350,000	-	350,000	-	
Roofing Maintenance and Structural Adequacy- Ann. Program	67,800	-	48,800	19,000	Carry forward
Roofing Replacement Projects- Annual Program	43,900	-	18,900	25,000	Carry forward
Satellite Facility Repairs- Annual Program	85,700	-	85,700	-	
Asset Management Strategic Plan	75,000	-	75,000	-	
Thornhill Community Centre HVAC Replacement	177,100	-	127,100	50,000	Carry forward
Toogood Pond Washroom Renovations	31,600	-	31,600	-	
Watermain connection at Box Grove and Victoria Square CC	10,000	-	10,000	-	
Master Plan - Operation Facilities	70,000	20,000	-	50,000	Carry forward
Green Roof Phase 1 - Civic Centre	125,000	-	-	125,000	MESF
Total Asset Management	1,629,100	20,000	1,270,100	339,000	
Capital Works, ROW					
Bridges and Culvert Improvement Program	1,300,000	-	1,300,000	-	
Settlers Park Landfill Management Study	100,000	-	100,000	-	
Total Capital Works, ROW	1,400,000	-	1,400,000	-	
Fleet Operations					
New Fleet - By-Laws - Licensing	28,000	-	-	28,000	Carry forward
Corporate Fleet Refurbishing - Annual Program	30,000	-	8,000	22,000	Carry forward
Corporate Fleet Replacement Program - Annual Program	1,107,000	-	837,000	270,000	Waterworks Reserve/Carry fwd
New Fleet - Operations - Parks	85,700	10,700	-	75,000	Carry forward
New Fleet - Operations	294,000	-	-	294,000	Carry forward
Operations - Non Fleet	125,000	-	125,000	-	
Green Fleet Transition Plan	27,600	-	27,600	-	
Total Fleet Operations	1,697,300	10,700	997,600	689,000	
Waste Management					
3-Stream Implementation - Phase 2 of 2	1,574,100	-	314,500	1,259,600	Waste Mgt. Res. Fund
Home Composting Program	50,100	-	-	50,100	York Region & Residents
Litter Program - Phase 1 of 3	35,000	-	35,000	-	
Total Waste Management	1,659,200	-	349,500	1,309,700	
Contracts and Utilities					
Concrete Streetlight Poles Replacement - Annual Program	50,000	-	34,783	15,217	Carry forward
Illumination Requests and Upgrading - Annual Program	80,000	-	38,821	41,179	Carry forward
Horizontal & Vert. Control Monument Repl.- Ann. Program	25,000	-	23,100	1,900	Carry forward
Streetlight Relocation-Annual Program	50,000	-	24,425	25,575	Carry forward
Total Contracts and Utilities	205,000	-	121,129	83,871	
Strategic Services					
Markham Environmental Sustainability Fund (MESF)	137,000	-	137,000	-	
Rouge Park Alliance	15,000	-	-	15,000	MESF
Total Strategic Services	152,000	-	137,000	15,000	

**TOWN OF MARKHAM
2005 CAPITAL BUDGET**

Project Description	Total Budget	Dev. Charges	Funded By Tax Rate	Other	Description of Other Funding
Library					
Replace Shelving - All Libraries	25,000	-	25,000	-	
Replace Furniture & Equipment - All Libraries	25,000	-	25,000	-	
Markham Village Library Renovation- Phase II	1,100,000	-	1,100,000	-	
Canvas Ceiling Replacement - Unionville	75,000	-	75,000	-	
Educational Programming & Children's Literacy	21,000	-	-	21,000	Telus Donation
Total Library	1,246,000	-	1,225,000	21,000	
Waterworks					
Trunk Sewer Rehabilitation	436,000	-	-	436,000	Waterworks Reserve
Sanitary Sewer Monitoring and Inspection Program	72,900	-	-	72,900	Waterworks Reserve
Equipment	19,000	-	-	19,000	Waterworks Reserve
Miller Office/Shop Staff Accommodations	100,000	-	-	100,000	Waterworks Reserve
Design for 2006 Wm. Const. and Repl. Program-Phase 1 of 2	183,000	-	-	183,000	Waterworks Reserve
Watermain Construction	1,837,500	-	-	1,837,500	Waterworks Reserve
Cathodic Protection of Iron Watermains Program	200,000	-	-	200,000	Waterworks Reserve
Water Sys. Upgrades Program - C.B./Flushing & Sampling Sta.	862,000	-	-	862,000	Waterworks Reserve
Cement Relining of Iron Watermains Program	1,282,500	-	-	1,282,500	Waterworks Reserve
Water Meter Replacement / Upgrade Program	502,500	-	-	502,500	Waterworks Reserve
Vehicles	218,000	-	-	218,000	Waterworks Reserve/Carry fwd
Hansen CCTV-Camera Insp. Truck Hardware & Software Upgrade	103,800	-	-	103,800	Waterworks Reserve
Mobile Work Management System (MWMS)-Phase 1 of 2	170,000	-	-	170,000	Waterworks Reserve
Bill 175 Consulting	75,000	-	-	75,000	Waterworks Reserve
Develop Sanitary Sewer Condition Rating	50,000	-	-	50,000	Waterworks Reserve
Sewer Works Projects/System Upgrade Program	180,000	-	-	180,000	Waterworks Reserve
Automated Meter Reading	205,000	-	-	205,000	Carry forward
Hydraulic Modeling	50,000	-	-	50,000	Waterworks Reserve
(DMA) District Metering Area Pilot Project	100,000	-	-	100,000	Carry forward
GPS Asset Tracking	37,000	-	-	37,000	Carry forward
Asset Barcode Listing	17,000	-	-	17,000	Carry forward
Total Waterworks	6,701,200	-	-	6,701,200	
Total Community & Fire Services Commission	43,351,400	13,773,000	13,105,729	16,472,671	
TOWN WIDE TOTAL	75,884,688	38,565,855	16,700,000	20,618,833	

**2005 CAPITAL BUDGET
SOURCES OF FUNDING
\$000's**

TAX RATE **16,700.0**

DEVELOPMENT CHARGES (DCA) **38,565.9**

OTHER SOURCES

Developers	522.7	
Water Reserve	6,633.4	
Pre - DCA	1,151.1	
Facility Ramp - up Reserve	3,690.0	
Secondary Roads Reserve	800.0	
General Capital Reserve	1,480.0	
Waste Reserve	1,259.6	
Firefighter Clothing Reserve	274.0	
Road Resurfacing Reserve	90.0	
Recreation Reserve	564.7	
Grants & Subsidies	131.0	
Development Fees	800.9	
Closed Capital From Previous Years (carry fwd)	2,669.9	
Region of York	50.1	
Hydro Savings	40.0	
Letters of Credit	200.0	
Board of Education	42.0	
Toronto & Region Conservation Authority	20.0	
Markham Environmental Sustainability Fund (MESF)	140.0	
Second Suite Study Revenues	59.4	
TOTAL OTHER SOURCES	20,618.8	20,618.8

TOTAL 2005 CAPITAL & OTHER PROGRAMS BUDGET **76,884.7**

CAPITAL INDUCED OPERATING COSTS

Department / Capital Project Description	2005		Operating Impact Description
	Budget	Annualized	
	\$	\$	
<u>Design</u>			
Additional Park Elements		45,000	Official Opening costs
Cornell Neighborhood Park 1 (Mattamy)		3,126	Maintenance costs
Cornell Neighborhood Park 2 (Mattamy)		9,703	Maintenance costs
Cornell Neighborhood Park (Metrus)		10,484	Maintenance costs
East Cathedral South Neighborhood Park		7,814	Maintenance costs
High Glen Neighborhood Park		11,070	Maintenance costs
Wismer Neighborhood Park 3		13,024	Maintenance costs
	-	55,222	
<u>Recreation & Culture Construction</u>			
Centennial CC - Expansion - Energy Cons. Enhancements	-	(76,000)	Savings in utilities costs
Land Purchase for East Community Centre & Library	300,000	1,800,000	Personnel Costs ramp up
	300,000	1,724,000	
<u>Fire</u>			
2 Fire Prevention vehicles	-	1,000	Maintenance Costs
<u>Parks Construction & Maintenance</u>			
Boulevard Grass Cutting	-	(10,000)	Savings in contracted services
<u>Fleet Operations</u>			
New Fleet - By Laws	2,000	2,000	Maintenance costs
New Fleet - Parks	3,000	3,000	Maintenance costs
New Fleet - Operations	18,000	18,000	Maintenance costs
	23,000	23,000	
<u>Waterworks</u>			
Trunk Sewer Rehabilitation	21,800	22,000	Personnel costs
Sanitary Sewer Monitoring and Inspection Program	7,300	7,300	Personnel costs
Equipment	1,000	1,000	Personnel costs
Watermain Construction	92,000	92,000	Personnel costs
Cathodic Protection of Iron Watermains Program	5,000	5,000	Personnel costs
Water Sys. Upgrades Program - C.B./Flushing & Sampling Stn.	43,000	43,000	Personnel costs
Cement Relining of Iron Watermains Program	65,000	65,000	Personnel costs
Water Meter Replacement / Upgrade Program	5,000	5,000	Personnel costs
Hansen CCTV-Camera Insp. Truck Hardware/ Software Upgrade	6,800	6,800	Personnel & Software costs
Mobile Work Management System (MWMS)-Phase 1 of 2	5,000	5,000	Personnel costs
Sewer Works Projects/System Upgrade Program	9,000	9,000	Personnel costs
Automated Meter Reading	10,250	11,000	Personnel costs
Hydraulic Modeling	2,500	2,500	Personnel costs
(DMA) District Metering Area Pilot Project	5,000	5,000	Personnel costs
GPS Asset Tracking	6,200	6,200	Personnel & Data service costs
Asset Barcode Listing	2,500	2,500	Personnel & Maintenance costs
	287,350	288,300	
Total Capital Induced Operating Costs	610,350	2,081,522	

TOWN OF MARKHAM

Long Term Capital Budget Forecast

Capital Infrastructure related to growth in the Town are both material in dollars and critical to the Town'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 Town grows, the infrastructure to serve and support the new communities must grow also.

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the Town of Markham. The remaining 10% is funded by the Town through non-DC sources. Development Charges are governed by the Town's DC By-laws, which are updated every five years. The Town of Markham, like many Ontario municipalities, updated its "Development Charges Background Study" (DC Study) and DC By-laws in 2004.

Based on the 2004 DC Study information, the following is a capital forecast from 2006 to 2013 for growth related capital projects:

2006 to 2013 Capital Budget Forecast

(in thousands of constant dollars - gross cost)

Category	2006	2007	2008	2009	2010	2011	2012	2013	TOTAL
(A) General Government	418.2	418.2	518.2	418.2	418.2	418.2	518.2	418.2	\$3,545.6
(B) Library	0.0	0.0	2,610.2	0.0	0.0	0.0	0.0	7,457.6	\$10,067.8
(C) Fire Services	2,602.9	946.0	0.0	0.0	118.8	1,100.0	0.0	0.0	\$4,767.7
(D) Indoor Recreation	0.0	3,705.0	0.0	0.0	0.0	0.0	0.0	32,214.2	\$35,919.2
(E) Park Development & Facilities	7,318.4	6,252.4	5,125.7	6,268.6	4,822.4	5,252.4	4,968.2	2,702.7	\$42,710.8
(F) Public Works	142.0	233.0	72.0	5,787.6	30.0	80.0	45.0	5,634.4	\$12,024.0
TOTAL	\$10,481.5	\$11,554.6	\$8,326.1	\$12,474.4	\$5,389.4	\$6,850.6	\$5,531.4	\$48,427.1	\$109,035.1

Notes: Listing of Category Details

A. Growth 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, Town Fleet

CAPITAL PROJECT REQUEST



Project Name ITS – Core Base Architecture & Projects Requiring Business Cases

Estimated Total Cost of Project

\$3,873,189

Commission Corporate Services

Department Information Technology Services

Project Description

Location

Town Centre Blvd., including all Markham Public Libraries and Satellite Facilities

Work to be Performed

New and replacement of Computers, Printers, Telecommunication Equipment, Technical Infrastructure, Data & Licensing, other Peripherals and Software for Town of Markham departments and Markham Public Libraries. The above amount also includes other core projects such as: GIS Orthoimagery Update, Wireless Network Implementation, TXM2000 Development, and Paperless Agenda.

Reason for Work

To ensure the Town of Markham’s technological equipment is up-to-date, which is one of the major factors for improving productivity.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Additional Park Elements

Estimated Total Cost of Project

\$2,477,000

Commission Development Services

Department Design

Project Description

Location

Woodbine North Community Park, Times Neighborhood Park, Highway 7 and Warden Avenue Park, Villages of Fairtree Community Park, Wismer Community Park, Brother Andre Community Park, and South Unionville Community Park

Work to be Performed

Design, construction, and contract administration of Woodbine North Community Park, Times Neighborhood Park, Highway 7 and Warden Avenue Park, Villages of Fairtree Community Park, Wismer Community Park, Brother Andre Community Park, and South Unionville Community Park.

Reason for Work

These community and urban parks will further improve the recreation facilities that the Town of Markham is committed to provide to its community.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Clegg Road Extension and Cedarland Drive – Town Centre to Warden Project

Estimated Total Cost of Project \$2,101,900

Commission Development Services

Department Engineering

Project Description

Location

Cedarland Drive and Clegg road from Town Centre Boulevard to Warden Avenue

Work to be Performed

Construction of Cedarland Drive, and extension of Clegg road from Town Centre Boulevard to Warden Avenue. This project includes road construction, intersection improvements, installation of traffic signals, and installation of upgraded sidewalks and streetlights.

Reason for Work

The creation of continuous east-west collector road located south of Highway 7 and north of Rouge River has been recommended in number of planning and transportation studies for Markham Centre. An environmental assessment completed in August 2004 identified the extension of Clegg Road from South Town Centre Boulevard to Warden Avenue as the preferred alignment of this collector. Based on the findings of the above studies, this project is being undertaken.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Enterprise Drive underpass at GO Line, Phase 1, Stage 2

Estimated Total Cost of Project \$5,613,699

Commission Development Services

Department Engineering

Project Description

Location
Enterprise Drive and the GO Line

Work to be Performed
Construction of an underpass as a part of the Enterprise Drive extension to Kennedy Road and completion of the construction of railway grade separation.

Reason for Work
This project is the continuation of the construction of Phase 1 of the Enterprise Drive extension from GO rail line to Kennedy Road line. The underpass is to be constructed as a part of the Enterprise Drive extension to Kennedy Road, providing safe crossing to the GO rail line. This stage will complete the construction of the railway grade separation.

Impact on Future Operating Budgets
No Impact

CAPITAL PROJECT REQUEST



Project Name Enterprise Drive Phase 2, Property Acquisition & Detailed Design

Estimated Total Cost of Project \$2,370,000

Commission Development Services

Department Engineering

Project Description

Location
Enterprise Drive, Kennedy Road, and Unionville Gate

Work to be Performed
This project is the initial stage of the Phase 2 of the Enterprise Drive extension project, which involves completion of the detailed design work and acquisition of property enabling the construction of the road to proceed in 2006. This project involves the completion of Enterprise Drive connection to Kennedy Road through Unionville Gate.

Reason for Work
Based on the findings of Environmental Assessment for the extension of Enterprise Drive from the GO rail line to Kennedy Road, construction of the first phase of the project started in 2004. This second phase will complete the connection of Enterprise Drive to Kennedy Road through Unionville Gate.

Impact on Future Operating Budgets
No Impact

CAPITAL PROJECT REQUEST



Project Name Fourteenth Avenue Watermain – McCowan Road to Boxwood Crescent

Estimated Total Cost of Project

\$2,200,000

Commission Development Services

Department Engineering

Project Description

Location
14th Avenue from McCowan Road to Boxwood Crescent

Work to be Performed
The project involves the construction of a new trunk watermain along 14th avenue from McCowan Road to Boxwood Crescent.

Reason for Work
This project was recommended in the water distribution system study to improve water supply to the south east section of Markham. The project is required to proceed in 2005 to coincide with the development of the Boxgrove Secondary plan area. This project upon completion will improve water distribution system operations in the area south of Highway 407, east of Markham Road.

Impact on Future Operating Budgets
No Impact

CAPITAL PROJECT REQUEST



Project Name Highway 7 Sanitary Trunk Sewer – Detailed Design & Construction

Estimated Total Cost of Project

\$1,900,000

Commission Development Services

Department Engineering

Project Description

Location

Highway 7 from Village Parkway to York Durham Sanitary Sewer

Work to be Performed

The project involves the preparation of detailed design and the construction of sanitary trunk sewers on Highway 7 from Village Parkway to York Durham Sanitary Sewer. The project will provide sanitary sewers to lands not currently serviced by municipal sewers.

Reason for Work

The sanitary sewer is required to provide service to development lands located north and south of Highway 7, which are currently not serviced by municipal sewers. The project is required to proceed ensuring the sewer construction is completed prior to the start of construction of Highway 7 by the region of York in 2006/2007.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Sidewalk Request

Estimated Total Cost of Project

\$1,459,300

Commission Development Services

Department Engineering

Project Description

Location

Sidewalks on various locations on Yonge Street, Major Mackenzie, and Warden Avenue

Work to be Performed

Construct a 1.5m wide sidewalks on: a) Yonge Street, east side from Highway 7 to 330m southerly; b) Major Mackenzie both sides and north side from Woodbine Avenue to Kennedy Road; and c) Warden Avenue, both sides from 14th Avenue to Highway 7 and 14th Avenue north side from Boxwood to Legacy.

Reason for Work

This project is to ensure safety to pedestrians and will also help in maintaining smooth traffic flow.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Centennial Community Centre - Renovation

Estimated Total Cost of Project

\$3,100,000

Commission Community & Fire Services

Department Recreation and Culture Construction

Project Description

Location

Centennial Community

Work to be Performed

Renovation of Centennial Community Centre.

Reason for Work

This renovation project will improve the facilities being used by the community.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Central East Community Centre

Estimated Total Cost of Project

\$7,300,000

Commission Community & Fire Services

Department Recreation and Culture Construction

Project Description

Location

Cornell Area

Work to be Performed

Land purchase and design of proposed Central East Community Centre in the Cornell area. The 2004 Capital Budget included a funding of \$4.1M. In 2005, an additional amount of \$4.1M is required for purchase of land while \$3.2M is required for an estimated building program of 138,000 sq. ft.

Reason for Work

To meet the needs of the community in the newly developed area as forecasted in the master plan.

Impact on Future Operating Budgets

Annualized operating cost will be \$1.8M.

CAPITAL PROJECT REQUEST



Project Name South East Community Centre Land Purchase

Estimated Total Cost of Project

\$7,500,000

Commission Community & Fire Services

Department Recreation and Culture Construction

Project Description

Location

South East Community

Work to be Performed

Land purchase for proposed South East Community Centre.

Reason for Work

Due to rapidly increasing land prices the land is required to be purchased.

Impact on Future Operating Budgets

Annualized operating cost will be \$1.8M.

CAPITAL PROJECT REQUEST



Project Name Asphalt Resurfacing Program

Estimated Total Cost of Project

\$4,000,000

Commission Community & Fire Services

Department Roads

Project Description

Location

Town Wide

Work to be Performed

Asphalt resurfacing of approximately 25 km of two-lane road throughout the Town, along with sidewalk, Catchbasin and manhole repair.

Reason for Work

This is an annual maintenance program designed to take care of the Town's roads and transportation networks. Asphalt patching over minor defects on roads will prevent further immediate deterioration of the road surfaces where deficiencies exist. Asphalt resurfacing is done to renew the road surface and restore skid resistance to weathered and traffic worn pavements. Same is the reason for other repair work.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Bridges and Culvert Improvement Program

Estimated Total Cost of Project

\$1,300,000

Commission Community & Fire Services

Department Capital Works, ROW

Project Description

Location

19th Avenue bridge west of Highway 48, John Street bridge west of Bayview Avenue, 18th Avenue bridge, and Reesor Road bridge.

Work to be Performed

Annual program for rehabilitation and replacement of bridges and culverts. The project includes replacement of 19th Avenue bridge west of Highway 48, design fee for the replacement of John Street bridge west of Bayview Avenue, additional construction cost for replacement of 18th Avenue bridge, Reesor Road bridge, and consultants' fee for bridges and culverts annual inspection program.

Reason for Work

This is an annual program for rehabilitation and replacement of bridges and culverts.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Corporate Fleet Replacement Program

Estimated Total Cost of Project

\$1,107,000

Commission Community & Fire Services

Department Fleet Operations

Project Description

Location

Town of Markham – Corporate Fleet

Work to be Performed

2005 Annual Fleet Replacement Program based on the Council adopted Corporate Fleet Policy guidelines.

Reason for Work

The annual Fleet replacement program is based on Optimal Replacement Intervals (ORI), which identifies the most cost effective time period for replacement. All vehicles and equipments contained in this program have reached or surpassed the ORI.

Impact on Future Operating Budgets

Savings of \$1,000 per vehicle in operating costs for vehicles maintenance

CAPITAL PROJECT REQUEST



Project Name 3-Stream Implementation – Phase 2 of 2

Estimated Total Cost of Project

\$1,574,100

Commission Community & Fire Services

Department Waste Management

Project Description

Location
Town Wide

Work to be Performed
This waste collection program requires purchase of curbside organic and kitchen organic collection bins for 55,000 households.

Reason for Work
Council had approved 3-Stream Waste Collection Program, which required the purchase of curbside organic and kitchen organic collection bins to households of the Town. Phase 1 of the program was implemented in September 2004 with the purchase of 15,000 bins. Under phase 2 of the program bins will be provided to 55,000 households.

Impact on Future Operating Budgets
No Impact

CAPITAL PROJECT REQUEST



Project Name Building Renovation & HVAC System Upgrade – Markham Village

Estimated Total Cost of Project

\$1,100,000

Commission Community & Fire Services

Department Library

Project Description

Location

Markham Village – Mainstreet Markham and Highway 7

Work to be Performed

Markham Village Library building renovation and one time upgrade of the heating, ventilation, and air conditioning system.

Reason for Work

The renovation is needed in order to ensure there are adequate resources to meet the demands of the growing area. The project has been deferred from previous year.

Impact on Future Operating Budgets

No Impact

CAPITAL PROJECT REQUEST



Project Name Watermain Construction & Replacement Program

Estimated Total Cost of Project

\$1,837,500

Commission Community & Fire Services

Department Waterworks

Project Description

Location
All locations throughout the Town

Work to be Performed
Annual replacement of aging watermains.

Reason for Work
This project is intended to improve water supply, fire fighting water access/resources and maintain un-interrupted water flow and pressure.

Impact on Future Operating Budgets
No Impact

CAPITAL PROJECT REQUEST



Project Name Cement Relining of Iron Watermains Program

Estimated Total Cost of Project

\$1,282,500

Commission Community & Fire Services

Department Waterworks

Project Description

Location
Various locations throughout the Town

Work to be Performed
Cement lining of unlined ductile iron watermain pipes, hydrants replacement/upgrade, and replacement of valves.

Reason for Work
To satisfy water quality assurance needs on an annual basis and to maintain the water service level. The project meets water quality assurance standards regulated by the province.

Impact on Future Operating Budgets
No Impact

WATERWORKS BUDGET

All operations relating to water and sanitary sewer are funded through the Waterworks fund which is separate from the Operating Fund. User fees from water billings are the main source of funding for the Waterworks Budget.

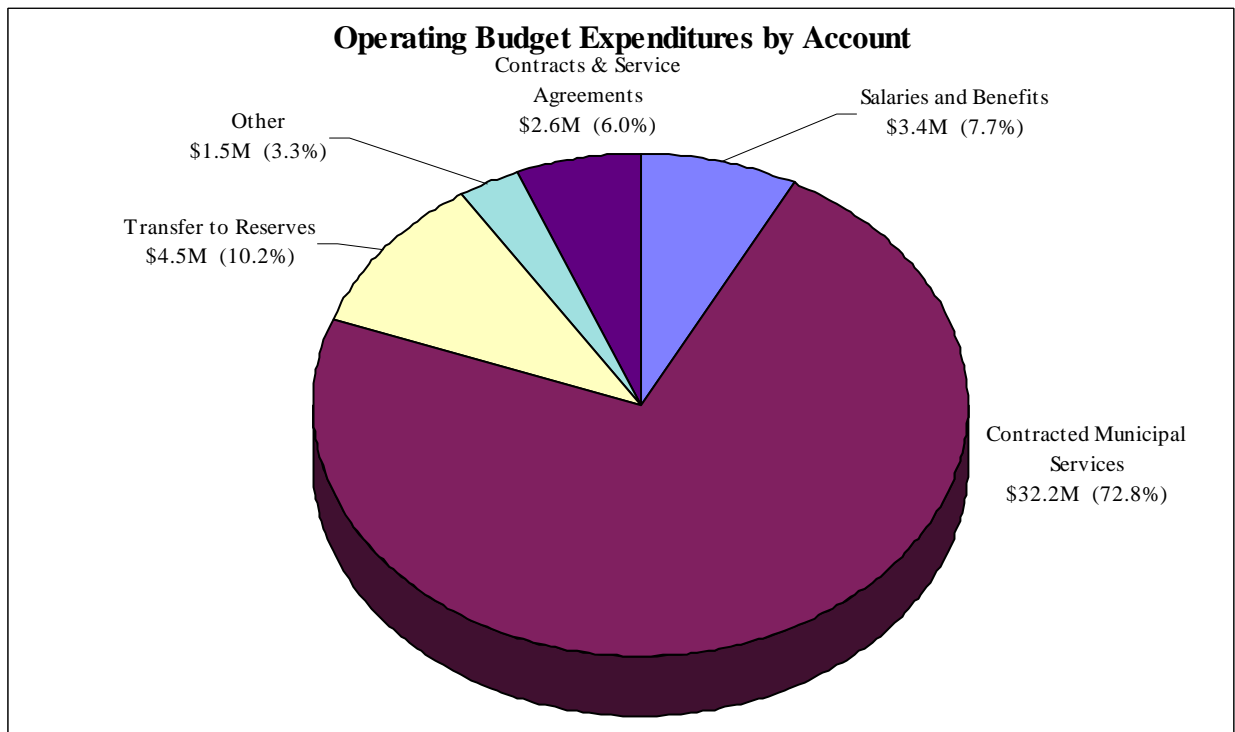
2005 OPERATING BUDGET

Expenditures

The 2005 Operating Budget for Waterworks totals \$44,220,802 (excl. prior year's surplus). This marks an increase of \$5.2 million over the 2004 Operating Budget.

Exhibit 1 indicates that the major portion of budgeted expenditures contracted Municipal Services, is related to the purchase of water from the Region of York. The 'Other' category, which accounts for 3.3% of the Operating Budget, includes items such as communications, training, insurance, vehicle supplies, rentals/leases, construction materials, and maintenance & repair costs.

Exhibit 1

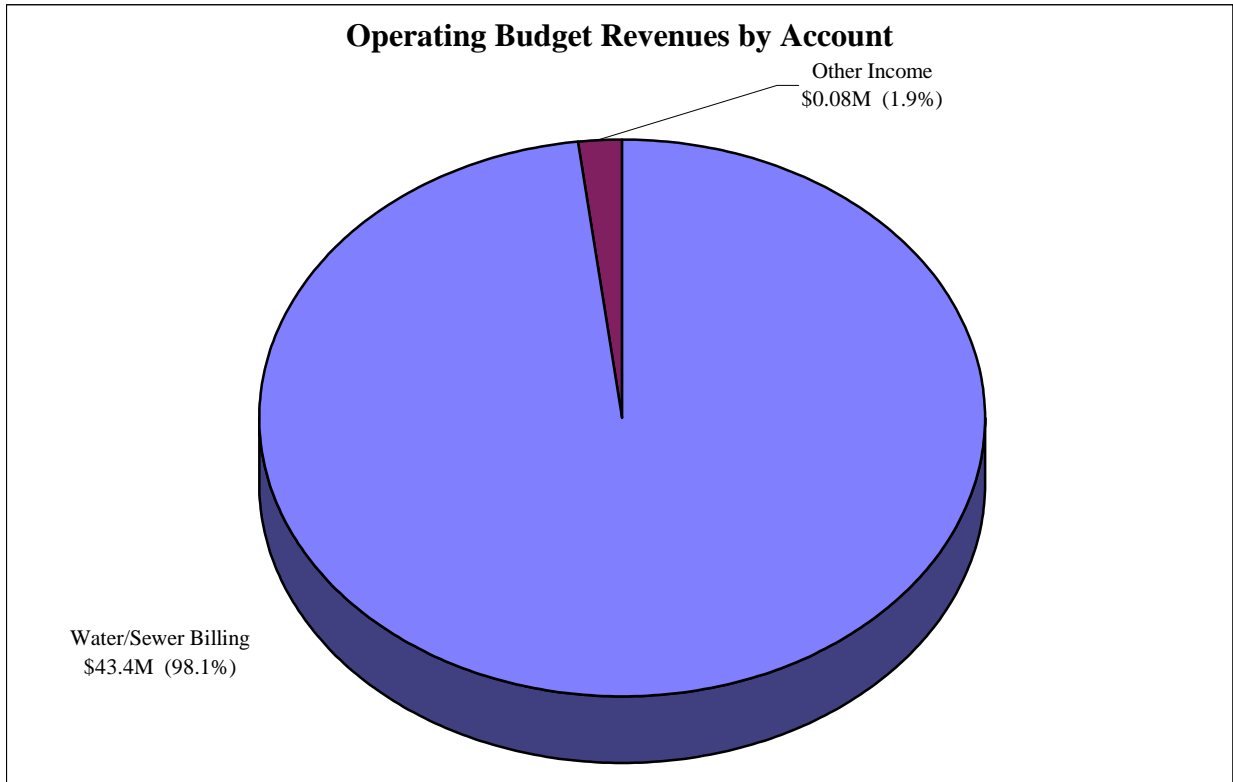


Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to Exhibit 2. The Town's water rates has increased by approximately 9.7% from the previous years levels with a corresponding increase of 5.0% in the cost of water/wastewater rates purchased from the Region of York. The net increase in rates contributes

to offsetting operating costs and increase contribution towards to reserves to be utilized to fund infrastructure replacement requirements.

Exhibit 2



CAPITAL BUDGET

The 2005 Waterworks Capital Budget totals \$6,701,200 which is fully funded from the Waterworks reserve. The capital projects include annual maintenance programs for watermains, water meter replacements, sanitary sewer monitoring and inspection and upgrades to water and sewer systems.

MARKHAM

**Town of Markham – 2005 Budget
Fifth Annual Budget Breakfast**



**Dan Horchik, Budget Chief
Andy Taylor, Commissioner of Corporate Services
January 25th, 2005**

2005 Budget Breakfast

Angus Glen Community Centre & Library

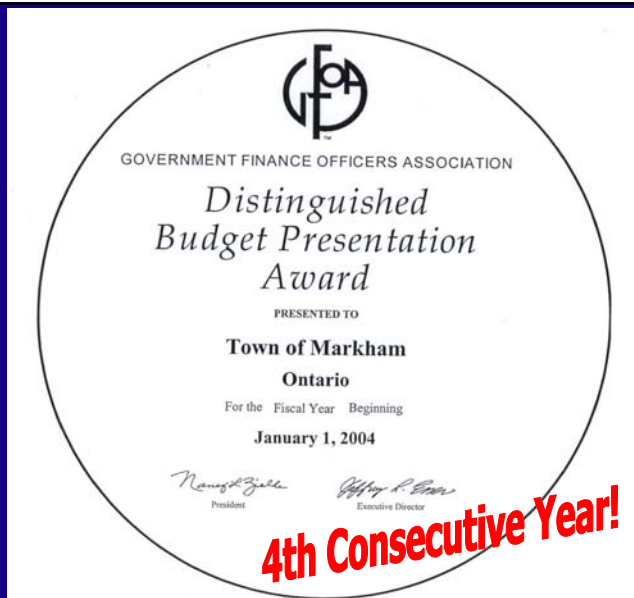
MARKHAM

Agenda

8:30 – 9:15	Budget Presentation
9:15 – 9:45	Comments, Questions and Answers

2005 Budget Breakfast

Slide 2



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Town of Markham, Ontario** for its annual budget for the fiscal year beginning **January 1, 2004**. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

2005 Budget Process

3 Budget Sub-Committee Meetings held in 2004:

- 1) Tues., Oct. 26 Preliminary 2005 Base Operating Budget & 2005 Capital Budget
- 2) Mon., Nov. 15 Review 2005 Capital Budget projects
- 3) Mon., Nov. 29 Finalization of Capital Budget & 2005 Operating Budget

Standing Committee Meetings supplemented Budget Sub-Committee Meetings.

Items discussed at Standing Committees include:

- Economic Environmental Scan
- Business Plan Presentations
- Reserve Study Presentation

Jan. 25, 2005 Budget Breakfast

Feb. 08, 2005 Budget Sub-Committee Meeting – Review Feedback from Budget Breakfast, Recommendation of Budget to Council

Feb. 08, 2005 Budget Approval by Council

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

- Negotiated Wage Settlements 3.5%
- Grid Movement, Annualization

Slide 5

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

- Waste Collection & Winter Maintenance contracts linked to CPI
- Phase-in of Winter Maintenance budget
- Price escalations on Multi-year Contracts and contract renewals – higher costs provided for:
 - Building, Mechanical, Electrical maint.
 - Parks materials (seed, fertilizer, paint)
 - Camp bus rentals, Pool supplies
 - Winter Maintenance (hired loaders, salt, sand)

Slide 6

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

→

- Capital costs associated with replacing aging infrastructure such as existing roads, vehicles, facilities, parks, bridges, etc.
- Operating costs associated with aging infrastructure include higher repair/ maintenance costs

Slide 7

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

→

- Increased costs related to more:
 - Households – Waste Collection
 - km's of road – Sweeping, Winter Maint.
 - New parks – Park Maintenance
- Ramp-up for costs related to new facilities – Cornell Fire Stn & the East Community Centre
- Staffing resources related to growth

Slide 8

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

- Bill 124 – Effective July 1, 2005. Revenue Budgets for Building, Planning, & Engineering to be maintained
- Bill 175 – Work related to costing water/waste water service delivery & asset replacement – Regulat'ns expected in 2005
- Bill 195 – Increased inspection costs due to Safe Water Drinking Act
- Winter Salt Mgt Program Reporting in 2005

Slide 9

WARRHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

- Interest Rate fluctuations
- Potential escalation of Insurance premiums
- Inflation:
 - 2.3% CPI, Canada, All Items (Oct '03 to '04)
 - Basket of goods includes: Food, shelter, household operations/furnishings, clothing, transportation, health & personal care, etc.
 - 13.1% Energy Index (Oct '03 to '04)
 - 7.8% Non-Residential Construction Price Index (3rd Quarter '03 to '04)
 - measures contractors' price changes of new non-residential construction
 - relates to both general and trade contractors' work and excludes the cost of land, design and real estate fees
- New Electricity billing structure by May 2005

Slide 10

MARKHAM

2005 Budget Breakfast

Economic Environmental Scan

Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

- Communities in Bloom
- Opening of Museum Reception Centre, Pingle House, Thornhill Expansion Phase II, Bur Oak Fire Station
- Implementation of Safe Streets Strategy
- Improvements to Performance Management Program
- Full roll-out of Mission Green (3 Stream Waste Collection) Program
- Enhanced Streetscapes (Baskets, Barrels, Perennial Plant Beds)
- Alternate Dispute Resolution Program
- Markham Emergency Management Plan

Slide 11

MARKHAM

2005 Budget Breakfast

Economic Environmental Scan

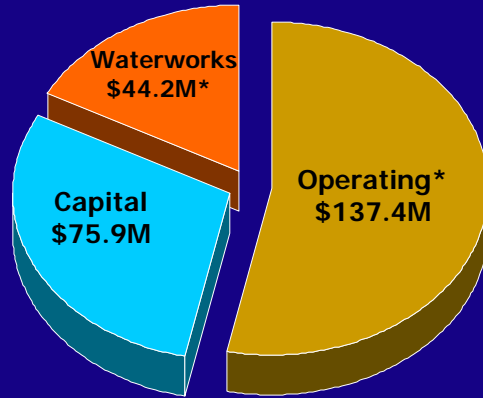
Budget Pressures
Wage Settlements
Municipal Service Contracts
Infrastructure
Growth
Provincial Legislation
Economic Trends
New/Enhanced Programs

**Operating Impact
of Budget Pressures
\$12.7 Million**

Slide 12

2005 Budget Summary

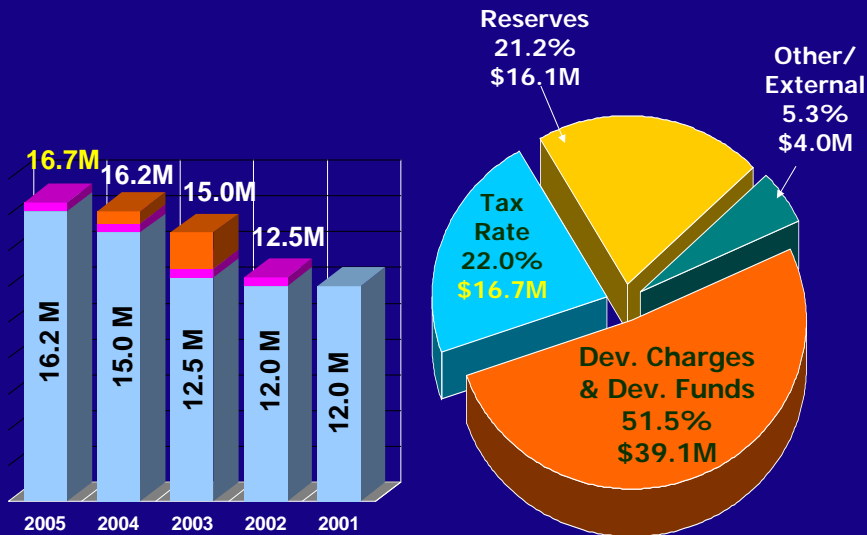
Total Budget Recommended for Approval
\$257.5 Million



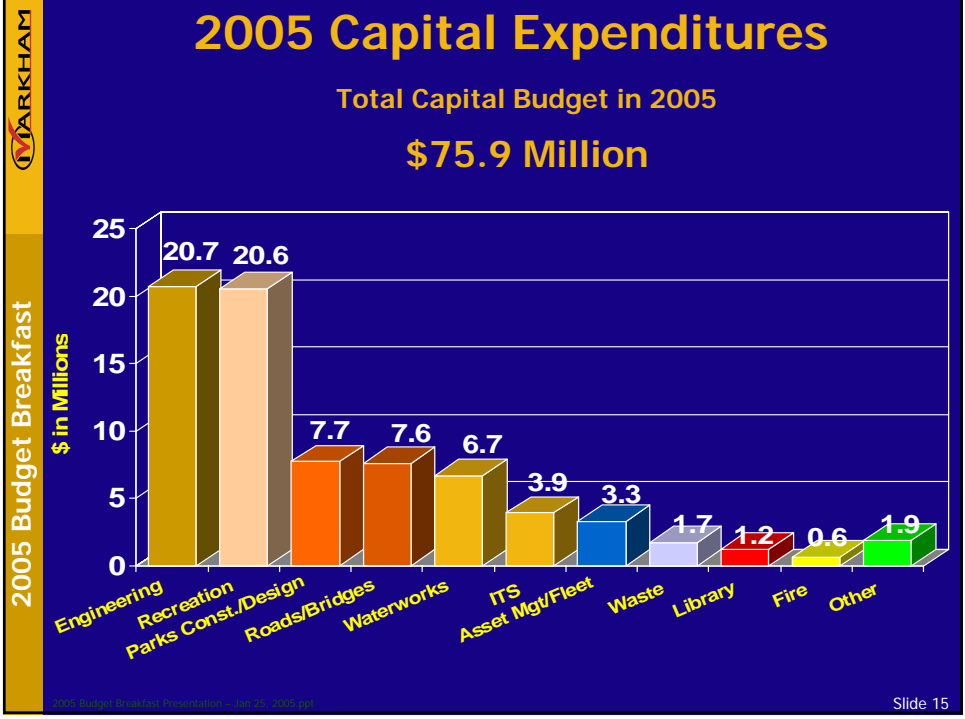
* Excludes 2004 Surplus Slide 13

2005 Sources of Capital Funding

Total Capital Budget in 2005
\$75.9 Million



Slide 14



- 2005 Operating Budget Guidelines**
- Incremental Budget – All accounts at 2004 base budget levels with adjustments for the following:
- REVENUES**
- Increase in Assessment Growth
 - Annualization of Angus Glen Recreation & Library Revenues
 - Revenue Strategy
- EXPENDITURES**
- Salary & Benefits – CUPE, COLA, MPFFA (Fire), grid movement, annualization
 - Municipal Pension Plan rate & Health/Dental costs kept at '04 levels
 - Annualization of all Angus Glen expenditures (f-t & p-t staff)
 - Continued Ramp Up for Cornell Fire Station & East Community Centre
 - Contract Escalations - Waste contract, proj. higher electricity prices
 - Growth - new parks, add'l streetlights, more km's of roads to maintain
 - Annualization of non-salary expenditures related to the opening of Angus Glen
 - Year 2 of a 3 year phase-in of Winter Maintenance requirements
 - Tax funded Capital Program (\$16.2M to \$16.7M)
- 2005 Budget Breakfast
- Slide 16

2005 Operating Budget
Comparison of Revenues – 2004 to 2005
(\$ Millions)

	<u>2004</u>	<u>2005</u>	<u>Increase</u>	
			\$	%
Total Budgeted Revenues	<u>124.7</u>	<u>134.4</u>	<u>9.7</u>	<u>7.8%</u>
Assessment Growth			4.3	3.5%
Angus Glen – full opening of Library & Community Ctr.			1.0	0.8%
Revenue Strategy			1.0	0.8%
Revenue from Programs			1.3	1.0%
Additional Hydro Interest Income			0.6	0.5%
Increase in Other Revenues			<u>1.5</u>	<u>1.2%</u>
Total Change in Budgeted Revenues			<u>9.7</u>	<u>7.8%</u>

(Excludes prior year surplus)

2005 Operating Budget
Comparison of Expenditures – 2004 to 2005
(\$ Millions)

	<u>2004</u>	<u>2005</u>	<u>Increase</u>	
			\$	%
Total Budgeted Expenditures	<u>124.7</u>	<u>137.4</u>	<u>12.7</u>	<u>10.2%</u>
Wage Settlements			3.0	2.4%
Annualization/Grid Movement			2.0	1.6%
New Program Costs			2.2	1.8%
Ramp-up (Cornell Fire Station, East Community Centre)			0.6	0.5%
Winter Maintenance Contracts & Phase-in			0.6	0.5%
Growth & Contract Increases			1.7	1.4%
Tax Funded Capital (\$16.2M + \$0.5M = \$16.7M)			0.5	0.4%
Angus Glen – Non-Personnel Expenditures (Lib. & C.C.)			0.9	0.7%
Recreational, Culture & Other New/Enhanced programs			1.0	0.8%
Increase in Other Expenditures			<u>0.2</u>	<u>0.1%</u>
Total Change in Budgeted Expenditures			<u>12.7</u>	<u>10.2%</u>

