



2013 BUDGET

City of Markham
Ontario, Canada



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Markham
Ontario**

For the Fiscal Year Beginning

January 1, 2012

Christopher P. Morill *Jeffrey R. Snow*

President

Executive Director

2013 EXECUTIVE SUMMARY

Markham, a municipality with more than 320,000 residents centrally located in the Greater Toronto area, is home to 400 corporate head offices, 900 life science and technology businesses, and 9,000 small and medium size enterprises. Founded in the 1790s, today Markham offers a rich heritage, outstanding community planning and services, and a vibrant local economy. Markham attained a historic milestone on July 1, 2012 by becoming Canada's 16th largest and most diverse city in Canada.

Markham continues to attract high-value businesses, and is creating a strong foundation for business re-investment. Markham has had the lowest tax rate increase in the Greater Toronto Area (GTA) for the last 5 years with the lowest industrial tax rate, second lowest commercial tax rate and third lowest residential tax rate.

While maintaining low tax rate increases, services were enhanced to accommodate growth. In 2012, the 156,000 square foot state-of-the-art Cornell Community Centre & Library was opened with 3 pools, a triple gym and a rehearsal hall. The facility is designed to promote the principles of good health through active participation in recreational and leisure activities, and to meet the diverse needs of the community. The building is LEED (Leadership in Energy and Environmental Design) Silver certified, aligning with the environmental health pillar of Markham's GreenPrint Community Sustainability Plan. Adjacent to the facility is the new Cornell Fire Station, effectively reducing response times and providing the highest level of life safety and property protection to those who live, work or play in our community.

Maintaining the trend of low tax rates while expanding and improving services involves priority setting and prudent fiscal management to find ways to reduce costs. Markham continues to be a leader with its E3 program (Excellence through Efficiency and Effectiveness) that challenges and engages Council and Staff to identify ways to work smarter, find operating savings, and leverage partnerships with municipalities and other levels of government. Over the past 5 years since the implementation of E3 in 2008, over \$12 million of revenue enhancements and expenditure reductions have been implemented to offset potential tax increases, equivalent to 12% increase in taxes that would have been paid out year over year by taxpayers.

Markham has been honoured with a Gold Municipal Combined Programs award from the Recycling Council of Ontario (RCO), recognizing Markham's continued high waste diversion rate of 72% through reduction, reuse and recycling initiatives. In addition, Markham was identified as one of the top three municipalities in Canada by the CD Howe Institute for fiscal management, budget clarity and transparency.

Markham had a very successful year in 2012 with many significant accomplishments and achievements.

We are pleased to present the 2013 Operating, Capital, Building Standards, Engineering, Planning & Design and Waterworks Budgets for the City of Markham.



After extensive discussion and planning involving residents, community and business groups, Council and Staff delivered a balanced budget that addressed the economic realities and social needs of the community with a modest 1.5% tax increase on the municipal portion. The budget includes a 1% tax rate increase to support day-to-day operations, and a 0.5% tax rate increase to address an extraordinary environmental item, the Emerald Ash Borer (EAB) infestation.

Markham's 2013 Budget continues to support the growth in the City while providing quality services to our residents. Markham approved the following 2013 Budgets, totalling \$463.5 million:

- Operating \$ 180.8 million
- Capital \$ 169.0 million
- Building Standards \$ 9.0 million
- Engineering \$ 6.5 million
- Planning & Design \$ 8.4 million
- Waterworks \$ 89.8 million

Operating Budget

The following exhibit reconciles the 2012 Approved Operating Budget to the 2013 Operating Budget from \$171,553,698 to \$180,795,409 (figures exclude Planning & Design, Engineering, Building Services and Waterworks):

<u>REVENUES</u>	<u>2013 Budget \$</u>
Approved 2012 Budget Revenues	171,553,698
Assessment Growth including Supplemental Taxes (Property taxes from new homes and businesses)	3,127,000
1.0% Operating Tax Increase	1,180,398
0.5% Tax Increase for Infrastructure	590,000
Cornell Community Centre and Library User and Program Fees	2,110,000
Parking Fines	474,000
CPI Adjustment for User and Program Fees	434,000
Investment Income	605,000
Financial Administrative Fees and Other User Fees	226,000
Other	495,313
Total 2013 Budget Revenues - excluding 2012 surplus / (deficit)	<u>180,795,409</u>

<u>EXPENDITURES</u>	
Approved 2012 Budget Expenditures	171,553,698
Existing Collective Agreement Wage Settlements	2,310,084
Growth (roads, waste, parks, streetlights and winter maintenance)	3,724,627
Municipal Service Contracts	1,087,000
Transfer to Emerald Ash Borer reserve fund	590,000
Support Services for Building, Engineering, Planning & Design, Waterworks/Corporate Items/Other	1,530,000
Total 2013 Budget Expenditures - excluding 2012 surplus / (deficit)	<u>180,795,409</u>

An integral part of our budget process involves gathering input from the public, Council members, internal and external stakeholders all of which are considered in developing the City's budget. The preliminary budget was developed with information from a forecast of 2013 economic pressures. All City departments prepared business plans

that were incorporated into the preliminary budget. As well, a public consultation meeting was held in October 2012 where residents provided input in the 2013 budget.

Markham, as with all municipalities, is challenged to deliver a balanced budget with minimal tax rate increases in response to increased operating expenditures resulting from economic and growth pressures that stem from general inflation, third party contract renewals (such as the winter maintenance contract and utility costs) and existing employment contracts.

Markham is a growing municipality and it continues to add to its inventory of parks, streetlights, and roads each year which require additional resources to maintain and replace assets. Further, Markham has exhibited sound fiscal management by phasing-in future personnel costs related to facility openings for the South East Community Centre, Pan Am Centre, City of Markham Sports Park and Operations Work Yard. Markham continues the policy of allocating the first \$0.5M from new assessment growth revenues to support a sustainable capital program.

The pressures and additional revenues result in a net shortfall of \$1.18M, equivalent to a 1.0% tax rate increase to the City's tax levy to maintain and/or enhance service levels.

Periodically, municipalities are faced with extraordinary circumstances such as the Emerald Ash Borer infestation. Staff identified a program of \$13.1M to address this environmental threat and protect homeowner's values. Therefore, a 0.5% tax rate increase is approved to partially fund the program which will address the immediate needs to evaluate the condition of the Ash tree inventory and determine the remediation strategies.

In summary, the 2013 Operating Budget has an increase in expenditures of \$9.24M offset by an increase in revenues of \$7.47M resulting in a net shortfall of \$1.77M, equivalent to a total tax rate increase of 1.5%. The 2013 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.

Capital Budget

The 2013 Capital Budget of \$169,032,100 includes funding from various sources.

Noteworthy capital projects in the 2013 Budget include the continuation of the tree planting initiative, waste management initiatives, design & construction of 5 new parks, city-wide illumination & sidewalk requests, rehabilitation of bridges & culverts, road rehabilitation across the City, watermain and sanitary sewer construction & replacement, facility improvements at city-owned buildings, construction of the bridge over HWY 404 (north of HWY 7), and the construction for the 2015 Pan/Parapan American Games facility and the South East Markham Community Centre & Library.

The 2013 Capital Budget also includes \$4.0M (2.4%) from the Federal Gas Tax grant, which will fund the following capital projects:

- Main Street Markham road improvements
- Light-emitting diode (LED) conversion of Cobra-style streetlights

- Energy conservation retrofit and monitoring program
- Multi-residential organics containers

Staff also identified a 5 year program with an estimated total funding requirement of \$13.1M to address the environmental threat posed by the EAB infestation and protect homeowner's values. Of the total funding requirement, \$2.0M has been included in the 2013 Capital Budget.

The 2013 Budget reflects the City's commitment to maintain service levels to the community and balances social needs with fiscal prudence. This is a reflection of the City's commitment towards fiscal stewardship.

Building Markham's Future Together and Strategic Focus

Markham has been identified as a growth centre in the Greater Toronto Area by the Ontario Places to Grow Act.

Markham is well prepared for this growth through our strategic plan "Building Markham's Future Together – Towards a Sustainable Community" which represents Markham's strategic direction and is the foundation for our future planning and actions. The following strategic priorities were identified through community involvement and a number of action plans were developed to support those priorities:

- **Growth Management:** A Made in Markham Growth Plan that addresses the provincial government's directive to accommodate growth in Markham and to protect existing neighbourhoods while creating new sustainable communities.
- **Transportation:** Development of a Markham Transportation Strategic Plan that will build on York Region and Metrolinx transportation & transit plans, integrate with land use, and use of pilot projects to test new and innovative transportation initiatives.
- **Environment/Sustainability:** Markham GreenPrint strategy that will further protect the City's air, land, water, vegetation, wildlife and all living species. Investments are also made for additional stormwater management and environmental asset programs, roofing replacements with solar panel installations, and the continuation of the Markham Trees for Tomorrow initiative.
- **Municipal Services:** Investments are made on various road resurfacing & improvement projects, maintenance and repair at municipal buildings and construction & replacement of water mains.
- **Parks, Recreation, Culture, Library Master Plan and Public Safety:** An integrated Leisure Master Plan that provides a holistic approach to parks, recreational, culture and library needs of the community.

- **Diversity:** Everyone Welcome Diversity Action Plan that identifies the strategies in achieving an even more inclusive Markham.

- **Markham 2020 Economic Competitiveness Strategy:** Markham 2020, an award-winning economic competitiveness strategy, is based on a new paradigm that focuses on four priority economic sectors to achieve success: 1) Convergence of Information and Communications Technology and Life Sciences; 2) Information, Entertainment and Cultural Industries; 3) Professional, Scientific and Technical Services; and 4) Finance and Insurance. Council has approved the economic blueprint that will shape Markham's future as one of Canada's leading communities in the knowledge-based economy. Lauded by Dr. Richard Florida and by TD Chief Economist Don Drummond, our strategy guides Markham's economic development for the next 10 years. It is a vision for tomorrow's Markham and a set of plans to make that vision a reality.

Looking Ahead

At Markham, we recently completed the state-of-the-art Cornell Community Centre & Library, and the Cornell Fire and Emergency Services Station. We have started the construction on the Pan Am Centre to host water polo, table tennis and badminton competitions in the 2015 Pan Am Games. We are also committed to a major 100-acre sport park and a new community centre in south-east Markham in 2015.

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

Growth Management

New Official Plan: Markham is preparing a new Official Plan to provide a comprehensive update of City's policies to guide land use planning, growth management and development approval to 2031, within the context of governing Provincial and Regional policies and Plans.

The new Official Plan will implement recent Provincial policies and plans such as the Greenbelt Plan and the Growth Plan for the Greater Golden Horseshoe and the York Region Official Plan. It also implements a Council-endorsed strategy for accommodating population and employment growth to 2031 that directs much of the growth to identified centres along proposed rapid transit routes, and allows for limited expansion of the urban area. The Plan provides a vision for growth in Markham based on the principles of protecting the natural environment and agricultural lands, building healthy communities, increasing travel options and maintaining a strong economy. Markham's Growth Plan has a target of 60% new growth taking place within the existing urban area in an effort to curb urban sprawl, surpassing the Ontario Government's legislation directing municipalities to achieve a minimum of 40% growth within the existing urban boundary.

Markham Centre: Markham Centre is Markham’s emerging downtown – an environmentally sustainable and transit supportive community that will be a great place to live, work, play, learn and shop. The vision for Markham Centre was established in the early 1990s and since then, Staff have been working to make that vision a reality. Once completed, it will generate 39,000 new jobs and be home to 40,000 residents.

Markham Centre, the 988 acre area between Highways 7 and 407, around Warden Avenue, is regarded as a model for sustainable development. It will have a distinctly urban character that includes higher density development with strong streetscapes, and is complemented by ample green spaces. It will provide a diverse range of housing opportunities to encourage seniors, singles, empty-nesters and families to live and work in our community. Markham Centre will be integrated into the natural beauty of the Rouge River Valley, with a walkable downtown and a high-performance transit system. When finished, it will be a place where residents, businesses, culture, entertainment and institutions thrive side by side.

Putting people and families first, bringing jobs closer to home, and protecting our environment – this is the vision for Markham Centre, and that vision is now well on its way to becoming reality.

Transportation

The City’s Master Transportation Strategic Plan (MTSP) is complete and fully integrated with the Metrolinx plan called The Big Move, a common vision for transportation across the Greater Toronto Area. The Plan is also fully integrated with the planned Markham Centre and Yonge Street mobility hubs. Markham Council’s campaign “Subway Now,” continues to focus on securing the extension of the Yonge subway line. This expansion is pivotal to successfully develop the Langstaff Gateway community.

Markham received the Bike Friendly Excellence Award – Bronze from the Provincial “Share the Road Cycling Coalition”, recognizing Markham as one of Ontario’s most bicycle-friendly communities, further enhancing our transportation network and a healthy lifestyle for the people of Markham. Markham residents can now view the most current Cycling Master Plan, Pathways & Trails Master Plan, Cycling Map and Cycling Tips online on Markham’s Portal website.

Municipal Services

Markham continued its quest to provide more convenient services to meet the lifestyle needs of residents who are increasingly mobile and require 24/7 services. The City’s new All Access Markham platform provides extended business counter hours, after-business-hour counter services, more than 50 online services, and a website for citizen feedback and public discourse. A mobile app has been recently launched for Markham since social media platforms are instant sources of municipal information and feedback on Markham’s initiatives.

Through Markham’s digital online strategy, the Portal’s goal of helping Markham’s business transformation was fulfilled through increased value added services and the

recovery of staff hours with 11,065 resolved cases originated from requests through the Portal. Online service delivery options through the Portal for zoning and other building permit related services were also implemented. Markham initiated the first Municipal Electronic Procurement in Ontario through the online bidding supplier, BIDDINGO.

Markham was the first municipality to adopt the call centre model in 2003. In 2012, the Contact Centre continued this tradition of customer satisfaction and call centre excellence, a tradition that includes over 182,000 calls answered, of which 72% of the calls were answered within the first 30 seconds surpassing the target service level of 70%, and 86% of all calls are resolved in the first instance. Contact Centre staff is trained by business unit frontline staff to proactively resolve customer inquiries on the first call, effectively reducing staff hours and increasing customer satisfaction.

Environment and Sustainability

Trees for Tomorrow: Continuation of the initiative with the goal of planting 90,000 new trees from 2011 to the end of 2014. Markham has exceeded its annual targets with more than 200,000 trees planted since the launch of the program.

New Waste Diversion Target: Markham is a leading municipality for recycling and compost among municipalities in Ontario. Markham's innovative 2005 Mission Green program made it easy and convenient for all residents to recycle and compost. Municipal diversion rose from 35% to 72%. In 2012, Markham developed the strategy "Best of the Best – Markham's Roadmap to 80% Diversion". This strategy includes 10 initiatives and programs which will form the basis of the City's three-year plan to achieve 80% waste diversion and improve customer services by 2014. One of the cornerstones of the new initiatives is a "clear bag program" requiring residents to use clear bags for garbage in preparation for the transition from land fill waste to the new incineration facility located in the Municipality of Clarington in the Durham Region beginning in 2014. Clear bags will help collectors ensure Markham's garbage does not contain hazardous materials, recyclables, electronics, or organics.

National Urban Park: Markham is partnering with Parks Canada to develop the Rouge National Urban Park which will be Canada's first national urban park. Implementation of park infrastructure in Bob Hunter Memorial Park (part of the future Rouge National Urban Park) has been well underway with a \$6 million investment by York Region into trails and natural heritage restoration. This work is coordinated by York Region, the Toronto and Region Conservation Authority and the City of Markham.

Markham Environmental Sustainability Fund (MESF): This is a City program that funds innovative and leading environmental initiatives that contributes to the health of the natural environment. The fund provides financial resources for projects in Markham that promote environmental responsibility and enhance the protection of the City's natural resources.

Markham Energy Conservation Office (MECO): MECO is responsible for leading, developing and implementing energy conservation programs that deliver realistic demand shedding and cost avoidance results. MECO is in line with the Provincial goals of creating a 'culture of conservation'. MECO's portfolio of programs is broad-based

and includes initiatives that are focused on improving internal operations by implementing retrofit projects in existing facilities as well as working to ensure new facilities are built to a higher, more efficient standard. We are collaborating with our facilities to find energy conservation and renewable generation opportunities. We are currently working with our local utility distributor, PowerStream, to work on projects that will drive energy conservation. In addition, MECO manages Markham's 1.4MW of solar photovoltaic array's on City owned facility roof tops.

GreenPrint, Markham's Sustainability Plan: Transforms Markham into one of the most sustainable cities in North America as the plan provides a framework for the vision and priorities of Markham, as well as a way to deliver positive change and improve quality of life for generations to come. It covers a wide range of important aspects from education and skills, to innovative jobs and opportunities for a new economy, as well as food security, clean air and water for future generations, and a healthy environment for all living species. The vision of the GreenPrint is for Markham to lead the way to liveable neighbourhoods, healthy people and continuing prosperity. It is built on the pillars of sustainability, social and cultural well-being, economic vitality and environmental health. Currently, Markham is focused on developing 4 of the 12 priority areas: energy and climate, food security, access and mobility and shelter.

Sustainable Purchasing Guide: In order to increase Markham's leadership role in the area of sustainable procurement and promote environmental leadership, Markham developed a guide for Staff to utilize for attaining information relating to sustainable products available in the market and provide Staff the ability to review options to integrate sustainable practices into their purchasing decisions. This guide provides awareness to Staff for the various alternatives to purchase products which have a lower impact on the environment over the life cycle and is designed to be easily updated as new products and technologies emerge.

Parks, Recreation, Culture, Library Master Plan

Integrated Leisure Master Plan: It is a 10-year plan that establishes the short and long-term priorities for Markham's parks, recreation, culture, and library services and facilities. These priorities were developed based on a sustainable financial model. The implementation of this plan is being achieved through a cross organizational team that will be responsible for establishing annual work plans to address the 205 recommendations outlined.

As outlined in the Integrated Leisure Master Plan (ILMP), Council approved the construction of a 121,000-square-foot Southeast Community Centre and Library, and park. The new Community centre and Library is situated at the southeast corner of 14th Avenue and Middlefield Road, which provides easy access to pedestrian-friendly public transit, an accessible road network, and close proximity to two high schools and residential neighbourhoods.

The facility will offer amenities such as a library, swimming pool, triple gymnasium with a running/walking track, a teaching kitchen and multi-use community rooms. In addition, construction of a premier community centre is underway, and the facility will host the

2015 Pan Am water polo, badminton and table tennis, and Parapan table tennis competitions. Inside, it boasts a triple gymnasium with approximately 3,158 square metres (34,000 sq. feet) for training, competition and community use, as well as a 10-lane, 50-metre Olympic-sized swimming pool. The 12.5-metre-high clear ceilings of the centre's field house also meet international badminton, volleyball and other sport height requirements for an ideal field of play. In addition to the athletic facilities, the centre also makes space for several all-purpose rooms, meeting areas and a two-level fitness centre for optimal community use.

Master Fire Plan: Markham initiated a Master Fire Plan (MFP) study as part of its comprehensive community planning initiatives to manage the projected growth within the municipality over the next 10 year period. Demands on the current system of public fire protection, prevention and education are expected to continue to increase as a result of projected growth. The plan includes recommendations to address both short-term and long-term strategies that are consistent with the master fire plan process outlined with the Office of the Fire Marshal, Ontario's (OFM), *Shaping Fire-Safe Communities Initiatives*. In January 2012, Council approved the MFP in principle.

Diversity

Markham's Diversity Action Plan, "Everyone Welcome!" was developed through extensive public consultation which contains more than 60 recommendations to promote unity and inclusiveness, and provide programs and services that address the diverse needs of Markham residents. The Plan pays particular attention to the needs of four communities: youth, newcomers and visible minorities, seniors and persons with disabilities. Recent accomplishments include: broadening and diversifying our boards and committees to ensure they are representative of our community; Hosting our inaugural Diversity media event; Training our leaders about diversity, and our staff about customer service for persons with disabilities and violence and harassment in the workplace; Delivering information sessions about our summer recruitment process and leveraging multicultural radio for community outreach. Our future plans include rolling out diversity training to staff, formalizing our communications strategy, embedding supplier diversity concepts into City processes and continuing to highlight progress to Council and the broader community. Markham Council and Staff strongly believe that Diversity and inclusion should be fostered, nurtured and practiced. Inclusion is the common thread that defines our vision, goals and actions.

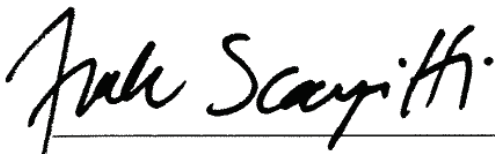
In addition to the above initiatives to continue Building Markham's Future Together, Markham has continued to enhance online services through its Portal that was launched in June 2011 and provides a single point of access for services, information and people. Through our new Web Portal platform, a full range of online information and services are available. These new online services mean increased efficiencies for Markham and for our customers. They provide the convenience of 24/7 customer access to services, and the opportunity for Staff to focus their efforts on higher value services. The following service areas have been made available to our users since its launch:

- Online services – provide self-service capabilities to request for services/information, avoid commute to City offices, and reduce paper-based processes. Over 50 interactive online services, including permit requests, license renewal, pre-authorized tax payment (PTP), E-bidding procurement system and donations are already in place, and Markham will continue to deploy applicable services to the portal platform.
- Online payments - provide capability for payments related to Markham's online services. Online Credit Card payment functionality is already in place, and will be expanded to more online services.
- GIS Enhancement – provide enhanced capabilities and services using Geographic Information System for areas that benefit from location-based data. Already available services include property detail search, Emerald Ash Borer status map, museum artefacts display map etc.
- Mobility – provide selected set of services on mobile devices through mobile app and continue to enhance this capability on an ongoing basis. The currently available services include waste collection, bike routes and parks, cultural information and major city projects.