(Excludes prior year surplus)

2005 Operating Budget

Increase in Revenues	\$9.7M
Increase in Expenditures	<u>(\$12.7M)</u>
Current Funding Shortfall	\$3.0M

\$3.0 Million translates into an Increase of 3.9% in the Net Tax Rate

2005 Operating Budget

Impact of Markham Tax Rate Increase on an Average Household

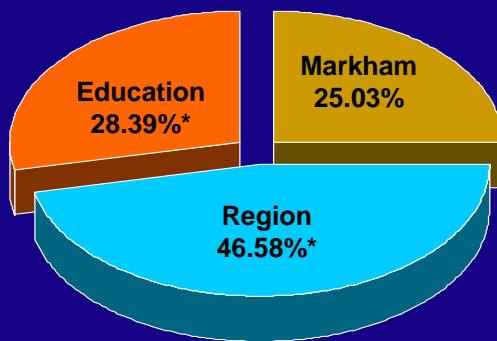
Average Current Value of a Household in Markham = \$358,000*

Approximate Tax Dollar Impact per Household Of 1% Tax Rate Increase = \$8.99

Approximate Tax Dollar Impact per Household Of 3.9% Tax Rate Increase = \$35.08

* - 2005 CVA same as 2004 CVA

Property Tax Distribution Residential

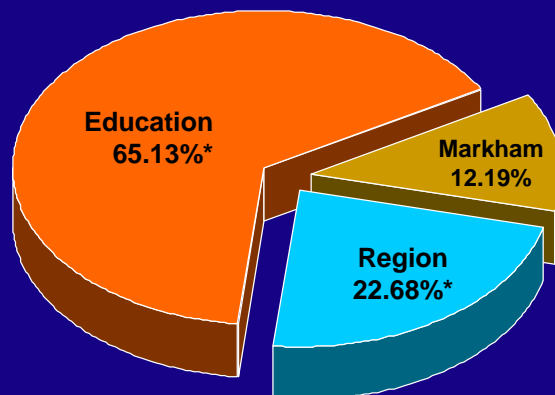


3.9% Town Tax Impact = 0.95% Impact on Total Tax Bill

* - Assumed 2004 Levels

Slide 21

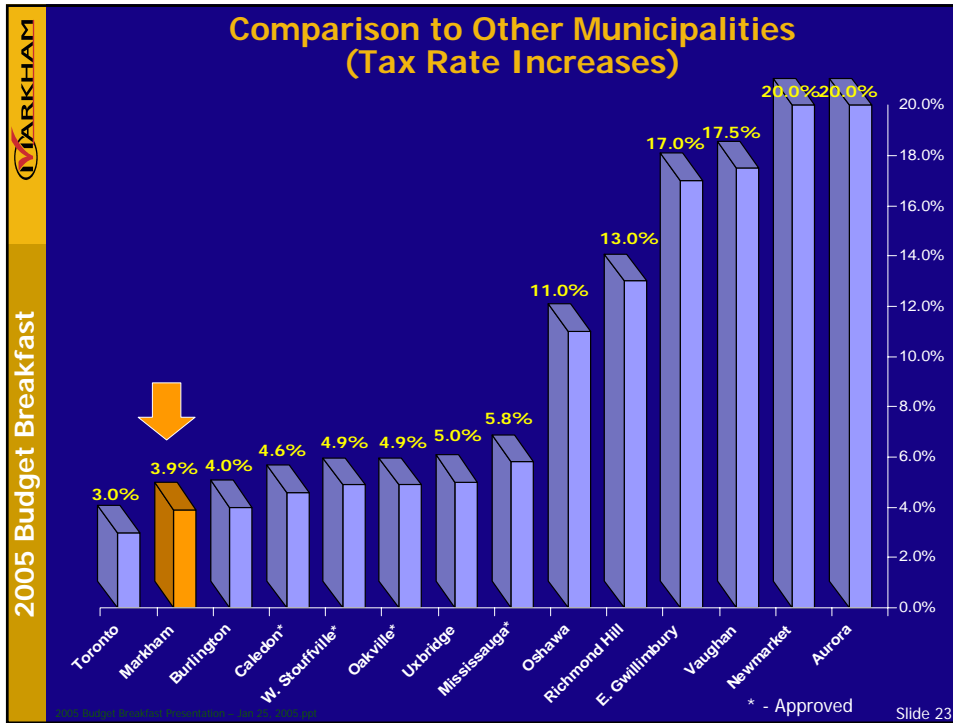
Property Tax Distribution Non-Residential



3.9% Town Tax Impact = 0.46% Impact on Total Tax Bill

* - Assumed 2004 levels

Slide 22



2005 Budget Breakfast

MARKHAM

2005 Operating Budget Details (\$ 000's)

	2004 Approved Budget		2005 Proposed Budget		Change Incr./ (Decr.)
Expenditures					
Salaries & Benefits	70,049	56.2%	78,584	57.2%	8,536
Materials & Supplies	5,965	4.8%	6,599	4.8%	634
Purchased Services	25,334	20.3%	27,621	20.1%	2,286
Financial & Other Expenses	2,382	1.9%	2,465	1.8%	83
Transfers To Reserves - Hydro	3,954	3.2%	4,571	3.3%	618
Transfers To Reserves	17,029	13.7%	17,582	12.8%	553
	124,712	100.0%	137,422	100.0%	12,710
Revenues					
Taxation Revenues	79,180	63.5%	83,266	60.6%	4,086
3.9% Proposed Tax Increase			2,967	2.2%	2,967
Grant & Subsidy Revenues	525	0.4%	863	0.6%	338
General Revenues	20,687	16.6%	21,073	15.3%	386
Hydro Interest Income to Reserves	3,954	3.2%	4,571	3.3%	618
User Fees & Service Charges	16,241	13.0%	18,859	13.7%	2,618
Other Income	4,126	3.3%	5,823	4.2%	1,697
	124,712	100.0%	137,422	100.0%	12,710

Excludes Prior Year Surplus

Slide 24

Town of Markham Reserve Study

- At Council's request for more information on reserve adequacy levels at the Town, a reserve study was conducted.
- The purpose of the study is to:
 - determine the adequacy of the Town's Reserves to meet known future expenditures (Infrastructure/Capital Asset rehab./replacements)
 - assess & benchmark the Town of Markham's Reserves with those of other Municipalities & "Best Practices" (GFOA) to determine an adequate level for rate stabilization/contingency reserves
 - review, consolidate, & refine policies, with Council direction, surrounding the various reserves and reserve funds accumulated throughout the years

Town of Markham Reserves

Background Information on the Town's Reserves & Reserve Funds

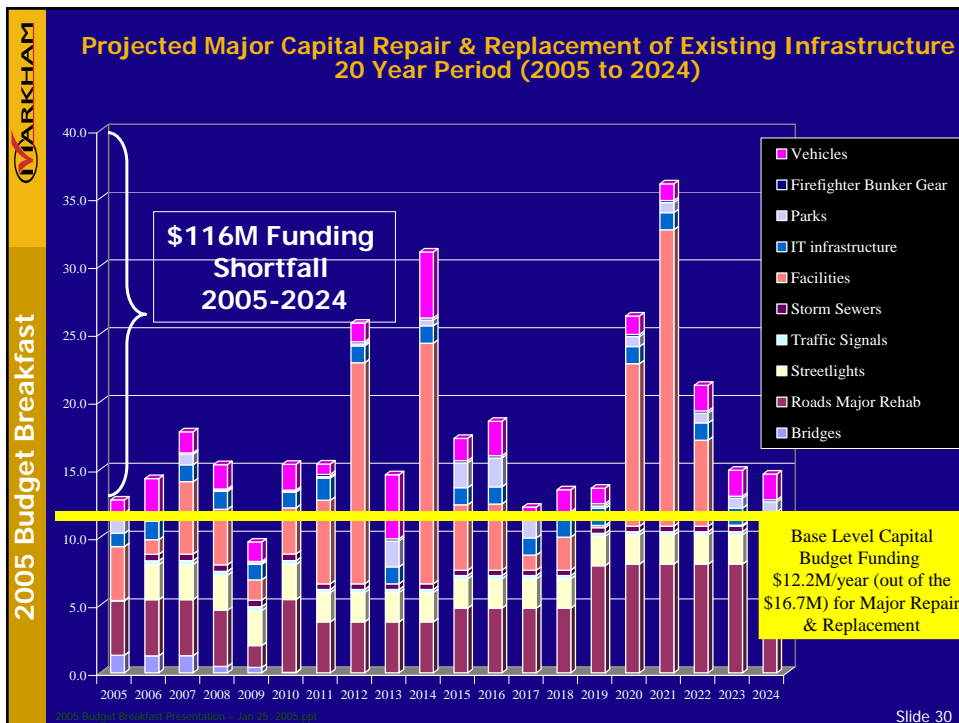
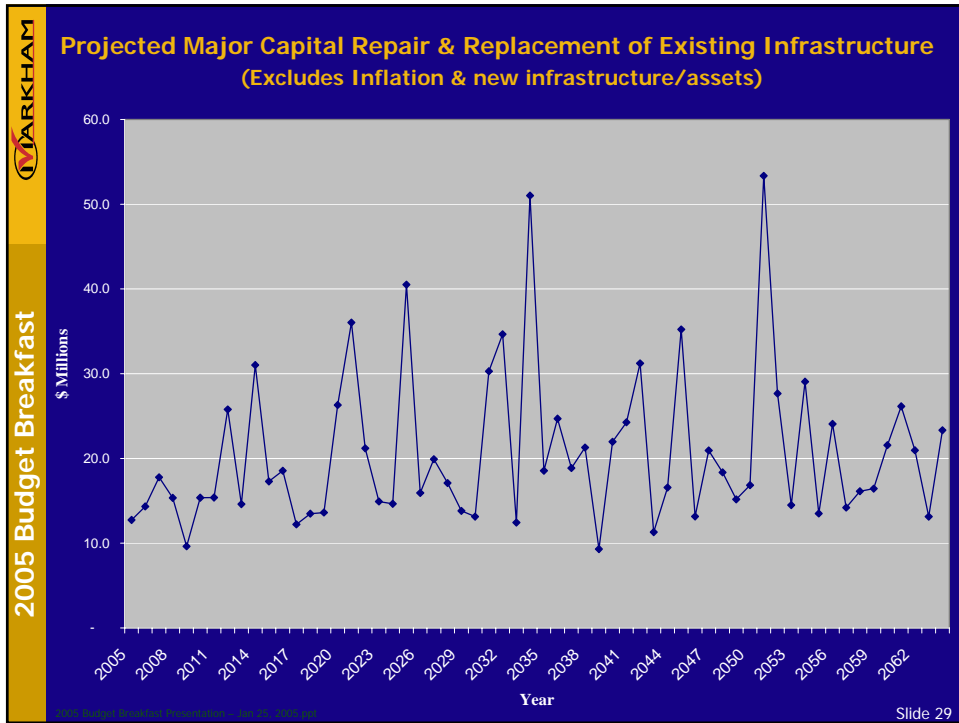
- At the end of 2004, the Town of Markham's Reserve & Reserve Fund balances is expected to be approx. \$219M (as shown on the next slide)
- Reserve and Reserve Funds are established to:
 - provide for contingencies and tax rate stabilization
 - meet known future commitments (contractual, legislated) – i.e. Growth-related infrastructure/facilities; repair and replacement of existing infrastructure
 - meet potential future expenditures – i.e. self-insurance for WSIB & LTD
 - provide funding for Town programs and initiatives – i.e. Markham Environmental Sustainability Fund, Markham Heritage Preservation, Heritage Loan

2004 Reserve Balances
(\$ Millions)

RESERVES INCLUDED IN THE STUDY		RESERVES NOT INCLUDED IN THE STUDY	
Working Funds/Rate Stabilization Reserves	30.7	Development Charges Act (DCA)	97.9
10% Non-Development Charges Growth Reserve	5.2	PRE-DCA	18.0
Specific Capital Reserves		Hydro Equity	12.4
Facility Ramp-up	4.8	Parks 5% Cash-in-Lieu	6.8
Environmental Land Acquisition	3.0	Roads Resurfacing	4.5
Environmental Sustainability	0.2	Waterworks	4.4
Other	0.5	WSIB/LTD	3.4
	8.5	Fire Fighter Sick Leave	3.2
Life Cycle Replacement & Capital Reserve	18.1	Waste Management	1.3
TOTAL RESERVES INCLUDED IN THE STUDY	<u>62.6</u>	Library Building Program	1.0
		Other	3.4
		Total Reserves Not Included in the Study	<u>156.2</u>
		Total Reserve/Reserve Fund Balance	<u>218.8</u>

Excludes Year-end Surplus

- Status of Reserve Study**
- 26 of the Town's Reserves and Reserve Funds were reviewed and recommendations were made on grouping, consolidation, adequacy and target levels.
 - Recommendations on consolidation of reserves & classification of reserves into 2 Main Categories, as follows:
 - A. Working Funds/Rate Stabilization Reserve
 - B. Capital Reserve
 - 1) 10% Non – Development Charges Growth Reserve
 - 2) Specific Capital Reserves
 - 3) Life Cycle Replacement & Capital



2005 Budget Summary Highlights

- New Assessment Growth of 5.6%
- Maintain Existing Service Levels
- Fiscal Stewardship

2005 Budget Summary Highlights Engineering Projects

- Property Acquisition for Enterprise Dr. Phase II & Enterprise Drive Underpass Phase II (\$8.0M)
- 14th Avenue Watermain (\$2.2M)
- Rodick Road Reconstruction (\$0.2M)
- Clegg Road Extension & Cedarland Drive Reconstruction (\$2.1M)
- Travel Demand Management and Urban Transportation Showcase (\$0.1M)
- Traffic Safety Projects (\$0.4M)
- Elimination of Train Whistling at Railway Crossings Project (\$0.1M)

2005 Budget Summary Highlights Recreation & Culture

- Repairs and Maintenance at Recreational Facilities & Cultural Venues (\$1.4M)
- Land Purchases for East and South East Community Centre and Library (\$14.8M)



Economic Development

- \$0.6M of funding for:
 - Innovation Synergy Centre In Markham
 - Markham Competitiveness Strategy
 - Toronto Region Research Alliance
 - York Region Biotechnology Consortium



2005 Budget Summary Highlights Parks

- \$5.8M of funding for 8 hectares of new parks, including:
 - Wismer Neighbourhood Park
 - High Glen Neighbourhood Park
 - Cornell Neighbourhood Parks
 - East Cathedral South Neighbourhood Park
- Annual Court Resurfacing and Playstructure/Safety Resurfacing Program (\$0.2M)
- Communities In Bloom

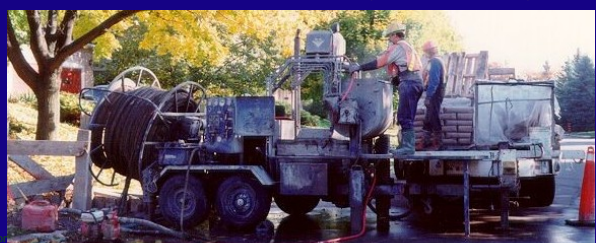


2005 Budget Summary Highlights Roads & Bridges

- \$5.8M of funding for annual Roads programs:
 - Asphalt Resurfacing
 - Secondary Roadworks
 - Curb & Sidewalk, Parking Lot Repairs
- Implementation of Phase I of Salt Management Study Recommendations
- Replacement of 19th Avenue Bridge, Design of John Street Bridge Replacement, and Annual Bridge Inspection Program (\$0.6M)

2005 Budget Summary Highlights Waterworks

- Funding for Annual Programs:
 - Watermain Construction (\$1.8M)
 - Cement Relining of Iron Watermains (\$1.3M)
 - Cathodic Protection of Iron Watermains (\$0.2M)
 - Water System Upgrades (\$0.9M)
 - Water Meter Replacement/Upgrades Program (\$0.5M)



2005 Budget Summary Highlights Information Technology

- Implementation of the Information Technology Services' Strategic Plan (\$0.1M)
- Wireless Network Implementation (\$0.1M)

Markham Public Libraries

- Funding for Annual Shelving, Furniture & Equipment Replacement Program at all Libraries
- Continuation of "Digital Tagging" project for Library materials

2005 Budget Summary Highlights Asset Management & Fleet

- Funding for Annual Repair/Maintenance & Replacement programs at various Town Facilities (\$1.3M)
- Funding for Annual Replacement of the Town's Fleet of Vehicles and Implementation of a Green Fleet Transition Plan (\$1.1M)
- Phase I of the Green Roof Project at the Civic Centre (\$0.1M)
- Top-up of Markham Environmental Sustainability Fund (\$0.1M)

2005 Budget Summary Highlights Waste

- \$1.6M for the full rollout of Mission Green (3 Stream Collection Program)
- Home Composting Program & Phase I of a Litter Program (\$0.1M)



Slide 39

Status of Multi-Year Projects

- Official Opening of Angus Glen Community Centre – Saturday February 12, 2005
- Thornhill Community Centre – Seniors Centre, Construction of Phase II – incl. Therapeutic Pool
- Centennial Community Centre Expansion, Renovations & Accessibility Improvements
- Markham Village Library – Renovation & Expansion
- Construction of Bur Oak Fire Station
- Construction of Museum Reception Centre

Slide 40

Comments, Questions & Answers

THANK YOU FOR ATTENDING THE TOWN OF
MARKHAM'S FIFTH ANNUAL BUDGET BREAKFAST!



REPORT TO COMMITTEE OF THE WHOLE

TO: Mayor and Members of Council

FROM: Andy Taylor, Commissioner of Corporate Services
Barb Cribbett, Treasurer

PREPARED BY: Joel Lustig, Director of Financial and Client Services

DATE OF MEETING: 2005-Feb-08

SUBJECT: 2005 Operating, Capital, and Waterworks Budgets

RECOMMENDATION:

THAT the report dated February 8, 2005 entitled, "2005 Operating, Capital, and Waterworks Budgets" be received;

AND THAT Council approve the 2005 Operating Budget for Town services which totals \$137,354,323, (excluding prior years surplus) the principle components of which are detailed on Appendix 1 attached hereto;

AND THAT gross operating expenditures of \$137,354,323, (excluding prior years surplus transfers to reserves) be funded from the following sources:

	\$
Taxation Revenues	86,232,870
Grant & Subsidy Revenues	863,081
General Revenues (Interest, Fines, Permits)	25,644,110
User Fees & Service Charges (User Fees, Rentals, Sales)	18,791,139
Other Income/Recoveries	<u>5,823,123</u>
Total	<u>137,354,323</u>

AND THAT Council approve the 2005 Capital Budget that totals \$75,884,688, the funding details of which are listed in Appendix 2 attached hereto;

AND THAT Council approve the Waterworks Budget that totals \$44,220,802, (excluding prior years surplus transfers to reserves) the principle components of which are detailed on Appendix 3 attached hereto;

AND THAT upon finalization of the 2004 audited financial statements, the 2005 Operating and Waterworks budgets be adjusted to reflect the 2004 operating results;

AND FURTHER THAT a copy of the budgets be made available to the public through the Clerk’s Department and each of the Markham Public Libraries.

BACKGROUND:

A total of three Budget Sub-Committee meetings were held during October and November of 2004 to discuss, review and finalize the 2005 Operating, Capital and Waterworks Budgets. Standing Committee meetings supplemented the Budget Sub-Committee meetings. All Budget meetings were open to Members of Council, Commissioners, Senior Staff and the general public. Topics discussed at the Budget Sub-Committee / Standing Committee meetings include:

- a review of Operating and Capital budgets for 2005;
- an analysis of the significant factors affecting both 2004 actual performance and the 2005 Operating budget;
- Economic Environmental scans including economic trends and budgetary pressures;
- Business Plan Presentations including Business Unit profiles, accomplishments of the business units and business plans for 2005; and
- Reserve Study Presentations which included projected infrastructure repairs and replacements for the next 60 years.

The following exhibit reconciles the 2004 Approved Operating Budget to the 2005 Operating Budget (figures exclude prior years surplus)

	\$
Expenditures	
Approved 2004 Budget Expenditures	124,712,275
2005 Increase in Expenditures	12,142,048
2005 Capital Program	<u>500,000</u>
Total 2005 Budget Expenditures (excluding surplus)	137,354,323
Revenues	
Approved 2004 Budget Revenues	124,712,275
2005 Increase in Revenues	5,420,544
2005 Assessment Growth – Tax Revenue	4,254,913
2005 Tax Levy Increase	<u>2,966,591</u>
Total 2005 Budget Revenues (excluding surplus)	137,354,323

The 2004 Operating surplus is excluded from the above figures as the Town’s audited financial statements will be finalized no later than 90 days after the end of the year, in accordance with Public Sector Accounting and Auditing Board recommendations. Upon finalization of the 2004 audited financial statements, the 2005 Operating and Waterworks budgets will be adjusted to reflect the surplus, if any, in revenues and offsetting expenditures (transfer of the surplus to reserves).

The Town of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, waste collection and winter maintenance contracts, other contract renewals, wage settlements, and the continuation of higher fuel, natural gas and insurance costs have resulted in increased operating expenditures. Further, the Budget Sub-Committee has approved the continuation of the Town's practice of phasing-in future costs related to facility openings and funds have been allocated towards the East Community Centre & Library and the Cornell Fire Station. In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads, each year, thereby requiring additional resources for the maintenance and replacement of these assets. The total impact of these pressures on expenditures is \$12.7M.

To mitigate the increased expenditures, revenues were reviewed and increased which contributed \$9.7M of additional revenues in the areas of assessment growth, planned implementation of the Town's Revenue Strategy and other operational areas. Further, Angus Glen Community Centre and Library will become fully operational in 2005 and will generate additional user fee and rental revenue.

The increase in revenues however, does not fully offset the pressures in operating expenditures of \$12.7M. The resultant shortfall of \$3.0M necessitates a property tax rate increase of 3.9%. For the average household in Markham, valued at \$358,000 (based on 2005 Current Value Assessment), a 3.9% increase in the tax rate means a \$35.08 increase in the municipal portion of the property tax bill.

The Capital Budget of \$75.9M includes \$16.7M of property tax-funded projects, an increase of \$0.5M over 2004. The tax-funded Capital will be used mainly to fund projects that maintain and improve the Town's aging infrastructure. Other significant Capital projects include continuation of the construction of Enterprise Drive located south of Highway 7, from east of Warden to the GO rail line, renovations at the Centennial Community Centre including accessibility improvements, renovations at the Markham Village Library, Implementation of the final Phase of the 3-Stream Waste Collection Program and Land Purchases for the East and South East Community Centre & Library.

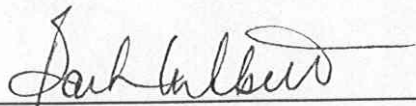
The proposed 2005 Budget reflects the Town's commitment to maintain service levels to the community and balancing social needs with fiscal prudence. This is a reflection of the Town's commitment towards fiscal stewardship. Further, consistent with existing Town policies, one-time funding is not used to balance the operating budget. The Town's commitment to increase investment in Capital projects by \$0.5M, funded from assessment growth, is maintained. The Town has also continued to ramp-up the Operating budget for future expenditures related to new Community Centres, Libraries and Fire Stations.

ATTACHMENTS:

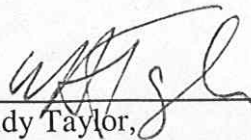
Appendix 1 – 2005 Operating Budget

Appendix 2 – 2005 Capital Budget by Commission & Sources of Funding

Appendix 3 – 2005 Waterworks Budget



Barb Cribbett,
Treasurer



Andy Taylor,
Commissioner of Corporate Services

Q:\Finance and Administration\Finance\SHARED\2005COW Council\0502 - 2005 Operating, Capital, and Waterworks Budgets.doc

Corporation Excl Water Consolidated

<u>Sub Object Description</u>	<u>2004 Budget</u>	<u>2005 Budget *</u>	<u>2005 Bud. vs. 2004 Bud.</u>	
			<u>Incr(Decr.)</u>	<u>%Change</u>
SALARIES AND BENEFITS	70,048,580	78,584,407	8,535,827	12.2%
PRINTING & OFFICE SUPPLIES	653,963	681,028	27,065	4.1%
PURCHASES FOR RESALE	182,296	218,244	35,948	19.7%
OPERATING MATERIALS & SUPPLIES	3,133,951	3,390,139	256,188	8.2%
VEHICLE SUPPLIES	936,909	971,116	34,207	3.7%
SMALL EQUIPMENT SUPPLIES	14,591	14,591	-	
BOTANICAL SUPPLIES	233,111	309,911	76,800	32.9%
CONSTRUCTION MATERIALS	810,325	946,193	135,868	16.8%
UTILITIES	2,846,433	3,192,157	345,724	12.1%
COMMUNICATIONS	1,203,165	1,327,503	124,338	10.3%
TRAVEL EXPENSES	324,155	344,271	20,116	6.2%
TRAINING	639,847	675,296	35,449	5.5%
CONTRACTS & SERVICE AGREEMENTS	4,595,943	5,152,062	556,119	12.1%
MAINT. & REPAIR-TIME/MATERIAL	2,487,494	2,680,708	193,214	7.8%
RENTAL/LEASE	1,102,914	1,204,230	101,316	9.2%
INSURANCE	1,026,696	1,199,113	172,417	16.8%
PROFESSIONAL SERVICES	1,949,182	2,149,369	200,187	10.3%
LICENCES, PERMITS, FEES	559,591	573,090	13,499	2.4%
CREDIT CARD SERVICE CHARGES	143,595	143,595	-	
PROMOTION & ADVERTISING	1,330,732	1,371,988	41,256	3.1%
CONTRACTED MUNICIPAL SERVICES	6,804,226	7,117,890	313,664	4.6%
OTHER PURCHASED SERVICES	320,279	489,276	168,997	52.8%
OFFICE FURNISHINGS & EQUIPMENT	20,410	20,410	-	
WRITE-OFFS	1,021,600	500,600	(521,000)	-51.0%
OTHER EXPENDITURES	1,339,532	1,943,769	604,237	45.1%
TRANSFERS TO RESERVES	22,883,529	22,153,368	(730,161)	-3.2%
Total Expenditures	126,613,049	137,354,323	10,741,274	8.5%
TAX LEVIES	77,678,036	84,964,025	7,285,989	9.4%
GRANTS-IN-LIEU OF TAXES	1,501,812	1,268,845	(232,967)	-15.5%
GRANTS AND SUBSIDIES	524,677	863,081	338,404	64.5%
LICENCES & PERMITS	9,508,000	9,854,116	346,116	3.6%
INTEREST & PENALTIES	3,375,000	3,375,000	-	
INCOME FROM INVESTMENTS	10,614,912	11,232,494	617,582	5.8%
FINES	1,142,500	1,182,500	40,000	3.5%
USER FEES & SERVICE CHARGES	11,135,460	13,151,636	2,016,176	18.1%
RENTALS	4,645,695	5,105,925	460,230	9.9%
SALES	460,314	533,578	73,264	15.9%
RECOVERIES & CONTRIBUTIONS	750,439	730,139	(20,300)	-2.7%
OTHER INCOME	3,254,576	4,858,676	1,604,100	49.3%
TRANSFER FROM SURPLUS	1,900,774	-	(1,900,774)	-100.0%
INTER-DEPARTMENTAL RECOVERIES	120,854	234,308	113,454	93.9%
Total Revenues	126,613,049	137,354,323	10,741,274	8.5%
Net Expenditure (Revenue)	-	0	0	

* Excludes prior year surplus

2005 Capital Budget - Summary by Commission

	<u>2004 Budget</u>	<u>2005 Budget</u>
	\$	\$
CAO's Office		
Strategic Initiatives	-	130,000
Corporate Strategy & Quality	130,000	-
	<u>130,000</u>	<u>130,000</u>
Corporate Services		
ITS	3,752,916	3,873,189
Legislative Services	25,300	-
Financial Services	311,200	644,375
Corporate Communications	59,400	59,400
	<u>4,148,816</u>	<u>4,576,964</u>
Development Services		
Economic Development	305,000	605,000
Planning	1,034,000	640,000
Design	5,911,400	5,800,425
Engineering	38,310,234	20,705,899
Building Services	161,400	-
Commissioner's Office		75,000
	<u>45,417,034</u>	<u>27,826,324</u>
Community Services		
Museum	187,700	115,500
Theatre	105,900	237,800
Arts Centre	507,400	13,400
Recreation Services	1,048,700	1,130,600
Facilities Construction	5,705,600	19,097,300
Fire	2,721,100	574,300
Roads	5,839,205	6,161,700
Parks Construction & Maintenance	1,104,200	1,331,000
Asset Management	2,138,100	1,629,100
Capital Works ROW	995,400	1,400,000
Fleet Operations	1,650,400	1,697,300
Waste Management	449,000	1,659,200
Contracts & Utilities	366,800	205,000
Strategic Services	175,000	152,000
Library	1,214,200	1,246,000
Waterworks	5,180,100	6,701,200
	<u>29,388,805</u>	<u>43,351,400</u>
Corporate Wide	113,230	-
Total Capital Budget	<u><u>79,197,885</u></u>	<u><u>75,884,688</u></u>

**2005 CAPITAL BUDGET
SOURCES OF FUNDING
\$000's**

TAX RATE		16,700.0
DEVELOPMENT CHARGES (DCA)		38,565.9
OTHER SOURCES		1,000.0
Developers	522.7	
Water Reserve	6,633.4	
Pre - DCA	1,151.1	
Facility Ramp - up Reserve	3,690.0	
Secondary Roads Reserve	800.0	
General Capital Reserve	1,480.0	
Waste Reserve	1,259.6	
Firefighter Clothing Reserve	274.0	
Road Resurfacing Reserve	90.0	
Recreation Reserve	564.7	
Grants & Subsidies	131.0	
Development Fees	800.9	
Closed Capital From Previous Years (carry fwd)	2,669.9	
Region of York	50.1	
Hydro Savings	40.0	
Letters of Credit	200.0	
Board of Education	42.0	
Toronto & Region Conservation Authority	20.0	
Markham Environmental Sustainabilty Fund (MESF)	140.0	
Second Suite Study Revenues	59.4	
TOTAL OTHER SOURCES	20,618.8	20,618.8
TOTAL 2005 CAPITAL & OTHER PROGRAMS BUDGET		76,884.7

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Appendix 3

Waterworks Consolidated

<u>Sub Object Description</u>	<u>2004 Budget</u>	<u>2005 Budget *</u>	<u>2005 Bud. vs. 2004 Bud. Incr(Decr.)</u>	<u>%Change</u>
SALARIES AND BENEFITS	2,551,355	3,394,145	842,790	33.0%
PRINTING & OFFICE SUPPLIES	28,446	28,446	-	
OPERATING MATERIALS & SUPPLIES	70,530	93,465	22,935	32.5%
CONSTRUCTION MATERIALS	679,481	708,045	28,564	4.2%
UTILITIES	26,175	29,374	3,199	12.2%
COMMUNICATIONS	16,602	23,874	7,272	43.8%
TRAVEL EXPENSES	20,776	32,956	12,180	58.6%
TRAINING	14,563	37,125	22,562	154.9%
CONTRACTS & SERVICE AGREEMENTS	2,453,639	2,649,043	195,404	8.0%
MAINT. & REPAIR-TIME/MATERIAL	200,000	208,864	8,864	4.4%
RENTAL/LEASE	4,854	4,854	-	
PROFESSIONAL SERVICES	127,407	170,679	43,272	34.0%
LICENCES, PERMITS, FEES	3,884	2,913	(971)	-25.0%
PROMOTION & ADVERTISING	6,796	5,000	(1,796)	-26.4%
CONTRACTED MUNICIPAL SERVICES	29,711,492	32,201,949	2,490,457	8.4%
OTHER PURCHASED SERVICES	109,360	110,723	1,363	1.2%
WRITE-OFFS	300	-	(300)	-100.0%
TRANSFERS TO RESERVES	3,801,347	4,519,347	718,000	18.9%
Total Expenditures	39,827,007	44,220,802	4,393,795	11.0%
TAXES - OTHER CHARGES	108,355	91,199	(17,156)	-15.8%
WATER/SEWER BILLING	38,321,707	43,393,018	5,071,311	13.2%
USER FEES & SERVICE CHARGES	519,962	607,585	87,623	16.9%
SALES	100,000	126,000	26,000	26.0%
RECOVERIES & CONTRIBUTIONS	3,000	3,000	-	
OTHER INCOME	1,000	-	(1,000)	-100.0%
TRANSFER FROM SURPLUS	772,983	-	(772,983)	-100.0%
Total Revenues	39,827,007	44,220,802	4,393,795	11.0%
Net Expenditure (Revenue)	-	-	-	

* Excludes prior year surplus

**Feedback from Attendees to the Presentation of the 2005 Budget at
The Budget Breakfast Meeting**

Congratulations to the Staff and Council at the Town of Markham for exercising their fiduciary duties and putting forward a balanced budget that addresses the pressures the Town faces due to growth, infrastructure maintenance and the needs of the Town's residents.

I am impressed and gratified to see that Markham's proposed tax rate increase is currently the second lowest in the GTA while service levels are second to none in the GTA and 905 area.

Randy Barber

Resident

No one likes to have a property tax rate increase, however there needs to be a balance between the increase, growth in the Town and the services to be provided. The budget is well balanced and well thought-out given the circumstances.

Dr. Ken Ng

Chairman of the Board,
Federation of Chinese Canadians in Markham

I am impressed with the professionalism and forethought that went into the Town of Markham's budget process. As a tax payer and resident, I am pleased with what is in the budget particularly in the area of infrastructure.

Keith Bray

President of the Markham Board of Trade

Markham taxes to rise 3.9%

BY JOAN RANSBERRY
Staff Writer

Eight hectares of new neighborhood parks, \$5.8 million for road rehabilitation and money to complete construction of the Bur Oak fire station are a few of the highlights in Markham's \$257.5-million budget, approved Tuesday.

Representing a 3.9-per cent tax hike, the new budget means Markham homeowners must come up with an additional \$35.08 for a home valued at \$358,000.

"This is the lowest rate in York Region to date, and one of the lowest in the greater Toronto area," budget chief Councillor Dan Horchik said.

The town collects about 25 cents of every dollar in municipal taxes, with the

remainder going to education (about 28 cents) and York Region (about 46 cents).

This year's budget is made up of \$137.4 million for operating expenses, \$75.9 million for capital spending and \$44.2 million for waterworks. Markham council passed a \$245.6-million budget last year.

"This budget puts us in good financial shape for years to come," Mayor Don Cousens said. "In developing it, council assured our strategic community-based priorities are appropriately funded.

"We looked at transportation needs, maintaining quality communities and safe streets, addressed our environmental interests and additions to the infrastructure such as roads and community

facilities. The budget will also allow us to continue improving the service standards and delivery of programs and projects."

While the vote to adopt the budget was unanimous, Councillor Jack Heath failed in a bid to convince council to set aside \$25,000 to hire a consultant to review the use of red light cameras.

"This is so important for the safety of our streets," Mr. Heath said. His colleagues, however, suggested the issue be referred to the town's new traffic safety committee.

Mr. Horchik does not expect the bottom line to have a negative impact on municipal services.

"There will be no reduction in services," he said.

TOWN OF MARKHAM



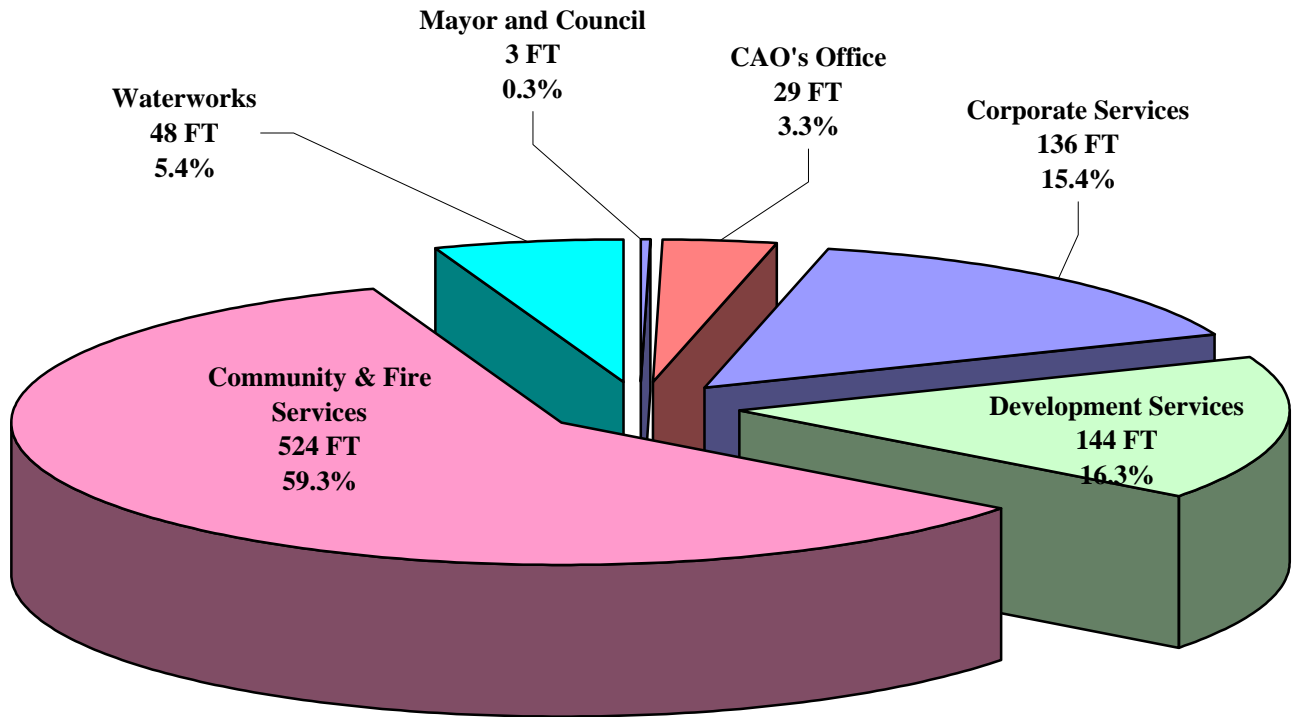
2005 BUDGET

Head Count - Approved Full Time Complement

Department / Commission	2003	2004	2005
Mayor and Council*	3	3	3
Human Resources	14	15	15
Strategic Initiatives	-	3	3
Legal Services	7	7	8
CAO's Office	3	3	3
Total CAO's Commission	27	28	29
Corporate Communications	-	5	5
Legislative Services	47	44	46
ITS Department	28	29	31
Financial Services	43	39	44
Contact Centre	-	7	7
Commissioner's Office	2	3	3
Total Corporate Services	120	127	136
Building Services	40	51	56
Planning	28	-	-
Design	8	-	-
Planning & Design	-	37	37
Engineering	24	34	36
Economic Development	5	6	6
Central Administration	18	-	-
Commissioner's Office	2	9	9
Total Development Services	125	137	144
Museum	6	6	6
Theatre	10	9	9
Arts Centres	4	4	4
Corporate Communications	7	-	-
Fire Services	212	210	231
Recreation Services	67	73	77
Recreation & Culture Admin.	-	6	6
Roads	37	29	30
Parks	44	43	43
Fleet	-	7	7
Asset Management	18	9	9
Operations Admin.	-	9	9
Waste Management	4	4	4
Construction & Utilities (incl Capital Works ROW)	-	9	11
Operations & Asset Management Admin.	-	4	4
Strategic Services	-	9	10
Commissioner's Office	2	2	2
Env. - Admin & Customer Serv.	10	-	-
Technical Services	15	-	-
Library	52	61	62
Total Community & Fire Services	488	494	524
Sub Total	763	789	836
Waterworks	30	39	48
Total Corporation	793	828	884

* Excludes Mayor & Council Members

**Town of Markham
2005 Budget
Full Time Headcount by Commission**



Town of Markham

Summary of Changes to Full Time Complement

2004 Budget

The total full time complement has increased from 793 to 824 in 2004. The increase is due to 15 new staff at the Angus Glen Community Centre, 28 new positions (including 9 positions in Waterworks) approved during the 2004 Budget offset by a 12 position re-organizational reduction after a Town wide restructuring program implemented in late 2003.

2005 Budget

The full time complement of 884 represents an addition of 56 new staff in the Budget. The increase includes 20 firefighters for the new fire station at Bur Oak and the balance of 36 staff for growth and fulfilling new legislative requirements in areas like Waterworks and Building Services.

Summary of Funds – Overview

The Town's financial statements are made up of 3 funds as follows:

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

Operating Fund

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

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

Capital Fund

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

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

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

Reserves/ Reserve Funds

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

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

There are two types of reserve funds:

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

Trust Funds

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

TOWN OF MARKHAM

DESCRIPTION OF RESERVES AND RESERVE FUNDS

The maintenance of Reserves and Reserve Funds is very important to the Town of Markham, since the availability of these sources of funding provides Council and senior management with greater flexibility in planning for the future. At Dec. 31, 2004, the balance in the Town's Reserves and Reserve Funds was \$123.4 million.

RESERVES

Definition

A reserve is an allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money 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.

WORKING CAPITAL FUNDS	Used to minimize short-term borrowings, fund urgent projects and contingencies, and address other Council priorities.
GENERAL CAPITAL	Used to fund corporate capital expenditures and to accumulate funds from the sale of capital assets, such as land and buildings.
MAJOR CAPITAL REPAIRS/ REPLACEMENT	Used to fund corporate vehicle/equipment major repairs and replacement; accumulation of funds from the sale of capital assets, such as land and buildings.
CONTINGENCIES	Funds identified as contingent liabilities.
WASTE MANAGEMENT STABILIZATION/CAPITAL	Used to fund temporary fluctuations in the commodities market for recyclables and garbage disposal fees.
WATERWORKS/ STABILIZATION/CAPITAL	Used to offset fluctuations in gross profit on water sales to residents and to fund repairs/replacements of waterworks capital infrastructure.
SPECIAL CORPORATE RATE STABILIZATION	Established to segregate funds identified in refundable deposit accounts as no longer being refundable.
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.

INSURANCE	Allows the Town to increase future insurance deductibles in order to reduce annual premium costs; funded from annual operating surplus in insurance accounts.
RECREATION & CULTURE CAPITAL REPLACEMENT	Used to fund replacement of capital expenditure items in Town arenas; accumulates funds received from a 7% increase in ice rental rates over a 6-year period.
WINTER MAINTENANCE	Funds extra winter road maintenance costs in years when winter conditions are severe and result in budget overruns; funded from any annual operating surplus in winter control accounts.
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 Town will add to its inventory
HYDRO EQUITY	Fund is utilized to monitor receipt of interest income from Markham Hydro.
LONG TERM DISABILITY BENEFITS	To accumulate funds to pay for all long term disability benefits and associated administrative expenses.
PARTNERSHIPS	To accumulate funds received from partnership agreements entered into by the Town with entities that add value to the partner and the Town. Funds will be utilized for projects that build community pride, celebrate cultural diversity and promote the Town's commitment to the environment
FIREFIGHTER BUNKER GEAR	Funds replacement of bunker gear every 6 years.
FIREFIGHTERS SICK LEAVE BENEFITS	Funds payouts of unused sick leave benefits upon Firefighters' termination required under Firefighters collective agreement.

RESERVE FUNDS

Definition

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

DEBT CHARGE PAYMENT	Funds outstanding debenture payable to York Region.
THEATRE ENDOWMENT	Funds capital expenditures for the Markham Theatre.
HERITAGE PRESERVATION	Provides funding to protect and preserve heritage buildings in the Town.
ADMINISTRATION LOT LEVIES-EXPENSE	Accumulation of administration lot levies used to provide financing to support soft services such as libraries, fire halls and recreation facilities; administration lot levies no longer collected.
ADMINISTRATION LOT LEVIES -INTEREST INCOME	See above.
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.
RAMERVILLE PARK CONSTRUCTION	Funds capital costs associated with the Morgan Park Redevelopment Master Plan.
VALLEYLANDS REVITALIZATION	Funds tree & shrub planting initiatives in the Town's valleys and ravines; funded by donations from the general public and community organizations.
PEACE GARDEN	Funds expenditures for Markham's Peace Garden.
PARKS VAUGHAN/ GALLANOU	Maintains parks on the Yonge Street corridor in the Town.
TENNIS COURTS REPAIRS	Funds the costs of constructing, repairing & replacing public tennis courts in the Town.
ELSON PARK	Funds the costs of construction of Elson Park.
TREE REPLACEMENT	Funds the cost of planting, replanting, replacing & repairing boulevard trees in the Town.

WALDEN POND MAINTENANCE	Funds the maintenance of areas surrounding Walden Pond.
MUSEUM ENDOWMENT	Funds museum-related capital projects; funded by donations from the general public & community organizations.
PARKS 5% CASH IN LIEU	Funds the acquisition of new parkland, recreation facilities and equipment.
ROAD RESURFACING	Funds road completion in industrial subdivisions.
PRE-DCA ENGINEERING GROWTH	Used to accumulate and maintain any Pre Development Charges Act Engineering levies collected in respect of development; represents the non-growth portion of development charges.
ENVIRONMENTAL LAND ACQUISITION	Funds to be utilized to acquire property identified by the Town to be environmentally sensitive.
ENVIRONMENT SUSTAINABILITY	Funds to be utilized for Town and community based projects and initiatives that promote environment responsibility and enhances Town's natural resources (water, air quality, soils and natural features).
LIBRARY	Funds to be utilized for future library building projects, which are not covered by development charges.
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 Town's Capital Budget.
WSIB	Allows the Town to self-fund staff benefits previously covered by Workplace Safety Insurance Board (WSIB); funded from operating surplus in benefits accounts.

RESERVE STUDY RECOMMENDATIONS

During 2004, a Reserve Study was undertaken by the Town, to examine the adequacy of the Town's Reserves to fund future requirements. As part of the recommendations of the study, certain existing Reserve and Reserve Funds were combined and consolidated. The following are the changes that were effected in 2004.

The Working Capital Funds, Contingencies, Special Corporate Rate Stabilization, Winter Maintenance, and Debt Charge payment have been consolidated with the "Corporate Rate Stabilization Reserve"

The Major Capital Repairs & Replacement Reserve has been consolidated to include the following:

- City Centre Infrastructure
- Raymerville Park Construction
- Valleylands Revitalization
- Peace Garden
- Parks Vaughan/Gallanou
- Tennis Court Repairs
- Elson Park
- Walden Pond Maintenance

The balance in the Tree Replacement Reserve has been transferred to a capital project.

The Reserves and Reserve Funds Continuity Schedule that follows in Page 121 has incorporated these changes and is reflected in the "zero balances" shown under "Actual Balance December 2004" column.

The implementation of the balance recommendations is ongoing and will be reflected in our 2006 Budget submissions.

RESERVE AND RESERVE FUNDS CONTINUITY SCHEDULE

Description	Actual Balance December 31, 2003	Actual Balance December 31, 2004	Developer and Other Contributions	2005 Budget Transfer from Operating Funds	Transfer to Capital Funds	Estimated Balance December 31, 2004
	\$	\$	\$	\$	\$	\$
<u>RESERVES</u>						
Working Capital Funds *	2,149,303					-
Planning Studies	539	539				539
General Capital	5,351,651	5,566,478			(1,480,000)	4,086,478
Major Capital Repairs / Replacement	16,923,073	17,254,699		16,700,000	(16,700,000)	17,254,699
Contingencies *	19,587					-
Waste Management Stabilization / Capital	1,708,609	1,259,609			(1,259,600)	9
Waterworks Stabilization / Capital	4,878,669	4,290,426		4,519,347	(6,633,399)	2,176,374
Special Corporate Rate Stabilization *	535,176					-
Corporate Rate Stabilization	26,481,474	31,222,063		1,900,774		33,122,837
Insurance	769,889	769,889				769,889
Recreation & Culture Capital Replacement	684,053	825,909		330,874	(564,700)	592,083
Winter Maintenance *	343,000					-
City Centre Infrastructure *	3,253					-
Facility Ramp- Up	3,007,878	4,807,878		1,200,000	(3,690,000)	2,317,878
Hydro Equity	8,513,657	12,479,570		4,571,494		17,051,064
Long Term Disability Benefit	1,105,272	1,904,713				1,904,713
Partnership		28,000				28,000
Firefighter's Bunker Gear	233,000	274,000		41,000	(274,000)	41,000
Firefighter's Sick Leave Benefits	3,196,966	3,415,100				3,415,100
Total Reserves	75,905,049	84,098,873	-	29,263,489	(30,601,699)	82,760,663
<u>RESERVE FUNDS</u>						
Debt Charge Payment *	3,112					-
Theatre Endowment	209,482	237,576				237,576
Heritage Preservation	92,323	94,444				94,444
Administration Lot Levies - Expenses	1,829,508	1,871,492				1,871,492
Administration Lot Levies - Interest Income	438,910	448,983				448,983
Markham Heritage Loans	343,386	351,265				351,265
Raymerville Park Construction *	23,219					-
Valleylands Revitalization *	5,104					-
Peace Garden *	8,292					-
Parks Vaughan / Gallanou *	6,353					-
Tennis Court Repairs *	(140)					-
Parks 5% Cash in Lieu	4,655,523	6,847,307				6,847,307
Elson Park *	1,747					-
Tree Replacement	6,038					-
Walden Pond Maintenance *	3,523					-
Museum Endowment	60,165	64,429				64,429
Road Resurfacing	4,960,295	4,524,664			(890,000)	3,634,664
Pre Development Charges Act Engineering Growth	18,945,475	18,043,957			(1,151,147)	16,892,810
Waterworks	181,523	185,951				185,951
Library	522,750	1,051,497		510,000		1,561,497
Environmental Sustainability	311,485	195,579			(140,000)	55,579
Environmental Land Acquisition	2,992,563	3,061,240				3,061,240
Workplace Safety Insurance Board (WSIB)	2,251,824	2,342,279				2,342,279
Total Reserve Funds	37,852,460	39,320,663	-	510,000	(2,181,147)	37,649,516
Total Reserve And Reserve Funds	113,757,509	123,419,536	-	29,773,489	(32,782,846)	120,410,179
Development Charges Reserve Funds	80,540,629	70,799,261	13,960,221		(39,088,562)	45,670,920
Total	194,298,138	194,218,797	13,960,221	29,773,489	(71,871,408)	166,081,099

*
Refer to Reserve Study recommendations in the previous page for details

**RESERVE AND RESERVE FUNDS CONTINUITY SCHEDULE
EXPLANATION OF BUDGET CHANGES**

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Estimated Balance Dec 31,2005 \$	Details
<u>General Capital</u>				
Funding of Capital Projects		(1,480,000)		Refer to Page 61
<u>Major Capital Repairs / Replacement</u>				
Tax rate funding of Capital Projects	16,700,000 16,700,000			Tax rate funded portion in Operating Fund transferred . Represents tax levy funding for capital projects. Refer to Page 61
Transfer to Capital Fund		16,700,000 16,700,000		
<u>Waterworks Stabilization / Capital</u>				
Transfer from Waterworks Operating Fund	4,519,347			Refer to Page 241, "Line Transfers to Reserves"
Funding of Capital Projects		(6,633,399)		Refer to Page 61
<u>Corporate Rate Stabilization</u>				
Transfer of 2004 Operating Surplus	1,900,774			Refer to Page 255, Included in line "Transfers to Reserves"
<u>Recreation & Culture Capital Replacement</u>				
Transfer of funds for maintenance	330,874			Refer to Pages 216 & 219, Line "Transfers to Reserves"
		(564,700)		Refer to Page 61
<u>Facility Ramp UP</u>				
Transfer of funds for future maintenance	1,200,000			Included in Corporate Items Page 179, Line - Salaries and Benefits
Transfer to fund Capital Projects		(3,690,000)		Refer to Page 61
<u>Hydro Equity</u>				
Interest Income from Hydro	4,571,494			Represents estimated interest income from Markham Hydro. Included in Transfers to Reserves in Corporate. Refer Page 179, Line - "Transfer to Reserves".
<u>Firefighter's Bunker Gear</u>				
Transfer from Operating Fund	41,000			Refer to Page 213, Line "Transfers to Reserves"
Transfer to fund Capital Projects		(274,000)		Refer to Page 61
<u>Road Resurfacing</u>				
Funding of Capital Projects		(890,000)		Refer to Page 61 (Secondary Roads Reserve \$800k & Roads Resurfacing Reserve \$90k)
<u>Pre Development Charges Act Engineering Growth</u>				
Funding of Capital Projects		(1,151,147)		Refer to Page 61
<u>Library</u>				
Transfer from Operating Fund	510,000			Included in Corporate Items. Refer Page 179, Line - "Other Expenditures".
<u>Environmental Sustainability</u>				
Funding of Capital Projects		(140,000)		Refer to Page 61

DESCRIPTION OF TRUST FUNDS

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

MORGAN PARK TRUSTS

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

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

VARLEY-MCKAY ART FOUNDATION TRUST FUND

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

MARKHAM CONSERVATION COMMITTEE TRUST FUND

The 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 Conservation Committee.

ELECTION – CANDIDATES SURPLUS FUNDS TRUST ACCOUNT

The Election - Candidates Surplus Funds Trust Account was established under the Municipal Elections Act to hold surplus campaign funds received by registered candidates in a previous election, to credit interest earned to the surplus funds while held in trust, and to distribute the funds to the registered candidate or to the municipality, school board or local board, as the case may be, in accordance with the Act.

CEMETARY TRUST FUNDS

The Cemetery Trust Funds were 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 cemetery. Interests earned on amounts held by the Fund are used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations.

OLDER ADULTS IN ACTION TRUST FUND

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

MARKHAM HISTORY – RESEARCH AND PUBLICATION TRUST FUND

The Markham History – Research & Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham's history. The Trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee, the Markham & District Historical Society and the Museum Advisory Board.

DEBT

The Town of Markham currently has no outstanding debt.

Policy on Debt Issuance:

Markham is currently debt free. Markham has not issued any new debt since 1992. However, borrowing does have its appropriate place in making prudent financing decisions. Prior to 1992 the Town did issue debt to finance major capital projects (e.g. watermains, sanitary sewers, community centres). The Town will continue to capitalize on fluctuations in interest rates and recognize when borrowing is appropriate to minimize the impact on tax rates. Provincial guidelines allow Markham to have a debt repayment limit of 25% of its revenue funds.

Legal Debt Limit:

- Annual payments relating to debt and financial obligations should not be more than 25% of own source revenues fund revenues.
- Markham's annual repayment limit is approximately \$40 million.

Town of Markham
Summary of Funds - Budget
(\$ 000's)

	<u>2005</u>			<u>2004</u>			<u>2003</u>		
	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total
<u>A. Sources and Uses of Funds</u>									
<u>Sources of Funds</u>									
Taxation Revenues	86,324		86,324	79,288		79,288	73,382		73,382
Grants & Subsidies	863		863	525		525	442		442
Licences & Permits	9,854		9,854	9,508		9,508	9,469		9,469
Interest & Penalties	3,375		3,375	3,375		3,375	3,375		3,375
Income from Investments	11,232		11,232	10,615		10,615	9,655		9,655
Fines	1,183		1,183	1,143		1,143	1,073		1,073
Water & Sewer Billing	43,393		43,393	38,322		38,322	34,922		34,922
User Fees & Service Charges	14,119		14,119	11,655		11,655	11,662		11,662
Rentals	5,106		5,106	4,646		4,646	4,013		4,013
Sales	660		660	560		560	508		508
Recoveries & Contributions	733		733	875		875	733		733
Other Income	4,733		4,733	3,255		3,255	2,302		2,302
Prior year's surplus			-	2,674		2,674	4,291		4,291
Developer's revenue		39,089	39,089		44,243	44,243		21,250	21,250
Other		4,014	4,014		10,007	10,007		6,594	6,594
Transfer from Reserve Fund		16,083	16,083		9,053	9,053		4,857	4,857
Tax Funded Capital		16,700	16,700		16,200	16,200		15,000	15,000
	<u>181,575</u>	<u>75,885</u>	<u>257,460</u>	<u>166,440</u>	<u>79,503</u>	<u>245,943</u>	<u>155,825</u>	<u>47,701</u>	<u>203,526</u>
<u>Uses Of Funds</u>									
General Government	28,543	6,556	35,099	24,955	5,929	30,884	19,408	4,056	23,464
Protection to Persons & Property	18,288	574	18,863	17,741	2,721	20,462	17,596	1,887	19,483
Transportation Services	8,495	7,562	16,057	9,183	6,835	16,018	9,605	6,595	16,200
Environmental Services	46,336	8,360	54,696	43,449	5,804	49,253	38,229	3,942	42,171
Recreation & Cultural Services	35,182	24,801	59,983	30,756	12,012	42,768	31,306	18,152	49,458
Planning & Development	12,946	27,826	40,772	11,871	45,722	57,593	10,733	12,949	23,682
Other	2,011	205	2,216	-	480	480	-	120	120
Transfers to Reserve Fund	29,773		29,773	28,485		28,485	28,947		28,947
	<u>181,575</u>	<u>75,885</u>	<u>257,460</u>	<u>166,440</u>	<u>79,503</u>	<u>245,943</u>	<u>155,825</u>	<u>47,701</u>	<u>203,526</u>
Increase/Decrease to Funds	-	-	-	-	-	-	-	-	-
<u>B. Reserve Fund Activities</u>									
Balance as of January 1			116,729			113,497			104,406
Transfers in from Operating Fund			29,773			28,485			28,947
Transfer out to Capital Fund			(32,783)			(25,253)			(19,857)
Balance as of December 31	<u>0</u>	<u>0</u>	<u>113,719</u>	<u>-</u>	<u>-</u>	<u>116,729</u>	<u>-</u>	<u>-</u>	<u>113,497</u>

The total 2005 budget of \$257.5 M comprises of the following:
Operating Funds \$181.6 M (excl. prior years surplus) and includes Waterworks of \$44.2 M, and
Capital Funds \$75.9 M and Budgeted transfers to Reserve Funds of \$29.7 M

Town of Markham
Summary of Funds - Actuals
(\$ 000's)

	<u>2004</u>			<u>2003</u>		
	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total
<u>A. Sources and Uses of Funds</u>						
<u>Sources of Funds</u>						
Taxation Revenues	81,542		81,542	74,368		74,368
Grants & Subsidies	1,105		1,105	539		539
Licences & Permits	8,787		8,787	10,799		10,799
Interest & Penalties	3,364		3,364	3,229		3,229
Income from Investments	11,774		11,774	19,500		19,500
Fines	1,206		1,206	1,167		1,167
Water & Sewer Billing	37,331		37,331	34,462		34,462
User Fees & Service Charges	13,646		13,646	11,858		11,858
Rentals	4,732		4,732	4,331		4,331
Sales	685		685	631		631
Recoveries & Contributions	968		968	762		762
Other Income	13,407		13,407	5,054		5,054
Prior year's surplus	2,674		2,674	4,469		4,469
Developer's revenue		30,204	30,204		42,048	42,048
Other		4,445	4,445		2,670	2,670
Transfers from Reserve Fund		24,984	24,984		24,956	24,956
	181,221	59,633	240,854	171,169	69,674	240,843
<u>Uses Of Funds</u>						
General Government	24,203	6,473	30,676	31,387	5,925	37,312
Protection to Persons & Property	17,828	2,340	20,168	17,607	6,173	23,780
Transportation Services	8,792	21,500	30,292	8,563	11,932	20,495
Environmental Services	38,536	5,781	44,317	36,841	2,455	39,296
Recreation & Cultural Services	31,123	16,500	47,623	28,894	24,298	53,192
Planning & Development	12,028	3,858	15,886	9,829	4,772	14,601
Other	1,992		1,992	1,852		1,852
Transfers to Reserve Fund	31,403		31,403	32,315		32,315
	165,905	56,452	222,357	167,288	55,555	222,843
Increase/Decrease to Funds	15,316	3,181	18,497	3,881	14,119	18,000
<u>B. Reserve Fund Activities</u>						
Balance as of January 1			113,758			104,406
Other Revenue			3,244			1,993
Transfers in from Operating Fund			31,403			32,315
Transfer out to Capital Fund			(24,984)			(24,956)
Balance as of December 31	-	-	123,420	-	-	113,758

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Mayor & Council Consolidated

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	1,572,890	1,644,682	1,752,197	107,515	6.5%	179,307	11.4%
PRINTING & OFFICE SUPPLIES	24,463	23,441	23,441	-		(1,022)	-4.2%
OPERATING MATERIALS & SUPPLIES	12,478	11,900	11,900	-		(578)	-4.6%
VEHICLE SUPPLIES	1,783	1,000	1,000	-		(783)	-43.9%
COMMUNICATIONS	16,562	15,970	15,970	-		(592)	-3.6%
TRAVEL EXPENSES	82,744	96,257	96,257	-		13,513	16.3%
TRAINING	937	4,094	4,094	-		3,157	336.9%
MAINT. & REPAIR-TIME/MATERIAL	-	7,230	7,230	-		7,230	
RENTAL/LEASE	16,049	16,300	16,300	-		251	1.6%
PROFESSIONAL SERVICES	3,704	6,589	6,589	-		2,885	77.9%
LICENCES, PERMITS, FEES	276	1,235	1,235	-		959	347.5%
PROMOTION & ADVERTISING	63,828	35,030	35,030	-		(28,798)	-45.1%
OTHER PURCHASED SERVICES	-	820	-	(820)	-100.0%	-	
OFFICE FURNISHINGS & EQUIPMENT	348	6,000	6,000	-		5,652	1624.1%
Total Expenditures	1,796,062	1,870,548	1,977,243	106,695	5.7%	181,181	10.1%
RECOVERIES & CONTRIBUTIONS	36,473	-	-	-		(36,473)	-100.0%
Total Revenues	36,473	-	-	-		(36,473)	-100.0%
Net Expenditure (Revenue)	1,759,589	1,870,548	1,977,243	106,695	5.7%	217,654	12.4%

Chief Administrative Officer (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 884 who respond to issues of the growing municipality of Markham and the high expectations that the public has for superior service delivery. The responsibilities of the CAO include overseeing municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services, Development Services, as well as the Directors of the Human Resources, Strategic Initiatives, and Legal Services.

The CAO & Commissioners' Committee (CCC) supports the management of the Town's operations and is comprised of senior staff from the Commissions. The CCC meets bi-weekly and is chaired by the CAO and addresses Town operations and issues.

The CAO's Commission consists of the following Business Units:

- Legal Services
- Human Resources
- Strategic Initiatives

Legal Services

Reporting to the Chief Administrative Officer, the Legal Department provides a full range of legal advice and support to Council, its committees and Town staff. As a municipal corporation, the Town deals in all areas of law and public policy and as such, is subject to all laws of the Federal Government and Province of Ontario.

The primary functions and duties of the Legal Department include:

- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Ontario Municipal Board hearings
- Conduct or defend all legal actions instituted by or commenced against the Town in all levels of the Ontario court system
- Preparation and review of all development agreements (subdivision, site plan) and other contracts
- Negotiation, preparation, review and registration of documents required for the acquisition and sale of real property
- Drafting of by-laws
- Provision of legal advice and direction to all municipal departments

- Meetings with other government agencies, particularly provincial ministries and York Region, to resolve problems
- Responding to issues regarding development charge by-laws
- Assistance to the By-law Enforcement Department in the enforcement and prosecution of Town regulatory and zoning by-laws

Human Resources

The Human Resources department supports the achievement of the Town of Markham's goals by providing strategic human resources management solutions in the areas of recruitment and selection, employee and labour relations, compensation and benefits, training and development, and occupational health and safety.

The Town employs 884 full-time staff supported by part time and temporary staff in areas such as Recreation Services, Roads Department and Parks during peak seasons.

Strategic Initiatives

Strategic Initiatives is a newly created department reporting to the CAO's office. The department champions organizational excellence through the application of business practices in the Markham Management Model. The main services to be provided by the department are:

- Lead business planning, quality assessment, KPI development, and trend analysis
- Educate and outreach as part of staff learning and development program
- Lead the satisfaction measurement program
- Corporate wide strategic initiatives
- Develop and maintain strategic partnership

In addition to the above, the department is also responsible for:

- Revising the current practice and implement staff satisfaction survey on annual basis
- Coordinate a corporate wide accessibility plan
- Develop and implement Healthy Work Place initiatives
- Work towards PEP level 3

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

CAO's Office Consolidated

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,645,923	2,801,791	3,131,133	329,342	11.8%	485,210	18.3%
PRINTING & OFFICE SUPPLIES	34,340	22,533	26,657	4,124	18.3%	(7,683)	-22.4%
OPERATING MATERIALS & SUPPLIES	33,091	39,855	42,829	2,974	7.5%	9,738	29.4%
COMMUNICATIONS	7,265	4,709	5,863	1,154	24.5%	(1,402)	-19.3%
TRAVEL EXPENSES	36,715	21,748	31,321	9,573	44.0%	(5,394)	-14.7%
TRAINING	188,935	242,947	246,908	3,961	1.6%	57,973	30.7%
CONTRACTS & SERVICE AGREEMENTS	(130,699)	(130,699)	(130,699)	-		-	
MAINT. & REPAIR-TIME/MATERIAL	-	485	-	(485)	-100.0%	-	
RENTAL/LEASE	8,870	7,814	8,856	1,042	13.3%	(14)	-0.2%
PROFESSIONAL SERVICES	506,532	245,039	294,260	49,221	20.1%	(212,272)	-41.9%
LICENCES, PERMITS, FEES	43,225	26,651	30,054	3,403	12.8%	(13,171)	-30.5%
PROMOTION & ADVERTISING	244,736	162,640	212,640	50,000	30.7%	(32,096)	-13.1%
Total Expenditures	3,618,933	3,445,513	3,899,822	454,309	13.2%	280,889	7.8%
GRANTS AND SUBSIDIES	-	-	5,444	5,444		5,444	
USER FEES & SERVICE CHARGES	176,288	180,000	180,000	-		3,712	2.1%
RECOVERIES & CONTRIBUTIONS	-	12,000	-	(12,000)	-100.0%	-	
OTHER INCOME	-	-	50,000	50,000		50,000	
Total Revenues	176,288	192,000	235,444	43,444	22.6%	59,156	33.6%
Net Expenditure (Revenue)	3,442,645	3,253,513	3,664,378	410,865	12.6%	221,733	6.4%

Legal Services

BUSINESS OVERVIEW

Mission Statement

The Legal Services Department supports, promotes and reinforces the Town's corporate objectives through the provision of timely, accurate, relevant and strategic legal advice and real estate services.

Legal is meeting 2004 Objectives

Legal Services reports to the CAO office, in 2004 the approved operating budget was \$665,438 and 7 full time employees. The net cost per household to deliver this service is calculated at \$9.01 in 2003.

Legal Services is responsible for providing the following core services:

- Legal representation at all Ontario Municipal Board hearings- The Department represents the Town at all manner of litigation and administrative matters to ensure that Council's position and Town policy is upheld.
- Real property matters- The Department acts for the Town in negotiating and completing acquisitions, dispositions and leases to ensure that the interests of the Town are well represented and to ensure that Town policy is complied with.
- Legal representation and advisor to the Town- The Department provides strategic and practical advice and services to Council, Committees and staff of the Town of a wide variety of legal issues and policy matters.

Legal is reviewing its services levels in 2005

In 2005, legal will review its fee schedules for outside clients to re-align and potentially increase departmental revenues . A strategic review of facilities will identify internal customers' facility needs, identify surplus facilities and way to leverage existing facilities. Service levels have been slowly declining as a result of increasing service demand through population and development activity growth. To restore the service to an acceptable level within Legal Services one additional Assistant Solicitor position is required

Service(s)	Customer(s)
Representation at all Ontario Municipal Board hearings Conduct & defense of legal actions instituted by or commenced against the Town in Ontario court system Preparation and review of all development agreements Negotiation, preparation, registration for acquisitions and sale of real property Timely advice to Council, Committees and Staff on a continuing basis and through reports to Council	Council Internal Departments and property owners



Legal Services

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Finalized merger of Markham Hydro, Hydro Vaughan and Richmond Hill Hydro		✓
Completed agreement with ORC for acquisition of 280 acres of the Rouge Valley		✓
Completed acquisition of and delivered Markham's YCMA site		✓
Successfully defended the constitutional challenge of the Town's rapid entry key box by-law		✓
Preparation, execution and registration of 17 Heritage Easement Agreements in connection with the Tax Rebate Program by July 31, 2004		✓
Successfully represented the Town in opposing a minor variance for an illegal addition at 52 Nelson Street		✓
Nominated as part of the team for the 2004 Excellence Award in Crime Prevention re: body rub and complementary healthcare establishments		✓
Renewal of expired Municipal Access Agreements resulting in collection of over \$100,000 in access fees		✓
Closed sale of part of Old 16th Avenue road allowance for new revenue of \$900,000		✓
Assisted in negotiations and completed acquisition of all required lands and easements from GIC Holdings for the Enterprise Drive/Helen Avenue project		✓
Renegotiated the Markham Library Administration office lease for extended term on same terms and conditions		✓

FUTURE CONSIDERATIONS

Issues/Pressures

Infill and intensification pressures in a maturing municipality have already begun to have an impact on the number of Ontario Municipal Board hearings.

Provincial initiatives resulting in increased regulation such as the Safe Drinking Water initiatives, the Greenbelt and Smart Growth legislation require increased legal participation in operations and planning

Increased enforcement and new initiatives including protection of intellectual property, partnerships with the private sector and enhanced capital building program all require increased level of legal services

Opportunities

Review existing delegated authorities

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

CAO's Office
 Legal Department
 300-300

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	733,951	732,369	900,190	167,821	22.9%	166,239	22.6%
PRINTING & OFFICE SUPPLIES	8,408	4,320	4,320	-		(4,088)	-48.6%
OPERATING MATERIALS & SUPPLIES	12,207	9,661	9,661	-		(2,546)	-20.9%
COMMUNICATIONS	1,959	1,117	1,117	-		(842)	-43.0%
TRAVEL EXPENSES	4,525	4,466	4,466	-		(59)	-1.3%
TRAINING	4,813	1,189	1,189	-		(3,624)	-75.3%
CONTRACTS & SERVICE AGREEMENTS	(35,198)	(35,198)	(35,198)	-		-	
RENTAL/LEASE	2,545	3,883	3,883	-		1,338	52.6%
PROFESSIONAL SERVICES	166,334	113,689	113,689	-		(52,645)	-31.7%
LICENCES, PERMITS, FEES	36,456	21,942	21,942	-		(14,514)	-39.8%
Total Expenditures	936,000	857,438	1,025,259	167,821	19.6%	89,259	9.5%
USER FEES & SERVICE CHARGES	176,288	180,000	180,000	-		3,712	2.1%
RECOVERIES & CONTRIBUTIONS	-	12,000	-	(12,000)	-100.0%	-	
OTHER INCOME	-	-	50,000	50,000		50,000	
Total Revenues	176,288	192,000	230,000	38,000	19.8%	53,712	30.5%
Net Expenditure (Revenue)	759,712	665,438	795,259	129,821	19.5%	35,547	4.7%

Human Resources

BUSINESS OVERVIEW

Mission Statement

We exist to contribute to the organization's success and effectiveness through excellence in people practices. Our activities reflect the strategic priorities and values of the organization.

Human Resources is meeting its 2004 objectives.

The Human Resources department reports to the CAO's office. In 2004, the approved operating budget was \$1,800,623 including 15 full time employees. The net cost per household to deliver this service is calculated at \$26.54 in 2003. (The following data reflects Q1 and Q2/2004).

- **Workforce development** - The Human Resources department has provided advice, guidance and leadership for 78 staffing activities at a total advertising cost of \$209,957. There has been an increase in the use of specialized search firms to assist with particularly challenging job categories. 31 learning and development programs have been offered, and through partnerships, Learning and Development has introduced a literacy program and the Toastmasters program. To date, approximately 30% of Town managers have taken or are taking the Schulich Manager's certificate. A number of new management focused learning initiatives have been introduced (e.g. Communicating Your Vision, Managing Leadership Priorities). A review of the performance management process is underway to identify and act on areas for improvement.
- **Positive relations**- The department has been proactive in providing enhanced benefits communications to employees and more personalized orientations to new employees. 81% of outstanding grievances were resolved and two employees were permanently accommodated. 3 collective agreements are currently being negotiated. A first collective agreement was reached with IBEW and negotiations on behalf of the Library are being planned. The department co-ordinated and actively participated in a number of outreach activities including the Big Bike, Junior Achievement and Take Your Kids to Work Day.
- **Business transformation services** - The department continues to support and build a continuous learning culture through a variety of learning options. A partnership was developed with Waterworks to assist in the implementation of their multi-faceted organizational changes.
- **Quality Improvement** - A number of technology enhancements have been made or are in progress. As well, HR processes are being reviewed and revised to increase efficiencies and to reflect the department's emerging structure.

Human Resources enhancing delivery & customer service in 2005

In addition to maintaining its core services and enhancing the delivery of them in 2005, the Human Resource department will focus on a number of key areas in 2005.

- **Workforce development**, the department will revitalize the performance management system and open a new training facility at "Pingle House".
- **Positive relations**, renewal collective agreements will be rolled out and implemented consistent with the positive relations strategy.
- **Business transformation**, the department will support key organizational changes and initiatives (such as the Parks/Roads integration and firefighter recruitment drive) through its focus on business transformation.
- **Quality Improvement**, the department will augment its quality improvement focus by partnering with IT and Finance to implement the HRIS/Payroll integration project. By focusing on customer needs and strengthening the planning and measurement processes, the department will enhance customer satisfaction and the overall delivery of services.

Service(s)	Customer(s)
Employment cycle (attraction and retention, compensation and benefits, learning and development, employee/labour relations)	All Town Staff
Organizational development and consulting	Mayor and Council
Employee health, safety, wellness and claims management	Residents
Legislative compliance	Employment seekers
Employee records management	

Human Resources

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Aligned school Crossing Guard service with the Transportation division for best fit (quality improvement)	✓	
Developed a project plan for the HRIS/Payroll integration (partnering with Finance and IT)		✓
Implemented a variety of technology initiatives: applicant tracking system; HR Intranet platform design; learning and development Athena library system; HR project planning database	✓	
Collective bargaining negotiations in progress with CUPE (Local 905 Inside and Outside) and MPFFA, and completed with IBEW	✓	
Developed strategic bargaining proposals, by partnering with operational departments, to identify opportunities for reducing overtime pressures and costs	✓	
Strengthened Career Bridge program beyond pilot phase with commitment of Council		✓
Agreement in principle, and approval, for enhanced emergency communication system	✓	
Benefit plans: enhanced communication with employees; enhanced benefit program development		✓
Comprehensive review and initial development of people practices policies	✓	
Assessment of performance management program	✓	
Implementation of Waterworks organizational changes	✓	
Partnered with Community Centre Operations to develop new career progression for Facility Operators		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- Elongated period of collective agreement negotiations
- Recruitment challenges (employment market and compensation) for specific job categories
- Remuneration reviews
- Legislative changes (Waterworks, Privacy, Employment Standards)
- Staff turnover, workload, departmental restructuring

Opportunities

- Improve customer focus
- Technological enhancements
- Planning and measurement focus
- Process and policy review and implementation
- Departmental restructuring

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Human Resources Department

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	1,281,977	1,315,862	1,438,960	123,098	9.4%	156,983	12.2%
PRINTING & OFFICE SUPPLIES	21,536	10,485	10,485	-		(11,051)	-51.3%
OPERATING MATERIALS & SUPPLIES	18,322	28,155	28,155	-		9,833	53.7%
COMMUNICATIONS	2,476	1,457	1,457	-		(1,019)	-41.2%
TRAVEL EXPENSES	17,207	3,204	3,204	-		(14,003)	-81.4%
TRAINING	182,223	238,554	238,554	-		56,331	30.9%
CONTRACTS & SERVICE AGREEMENTS	(95,501)	(95,501)	(95,501)	-		-	
RENTAL/LEASE	2,644	2,718	2,718	-		74	2.8%
PROFESSIONAL SERVICES	340,198	131,350	180,571	49,221	37.5%	(159,627)	-46.9%
LICENCES, PERMITS, FEES	3,052	1,699	1,699	-		(1,353)	-44.3%
PROMOTION & ADVERTISING	244,736	162,640	212,640	50,000	30.7%	(32,096)	-13.1%
Total Expenditures	2,018,870	1,800,623	2,022,942	222,319	12.3%	4,072	0.2%
GRANTS AND SUBSIDIES	-	-	5,444	5,444		5,444	
Total Revenues	-	-	5,444	5,444		5,444	
Net Expenditure (Revenue)	2,018,870	1,800,623	2,017,498	216,875	12.0%	(1,372)	-0.1%

Strategic Initiatives

BUSINESS OVERVIEW

Mission Statement

Working with the community to provide high quality municipal services that meet, if not exceed, the expectations of Town residents and businesses.
To champion organizational excellence. (Corporate Quality)

Strategic Initiatives is meeting 2004 Objectives

Strategic Initiatives is a newly created department reporting to the CAO's Office. In 2004 the approved operating budget was \$365,319 including 3 full-time employees. The net budgeted cost per household to deliver this service is calculated at \$4.19 in 2004.

The business unit champions organizational excellence through the application of business practices in the Markham Management Model.

Core Services

- Leads business planning, quality assessment, KPI development and trend analysis
- Education & Outreach as part of the staff learning and development program
- Leads the satisfaction measurement programs
- Corporate wide strategic initiatives i.e. Markham Centre
- Develop and maintain strategic partnerships

The core services of this business unit will be reviewed in 2004 and 2005 as this new department evolves.

Strategic Initiatives plan for 2005

In addition to maintaining it's current core services, the business unit will:

- Revise the current practice and implement the staff satisfaction survey annually.
- Coordinate a corporate wide accessibility plan
- Develop & implement Healthy Work Place initiatives
- Work towards PEP level 3

Service(s)	Customer(s)
Awareness, understanding & application of quality framework	Business Units
Staff satisfaction survey administration	Organization
Customer satisfaction surveys	Staff
Quality networking and sharing of best practices	External organizations across Canada
Corporate wide strategic initiatives	

Strategic Initiatives

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
Completion of five customer satisfaction surveys	✓	
Corporate Staff Satisfaction survey	✓	
Coordinated the business planning process and the development of corporate KPI's	✓	
Managed the staff recognition toolbox program (Restocked 39 toolboxes as of July)	✓	
Supported efforts to revamp the Purchasing Bylaw		✓
Facilitated the achievement of a corporate savings initiative resulting in \$2.9 million dollars in savings	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Use of excellence framework as guide to running organization
- Commitment to corporate wide initiatives
- Development of roles and responsibilities in this newly formed department

Opportunities

- Strategic Partnerships, both public and private, and revenue generation
- Offering corporate quality learning workshops to other municipalities
- Achieve PEP level 3

Strategic Initiatives Department 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication	
	Administrative Assistant Recruitment	Suitable person onboard												
	United Way Campaign 2005	Meet or exceed 2004 results		X										
	2006 – 2009 Council’s Strategic Plan	Adopted plan												
	Anthony Roman Bldg. Space Accommodation Plan	Efficient & effective plan												X
	Town of Markham Facilities and Office Space Master Plan	Efficient & effective plan												X
	Space Accommodation Management/Asset Management								X					
	Corporate Capital Projects – Project Management Tool	Tool adopted and used												X
	Capital Projects - Process re-engineering	New process adopted						X	X		X			X
	Markham Energy Conservation Office	Reduced hydro useage			X									
	Markham Business Enterprises Inc.			X	X									
	YRDSB Sports School	Partnership achieved		X		X								
	Federal/Provincial/Regional Issues	Document used regularly							X					
	Strategic Initiatives Network	Regular attendance & productive idea sharing							X					
	Armoury Facility in York Region	Partnership achieved		X										
	Cedarena Acquisition	Acquisition		X	X									
	Performance Planning and Review	Timely and mutually beneficial							X	X	X			
	Department Heads Forum	Regular attendance & productive idea sharing							X					X
	Customer Satisfaction Surveys	Regular and productive use of tool							X			X	X	
	Staff Satisfaction Survey	Regular and productive use of tool							X			X	X	
	Learning Workshops	Participation and implementation of ideas							X					X
	KPI’s	Relevant and insightful measures		X				X	X	X		X	X	
	PEP Level III	Achievement of PEP III		X					X					
	Corporate Innovations Team	Identification and implementation of ideas		X					X					
	Corporate Planning Process	Common process and schedule							X					X
	External Relationships	Productive relationships		X					X					
	Employee Recognition	Satisfied employees		X					X					
	Committees	Regular attendance and active participation												
	Markham Centre	Met milestones and fully implemented plan	X	X		X	X							
	Parking Strategy & Plan	Plan implementation	X	X		X	X							
	Centennial Community Centre Traffic Operations and Parking Study	Effective and efficient parking at CCC	X	X			X							
	Cornell Community Center	New community center		X										
	South East Community Center	New community center		X										
	Section 300 Municipal Act	Submission to Province												
	Environmental Management Plan	Effective plan			X									X

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Strategic Initiatives Department

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	182,556	352,446	374,097	21,651	6.1%	191,541	104.9%
PRINTING & OFFICE SUPPLIES	1,494	3,359	3,359	-		1,865	124.8%
OPERATING MATERIALS & SUPPLIES	45	971	971	-		926	2057.8%
COMMUNICATIONS	1,338	679	679	-		(659)	-49.3%
TRAVEL EXPENSES	1,347	4,078	4,078	-		2,731	202.7%
TRAINING	735	2,330	2,330	-		1,595	217.0%
RENTAL/LEASE	1,842	485	485	-		(1,357)	-73.7%
LICENCES, PERMITS, FEES	223	971	971	-		748	335.4%
Total Expenditures	189,580	365,319	386,970	21,651	5.9%	197,390	104.1%
Net Expenditure (Revenue)	189,580	365,319	386,970	21,651	5.9%	197,390	104.1%

TOWN OF MARKHAM**2005 Budget WORKSHEET (in dollars)**

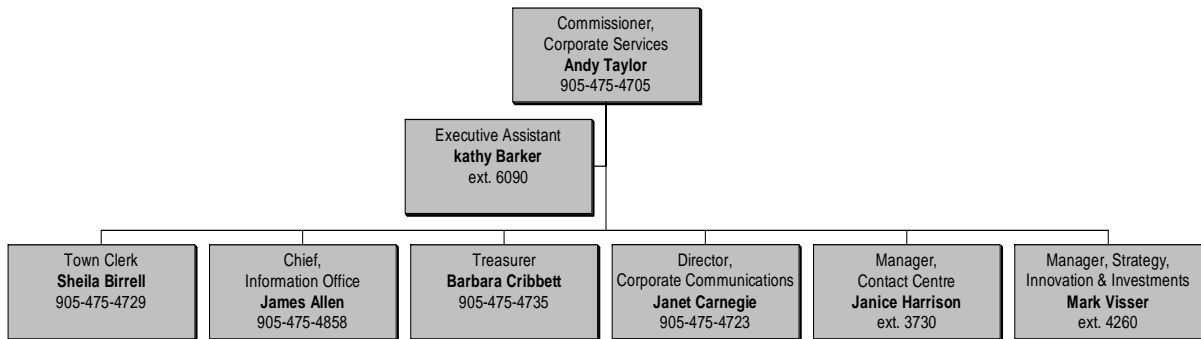
CAO's Office

CAO's Office - Commission Support

299-999

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	397,875	396,408	419,059	22,651	5.7%	21,184	5.3%
PRINTING & OFFICE SUPPLIES	1,811	4,369	1,775	(2,594)	-59.4%	(36)	-2.0%
OPERATING MATERIALS & SUPPLIES	2,124	1,068	2,100	1,032	96.6%	(24)	-1.1%
COMMUNICATIONS	1,223	1,456	1,252	(204)	-14.0%	29	2.4%
TRAVEL EXPENSES	11,383	10,000	11,417	1,417	14.2%	34	0.3%
TRAINING	147	874	175	(699)	-80.0%	28	19.0%
MAINT. & REPAIR-TIME/MATERIAL	-	485	-	(485)	-100.0%	-	
RENTAL/LEASE	782	728	800	72	9.9%	18	2.3%
LICENCES, PERMITS, FEES	3,494	2,039	3,500	1,461	71.7%	6	0.2%
Total Expenditures	418,839	417,427	440,078	22,651	5.4%	21,239	5.1%
Net Expenditure (Revenue)	418,839	417,427	440,078	22,651	5.4%	21,239	5.1%

Corporate Services



The Commission provides expert financial, administrative and technical services that enhance our customers' and partners' current and future performance. This is accomplished through the delivery of timely, accurate, and complete information, as well as securing the fiduciary and legislative responsibilities of the Corporation.

The Commission comprises the following Business Units, each with their own areas of expertise and responsibility.

- Legislative Services
- Financial Services
- Information Technology Services
- Corporate Communications
- Contact Centre

Currently, there are 136 full time employees who are responsible for the day-to-day operations of the various divisions and departments.

Legislative Services

The primary role of this department is driven by provincial legislation, most notably The Municipal Act, The Municipal Elections Act and The Municipal Freedom of Information and Protection of Privacy Act. The department provides administrative support to Council and its Committees and ensures that all of the actions taken by Council are recorded and communicated.

Over the years however, Markham's Clerk's Department has evolved into a multifaceted department, which performs a variety of administrative, and statutory functions for the Corporation. Reporting to the Commissioner of Corporate Services, the department is divided into four operational areas, namely,

- Administration
- Secretariat
- Enforcement & Licensing
- Records Management

Administration

The Administration Division of the Clerk's Department is responsible for the following functions:

- Insurance Claims Administration
- Court Administration
- Development Agreement Compliance
- Planning Public Meeting Notification
- Vital Statistics - Birth / Death Registration
- Commissioner of Oaths
- Printing and Mail Services, Courier Services and Management of Corporate Copier Fleet
- Civic Centre Switchboard
- Information Markham Liaison
- Municipal Elections
- Administration of Town of Markham Cemeteries
- Budget Preparation for the Clerk's Department
- Marriage / Lottery Licensing
- Information Markham

Secretariat

This section provides secretarial and support services to Council and Council Committees. Council Agendas and Minutes for the various committees and Council sessions are prepared and published weekly.