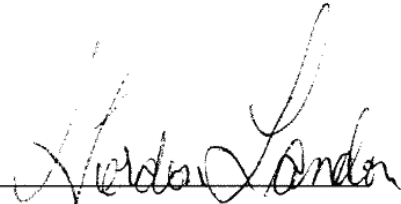
The same technology platform will be used by employees in the future to access data and information to become more efficient as well as deploy online services to users faster.

In summary, Markham is committed to offer services that are acknowledged as best-in-class, and continues to deliver accessible, sustainable and innovative community infrastructure and services. At the same time, Markham creates highly attractive urban centres, protects Markham's heritage and enhances green space.

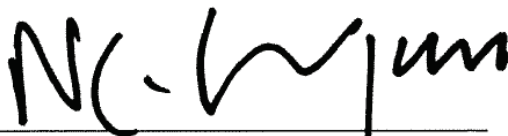
Markham has an impressive record in municipal leadership and long-term sustainability for our residents, businesses and visitors. Markham is committed to continue to delivering strong results in the years ahead.



Frank Scarpitti
Mayor



Gordon Landorf
Budget Chief & Regional Councillor



Logan Kanapathi
Vice Chair, Budget Sub-Committee & Ward 7 Councillor

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



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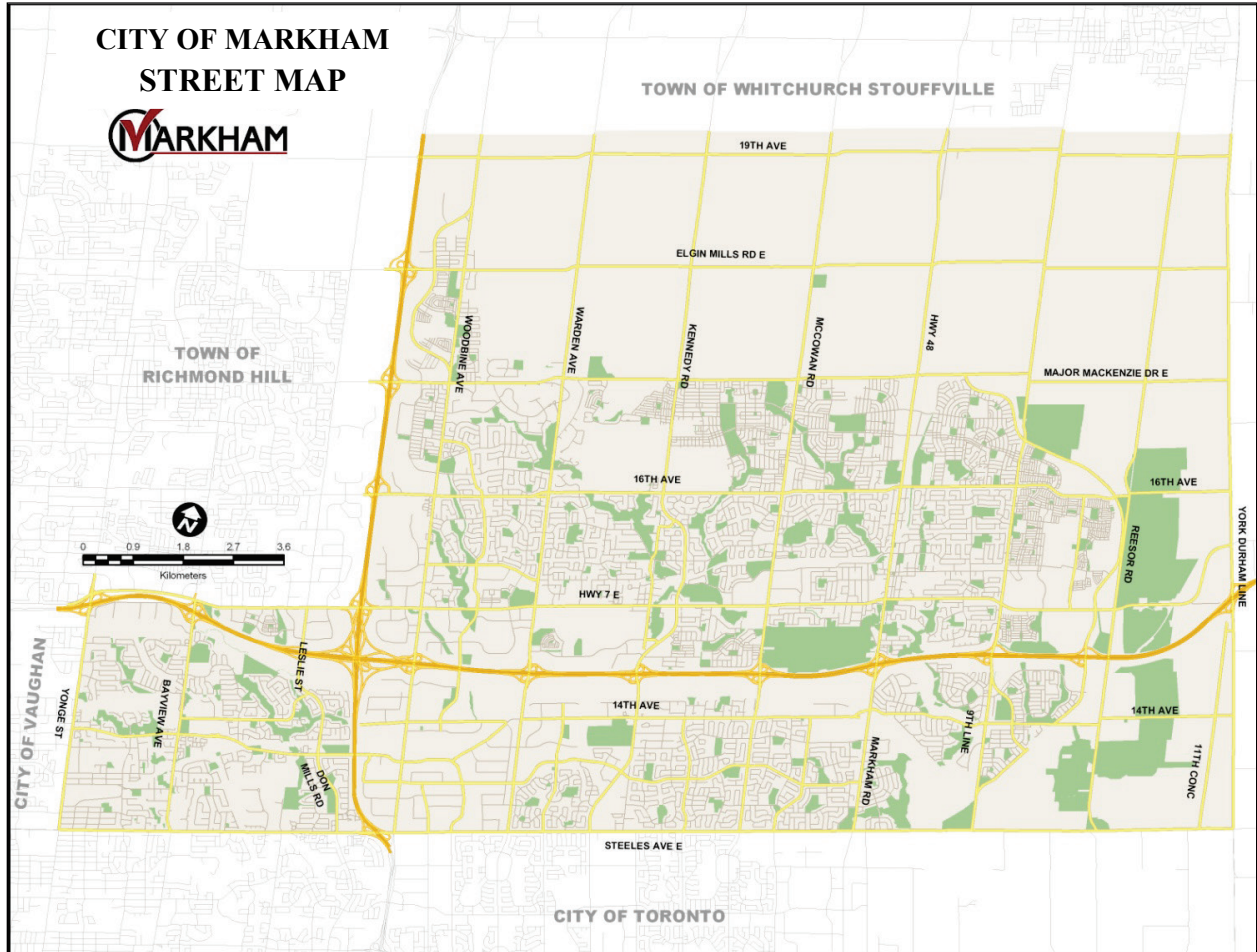
Markham and the North American Market



Markham and the Greater Toronto Area



2013 CITY OF MARKHAM STREET MAP



CITY OF MARKHAM COAT OF ARMS

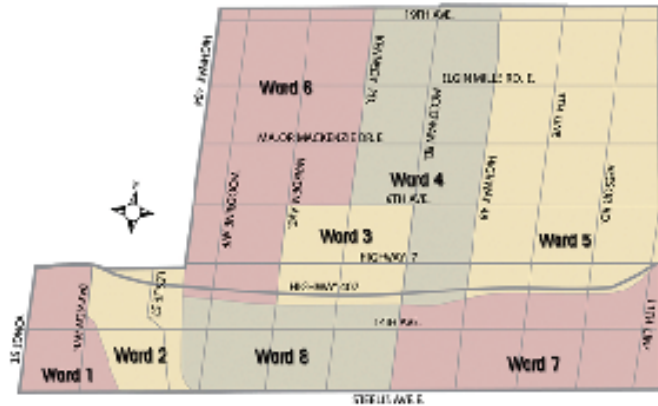


Lion	Strength
Wheat	Agricultural History
Coronet	Canadian Maple Leaf
Helmet	From Sir Markham's Coat of Arms
Horses	Early Transportation and Strength
Medallion	From Berczy Coat of Arms (First Settlers); Fleur De Lis - and the two Acorns for growth
Shield	Four Rosettes for 4 communities: Markham, Milliken,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

MAYOR & MEMBERS OF COUNCIL



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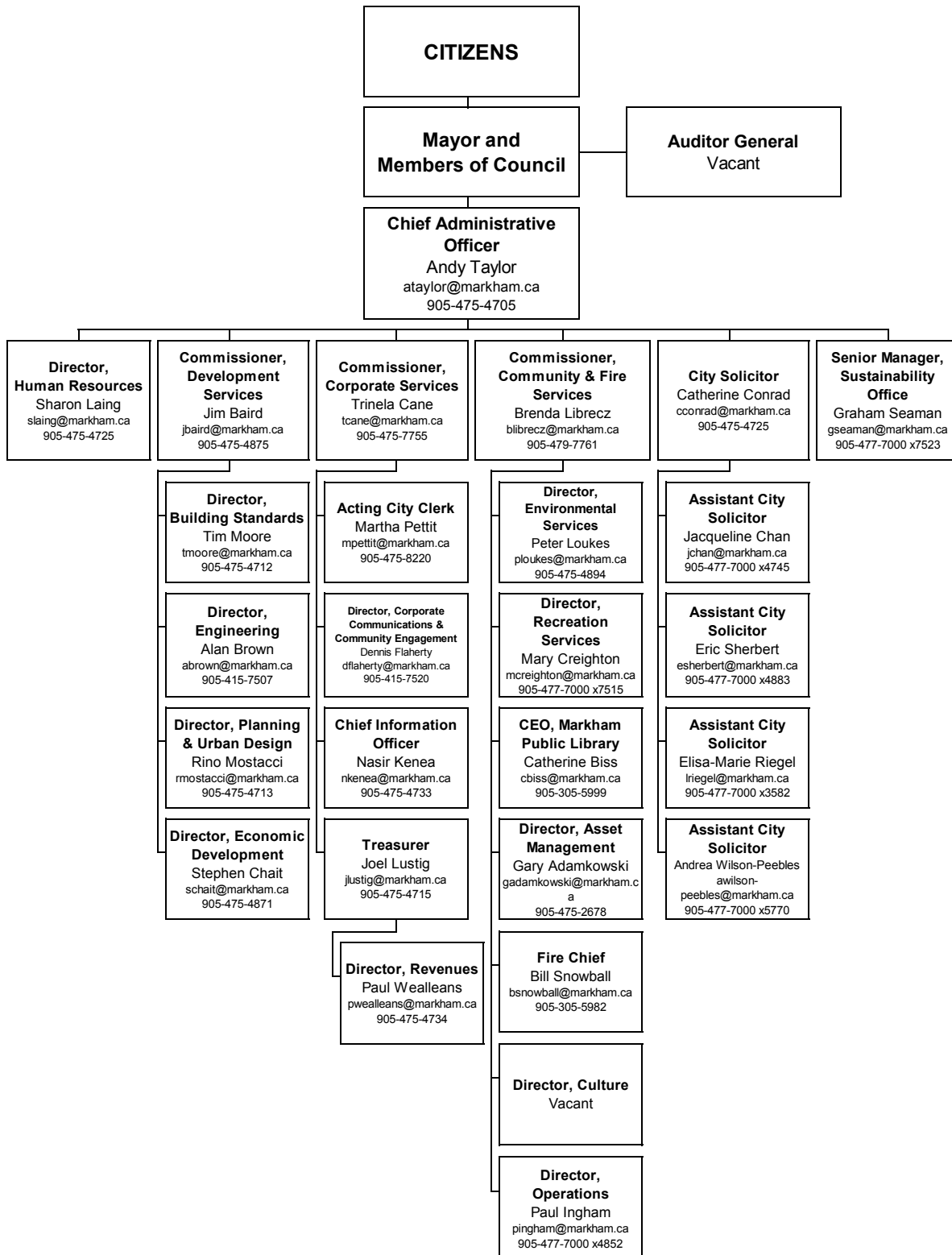


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905-479-7752

ORGANIZATION STRUCTURE



2013 BUDGET HEAD COUNT

APPROVED FULL TIME COMPLIMENT

Department / Commission	2010	2011	2012	2013
Mayor & Council*	3	3	3	3
Human Resources	17	19	18	18
Legal Services	9	9	10	10
Sustainability Office	3	4	3	3
CAO's Office	4	5	5	4
Total CAO, Legal, HR & Sustainability Office	33	37	36	35
Contact Centre	7	7	7	6
Communications & Community Relations	12	13	13	13
Financial Services	46	46	47	48
Information Technologies Services	32	32	32	32
Legislative Services	49	52	53	53
Commissioner's Office	3	3	3	2
Total Corporate Services	149	153	155	154
Economic Development	7	7	7	7
Engineering	32	37	37	39
Planning & Design	40	43	44	47
Commissioner's Office	10	11	11	11
Total Development Services	89	98	99	104
Arts Centres	6	6	7	7
Asset Management	23	24	26	27
Fire Services	257	258	278	278
Fleet	9	9	10	10
Library	62	62	63	70
Museum	5	6	6	6
Operations & Asset Management Admin.	4	4	2	0
Operations Admin.	14	14	15	15
Parks	45	45	46	46
Recreation Services	91	94	95	109
Roads	34	34	34	35
Theatre	9	9	10	10
Traffic Operations	4	4	4	4
Waste Management	5	6	6	6
Commissioner's Office	4	4	4	4
Total Community & Fire Services	572	579	606	627
Sub Total	826	870	899	923
Building Services	59	59	54	54
Waterworks	56	60	62	64
Total Corporation	941	989	1015	1041

* Excludes Mayor & Council Members

DETAILS OF 2013 STAFF ADDITIONS 2013 BUDGET

2013 Budget

The 2013 approved full time complement of 1,041 represents an addition of 28 new full time staff offset by the removal of 2 full time positions deemed redundant. 21 of those positions were added during 2012 for the opening of the Cornell Community Centre & Library and 7 positions were added through the 2013 Budget. The details of these 7 positions are shown below. The increase is due to the overall growth of the City and to the City's commitment to maintain or increase service levels.