Enforcement & Licensing

The Enforcement and Licensing Division of the Legislative Services Department's mandate is to provide health and safety, nuisance control, consumer protection and community standard enforcement services within the Town. The Division is the Commission's largest external service provider with the majority of staff working outside of the building and in the community each day. Activities are divided into the following operational areas:

- By-Law Enforcement
- Property Standards
- Business Licensing
- Wheels Licensing (Taxis, Limousines, & Tow Trucks)
- Parking Control
- Sign By-Law Enforcement
- Animal Control

Records Management

Records Management addresses four distinct areas of responsibility, which are:

- Storage repository
- Information management
- Inventory, retention and disposal schedules
- Freedom of Information requests

Storage Repository

The records management storage repository is responsible for the safe, economical and accessible storage of dormant records. Dormant records are those to which reference is neither frequent nor urgent enough, to warrant maintenance in relatively expensive records office space and equipment; and which, by law, must be kept for a predetermined length of time.

Information Management

Staff also counsels other Departments about setting up and maintaining filing systems for their offices. A sizable amount of this advice relates to how best to structure directories and sub-directories in the computer system.

Inventory, Retention and Disposal Schedules

The management of the Town's records involves receiving the boxes of inactive records from various departments, sorting the files, assigning an appropriate retention period; retrieval as required and in turn arranging for the destruction of surplus material.

Freedom of Information Requests

Staff processes all requests for information under the Ontario Freedom of Information and Protection of Privacy Act. This Act provides public the right to request access to government held information. The Act also protects personal information held by government organizations and provides individuals with a right of access to their own personal information.

Financial Services

Consists of a team of experts that coordinate and analyze all financial transactions to enable our customers and partners to make effective business decisions. The primary role of the department is to ensure the financial integrity of the Town. The department is divided into three operational areas, consisting of the following:

- Accounting and Expenditure Control
- Financial and Client Services
- Taxation

Accounting and Expenditure Control

This operational area is responsible for the integrity of the Financial Information System for the Town. The following sections make up this operation:

- Payables
- Receivables
- Payroll
- Financial Reporting

Accounts Payable

The section is responsible for timely and accurate processing of all invoices, cheque requisitions, expense reports, utility bills, and ensuring proper documentation and authorizations are followed before release of funds.

Accounts Receivable

This area is responsible for the billing and collection of all revenues and receivables excluding tax revenues. Responsibilities include, the preparation, implementation and monitoring of controls and procedures relating to invoicing, grants and subsidies request, cash collections and delinquent accounts to maintain effectiveness within all Town departments.

Payroll

To process bi-weekly salary payments of the Town's employees accurately, ensures its timely remittance to employees' bank accounts, and to discharge the Town's liabilities in regard to all statutory payroll deductions.

Besides the weekly payroll this section is also responsible for the monthly remittance of OMERS, WSIB, Union dues, garnishees and statistical reporting. Remittances to Revenue Canada for income tax, Canadian Pension Plan and Employment Insurance are made weekly due to payroll being run for full-time and part-time Library and Council on alternating weeks.

Financial Reporting

Financial Reporting is responsible for the integrity of the Financial Information System for the Town. This is accomplished by monitoring and controlling access to the system, verifying and ensuring that all journal entries are properly authorized and correctly processed in the general ledger, balancing all accounts, maintaining all clearing and exception accounts, and ensuring that generally accepted accounting principles are followed.

The Financial Reporting Team generates and distributes monthly reports for user departments to assist them in making better-informed business decisions. This Team acts as the Town's controller, preparing its accounting records for examination by the external auditor. The audited financial statements of the Corporation are included in Markham's Annual Report, which is the end product of the Town's many integrated financial reporting activities. This team is also responsible for setting up and recording of all of the Library Board and Markham District Energy's financial transactions. Financial statements are prepared at year-end for Markham District Energy, which are reviewed by the external auditor.

Financial and Client Services

The following sections make up this area of operations:

- Financial Planning
- Development Finance
- Purchasing

Financial Planning

The primary responsibility of this area is to develop guidelines and procedures in preparation, presentation and monitoring of the Town's Operating and Capital Budgets.

The responsibilities also include preparation of financial plans, budget calendars, providing estimates and guidelines for consideration and approval by CAO & Commissioners' Committee (CCC) and Council.

Financial Planning is responsible for:

- Developing policies and guidelines and ensuring compliance by all departments
- Acting as the corporate consolidator in compiling departmental data into a consolidated format
- Work in cooperation with the Budget Committee to help shape the budget and report progress to the Finance and Administrative Committee
- Provide advice and expertise/training on budgeting
- Preparing/monitoring design of corporate budget process and system
- Preparing revenue projections
- Preparing and recommending corporate financial policies for consideration by CCC and Council
- Monitoring and reporting actual to budget variances throughout the year and preparing a management reporting package that recaps the operating and capital results on a monthly basis to the CCC and Council
- Providing consulting and analytical support to users on projects having strategic importance
- Coordinating the risk management and assessment study process
- Coordinating the risk management component of the Town's insurance program

A formalized analytical review and evaluation process completes these tasks.

Development Finance

Development Finance is responsible for development charges for the Town, including coordination of the process leading to a new Development Charges Background Study & By-law every 5 years, administration of the Development Charges By-law, collection of development charges from developers, assistance to other departments on development charges issues, as well as on collection of development charges for all external jurisdictions.

Development Finance responds to numerous inquiries from developers, real estate agents and the general population and is responsible for the maintenance of the development charges database and segmented accounting for Town funds.

Staff also administers the Letters of Credit program for the Town. Letters of Credit are guaranteed securities provided to the Town that are issued by financial institutions on behalf of developers. The Town requires this instrument primarily to ensure that the developers comply with all requirements of the development agreement. The Town may also accept letters of credit to assist the developers with payment of development charges. Letters of Credit may be acted upon, in accordance with the agreement, in one of four ways: reduction, draw down, maintain/do nothing and release.

Purchasing

The overall objective of this section is to provide a centralized purchasing function for acquisition of quality goods and services in an efficient and economical manner for the Town's current and future needs.

The following are Purchasing's major functions:

- Selection of appropriate acquisition methods through research, business requirements, based on the aggregate requirements of the Corporation
- Bid evaluation, review of irregularities, technical evaluation, financial evaluation and project management
- Contract award, confirming that funds are available within the approved budgets, the inspection of goods to ensure the quantity and quality of purchased goods and services are in accordance with the specifications, review deviations and to take remedial actions when required
- Reporting of awards to Committee and Council
- Disposal of surplus equipment and assets

Taxation

The following sections make up this area of operations:

- Tax Billing and Collection
- Assessment Review
- Cash Management

Tax Billing and Collection

This section is responsible for billing and collection of revenues as they relate to Property Taxes. This includes maintenance of Collector's Roll, annual issuance and collection of Interim, Final and Supplementary Tax Bills, adjustment to taxes receivable as legislated by the Municipal Act or as authorized by the Assessment Review Board (ARB) and/or the Ontario Municipal Board (OMB).

The section also administers and processes tax deferrals for low-income seniors and disabled persons, charity and non-profit rebates, refund cheques, returned cheques, account adjustments, mortgage accounts, tax certificates and tax sales. An increasingly large area of responsibility is the administration of the Pre-Authorized Tax Payment Plan whereby automatic withdrawals are received for monthly tax payments.

Tax policy research and review is also undertaken to ensure the Town remains current with existing provincial legislation, regulations and policy, and development of new programs such as the heritage tax reduction program. Reassessment analysis is completed on an annual basis.

Assessment Review

This section is responsible to determine whether a tax adjustment is necessary when a taxpayer applies for an adjustment of tax levy, and to amend the assessment data to reflect changes if any which affect the tax liability. This section is also responsible for providing information regarding assessment information, information related to school support, assessment appeal procedures and data on properties. The section is further responsible for administering the Supplementary assessment returns that are received from the Municipal Property Assessment Corporation (MPAC)

The department also regularly handles enquiries, letters from the new home owners, lawyers, the Municipal Property Assessment Corporation (MPAC), and the Assessment Review Board (ARB) informing the Town of any changes to the assessed values.

Cash Management

This section is responsible for the collection and processing of tax payments, parking fines, and marriage licenses etc. Cash Management also performs audits of cash floats assigned to staff and prepares annual Petty Cash Certificates for Financial Services. It is responsible for the safe keeping of revenues processed at the Town and ensures that all revenues are balanced and deposited daily. In addition, the staff administers the Letters of Credit program for the Town.

Information Technology

Information Technology Services (ITS) supports the Corporation in its efforts to provide effective public services and maintain efficient government operations through appropriate and innovative application of information technologies. The Department has been recently re-structured into three divisions, namely:

- Technology
- Client Delivery
- Application and GIS

Technology Division

The Technology Division works with all of the Town's departments to ensure that all technology platforms are able to cohabitate in the Town's standard computing environment. Technology that is currently covered includes network infrastructure, telecommunications, computers, and desktop productivity hardware and software.

The Technology Division has three functioning teams that work closely with the clients in resolving technology issues and to minimize disruption to their daily operation. These are:

- Network Infrastructure
- Telephony
- Integration and Support

Network Infrastructure

- Designs and administrates local and wide area networks including security, server maintenance, data backup and restoration, intrusion detection and virus protection

Telephony Support

- Maintains optimum telephony operation and security of phone switches and voicemail systems including capacity planning, call centre support, cellular and paging technologies, and voicemail administration

Integration and Support

- Distributes and supports desktop technologies, including desktop and laptop computers, printers, Personal Digital Assistants – like Palm Pilots and Pocket PCs, and digital imaging technology – like scanners, projectors, digital cameras, and digital video recorders
- Monitors and ensures technology licensing requirements are met
- Plans, implements and supports audio-visual technology in public meeting rooms and council chamber

Client Delivery Division

The Client Delivery division works with clients in all Town departments to address and implement information technology needs and applications that enhance the Town's service delivery. This division is also responsible for establishing and implementing service improvement programs. Client Delivery has three functioning areas:

- Help Desk
- Client Advisory
- Project Management

Help Desk

- Acts as the first and single point of contact for the internal clients to report information technologies related incidents and obtain response to resolving various technical issues
- Takes full ownership of all incidents from the time that they are reported and is responsible for the prompt delivery of satisfactory resolutions, either by resolving the situation over the phone or assignment to the right resource within the ITS Department. They are also responsible to follow-up, to ensure that a task is completed within our current Services Level Agreement

Client Advisory

- Develops partnerships with the Clients Department in addressing their business needs
- Coordinates with other divisions to research, evaluate and recommend implementation of IT best practices and solutions
- Assists the Client Departments in preparing business cases, the annual IT Tactical Work Plan and budget
- Prepares and administrates Service Level Agreements (SLA)

Project Management

- Establishes IT Project Management Standards, Procedures and Methodologies
- Prepares and manages IT Divisional annual work plan; takes ownership in implementing and managing IT projects

Applications and GIS Division

The Applications & GIS division works with departments and other internal IT divisions to evaluate, acquire, implement, and support enterprise-wide software and services, as well as is responsible for setting up the web infrastructure. It is also responsible for setting GIS standards and providing a wide range of GIS services to the corporation. Applications & GIS has three functioning teams:

- Applications and Support
- Centre for GIS
- Web Development

Applications and Support

- Evaluates, acquires, and implements software applications for the corporation based on business unit requirements

- Provides application support as required by the Help Desk and/or user Departments
- Develops small scale software applications as needed by business units in an effort to fulfill specific business requirements

Centre for GIS

Geographic Information Services is recognized as a technological innovation that facilitates prompt and responsive service delivery, and assists Council and other decision makers to determine courses of action.

This section is responsible for

- Specific mapping, GIS data and specialized analysis
- Create and maintain core land related information, cartographic products
- Analysis and technical advice for geographically referenced information
- New data evaluation, data conversion and analysis
- Support to the Town in specialized application development
- Orientation, training seminars and outreach for clients
- Focus on Industry trends, and partnerships

Web Development

- Works with Corporate Communications to manage the corporate website and the Intranet site
- Establishes technical standards for the website as well as plays a systems administrative role
- Develops small scale web applications as required within the context of assigned responsibilities

Corporate Communications

Corporate Communications provides communications counsel and support to; maximize the impact of key organizational messages to internal and external audiences. The department produces several regular publications, manages the Town of Markham internet and intranet, and provides project coordination, design and editorial support for approximately 100 client projects throughout the year. A communications Style Guide is being prepared to assist in the implementation of consistent use of terms, logos and other design elements.

Corporate Communications is also responsible for Town of Markham media relations and advertising. The staff prepare media releases, responds to inquiries, provides story ideas to the media and coordinates media training for Town of Markham officials. In addition, the department also provides issues and crisis management support as required.

Contact Centre

Through well-trained, knowledgeable staff, supported by state of the art technology, staff of the Contact Centre provides our customers with exceptional, prompt and effective quality service through one stop access to the Town's programs and services.

The services provided are:

- Tax
- Registration

- Parks
- Waste
- Switchboard
- By-Law Enforcement
- Purchasing (Distribution of Tenders)
- Operations

In addition to the telephone support function for each of the noted operating departments, the Contact Centre is responsible for Registration processing, Tender disbursements, Car pool maintenance, White goods management as well as Front counter support.

The Contact Centre also provides statistical analysis relative to expense control, planning and forecasting new departmental transitions into the Contact Centre. The Contact Centre provides month-end service reports and data analysis.

The Contact Centre assumed responsibility of providing corporate training for Customer Action Request (CARE), assisted Waste Department in the 5-day reroute and Three Stream Education Program, conducted surveys for Corporate Communication & Waste Management, and provided support for the Region's new subsidy program "Play". The Contact Centre is poised at taking on more services such as Water and Development Services in order to provide fast, accurate, and consistent service and information.

CARE has played a significant role in the Contact Centre. It has permitted us to open work orders for departments in order to satisfy customers' concerns. CARE will be leveraged with all new transitions and a formal training program established.

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Corporate Services Comm Consolidated

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	9,253,136	9,751,397	10,982,195	1,230,798	12.6%	1,729,059	18.7%
PRINTING & OFFICE SUPPLIES	172,258	195,384	197,384	2,000	1.0%	25,126	14.6%
PURCHASES FOR RESALE	62,400	50,000	60,000	10,000	20.0%	(2,400)	-3.8%
OPERATING MATERIALS & SUPPLIES	40,284	72,463	(138,312)	(210,775)	-290.9%	(178,596)	-443.3%
CONSTRUCTION MATERIALS	(2,844)	-	-	-		2,844	-100.0%
COMMUNICATIONS	738,505	717,203	823,203	106,000	14.8%	84,698	11.5%
TRAVEL EXPENSES	27,029	30,243	33,009	2,766	9.1%	5,980	22.1%
TRAINING	139,141	130,882	130,591	(291)	-0.2%	(8,550)	-6.1%
CONTRACTS & SERVICE AGREEMENTS	388,873	424,468	714,630	290,162	68.4%	325,757	83.8%
MAINT. & REPAIR-TIME/MATERIAL	63,283	60,971	60,971	-		(2,312)	-3.7%
RENTAL/LEASE	221,437	169,519	172,519	3,000	1.8%	(48,918)	-22.1%
PROFESSIONAL SERVICES	427,852	368,133	369,853	1,720	0.5%	(57,999)	-13.6%
LICENCES, PERMITS, FEES	150,027	139,173	139,473	300	0.2%	(10,554)	-7.0%
CREDIT CARD SERVICE CHARGES	120,283	143,595	143,595	-		23,312	19.4%
PROMOTION & ADVERTISING	203,633	182,039	182,039	-		(21,594)	-10.6%
OTHER PURCHASED SERVICES	700	12,400	6,502	(5,898)	-47.6%	5,802	828.9%
OFFICE FURNISHINGS & EQUIPMENT	4,703	-	-	-		(4,703)	-100.0%
WRITE-OFFS	-	100	100	-		100	
OTHER EXPENDITURES	75,551	77,458	77,458	-		1,907	2.5%
Total Expenditures	12,086,251	12,525,428	13,955,210	1,429,782	11.4%	1,868,959	15.5%
LICENCES & PERMITS	929,701	918,000	923,000	5,000	0.5%	(6,701)	-0.7%
INCOME FROM INVESTMENTS	2,440	1,000	1,000	-		(1,440)	-59.0%
FINES	1,163,686	1,112,500	1,142,500	30,000	2.7%	(21,186)	-1.8%
USER FEES & SERVICE CHARGES	379,444	438,800	406,800	(32,000)	-7.3%	27,356	7.2%
RENTALS	56,391	55,000	55,000	-		(1,391)	-2.5%
SALES	18,029	12,500	12,500	-		(5,529)	-30.7%
RECOVERIES & CONTRIBUTIONS	79	4,705	4,705	-		4,626	5855.7%
OTHER INCOME	18,581	15,000	403,000	388,000	2586.7%	384,419	2068.9%
Total Revenues	2,568,351	2,557,505	2,948,505	391,000	15.3%	380,154	14.8%
Net Expenditure (Revenue)	9,517,900	9,967,923	11,006,705	1,038,782	10.4%	1,488,805	15.6%

Legislative Services

BUSINESS OVERVIEW

Mission Statement

Staff are committed to creating and maintaining an environment conducive to an effective and cohesive decision-making process; providing the highest level of support and services to our customers, utilizing the best record keeping techniques and providing efficient access to corporate information; educating our customers on community standards and ensuring compliance.

Legislative Services is keeping up with 2004 Objectives

The Clerk's area continues to provide high levels of service to Council, Town staff and the residents of Markham. On November 10, 2003, the Town of Markham became one of the first municipalities to conduct a binding Internet election. It proved to be greatly successful and the accolades continue to roll in. In 2004, Markham was awarded the EA Danby Award for e-Democracy as a result of this initiative. As well, the Clerk's area administered a Campaign Contribution Rebate program and processed approximately 1,600 cheques in 2004.

Many of the major 2004 objectives for Legislative Services (revamping of the Parking Operations, Use of AMANDA as a single application for Workload Management, Expanding the Set Fine System under the Provincial Offences Act, etc) are in various levels of completion and will continue into 2005.

In 2004, By Law Enforcement and the Licensing Unit underwent a reorganization and implemented a PowerPoint-based training, procedure, and policy program for staff. The unit continues to face an increasing workload burden. As of August 2004, there have been 32% more CARes delivered to the section than all of 2003. 2004 has also seen the implementation of an enhanced Police Screening process for Licensing applicants and an automated Dog Bite Registry as that continues to be a hot button issue throughout the province. There have also been amendments to various by laws including the Taxi by-law and the Body Rub by-law.

The Legislative Services Business Unit provides many valuable services to the Town including Printing and Mailroom Activities, Document Storage, and preparation and distribution of Council communications, to name a few. It is the goal in 2005 to continue providing high levels of service in all of these areas as well as taking on a significant number of new initiatives.

Legislative Services is increasing enforcement and leveraging technology 2005

There will be additional enforcement responsibilities with the implementation of new by-laws related to trees, light pollution, site plan agreements, expanded driveways, and second suites. As well, Legislative Services will support any decisions/initiatives of the Safe Streets Task Force.

In 2005, Legislative Services plans on leveraging technology to implement a centralized voters' list and paperless Committee & Council agendas. Additionally, new parking system upgrades, field enforcement technology and on-line processing will increase the efficiency of staff.

Another major initiative relates to the animal control program. A new facility is needed and will require funding in 2005.

Service(s)	Customer(s)
Coordination and Administration of Council & Committees	Residents
Enforcement of Town Regulatory and Licensing by-laws	General Public
Administration of Vital Statistics (i.e. Birth and death registration, marriage licenses)	Businesses
Printing, Mail & Courier Services	Representatives from Other Levels of Government
Record Keeping/Retrieval and Subscriptions	Council
Municipal Elections	Senior Management & All Town Staff

Legislative Services

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
Streamlined the process for Committee and Council agendas, minutes, and reports on the website	✓	
Automated the Council follow-up process		✓
Received the E.A. Danby Award for Internet Voting in the 2003 election		✓
Implemented improvements in the Taxi industry, such as designated taxi stands, hotline, photo ID system	✓	
Continued the aggressive enforcement of the adult entertainment industry, utilizing the licensing hearing committee for the closure of body rub parlours	✓	
Implemented an animal control strategy, including the establishment of a dog bite registry	✓	
Implemented an election contribution rebate program	✓	
Prepared and delivered Part 1 Provincial Offences Act training program	✓	
Implemented enhanced police screening process for licensing applicants	✓	
Researched and constructed database on all heritage designations, room bookings, and terms of office for all members of Council dating back to 1971		✓

FUTURE CONSIDERATIONS

Issues/Pressures

Review of paperless agendas and review of Committee system

Investigate alternative voting methods for 2006 election

Provide a long term solution for animal control and sheltering matching public's expectations of service

Review of Ward Boundaries

Use of technology in the field to allow for increased enforcement time for officers

Opportunities

Enhance the role of Clerk's department in Council and Committee meetings

Expand the set fines system under the Provincial Offences Act

Implement recommendations of Print Strategy (will reduce the amount of paper used and cost of printing)

On-line payments of parking tickets and business licenses to increase cash flows and reduce processing costs

Photo Radar/Red Light Cameras with special constables for enforcement of safe streets program

Legislative Services

2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock and Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload and its Impact	Customer Satisfaction Measurement	Inter-Departmental Communication	
1	Implement a paperless Council and Committee agenda system	Redeployment of resources. Decision on whether to proceed expected by Q3.						X						X
2	Implement a General Committee System	Reduce number of times Councillors required to come to the Town Centre for meetings. Completed by Q1.						X						X
3	Implement a centralized voters' list	Improved accuracy in the 2006 municipal voters' list. Completion by Q2.						X						X
4	Ward Boundary Review	Result in a more even distribution of Councillor workload. Completion by Q4.						X						X
5	Review Alternative Methods of Voting	Result in the selection of voting methods for 2006 election. Completion by Q4.						X						X
6	Investigate alternative solutions for animal care	Improved customer service, i.e. better shelter services and enforcement. Completion by Q2.						X						X
7	Investigate a "Marriage" package, including licence, chapel, civil ceremonies, pictures (atrium or external location), partnerships with local photographers and florists.	Implementation of a new revenue project by Q2.						X						X
8	Implement new Parking Ticket System	Increase accuracy in parking tickets. Implementation by Q3.						X						X
9	Implement print strategy	Reduce costs by approximately \$158,500. Implementation by Q3.						X						X
10	Relocate licensing to main floor	Serving customers on the main floor resulting in them not having to go down and the stairs twice to complete the transaction.						X						X
11	Investigate the use of mobile equipment	Improve efficiencies. Completion by Q4.						X						X
12	Complete Amanda conversion for property standards, by-law enforcement, licensing and parking control complaints	Improve efficiencies. Completion by Q4.						X						X

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Legislative Services

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,664,236	2,648,607	2,953,632	305,025	11.5%	289,396	10.9%
PRINTING & OFFICE SUPPLIES	11,334	58,371	58,371	-		47,037	415.0%
PURCHASES FOR RESALE	62,400	50,000	60,000	10,000	20.0%	(2,400)	-3.8%
OPERATING MATERIALS & SUPPLIES	22,555	16,077	16,023	(54)	-0.3%	(6,532)	-29.0%
COMMUNICATIONS	240,294	227,636	233,136	5,500	2.4%	(7,158)	-3.0%
TRAVEL EXPENSES	5,392	5,194	5,194	-		(198)	-3.7%
TRAINING	23,939	15,012	15,012	-		(8,927)	-37.3%
CONTRACTS & SERVICE AGREEMENTS	168,110	155,698	265,698	110,000	70.6%	97,588	58.1%
MAINT. & REPAIR-TIME/MATERIAL	28,361	26,990	26,990	-		(1,371)	-4.8%
RENTAL/LEASE	206,636	153,530	153,530	-		(53,106)	-25.7%
PROFESSIONAL SERVICES	139,171	80,979	80,979	-		(58,192)	-41.8%
LICENCES, PERMITS, FEES	4,914	2,262	2,262	-		(2,652)	-54.0%
OTHER PURCHASED SERVICES	-	7,196	2,374	(4,822)	-67.0%	2,374	
OFFICE FURNISHINGS & EQUIPMENT	4,147	-	-	-		(4,147)	-100.0%
OTHER EXPENDITURES	8,953	12,458	12,458	-		3,505	39.1%
Total Expenditures	3,590,442	3,460,010	3,885,659	425,649	12.3%	295,217	8.2%
LICENCES & PERMITS	929,701	918,000	923,000	5,000	0.5%	(6,701)	-0.7%
INCOME FROM INVESTMENTS	2,440	1,000	1,000	-		(1,440)	-59.0%
FINES	1,163,686	1,112,500	1,142,500	30,000	2.7%	(21,186)	-1.8%
USER FEES & SERVICE CHARGES	137,719	138,000	128,000	(10,000)	-7.2%	(9,719)	-7.1%
RENTALS	54,614	50,000	50,000	-		(4,614)	-8.4%
SALES	13,500	6,000	6,000	-		(7,500)	-55.6%
RECOVERIES & CONTRIBUTIONS	79	-	-	-		(79)	-100.0%
OTHER INCOME	-	-	10,000	10,000		10,000	
Total Revenues	2,301,739	2,225,500	2,260,500	35,000	1.6%	(41,239)	-1.8%
Net Expenditure (Revenue)	1,288,703	1,234,510	1,625,159	390,649	31.6%	336,456	26.1%

Finance

BUSINESS OVERVIEW

Mission Statement

To secure the financial integrity of the Corporation.

We are the team of experts that coordinate and analyze all financial transactions to enable our customers and partners to make effective business decisions.

Finance is meeting 2004 Objectives

The Finance Department began the 2004 year with 29 planned objectives allocated over the 6 service areas. Overall, majority of the objectives set out in the 2004 Business Plan were met. The annual commitment to completion of the audit and draft financial statements by March 31st continues to be achieved, and is an objective that few municipalities can meet. Submission of our Annual Report and Budget documents to the Government Finance Officers Association has already occurred. In fact, the Town of Markham has been asked to lead a seminar session at the upcoming Municipal Finance Officers Association on "How to Prepare Award Winning Budgets". The updating of the Town of Markham's Development Charge By-laws was a major project during the first 8 months for the Finance Department and the Development Services Commission, and resulted in the approval of 28 Development Charge By-laws on August 31st.

The Tax Section continues to encourage the pre-authorized tax payment plan (PTP), with an overall increase of 25% since 2002. PTP payments are cost effective for the Town and result in consistent cash flows for investment purposes. The initiative to outsource the Town's payrolls is expected to position the Town to move towards online employee access to T4s and pay stub information, as well as creating a single solution for the HR and Payroll departments, resulting in one data set (payroll master file) for both departments and efficiencies in both departments.

Finance is Evolving in 2005

In 2005, Finance will continue to evolve the Client Advisor model established through the Commission reorganization in 2003. This goal would be greatly enhanced with two new positions to provide financial expertise within each of the corporate commissions. The positions will assist with financial analysis required by each commission, while reporting in to the Finance Department for technical leadership. It is also expected that the benefits and efficiencies of the new Payroll/HR system will begin to occur. Employee information will be entered and maintained in one system, compared to the current situation in which both payroll and HR must enter and maintain data in two separate applications. Efficiencies are expected to be significant, and once implementation is complete (April 2005), payroll job descriptions will be reviewed.

Service(s)	Customer(s)
Purchasing	External: Vendors, Residents/Tax Payers,
Payroll	Property Owners, External Relationships (Auditors,
Reporting	Bankers, etc.)
Taxation/Assessment	Internal: Town Staff, Council.
Budgeting/Planning	
Accounts Payable	

Finance

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Completed the 2004 Development Charge Process and received approval for 28 Development Charge By-laws	✓	
Obtained approval to convert to an ADP Payroll/HR system. Implementation underway	✓	
Completed the manual processing of approximately 900 non-residential tax appeals		✓
Developed a Heritage Tax Rebate Program in conjunction with the Heritage Planning Section		✓
Reserve Adequacy review 90% completed	✓	
Completed and submitted the 2003 Annual Report to the GFOA for an award	✓	
Completed and submitted the 2004 Budget Document to the GFOA for an award	✓	
Substantially completed the drafting of a new Purchasing By-law for approval in October/November	✓	
Audit Completed and Draft Financial Statements issued by March 31st	✓	
Prepared an analysis of the fiscal impact of the Leitchcroft Planning District		✓
Analysis and review of options regarding the amalgamation of the Markham and Vaughan Hydro companies	✓	
Solicited a consultant's report of options regarding Affordable Housing" to bring a policy to Council (75%)		✓
Established a Vacancy Rebate Policy and obtained Council approval	✓	
Refunded 1,600 election donations in accordance with the Town's Policy	✓	
Completed a review of the BRAGG analysis regarding Building Permits and cost recovery calculations	✓	
Continued analysis of the Financial issues relating to the Markham Centre Infrastructure requirements	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

Leveraging Technology to increase efficiencies and manage client expectations.

Managing Development Charges to protect service levels.

Evolution of the Client Advisor model to provide financial expertise in all Commissions.

Ensuring Reserves/Reserve Funds are adequate to meet future infrastructure needs.

Monitoring the impact of growth on the Town's budgets.

Opportunities

Continuation of Bond Trading Strategy.

Potential for revenue generation for ownership changes.

Continue to encourage electronic payments to reduce administration costs.

Maximization of Assessment Base.

Finance

2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock and Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload and its Impact	Customer Satisfaction Measurement	Inter-Departmental Communication
1	Implementation of new Payroll/HR system	Complete implementation of all payrolls by end of June 2005									X		X
2	Complete negotiation of water billing contract with Powerstream	Complete the contract negotiation by March 31st and receive Council approval						X					
3	Complete review of property tax billing systems available.	Complete review and decision on next steps by February 28th						X		X	X		
4	Examine potential for replacement of the current SFG Financial System	Develop work plan by year end - <i>Needs more</i>						X		X	X	X	
5	Investigate potential savings through analysis of low dollar purchases	First phase to initiate contract for hardware items - expected June 30. Savings will be monitored and reported on beginning July 30th.						X		X			
6	Implementation of legislated requirements under Bill 175 (Water Sewer)	Implement the requirements of upcoming Bill 175 regulations within the timelines set out.		X	X			X					X
7	Finalize the Green Procurement Policy	Complete the Green Procurement Policy and receive Council approval by June 30th.		X	X			X					
8	Develop a new Purchasing Handbook	Complete the revised Purchasing Handbook and roll out to Corporation by June 30th						X				X	
9	Continuation of Markham Centre Strategy and Financial Analysis including Paid Parking	Financial Model of Markham Centre to be completed Q4. Analysis of Paid Parking to be done on an as needed basis.				X							
10	Complete 2004 Audit and draft Financial Statements	Complete 2004 Audit and draft Financial Statements by March 31st						X					
11	Evolution of the Client Advisor model to provide financial expertise in Community and Development Commissions.	Hire 2 new Senior Financial Analysts and embed in Commissions by June 30th						X			X	X	
12	Review and Comment on upcoming Development Charges Act amendments	Review complete and report to Council within 1 month of receiving proposed changes.	X	X		X		X					
13	Process review of 2004 Development Charge project	Develop detailed work plan in preparation for next review by year end.						X		X	X	X	
14	Complete Performance Reviews	All 2005 performance Objectives completed by the end of February and all final 2005 performance reviews by Jan. 15th 2006							X				
15	Complete and submit 2004 Annual Report to GFOA for an award	Complete and submit 2004 Annual Report to GFOA for an award by June 30th		X				X					
16	Complete and submit 2005 Annual Budget to GFOA for award	Complete and submit 2005 Annual Budget to GFOA for award within 3 months of budget approval		X				X					
17	Complete Affordable Housing Policy	Prepare report to Council and receive approval by March 31st.		X				X					
18	Review proposed changes to Planning and Engineering Fees - Amend 2005 Budget	Revise 2005 Budget to ensure cost recovery plan by June 30th						X					X
19	RE-write Financial Policies	Revised financial policies document and report completed by September 30th						X					
20	Staff Satisfaction	Completion of 2 projects by end of Q1							X				
21	Increase PTP's by 5%	Increase participation in Pre-Authorized Tax payment program by 5%										X	
22	Develop a Cashier Manual as a source of procedures for cash management	Completion of general procedures manual for cashiering operations by end of 3rd quarter.						X					
23	Develop an Apportionments Policy and potential associated fees.	Report to Council in 1st quarter re: severances and apportionments.						X		X			
24	Review Heritage Rebate Program	Review Heritage Rebate program after 1 year and report to Council with results by ...		X				X					
25	Review Exempt/PIL properties	Complete a review of all exempt/PIL properties by end of 3rd quarter.						X				X	
27	Review payment options for Supplementary tax bills	Review opportunities that may exist under legislation to improve payment plan options for Supplementary tax bills.		X									

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Financial Services

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,844,712	2,987,815	3,546,486	558,671	18.7%	701,774	24.7%
PRINTING & OFFICE SUPPLIES	117,187	100,701	100,701	-		(16,486)	-14.1%
OPERATING MATERIALS & SUPPLIES	3,564	9,154	(192,538)	(201,692)	-2203.3%	(196,102)	-5502.3%
CONSTRUCTION MATERIALS	(2,844)	-	-	-		2,844	-100.0%
COMMUNICATIONS	1,114	1,812	2,312	500	27.6%	1,198	107.5%
TRAVEL EXPENSES	8,106	7,185	7,751	566	7.9%	(355)	-4.4%
TRAINING	11,223	28,906	28,115	(791)	-2.7%	16,892	150.5%
CONTRACTS & SERVICE AGREEMENTS	(430,299)	(516,885)	(336,723)	180,162	-34.9%	93,576	-21.7%
MAINT. & REPAIR-TIME/MATERIAL	2,520	1,651	1,651	-		(869)	-34.5%
RENTAL/LEASE	9,473	12,688	12,688	-		3,215	33.9%
PROFESSIONAL SERVICES	164,780	193,618	195,338	1,720	0.9%	30,558	18.5%
LICENCES, PERMITS, FEES	137,129	126,931	126,931	-		(10,198)	-7.4%
CREDIT CARD SERVICE CHARGES	120,283	143,595	143,595	-		23,312	19.4%
OTHER PURCHASED SERVICES	-	3,262	-	(3,262)	-100.0%	-	
OFFICE FURNISHINGS & EQUIPMENT	39	-	-	-		(39)	-100.0%
WRITE-OFFS	-	100	100	-		100	
Total Expenditures	2,986,987	3,100,533	3,636,407	535,874	17.3%	649,420	21.7%
USER FEES & SERVICE CHARGES	234,097	300,800	270,800	(30,000)	-10.0%	36,703	15.7%
RECOVERIES & CONTRIBUTIONS	-	4,705	4,705	-		4,705	
OTHER INCOME	18,581	15,000	393,000	378,000	2520.0%	374,419	2015.1%
Total Revenues	252,678	320,505	668,505	348,000	108.6%	415,827	164.6%
Net Expenditure (Revenue)	2,734,309	2,780,028	2,967,902	187,874	6.8%	233,593	8.5%

Information Technology Services

BUSINESS OVERVIEW

Mission Statement

To support staff of the Town of Markham in their efforts to provide effective public services and maintain efficient government operations through appropriate and innovative application of Information Technologies.

Information Technology Services is meeting 2004 Objectives

The Information Technology Services department reports to the Corporate Services Commissioner. The department provides specific value-add services to the organization related to the use and application of information and information technologies to enhance organizational effectiveness. Increasing expectations of IT from the organization creates staffing and resources pressures. It is a constant challenge to manage expectations while being fiscally responsible. The major objectives for 2004 were delivering IT projects that would benefit the organization and initiating the IT Strategic Plan. Some of the key initiatives in 2004 were 1) Council Chamber Audio Visual upgrade 2) Development of an IT strategic plan, 3) Integration of corporate applications with CARE, and 4) Mobile Markham implementation.

Internally, the department created technology use policies related to existing and new technologies and set standards and guidelines on the acquisition of specific tools and technologies for the organization. This effort has made the department more effective in the delivery of its services as well as streamlining the process for operating departments to initiate requests.

Information Technology Services Plans for 2005

ITS will continue to understand the needs of the organization and strive to meet the demand for IT services. Some focus areas for 2005 are 1) Implementation of the IT strategic plan, 2) Delivery of projects for individual business units, 3) Implementation of IT best practices to enhance effectiveness of the department, 4) Implementation of wireless networking, and 5) Manage IT Infrastructure renewal including server & storage consolidation, centralized backup system, and server renewal, to better serve the various stakeholders.

Service(s)	Customer(s)
Help desk	Council and Town Staff
Network infrastructure and remote access	Website Users
Telecommunications	Residents & Businesses
Applications & GIS	
Business consulting	
Desktop technology	

Information Technology Services

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
IT Strategic Plan - A long-term IT vision for the organization focusing on governance, partnerships, and IT architecture	✓	
Council Chambers audio visual upgrade	✓	
Audio streaming for standing committees		✓
Mobile Markham Implementation - Enabled the organization to received emails on wireless devices	✓	
Network infrastructure upgrade - installed new network wiring in the civic centre	✓	
HR Applicant tracking system		✓
Hansen GIS integration - Enabled synchronization of physical assets and location with Hansen.	✓	
Fire Dispatch GIS module	✓	
Amanda Remote - Enabled building inspectors to have access AMANDA while conducting inspections in the field	✓	
PC replacement program (Year 1 & 2)	✓	
High-speed dark fibre wide-area network connection for Angus Glen, Miller, Esna Park, and MPL administration		✓
ITS policies - Started the implementation of policies and best practices		✓
Wireless networking for Canada room, Council Chambers, and the atrium		✓
Markham theatre online ticketing	✓	
Systems integration between CARE and Hansen for the seamless delivery of work requests for the Contact Centre.	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Finding a balance between maintaining Markham's "Hi-Tech Capital" image, organizational requirements, and fiscal pressures
- Due to the high expectations, operating departments want more IT solutions which has an impact on human and financial resources in IT and the need for IT best practices
- Due to changing industry standards and related technologies there are high expectations from operating departments
- Implementation of the IT Strategic Plan will require resources and the organization to prioritize initiatives

Opportunities

- Transaction fees for self-service and e-Government services
- Partnerships with other municipalities and third party vendors
- Establishing Hotspots for public Internet access and mobile Town of Markham employees
- Enable the Town to receive and process digital data submission from consultants and developers

Information Technology Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock and Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload and its Impact	Customer Satisfaction Measurement	Inter-Departmental Communication
1	Implement the recommendations from IT strategic plan and set the future IT direction for the organization in terms of governance, structure and architecture	Phase 1 of the recommended implementations completed by Q4						X			X		X
2	Rebuild Explore Markham website	To be completed by Q1						X			X	X	X
3	Upgrading OnPointEnterprise to OnPoint Professional	To be completed by Q1						X			X	X	X
4	Upgrade AMANDA	To be completed by Q1						X			X	X	X
5	To build and test a schema of Corporate Address Repository that accommodates major applications by Q2	To be completed by Q2						X			X	X	X
6	Test Upgrade of TXM2000	To be completed by Q1						X			X	X	X
7	Determine data ownership and maintenance schedule by end of Q1	To be completed by Q1						X			X	X	X
8	Reactivate GIS user groups by end of Q1	To be completed by Q1						X			X	X	X
9	Determine tools and data requirement for GIS Emergency Operation support by Q2	To be completed by Q2						X			X	X	X
10	Complete updates of up to five features of selected topographic data sets							X			X	X	X
11	Release RFP for Printers - Q2 and replace printers identified for from the Printer Strategy Project	RFP completed by Q2						X					
12	Release RFP for Servers by Q2 and replace six servers by Q4	RFP by Q2, Replace servers by Q4						X					
13	Release RFP for Tape Library by Q3 and	RFP by Q3, backup consolidation by Q4						X					
14	Consolidate current backup devices	To be completed by Q4						X					
15	Remote Sites Expansion & Wiring upgrade in Operations - Miller Ave, Thornhill CC, Museum and Centennial CC	Miller Ave Q1, Others Q2						X					
16	Define and document VLANs	To be completed by Q4						X					
17	Complete Library Internet Service Integration	To be completed by Q2						X					
18	Consolidate Library and Town's Wide Area Network Infrastructure	To be completed by Q4						X					
19	Implement wireless networking in the Civic Centre	Angus Glen by Q1, Civic Centre by Q2, and other Remote Sites (Main Entrance and Meeting Room) by Q3						X					
20	Implement IT best practices: Policies for non-Standard Equipment	To be completed by Q1						X			X	X	
21	Implement IT best practices: Internal ITS Website for improving communication released	To be completed by Q2						X			X	X	
22	Implement IT best practices: SLA's co-developed with Contact Centre and Recreation	To be completed by Q2						X			X	X	
23	Implement IT best practices: SLA's developed with Fire services	To be completed by Q3						X			X	X	
24	Implement IT best practices: Service Catalogue developed	To be completed by Q3						X			X	X	
25	Implement IT best practices: Prepare and document application support standard	To be completed by Q2						X			X	X	
26	New initiatives proposed by business units (incl. Business cases, project scoping and planning, and implementation control)	Evaluated at closing for each of the approved projects						X					

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Information Technology Services (ITS)

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,389,385	2,644,949	2,959,787	314,838	11.9%	570,402	23.9%
PRINTING & OFFICE SUPPLIES	14,594	10,922	10,922	-		(3,672)	-25.2%
OPERATING MATERIALS & SUPPLIES	10,866	34,902	34,902	-		24,036	221.2%
COMMUNICATIONS	486,327	472,124	572,124	100,000	21.2%	85,797	17.6%
TRAVEL EXPENSES	2,288	4,127	4,127	-		1,839	80.4%
TRAINING	93,360	79,610	79,610	-		(13,750)	-14.7%
CONTRACTS & SERVICE AGREEMENTS	651,062	785,655	785,655	-		134,593	20.7%
MAINT. & REPAIR-TIME/MATERIAL	32,402	32,330	32,330	-		(72)	-0.2%
RENTAL/LEASE	1,936	3,301	3,301	-		1,365	70.5%
PROFESSIONAL SERVICES	81,285	58,252	58,252	-		(23,033)	-28.3%
LICENCES, PERMITS, FEES	1,461	2,039	2,039	-		578	39.6%
OTHER PURCHASED SERVICES	179	1,942	1,942	-		1,763	984.9%
Total Expenditures	3,765,145	4,130,153	4,544,991	414,838	10.0%	779,846	20.7%
RENTALS	1,777	5,000	5,000	-		3,223	181.4%
SALES	4,529	5,000	5,000	-		471	10.4%
Total Revenues	6,306	10,000	10,000	-		3,694	58.6%
Net Expenditure (Revenue)	3,758,839	4,120,153	4,534,991	414,838	10.1%	776,152	20.6%

Corporate Communications

BUSINESS OVERVIEW

Mission Statement

Corporate Communications Services supports, promotes and reinforces Markham's corporate objectives through all communications media. We provide timely, accurate and relevant communications services to our customers.

Corporate Communications Meets 2004 Objectives

Corporate Communications provides communications counsel and support to maximize the impact of key organizational messages to internal and external audiences. The department produces several regular publications; manages the Town of Markham internet and intranet; and provides project coordination, design and editorial support for approximately 100 client projects throughout the year. A Communications Style Guide is being prepared to assist in the implementation of consistent use of terms, logos and other design elements.

Corporate Communications is also responsible for Town of Markham media relations and advertising. Staff prepares media releases, responds to inquiries, provides story ideas to the media and coordinates media training for Town of Markham officials. In addition, Corporate Communications staff provides issues and crisis management support as required.

A full page weekly ad in the Thornhill Liberal and the Markham Economist & Sun provides Markham residents with statutory notices and key information on current community events.

Structural changes have been put in place during the past year. A Director was hired, who joined the department in September. Communications standards, policies and practices are being established. KPI's have been put in place to track client projects and document the associated workload.

Corporate Communications Accelerates Strategic Planning in 2005

In 2005, Corporate Communications will develop and implement a strategic plan tied to organizational priorities. The plan will identify opportunities for increased cost-efficiencies and effectiveness through consistency of messages, maximum use of new and existing communications vehicles and reduced redundancies.

Communications policies, procedures and standards will be developed and implemented. Public and business community recognition of Town of Markham achievements will be increased through advertising, media relations, website accessibility and other communications approaches. Internal communications will be enhanced to increase awareness, understanding and commitment to organizational priorities and to help sustain positive morale. Communications standards, procedures and policies will be developed and implemented to ensure message and brand consistency and to improve efficiencies and cost-effectiveness.

Service(s)	Customer(s)
Communications strategy and consulting	Markham residents and business community
Media relations; Advertising	Other public
Public Relations	Mayor, Councillors, Committees
Editorial and design services	Internal Departments
Website content development and updating	Local and GTA media
Project Management	Regional, Provincial & Federal Governments & Agencies

Corporate Communications

2004 ACCOMPLISHMENTS

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
4 "Mark of Excellence", 2 "About Markham", 52 "Markham" pages, 1 Calendar, 52 "Facts & Stats"	✓	
Approximately 100 client projects	✓	
Director, Corporate Communications in place September 20	✓	
Approx. 60 Media releases, 100+ media inquiries. Issues Management Strategy being developed	✓	
Provided policy advice and expertise on key issues (such as Energy including Hydro One, PowerStream merger and branding)		✓
Strategy and Communications support for the Town's Environmental initiatives (Three Stream Waste Management, West Nile, Communities in Bloom, Anti-Litter, Environment Sustainability Fund)		✓
Strategy and Communications for Markham Safe Streets Task Force	✓	
Drafted Race Relations Brochure		✓
Created a photo archive for members of Council		✓
Provided media relations support for Internet Voting Report		✓
Initiated Phase 1 of Website Accessibility for Visually Impaired	✓	
Implemented KPIs to track projects and administrative functions to determine department capacity	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

Need to compete for greater positive exposure in GTA media.

Continued pressure from unplanned and unpredictable client demands.

On-going need for immediate/timely responses to media & issues management requests.

Opportunities

Develop Strategic Communications Plan for increased quality, efficiency, cost-effectiveness

Establish & implement communications policies, procedures, and standards.

Explore increased application of technology to improve efficiencies.

Corporate Communications 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock and Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload and its Impact	Customer Satisfaction Measurement	Inter-Departmental Communication	
1	Implement Public Spaces plan	Display system & electronic display in place in Civic Centre by Q2.		X										X
2	Develop & implement branding strategy	Branding strategy approved Q1. Signage standards, logo use guidelines in place Q1.		X				X	X					X
3	Streamline web content & content management	Content management training completed Jan.'05. Web assessment recommendations adopted as appropriate Q1.		X				X			X			X
4	Enhance internal communications	News bulletin system in place Q2. "Mark of Excellence" (quarterly) content reflects corporate priorities. "From the Desk of..." used as appropriate.												X
5	Department re-structuring implemented	Mgr. Communications Services in place Q1. New Client Service structure implemented Q1. Department processes in place and functioning effectively throughout the year.							X		X	X	X	X
6	Provide superior client service.	Markham Centre support - on-going. Safe Streets support -Q1. Anti-litter support- Q.1 Communities in Bloom Support- on-going. Volunteerism Support - on-going. Emergency Management support on-going. Facility openings support - as required. Waste Manage	X	X	X	X	X	X						X
7	Publications excellence.	Town Page (weekly), About Markham (2 x/yr), Living in Markham (annual) , Markham Report Card (annual) content and messaging consistent with council & corporate priorities. Publications rated relevant and useful by residents.	X	X	X	X	X	X					X	
8	Policy & process improvements	Policies developed and processes streamlined throughout the year. E.G. media release & responses, publication content & scheduling, web & intranet content management, Town Page re-designed with new policies & processes in place.												
9	Strategic Communications Plan	Communications Plan developed with implementation in process.							X		X			

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Corporate Services
 Corporate Communications
 250-998

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	340,533	425,237	443,880	18,643	4.4%	103,347	30.3%
PRINTING & OFFICE SUPPLIES	18,716	18,253	18,253	-		(463)	-2.5%
OPERATING MATERIALS & SUPPLIES	3,299	12,330	3,301	(9,029)	-73.2%	2	0.1%
COMMUNICATIONS	9,662	14,466	14,466	-		4,804	49.7%
TRAVEL EXPENSES	793	3,980	3,980	-		3,187	401.9%
TRAINING	3,531	2,524	2,524	-		(1,007)	-28.5%
PROFESSIONAL SERVICES	42,616	35,284	35,284	-		(7,332)	-17.2%
LICENCES, PERMITS, FEES	557	1,456	1,456	-		899	161.4%
PROMOTION & ADVERTISING	203,633	181,554	181,554	-		(22,079)	-10.8%
OTHER PURCHASED SERVICES	521	-	2,186	2,186		1,665	319.6%
OTHER EXPENDITURES	66,598	65,000	65,000	-		(1,598)	-2.4%
Total Expenditures	690,459	760,084	771,884	11,800	1.6%	81,425	11.8%
SALES	-	1,500	1,500	-		1,500	
Total Revenues	-	1,500	1,500	-		1,500	
Net Expenditure (Revenue)	690,459	758,584	770,384	11,800	1.6%	79,925	11.6%

Contact Centre

BUSINESS OVERVIEW

Mission Statement

Through well trained, knowledgeable staff, supported by state of the art technology, we provide our customers with exceptional, prompt and effective quality service through one stop access to the Town's programs and services.

The Contact Centre is meeting 2004 Objectives

The Contact Centre represents a unified approach to service delivery. Customer inquiries are answered in a timely manner by knowledgeable and caring customer service agents. This improvement in service delivery has an effect beyond satisfying the client; it strengthens the image of the organization. The following are services currently being supported: Waste, Park, Recreation, Registration, Tax, Switchboard, By-Law Enforcement, Street Services, Purchasing. The Contact Centre celebrated its first anniversary of operations on April 28, 2004 and has witnessed significant growth since its inception. In the 2003 (eight months of operation), the Contact Centre answered 135,192 calls. In the first eight months of 2004, the Call Volume has increased by approximately 22% to 164,271. The service standard of having 70% of calls answered within 30 seconds is being achieved with a rate of 74% in 2004. There have been similar increases in the number of people served at the counter (21%) and recreation registrations (28%).

2004 has been a busy year for the Contact Centre with plans in place to add Engineering (Development) and Engineering (Transportation) to the stable of services on October 1. The Contact Centre also assumed responsibility of providing Corporate training for CARE, assisted Waste with the 5-day reroute and Three Stream Education program, conducted surveys for Corporate Communications and Waste Management, and provided support for the Region's new subsidy program "Play". These initiatives have been undertaken with little impact to the Town's budget by continuously striving for operational improvements. In 2004, CARE was leveraged to the first outside partner (Miller Waste) which resulted in 300 less outbound calls per month. Regular staff training and the knowledge gained from staff experience have also resulted in efficiencies. Furthermore, a part-time resource pool program was implemented and has resulted in a successful job sharing experience with the Mayor's Office.

Advancements in Customer Service in 2005

The focus of the Contact Centre in 2005 is to continue to improve the ways in which Markham communicates with stakeholders. The goal of the Contact Centre is to look at taking on more services such as Water and Development Services in order to provide fast, accurate, and consistent service and information. Furthermore, these transitions will lay the groundwork for a "One Number to Call" Strategy which will enable customers to have a single contact number and provide ease of access to services. Another significant customer service initiative is to implement a waitlist callback system to inform customers of their status for registered courses and to streamline the notification process. Not only will this increase the response time back to residents, but it will also save approximately 520 hours of staff time a year. In an effort to improve operations throughout the Town, The Contact Centre will begin to provide reporting and trend analysis to Business Units on a consistent basis to allow for better fact-based decision making.

Service(s)	Customer(s)
Telephone Support (Inquiries & Complaints) Registration Processing Car Pool Maintenance	External: Residents, Miller Paving, Businesses. Internal: Councillors, Senior Management,

Contact Centre

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Took 164,000 calls in the first eight months of 2004 (74% of calls answered within 30 seconds; 88% first call resolution)	✓	
Serviced over 10,000 customers at the counter in the first eight months (a 21% increase vs. 2003)	✓	
Transitions: Engineering (Transportation), Engineering (Development)	✓	
Implemented Part-time Resource Pool - Administrative Support in the Mayor's Office		✓
Leveraged CARE to first outside partner (Miler Waste) - time savings of 120 hours/year		✓
Assumed responsibility for Corporate CARE training		✓
Key partner with Waste in the 5-day reroute and Three Stream education program		✓
Follow up on 5% of CAREs to find out if the customer was happy with service provided by Contact Centre	✓	
Provided expertise to several local governments looking to implement a Contact Centre (Kitchener, London, Vaughan, Richmond Hill, Newmarket, Region of York)		✓
Ongoing training and development for Contact Centre Staff (e.g. tax update, three stream)	✓	
Provided comprehensive Contact Centre training (4 weeks) for 7 additional staff (7 part-time and 1 team lead)		✓
Implemented coaching and development strategy for Contact Centre staff (monitor 5 calls per agent per month)	✓	
Conducted Surveys for Corporate Communications and Waste Management		✓
Provide monthly reporting to Senior Management and Operating Departments	✓	
Provide support for Region's new Subsidy Program (program registration) - 'Play'		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- As the Contact Centre grows, more space will be required.
- Cost of technology (scheduling, call monitoring software).
- Implementation of expert pods as Business Unit progresses.

Opportunities

- Position the Town of Markham Contact Centre to be the potential 311 Region-wide service provider.
- Continue to migrate recreation registration customers to on-line methods to reduce paperwork and mailing costs.

Contact Centre

2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock and Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload and its Impact	Customer Satisfaction Measurement	Inter-Departmental Communication	
1	Investigate future transitions into the Contact Centre or on to CARE	Transition two new services by year end.						X					X	
2	Automate notification process for Registration	Implement notification process by year end.						X					X	
3	Investigate and implement one number to call (single point of contact)	Implement one number to call by end of 2005						X					X	
4	Real-time automate credit card approval for Class	Implement credit card approval for Class by year end.						X			X	X		
5	Creation of new reports for self service and better fact based decision making.	Meet on a monthly basis with Operating Managers.						X	X				X	X
6	Create an internet presence (publish FAQ's, pilot a chat facility)	Provide reports on number of visitors to the web site and number of people accessing chat facility.						X					X	
7	Complete community surveys	Complete 3 surveys by year end.						X					X	X
8	Developing and ongoing coaching of staff	Call monitoring ~ 5 calls per staff/month						X	X	X			X	

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Corporate Services
 Contact Centre
 350-998

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	646,539	680,024	696,347	16,323	2.4%	49,808	7.7%
PRINTING & OFFICE SUPPLIES	12,877	5,875	7,875	2,000	34.0%	(5,002)	-38.8%
COMMUNICATIONS	13	-	-	-		(13)	-100.0%
TRAVEL EXPENSES	2,877	-	2,200	2,200		(677)	-23.5%
TRAINING	6,753	2,209	2,709	500	22.6%	(4,044)	-59.9%
RENTAL/LEASE	3,392	-	3,000	3,000		(392)	-11.6%
LICENCES, PERMITS, FEES	278	-	300	300		22	7.9%
OFFICE FURNISHINGS & EQUIPMENT	517	-	-	-		(517)	-100.0%
Total Expenditures	673,246	688,108	712,431	24,323	3.5%	39,185	5.8%
USER FEES & SERVICE CHARGES	7,628	-	8,000	8,000		372	4.9%
Total Revenues	7,628	-	8,000	8,000		372	4.9%
Net Expenditure (Revenue)	665,618	688,108	704,431	16,323	2.4%	38,813	5.8%

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Corporate Items Consolidated

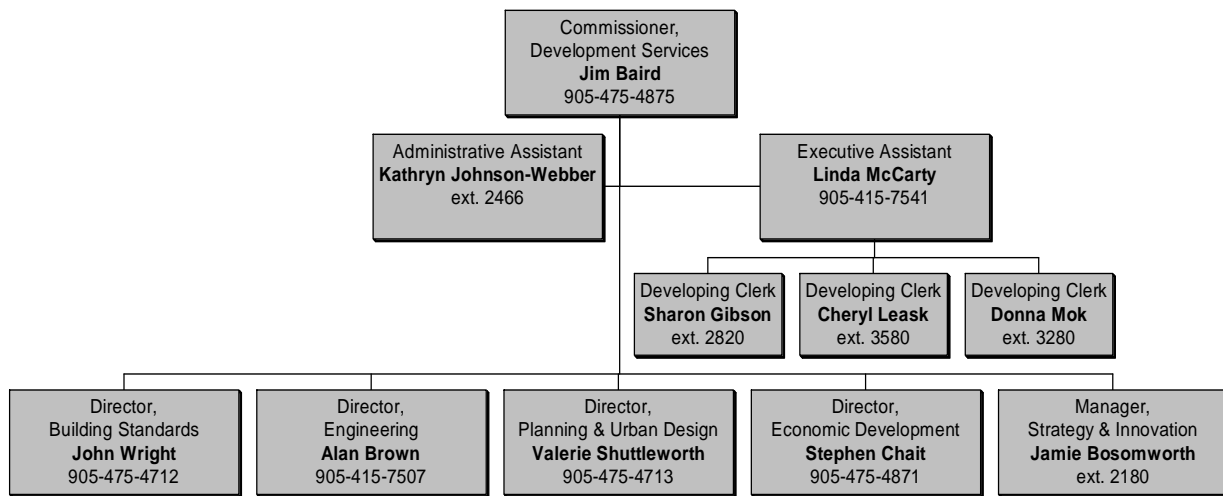
<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	6,464,537	4,193,246	4,672,862	479,616	11.4%	(1,791,675)	-27.7%
UTILITIES	-	1,617	1,617	-		1,617	
CONTRACTS & SERVICE AGREEMENTS	39,615	(5,533)	(5,533)	-		(45,148)	-114.0%
RENTAL/LEASE	14,047	29,126	29,126	-		15,079	107.3%
INSURANCE	1,009,368	1,013,858	1,185,851	171,993	17.0%	176,483	17.5%
PROFESSIONAL SERVICES	1,602	44,117	44,117	-		42,515	2653.9%
LICENCES, PERMITS, FEES	18,267	7,810	7,810	-		(10,457)	-57.2%
PROMOTION & ADVERTISING	66,539	31,709	31,709	-		(34,830)	-52.3%
OTHER PURCHASED SERVICES	87,261	87,261	237,261	150,000	171.9%	150,000	171.9%
OFFICE FURNISHINGS & EQUIPMENT	626	-	-	-		(626)	-100.0%
WRITE-OFFS	233,939	1,021,500	500,500	(521,000)	-51.0%	266,561	113.9%
OTHER EXPENDITURES	863,174	1,211,674	1,760,911	549,237	45.3%	897,737	104.0%
TRANSFERS TO RESERVES	27,211,668	22,564,686	23,682,268	1,117,582	5.0%	(3,529,400)	-13.0%
TRANSFERS FROM RESERVES	(2,858,409)	-	-	-		2,858,409	-100.0%
Total Expenditures	33,152,234	30,201,071	32,148,499	1,947,428	6.4%	(1,003,735)	-3.0%
TAX LEVIES	80,034,822	77,678,036	84,964,025	7,285,989	9.4%	4,929,203	6.2%
TAXES - OTHER CHARGES	4,577	-	-	-		(4,577)	-100.0%
GRANTS-IN-LIEU OF TAXES	1,357,583	1,501,812	1,268,845	(232,967)	-15.5%	(88,738)	-6.5%
INTEREST & PENALTIES	3,363,848	3,375,000	3,375,000	-		11,152	0.3%
INCOME FROM INVESTMENTS	11,771,808	10,613,912	11,231,494	617,582	5.8%	(540,314)	-4.6%
USER FEES & SERVICE CHARGES	184	-	-	-		(184)	-100.0%
OTHER INCOME	3,667,729	1,995,000	2,995,000	1,000,000	50.1%	(672,729)	-18.3%
TRANSFER FROM SURPLUS	1,900,775	1,900,774	1,900,774	-		(1)	0.0%
Total Revenues	102,101,326	97,064,534	105,735,138	8,670,604	8.9%	3,633,812	3.6%
Net Expenditure (Revenue)	(68,949,092)	(66,863,463)	(73,586,639)	6,723,176	-10.1%	4,637,547	-6.7%

TOWN OF MARKHAM**2005 Budget WORKSHEET (in dollars)**

Corporate Services
 Commissioner's Office - Commission Support
 399-999

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	367,731	364,765	382,063	17,298	4.7%	14,332	3.9%
PRINTING & OFFICE SUPPLIES	(2,450)	1,262	1,262	-		3,712	-151.5%
COMMUNICATIONS	1,095	1,165	1,165	-		70	6.4%
TRAVEL EXPENSES	7,573	9,757	9,757	-		2,184	28.8%
TRAINING	335	2,621	2,621	-		2,286	682.4%
LICENCES, PERMITS, FEES	5,688	6,485	6,485	-		797	14.0%
PROMOTION & ADVERTISING	-	485	485	-		485	
Total Expenditures	379,972	386,540	403,838	17,298	4.5%	23,866	6.3%
Net Expenditure (Revenue)	379,972	386,540	403,838	17,298	4.5%	23,866	6.3%

Development Services



The commission provides direction and support to envision, create and deliver the most livable community in North America. This is achieved through a multi-disciplined team of professionals and administrative staff, balancing individual customer and partner's requirements with the broader public interest. This includes safe buildings, a healthy environment, a strong local economy, well-planned neighborhoods, quality infrastructure, and a people friendly community.

The following Business Units are included under Development Services Commission:

- Building Standards
- Planning and Urban Design
- Engineering
- Economic Development

Building Standards

The department's mission is to enhance the quality of community life with particular emphasis on environmental, health, accessibility, and life safety issues related to building construction. This is accomplished by delivering the optimum level of service achievable in a timely, cost-effective and consistent manner within a corporate climate that is open, responsive, progressive and fair. The department is a leader in using technologies and practices that facilitate sustainable development, prevent buildings failure and effect reasonable compliance with building regulations.

The Building Standards Department is responsible for the administration of Ontario Building Code and other applicable laws including the Town's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders. Each building's addition or renovation is issued a building permit and inspected for the following major building components:

- a) Architectural
- b) Mechanical
- c) Structural
- d) Plumbing
- e) Zoning
- f) Application Review

Planning & Urban Design

This department creates civic pride through excellence in community planning and development. The Planning and Urban Design department activities relate to long range strategic planning and current development control; formulation of plans, policies, regulations and guidelines on land use, development, urban design and growth management; processing and evaluation of development applications; data collection, analysis, research and monitoring on land use, planning policy and growth related matters; digital mapping related functions; community outreach, liaison and information.

Engineering

The department promotes excellence and innovation in the planning and delivery of infrastructure, transportation and environmental engineering. The department consists of the following sections:

- Development
- Inspection
- Infrastructure and Capital Projects
- Transportation

Development

The development section is responsible for managing, reviewing for quality control and approving a variety of Municipal Engineering related projects. These projects include:

- a) New subdivisions applications
- b) Site plan applications
- c) Transportation planning proposals
- d) Storm water management proposals
- e) Municipal servicing and infrastructure design and construction

Inspection

The inspection section ensures that all municipal infrastructures listed below are installed in accordance with the Town's standards.

- a) Storm and sanitary sewer construction
- b) Water main construction
- c) Road construction
- d) Grading
- e) Service connection
- f) Utilities
- g) Reduction and/or release of engineering-related securities
- h) Pool inspection

Infrastructure and Capital Projects

This area is responsible for major infrastructure and capital projects undertaken by the Town. Most of these projects consist of roads construction and installation of water services. The department advises and plans for these projects, but construction of the building is contracted out to an external construction company.

Transportation

The transportation section has three main areas of responsibilities, which are:

- Travel Demand Management
- Transportation Planning
- Operations

Travel Demand Management

Their basic responsibility is to ensure that the Markham community can travel within reasonable time limits around the town and to other jurisdictions. One of the main duties of this section of Transportation is to promote public awareness by outlining all available methods of traveling, especially non-automotive alternatives, with the hope of increasing the usage of available Public Transit/Shared Transit resources.

Transportation Planning

The purpose behind this group is to anticipate and plan for dealing with the present and future transportation pressures. Basic duties include conducting studies, creating transportation models and making plans of how to develop and integrate all these methods of transportation.

Operations

This group is primarily concerned with the performance of the entire Markham transportation system as to how well the system actually operates. Duties include signals' timing, collisions' database and analysis, parking, stop signs, and crossing guards, etc.

Economic Development

The Economic Development department generates economic prosperity for the Town and its residents by aggressively marketing Markham as the best place to work in and as Canada's high-tech capital. This success is accomplished through the motivated staff, timely and insightful research, targeted marketing, enabling strategies, and outstanding "one-stop service". Some of the services provided include:

- Business attraction
- Business retention and expansion
- Small business/entrepreneur development
- Economic research
- Advertising, marketing, and promotion

Building Standards

BUSINESS OVERVIEW

Mission Statement

We strive to enhance the quality of community life with particular emphasis on environmental, health, accessibility and life safety issues related to building construction. This mission is accomplished by meeting or exceeding Provincially prescribed levels of service in a cost-effective and consistent manner within a corporate climate that is open, responsive, progressive and fair. We are leaders in the promotion of technologies and practices that facilitate sustainable development, prevent building failure and satisfy our customers. Our motto is: "Raising Standards . . . Meeting Needs".

Building Standards is meeting 2004 Objectives

Staff of the Building Standards Department is responsible for the administration of the Ontario Building Code and other applicable laws including the Town's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders. Each building, addition or renovation is issued a building permit and inspected for the following major building components: architectural, mechanical, structural, plumbing, on-site sewage systems, & zoning. Regulatory reform at the Provincial level has obliged the Department to review such fundamental operational metrics as fees, service levels, qualifications of staff and permit prerequisites. In preparation for these reforms, IBM consulting was retained to develop outline the guiding principles for establishing user fees and the costs that drive them. Those principles will be applied to a building bylaw that effects a balance between revenues and costs. To continue discharging their current job responsibilities, Building Standards staff are required to obtain a total of 144 qualifications.

By August 2004, 57 of those had already been obtained on the basis of accepted advanced standing, or challenge examinations. A method of reporting the time spent on plan review processes has helped quantify our existing level of service relating to the time it takes to obtain a building permit. Discussions are underway to implement alternative procedures for obtaining various municipal requirements such as sewers, etc. that can no longer be linked to building permit availability.

The 5th Annual Building Excellence Awards were given to builders who met prescribed performance standards. Other ways of recognizing client performance are under development.

Building Standards is Staying the Course in 2005

Although the responsibilities of the Building Standards Department are essentially unchanged in 2005, operational reforms dictated by Bill 124 will be undertaken. These include mandatory use of permit application and other forms, procedural changes dictated by new mandatory service standards, new building bylaw (including restructured fees), AMANDA changes to support the procedural reforms.

Service(s)	Customer(s)
Architectural plans examination, building inspections, plumbing inspections, zoning review, letters of compliance	Home builders, contractors, land developers, residents
Code enforcement (including investigation & prosecution)	Planning, Engineering, Urban Design, Waste Management, external agencies such as TRCA, LLBO, Tarion Warranty Program, Ministry of Labour
Reporting & Access to information	General public, StatsCanada, MTAC, Tarion, Ministry of Labour
Training	Builders, Home owners
Applicable Law Administration	

Building Standards

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
Develop principles for establishing user fees	✓	
Commence training and licensing of all inspection and plan review staff	✓	
Conduct Building Excellence Award program	✓	
Reclaim file room space for document management purposes.		✓
Designed and implemented AMANDA "Milestone Monitor"	✓	
Implemented "Zoning Inquiry" AMANDA folder type		✓
Extensive piloting of mobile data entry by building inspectors	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

Bill 124 requires dramatic improvements in service standards that will require significant additional resources and procedural reform

Insufficient office space for existing and anticipated staff complement.

Intensive training and assessment required by Bill 124 must be completed by Q3 2005

Surplus revenues will no longer be available to subsidize other business units

Opportunities

Bill 124 allows recovery of all costs associated with Building Code enforcement to be recovered with building permit fees. Certain transformational costs can be funded in this way.

Bill 124 requirements for qualified and insured role-players should promote compliance and redistribute risk.

Bill 124 enables procurment of plan approval and inspection services from private code agents. The opportunity to meet service level targets with alternative providers will be explored.

On-line automation of permitting procedures will enable a range of customer service benefits

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Development Services
 Building Standards
 600-998

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	3,691,099	3,422,183	3,918,983	496,800	14.5%	227,884	6.2%
PRINTING & OFFICE SUPPLIES	57,600	66,708	61,708	(5,000)	-7.5%	4,108	7.1%
OPERATING MATERIALS & SUPPLIES	11,995	10,604	12,604	2,000	18.9%	609	5.1%
COMMUNICATIONS	17,475	11,893	14,893	3,000	25.2%	(2,582)	-14.8%
TRAVEL EXPENSES	4,848	9,141	9,141	-		4,293	88.6%
TRAINING	34,883	17,476	17,476	-		(17,407)	-49.9%
MAINT. & REPAIR-TIME/MATERIAL	190	235	235	-		45	23.7%
RENTAL/LEASE	9,215	6,214	6,214	-		(3,001)	-32.6%
PROFESSIONAL SERVICES	22,191	971	971	-		(21,220)	-95.6%
LICENCES, PERMITS, FEES	11,831	11,165	11,165	-		(666)	-5.6%
PROMOTION & ADVERTISING	8,081	6,311	6,311	-		(1,770)	-21.9%
OTHER PURCHASED SERVICES	-	69	-	(69)	-100.0%	-	
Total Expenditures	3,869,408	3,562,970	4,059,701	496,731	13.9%	190,293	4.9%
LICENCES & PERMITS	7,857,201	8,590,000	8,931,116	341,116	4.0%	1,073,915	13.7%
USER FEES & SERVICE CHARGES	72,353	142,000	92,000	(50,000)	-35.2%	19,647	27.2%
Total Revenues	7,929,554	8,732,000	9,023,116	291,116	3.3%	1,093,562	13.8%
Net Expenditure (Revenue)	(4,060,146)	(5,169,030)	(4,963,415)	(205,615)	4.0%	903,269	-22.2%

Planning and Urban Design

BUSINESS OVERVIEW

Mission Statement

The department works to create and sustain the quality of life in the community. We plan for future generations and guide and direct the implementation of the community's vision and values on a day to day basis.

Planning and Urban Design is meeting 2004 Objectives

Development Approvals - District teams continue to review and process all manner and development proposal from submission through to Council approval and agreements.

Administration & Productivity Enhancements - re-allocated staff resources to better serve the community and development industry through re-aligning the district teams from 5 to 4 geographical areas, new homebuyers guide developed; new By-law 177-96 consolidation.

Infrastructure Projects - the department initiated the design & construction process for almost 60 acres of new parks.

Growth Management - provided analytical support to the development charge update; undertook a number of Town policy initiatives in support of the Region and Provincial growth management and intensification policies and continued to provide leadership in environmental policy and heritage preservation.

Planning and Urban Design is Staying the Course in 2005

1. The department will continue to deliver on its core business through 2005, in the context of the challenges related to sewer and water capacity.
2. We will continue to focus on the implementation of Markham Centre through efforts such as the parking and financial strategies. A clear and consistent policy framework for the intensification of the Hwy. 7 corridor.
3. We will bring forward a new tree bylaw and deliver new parkland and open spaces to meet community expectations.
4. We will continue to focus on enhancing our environmental policy framework.
5. We will continue to actively preserve, restore and enhance our heritage resources

Service(s)	Customer(s)
Establish sustainable land use and urban design policies and guidelines. Review and comment on development applications. Provide mapping and statistical planning support services. Promote and assist in the retention and restoration of the Town's heritage resources. Provide a solid policy framework for the growth management of the Town, with an emphasis on infill and intensification. Provide leadership in the development and implementation of environmental policy. Design and develop high quality, sustainable parks and open spaces.	Home builders, contractors, land developers. Consultants Markham business owners and residents Council members Other Town departments and external agencies

Planning and Urban Design

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
In planning policy, the department completed: 1. Responses to regional and provincial bills, reports and plans. 2. Resolving Group Home appeals 3. Second Suites strategy 4. Development charge inputs. 5. OP consolidation	✓	
In environmental policy, the department completed: 1. OPA 116 - Rouge North Official Plan Amendment 2. Responses to provincial and TRCA reports and strategies 3. Small streams study	✓	
The district development teams facilitated many key approvals including: The Markham Centre Greenlands Plan, YMCA, Liberty and the Markham Centre zoning by-law, Main Street Markham and Miliken Studies, as well as the new homebuyers guide and a new By-law 177-96 consolidation.	✓	
Almost 60 acres of new park design and construction were initiated and 84 acres of parks were completed. Almost 100% of our 2004 capital parks projects have been initiated in 2004..	✓	
In urban design, Thornhill Streetscape Study was completed and a number of process improvements and work flow improvement initiatives undertaken	✓	
Heritage staff completed: 1. Heritage Tax Relief program. 2. Doors Open Markham. 3. 20+ easement agreements. 4. Heritage inventory update 5. 10+ new designations. 6. Heritage Estates relocations (2) and restorations (4)	✓	
In geomatics key projects included 1. Town address point dataset 2. By-law 177-96 consolidation mapping 3. Acquisition of Communityviz programme and initial training	✓	
The department re-allocated staff resources to four district teams to better serve its customers		✓
Awards were received for OPA 116 North Rouge Management Area, Award of Excellence in Planning for Markham Centre Communications and the B. Napier Simpson Jr. Award to Heritage Markham. Regan Hutcheeson also		✓
Commercial Policy Review underway		✓
Design staff also facilitated a design competition and selection of a winning design for the markham Centre Urban Amenity feature.		✓

FUTURE CONSIDERATIONS

Issues/Pressures

1. Sewer and water capacity management and pace of development impacts.
2. Response to growth management strategies (and other initiatives) from senior levels of government
3. Overall staff workload and project prioritizing
4. Impacts of implementation of BRAGG legislation on planning/design processes and fees.

Opportunities

1. Partnership with other levels of government to deliver growth management and intensification strategies and implementation tools
2. Take advantage of urban intensification opportunities generated through rapid transit improvements.
3. Undertake customer surveys and adjust KPI's, if necessary

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Planning & Urban Design

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	3,333,869	3,300,188	3,396,558	96,370	2.9%	62,689	1.9%
PRINTING & OFFICE SUPPLIES	54,947	20,675	19,175	(1,500)	-7.3%	(35,772)	-65.1%
OPERATING MATERIALS & SUPPLIES	12,103	9,186	9,186	-		(2,917)	-24.1%
COMMUNICATIONS	9,694	4,369	4,369	-		(5,325)	-54.9%
TRAVEL EXPENSES	13,196	10,374	10,638	264	2.5%	(2,558)	-19.4%
TRAINING	16,635	5,781	7,281	1,500	25.9%	(9,354)	-56.2%
RENTAL/LEASE	13,169	-	-	-		(13,169)	-100.0%
PROFESSIONAL SERVICES	77,989	41,748	41,748	-		(36,241)	-46.5%
LICENCES, PERMITS, FEES	16,730	11,995	11,995	-		(4,735)	-28.3%
PROMOTION & ADVERTISING	120	15,049	15,049	-		14,929	12440.8%
OTHER PURCHASED SERVICES	-	927	-	(927)	-100.0%	-	
OTHER EXPENDITURES	-	-	50,000	50,000		50,000	
Total Expenditures	3,548,452	3,420,292	3,565,999	145,707	4.3%	17,547	0.5%
USER FEES & SERVICE CHARGES	2,209,915	1,610,000	1,714,895	104,895	6.5%	(495,020)	-22.4%
RECOVERIES & CONTRIBUTIONS	-	10,000	10,000	-		10,000	
OTHER INCOME	-	-	50,000	50,000		50,000	
Total Revenues	2,209,915	1,620,000	1,774,895	154,895	9.6%	(435,020)	-19.7%
Net Expenditure (Revenue)	1,338,537	1,800,292	1,791,104	(9,188)	-0.5%	452,567	33.8%

Engineering

BUSINESS OVERVIEW

Mission Statement

Promote excellence and innovation in the planning and delivery of infrastructure, transportation and environmental engineering.

Engineering is meeting 2004 Objectives

- Development - provide comments and approvals for planning applications
- Review and approve all new hard infrastructure for development
- Capital - establish yearly and 10 year capital programmes
- implement capital budget,
- coordinate Region's capital programme
- Transportation - coordinate and implement Safe Street Strategy
- Implement TMA's for Hwy 404/Hwy 7, Markham Centre and Civic Centre
- coordinate operational issues (signals, stop signs, parking, school crossing guards, etc.)
- implement program for bike routes working with Cycling/Pedestrian Advisory Committee
- review and provide conditions on transportation studies related to development application
- Inspections - Provide quality control on all new development and capital projects
- Administration of subdivision and Site Plan agreementw with respect to public works infrastructure including securities, Acceptance and final assumption acceptance and final assumption of works
- Environmental - establish environmental policies/criteria regarding protection of water courses
- retrofit SWM facilities

Engineering is Staying the Course in 2005

In addition to our Core Services the priorities for 2005 will be:

- Transportation - Safe Streets Strategy Implementation
 - TDM establishment
 - bike study implementation
- Capital - Capital Infrastructure implementation (i.e. Enterprise Drive, Rodick Road, Birchmount)
- Environmental projects
- Development - Sewage and Water allocation resolution, engineering fee review
- Inspections - Letter of Credit process improvement (Amanda)
- Environmental - Environmental standards/criteria update, Pomona Mills Creek Study, Small Stream Implementation
- Administration - Customer Satisfaction survey, KPI Update
- Staff's salary compensation

Service(s)	Customer(s)
Development • Engineering approvals	Home builders, contractors, land developers
Capital	Consultants
Transportation • Safe Street Implementation <ul style="list-style-type: none"> • Operational Issues • TDM • Engineering approvals 	Markham Business owners and residents
Inspections • Infrastructure Construction inspections <ul style="list-style-type: none"> • Administration of Agreements • Final Assumption of Infrastructure • Resident concerns re new development, servicing and lot grading 	Council members
Environmental	Other Town departments and external agencies

Business Unit Profile

Engineering

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Development – \$60 million in infrastructure approved	✓	
- Updated Engineering Standards and Design Criteria		✓
- Fill by-law (Fall 2004)		✓
Capital - Development Charges Study Update	✓	
- Enterprise/CN, Rodick/Hwy 407 underpass commenced	✓	
Transportation - Safe Streets Strategy prepared and endorsed by Council	✓	
- Travel Demand Management - Start up for Hwy 404/Hwy 7, Markham Centre and Town Centre, TMA's	✓	
- Rapid Transit Quick Start alignment and stop location approvals		✓
- Bike Implementation Plan endorsed by Council	✓	
Inspections – \$45 million in infrastructure construction and servicing	✓	
- 25 subdivisions assumed	✓	
Environmental - Small Stream Study completed Fall 2004	✓	
- Retrofit of Leitchcroft SWM Facility and Milne Creek improvements will commence this Fall	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Sewage/Water allocation - Finalize amount and timing of allocation
 - potential residential development impact
- Staff retention/replacement - Managers salary not competitive to counterparts in GTA
- Work load - ability of staff to meet work load and maintain a reasonable level of service
- Environmental Coordination – review contract/consultant services to implement programs

Opportunities

- Revenue - Review increase of fees to cover all associated cost of development (staffing, support services, etc.)
- Prepare 10 year budget for all hard services under development charges
- Policy/Procedures - update processes for sections
- KPI update and customer service survey

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Development Services
 Engineering
 640-998

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,328,478	2,297,352	2,961,671	664,319	28.9%	633,193	27.2%
PRINTING & OFFICE SUPPLIES	17,727	9,281	9,281	-		(8,446)	-47.6%
OPERATING MATERIALS & SUPPLIES	12,381	5,276	5,276	-		(7,105)	-57.4%
COMMUNICATIONS	9,951	5,918	5,918	-		(4,033)	-40.5%
TRAVEL EXPENSES	15,549	9,922	9,922	-		(5,627)	-36.2%
TRAINING	11,494	11,863	11,863	-		369	3.2%
CONTRACTS & SERVICE AGREEMENTS	(37,523)	(37,523)	(37,523)	-		-	
PROFESSIONAL SERVICES	513,788	503,759	572,889	69,130	13.7%	59,101	11.5%
LICENCES, PERMITS, FEES	3,199	4,544	4,544	-		1,345	42.0%
OTHER PURCHASED SERVICES	-	309	-	(309)	-100.0%	-	
Total Expenditures	2,875,044	2,810,701	3,543,841	733,140	26.1%	668,797	23.3%
USER FEES & SERVICE CHARGES	2,565,503	1,408,000	1,847,832	439,832	31.2%	(717,671)	-28.0%
SALES	450	-	-	-		(450)	-100.0%
Total Revenues	2,565,953	1,408,000	1,847,832	439,832	31.2%	(718,121)	-28.0%
Net Expenditure (Revenue)	309,091	1,402,701	1,696,009	293,308	20.9%	1,386,918	448.7%

Economic Development

BUSINESS OVERVIEW

Mission Statement

To establish, promote and support Markham as the best location for diverse high-tech and other leading businesses.

Economic Development is meeting 2004 Objectives

The Department is well advanced towards meeting all 6 of its business objectives in 2004.

1. The number of high-tech firms in Markham (866) has grown 7.6% since 2002, and now provides 31,000 jobs (25% of total employment). Prime among new firms in Markham are CGI, Cygnal Technologies, and Panda Software.
2. Markham's reputation as "Canada's High-Tech Capital" has been significantly enhanced as a result of the release of our new DVD, the re-branding of the "Markham Leader", the early success of the ISCM, and the town's leadership in event sponsorship and promotion.
3. Programs implemented to distinguish Markham as a "unique sales and investment opportunity" include the incorporation of ISCM as a public-private partnership, the initiation of the "Knowledge Community" Task Force, and the promotion of Markham Centre (incl. district energy) as a major business location in the GTA.
4. Strategic partnerships have been operationalized with the U of T (12 new course offerings), Seneca College (fundraising & ISCM), York U (biotech & ISCM), NRC (ISCM and lab opportunity), GWL/Remington/Redcliff (tenant attraction activities), Cary
5. The Small Business Enterprise Centre (MSBEC) has already served over 1000 clients (6 mo.) and hosted over 10 events in 2004. Over \$25,000 in grants and sponsorships have been raised to date.
6. Work is well advanced in addressing the strategic labour force supply and development needs of existing and future employers. Key projects are nearing completion with IBM and ATI, and planning is now underway to produce a labour force DVD.

Economic Development is Staying the Course in 2005

No. In 2005 the Department will need to add capacity (staff and/or budget) to implement and address new, planned and unplanned obligations/priorities such as: the operational requirements of the Knowledge Community Task Force, the implementation of the York Region Biotech Cluster Initiative, the transition of ISCM from one-time funding and staffing to more "permanent" funding and dedicated staff positions, the recognition of the MSBEC as a "core permanent" function, the examination of new employment land opportunities and the review of Markham's competitive strategy, the development of a new enhanced partnership with the Markham Board of Trade, the involvement of Markham in the proposed Toronto Region Research Alliance, and the involvement of Economic Development staff as technical advisors to the Pickering Airport Impact Study EA.