DETAILS OF 2013 STAFF ADDITIONS

Development Services: 5		
Planning & Design	Senior Project Coordinator	1
	Senior Planner	2
Engineering	Engineering Technologist	1
	Development Engineer	1
Community & Fire Services: 2		
Asset Management	Facility Coordinator	1
Roads	Working Supervisor	1
Total		7

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.

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

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

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

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

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

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

By 1969, the Township of Markham consisted of several villages, including Markham, Unionville, and parts of Thornhill. In 1971, the Regional Municipality of York was established. Northern portions of Markham Township were annexed to the municipalities of Richmond Hill and Whitchurch-Stouffville, while the balance of Markham Township was incorporated in the Town of Markham and the present boundaries set. Markham changed its status from town to city on July 1, 2012.

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is over 310,000 by end of 2011. Through this change and growth, many reminders of Markham's roots endure. Still rich in fertile farmland, it stands as Canada's pre-eminent high technology centre, known worldwide for innovative products and services.

ECONOMIC PROFILE



Economic Profile

Year End 2012

*Markham is Canada's
High-Technology Capital
and is strategically
located in the heart of
the Greater Toronto Area
(GTA) in Canada's
economic heartland*



City of Markham
Economic Development Department
101 Town Centre Boulevard
Markham, ON L3R 9W3
Tel: (905) 475-4878
e-mail: edoinfo@markham.ca
www.business.markham.ca

Economic Overview

High-Tech Capital: Leading the Way with Information Technology & Life Sciences Companies

Markham, strategically located in the heart of the Greater Toronto Area, is one of the fastest growing municipalities in Ontario with more than 320,000 people. More than 400 corporate head offices and close to 900 high technology and life sciences companies are located in Markham. These two sectors generate a total employment of about 38,000, or more than a quarter of the total employment of 140,000. High quality facilities, a highly educated and diverse workforce and a pro-business environment signify the many attributes that continue to attract world-renowned corporations to Markham, including IBM Canada, AMD, American Express, Honda Canada, Motorola, Honeywell, Oracle, Johnson & Johnson, Huawei and many others.

More recently, Markham has intensified its efforts to maintain economic momentum with the release of its economic strategy for the next decade – Markham 2020. As part of its economic competitiveness strategy, Markham will continue to attract highly-educated and skilled immigrants; build on its leadership position in the high tech and life sciences sectors; and reach out to global markets, both to bring investments into Markham as well as to provide Markham-based businesses with global opportunities.

Markham's Top 20 Employers

Company
IBM Canada Ltd.
TD Waterhouse Inc.
American Express (Amex Canada Inc.)
AMD Technologies Inc.
Markham Stouffville Hospital
CGI Information Systems
The Miller Group - Miller Paving Ltd.
City Of Markham
Estée Lauder
Allstate Insurance
Johnson & Johnson Medical Products
MMM Group
General Electric
Canadian Automobile Association Toronto Auto Club
Homelife Bayview Realty Inc
Honda Canada
Giesecke & Devrient Security Card Systems Inc.
AC Nielsen Canada
First Student Canada
Brookfield Residential Service Ltd.

Data source: 2012 York Region Employment Survey

Produced by the City of Markham Economic Development Department Tel: (905)475-4878 Email: edoinfo@markham.ca www.business.markham.ca

High Tech Cluster

High-Technology Cluster

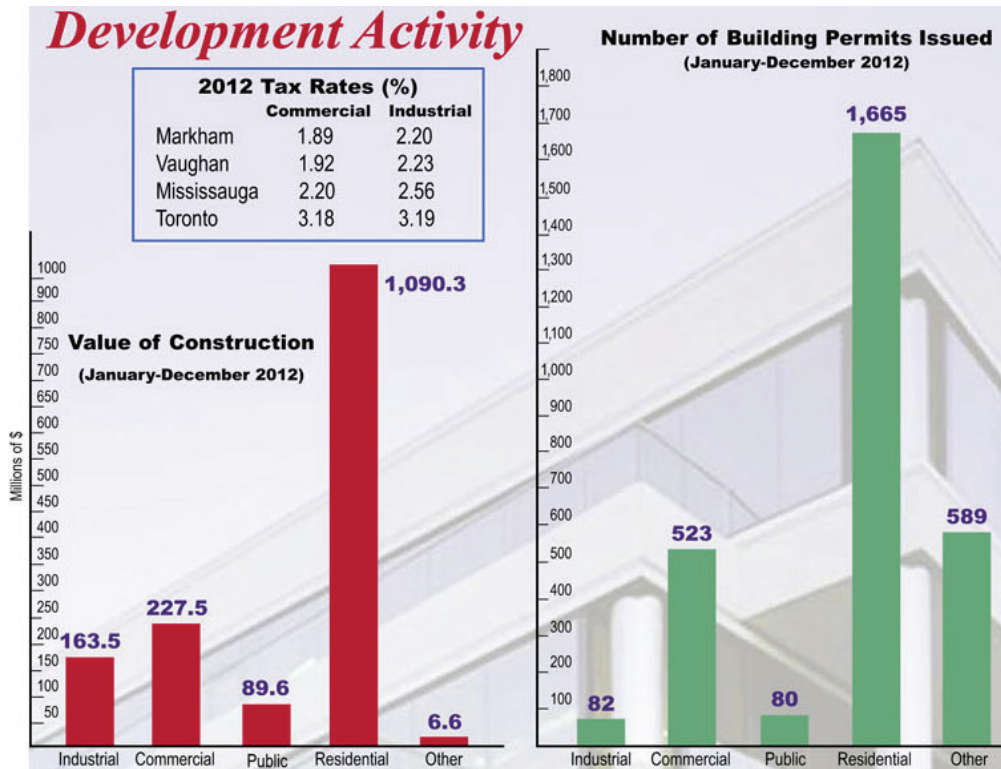
Industrial Category	Number of Companies
Computer Systems Design and Related Services	206
Engineering Services	85
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	76
Graphic Design Services	46
Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler-Distributors	36
Wireless Telecommunications Carriers (except Satellite)	36
Electronic and Precision Equipment Repair and Maintenance	35
Management Consulting Services	29
Other Scientific and Technical Consulting Services	22
Computer and Peripheral Equipment Manufacturing	19
Research and Development in the Physical, Engineering and Life Sciences	19
All Other Professional, Scientific and Technical Services	16
Data Processing, Hosting, and Related Services	15
Semiconductor and Other Electronic Component Manufacturing	14
All Other Electrical Equipment and Component Manufacturing	14
Navigational, Measuring, Medical and Control Instruments Manufacturing	12
Environmental Consulting Services	11
Electrical Equipment Manufacturing	9
Software Publishers	9
Wired Telecommunications Carriers	7
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	6
Electric Power Generation	5
Communication and Energy Wire and Cable Manufacturing	5
Geophysical Surveying and Mapping Services	5
Surveying and Mapping (except Geophysical) Services	5
Telephone Apparatus Manufacturing	3
Audio and Video Equipment Manufacturing	3
Other Communications Equipment Manufacturing	2
Manufacturing and Reproducing Magnetic and Optical Media	2
Management of Companies and Enterprises	2
Internet Publishing and Broadcasting and Web Search Portals	1
Total	755

Note: Data was obtained from the 2012 York Region Business and Employment Survey, and while every effort has been made to ensure the accuracy of this information, the Regional Municipality of York and the City of Markham can accept no responsibility for any inaccuracies, errors or omissions. Some industry categories can be found under the high-tech and life sciences clusters because the functions of the companies belonging to such categories support both sectors.

Life Sciences Cluster

Industry Category	Number of Companies
Medical Equipment and Supplies Manufacturing	27
Medical and Diagnostic Laboratories	21
Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors	20
Research and Development in the Physical, Engineering and Life Sciences	14
Home Health Care Services	14
Computer Systems Design and Related Services	6
Office Administrative Services	6
Pharmaceutical and Medicine Manufacturing	4
Other Scientific and Technical Consulting Services	3
Management Consulting Services	2
Management of Companies and Enterprises	2
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	1
All Other Professional, Scientific and Technical	1
Total	121

Industrial/Commercial Activity



Industrial Commercial Development

Industrial & Business Parks, 2012

Industrial available land – serviced and market ready 632.99 acres
 Industrial available land – unserviced 553.69 acres
 Average price per acre \$475,000 - \$600,000

Commercial available land – serviced and market ready 331.64 acres
 Commercial available land – unserviced 105.69 acres
 Average price per acre \$900,000 - \$1,100,000

Industrial Inventory, 2012 (Q4)

Total inventory (sq.ft.) 32,077,576
 Vacancy rate – class A 5.6%
 Average net rent (sq.ft.) \$5.04

Commercial Office Inventory, 2012 (Q4)

Total inventory (sq.ft.) 1,136,384
 Vacancy rate – class A 9.0%
 Average net rent (sq.ft.) \$15.50

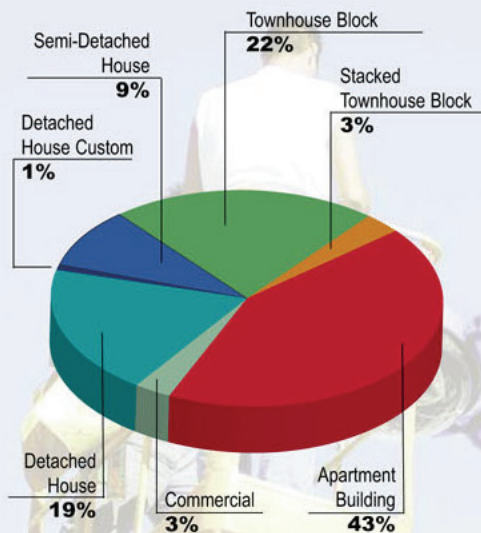
All values are in Canadian Dollars

Source: Colliers International

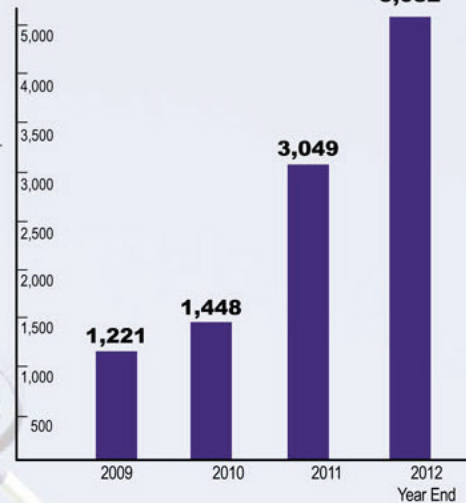
Residential Activity & Utilities

Residential Development

New Residential Units Profile
(January-December 2012)