Service(s)	Customer(s)
Advertising, marketing, promotion	Business and industry
Business retention & expansion	Realtors and developers
Business attraction	Council
Economic research & strategy	Business associations
Small business/entrepreneur development	Governments and public sector organizations
Cluster building	Residents

Business Unit Profile

Economic Development

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
New "See Your Future In Markham DVD"	✓	
Attracted \$450,000 in external grants, sponsorships, and matching funds	✓	
Successful full year of operation of ISCM and MSBEC	✓	
New upgraded Economic Devt website	✓	
Sold out RFID industry conference and industry comittment to 2005 event in Markham		✓
Revitalized 2 economic alliances and adopted 3-year programs	✓	
Helped to attract over 2000 new high-tech jobs to Markham	✓	
Provided strategic competitive advice to Council & business community about employment land supply	✓	
Built strategic partnerships with York U, U of T, NRC, Seneca College, Varley Gallery	✓	
Launched Knowledge Community Task Force		✓
Biotech adverttising insert		✓
Re-design and re-branding of "GoodNews" newsletter to new "Markham Leader"	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Need to commit longer term funding to ISCM (initial 2 yr trial period nearing end), & return resources to core Eco Devt.
- Growing competitiveness within GTA requires review of Markham's economic development strategy
- Continued staffing shortfall (1 vacant FTE) restricts capacity of staff to implement core and new programs/priorities
- Need to acknowledge MSBEC as a "core program" and convert Manager position to FTE
- Lack of staff time to pursue external funding opportunities & meet commitments to implement funded projects

Opportunities

- Develop enhanced partnership with MBT
- Engage as an active partner in Toronto Region Research Alliance
- Pursue external funding (grants & matching funds) and project partnership opportunities

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Economic Development

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	438,042	501,382	539,723	38,341	7.6%	101,681	23.2%
PRINTING & OFFICE SUPPLIES	28,707	19,418	19,418	-		(9,289)	-32.4%
OPERATING MATERIALS & SUPPLIES	1,536	4,854	4,854	-		3,318	216.0%
COMMUNICATIONS	14,879	3,301	3,301	-		(11,578)	-77.8%
TRAVEL EXPENSES	44,285	36,408	36,408	-		(7,877)	-17.8%
TRAINING	3,778	6,311	6,311	-		2,533	67.0%
CONTRACTS & SERVICE AGREEMENTS	11,991	-	-	-		(11,991)	-100.0%
MAINT. & REPAIR-TIME/MATERIAL	801	-	-	-		(801)	-100.0%
RENTAL/LEASE	1,042	1,456	1,456	-		414	39.7%
PROFESSIONAL SERVICES	50,044	-	-	-		(50,044)	-100.0%
LICENCES, PERMITS, FEES	4,130	4,854	4,854	-		724	17.5%
PROMOTION & ADVERTISING	375,721	335,242	335,242	-		(40,479)	-10.8%
OFFICE FURNISHINGS & EQUIPMENT	-	2,000	2,000	-		2,000	
OTHER EXPENDITURES	5,424	-	-	-		(5,424)	-100.0%
Total Expenditures	980,380	915,226	953,567	38,341	4.2%	(26,813)	-2.7%
GRANTS AND SUBSIDIES	69,250	55,000	55,000	-		(14,250)	-20.6%
USER FEES & SERVICE CHARGES	2,876	16,000	16,000	-		13,124	456.3%
SALES	360	-	-	-		(360)	-100.0%
RECOVERIES & CONTRIBUTIONS	112,503	10,834	10,834	-		(101,669)	-90.4%
Total Revenues	184,989	81,834	81,834	-		(103,155)	-55.8%
Net Expenditure (Revenue)	795,391	833,392	871,733	38,341	4.6%	76,342	9.6%

Development Services Commission 2005 Business Plan Objectives

TABLE #	Objective	Business Results				Division (s) /Department(s) Accountable	Performance Measures for Success	Corporate Priorities							Org. Focus		Operating Budget		
		Customer Satisfaction	Staff Motivation & Satisfaction	Financial Performance	Growth Management			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence	Customer Satisfaction Surveys	Improvement Priority from Staff Survey	Performance Management	Projected Financial Resources Required	Actual Financial Resources Required
1	Development Approvals	X		X	X	SEE FOLLOWING TABLES	X	X	X	X	X	X	X	X			X		
2	Infrastructure Projects	X		X	X		X	X	X	X	X	X			X				
3	Productivity Enhancement	X	X	X	X				X		X	X	X	X	X				
4	Management Practices	X	X	X	X			X	X	X		X	X	X	X				
5	Growth Management	X		X	X			X	X	X	X	X	X						
6	Corporate Initiatives		X	X					X	X	X				X				
7	Added Projects in 2005																		
TOTALS																			

Development Services Commission 2005 Business Plan Objectives

TABLE #	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence
BUILDING STANDARDS**									
2.1	Residential Applications- New	Average Processing Period: < 25 business days		X	X	X		X	X
2.2	Residential Applications- Additions, etc.	Average Processing Period: < 10 business days		X	X	X		X	X
2.3	Industrial/ Commercial/ Institutional- New	Average Processing Period: < 25 business days		X	X	X		X	X
2.4	Pools, Signs, Underground Tanks	Average Processing Period: < 10 business days		X		X		X	X
2.5	Building Information- Compliance Letters	Average Processing Period: < 3 business days		X	X	X		X	X
2.6	Building Information- Zoning Searches	Average Processing Period: < 3 business days		X		X		X	X
2.7	Sign Variance Reviews	Average Processing Period: < 25 business days		X		X		X	X
2.8	Conduct Building Inspections	Complete 15,000 inspections in 2005		X		X		X	X
2.9	Conduct Plumbing Inspections	Complete 5,000 inspections in 2005		X		X		X	X
2.10	Conduct Septic System Inspections	Complete 100 inspections in 2005		X		X		X	X
2.11	Respond to Building Code Complaints	Average Processing Period: < 3 business days		X		X		X	X
2.12	Provide Information Sales/ service	Average Processing Period: < 3 business days		X		X		X	X
2.13	Respond to Counter Service Inquiries	Average Processing Period: < 3 business days		X		X		X	X

Development Services Commission 2005 Business Plan Objectives

TABLE #	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence
ENGINEERING/ PLANNING/ URBAN DESIGN									
2.14	Process Site Plan Control Applications	*Average Processing Period: < 4 months	X	X	X	X		X	X
2.15	Process Zoning Amendments	*Average Processing Period: < 8 months	X	X	X	X		X	X
2.16	Process Official Plan Amendments	*Average Processing Period: < 12 months	X	X	X	X		X	X
2.17	Process Part Lot Control Exemptions	*Average Processing Period: < 1.5 months	X	X	X	X		X	X
2.18	Process Draft Plan Applications	*Average Processing Period: < 12 months	X	X	X	X	X	X	X
2.19	Process Minor Variances	*Average Processing Period: < 1 month	X	X	X	X		X	X
2.20	Process Consent Applications	*Average Processing Period: < 1 month	X	X	X	X		X	X
2.21	Process Pre-Servicing Agreements	*Average Processing Period: < 3 business days	X	X	X	X	X	X	X
2.22	Process MOE Approval Certificates	*Average Processing Period: < 10 business days	X			X			X
2.23	Engineering Information- Compliance Letters	*Average Processing Period: < 3 business days	X			X			X
2.24	Process Top Soil Removal Permits	*Average Processing Period: < 3 business days	X			X			X
2.25	Administer Landscape Recoveries	Deliver \$10K of landscaping in 2005	X	X		X			X
2.26	Provide Information Sales/ service	*Average Processing Period: < 1 business day	X	X	X	X	X	X	X
2.27	Respond to Counter Service Inquiries	*Average Processing Period: < 10 minutes inquiry	X	X	X	X	X	X	X
2.28	Prepare Subdivision Agreement	Draft within 30 days of complete application							
2.29	Pre-submission consultation	Within 1 week of request							
2.30	Develop and implement investment attraction programs	Achieve target market awareness		X		X		X	
2.31	Provide input into planning policy reports and development applications	Average Processing Period: 2 business days		X		X		X	
* Average Processing Periods to be aligned between DAP Manual & Planning Act									

Development Services Commission 2005 Business Plan Objectives

TABLE #	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence
3.1	Review/ Approval of New Infrastructure	Approval of \$50M of Infrastructure Development	X	X		X	X	X	X
3.2	Review/ Approval of New Infrastructure	Approval of \$XXM of Infrastructure	X	X			X	X	X
3.3	Capital Project Administration	Process 85% of \$23,000,000 Capital Budget Program			X	X	X		X
3.4	Capital Project Administration	Process 75% of \$6,000,0000 Capital Budget Program			X		X		X
3.5	Non Town Infrastructure Projects	Conduct 100 Inspections at Non Town Projects	X	X		X	X	X	X
3.6	Infrastructure Inspection Program	100 QC Inspections Munc. Infrastructure Projects	X				X		X
3.7	Infrastructure Inspection Program	100 QC Inspections for Landscaping Works	X				X		X
3.8	Markham Centre Infrastructure	Complete construction of Enterprise & Rodick Grade Separation, EAS, Design & Control in 2003	X	X		X	X	X	
3.10	Traffic management operations	?							

NOTE: "Infrastructure" refers to capital projects undertaken by the Engineering Dept. (i.e. bridges, road extensions, sewers) and Urban Design (i.e. parks, landscaping, pathways). The 2004 capital budget submission is attached.

Development Services Commission 2005 Business Plan Objectives

TABLE #	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence
4.1	Application Processing Automation	Revise & implement AMANDA site plan & subdivision application folder set up (4.1)			X	X			X
4.2	Documented Processing Business Rules	100% Process Update/ Electronic Publishing		X	X	X			X
4.3	Provision of Consolidated Zoning By-law	Complete New Employment Lands By-Law		X		X		X	X
4.4	Strategic GIS Use and Deployment	Integration of GIS Tools into Daily Work Program	X	X	X	X	X	X	X
4.5	Application Processing Reports	Process implemented for preparing quarterly reports							
4.6	Expand Client Performance Program	Remote Access Module Implemented		X	X			X	X
4.7	Exploit Enhancements in AMANDA 4.3	Adoption of new mapping tool, Report Generator; clock feature; electronic document management		X				X	X
4.8	Increase Corporate AMANDA Use	Formation of AMANDA Steering and Power User Groups			X		X	X	X
4.9	New Fee By-law	Fee By-law Passed			X				X
4.10	Document Application Service Levels	Completed as part of Fee By-law			X				X
4.11	Improve Subdivision Agreement Clauses	Customers & Staff find efficiencies			X				X
4.12	Upgrades to Economic Devt website	Customer satisfaction ratings		X		X			X

Development Services Commission 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Corporate Priorities							
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence	
5.1	Update of Development Charges Bylaws	Review of Markham Centre Areas under appeal Box Grove ASDC already approved								X
5.2	Deliver PPR Program	100% Completion of PPR by Year End								X
5.3	Respond to Staff Satisfaction Survey	Complete 80% of Department Issues								X
5.4	Develop Team Training Program w/ HR	Develop & Deliver appropriate training								X
5.5	Deliver Professional Training Program	Complete Annual of Planned Program								X
5.6	Deliver Technical Training Program	Complete Annual of Planned Program			X		X			X
5.7	Implement Automated Recovery Database	AMANDA Based Database in Operation			X		X			X
5.8	Establish Corporate Alliances	Establish Service Level Agreement with HR, ITS & Finance		X	X	X			X	X
5.9	Install Automated LC Administration	AMANDA Based LC Administration in Operation			X		X			X
5.10	Establish/ Review KPIs	Commission KPI Listing & Standard Practice			X				X	X
5.11	Human Resource Management	Complete annual requirements								X
5.12	Business Planning Process	Publish 2005 Business Plan		X	X	X	X	X	X	X
5.13	Budget Process	Input into 2006 budget process	X	X	X	X	X	X	X	X

Development Services Commission 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Managed Growth	Organizational Excellence ⁶
6.1 DEVELOPMENT MANAGEMENT									
6.1	Cornell Review & Plan Update	OPA & master plan update	X	X		X	X	X	X
6.2	Complete Langstaff Land Use Review	Completion of background review & adopt OPA	X	X		X	X	X	X
6.3	Complete Miliken Main St. Review	Adopt OPAs; enact By-law & designate C.I.A.		X		X		X	X
6.4	Retain Heritage Districts	Identification of Potential Heritage Districts		X				X	X
6.7	Main Street Unionville Parking Implementation	Completion of study and adoption of OPA		X				X	X
6.8	Highway 7 Corridor Study	Completion of study and adoption of OPA		X		X	X	X	X
6.9	Water Allocation policy for high-rise	Review of policy & water reserves		X	X	X	X	X	X
6.10	Coordination of Inter governmental Issues	Representation on Committees	X	X	X	X	X	X	X
	Thornhill Heritage District Plan Update	Complete Review & adopt new plan		X				X	X
6.11	Buttonville Heritage District Study	Complete review & adopt plan							
	Unionville South streetscape & design	Completion of study and budget							
6.12	Markham Rd transition study	Completion of study and adoption of Recommendations							
	Victoria Square beautification	Completion of project							
6.13 ENVIRONMENTAL ENHANCEMENT/ PROTECTION									
6.14	Protection Small Streams	Adoption of updated policies and guidelines	X	X			X	X	X
6.15	Deliver Strategy on Water Course Erosion	Approval of Strategy for implementation in 2003	X	X			X		X
6.16	Deliver Policy on Noise	Adoption of policy	X	X					X
6.17	OPA 116 Implementation (Rouge North)	Successfully defend amendment at OMB							
6.18 MARKHAM CENTRE									
6.19	Champion Steering Committee Activities	Regular Meetings of Steering Committee	X				X	X	X
6.20	Initiate Financial Management Plan	Financing Tools & Strategy in Place			X	X	X	X	X
6.21	Investigate Parking Authority Plan	Submission to Council on Parking Auth. Strategy			X	X	X	X	X
	Communication of Development Plans	Communication Strategy Implementation		X	X	X	X	X	
	Advisory Group	Manage & support Advisory Group Process	X	X				X	X
6.22	Deliver Civic Centre Master Plan	Approval of Civic Centre Master Plan	X	X		X	X	X	X
6.23 TRANSPORTATION/ TELECOMMUNICATION									
	Unionville traffic implementation	Completion of project							
6.15	YRT EA peer review	Completion of project							
NEW BUSINESS ATTRACTION & ENTREPRENEURIAL DEVELOPMENT									
	Innovation Synergy Centre in Markham	X	X	X	X	X	X	X	X
	Markham Small Business Enterprise Centre	X	X	X	X	X	X	X	X
6.16	York Biotech Regional Innovation Network	X	X	X	X	X	X	X	X
6.17	Competitiveness Strategy	X	X	X	X	X	X	X	X
6.18	Knowledge Community Task Force	X	X	X	X	X	X	X	X
6.19	Economic Alliance Program	X	X	X	X	X	X	X	X
	Labour force development	X	X	X	X	X	X	X	X
6.23	Toronto Regional Research Alliance	X	X	X	X	X	X	X	X



2005

Development Services Commission 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Organizational Excellence	Managed Growth
7.1	Purchasing Strategy	Participation with Corporate Project Delivery			X			X	
	Objectives are Core Services Projects								
	ADR Program	Spearhead Implementation of Townwide program							



2005

Development Services Commission 2005 Business Plan Objectives

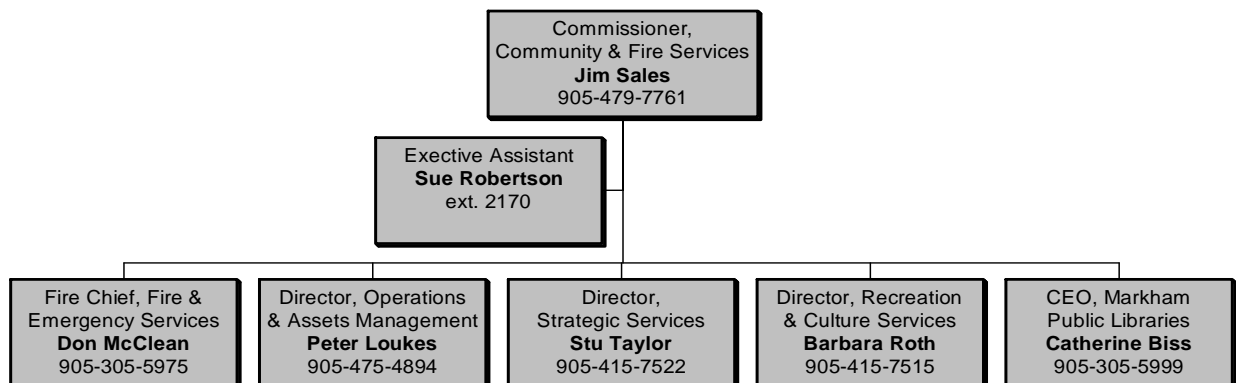
#	Objective	Performance Measures for Success	Corporate Priorities						
			Environmental Focus	Quality Community	Fiscal Stewardship	Economic Development	Infrastructure Management	Organizational Excellence	Managed Growth
	Capital Project Summary	Better Service from Purchasing							
	Hydro One Task Force	Plan has been adopted and approved by Council & Residents	X	X					

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Development Services
 Development Services - Commissioner's Office
 699-999

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	717,160	713,928	749,311	35,383	5.0%	32,151	4.5%
PRINTING & OFFICE SUPPLIES	18,145	3,339	3,339	-		(14,806)	-81.6%
OPERATING MATERIALS & SUPPLIES	456	583	583	-		127	27.9%
COMMUNICATIONS	568	2,039	2,039	-		1,471	259.0%
TRAVEL EXPENSES	9,593	3,418	3,418	-		(6,175)	-64.4%
TRAINING	8,283	8,680	8,680	-		397	4.8%
MAINT. & REPAIR-TIME/MATERIAL	103	956	956	-		853	828.2%
RENTAL/LEASE	-	8,738	8,738	-		8,738	
LICENCES, PERMITS, FEES	228	971	971	-		743	325.9%
OTHER PURCHASED SERVICES	-	374	-	(374)	-100.0%	-	
OFFICE FURNISHINGS & EQUIPMENT	-	1,000	1,000	-		1,000	
Total Expenditures	754,536	744,026	779,035	35,009	4.7%	24,499	3.2%
OTHER INCOME	-	25,000	25,000	-		25,000	
Total Revenues	-	25,000	25,000	-		25,000	
Net Expenditure (Revenue)	754,536	719,026	754,035	35,009	4.9%	(501)	-0.1%

Community and Fire Services



The Community and Fire Services Commission's mission is to make Markham the best community to live, work and play. This is achieved by using the staff's expertise to provide customers with the following high quality services:

- Fire safety
- Communication and culture
- Parks, facilities, and fleet maintenance
- Waste management
- Roads maintenance
- Water supply, sewage collection, and storm water management

These services are continuously monitored to ensure the achievement of high standards of maintenance and that the changing needs of customers are reflected in the programs. The following Business Units are included under Community & Fire Services Commission:

- Fire & Emergency Services
- Recreation
- Culture Services
- Operations
- Asset Management
- Utilities & Capital Works
- Waste
- Waterworks
- Strategic Services
- Libraries

Fire & Emergency Services

The department is responsible for providing highest level of safety and property protection to those who live, work or play in the community. This is achieved by providing excellent preventative, educational, and emergency services in a professional, sensitive and caring manner.

Recreation and Culture Services

This department is responsible for the operation and maintenance of all community centres in the Town and includes the provision of quality recreational programs to create a vibrant community. Culture includes the operations and maintenance of the Museum, Art Gallery and Theatre.

Operations and Asset Management

Operations and Asset Management department is responsible for developing and implementing corporate asset management strategic plans that address growth, risk management and sustainability. The main objective in developing and implementing these plans and strategies is to optimize the life cycle value and performance of the Town's assets while continuously improving service delivery and customers satisfaction. The department is also responsible for the maintenance and protection of streams and storm water control features. The following sections make up Operations and Asset Management department:

- Operations
- Asset Management
- Construction and Utilities

Operations

The following departments make up the Operations department.

- Roads
- Parks
- Fleet

Roads

The department is dedicated to achieving the highest quality standards in the maintenance of roads, bridges, sidewalks, and drainage infrastructure.

The department ensures:

- Safe, efficient and convenient movement of people and goods across the Town on the local roads and sidewalk network.
- Effective winter control.
- Environmental protection of right-of-ways, watercourses, valleys, and overland flow routes and storm water management facilities.
- Protection and maintenance of the Town's natural and artificial drainage system and related infrastructure (storm sewer system, storm water management routes, etc).

Parks

This department's mission is to make Markham beautiful, and is responsible for the development and maintenance of parks, natural areas, and streetscapes. The department promotes an active and healthy quality of life by maintaining parks and public green spaces, encourages public access, fosters respect and appreciation for our natural environment. This high achievement is attributed to working with and listening to the Markham community as well as encouraging public participation.

Fleet

The Town of Markham fleet is comprised of approx. 600 vehicles and equipment units, which are used to maintain parks and streets, respond to fire emergencies, and assist all Municipal operations.

Asset Management

The department manages corporate capital assets by developing and implementing strategies and operating standards to attain objectives in properties, facilities, and capital construction projects. Specifically, Asset Management administers and maintains 111 buildings totaling over 1.6 million square feet as built space ensuring safe, user-friendly, comfortable, and energy-efficient use of these facilities. These facilities include Civic Centre, community centers, fire stations, libraries, and cultural and heritage facilities. The department also manages construction and maintenance of recreation and cultural facilities, fire stations, and public works facilities.

Utilities & Capital Works

This department provides technical assistance and advice to internal departments to achieve the most effective engineering solutions for new and replacement municipal infrastructure. The sections that make up the Construction and Utilities department are:

- Capital Works, Facilities
- Utilities and Contracts
- Capital Works, Right of Way

Capital Works, Facilities

This section provides technical assistance and advice relating to the capital works relating to the Town's facilities excluding roads, sewers and sidewalks. Their main focus is to provide project management services to all internal departments in the Town for all major building repairs, replacements, expansions, and new construction.

Utilities and Contracts

The Utilities and Contracts section administers and coordinates utility approvals within existing rights of ways and provides survey services to various internal departments. They are responsible to engineer effective and efficient public works infrastructure for our community. As professionals, they establish service levels, pursue new techniques/technologies, listen to customer feedback, and implement improvements to make our public works a model for others.

Capital Works, Right of Way

This department is responsible for the design and project management of Municipal Capital Works for the Town's Rights-of-Way (e.g. Watermains, Sewers, Roads, Sidewalks, etc.). The staff is committed to engineer effective and efficient public works infrastructure for the community. Listed below are the main responsibilities of the Capital Works – Right of Way department:

- Contract Administration and Management for capital works projects
 - Preparation of contract documents and drawings
 - Construction supervision and contract management
 - Preparation and approval of contract payments

- Design of Roads Infrastructure
 - Reconstruction and rehabilitation of existing road
 - Urbanization of existing rural roads
 - Bridge reconstruction
 - Construction of sidewalks

- Design of Underground Infrastructure
 - Storm and Sanitary Sewers
 - Watermains
 - Pumping Station

Waste Management

The mission of this department is to provide excellent waste management services to the Markham community. They do this by providing efficient and effective waste collection services while developing and promoting innovative waste reduction programs. The Waste Management Division is responsible for the collection of recyclables, garbage, yard waste, and large appliances.

Waterworks

The Waterworks Department manages fresh water supply, wastewater processing, and related infrastructure by:

- Providing high quality and sufficient quantity of water supply to all users with the highest affordable level of service.
- Carrying out efficient operation and maintenance of the Town's sanitary sewer system to minimize hazards to public health, safety, and property.
- Protecting natural resources, specifically to conserve fresh water

Strategic Services

This department monitors the services provided by the departments in the Community Services Commission in order to ensure the achievement of high standards of maintenance and that the changing needs of our customers are reflected in our programs.

The services provided include:

- Business Planning
- Environmental Leadership
- Innovative Practices and Advice
- Partnership Development

Libraries

The Markham Public Libraries inform, inspire, empower and link all members of the Markham community through free universal and equitable access to information, intellectual freedom, and open exchange of ideas.

Fire & Emergency Services

BUSINESS OVERVIEW

Mission Statement

To provide the highest level of life safety and property protection to those who live, work and play in our community. We will perform in a sensitive and caring manner, through the provision of excellent preventative, educational and emergency services.

Fire & Emergency Services is Meeting 2004 Objectives

Fire & Emergency Services is a department of the Community & Fire Services Commission. In 2004, it had an approved net budget of \$17,134,396 and 211 full-time employees. Revenues were estimated at \$463,000, resulting in a net budgeted cost per household of \$190.46 in 2004, down from \$198.17 in 2003 and \$200.61 in 2002.

Fire & Emergency Services is responsible for providing the following core services:

- **Fire Prevention** - Prevention activities include inspections, plans review, and public education. There were 4,181 inspections in 2003, an increase of 10% from 2002. The frequency based prevention program was not implemented as there was a shortage of staff. Fire inspections are focused on the industrial commercial occupancies as well as other high risk areas such as hospitals/nursing homes. The number of plans reviewed increased by 20% from 2002 to 657 in 2003. The Learn-Not-to-Burn school program was delivered to 36 schools (5,500 students) in 2003, compared to 3 in 2002.
- **Fire Suppression & Emergency Response** - The number of fires with greater than \$50,000 in damages remained stable with 21 in 2003 versus 20 in 2002. The number of emergencies increased by 6.7% from 2002 to 6,962 incidents in 2003. There were no fire fatalities in the last two years. The average total response time to an emergency in 2004 ytd is 6 minutes 44 seconds, 2003 was 6 minutes 55 seconds compared to 6 minutes 27 seconds in 2002 (fire department goal is < 6 minutes).
- **Supportive Activities** - Internal training, alarm room operation, fire equipment maintenance, and facility development are services provided to support Fire Prevention and Fire & Emergency Response services. In 2003, the average monthly maintenance cost for each heavy truck vehicle was \$1,354 and 19.6 hours of average monthly down time. In 2004, Riviera Fire Station was completed and opened and the Bur Oak station was approved for construction and tendered.

Plan for 2005

In addition to maintaining its current core services, the key focus areas in 2005 are:

- Operationalize Bur Oak Fire Station Opening (building, vehicles, firefighters, equipment)
- Purchase Cornell property -- tender Cornell Fire Station for construction
- New Fire Prevention Programs
- Process Improvements/Technological Improvements
- New Specialized Services Study
- Critical Renovations - pending outcome of current study
- New & Replacement Vehicles
- Training Centre Study

Service(s)	Customer(s)
Prevention of fires, emergencies through education & compliance Suppression - Control and extinguishment of fires; Protection of life and property from the adverse effects of fire/other Sudden medical emergencies Motor vehicle collisions Contain exposure to dangerous goods	Public

Business Unit Profile

Fire & Emergency Services

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Ensured fire stations were built/retrofitted on a timely basis, eg. Riviera fire/EMS station, alarm room upgrade	✓	
Operationalized Riviera fire station on time and under budget	✓	
Improved management practices eg. streamlined payroll, improved service measurement	✓	
Improved fire prevention; upgraded all Fire Prevention Officers (FPOs) to Fire Protection Specialist	✓	
Completed 3 new prevention manuals: Means of Egress, Industrial Occupancy, Mercantile Occupancy	✓	
Revamped training and training manuals for Fire Prevention Officers	✓	
Undertook mapping upgrade of the dispatch system	✓	
Placed 4 new fire trucks (pumpers) into service	✓	
Mechanical able to do preventative maintenance now due to improved avg age of fleet (long term savings)	✓	
Reduced the age of the firefighting fleet from 10.4 years to 5.5 years on average since 2002		✓
Tendered Bur Oak fire station	✓	
Upgraded medical response including new and improved defibrillators	✓	
Improved suppression training (live fire, ff survival, confined space, trench awareness, vehicle cd-rom)		✓
Implemented Emergency Management improvements (new committee, By-law, training for Town staff)		✓
Upgraded aerial patient recovery ability (Stokes basket rescue equipment and training)		✓
Commenced an update of the fire department deployment plan	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

Continued growth of population and building stock
Road congestion and speed humps
Staff Satisfaction/Training Issues
Increased response times due to several factors including concurrent emergencies
Markham Centre development

Opportunities

Further use of flashover simulator
Educational packages
Partnerships with other communities
Technology to streamline processes
New Fire Stations will improve service

Fire & Emergency Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
1	Smoke Alarm Program	Program Implemented		X	X			X	X		X		
2	Defib Mannequin Replacement	Mannequins Purchased and in Service		X				X	X				
3	Flashover Refurbishment	Flashover Simulator refurbished and back in service		X				X	X				
4	SCBA Air Cylinders	Air Cylinders Purchased and in Service		X				X	X				
5	Bunker Gear replacement	Phase I completed and suits in service		X	X			X	X				
6	Wisper Fire Station	Occupancy in 2005		X	X			X	X				
7	Firefighter Recruits	Hired in advance		X				X	X				
8	New Fire Pumper	Received prior to 2006		X	X			X					
9	Process Management	Transfer 1 position						X	X				X
10	Two Unit Home Inspections	Staff and Policies in place in 2nd quarter		X				X	X		X		
11	Revenue Generation	Increase revenue by 10%		X				X					
12	Fire Survey Improvement	Improve Surveying		X				X	X			X	
13	Purchase Cornell Station Land	Acquire Land in 2nd quarter		X				X					
14	Emergency Management Compliance	Comply with legislation		X				X	X				X

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Fire Services

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	16,866,758	16,706,928	18,084,910	1,377,982	8.2%	1,218,152	7.2%
PRINTING & OFFICE SUPPLIES	44,969	33,010	33,010	-		(11,959)	-26.6%
PURCHASES FOR RESALE	2,465	3,883	3,883	-		1,418	57.5%
OPERATING MATERIALS & SUPPLIES	254,192	256,415	256,410	(5)	0.0%	2,218	0.9%
VEHICLE SUPPLIES	-	2,913	2,913	-		2,913	
UTILITIES	123,557	106,602	120,102	13,500	12.7%	(3,455)	-2.8%
COMMUNICATIONS	52,703	66,018	66,018	-		13,315	25.3%
TRAVEL EXPENSES	30,364	36,214	36,214	-		5,850	19.3%
TRAINING	70,253	65,825	65,825	-		(4,428)	-6.3%
CONTRACTS & SERVICE AGREEMENTS	18,821	11,845	11,845	-		(6,976)	-37.1%
MAINT. & REPAIR-TIME/MATERIAL	161,873	69,708	69,708	-		(92,165)	-56.9%
RENTAL/LEASE	181,796	178,177	178,177	-		(3,619)	-2.0%
PROFESSIONAL SERVICES	15,596	11,359	11,359	-		(4,237)	-27.2%
LICENCES, PERMITS, FEES	4,770	3,956	3,956	-		(814)	-17.1%
OTHER PURCHASED SERVICES	-	143	-	(143)	-100.0%	-	
OFFICE FURNISHINGS & EQUIPMENT	306	3,400	3,400	-		3,094	1011.1%
TRANSFERS TO RESERVES	41,000	41,000	41,000	-		-	
Total Expenditures	17,869,423	17,597,396	18,988,730	1,391,334	7.9%	1,119,307	6.3%
FINES	42,000	30,000	40,000	10,000	33.3%	(2,000)	-4.8%
USER FEES & SERVICE CHARGES	36,648	37,000	207,000	170,000	459.5%	170,352	464.8%
RENTALS	-	10,000	10,000	-		10,000	
SALES	206	6,000	6,000	-		5,794	2812.6%
RECOVERIES & CONTRIBUTIONS	271,243	350,000	275,000	(75,000)	-21.4%	3,757	1.4%
OTHER INCOME	91,459	30,000	85,000	55,000	183.3%	(6,459)	-7.1%
Total Revenues	441,556	463,000	623,000	160,000	34.6%	181,444	41.1%
Net Expenditure (Revenue)	17,427,867	17,134,396	18,365,730	1,231,334	7.2%	937,863	5.4%

Recreation

BUSINESS OVERVIEW

Mission Statement

To build a healthy, vibrant community through the provision of well-maintained facilities and high quality recreation and cultural services that meet the customers' expectations.

Recreation is Meeting 2004 Objectives

Recreation reports to the Recreation & Culture Services Department in the Community & Fire Services Commission. In 2004, it had an approved net budget of \$2,930,069 and 79 full-time employees. Revenues were estimated at \$9,965,785, resulting in a net budgeted cost per household of \$31.78 in 2004.

Recreation is responsible for providing the following core services:

- **Program Delivery** - In 2003, registrations in the areas of aquatics, aerobic classes, general programs and camps totalled 58,843, an increase of 7.6% from 2002. During the same period the number of classes in those areas increased by 3.8% to 7,586 in 2003. The average fill rate for all programs remained stable at 78% in 2003 and 79% in 2002. Fitness memberships at year end in 2003 totalled 2,138. The Programs component accounted for 29% of the net total expenditures for the Recreation segment in 2003.
- **Community Centre Operations** - Recreation looks after 16 facilities totalling 687,071 sq.ft. of community centre space. In 2003, there were 2.8 sq.ft. of community centre space per capita. Rentals are comprised of three major areas: ice, soccer and halls, that accounted for \$2.3M

expenditures for the Recreation segment in 2003. The final phase of the Angus Glen Community Centre is anticipated for completion in 2004. Phase 1 of Thornhill expansion was completed in June 2004, totalling 5,624 sq. ft. of facility space or \$1,887,291. Phase 2 of Thornhill expansion has commenced, totalling 21,507 sq. ft. of facility space or \$4,682,709. Design phase of Centennial expansion, totalling approximately 50,580 sq. ft., is underway. Repairs & Replacements capital projects totalling 34 projects, \$1,073,500, were approved for 2004.

- **Planning & Community Development** - Planning activities included: Update of Parks, Recreation, Culture & Library Master Plan, update of Development Charges Bylaw, update of Ice Allocation Policy, and development of Vandalism Violence & Unacceptable Behaviours Policy. Community development activities included: Expansion of PLAY pilot to provide children of low income families with access to recreation, development of a Community Sports Council, and completion of customer satisfaction surveys for Camps, Fitness and Aquatics. Rolled out 2 new AEDs to bring the total of AED in our community facilities to 16.

Plan for 2005

In addition to maintaining its current core services, the key focus areas proposed for 2005 include:

- **COMMUNITY CENTRE OPERATIONS** - Core growth to operationalize new and enhanced facilities such as Angus Glen, associated part-time funding and annualized increases; Operationalize Phase 2 of Thornhill Community Centre; Tender and commence construction on Centennial expansion; Conduct a feasibility on Thornhill Community Centre lower level reconfigurations; Operationalize the recommendations of the Parks, Recreation, Culture & Library Master Plan - Subject to Council approval; and Operationalize the Pingle House.
- **PROGRAM DELIVERY** - Expand core programs to meet growth needs
- **PLANNING & COMMUNITY DEVELOPMENT** - Develop a 3-year planning document for Youth and Adult services; Develop a 5-year Active Living strategy; Sports Council; and Expand fitness centre hours and lower age limit.

Service(s)	Customer(s)
Admissions	Markham and York Region residents and businesses
Community Development	
Direct Programs	
Memberships	
Rentals	
Facility Operations	

Recreation

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Markham aquatic staff was awarded the Lifesaving Society's David W. Pretty Cup		✓
Operationalized Phase 1 of Thornhill Expansion, June 2004, totaling 5,624 sq. ft., at a cost of \$1,887,290	✓	
Assisted Construction & Utilities in developing detailed drawings for Thornhill Phase 2 expansion	✓	
Assisted Construction & Utilities in retaining an architect and developing detailed drawings for Centennial expansion, totaling 50,580 sq. ft.	✓	
Scheduled to operationalize Phase 2 of Angus Glen by December/04, totaling 166,000 sq. ft. and total capital cost of \$42,175,000.	✓	
Received approval for 34 R&R capital projects totaling \$1,073,500	✓	
Assisted Financial Services in updating the DC Bylaw Inventory and future funding forecasts for recreation facilities	✓	
Reviewed user fees and will be submitting a report to Council scheduled for the fall of 2004	✓	
Participated in the revision of the Master Plan that produced a revised document with recommendations to be submitted for October Community Services committee meeting	✓	
Worked with the various stakeholders in developing a partnership approach for the location of Central East Community Centre	✓	
Scheduled customer satisfaction surveys for the facilities to be conducted in October	✓	
Conducted/completed PMR reviews for all staff with the final one scheduled for November	✓	
Implemented a graduated staffing system for facility operators	✓	
Expanded our partnership program with the Region, that provides program access to low income participants		✓
Developed policies for violence and vandalism, cell phones and PDAs, and non-conforming rental opportunities		✓
Developed facility standards for cleaning, safety, facility set-up and take-down procedures, and maintenance operations (i.e.: service contracts and mechanical systems)		✓

FUTURE CONSIDERATIONS

Issues/Pressures

When user fees reach market rates, the rate of growth for this revenue stream might decline and would rely on the increase in the number of users to drive the revenues
Lack of infrastructure funding plan for existing facilities - reconstruction & rehabilitation
Growing community with growing community centre infrastructure places pressure on existing staffing resources and the need to fund for additional staff
Capital funding for new projects and restorations (eg. Development charges) lags behind the 'wants' of the community
Lack reserve fund to address the portion of capital costs not funded by Development Charges

Opportunities

Increase user fees, sponsorships, and/or partnership opportunities
Explore alternative service delivery opportunities

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Recreation Services

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	7,744,121	8,069,439	9,393,262	1,323,823	16.4%	1,649,141	21.3%
PRINTING & OFFICE SUPPLIES	91,930	77,990	86,033	8,043	10.3%	(5,897)	-6.4%
PURCHASES FOR RESALE	56,699	46,542	75,681	29,139	62.6%	18,982	33.5%
OPERATING MATERIALS & SUPPLIES	635,785	681,835	773,128	91,293	13.4%	137,343	21.6%
VEHICLE SUPPLIES	20,676	33,043	33,680	637	1.9%	13,004	62.9%
UTILITIES	2,004,430	1,967,088	2,278,770	311,682	15.8%	274,340	13.7%
COMMUNICATIONS	85,398	101,210	105,294	4,084	4.0%	19,896	23.3%
TRAVEL EXPENSES	361	-	2,988	2,988		2,627	727.7%
TRAINING	87,081	77,738	104,180	26,442	34.0%	17,099	19.6%
CONTRACTS & SERVICE AGREEMENTS	656,407	675,859	715,723	39,864	5.9%	59,316	9.0%
MAINT. & REPAIR-TIME/MATERIAL	697,949	653,437	680,630	27,193	4.2%	(17,319)	-2.5%
RENTAL/LEASE	139,307	169,891	182,460	12,569	7.4%	43,153	31.0%
INSURANCE	1,299	875	1,299	424	48.5%	-	
PROFESSIONAL SERVICES	1,749	2,575	2,400	(175)	-6.8%	651	37.2%
LICENCES, PERMITS, FEES	50,990	56,573	66,876	10,303	18.2%	15,886	31.2%
CONTRACTED MUNICIPAL SERVICES	4,216	3,641	5,600	1,959	53.8%	1,384	32.8%
OTHER PURCHASED SERVICES	-	275	1,989	1,714	623.3%	1,989	
WRITE-OFFS	3	-	-	-		(3)	-100.0%
TRANSFERS TO RESERVES	319,737	277,843	307,374	29,531	10.6%	(12,363)	-3.9%
Total Expenditures	12,598,138	12,895,854	14,817,367	1,921,513	14.9%	2,219,229	17.6%
GRANTS AND SUBSIDIES	41,290	40,690	43,000	2,310	5.7%	1,710	4.1%
USER FEES & SERVICE CHARGES	5,289,307	5,220,977	6,292,974	1,071,997	20.5%	1,003,667	19.0%
RENTALS	4,160,270	4,094,425	4,211,749	117,324	2.9%	51,479	1.2%
SALES	136,106	147,539	181,853	34,314	23.3%	45,747	33.6%
OTHER INCOME	80,676	52,300	63,400	11,100	21.2%	(17,276)	-21.4%
INTER-DEPARTMENTAL RECOVERIES	296,400	409,854	523,308	113,454	27.7%	226,908	76.6%
Total Revenues	10,004,049	9,965,785	11,316,284	1,350,499	13.6%	1,312,235	13.1%
Net Expenditure (Revenue)	2,594,089	2,930,069	3,501,083	571,014	19.5%	906,994	35.0%

Culture

BUSINESS OVERVIEW

Mission Statement

To build a healthy, vibrant community through the provision of well-maintained facilities and high quality recreation and cultural services that meet the customers' expectations.

Culture is meeting 2004 Objectives

Culture reports to the Recreation & Culture Services Department in the Community & Fire Services Commission. It is made up of three distinct operations, namely Markham Museum, Markham Theatre, and the Varley Art Gallery, and is supported by its respective advisory board, appointed by Council. In 2004, they had a combined approved net budget of \$1,104,397 and 19 full-time employees. Revenues were estimated at \$1,952,383, resulting in a net budgeted cost per household of \$11.94 in 2004.

Total attendance for the cultural venues was 185,788 in 2003, an increase of 8% from 2002. Culture is responsible for providing the following core services:

- Exhibits/Collection Development - In 2003, there was a total of 30,199 items in the combined collection held by the Gallery and Museum. The insured value of the collection increased to \$2 million in 2003. The total number of exhibits was 9 in 2003, an increase from 7 in 2002. Of the 9 exhibitions, 3 of them were developed in-house, such as the William Berczy exhibit at the Art Gallery.
- Program Delivery - For the Theatre, the percentage of attendance at professional programs remained stable, at 89% in 2003. The fill rate for Theatre drama camps was 100%, up from 97% in 2002. The number of memberships for the Museum and Theatre remained stable at a combined total of 357 in 2003. The total number of students taking part in the programs was 4,567 in 2003, a decrease of 6.6% from 2002.
- Rentals & Special Events - Volunteer support for special events and other operations in the Museum and Gallery totalled 7,255 hours in 2003.