Number of New Residential Units per Year
5,082



Average House Prices (Royal LePage Q3, 2012)

Detached Bungalow	\$600,000
Executive Detached Two-Storey	675,000
Standard Two-Storey	575,000
Standard Townhouse	455,000
Senior Executive	750,000
Standard Condominium Apartment	325,000
Luxury Condominium Apartment	420,000

Municipal Utilities

Water & Sewer Infrastructure, 2012 Rate

Water & wastewater rate per cubic metre	\$2.6277/m ³
Sewer mains	876.3 km
Water mains	1,030.9 km

Electricity Costs and Charges, Business Rates

50kW or Less		Greater than 50kW Demand	
Distribution rate	\$0.0114/kWh	Distribution rate	\$3.5007/kW
Monthly fixed charge	\$33.02	Monthly fixed charge	\$84.45

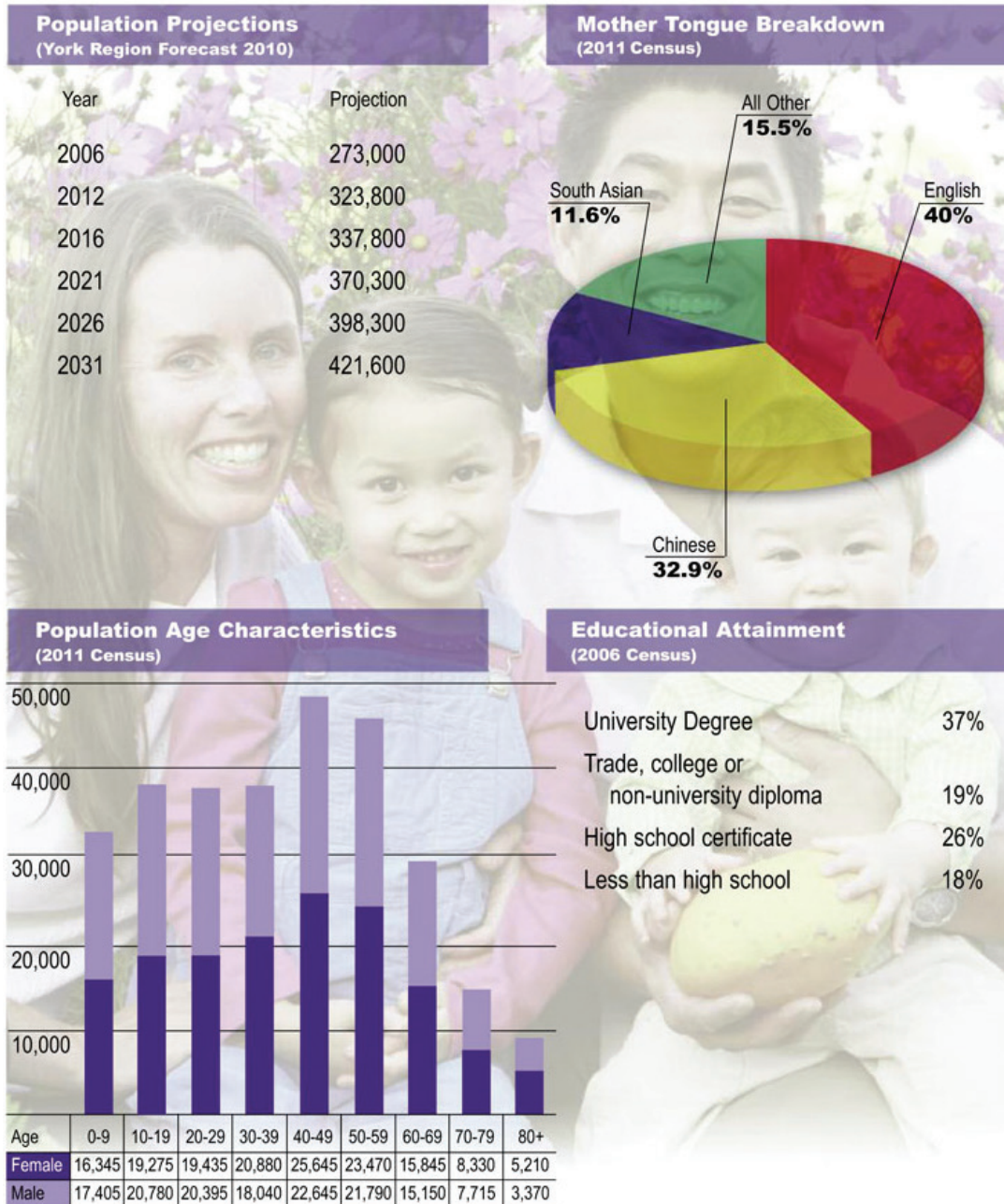
Quality of Life

The award-winning City of Markham is the largest of nine communities in York Region with a population of over 320,000, and a land area of 212 square kilometres. The City is a blend of four communities – Markham Village, Unionville, Milliken and Thornhill, located on the northern boundary of the City of Toronto. Markham is a growing community with prestigious housing developments and businesses, quality schools, art gallery, museum and theatre, numerous parks and recreational areas.

Markham is the home of Seneca College, Markham's premier post-secondary educational research and training facility. For more details on the programs offered at the Markham Campus, <http://www.senecac.on.ca/campuses/markhamlocation.html> **Seneca**

Recreation and Culture	
Total Area (sq km)	212
Number of Parks	182
Trails/pathway system (km)	126.4
Public Libraries	7
Community centres & facilities	29
Golf Courses	9
Ice Arenas	10 pads
Markham Theatre, Markham Museum, Varley Art Gallery	
Heritage areas – Thornhill Village, Unionville Village, Markham Village, Buttonville Village	
Public Health and Education (public & catholic)	
Markham Stouffville Hospital	240 beds
Shouldice Hernia Centre	89 beds
Elementary schools	72
High schools	14
Community Colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	7
Transportation Infrastructure & Service Providers	
Roads	1,199.2 km
Highways (404 and 407)	32 km
Side walks	971.5 km
York Region Transit (YRT)/Viva	www.yorkregiontransit.com
Toronto Transit Commission (TTC)	www.toronto.ca/ttc
GO Transit	www.gotransit.com
CN Rail	www.cn.ca
407 ETR	www.407etr.com
Toronto Buttonville Municipal Airport	www.torontoairways.com

Demographic Profile



Note: For other census topics, please visit www.statcan.gc.ca

Further 2011 census data will be available in the Mid-Year 2013 edition following Statistics Canada's census release schedule.

Labour Force Profile

Income Levels of Persons Reporting Income (2006 Census)

Markham Average	\$46,529
Ontario Average	\$44,748
Canadian Average	\$41,401

Basic Indicators (2006 Census)

Number of persons employed	141,665
Unemployment rate	7%
Employment rate	68%

Labour Force By Industry (2006 Census)

	%
Business Services	22%
Manufacturing	14
Finance & Real Estate	12
Retail trade	11
Wholesale trade	8
Health care & social services	7
Educational services	6
Construction	3
Agriculture & related industries	1
Other	16

Wage Rates in Markham (Ministry of Labour, current as of Publication Date)

Minimum Wage Rate	
Under 18 years of age	\$ 9.60
Over 18 years of age	\$10.25

Wage Rates in Markham (2006 Census)

Minimum Wage Rate	
Under 18 years of age	\$ 8.20
Over 18 years of age	\$ 8.75
Selected Occupation	
Childcare/home support workers	\$19,995
Retail salespersons/clerks	\$30,213
Social services workers/paralegals	\$32,983
Construction trades workers	\$33,342
Secretaries	\$34,726
Mechanics	\$48,943
Business & finance professionals	\$57,634
Teachers and professors	\$64,010
Specialist managers	\$75,158
Health professionals	\$88,527

Note: For other census topics, please visit www.statcan.gc.ca

Further 2011 census data will be available in the Mid Year 2013 edition following Statistics Canada's census release schedule.

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

Number of New Dwelling Units Issued in Year 2012

Single Dwellings	979
Double Dwellings	402
Row Dwellings	1,272
Mixed Residential	0
Apartments	2,357
Total	5,010

Construction Value of Permits Issued in 2012

Residential	1,087,076,822
Mixed Residential	0
Industrial	163,487,964
Commercial	225,650,695
Institutional & Government	89,591,058
Other	6,624,337
Total	1,572,430,876

STRATEGIC PLAN AND INITIATIVES

Building Markham's Future Together (BMFT)

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

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

Short-Term Goals

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

Also, in early 2009, community residents and stakeholders were invited to attend a series of introductory public meetings and discussions on each of the seven strategic priorities. The goal of these meetings was to increase community understanding of the action plans and for residents and stakeholders to provide their views on important elements for Markham to consider in developing and implementing specific plans and programs. More in-depth public consultation and community research will continue throughout 2013 for each of the seven strategic priorities. This process will continue until the 32 action plans are all completed.

Long-Term Goals

Looking forward, Building Markham's Future Together will help Markham to create a long term community sustainability plan: Greenprint, Markham's Sustainability Plan (Greenprint). Greenprint is a plan to help us to achieve a balance among environmental, social/cultural and economic factors. The planning process of Greenprint began in early 2009 and is a companion process to Building Markham's Future Together that will continue throughout 2013. The Greenprint integrates many of action plans from Building Markham's Future Together.

The following section outlines Markham's progress to date on the 32 action plans associated with the seven strategic priorities.



GROWTH MANAGEMENT

Managing the City’s growth:

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

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

The City’s plan:

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

Status: Completed

The City developed a 'Made in Markham' plan for sustainable community growth in response to provincial growth initiatives. The plan will protect the City’s natural and cultural heritage, and provide for social and economic well-being. The development of a Growth Management Strategy was completed in May 2010. The Strategy is based on an ‘environment first’ approach, starting with the identification and protection of a City-wide natural heritage network “the greenway system” which represents 35% of the City lands. The draft Official Plan was presented to Council in September 2012, and a series of community open houses and a public meeting was held in the Fall of 2012. The Official Plan will be brought forward to Markham Council in Q2 2013 for adoption.