Plan for 2005

In addition to maintaining its current core services, the key focus areas proposed for 2005 include:

- Operate the Museum Reception Centre totalling \$36,057 in operating and \$490,000 in capital
- Develop and implement a Director of Culture position
- Develop a 2-year exhibition schedule for the Museum and the Art Gallery
- Work in co-operation with the various stakeholders in hosting ISCC Sculpture Symposium
- Operate the carousel
- Governance review for the Art Gallery
- Complete the McKay House restoration and fundraising
- Conduct customer satisfaction survey geared at Museum programs
- Assist Strategic Services in hosting Mayors Dinner for the Arts

Service(s)	Customer(s)
Exhibits Gallery and Museum - Education / Collections development and management Programs Rentals Special events Facility Operation	<u>Generally</u> • Markham and York Region residents, school boards, local and regional businesses <u>Museum and Gallery</u> • Tourists, donors <u>Museum</u> • Other historical institutions, researchers <u>Gallery</u> • Art-related institutions, artists

Culture

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Received approval for 18 capital projects totaling \$689,639	✓	
On target to meet 2004 sponsorship goal of \$131,500	✓	
Received Council approval to increase user fees for the Theatre and to build in annual cost of living increase	✓	
Developed a Capital Improvement Fund for the Theatre	✓	
Developing a Museum Master Plan	✓	
Worked with Operations and Asset Management in obtaining Council approval to retain an architect and contractor to commence construction of the Museum Reception Centre	✓	
Received Council approval to proceed with capital restoration and fundraising program for the McKay House and grounds	✓	
Completed a report outlining the costs related to a proposed Theatre expansion, and submitted a report pertaining to the feasibility of an expansion at the Theatre	✓	
Relocated the artifacts from the Implement Building to appropriate area on the Museum site to accommodate the Markham Little Theatre	✓	
Co-ordinated and implemented 14 Sesquicentennial events related to Unionville Celebrations	✓	
Developed a research and public trust fund to support the creation of Markham History		✓
Undertook a major overhaul of artifacts and deaccession process at the Museum	✓	
Conducted a Theatre customer satisfaction survey	✓	
Art Gallery added 76 art works to its collection, totaling \$250,000 in value and \$1,000 of art books		✓
Received \$87,000 in OCAF funds for marketing initiatives for the 150th Unionville anniversary		✓
Cultural exchange exhibit with Cary, North Carolina		✓

FUTURE CONSIDERATIONS

Issues/Pressures

Operating deficit; staff resources; fund-raising capacity; sponsorship capacity

Governance

Capital funding for new projects and renovations

Life cycle planning of infrastructure

Museum need for programming space to support growth

Opportunities

Generally - Access funding programs; set up foundation to access funds, where applicable

Theatre - Sell naming rights

Museum - Partnerships; Increase programming and events; Movie productions

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Culture

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	1,679,166	1,614,266	1,760,043	145,777	9.0%	80,877	4.8%
PRINTING & OFFICE SUPPLIES	61,993	51,035	55,020	3,985	7.8%	(6,973)	-11.2%
PURCHASES FOR RESALE	48,857	43,036	39,845	(3,191)	-7.4%	(9,012)	-18.4%
OPERATING MATERIALS & SUPPLIES	221,925	173,122	177,717	4,595	2.7%	(44,208)	-19.9%
VEHICLE SUPPLIES	38	680	250	(430)	-63.2%	212	557.9%
SMALL EQUIPMENT SUPPLIES	85	1,000	1,000	-		915	1076.5%
CONSTRUCTION MATERIALS	351	-	-	-		(351)	-100.0%
UTILITIES	170,919	178,503	180,073	1,570	0.9%	9,154	5.4%
COMMUNICATIONS	42,381	52,482	43,472	(9,010)	-17.2%	1,091	2.6%
TRAVEL EXPENSES	9,722	11,120	11,990	870	7.8%	2,268	23.3%
TRAINING	2,448	4,150	3,565	(585)	-14.1%	1,117	45.6%
CONTRACTS & SERVICE AGREEMENTS	101,351	101,480	107,248	5,768	5.7%	5,897	5.8%
MAINT. & REPAIR-TIME/MATERIAL	73,068	53,468	66,619	13,151	24.6%	(6,449)	-8.8%
RENTAL/LEASE	41,055	39,814	43,746	3,932	9.9%	2,691	6.6%
PROFESSIONAL SERVICES	589,809	481,966	559,680	77,714	16.1%	(30,129)	-5.1%
LICENCES, PERMITS, FEES	17,219	28,538	28,031	(507)	-1.8%	10,812	62.8%
PROMOTION & ADVERTISING	244,927	216,951	222,436	5,485	2.5%	(22,491)	-9.2%
OTHER PURCHASED SERVICES	2,742	5,169	14,659	9,490	183.6%	11,917	434.6%
WRITE-OFFS	(60)	-	-	-		60	-100.0%
OTHER EXPENDITURES	-	-	5,000	5,000		5,000	
TRANSFERS TO RESERVES	-	-	23,500	23,500		23,500	
Total Expenditures	3,307,996	3,056,780	3,343,894	287,114	9.4%	35,898	1.1%
GRANTS AND SUBSIDIES	115,031	108,600	73,250	(35,350)	-32.6%	(41,781)	-36.3%
USER FEES & SERVICE CHARGES	1,431,891	1,334,688	1,525,570	190,882	14.3%	93,679	6.5%
RENTALS	275,250	279,220	322,806	43,586	15.6%	47,556	17.3%
SALES	173,001	154,475	156,925	2,450	1.6%	(16,076)	-9.3%
RECOVERIES & CONTRIBUTIONS	64,680	48,400	53,100	4,700	9.7%	(11,580)	-17.9%
OTHER INCOME	29,683	27,000	27,000	-		(2,683)	-9.0%
Total Revenues	2,089,536	1,952,383	2,158,651	206,268	10.6%	69,115	3.3%
Net Expenditure (Revenue)	1,218,460	1,104,397	1,185,243	80,846	7.3%	(33,217)	-2.7%

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication	
1	Environmental Focus													
1.0	Investigate Leeds Certification criteria for facility accreditation and related financial implications by Q4/05	<p>Performance Measures:</p> <ul style="list-style-type: none"> - Energy efficiency - \$\$ saved - payback <p>Indicators:</p> <ul style="list-style-type: none"> - 			X				X	X				
2	Fiscal Stewardship													
2.1	Operating Budget Support staff in successfully achieving our department's net operating budget, by December 31/05	<p>Performance Measures:</p> <ul style="list-style-type: none"> - financial performance – actual vs. budget - % of cost recovery - % of spaces filled in programs - net cost per capita - annual membership number (new & renewal) - # of prime and non-prime hours sold - sponsorship retention - % seats sold - Theatre performance <p>Indicators:</p> <ul style="list-style-type: none"> - overview financial operations - Finance Dept - complete quarterly variance reports via product group - monitor monthly utility costs as compared to 2004 consumption level - complete program Revenue Report by session to monitor actual performance to budget for Rec/Culture - monitor full-time & part-time G/L statements on a quarterly basis to ensure allocation to appropriate accounts - complete monthly Hall revenue reports and monitor actual performance to budget - complete Ice Season revenue reports to compare Actual to Budget - realign budgets & streamline line accounts - monitor PES financial performance on a per show basis - monitor sponsorship revenue actual vs. budget bi-monthly 							X	X				
2.2	Capital Budget Support staff in commencing 2005 capital budget projection and completing them all by December 15/05 except multi-year projects such as restoration, studies and new construction	<p>Performance Measures:</p> <ul style="list-style-type: none"> - budget performance of actual vs. budget - # of projects/improvements completed <p>Indicators:</p> <ul style="list-style-type: none"> - establish capital project tracking schedule once Council has approved the 2005 Corp. Capital Budget - complete monthly status reports on each project - complete Contractor Evaluation Sheet on applicable Capital projects - summarize the number of complete capital projects and actual costs versus budget figures 								X				

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication	
2.3	<u>5-Year Capital Forecast</u> Develop a 5-year capital forecast; prioritize, document and submit capital requests for 2006 based on the average granted over the past 3 years, by June 1/05	Performance Measures: - Final submission completed according to designated time - Written report submitted to Council for any project requiring Council advance knowledge (i.e.: Rouge River renovations)						X		X				
2.4	<u>Sponsorship</u> Support the cultural managers in achieving our sponsorship targets per venue by December 31/05 as follows: Art Gallery \$12,000 Museum \$19,500 Theatre \$100,000	Performance Measures: - Actual vs. budget on targets Indicators: - Number of returning sponsors - Number of new sponsors								X				
2.5	<u>Cultural Venues User Fees</u> Review all user fees and recommend changes for Council approval for the Art Gallery and Museum, build annual cost of living increase into policy, by Q2 /05	Performance Measures: - Endorsement by Council Indicators: -								X				
2.6	<u>Cultural Capital Improvement Fund</u> Research and develop recommendations for implementing a Capital Improvement Fund for the Museum and Art Gallery, by Q4 /05	Performance Measures: - Endorsement by Council Indicators: -						X						
3	Infrastructure Management													
3.1	<u>Accessibility Capital Plan</u> Work in co-operation with Operations & Asset Management and conduct a feasibility study to address accessibility issues in our community centres and identify the cost per facility and develop a report for Council endorsement	Performance Measures: - Endorsement by Council - Implementation of annual plan Indicators: -		X					X				X	
3.2	<u>Facility Standards - Facility Construction</u> Research, develop and document facility standards or specifications to be used as a reference tool/template for future capital construction projects, by Q4 /05	Performance Measures: - Documented standards Indicators: -		X					X				X	
3.3	<u>Facility Benchmarking</u> Research, review and conduct a pilot survey audit for one of our major recreation facilities as part of Facility Management and Benchmarking Best Practise Survey, by Q4/05	Performance Measures: - Completed facility audit Indicators: -						X	X					

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
4	Managed Growth												
4.1	<u>Thornhill C.C. Expansion - Phase II</u> Operationalize phase II of Thornhill expansion, by Q3 /05 Develop and submit business case for staffing resources required to operate the expansion, along with the applicable line accounts for 2005/06 operating budgets	Performance Measures: - Facility Renovations and Improvements, report and endorsement by Council on the facility expansion components and related capital/operating funds necessary for the project Indicators: - design developed - tender specifications developed & documented - release RFP/tender - evaluate tender submissions - recommend to Council the contractor - award the contract		X				X				X	
4.2	<u>Centennial Expansion</u> Assist Construction & Utilities in obtaining approval for detailed architectural plans and financial analysis for Centennial expansion, by Q2 /05	Performance Measures: - facility renovations and improvements, report and endorsement by Council on the facility expansion components and related capital/operating funds necessary for the project Indicators: - design developed - tender specifications developed and documented - release RFP/tender - evaluate tender submissions - recommend to Council the contractor - award the contract		X				X				X	
4.3	<u>Thornhill - Lower Level Design Study</u> Conduct a feasibility study for the lower level of Thornhill Community Centre and recommend to Council the design costs and related operating and capital expenditures required to renovate the area for 2006 capital consideration, by Q2 /05	Performance Measures: - report/endorsement by Council on the renovations and related costs - include the request in the 2005 budget submission Indicators: - establish a small review team - review original cost estimates - review existing users/impacts - design developed and financial analysis documented in terms of capital/operating costs		X				X				X	
4.4	<u>Museum Master Plan</u> Implement phase 1 of the Museum Master Plan, subject to Council approval			X				X				X	

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities					Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement
4.5	<p><u>Museum Reception Centre</u> Operationalize the Museum Reception Centre by Q3 /05 Submit in the 05 operating budget the appropriate business cases for staffing and resources related to operation of the centre</p>	<p>Performance Measures: - report and endorsement by Council on the components of the building - # new facility renovations/improvements - endorsement by Council of the resources required for the operation of the reception centre</p> <p>Indicators: - design developed and financial cost approved - tender/specifications developed and documented - release RFP/tender - evaluate the tender submission - recommend to Council the contractor - award contract - construction of facility - open building to public</p>		X				X				X
4.6	<p><u>McKay House</u> Complete the McKay House restoration and fundraising, by Q3 /05</p>	<p>Performance Measures: - report and endorsement by Council on the Capital Plan - actual vs. target fundraising campaign - project actual vs. budget</p> <p>Indicators: - establish a staff committee to review the scope and timelines related to the project - review any existing material - retain a consultant to perform a Building Condition Report if required and related costs - develop a Capital Plan for the building - work with the Board on proposed landscape uses in gardens etc and develop a Site Master Plan and related costs - develop a draft report detailing Capital Building costs, landscaping costs and related operating costs - review draft report with all parties - Finance Board, etc.</p>		X				X				X
4.7	<p><u>Central East Community Centre</u> Assist Strategic Services and Real Estate Manager and work co-operatively with the various stakeholders in obtaining an MOU and land deal design concepts for the new centre, by Q3 /05</p>	<p>Performance Measures: - endorsement by Council on MOU - land purchased/leased - design concept complete and endorsed by Council</p> <p>Indicators: -</p>		X				X				X
4.8	<p><u>Ward 7 Community Centre</u> Submit a report to Council outlining the proposed site and facility components of a new community centre in Ward 7, based on Master Plan recommendations</p>	<p>Performance Measures: - performance to capital budget - # of new jobs created - timeline - 4th quarter - # of new facility components brought online - endorsement by Council on MOU - land purchased/leased - design concept completed and endorsed by Council</p> <p>Indicators: -</p>		X								X

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
4.9	<u>Skateboard Park</u> Operationalize the skateboard park by working in co-operation with the youth and other stakeholders to establish operating guidelines, by Q1/05	Performance Measures: - endorsement by Council of operating guidelines Indicators: -		X				X				X	
4.10	<u>Older Adult Strategy</u> Develop a 3-year plan to meet the delivery and facilitation requirements of the older adult services in each of our four recreation areas (Thornhill, Milliken, Markham Village and Unionville), by Q3 /05	Performance Measures: - endorsement by Council of the plan Indicators: -		X				X				X	
4.11	<u>Youth Strategy</u> Develop a 3-year plan that identifies a vision for youth recreation services geared at increasing the opportunities to participate, by 10% over 2004 participation numbers	Performance Measures: - endorsement by Council of the plan Indicators: -		X				X				X	
4.12	<u>Active Living Strategy</u> Develop a 5-year plan to increase participation in Markham by 10% over 2004 levels that will assist in creating a healthier community, by Q4 /05	Performance Measures: - endorsement by Council of the plan Indicators: -		X				X				X	
4.13	<u>Organizational Review</u> Complete an organizational review to position recreation services for future growth, by Q4 /05	Performance Measures: - endorsement by Council of the plan Indicators: -		X				X		X			
4.14	<u>Sports Council</u> Review the impact of operating the Sports Council with Town of Markham, by Q2 /05	Performance Measures: - Report and endorsement by Council		X				X					
5	Quality Community												
5.1	<u>Customer Survey</u> Conduct customer satisfaction surveys, that meet corporate guidelines, for the Museum and Art Gallery, and use the information to adjust programs and services and report to Council on the findings by Q4 /05	Performance Measures: - # of surveys conducted - Results communicated to staff, customers, and Council - # of improvements made to programs/services		X				X				X	
5.2	<u>Mayors Dinner for the Arts</u> Work in co-operation with Strategic Services in hosting the Mayors Dinner for the Arts with a target net profit of \$25,000, by Q4 /05	Performance Measures: - Actual vs. budget net		X									X
5.3	<u>Foundation/Committee Structure</u> Review, research and recommend options for fundraising (i.e. Foundation, United Arts Council, etc.) with associated structure and terms of reference for one of the cultural venues, for+B40 Council consideration, by Q4 /05	Performance Measures: - plan completed & approved by Council Indicators: - develop RFP; select a consultant; develop an action plan - work session/focus groups - staff & Board - draft report - review draft report - financial/resource impacts - work session Council - draft recommendations - final report - approval by Board/Council		X				X					

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
5.4	<u>Exhibition Schedule</u> Develop a 2-year art and museum exhibition schedule for 2006-2008, by Q4/04	<u>Performance Measures:</u> - # of exhibits per years - attendance per exhibit compared to previous year		X								X	
5.5	<u>Deliver 5 art exhibits in 2005 to the community by Q4 /05</u> Carlyle Exhibition - Jan-Feb Field Studies - Mar-Apr Childhood Revisited - May-Aug International Film Posters - Aug-Sept OSA Portraiture Show - Oct-Dec	<u>Performance Measures:</u> - attendance per exhibit		X								X	
5.6	<u>Museum Program</u> Design, develop and implement after school programs and a youth curator project by Q3 /05	<u>Performance Measures:</u> - number of programs developed - participation fill rate		X								X	
5.7	<u>Volunteer Recruitment</u> Recruit, train and increase our volunteer base at the cultural venues by ___ Art Gallery ___ Museum ___ Theatre to assist in the delivery of services, by Q4 /05	<u>Performance Measures:</u> - # of volunteers recruited		X								X	
5.8	<u>Fitness Centre - Hours of Operation and Age Restrictions</u> Review and revise the fitness centre hours of operation and age restrictions and develop a report for Council endorsement, by Q2 /05	<u>Performance Measures:</u> - report and endorsement by Council - cost/benefit analysis - # of uses during extended hours		X				X				X	
5.9	<u>Milliken Children's Festival</u> Co-ordinate and deliver the activities for the Milliken Mills Children's festival, by Q3/05	<u>Performance Measures:</u> - program approved by Ward Councillor - attendance per exhibit compared to prior year - actual vs. budget		X								X	
5.10	<u>Amusement Park</u> Operationalize the amusement park component of the Museum, by Q4 /05	<u>Performance Measures:</u> - report and endorsement by Council		X								X	
6	Organizational Excellence												
6.1	<u>PMR</u> Ensure all staff take part in the performance management process that aligns individual performance to the objectives of the Department and the Commission Initial phase completed by Jan 31/05, mid term reports by July 31/05, final report by Nov. 30/05	<u>Performance Measures:</u> - 100% compliance - % staff indicated they had involvement in setting the performance management plan <u>Indicators:</u> - initial meeting with staff to establish and document objectives and training in the Performance Management Plan - mid-year review with staff to monitor and make adjustments in the Performance Management Plan - final review with staff to assess actual vs. planned results									X		

Recreation & Culture Services 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
6.2	Staff Satisfaction Projects (2)												
6.3	<u>Fitlinx</u> Create an IT business case for Fitlinx application in our fitness centre, by Q2 /05	Performance Measures: - Endorsement of the application by senior management - Purchasing the application - Installation of the application - System is live		X					X				X
6.4	<u>Collection Management</u> Implement collection management system by Q4 /05 pending Council approval	Performance Measures: - Endorsement of the application by senior management - Purchasing the application - Installation of the application - System is live							X				X
6.5	<u>Payment Manager</u> Create an IT business case and implement payment manager for Class	Performance Measures: - Endorsement of the application by senior management - Purchasing the application - Installation of the application - System is live											X
6.6	<u>CPAT</u> Work in co-operation with Fire Services in implementing CPAT testing for fire recruitment, by Q2 /05	Performance Measures: - # of firefighters tested											
6.7	<u>POS System</u> Research and work in co-operation with IT in developing IT business case and implement POS system for Museum and Art Gallery	Performance Measures: - Endorsement of the application by senior management - Purchasing the application - Installation of the application - System is live											X

Operations

BUSINESS OVERVIEW

Mission Statement

Operations subscribes to the mission statement of the Operations & Asset Management Department, as outlined below.

We deliver safe, high quality, and affordable services through leadership and sensitivity to the community and the environment. We foster an atmosphere for continuous improvement through interactions with our customers and benchmarking with our colleagues to meet the demands of our growing community.

Operations is Meeting 2004 Objectives

Operations Division reports to the Operations and Asset Management Department in the Community & Fire Services Commission. In 2004, it had an approved net budget of \$12,928,265 and 88 full-time employees. Revenues were estimated at \$807,776, resulting in a net budgeted cost per household of \$140.78 in 2004.

Operations Division is responsible for providing the following core services:

- **Fleet Maintenance** - In 2004, maintained 600 units, managed \$1.5 million operating budget, and a \$1.2 million replacement program budget.
- **Parks Maintenance & Horticulture** - In 2003, Parks maintained approx. 691 hectares of park, making up over 3% of the municipality's land mass. In 2003 it cost \$6,270 to maintain a hectare of park, an increase of 1% from 2002. Similarly the cost to maintain a tree has remained stable at \$2.69 between 2002 and 2003. In 2004, Parks Maintenance and Horticulture accounted for 35% of the approved net budget for the department.
- **Roads Maintenance** - In 2003, the Town maintained 1,554 lane kilometres of road, with 87% of paved roads rated as 'good condition' or higher in 2003. 100% of all winter responses in 2003 met or exceeded road maintenance standards. The operating cost to maintain paved roads was \$612.20 per lane km in 2003. The operating cost for winter maintenance in 2003 was \$2,776.69 per lane km. The cost to maintain unpaved roads was \$6,833.28 per lane km in 2003. In 2004, Road Maintenance accounted for 47% of the approved net departmental budget and has about \$3.6 million in contracted services.
- **Admin & Financial Support** - Worked with Contact Centre to provide windrow removal assistance to 1,100 residents. Provided assistance to manage over 6,700 Roads / Parks service requests. Conducted variance analysis for 60 capital accounts with \$15 million funding and 272 Operating accounts with \$12 million plus in funds, including year-end projections. Processing annually approximately 2,000 GSO/Cheque Requisitions, 3,000 to 4,000 AMEX transactions, 10,000 Fleet work orders, and 3,000 Fleet stockroom transactions.

Plan for 2005

In addition to maintaining its current core services, the key focus areas in 2005, including initiatives requiring additional funding, are:

Communities in Bloom; Public Drinking Fountains Policy; Continue to address the Norway Maple tree decline; Pesticide Reduction & Service Level Review; Operations Review - Continue to improve efficiencies through the integration of Fleet/Parks/Roads resources; Implement recommendations from the Salt Management Plan; Implement recommendations of Green Fleet Transition Plan; Fence replacement program for rail lines abutting public roads; Introduction of AVL's for corporate fleet.

Service(s)	Customer(s)
Development review	All user departments
Drainage - streams, channels, stormwater management, etc.	Development Services Commission
Fleet Management - repair and replacement	Town businesses
Horticulture and forestry services	Town residents
Parks, sportsfields and facility maintenance	Special Events Groups/Coord.
Roads - asphalt repair, winter control, traffic systems, special events	

Business Unit Profile

Operations

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Parks - Installation of 20 molok deep waste systems (replacing standard waste receptacles)	✓	
Parks - Maintained 50% of boulevards in-house (58 ha.)		✓
Parks - 2 Major tennis court resurfacings	✓	
Parks - Norway Maple tree decline. Monitoring, removal and replacement of trees.	✓	
Admin - Completed operational review for department		✓
Admin - Anticipate completion of first phase of the Markham Beautification Concrete Fence Program	✓	
Roads - Signs (manufacturing-2570, maintenance-1556, new street name signs-450)	✓	
Roads - Resurfaced 27 km of road in our Road Rehabilitation Program	✓	
Roads - 100% winter response rate (2003-2004)	✓	
Roads - Anticipate Consultant's completion of Salt Management Plan	✓	
Fleet - Introduction of Green Fleet Transition Plan (Fall 2004)	✓	
Fleet - 4 New Fire Trucks in Service	✓	
Fleet - Enhanced Driver/Safety Reward Program	✓	
Special Events/Road Closure Permits (124 to date)	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Legislated requirements as well as health/safety and environmental changes
- Tree Decline as a result of climactic changes and continually evolving environmental stresses (i.e. Asian Long Horn Beetle and Emerald Ash Borer)
- Resources required to address growing/aging infrastructure
- Meeting Kyoto targets
- Increased maintenance/replacement costs
- Light Pollution/Parks Illumination Policy Implementation

Opportunities

Partnership with Community Volunteer Groups, Ratepayer Groups, Developers, etc. to enhance the Communities in Bloom program

Implementation of staffing plan as identified in the Operations Review

Partnership with Industry for Alternative Fuels & Green Fleet

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Operations

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	6,961,816	6,791,263	7,722,536	931,273	13.7%	760,720	10.9%
PRINTING & OFFICE SUPPLIES	75	-	-	-		(75)	-100.0%
PURCHASES FOR RESALE	1,497	-	-	-		(1,497)	-100.0%
OPERATING MATERIALS & SUPPLIES	100,142	117,838	127,960	10,122	8.6%	27,818	27.8%
VEHICLE SUPPLIES	947,642	897,525	931,525	34,000	3.8%	(16,117)	-1.7%
SMALL EQUIPMENT SUPPLIES	14,426	13,591	13,591	-		(835)	-5.8%
BOTANICAL SUPPLIES	268,929	233,111	309,911	76,800	32.9%	40,982	15.2%
CONSTRUCTION MATERIALS	1,177,100	807,995	943,863	135,868	16.8%	(233,237)	-19.8%
UTILITIES	228,675	211,871	219,535	7,664	3.6%	(9,140)	-4.0%
COMMUNICATIONS	15,208	17,475	17,475	-		2,267	14.9%
CONTRACTS & SERVICE AGREEMENTS	3,912,824	3,250,473	3,454,678	204,205	6.3%	(458,146)	-11.7%
MAINT. & REPAIR-TIME/MATERIAL	1,215,242	915,766	1,026,528	110,762	12.1%	(188,714)	-15.5%
RENTAL/LEASE	152,505	177,865	247,565	69,700	39.2%	95,060	62.3%
PROFESSIONAL SERVICES	7,241	8,738	8,738	-		1,497	20.7%
LICENCES, PERMITS, FEES	213,566	242,553	242,553	-		28,987	13.6%
PROMOTION & ADVERTISING	1,765	10,000	10,000	-		8,235	466.6%
OTHER PURCHASED SERVICES	(42,965)	33,777	(7,645)	(41,422)	-122.6%	35,320	-82.2%
OTHER EXPENDITURES	4,236	6,200	6,200	-		1,964	46.4%
Total Expenditures	15,179,924	13,736,041	15,275,013	1,538,972	11.2%	95,089	0.6%
RENTALS	130,976	105,000	130,000	25,000	23.8%	(976)	-0.7%
SALES	76,016	50,000	65,000	15,000	30.0%	(11,016)	-14.5%
RECOVERIES & CONTRIBUTIONS	310,426	314,500	326,500	12,000	3.8%	16,074	5.2%
OTHER INCOME	541,892	338,276	338,276	-		(203,616)	-37.6%
Total Revenues	1,059,310	807,776	859,776	52,000	6.4%	(199,534)	-18.8%
Net Expenditure (Revenue)	14,120,614	12,928,265	14,415,237	1,486,972	11.5%	294,623	2.1%

Asset Management

BUSINESS OVERVIEW

Mission Statement

We deliver safe, high quality, and affordable services through leadership and sensitivity to the community and the environment. We foster an atmosphere for continuous improvement through interactions with our customers and benchmarking with our colleagues to meet the demands of our growing community.

Asset Management is Meeting 2004 Objectives

The Asset Management Division reports to the Operations and Asset Management Department in the Community & Fire Services Commission. In 2004, it had an approved net budget of \$1,442,259 and 9 full-time employees. Revenues were estimated at \$183,650, resulting in a net budgeted cost per household of \$15.75 in 2004.

The Asset Management Division is responsible for providing the following core services:

- Develop and manage strategic plans that consider growth, risk management and sustainability In 2004, Asset Management staff initiated an Asset Report Card detailing inventory status (quantity, age, material), life cycle data (life expectancy, replacement cost) and operational considerations (business process mapping and improvement).
- Conduct infrastructure assessments (inventory, age, condition): During 2004, data sets were compiled/ analysed in support of consolidated asset management and the Reserve Fund Study. Completion of the Waterworks data backlog (digitization) stands as a key accomplishment in 2004.
- Implement life cycle management programs: In 2004, Asset Management staff successfully processed approx. 5,000 work orders in Hansen and the Facility Management Information System.
- Facility Management: Asset Management manages certain buildings within the current inventory of 110 facilities with the Markham Civic Centre as a key responsibility. Current mandate extends to input for new buildings and rehab of existing ones. Asset Management maintains the Facility Management Information System which maintains all facility attributes, life cycle and building condition data, and a preventive and demand response work order system.

Plan for 2005

In addition to maintaining its current core services, the key focus areas in 2005 are:

- Develop and implement Asset Management Strategic Plan: Complete high level assessment necessary to permit strategic planning, policy formulation and determine the resources necessary to maintain asset sustainability.
- Building on the Reserve Fund Study, present to Council an 'Asset Overview' detailing asset inventories, condition data and values.
- Pursue the implementation of best practices and performance measurement (i.e. Waterworks Benchmarking Initiative)
- Continue to assist the Waterworks Dept. in meeting legislative requirements (QA Program and full cost recovery)
- Assist in the development of the Environmental Management Plan as it relates to facilities (i.e. energy management, MDE)
- Continue to enhance and develop the implementation of Hansen (Pavement Management, Business Process Improvement)
- Initiate Electrical Safety Authority (ESA) Continuous Safety Services Program
- Respond to revised Ontario Disabilities Act by initiating an accessibility audit and developing a multi-year work plan

Service(s)	Customer(s)
Asset management of public works, bridges, data and lifecycle management.	Civic Centre employees / visitors
Facility maintenance of satellite community centre, fire stations and libraries	Construction and Utilities Division (Waterworks, Capital Const.)
Management of Markham Civic Centre facility	Fire Services
Corporate facility programs (i.e. Roof replacement program)	Markham Public Libraries
	Operations Division (Roads, Parks, Fleet)
	Recreation & Culture Services

Asset Management

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Developed Asset Report Card w/ inventory, life cycle data (replacement cost, current condition, life expectancy) and operational impacts (maint history, planned maint, and bus process improvement implementation).	✓	
Updated facility life cycle data	✓	
Compiled water, sanitary and storm sewer backlog into GIS and Hansen	✓	
Contributed to asset reserve funding study review		✓
Negotiated renewal of 12 service contracts YTD (HVAC, roof maint, electrical service, etc.)	✓	
Completed Well Water Management Plan for Satellite Community Centres		✓
Managed and completed 34 Operations and Asset Management Dept. IT Projects YTD (42 in progress)	✓	
Completed 8 of 16 approved capital projects YTD September (w/ emphasis on backlog)	✓	
Completed Civic Centre Space Planning Projects (i.e. Ops & Asset Mgmt., Bldg, IT, Recreation and Strat Ser.)	✓	
Engaged and successfully mentored two Career Bridge Intern placements (win-win)		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- Continue to support Waterworks in meeting legislated requirements
- Evaluation of initiatives stemming from IT strategic plan with regards to Operations and Asset Management needs
- Changes in Accessibility legislation will require complete facility audits, upgrades and reporting
- Kyoto Committee project requirements
- Growing inventory and aging infrastructure (new infrastructure, facilities)

Opportunities

- Opportunities to obtain infrastructure and energy management grants (GMEF, CBIP)
- Business process improvement (new assets from development, roll out of Hansen W/O's, parks classification)
- Acquire and utilize leading edge IT technology (field computing, process automation)
- Ensure Environmental Management Plan supports energy management program initiatives (DSM, retrofits)
- Corporate facilities standardization - Improve operational effectiveness

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Asset Management

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	681,597	677,208	690,886	13,678	2.0%	9,289	1.4%
PRINTING & OFFICE SUPPLIES	1	-	-	-		(1)	-100.0%
OPERATING MATERIALS & SUPPLIES	83,904	54,098	54,098	-		(29,806)	-35.5%
CONSTRUCTION MATERIALS	473	2,330	2,330	-		1,857	392.6%
UTILITIES	303,776	311,897	304,555	(7,342)	-2.4%	779	0.3%
COMMUNICATIONS	2,653	2,878	2,878	-		225	8.5%
CONTRACTS & SERVICE AGREEMENTS	385,273	387,071	389,684	2,613	0.7%	4,411	1.1%
MAINT. & REPAIR-TIME/MATERIAL	246,033	183,911	182,588	(1,323)	-0.7%	(63,445)	-25.8%
LICENCES, PERMITS, FEES	-	427	427	-		427	
OTHER PURCHASED SERVICES	-	6,089	4,802	(1,287)	-21.1%	4,802	
Total Expenditures	1,703,710	1,625,909	1,632,248	6,339	0.4%	(71,462)	-4.2%
RENTALS	85,070	76,250	83,450	7,200	9.4%	(1,620)	-1.9%
OTHER INCOME	149,817	100,000	150,000	50,000	50.0%	183	0.1%
INTER-DEPARTMENTAL RECOVERIES	8,828	7,400	7,400	-		(1,428)	-16.2%
Total Revenues	243,715	183,650	240,850	57,200	31.1%	(2,865)	-1.2%
Net Expenditure (Revenue)	1,459,995	1,442,259	1,391,398	(50,861)	-3.5%	(68,597)	-4.7%

Utilities & Capital Works

BUSINESS OVERVIEW

Mission Statement

We provide technical services and project management services to internal departments to achieve cost effective engineering solutions and project delivery for new and replacement infrastructure.

There are 3 distinct and separate sections combined in this Business Unit Profile:

1) Utilities & Contracts; 2) Capital Works, Facilities; and 3) Capital Works, ROW.

Utilities & Capital Works is Meeting 2004 Objectives

This business unit reports to the Construction & Utilities Division of the Operations and Asset Management Department in the Community & Fire Services Commission. In 2004, it had an approved net budget of \$1,954,928 and 9 full-time employees. A net budgeted cost per household is \$21.38 in 2004.

This workgroup is responsible for providing the following core services:

- Utilities & Contracts - maintaining new light standards ; issuing Utility Permits; collecting Utility revenue; surveying; and contracts.
- Capital Works, Facilities - providing project Management services for the construction of new Town-owned facilities and additions and renovations of existing ones. The estimated value of projects managed in 2004 was \$63 million.
- Capital Works, ROW - providing project management and technical services for municipal infrastructure projects. In 2004, this unit provided project management for: 6 water and sanitary sewer related projects; 5 bridges and culverts improvement projects; 2 intersection improvement projects; Light Pollution policy; and Settlers Park landfill site management project.

Plan for 2005

In addition to maintaining its current core services, the key focus areas in 2005 are:

- Review and finalize policies and procedures for Park pathway and parking lot illumination;
- Finalize Municipal Access Agreements (MAA) with all utility providers;
- Determine responsibilities and priorities for the Contracts unit (in Utilities & Contracts);
- Develop utility approval/inspection procedures based on YDUCG procedure manual;
- Develop policy and procedures and standards for the Capital Works, Facilities section;
- Establish and manage the Bridges & Culverts Management Program to maintain infrastructure efficiently;
- Implement Phase I and V of Markham Main Street project.
- Continue to deliver project management services for infrastructure projects.

Service(s)	Customer(s)
Bridges assessment	Markham residents
Capital project management, including Town facilities and municipal infrastructure (roads, water, sewers, bridges, etc.)	Departments, namely Fire & Emergency Services, Legal Services, Markham Public Libraries, Operations & Asset Management, Recreation & Culture Services, Waterworks
Contract administration	
Streetlighting	Utility Groups
Survey	Surveyors
Utility approvals	

Business Unit Profile

Utilities & Capital Works

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Established Utilities & Contracts section, including placement of Manager's & Inspector positions	✓	
Built consensus with stakeholders to move forward with transition of MAA from Engineering to Utilities & Contracts section	✓	
Implemented new York Durham Utility Coordinating Group (YDUCG) Procedures Manual and new standard MAA. Also entered into MAA with Utility groups and collected \$110K in outstanding fees.		✓
Gathered Commission wide contracts for professional services with the intent to review and standardize these documents		✓
Entered into negotiations and implemented a MAA with Markham District Energy and provided approvals and inspection for Markham Centre Project (heating and cooling project)		✓
Negotiated a joint use agreement for use of Trafalgar Poles with Utility groups and Developers		✓
Started construction on Museum Reception Centre	✓	
Opened Angus Glen Community Centre	✓	
Opened Riviera Fire Station	✓	
Received approval of Schematic Designs for Centennial CC, Markham Village Library and Bur Oak Fire Station	✓	
Completed various capital infrastructure projects valued at \$2M	✓	
Implemented bridges and culverts management system		✓
Developed Local Improvement policy and procedures		✓
Completed detailed design for projects ready for 2005 construction	✓	
Completed the Light Pollution Study	✓	
Completed the Settlers Park Landfill Site management study		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- Additional services from this group are required due to growth and aging of infrastructure as the community grows
- Develop working relationship with new Power Stream Corporation
- Light pollution and Parks illumination policy implementation
- Appropriate funding to meet construction requirements for facilities -- noting increasing construction costs as well
- Increased demand for technical services and project management in the Capital Works, ROW area

Opportunities

- Fee revenues from MAA & utility permits based on causal costs (opportunity to recover all related admin costs)
- Funding for additional Capital Works, ROW resources is provided in the client departmental capital project funding

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Utilities & Capital Works

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	2005 Bud. vs. 2004 Bud.		2005 Bud. vs. 2004 Act.	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	648,987	657,307	812,314	155,007	23.6%	163,327	25.2%
PRINTING & OFFICE SUPPLIES	1	5,340	5,340	-		5,339	533900.0%
OPERATING MATERIALS & SUPPLIES	2,024	2,054	2,054	-		30	1.5%
TRAINING	100	-	-	-		(100)	-100.0%
CONTRACTS & SERVICE AGREEMENTS	(56,048)	(54,278)	(54,278)	-		1,770	-3.2%
MAINT. & REPAIR-TIME/MATERIAL	500,505	400,097	420,097	20,000	5.0%	(80,408)	-16.1%
PROFESSIONAL SERVICES	21,939	8,932	8,932	-		(13,007)	-59.3%
CONTRACTED MUNICIPAL SERVICES	1,066,360	1,017,476	1,114,000	96,524	9.5%	47,640	4.5%
OTHER EXPENDITURES	23	-	-	-		(23)	-100.0%
Total Expenditures	2,183,891	2,036,928	2,308,459	271,531	13.3%	124,568	5.7%
USER FEES & SERVICE CHARGES	52,807	80,000	50,000	(30,000)	-37.5%	(2,807)	-5.3%
SALES	3,775	2,000	2,000	-		(1,775)	-47.0%
RECOVERIES & CONTRIBUTIONS	108,696	-	50,000	50,000		(58,696)	-54.0%
Total Revenues	165,278	82,000	102,000	20,000	24.4%	(63,278)	-38.3%
Net Expenditure (Revenue)	2,018,613	1,954,928	2,206,459	251,531	12.9%	187,846	9.3%

Waste Management

BUSINESS OVERVIEW

Mission Statement

To provide responsible waste management services for our community. We do this by providing efficient and effective collection services while developing and promoting innovative waste reduction programs.

Waste Management is Meeting 2004 Objectives

Waste Management reports to the Construction & Utilities Division of the Operations and Asset Management Department in the Community & Fire Services Commission. In 2004, it had an approved net budget of \$6,240,486 and 4 full-time and 4 part-time employees. 2004 budgeted revenue is \$165,109, resulting in a net budgeted cost per household of \$68.55. An estimated \$700,000 of unbugetted revenues from the WDO/Region has been confirmed for 2004. When that amount is factored in, the net cost becomes \$60.86. Future WDO funding will have to be negotiated with the Region. The major objective for 2004 was the implementation of 3-stream collection.

- Waste Collection - Services provided to 67,050 households in 2003, an increase of 3,000 from 2002. Continued to administer the collection contract, respond to customer requests, and establish and enforce policies and by-laws related to waste. Waste collection operating cost was \$57.03 per tonne in 2003. In 2004, a 5 day/week collection schedule was implemented to meet the demand of a growing population and to support 3-stream collection.
- Recycling Collection - Services provided to 67,050 households in 2003, 4 year-round recycling depots, and special events. The operating cost for this service was \$142.80 per tonne in 2003. The Town increased its waste diversion rate to 35.1% in 2003. In 2004, Phase 1 of the new 3-stream organics collection system was launched to 15,000 households as a component of the "Mission Green" program. For its Home Composting Program, Waste Management sold about 2,000 home composting units at 5 sale events.
- Public Education and Program Planning - Proactive program and policy planning are key to the Town's success in waste diversion. In a town wide household survey that will be repeated every two years, Waste Management received a 85% satisfaction rating from customers; the highest of any municipal service. "Mission Green", a program to recycle 70% of Markham's waste, was unanimously approved by Council in 2004 and will be supported with an aggressive public education program. The implementation of Phase 1 and the development of Phase II of 3-stream collection and a litter prevention strategy were key objectives for 2004.

Plan for 2005

Waste Management services will continue to expand to achieve 70% waste diversion:

- Implement Phase II (final phase) of 3-Stream collection program to 55,000 households by September 2005
- Implement a Litter Prevention Strategy and hire a one-year contract Litter Coordinator (Subject to Council approval in 2004)
- Prepare multi-residential recycling strategy and education program for leaf and yard waste plastic bag ban
- Develop a waste management strategy for Markham Centre
- Streamline Development Review process
- Expand the School Education Program

Service(s)	Customer(s)
Collection services: garbage, recycling, yard waste, and special events collection services; Recycling depot management	Developers
Waste Management Inspections and Enforcement	Development Services Commission
Monthly scrap metal / large appliance collection	Markham businesses
Public Education Program-development of newsletters, brochures, fact sheets, web page, video, Environment Book on waste management issues (waste reduction, waste diversion, and Home Composting)	Markham residents
Blue Box, home composter, and green bin distribution	School/community groups
Site Plan & Development Agreement review	

Business Unit Profile

Waste Management

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Introduced successfully the new 5 day collection schedule in July 2004		✓
Implemented successfully Phase I of the 3-stream collection program to 15,000 households with weekly recycling and organics collection and every other week collection of garbage		✓
Expanded recycling depot services and increased acceptable materials: polystyrene and plastic film	✓	
Expanded public space recycling program across Town including all Town facilities	✓	
Produced multi-lingual enforcement brochure		✓
Developed a new waste collection calendar for 3-Stream Phase 1 residents		✓
Developed litter prevention strategy	✓	
Sold approximately 2,000 Home Composting Units at 5 composter sale events (enhanced)	✓	
Designed and developed 3-Stream education package which included newsletters, a Mission Green website, brochures, magnetic streaming guide, Green Bin education video, billboard advertising (enhanced)		✓
Negotiated waste collection contract extension to include 3-Stream waste collection program, automated vehicle location technology (GPS)		✓
Integrated Town's CARE system successfully with Miller Waste		✓
Sponsored 6 public meetings on 3-stream collection		✓
Provided recycling services to 35 special events	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

Waste Management services for Markham Centre
Expansion of curbside recycling program with addition of new materials in July 2005 may require curbside collection in small carts as alternative to blue boxes
Potential closure of Michigan border to flow of Canadian garbage
Communication and education to ensure compliance with every other week garbage collection and to prevent illegal dumping and improper set-outs and obtain 70% waste diversion target
Waste reduction programs for apartment buildings and schools
Negotiate recycling revenue sharing with Region of York

Opportunities

Secure from Region annual WDO Funding for 5 years (approx. \$2M)
Apply for WDO Communication and Education Funding
Apply for WDO Funding for recycling cart curbside collection pilot
Negotiate diversion credit with Region

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Waste

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	454,321	440,708	451,769	11,061	2.5%	(2,552)	-0.6%
PRINTING & OFFICE SUPPLIES	17,409	17,476	17,476	-		67	0.4%
PURCHASES FOR RESALE	68,827	38,835	38,835	-		(29,992)	-43.6%
OPERATING MATERIALS & SUPPLIES	5,535	2,622	2,622	-		(2,913)	-52.6%
UTILITIES	2,109	1,863	2,157	294	15.8%	48	2.3%
COMMUNICATIONS	1,188	485	485	-		(703)	-59.2%
TRAINING	63	-	-	-		(63)	-100.0%
MAINT. & REPAIR-TIME/MATERIAL	616	3,635	3,635	-		3,019	490.1%
RENTAL/LEASE	87	981	981	-		894	1027.6%
PROFESSIONAL SERVICES	21,624	26,214	26,214	-		4,590	21.2%
LICENCES, PERMITS, FEES	(8,206)	-	-	-		8,206	-100.0%
PROMOTION & ADVERTISING	93,848	89,641	89,641	-		(4,207)	-4.5%
CONTRACTED MUNICIPAL SERVICES	5,870,342	5,783,109	5,998,290	215,181	3.7%	127,948	2.2%
OTHER PURCHASED SERVICES	-	26	-	(26)	-100.0%	-	
Total Expenditures	6,527,763	6,405,595	6,632,105	226,510	3.5%	104,342	1.6%
GRANTS AND SUBSIDIES	650,784	91,609	457,609	366,000	399.5%	(193,175)	-29.7%
USER FEES & SERVICE CHARGES	(5,680)	25,000	25,000	-		30,680	-540.1%
SALES	76,627	48,500	63,500	15,000	30.9%	(13,127)	-17.1%
OTHER INCOME	2,590	-	-	-		(2,590)	-100.0%
Total Revenues	724,321	165,109	546,109	381,000	230.8%	(178,212)	-24.6%
Net Expenditure (Revenue)	5,803,442	6,240,486	6,085,996	(154,490)	-2.5%	282,554	4.9%

Waterworks

BUSINESS OVERVIEW

Mission Statement

- To provide high quality and sufficient quantity of water supply to all system users with the highest affordable level of service.
- To carry out efficient operation and maintenance of the Town's sanitary sewer system to minimize hazards to public health, safety and property.
- To protect our natural resources, specifically, to conserve the fresh water.

Waterworks is Meeting 2004 Objectives

Waterworks Division reports to the Construction & Utilities Department of the Operations & Asset Management Department in the Community & Fire Services Commission. In 2004, it had an approved balanced budget of \$39,827,007 and 39 full-time employees. Expenditures were fully allocated to their users and the average cost per household is \$90.14/year. Waterworks is independently funded through water fees and it is the general corporate practice to segregate its operating budget numbers from other departments.

Waterworks is responsible for providing the following core services:

- Water Distribution Operations - Water consumption was stable in Markham in 2002 and 2003 at around 31 million cubic metres. Total consumption in 2004 to date was 13.3 million cubic metres. As at June 2004, the operating cost per km of water distribution system is estimated at \$3,122. The number of watermain breaks per km is 4.5 to date in 2004, consistent with 2003 data. The number of reportable water quality as percentage of all samples taken was 0.07% in 2003 and 2004, a decline from 0.10% in 2002.
- Wastewater Collection Operations - As at June 2004, the operating cost per km of wastewater distribution system is estimated at \$1,692.84, a decline from 2003.