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

Status: Underway

The City is developing a plan to deliver the additional infrastructure and services needed to support our new communities. Where these services are not provided directly by Markham, the City will coordinate with other levels of government and other agencies to ensure the appropriate services are delivered. Work has been completed on a Master Servicing Plan and the Transportation Strategic Plan. The Integrated Leisure Master Plan (ILMP) has also been completed. The ILMP has a ten year planning horizon, and through an intensive process of community

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

➤ **Develop a financial strategy to implement our growth plan.**

Status: Completed

Financial analysis for the growth alternative has also been undertaken, and work on a new development charges by-law is underway. The City will continue to work with all levels of government to reform legislation, develop new fiscal tools and directly provide the funding for necessary infrastructure.

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

Status: Completed.

An extensive public consultation program was undertaken, including over 20 community meetings on individual background studies, and a number of community meetings, stakeholder meetings and online consultation regarding the growth alternatives in 2009 and 2010. Public consultation on the new Official Plan began in the spring of 2011, with a public open house/public meeting and stakeholder consultation to discuss the approach for the new Official Plan. Staff provided updates to Development Services Committee throughout 2012 which are accessible to the public. A series of community open houses and a public meeting was held in the Fall of 2012. It is anticipated that the Official Plan will be adopted by Markham Council in Q2 2013. Additional consultation will occur at the Regional level in Q3 and Q4 2013.

The City has posted numerous presentations and staff reports regarding the Growth Strategy and related studies on the City website. The City has also developed a Workbook that summarizes the proposed alternatives and provides an opportunity for the reader to provide their opinions on these alternatives.

TRANSPORTATION



Improving transportation and transit:

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

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

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

The City's plan:

- **Work with partners to address our transit challenges by Q4 2011 and beyond.**

Status: Underway

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

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

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

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

Status: *Underway*

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

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

Status: *Underway*

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

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

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

ENVIRONMENT AND SUSTAINABILITY



Protecting the City's environment:

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

The City's plan:

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

Status: Completed

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

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

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

- A comprehensive Climate Action Plan
 - A report for Partners for Climate Protection milestones 1 and 2 was completed in 2009.
 - The Greenprint is the City's Climate Action Plan and it is targeted to address the Partners for Climate Protection milestones.
- **Adopt green building standards and green community standards by Q2 2011.**

Status: Underway

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

- Phase 1 Report on "Leadership in Energy and Environmental Design (LEED) and Beyond - Markham Sustainable Development Standards and Guidelines" was presented to Environmental Issues and Sustainability Committee (January 2009). Phase 1 Study report is being updated to align with the new Official Plan policies. A report will be brought forward to Council in Q3/Q4 2013.
 - Phase 2 is to develop Sustainable Development Standards and Guidelines for Neighbourhoods. This study will proceed in Q3/Q4 2013.
- **Develop and implement a community-wide zero waste strategy.**

Status: On-going

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

- City owned facilities such as Markham Civic Centre and 555 Miller Avenue Operations Yard, along with the Unionville Meadows Public School and Markham sponsored special events are Zero Waste.
 - The City has achieved a 72% (MPMP) municipal diversion rate which is the best in the GTA and among top of class for North America. Target for year end 2013 is 80% municipal diversion rate.
- **Prepare a Public Realm Policy and Program.**

Status: Underway

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

- Implementation of Pesticide By-law and Education Plan in 2009.
- Ongoing implementation of the Trees for Tomorrow program which has a goal to plant 90,000 trees over the four-year period of 2010 to 2014. Markham Trees for Tomorrow will adapt to meet the needs or challenges of a changing environment with the intent to protect the urban forest.
- Community tree plantings, stewardship events and educational outreach programming will continue in 2012 and 2013.

- A Public Realm Advisory Committee was established in 2011 and demonstration projects have been undertaken at flowering trees in parks, bulbs in grass, mural and artful bike racks at Pomona Mills.
- Rouge Park – Markham has been working with the Rouge Park Alliance as well as other stakeholders to support the creation of a major conservation area that will balance uses with agriculture and the natural environment. In 2013, Markham will continue to work with Parks Canada on the vision for the Rouge National Urban Park in Markham.

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

Status: Underway

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

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

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

Status: Underway

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

- Incorporated Greenprint alignment discussion as part of the 2012 Capital Budget process.
- In 2011, City Staff produced the first municipal Annual Report in Canada aligned to the Global Reporting Initiative. In 2012 and 2013, staff are building on previous effort by developing a more robust discussion of the data and what it means to Markham and our stakeholders.



Excellence in municipal services:

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

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

- Service Excellence
- Service Innovation
- Service Value

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

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

The City's plan:

- Complete all planned service improvements.

Status: Completed

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

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

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

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

Status: Completed

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

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

Status: On-going

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

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

Waterworks Service Planning – The Waterworks Department commenced the service planning exercise in 2012. Phase one is complete and Phase two is expected to be completed by April 2013.



INTEGRATED LEISURE MASTER PLAN/PUBLIC SAFETY

Investing in the City's quality of life:

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

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

The City's plan:

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

Status: Completed

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

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

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

In 2010, the City acquired land for a sports park and in 2011 we commenced work on the planning for the Southeast Community Centre and Library. As well, the Pan Am site was approved and the design is in the final stages.

The development for the Culture Plan and the Park Amenities/Park Renaissance project are underway in 2013.

Construction on the 2015 Pan Am Games facility has commenced with anticipated completion in 2014.

The Cornell Community Centre and Library officially opened in February 2013.

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

Status: Started Q3 2012

The City needs to develop a comprehensive strategic plan that will provide sustainable solutions to enhance community safety in Markham. A Community Safety Plan benefits from strong linkages with social service and enforcement

agencies, urban growth, built form, transportation, and parks, recreation, culture, library programs and facilities.

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



Celebrating the City's diversity:

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

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

The City's plan:

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

Status: On-going

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

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

- To commemorate the International Day for the Elimination of Racial Discrimination, the City of Markham held the annual Many Faces of Markham event to celebrate the diversity within Markham. The 13th Annual Many Faces of Markham event "Waving Flags, United We are!" was held in March 2011. This year, in addition to the writing and art competition, a video component was included. There were more than 1000 submissions from various schools across Markham.
- In March 2012, Markham hosted the "Straight Talk" panel event to address the community's concerns about media representation of diverse groups.

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

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

Status: On-going

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

➤ **Enhancing Markham boards and committees.**

Status: On-going

The City approved the establishment of a Seniors Committee in September 2009. The City will also review the mandates of the Race Relations Committee, the Markham Advisory Committee on Accessibility, and the Mayor's Youth Task Force. The City incorporated diversity consideration into the planning of the 2010 Municipal Election. In 2013, Staff will be commencing the preparation of the 2014 municipal election and will continue to incorporate diversity considerations into the planning.

A new citizen advisory committee board appointment policy that includes measures to diversify board appointments is currently being developed.

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

Status: Underway

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

The City, in partnership with the Federal and Provincial governments, completed the accessibility upgrades which were funded from the Infrastructure Stimulus Program for total project costs of \$3.0 million. The facility improvements were done in various community centres and City-owned facilities for existing washrooms, stairs, landings, fire safety and automatic door operators and controls. In addition, upgrades to the Markham Flato Theatre are underway in 2013.

➤ **Develop an effective communications plan.**

Status: Underway

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

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

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

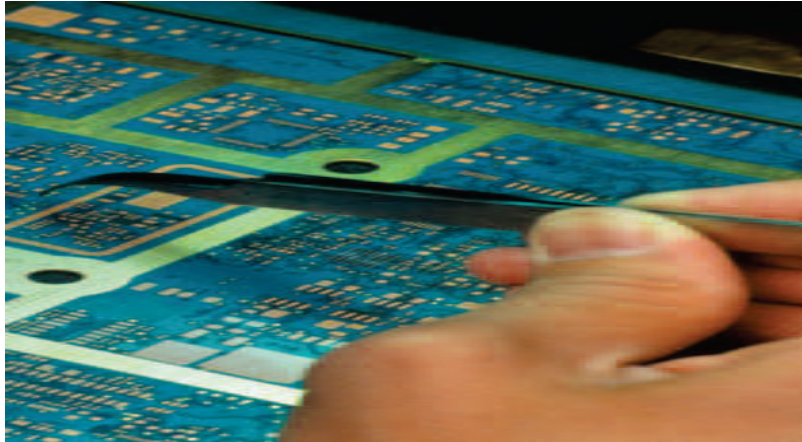
➤ **Engage and educate City staff.**

Status: Underway

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

- The Diversity Action Plan was approved in June 2010 with 68 recommendations that are now being implemented throughout the City.
- The Diversity Intranet Site was developed to engage and educate City Staff about diversity.
- As of the end of 2011, more than 500 employees attended the Respect in the Workplace – Anti Harassment training.
- All City Staff will participate in Customer Service Standard training as it relates to people with a disability. To date, over 2,000 full time and part time staff have been trained and training continues on an ongoing basis.
- Accessibility Advisory Committee (AAC) and City Staff finalized the Accessibility Design Guidelines which were approved by Council in 2011. The purpose of the guidelines is to identify, remove and prevent barriers and provide solutions particularly in the built environment. The next steps are to ensure that a formalized Accessibility Guidelines accountability framework is established to ensure that the guidelines are implemented in an effective and efficient manner.
- Staff have finalized an "inclusion tool", and diversity training is currently being piloted with Staff for roll out in 2013. The tool will help Staff deal effectively with diversity related situations including those related to customer service.

MARKHAM 2020 – ECONOMIC DEVELOPMENT STRATEGY



Celebrating the City's economy:

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

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

Framework of the strategy:

The Markham Convergence Centre (MCC) is a successful model helping businesses grow, regardless of where they are in their business life cycle. The MCC hosted the only Start Up Canada Stop in York Region during its national tour. The office area is virtually 100% leased and is home to Regional Innovation Centre.

Markham continued to attract foreign direct investment to generate more than 200 jobs per year within Markham. In Markham, there were three business missions to India, China and Israel, generating large potential for foreign direct investment. Missions are planned to India and Germany in 2013.

City Branding, the City of Markham was launched July 1, 2012. Brand position established as part of all subsequent messaging – Markham's slogan "Leading While Remembering".

Markham's Small Business Centre was acknowledged as the best in Ontario by the Provincial Government, and has fostered new partnerships with George Brown College, Seneca College, York University, Association of Canadian Chinese Entrepreneurs and ventureLAB.

FINANCIAL POLICIES

Financial Planning Policy

Budget Process

Proposed Budget

A proposed budget shall be prepared by the Financial Planning department with the participation of all of the City's business units within the provisions of the City's charter.

- The Budget shall include five basic segments for review and evaluation:
 - Taxation Revenues
 - Other Operation Revenues
 - Personnel Costs
 - Operations and Maintenance Costs (Non personnel costs)
 - Capital Costs
- The Budget review process shall include the City's Budget Sub-Committee participation in the development of each of the above segments of the proposed budget and public hearings to enable community participation and input.
- The Budget process shall be for a sufficient time span to adequately address policies and fiscal issues by the Budget Committee.
- The proposed Budget shall be presented by the Budget Sub-Committee to the General Committee for consent and subsequently to the Council.

Adoption of Budget

Upon receiving the recommendations from the General Committee, the Council will subsequently adopt by resolution such Budget, as the City's annual Budget for the year beginning January 1. It is not uncommon for municipalities to approve the budget post January 1 of the budget year. The City's 2013 Budget was approved on January 29, 2013.

Balanced Budget

In 2013, the City developed a balanced budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2013 budget approval process.

Ontario Regulation 284/09 states that municipalities may exclude from budget, all or a portion of the estimated costs of amortization, post-employment benefits, solid waste landfill closure and post-closure expenses. Exclusion of these expenses allows for preparation and presentation of a traditionally balanced budget.

Further, as per the Regulation, the impact of these expenses that are excluded from the budget must be reported to Council under the new financial disclosure requirement.

Deficit Avoidance

Annual budgets will continue to show fiscal restraint. In any given year when revenue shortfalls or unforeseen expenditures appear to be more than temporary, both the Capital and Operating Budgets will be reviewed and a number of alternatives will be identified to minimize the City's exposure including drawing from reserves, reallocating budgets and spending constraints.



Amendments to Approved Budget

The Chief Administrative Officer (CAO) is authorized to freeze or reduce operating line item budget spending as fiscal conditions dictate. The CAO is to advise Council of the freezes or reductions at the earliest possible opportunity. Any amendments that may be required to the approved budget shall be made only after approval by the Council.

Post Budget Reallocation

Reallocation of funds may be done between departments at the Commission level and among programs within a department and requires approval by the Commissioner.

Reporting

Monthly financial reports will be distributed to the respective department heads to enable them to manage their budgets and enable the Treasurer to monitor and control the budget as authorized by the Council.

Summary financial and budgetary reports will be presented quarterly to the Council by Finance. Such reports will be in a format that will enable the Council to understand the budget and the financial status of the City.

Operating Fund Balance

Actual surplus during a budget period will be transferred to the Corporate Rate Stabilization Reserve as a top up to a level equivalent to 15% of local tax revenues. This level is based on the Government Finance Officer Association's recommended "best practices" level of funding for the rate stabilization reserve. Funds remaining after the top up, if any, will replenish the Environmental Land Acquisition Reserve Fund, and any remaining funds thereafter will be transferred to the Life Cycle Replacement and Capital Reserve Fund.

Long Range Planning

General

The Development Services Commission manages the comprehensive planning of growth related development and conservation within the City. The Commission coordinates the preparation and revision of the general plan that includes policies and regulations for land use and conservation, and multi year development plans for transportation, public facilities, parkland and environmental protection.

Master Plans

These master plans include capital infrastructure items that have operating budget impacts and support the general plan for Recreation, Parks, Fire Stations, Community Centres, and Libraries.

Adequate facilities

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

Capital Improvement Plan

The capital budget prepared annually identifies the revenue sources and expenditures for the budget year, and future phases if applicable. The plan is updated annually.

Funding of Capital Improvement

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

Maintenance and Replacement

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

Post Budget Approval – Controlling Expenditures

When a capital project is cancelled or a completed project results in unspent dollars, those dollars shall be returned to the original funding source(s). 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 in accordance with the Expenditure Control Policy.

Revenues

Use of one time revenues

The City shall not utilize one time revenues for ongoing expenditures. However, one-time revenues may be used to fund non-recurring expenditures or services that can be completed within a specific amount of time without significant disruption to the City provided it is duly approved by Council. Unallocated one time revenue is transferred to the Corporate Rate Stabilization Reserve.

User Fees and Revenue Diversification

The City will establish cost recovery policies for user fees that will continue to be charged. These policies will determine the percentage of full service costs to be recovered through fees. The level of cost recovery will be routinely adjusted to ensure that rates are current, equitable and competitive. The City will strive to maintain a diversified and stable revenue system to shelter the City from short run fluctuations in any one revenue source and to ensure its ability to provide ongoing service.

Use of Unpredictable Revenues

Certain City revenues fluctuate year to year, and revenues in excess of the budget will be transferred to the Corporate Rate Stabilization Reserve at year end.

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 will 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 City will continue to reduce its dependence on prior year's surplus to balance the current year's budget. The prior year's surplus will be automatically transferred to the Corporate Rate Stabilization Reserve. In the event of a deficit, it will be funded through the Corporate Rate Stabilization Reserve, or by a onetime tax rate adjustment.

BUDGETING POLICIES

Basis of Accounting / Budgeting

The City of Markham prepares its financial information in accordance with the local government accounting standards of the Public Sector Accounting Board of the 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 as a result of receipt of goods or services and the creation of a legal obligation to pay.

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

The City of Markham prepares budgets for the Operating, Capital, Building Standards, 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.

Fixed Assets

The tangible capital assets at the City are capitalized at historical costs and are amortized over the assets useful lives.

Operating Fund

Funds all City of Markham operations except for Waterworks and Building Standards operations. Tax revenue is the main source of funding.

Building Standards Fund

Fund all Building permit and inspections operations. Building permit revenues are the main source of funding.

Waterworks Fund

Funds all water and sanitary sewer operations. Water billings are the main source of funding.

BIA Fund

Provide funding for the Markham and Unionville Business Improvement Areas (BIA's). The BIA's were established in accordance with Section 220 of the Municipal Act for the purpose of providing improvement, beautification of land, buildings and structures in the



area and the promotion of the area as a business and shopping district. Funding is primarily provided by a special tax levy charged to the member businesses of the BIA.

Trust Fund

The fund receives payments from individuals or organizations to be used solely for a specific purpose. They are set up under a trust agreement appointing the City as trustee and outlining its responsibilities. The funds are administered by the City but not consolidated with the operating statement.

At the end of 2012, the City of Markham had 8 trust funds with a total balance of \$2,254,892.

Buttonville Airport Fund

The fund accumulates operating grants paid by the Region of York for the operating of the Buttonville airport and transfers them to Toronto Airways Limited (TAL), the operator of the airport. The Toronto Buttonville Municipal Airport (Markham) Inc. (TOWNCO) leases the airport land from TAL and subleases them back to TAL. This arrangement makes TAL eligible for Regional Grant funding. The City of Markham operates the bank accounts for TOWNCO in the transfer of these funds to TAL but does not make any grants itself.

Reserve and Reserve Funds

As at December 31, 2012, there were 15 Reserves and 21 Reserve Funds. Out of the total of 36 funds, 31 were discretionary (i.e. set aside by Council) and 5 obligatory (i.e. mandated by legislation). The uncommitted balance in the funds as of December 31, 2012 was \$185,571,349.

INVESTMENT POLICIES

OBJECTIVES

In order of priority, the investment objectives of the City are:

- Legality of Investments
- Preservation of Principal
- Maintenance of Liquidity
- Competitive Rate of Return

LEGALITY OF INVESTMENTS

The legal authority to invest funds comes from the Municipal Affairs Act. Investments shall be in conformance with the Ontario Municipal Act and O.Reg. 438/97 – Eligible Investments and Related Financial Agreements (See Appendix A).

Investments made by the City are further restricted by the limitations and terms outlined in this policy. Where the City of Markham has excess funds not required immediately, such funds may be invested only in:

- Bonds, debentures, treasury bills or other forms of indebtedness of or guaranteed by the Government of Canada
- Bonds, debentures, treasury bills or other forms of indebtedness of or guaranteed by any province of Canada
- The Municipal Finance Authority of British Columbia.
- Bonds, debentures, or promissory notes of a metropolitan, regional or district municipality or of a municipality as defined in the Municipal Affairs Act
- Bonds, term deposits, deposit receipts, deposit notes, certificates of deposit, banker's acceptances and other similar instruments issued, accepted, guaranteed or endorsed by a Schedule I or a Schedule II Bank.

PRESERVATION OF PRINCIPAL

Preservation of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

This policy acts to minimize credit risk, i.e. the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized

Safety

All investments must rate at least "AA Low" or the equivalent from the Dominion Bond Rating Service, the Canadian Bond Rating Service, or Standard and Poors and/or a commercial paper rating of R1 Low or better from DBRS.



Diversification

Investments shall be diversified by:

- Limiting investments in securities that have higher credit risks;
- Investing in securities of varying maturities while providing for stability of income;
- Continuously investing a portion of the portfolio in readily available funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations; and
- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding Canadian Treasury securities). The limits are as follows:

Federal/Provincial Government Securities

Securities offered by, or unconditionally guaranteed by, the government of Canada or a province of Canada, shall comprise not less than 40% of the total investment portfolio at all times, and may comprise 100% of the portfolio.

The following limitations apply:

- Government of Canada - no limit
- Province of Ontario - no limit
- Other provinces - maximum 20%

Municipal Government Securities

Municipal securities cannot exceed 30% of the total investment portfolio and any one municipality cannot exceed 15% of the total portfolio.

Financial Institutions

Investments in eligible financial institutions shall not exceed 60% of the total portfolio. The following limitations will apply to the individual institutions:

- the five major Canadian chartered banks (Canadian Imperial Bank of Commerce, Bank of Montreal, Royal Bank, Scotia Bank, TD Canada Trust) – individual maximum of 20%
- other Canadian chartered banks and Schedule II banks - in aggregate 25% with individual maximum of 15%

The Investment Analyst, under the direction of the Treasurer is permitted to deviate +/- 5% from the above targets to take advantage of changing market conditions.

MAINTENANCE OF LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may reasonably be anticipated.

Investments are limited to an individual term of twelve years. Investments for terms in excess of one year are restricted to any of the Canadian Federal, Provincial, and

Municipal Governments, the 5 largest Canadian Schedule I banks ranked by assets, and institutions guaranteed by the aforementioned.

COMPETITIVE RATE OF RETURN

The investment portfolio shall be designed with the goal of maximizing the long term rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

The investment portfolio shall be designed with the objective of regularly exceeding the average return on three-month Treasury bills. This index is considered an appropriate benchmark for risk-less investment transactions and therefore represents a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

Return on investment is of secondary importance when compared to the safety and liquidity objectives.

The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

To take advantage of short-term fluctuations in interest rates, securities may be sold prior to maturity. All realized and unrealized capital gains/losses will be identified in the annual investment report.

ADMINISTRATIVE PROCEDURES

The Commissioner of Corporate Services or the Treasurer will have signing authority on all investments that require wire transfers. The Investment Manager will enter into all investment transactions on behalf of the City of Markham and will provide monthly updates on the portfolio performance to the Commissioner of Corporate Services and the Treasurer.

All investment transactions are recorded and interest earnings distributed to the various funds in accordance with City policies and generally accepted accounting principles for municipalities.

Authorized Financial Institutions and Brokers/Dealers

The following is a current list of all financial institutions authorized to provide investment services to the City of Markham. This list will be maintained and updated as the business environment changes:

- TD Canada Trust
- CIBC World Market Inc.
- Scotia McLeod Inc.
- RBC Dominion Securities Inc.
- Royal Bank of Canada
- Bank of Montreal
- HSBC Bank Canada
- Canaccord Capital



Reporting

The Investment Analyst shall prepare a quarterly investment report, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter.

The report will summarize recent market conditions, economic developments, anticipated market movements and investment strategies employed in the most recent fiscal quarter. The report shall explain the quarter's total investment return and compare the return with budgetary expectations. The reports shall indicate any areas of policy concern and/or planned revision of investment strategies.