Complaints about sewer backup declined in 2004 to 0.75 per km of mainline, compared to 1.19 in 2003. Satisfaction surveying conducted by the department indicated a current satisfaction rating of 86%.

Plan for 2005

- Develop training plan for Operators & Office staff
- Continue to develop & implement plan for Delcan recommendations
- Prepare strategy for MOE Quality Management System (QMS)
- Develop hydraulic model of water & wastewater system for Quality Assurance
- Address operational & financial issues related to aging infrastructure

Service(s)	Customer(s)
Water distribution system operations	<u>Primary</u>
Wastewater collection system operations	Town businesses
Respond to customer needs	Town residents
Development review	<u>Secondary</u> Development Services Commission

Waterworks

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
Received Council approval of Delcan's review & recommendations on Waterworks operations	✓	
Implemented first phase of 3 year staffing & recruitment	✓	
Reduced number of watermain breaks	✓	
Maintained high level of customer service (86% customer satisfaction)	✓	
Developed & initiated Service Level Agreements (SLA) with IT, Finance, Asset Management, and Fleet Departments	✓	
Completed profile assessment of Waterworks Operators		✓
Developed & partially implemented flushing of dead-end watermains for Water Quality assurance		✓
Developed & partially implemented valve operating program		✓
Relined 7km of iron watermains	✓	
Protected 16km of iron watermains (cathodic protection)	✓	
Installed 89 water sampling stations	✓	
Finalized 5-year contract for integrated water meter supply, maintenance & installation		✓
Finalized 3-year contract for emergency & routine maintenance of water & wastewater system	✓	
Finalized 3-year contract for vacuum excavated repair of curb boxes	✓	
Managed & administered installation of water meters in new homes (approx. 3,500/year)	✓	
Completed replacement of 3,000 residential water meters	✓	
Collaborated with Capital R.O.W. group for completion of wm replacement & decommissioning of Cricklewood PS and installation of replacement sanitary sewer	✓	

FUTURE CONSIDERATIONS

Issues/Pressures

- Aging system & lifecycle requirements, reserves adequacy with respect to Bill 175/03 (SWSA) and future Regulations
- Impact of provincial legislations, Bill 195/03 (SDWA), O.Reg. 170/03, 128/04 and 129/04 and Quality Management System (QMS)
- System and growth management
- Inability to attract licensed Operators - it takes up to 3 years to bring Operators to required licensed level
- Continue implementation of Delcan recommendations
- System accreditation & licensing
- Increased construction costs
- DMA instrumentation & SCADA

Opportunities

- DCA fees for new development inspection and sampling (negotiate with Engineering & developers)
- Meter installation & recovery of unmetered revenues
- Incorporate cost of Automated Meter Reading (AMR) into all new development agreements

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Waterworks Consolidated

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	2,100,874	2,551,355	3,394,145	842,790	33.0%	1,293,271	61.6%
PRINTING & OFFICE SUPPLIES	22,102	28,446	28,446	-		6,344	28.7%
OPERATING MATERIALS & SUPPLIES	91,233	70,530	93,465	22,935	32.5%	2,232	2.4%
CONSTRUCTION MATERIALS	488,127	679,481	708,045	28,564	4.2%	219,918	45.1%
UTILITIES	27,381	26,175	29,374	3,199	12.2%	1,993	7.3%
COMMUNICATIONS	17,077	16,602	23,874	7,272	43.8%	6,797	39.8%
TRAVEL EXPENSES	15,890	20,776	32,956	12,180	58.6%	17,066	107.4%
TRAINING	19,119	14,563	37,125	22,562	154.9%	18,006	94.2%
CONTRACTS & SERVICE AGREEMENTS	2,229,752	2,453,639	2,649,043	195,404	8.0%	419,291	18.8%
MAINT. & REPAIR-TIME/MATERIAL	145,210	200,000	208,864	8,864	4.4%	63,654	43.8%
RENTAL/LEASE	3,767	4,854	4,854	-		1,087	28.9%
PROFESSIONAL SERVICES	110,610	127,407	170,679	43,272	34.0%	60,069	54.3%
LICENCES, PERMITS, FEES	4,032	3,884	2,913	(971)	-25.0%	(1,119)	-27.8%
PROMOTION & ADVERTISING	3,364	6,796	5,000	(1,796)	-26.4%	1,636	48.6%
CONTRACTED MUNICIPAL SERVICES	26,603,531	29,711,492	32,201,949	2,490,457	8.4%	5,598,418	21.0%
OTHER PURCHASED SERVICES	105,704	109,360	110,723	1,363	1.2%	5,019	4.7%
WRITE-OFFS	20,000	300	-	(300)	-100.0%	(20,000)	-100.0%
TRANSFERS TO RESERVES	3,801,347	3,801,347	4,519,347	718,000	18.9%	718,000	18.9%
Total Expenditures	35,809,120	39,827,007	44,220,802	4,393,795	11.0%	8,411,682	23.5%
TAXES - OTHER CHARGES	144,941	108,355	91,199	(17,156)	-15.8%	(53,742)	-37.1%
WATER/SEWER BILLING	37,331,334	38,321,707	43,393,018	5,071,311	13.2%	6,061,684	16.2%
USER FEES & SERVICE CHARGES	819,748	519,962	607,585	87,623	16.9%	(212,163)	-25.9%
SALES	160,090	100,000	126,000	26,000	26.0%	(34,090)	-21.3%
RECOVERIES & CONTRIBUTIONS	27,569	3,000	3,000	-		(24,569)	-89.1%
OTHER INCOME	474	1,000	-	(1,000)	-100.0%	(474)	-100.0%
TRANSFER FROM SURPLUS	772,983	772,983	-	(772,983)	-100.0%	(772,983)	-100.0%
Total Revenues	39,257,139	39,827,007	44,220,802	4,393,795	11.0%	4,963,663	12.6%
Net Expenditure (Revenue)	(3,448,019)	-	-	-		(3,448,019)	100.0%

Operations & Assets Management 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
1	Salt Management Plan	Approval by Council and Implementation of 2005 Plan			X			X					
2	Support Communities in Bloom (CIB)	Complete project items in support of CIB		X									
3	Green Fleet Transition Plan	Implementation of 2005 Replacement Plan			X								
4	Asset Management Strategic Plan	Sustainable Asset Mgmt Business Plan											
5	Hansen Facility Mgmt & Pavement Mgmt Software Acquisition	Acquisition & Implementation											
6	Accessibility Program	Multi-year Accessibility Plan that complies with ODA Act											
7	Implement Staffing Plan for 2005	Implementation of 2005 Staffing Plan Schedule											
8	Develop & Calibrate Water/wastewater Hydraulic Models & Design 3 DMA Areas	Implement water model in 2005 Calibrate in 2006 Implement 3 pilot DMA's in 2005/2006											
9	Develop & Implement Pilot Project Automated Meter Reading (AMR)	Resolution of Reading Billing Process											
10	Implement Phase 2 of 3-Stream Waste Collection	Launch of 3-Stream		X	X								
11	Implement Corporate Litter Prevention Program	Approval by Council of Program		X	X								
12	Implement Gapping Analysis Recommendations in CW, Facilities	Number of Gaps addressed						X	X		X	X	
13	Complete Phase I and Phase V of Main St Mhm Streetscape & Traffic Mgmt	Completion of Phases											
14	Negotiate & Finalize New Municipal Access Agreements with all utility providers/causal cost review	Signed Agreements with all Utility Providers						X					
15	Develop/standardize Utility Approval/Inspection procedures based on new finalized MAA	Documented Procedures						X					
16	Develop Scorecard - All - Communication - Operations - follow up survey - Admin - GSO Tracking & Errors - Waterworks - Health & Safety Training - Asset Mgmt - Document & Process Map - Waste - ? - Capital Works, ROW - ? - Capital Works, Facilities - ? - Utilities & Contracts - ?	Integrate scorecard reporting and tracking into department						X				X	X

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Operations and Asset Management

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	9,131,499	8,924,714	10,047,829	1,123,115	12.6%	916,330	10.0%
PRINTING & OFFICE SUPPLIES	66,531	65,829	67,329	1,500	2.3%	798	1.2%
PURCHASES FOR RESALE	70,324	38,835	38,835	-		(31,489)	-44.8%
OPERATING MATERIALS & SUPPLIES	196,666	182,750	192,372	9,622	5.3%	(4,294)	-2.2%
VEHICLE SUPPLIES	947,642	897,525	931,525	34,000	3.8%	(16,117)	-1.7%
SMALL EQUIPMENT SUPPLIES	14,426	13,591	13,591	-		(835)	-5.8%
BOTANICAL SUPPLIES	268,929	233,111	309,911	76,800	32.9%	40,982	15.2%
CONSTRUCTION MATERIALS	1,177,573	810,325	946,193	135,868	16.8%	(231,380)	-19.6%
UTILITIES	534,560	525,631	526,247	616	0.1%	(8,313)	-1.6%
COMMUNICATIONS	73,095	59,354	59,354	-		(13,741)	-18.8%
TRAVEL EXPENSES	29,683	37,961	37,961	-		8,278	27.9%
TRAINING	33,238	39,853	38,853	(1,000)	-2.5%	5,615	16.9%
CONTRACTS & SERVICE AGREEMENTS	4,203,342	3,544,559	3,751,377	206,818	5.8%	(451,965)	-10.8%
MAINT. & REPAIR-TIME/MATERIAL	1,962,608	1,503,409	1,632,848	129,439	8.6%	(329,760)	-16.8%
RENTAL/LEASE	159,727	178,846	248,546	69,700	39.0%	88,819	55.6%
PROFESSIONAL SERVICES	51,036	43,884	43,884	-		(7,152)	-14.0%
LICENCES, PERMITS, FEES	215,127	258,514	258,514	-		43,387	20.2%
PROMOTION & ADVERTISING	95,284	106,049	106,049	-		10,765	11.3%
CONTRACTED MUNICIPAL SERVICES	6,936,702	6,800,585	7,112,290	311,705	4.6%	175,588	2.5%
OTHER PURCHASED SERVICES	(42,965)	39,892	(2,843)	(42,735)	-107.1%	40,122	-93.4%
OTHER EXPENDITURES	4,259	6,200	6,200	-		1,941	45.6%
Total Expenditures	26,129,286	24,311,417	26,366,865	2,055,448	8.5%	237,579	0.9%
GRANTS AND SUBSIDIES	650,784	91,609	457,609	366,000	399.5%	(193,175)	-29.7%
USER FEES & SERVICE CHARGES	47,127	105,000	75,000	(30,000)	-28.6%	27,873	59.1%
RENTALS	216,046	181,250	213,450	32,200	17.8%	(2,596)	-1.2%
SALES	156,418	100,500	130,500	30,000	29.9%	(25,918)	-16.6%
RECOVERIES & CONTRIBUTIONS	419,122	314,500	376,500	62,000	19.7%	(42,622)	-10.2%
OTHER INCOME	694,299	438,276	488,276	50,000	11.4%	(206,023)	-29.7%
INTER-DEPARTMENTAL RECOVERIES	8,828	7,400	7,400	-		(1,428)	-16.2%
Total Revenues	2,192,624	1,238,535	1,748,735	510,200	41.2%	(443,889)	-20.2%
Net Expenditure (Revenue)	23,936,662	23,072,882	24,618,130	1,545,248	6.7%	681,468	2.8%

Strategic Services

BUSINESS OVERVIEW

Mission Statement

Leading, developing, and delivering business planning, environmental leadership, marketing and partnerships, and special initiatives to strategically position the Community & Fire Services Commission and the Town of Markham.

Strategic Services is Meeting 2004 Objectives

Strategic Services is a department of the Community & Fire Services Commission. In 2004, it had approved expenditures of \$1,032,668 and 9 full-time employees. Revenues were estimated at \$152,166, resulting in a net budgeted cost per household of \$9.56 in 2004.

Strategic Services is responsible for providing the following core services:

- **Environmental Leadership** - This portfolio leads, researches, supports and develops strategic environmental initiatives including Clean Air Initiatives, West Nile Virus management, and a presence on the Markham website. Development of anti-idling campaign and the commencement of the Environmental Management Plan were approved in 2004.
- **Community Partnerships** - A community partnership policy, process and tracking system was approved in June 2004. This group accounted for 54% of the gross revenue impact / influence of Strategic Services, estimated to be \$330,327 in 2004. Strategic Services leads and manages special events delivery. In 2004, 266 special

events were registered compared to 233 in 2003.

- **Marketing** - Strategic Services produces various publications such as the Recreation Guide and Fire Department annual report. In 2003, the net cost per household for the Recreation Guide was \$1.65, a decrease from \$1.84 in 2002. The net cost of the Recreation Guide as a percentage of direct registration revenue remained stable at 2.3% in 2003. This area works across the organization to develop approximately 40 other print related projects.
- **Strategic Planning & Special Initiatives** - Strategic Services facilitates the completion of 10 annual Business Unit Profiles for the Community Services and Fire Commission or 45% of all profiles. A planning workshop was organized for the Commission in 2003 and 2004. The update of the Parks, Recreation, Culture & Library Master Plan will be completed in 2004. Strategic Services has undertaken the sportsfield permitting function as a special initiative in 2004.

Plan for 2005

In addition to maintaining its current core services, the following focus areas would require no additional funding in 2005: Implement certain elements of the master plan (subject to approval); Fine-tune functions and structure of department; On-going development of brand; Complete the Environmental Management Plan; Implement policies and user fees in the areas of special events and sportsfield bookings; Grow partnership and advertising revenue stream; and explore opportunities for public private partnerships.

Net new resources are requested totaling \$66,000 to deliver: a) Core Service Growth in the areas of marketing & partnerships and sportsfield booking; and b) New Initiatives in the areas of Communities in Bloom, energy management software, and streamline publication production.

Service(s)	Customer(s)
Policy and Program Development; Business Planning;	Business Community
Environmental Leadership; Innovative Practices;	Community & Fire Services Departments
Marketing; Partnership Development; Special Events;	Council & CAO
Special & Strategic Initiatives (incl. Sportsfields)	Other Commissions
	Residents and External Stakeholders
	Service Level Agreement Signatories

Strategic Services

2004 ACCOMPLISHMENTS

	2004 Objective	2004 Additional Objective
Completed Clean Air Working Group projects	✓	
Collaborated with Operations to implement pesticide-free park pilot	✓	
Received approval for corporate policies / approach in the areas of partnerships, naming, advertising rate increases, outdoor soccer allocation and Environmental Sustainability Fund allocation	✓	
Prepared RFP for Environmental Management Plan	✓	
Organized efforts, including public consultation, to launch Communities in Bloom initiative		✓
Supported the creation of Markham Energy Conservation Office		✓
Managed and co-ordinated the print/ advertising for the Recreation & Culture Guide and 40+ other projects	✓	
Developed and secured partnerships with Longo's, Bell and Sunlight	✓	
Implemented centralized approach to special events management, resulting in 266 special events registered and improvements in processes and training	✓	
Managed the delivery of the Commission strategic planning process	✓	
Worked across the Commission to lead and support the development and completion of the Business Unit Profiles	✓	
Worked across the Commission to lead and support the Parks, Recreation, Culture and Library master plan	✓	
Assumed lead role in Mayor's Dinner for the Arts and increased revenue, in-kind services and donations and enhanced branding	✓	
Enhanced communication by utilizing Internet / Intranet to promote environmental initiatives, special events management, and Commission Planning activities	✓	
Developed integrated approach to advertising and sales and assumed third party contract for rinkboard and backlit sales package	✓	
Assumed the sportsfields booking function and undertook to review allocation and user fee policies		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- Upfront investment of policy development time prior to meaningful results
- Requirement of a just-in-time approach to resource allocation
- Vision for this department, including potential revenues, could be substantially scaled back due to lack of resource investments

Opportunities

- Planned giving, donations and community foundations
- Product development & business intelligence to maximize satisfaction and sales
- Capital campaign
- Education and communication with public and stakeholders

Strategic services

2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities						
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication		
1	Develop, support and track a Commission-wide planning effort	<ul style="list-style-type: none"> Deliver annual session in Q1 Top priorities identified Priorities or priority areas for upcoming year(s) are established Overall participant satisfaction >= 75% Track action plan arising from planning session 						X	X					X	
2	Update the 2006 corporate business planning process, including 2006 BUP form update and completion of BUPs by this Commission	<ul style="list-style-type: none"> 100% completion of BUPs BUPs are used in budgeting process 2006 process is approved and adhered to by CCC 		X					X	X					X
3	Develop and recommend a Commission approach regarding customer satisfaction measurements	<ul style="list-style-type: none"> Approach is recommended to Commission by Q4 							X	X				X	
4	Finalize Recreation, Culture, and Library Facilities Master Plan	<ul style="list-style-type: none"> Master plan document is approved by Council for implementation 100% of the recommendations will be addressed by the stakeholder departments Master plan guides the work of the stakeholder departments New facility recommendations are a balance of provision standards and financial achievability 		X	X				X	X					
5	Policy development to support core service work, e.g. Special Events, Sportsfields	<ul style="list-style-type: none"> Develop Special Event policy for Council consideration by Q4, 2005 Develop Outdoor field allocation policy for baseball and rugby by Q4, 2005 							X	X		X			X
6	Deliver on a select list of special events endorsed by the Town of Markham	<ul style="list-style-type: none"> Events implemented on time and on budget Events meets minimum requirements # of visitors or profile created 		X											X
7	Revenue Generation - \$152,000 in partnerships (includes MDFA), \$38,900 net for RB/ Backlights, \$152,000 Rec Guide advertising	<ul style="list-style-type: none"> Achieve targets Contribute any earmarked funds toward the Revenue Strategy 													X
8	Coordinate and produce advertising and marketing material for this department and others	<ul style="list-style-type: none"> Print and distribute Rec Guide on time and on budget Other projects are completed on time and on budget Measure Customer satisfaction 		X					X					X	X
9	Facilitate the development of an Environmental Management Plan for Markham	<ul style="list-style-type: none"> Issue RFP in Q1, 2005 Create Steering Committee to guide plan development Complete Plan by December 31, 2005 Plan is adopted by Council in 2006 		X	X				X	X					X

Strategic services

2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & Its Impact	Customer Satisfaction Measurement	Interdepartmental Communication	
10	Support and/or implement environmentally focused initiatives, such as pesticide-free, WNV, Idle free, green roof, MECO, Kyoto	<ul style="list-style-type: none"> Develop necessary supportive policy, practice and/or program Aligns to the future Environmental Management Plan Measures for Success are developed for the relevant policy and program 		X	X									X
11	Implement Communities in Bloom program in 2005	<ul style="list-style-type: none"> Implement CIB program Receive assessment by visiting judges Assess against Measures for Success developed for program 		X	X									X
12	Monitor and control department cost centres and relevant capital accounts	<ul style="list-style-type: none"> Meet / exceed year end targets Provide explanation for over- and under-expenditures 							X					
13	Implement staff satisfaction survey improvements in the department	<ul style="list-style-type: none"> Identified improvement projects are completed Sense of accomplishment felt by staff 							X					X
14	Meet the process requirements identified for performance management	<ul style="list-style-type: none"> 100% completion rate for all full time staff Adhere to corporate principles and process 							X		X			
15	Implement corporate customer satisfaction survey in the department	<ul style="list-style-type: none"> Complete customer satisfaction survey Implement improvement arising from survey 							X	X				

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Strategic Services

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	828,736	752,162	845,318	93,156	12.4%	16,582	2.0%
PRINTING & OFFICE SUPPLIES	12,396	3,010	11,000	7,990	265.4%	(1,396)	-11.3%
OPERATING MATERIALS & SUPPLIES	229	-	500	500		271	118.3%
COMMUNICATIONS	2,880	2,330	2,830	500	21.5%	(50)	-1.7%
TRAVEL EXPENSES	3,953	1,845	4,000	2,155	116.8%	47	1.2%
TRAINING	3,112	1,545	4,417	2,872	185.9%	1,305	41.9%
PROFESSIONAL SERVICES	24,210	-	-	-		(24,210)	-100.0%
PROMOTION & ADVERTISING	180,239	214,488	193,259	(21,229)	-9.9%	13,020	7.2%
OTHER PURCHASED SERVICES	27,425	57,288	4,500	(52,788)	-92.1%	(22,925)	-83.6%
TRANSFERS TO RESERVES	28,000	-	-	-		(28,000)	-100.0%
Total Expenditures	1,111,180	1,032,668	1,065,824	33,156	3.2%	(45,356)	-4.1%
USER FEES & SERVICE CHARGES	139,212	152,166	152,166	-		12,954	9.3%
RECOVERIES & CONTRIBUTIONS	28,000	-	-	-		(28,000)	-100.0%
Total Revenues	167,212	152,166	152,166	-		(15,046)	-9.0%
Net Expenditure (Revenue)	943,968	880,502	913,658	33,156	3.8%	(30,310)	-3.2%

Markham Public Libraries

BUSINESS OVERVIEW

Mission Statement

MPL Libraries inform, inspire, empower and link all members of the Markham community.

Markham Public Libraries is Meeting 2004 Objectives

The Library operates within the Community & Fire Services Commission and has a direct reporting relationship with the Town of Markham Public Library Board. In 2004, it had an approved net budget of \$7,330,227 and 60 full-time employees. Revenues were estimated at \$421,307, resulting in a net budgeted cost per household of \$80.06 in 2004.

- **Service Transactions** - In 2003, the Library handled over 3.5 million transactions, an increase of 2.2% from 2002. Service Transactions included: a) Items Circulated; b) Information Questions; c) In-Library Item Use; and d) Database Search Results. 2,469,087 items were in circulation, an increase of 3.4% from 2002. Information Questions declined by 10% to 468,858. In-Library Item Use increased by 5.8% to 548,070. Database Search Results increased by 189% to 28,037. In 2003, the Library had 2.1 million Visits or a 1.5% increase from 2002. This included in-person and electronic visits. The number of Registered Borrowers rose by 4.7%. Based on transactions of the first half of 2004, Items Circulated and Registered Borrowers should increase by approx. 5%, Information Questions by approx. 8.6%, and Visits by 6.7%.
- **Program Delivery & Planning** - The Library Board approved a new strategic plan for the Library in 2003. Implementation of the plan will be an on-going activity. 2004 mid-year accomplishments can be found on p. 2.
- **Facility Planning & Maintenance** - In 2003, the Library had 88,390 sq.ft. of facility space. Work has been underway to increase the overall facility space through additions and the new Angus Glen Library. The Library participated in the update of the Parks, Recreation, Culture and Library Master Plan in 2003, with recommendations to be presented to Council in 2004.

Plan for 2005

In addition to maintaining current core services, the Libraries will continue to implement their strategic plan. In 2005, the key focus areas are:

- Operationalize Angus Glen Community Centre Library
- Adopt recommendations of the Parks, Recreation, Culture & Library Master Plan - Subject to Council approval
- Meet growth requirements
- Add Marketing & Programming Administrator position to administer/coordinate/plan marketing & programming
- Add Book Sales & Volunteer Coordinator position to run online book sales project and coordinate volunteers
- Add Business Resources Librarian position to coordinate business services
- Develop Mayor's Character Community Book Club to encourage students to read books that reflect York Region's eleven character attributes.

Service(s)	Customer(s)
Access to resources for lifelong learning	Markham residents, businesses, schools
Circulation of materials for home and workplace use	Town of Markham staff
Free public access to Internet and digital information	Internet users, both internal and external
Information services, instruction and training	Visitors
Programs for all ages in support of literacy and learning	
Public space for meeting, gathering and study	

Business Unit Profile

Markham Public Libraries

2004 ACCOMPLISHMENTS	2004 Objective	2004 Additional Objective
Marketing and Communications Plans developed.	✓	
Programming Review conducted to better meet community needs and priorities and improve efficiency of program delivery through central coordination.	✓	
Opening of Angus Glen Library providing community with new 29,700 sq. ft. library, collection of 100,000 items and improved library services through more proactive customer service models and self-service technology	✓	
Markham Village Library Expansion & Renovation: Council approval of revised site layout and design based on extensive community consultation. Design development with further community consultation.		✓
Information Navigator roving customer service implemented.	✓	
Development and implementation of strategic planning and policy governance initiatives to ensure Board role supports progress, innovation and reasonable risk management.	✓	
Civic engagement promoted through Federal Election links on MPL website and all candidates meeting.		✓
Civic engagement promoted through Libraries' and Markham community's participation in Lieutenant Governor's Book Program to provide books for northern Ontario communities.		✓
Partnered with Cold North Wind Inc. and York Region Newspaper Group to provide digital access to the Markham Economist & Sun newspaper from 1856 to the present through the Paper of Record database.		✓
Participation in development of Parks, Recreation, Culture & Library Master Plan for future library facilities to meet community need.	✓	
Public access catalogue interface upgraded to Horizon Information Portal, to provide improved access and functionality.	✓	
Expansion of Lunauweb, the Libraries' digital heritage database, through internal contracts as well as funding from the Library Strategic Development Fund (Ministry of Culture).	✓	
Partnered with Museum, Art Gallery, Heritage Markham and IT to acquire collection management software for Library and Town digital collections.	✓	
Creation of heritage digital exhibits in support of the William Berczy Exhibit and Unionville's 150th Anniversary.	✓	
Computer Training room set up at Thornhill Community Library in support of the Thornhill Seniors Club.		✓

FUTURE CONSIDERATIONS

Issues/Pressures

- Provide appropriate library facilities and services for existing communities and new growth areas
- Respond to increased demand for services by introducing new technologies & more efficient service models
- Improve service to currently under-served groups (i.e. teens, seniors, disabled)
- Improve ability to attract and retain high-quality staff
- Enhance proactivity in terms of community outreach and marketing

Opportunities

- Expanding funding through existing and new sources
- Partnerships (e.g. partnering with Markham Stouffville/Grace Hospital York Region to provide library services for both residential and hospital communities).
- Sponsorships
- Provincial and federal grants, such as the Library Strategic Development Fund (Ontario Ministry of Culture)

Markham Public Libraries 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities					
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & its Impact	Customer Satisfaction Measurement	Interdepartmental Communication	
1	Develop Libraries' civic role through the creation of Civic Corners in all Libraries and a virtual civic "place to go" (webpage providing access to information on civic issues)	Civic displays (#), civic meetings/programs (#), civic corner usage, civic webpage usage		X					X				X	X
2	Information Services review							X	X		X	X		
3	Incorporate maximum accessibility components in new buildings/renovations	Total visits (in-person & electronic) per household											X	
4	Develop a Teen Advisory Group pilot project at Angus Glen Library to improve Library service to teens & help develop appropriate programs/collections/services	% of customers satisfied/ extremely satisfied, circulation, information questions, registered borrowers		X					X				X	
5	Develop a corporately-sponsored Books for Babies pilot project to promote Library use and family literacy.	% of customers satisfied/ extremely satisfied, circulation, registered borrowers		X					X				X	
6	Enhance access to heritage records through partnership with Varley Art Gallery/Museum/Heritage /ITS in a joint digital collection management system	% of customers satisfied/ extremely satisfied, total visits (in-person & electronic) per household		X					X				X	X
7	Review and revise children's/older adults/teens/multilingual customer service	% of customers satisfied/ extremely satisfied, circulation, information questions, registered borrowers							X	X			X	
8	Develop customized web pages for seniors and teens	% of customers satisfied/ extremely satisfied, total visits (in-person & electronic) per household		X					X				X	
9	Develop e-mail reference service	% of customers satisfied/ extremely satisfied, total visits (in-person & electronic) per household							X				X	
10	Markham Village Library – finalize consultation/preconstruction phases, initiate interior design, and develop collection plan			X					X				X	
11	Revise job descriptions to reflect new organization	Staff satisfaction, staff turnover rate							X	X	X	X		X
12	Review recruitment, hiring, evaluation, training and development practices and procedures to ensure staff expertise and abilities support service delivery goals	Staff satisfaction, staff turnover rate							X	X	X	X		X
13	Implement staff inclusion in the Town's staff recognition programs; review MPL recognition programs	Staff satisfaction, staff turnover rate								X				
14	Prepare a multi-year training and development plan to upgrade staff skills and encourage staff initiative, involvement and contributions	Staff satisfaction, staff turnover rate								X	X			X
15	Review existing fees and charges and the potential for new fees and charges	Net cost per household												
16	Identify improved sources of revenue from new or existing services and programs	Net cost per household							X					
17	Implement Town's online program registration software (CLASS)	% of customers satisfied/ extremely satisfied, programs (#), program attendance											X	
18	Further develop corporate sponsorship/partnership opportunities	Net cost per household; sponsorships (#); partnerships (#)												X
19	Implement electronic survey for public services	% of customers satisfied/ extremely satisfied											X	
20	Partner with school boards and social agencies in Children's Data Station	Outcomes measurement		X									X	

Markham Public Libraries 2005 Business Plan Objectives

#	Objective	Performance Measures for Success	Council Priorities						Organizational Priorities				
			Gridlock & Rapid Transit	Quality Community	Environmental Protection	Implement Markham Centre	Safe Streets	Service Standards & Delivery	Management Practices	Performance Management System	Workload & its Impact	Customer Satisfaction Measurement	Interdepartmental Communication
21	Improve marketing and communication to customers through new marketing materials	Marketing materials created/ revised (#)						X				X	X
22	Review scheduling procedures	Staff satisfaction						X			X	X	
23	Review circulation processes to determine best practices and standardize procedures	Staff satisfaction Material handling efficiency						X			X	X	
24	Implement "Creating Partnership in the Workplace" to create values to govern staff relationships and conduct within MPL	Staff satisfaction, staff turnover rate									X	X	
25	Improve staff workspaces at Milliken Mills and Thornhill Community Libraries	Staff satisfaction, staff turnover rate									X	X	
26	Revise & update staff orientation program	Staff satisfaction										X	
27	Develop services for small businesses in partnership with Markham Small Business Enterprise Centre at Angus Glen Library	% of customers satisfied/ extremely satisfied, circulation, information questions, registered borrowers		X				X				X	X
28	Develop standards and guidelines for library facilities	Documented standards		X				X				X	
29	Implement recommendations of the Parks, Recreation, Culture & Library Master Plan	Multi-year plan with approved funding sources		X				X				X	X
30	Improve Library signage, based on Angus Glen signage package	Signage installed						X				X	X
31	Develop and implement outreach package for staff and Board	Outreach initiatives (#)		X								X	
32	Participate in Town review of Performance Management								X				X
33	Develop Service Level Agreements with Human Resources and Capital Assets (improved maintenance/cleanliness)	SLAs implemented						X			X		X
34	Develop balanced scorecard and annual report to citizens	Balanced scorecard Report finalized and delivered		X								X	X

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Libraries

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	4,653,947	5,032,261	5,871,663	839,402	16.7%	1,217,716	26.2%
PRINTING & OFFICE SUPPLIES	41,270	52,742	57,515	4,773	9.0%	16,245	39.4%
OPERATING MATERIALS & SUPPLIES	1,653,839	1,659,559	2,079,815	420,256	25.3%	425,976	25.8%
UTILITIES	61,753	66,992	71,348	4,356	6.5%	9,595	15.5%
COMMUNICATIONS	167,748	152,458	168,668	16,210	10.6%	920	0.5%
TRAVEL EXPENSES	25,961	13,898	15,398	1,500	10.8%	(10,563)	-40.7%
TRAINING	25,201	11,917	14,117	2,200	18.5%	(11,084)	-44.0%
CONTRACTS & SERVICE AGREEMENTS	32,905	31,454	31,600	146	0.5%	(1,305)	-4.0%
MAINT. & REPAIR-TIME/MATERIAL	137,881	137,595	156,512	18,917	13.7%	18,631	13.5%
RENTAL/LEASE	279,451	293,305	304,378	11,073	3.8%	24,927	8.9%
INSURANCE	11,963	11,963	11,963	-		-	
PROFESSIONAL SERVICES	140,545	139,819	140,619	800	0.6%	74	0.1%
LICENCES, PERMITS, FEES	1,457	1,699	1,699	-		242	16.6%
PROMOTION & ADVERTISING	20,718	24,253	30,253	6,000	24.7%	9,535	46.0%
OTHER PURCHASED SERVICES	-	113,609	226,908	113,299	99.7%	226,908	
OFFICE FURNISHINGS & EQUIPMENT	8,010	8,010	8,010	-		-	
Total Expenditures	7,262,649	7,751,534	9,190,466	1,438,932	18.6%	1,927,817	26.5%
GRANTS AND SUBSIDIES	228,778	228,778	228,778	-		-	
USER FEES & SERVICE CHARGES	381,440	423,829	563,229	139,400	32.9%	181,789	47.7%
RENTALS	23,405	25,800	31,800	6,000	23.3%	8,395	35.9%
SALES	40,607	39,300	45,800	6,500	16.5%	5,193	12.8%
OTHER INCOME	72	-	-	-		(72)	-100.0%
INTER-DEPARTMENTAL RECOVERIES	(296,400)	(296,400)	(296,400)	-		-	
Total Revenues	377,902	421,307	573,207	151,900	36.1%	195,305	51.7%
Net Expenditure (Revenue)	6,884,747	7,330,227	8,617,259	1,287,032	17.6%	1,732,512	25.2%

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Community And Fire Services
 Commissioner's Office - Commission Support
 799-999

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	252,267	(252,079)	(150,585)	101,494	-40.3%	(402,852)	-159.7%
PRINTING & OFFICE SUPPLIES	2,851	-	-	-		(2,851)	-100.0%
OPERATING MATERIALS & SUPPLIES	275	777	777	-		502	182.5%
VEHICLE SUPPLIES	1,109	1,748	1,748	-		639	57.6%
COMMUNICATIONS	648	971	971	-		323	49.8%
TRAVEL EXPENSES	8,916	3,106	3,106	-		(5,810)	-65.2%
TRAINING	5,323	485	485	-		(4,838)	-90.9%
CONTRACTS & SERVICE AGREEMENTS	(19,967)	(19,967)	(19,967)	-		-	
PROFESSIONAL SERVICES	10,039	-	-	-		(10,039)	-100.0%
LICENCES, PERMITS, FEES	708	583	583	-		(125)	-17.7%
PROMOTION & ADVERTISING	3,034	-	-	-		(3,034)	-100.0%
Total Expenditures	265,203	(264,376)	(162,882)	101,494	-38.4%	(428,085)	-161.4%
OTHER INCOME	-	672,000	672,000	-		672,000	
Total Revenues	-	672,000	672,000	-		672,000	
Net Expenditure (Revenue)	265,203	(936,376)	(834,882)	(101,494)	10.8%	(1,100,085)	-414.8%

TOWN OF MARKHAM
2005 Budget WORKSHEET (in dollars)

Corporation Excl Water Consolidated

<u>Sub Object Description</u>	<u>2004 Actual</u>	<u>2004 Budget</u>	<u>2005 Budget</u>	<u>2005 Bud. vs. 2004 Bud.</u>		<u>2005 Bud. vs. 2004 Act.</u>	
				<u>Incr.(Decr.)</u>	<u>%Change</u>	<u>Incr.(Decr.)</u>	<u>% Change</u>
SALARIES AND BENEFITS	72,215,770	70,051,095	78,584,407	8,533,312	12.2%	6,368,637	8.8%
PRINTING & OFFICE SUPPLIES	743,356	653,963	681,028	27,065	4.1%	(62,328)	-8.4%
PURCHASES FOR RESALE	240,745	182,296	218,244	35,948	19.7%	(22,501)	-9.3%
OPERATING MATERIALS & SUPPLIES	3,108,949	3,133,951	3,390,139	256,188	8.2%	281,190	9.0%
VEHICLE SUPPLIES	971,248	936,909	971,116	34,207	3.7%	(132)	0.0%
SMALL EQUIPMENT SUPPLIES	14,511	14,591	14,591	-		80	0.6%
BOTANICAL SUPPLIES	268,929	233,111	309,911	76,800	32.9%	40,982	15.2%
CONSTRUCTION MATERIALS	1,175,080	810,325	946,193	135,868	16.8%	(228,887)	-19.5%
UTILITIES	2,895,219	2,846,433	3,192,157	345,724	12.1%	296,938	10.3%
COMMUNICATIONS	1,242,509	1,203,165	1,327,503	124,338	10.3%	84,994	6.8%
TRAVEL EXPENSES	345,518	324,155	344,271	20,116	6.2%	(1,247)	-0.4%
TRAINING	633,622	639,847	675,296	35,449	5.5%	41,674	6.6%
CONTRACTS & SERVICE AGREEMENTS	5,265,116	4,595,943	5,152,062	556,119	12.1%	(113,054)	-2.1%
MAINT. & REPAIR-TIME/MATERIAL	3,098,496	2,487,494	2,680,708	193,214	7.8%	(417,788)	-13.5%
RENTAL/LEASE	1,088,129	1,102,914	1,204,230	101,316	9.2%	116,101	10.7%
INSURANCE	1,022,630	1,026,696	1,199,113	172,417	16.8%	176,483	17.3%
PROFESSIONAL SERVICES	2,503,714	1,949,182	2,149,369	200,187	10.3%	(354,345)	-14.2%
LICENCES, PERMITS, FEES	537,954	559,591	573,090	13,499	2.4%	35,136	6.5%
CREDIT CARD SERVICE CHARGES	120,962	143,595	143,595	-		22,633	18.7%
PROMOTION & ADVERTISING	1,506,860	1,330,732	1,371,988	41,256	3.1%	(134,872)	-9.0%
CONTRACTED MUNICIPAL SERVICES	6,940,918	6,804,226	7,117,890	313,664	4.6%	176,972	2.5%
OTHER PURCHASED SERVICES	75,163	320,279	489,276	168,997	52.8%	414,113	551.0%
OFFICE FURNISHINGS & EQUIPMENT	13,993	20,410	20,410	-		6,417	45.9%
WRITE-OFFS	267,731	1,021,600	500,600	(521,000)	-51.0%	232,869	87.0%
OTHER EXPENDITURES	956,674	1,337,017	1,943,769	606,752	45.4%	987,095	103.2%
TRANSFERS TO RESERVES	24,741,996	22,883,529	22,153,368	(730,161)	-3.2%	(2,588,628)	-10.5%
TRANSFERS FROM RESERVES	-	-	-	-		-	
Total Expenditures	131,995,792	126,613,049	137,354,323	10,741,274	8.5%	5,358,531	4.1%
TAX LEVIES	80,034,822	77,678,036	84,964,025	7,285,989	9.4%	4,929,203	6.2%
TAXES - OTHER CHARGES	4,577	-	-	-		(4,577)	-100.0%
GRANTS-IN-LIEU OF TAXES	1,357,583	1,501,812	1,268,845	(232,967)	-15.5%	(88,738)	-6.5%
GRANTS AND SUBSIDIES	1,105,133	524,677	863,081	338,404	64.5%	(242,052)	-21.9%
LICENCES & PERMITS	8,786,902	9,508,000	9,854,116	346,116	3.6%	1,067,214	12.1%
INTEREST & PENALTIES	3,363,848	3,375,000	3,375,000	-		11,152	0.3%
INCOME FROM INVESTMENTS	11,774,248	10,614,912	11,232,494	617,582	5.8%	(541,754)	-4.6%
FINES	1,205,686	1,142,500	1,182,500	40,000	3.5%	(23,186)	-1.9%
USER FEES & SERVICE CHARGES	12,825,852	11,135,460	13,151,636	2,016,176	18.1%	325,784	2.5%
RENTALS	4,731,806	4,645,695	5,105,925	460,230	9.9%	374,119	7.9%
SALES	525,177	460,314	533,578	73,264	15.9%	8,401	1.6%
RECOVERIES & CONTRIBUTIONS	932,100	750,439	730,139	(20,300)	-2.7%	(201,961)	-21.7%
OTHER INCOME	13,406,715	3,254,576	4,858,676	1,604,100	49.3%	(8,548,039)	-63.8%
TRANSFER FROM SURPLUS	1,900,775	1,900,774	-	(1,900,774)	-100.0%	(1,900,775)	-100.0%
INTER-DEPARTMENTAL RECOVERIES	8,828	120,854	234,308	113,454	93.9%	225,480	2554.1%
Total Revenues	141,964,052	126,613,049	137,354,323	10,741,274	8.5%	(4,609,729)	-3.2%
Net Expenditure (Revenue)	(9,968,260)	-	0	0		(9,968,260)	100.0%

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.														
Assessment	<p>In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arms length, open market sale between a willing buyer and willing seller.</p> <p>The date used to determine current value is as follows:</p> <table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Tax Year</u></th> <th style="text-align: left;"><u>Base Year</u></th> </tr> </thead> <tbody> <tr> <td>1998, 1999, 2000</td> <td>June 1996</td> </tr> <tr> <td>2001, 2002</td> <td>June 1999</td> </tr> <tr> <td>2003</td> <td>June 2001</td> </tr> <tr> <td>2004</td> <td>June 2003</td> </tr> <tr> <td>2005</td> <td>June 2003</td> </tr> <tr> <td colspan="2">2006 onwards, preceding years values will be used.</td> </tr> </tbody> </table>	<u>Tax Year</u>	<u>Base Year</u>	1998, 1999, 2000	June 1996	2001, 2002	June 1999	2003	June 2001	2004	June 2003	2005	June 2003	2006 onwards, preceding years values will be used.	
<u>Tax Year</u>	<u>Base Year</u>														
1998, 1999, 2000	June 1996														
2001, 2002	June 1999														
2003	June 2001														
2004	June 2003														
2005	June 2003														
2006 onwards, preceding years values will be used.															
Administrative Expenses	Expenses incurred for the day-to-day running of operations e.g. Salaries, Building rental, Office expenses etc.,														
BIA	A Business Improvement Area (BIA) is an association of business people within a specified district, who join together with official approval of the Town, in a self-help program aimed at stimulating business.														
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.														
Capital Budget	The budget that provides for the funding of the Town's expenditures on capital assets, i.e. assets which provide benefits to the Town 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.
CARe	Customer Action Request Forms are a way to monitor customer responses to the services provided by the Town.
Chargebacks	Represents allocating a portion of costs incurred by the department, which provides a service to the department, which benefits from such service.
CUPE	Canadian Union Of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
DCA	Development Charges Act – Provides guidelines on funding of identified growth related projects in the Town from developers.
Donations in Kind	Represents the value of a commercial service received from external customers without any payment for the same.
GST	Goods and Services Tax – Federal Government Levy on all purchases of goods and services, which is currently 7%.
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 Town, 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 Town'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.
L.I.A.	Local Improvement Act. The Act defines the roles of Municipal and Regional Governments in undertaking, administrating and managing requests by property owners for extending water, sanitary sewer services or the building of a noise wall.
MPFFA	Markham Professional Firefighter's Association – An association of Firefighter's formed for protecting the rights of its members in their workplace environment.

OMERS	Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the Town's full-time employees. Employees and employers normally make equal contributions to the plan.
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.
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 Town of Markham adheres to PSAB's Public Sector Standards for Municipal Financial Reporting.
PST	Provincial Services Tax –Provincial Government Levy on all purchases of goods and services, which is currently 8%.
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 Town. 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.
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.
User Fees & Service Charges	Fees paid by individuals or organizations to the Town for the use of Town facilities (e.g. Recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. Planning, engineering & design fees).



MARKHAM