This management summary will be prepared in a manner that will allow the Finance & Administrative Committee to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The interim report will include the following:

- Listing of individual securities held at the end of the reporting period;
- Realized gains or losses resulting from the sale of investments that were not held until maturity;
- Average weighted yield of the Fund's investments as compared to applicable benchmarks;
- Listing of all investments by maturity date;
- Percentage of total portfolio that each type of investment represents.

APPENDIX A

ELIGIBLE INVESTMENTS UNDER THE MUNICIPAL ACT

ONTARIO REGULATION 438/97

ELIGIBLE INVESTMENTS AND RELATED FINANCIAL AGREEMENTS

1. A municipality does not have the power to invest under section 418 of the Act in a security other than a security prescribed under this Regulation. O. Reg. 438/97, s. 1; O. Reg. 399/02, s. 1.

2. The following are prescribed, for the purposes of subsection 418 (1) of the Act, as securities that a municipality may invest in:

1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,

i. Canada or a province or territory of Canada,

ii. an agency of Canada or a province or territory of Canada,

iii. a country other than Canada,

iv. a municipality in Canada including the municipality making the investment,

iv.1 the Ontario Strategic Infrastructure Financing Authority,

v. a school board or similar entity in Canada,

v.1 a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000,

v.2 the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002,

vi. a local board as defined in the Municipal Affairs Act (but not including a school board or a municipality) or a conservation authority established under the Conservation Authorities Act,

vi.1 a board of a public hospital within the meaning of the Public Hospitals Act,

vi.2 a non-profit housing corporation incorporated under section 13 of the Housing Development Act,

vi.3 a local housing corporation as defined in section 2 of the Social Housing Reform Act, 2000, or

vii. the Municipal Finance Authority of British Columbia.

2. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if,

i. the bond, debenture or other evidence of indebtedness is secured by the assignment, to a trustee, as defined in the Trustee Act, of payments that Canada or a province or territory of Canada has agreed to make or is required to make under a federal, provincial or territorial statute, and

ii. the payments referred to in subparagraph i are sufficient to meet the amounts payable under the bond, debenture or other evidence of indebtedness, including the amounts payable at maturity.

3. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments the terms of which provide that the principal and interest shall be fully repaid no later than two years after the day the investment was made, if the receipt, note, certificate or instrument was issued, guaranteed or endorsed by,
 - i. a bank listed in Schedule I, II or III to the Bank Act (Canada),
 - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act, or
 - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
- 3.1 Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments the terms of which provide that the principal and interest shall be fully repaid more than two years after the day the investment was made, if the receipt, note, certificate or instrument was issued, guaranteed or endorsed by,
 - i. a bank listed in Schedule I, II or III to the Bank Act (Canada),
 - ii. a loan corporation or trust corporation registered under the Loan and Trust Corporations Act,
 - iii. a credit union or league to which the Credit Unions and Caisses Populaires Act, 1994 applies.
4. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by an institution listed in paragraph 3.
5. Short term securities, the terms of which provide that the principal and interest shall be fully repaid no later than three days after the day the investment was made, that are issued by,
 - i. a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000,
 - ii. the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002, or
 - iii. a board of a public hospital within the meaning of the Public Hospitals Act.
6. Bonds, debentures, promissory notes, other evidence of indebtedness or other securities issued or guaranteed by the International Bank for Reconstruction and Development.
- 6.1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by a supranational financial institution or a supranational governmental organization, other than the International Bank for Reconstruction and Development.
7. Asset-backed securities, as defined in subsection 50 (1) of Regulation 733 of the Revised Regulations of Ontario, 1990 made under the Loan and Trust Corporations Act.
- 7.1 Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province of

Canada, the terms of which provide that the principal and interest shall be fully repaid more than five years after the date on which the municipality makes the investment.

7.2 Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province of Canada, the terms of which provide that the principal and interest shall be fully repaid more than one year and no later than five years after the date on which the municipality makes the investment.

8. Negotiable promissory notes or commercial paper, other than asset-backed securities, maturing one year or less from the date of issue, if that note or commercial paper has been issued by a corporation that is incorporated under the laws of Canada or a province of Canada.

8.1 Shares issued by a corporation that is incorporated under the laws of Canada or a province of Canada.

9. Bonds, debentures, promissory notes and other evidences of indebtedness of a corporation incorporated under section 142 of the Electricity Act, 1998.

10. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if the municipality first acquires the bond, debenture, promissory note or other evidence of indebtedness as a gift in a will and the gift is not made for a charitable purpose.

11. Securities of a corporation, other than those described in paragraph 10, if the municipality first acquires the securities as a gift in a will and the gift is not made for a charitable purpose.

12. Shares of a corporation if,

- i. the corporation has a debt payable to the municipality,
- ii. under a court order, the corporation has received protection from its creditors,
- iii. the acquisition of the shares in lieu of the debt is authorized by the court order, and
- iv. the treasurer of the municipality is of the opinion that the debt will be uncollectable by the municipality unless the debt is converted to shares under the court order. O. Reg. 438/97, s. 2; O. Reg. 265/02, s. 1; O. Reg. 399/02, s. 2; O. Reg. 655/05, s. 2; O. Reg. 607/06, s. 1; O. Reg. 39/07, s. 1.

3. (1) A municipality shall not invest in a security under subparagraph 1 iii, v.1, v.2, vi.1, vi.2 or vi.3 or paragraph 3.1 or 4 of section 2 unless the bond, debenture, promissory note or evidence of indebtedness is rated,

- (a) Revoked: O. Reg. 265/02, s. 2 (1).
- (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
- (b.1) by Fitch Ratings as "AA-" or higher;
- (c) by Moody's Investors Services Inc. as "Aa3" or higher; or



- (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 3 (1); O. Reg. 265/02, s. 2 (1); O. Reg. 399/02, s. 3 (1); O. Reg. 655/05, s. 3 (1, 2); O. Reg. 607/06, s. 2; O. Reg. 39/07, s. 2.
- (2) Revoked: O. Reg. 655/05, s. 3 (3).
- (2.1) A municipality shall not invest in a security under paragraph 6.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
 - (b) by Fitch Ratings as "AAA";
 - (c) by Moody's Investors Services Inc. as "Aaa"; or
 - (d) by Standard and Poor's as "AAA". O. Reg. 655/05, s. 3 (4).
- (3) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures more than one year from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
 - (a.1) by Fitch Ratings as "AAA";
 - (b) by Moody's Investors Services Inc. as "Aaa"; or
 - (c) by Standard and Poor's as "AAA". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (2); O. Reg. 655/05, s. 3 (5).
- (4) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures one year or less from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(high)";
 - (a.1) by Fitch Ratings as "F1+";
 - (b) by Moody's Investors Services Inc. as "Prime-1"; or
 - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (3); O. Reg. 655/05, s. 3 (6).
- (4.1) A municipality shall not invest in a security under paragraph 7.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "A" or higher;
 - (b) by Fitch Ratings as "A" or higher;
 - (c) by Moody's Investors Services Inc. as "A2"; or
 - (d) by Standard and Poor's as "A". O. Reg. 655/05, s. 3 (7).
- (4.2) A municipality shall not invest in a security under paragraph 7.2 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
 - (b) by Fitch Ratings as "AA-" or higher;
 - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
 - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 655/05, s. 3 (7).

- (5) A municipality shall not invest in a security under paragraph 8 of section 2 unless the promissory note or commercial paper is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(mid)" or higher;
 - (a.1) by Fitch Ratings as "F1+";
 - (b) by Moody's Investors Services Inc. as "Prime-1"; or
 - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (4); O. Reg. 655/05, s. 3 (8).
- (6) If an investment made under paragraph 7 or 8 of section 2 falls below the standard required under subsection (3), (4) or (5), as the case may be, the municipality shall sell the investment within 30 days after the day the investment falls below the standard. O. Reg. 265/02, s. 2 (2).
- (7) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made and as long as it continues, the investment ranks, at a minimum, concurrently and equally in respect of payment of principal and interest with all unsecured debt of the corporation. O. Reg. 265/02, s. 2 (2).
- (8) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made, the total amount of the municipality's investment in debt of any corporation incorporated under section 142 of the Electricity Act, 1998 that would result after the proposed investment is made does not exceed the total amount of investment in debt, including any interest accrued on such debt, of the municipality in such a corporation that existed on the day before the day the proposed investment is to be made. O. Reg. 265/02, s. 2 (2).
- (9) Any investment made under paragraph 9 of section 2, including any refinancing, renewal or replacement thereof, may not be held for longer than a total of 10 years from the date such investment is made. O. Reg. 265/02, s. 2 (2).
- (10) Subsections (7), (8) and (9) do not prevent a municipality from holding or disposing of a security described in paragraph 9 of section 2 issued by a corporation incorporated under section 142 of the Electricity Act, 1998, if the municipality acquired the security through a transfer by-law or otherwise under that Act. O. Reg. 655/05, s. 3 (9).
- (11) A municipality shall sell an investment described in paragraph 10 or 11 of section 2 within 90 days after ownership of the investment vests in the municipality. O. Reg. 655/05, s. 3 (9).
- (12) If an investment described in subsection (1), (2.1), (4.1) or (4.2) falls below the standard required by the subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 655/05, s. 3 (9).
- 4. (1)** A municipality shall not invest more than 25 per cent of the total amount in all sinking and retirement funds in respect of debentures of the municipality, as estimated by its treasurer on the date of the investment, in short-term debt issued or guaranteed by the municipality. O. Reg. 438/97, s. 4 (1).



(2) In this section, "short-term debt" means any debt, the terms of which provide that the principal and interest of the debt shall be fully repaid no later than 364 days after the debt is incurred. O. Reg. 438/97, s. 4 (2).

4.1 (1) A municipality shall not invest in a security under paragraph 7 of section 2 or in a promissory note or commercial paper under paragraph 8 of section 2 unless, on the date that the investment is made,

- (a) the municipality itself is rated, or all of the municipality's long-term debt obligations are rated,
 - (i) by Dominion Bond Rating Service Limited as "AA(low)" or higher,
 - (i.1) by Fitch Ratings as "AA-" or higher,
 - (ii) by Moody's Investors Services Inc. as "Aa3" or higher, or
 - (iii) by Standard and Poor's as "AA-" or higher; or
- (b) the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing Corporation to act together as the municipality's agent for the investment in that security, promissory note or commercial paper. O. Reg. 265/02, s. 3; O. Reg. 399/02, s. 4; O. Reg. 655/05, s. 4 (1, 2).

(1.1) A municipality shall not invest in a security under paragraph 7.1 or 8.1 of section 2 unless, on the date the investment is made, the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing corporation to act together as the municipality's agent for the investment in the security. O. Reg. 655/05, s. 4 (3).

(1.2) Subsection (1.1) does not apply to investments in securities by the City of Ottawa if all of the following requirements are satisfied:

1. Only the proceeds of the sale by the City of its securities in a corporation incorporated under section 142 of the Electricity Act, 1998 are used to make the investments.
2. The investments are made in a professionally-managed fund.
3. The terms of the investments provide that,
 - i. where the investment is in debt instruments, the principal must be repaid no earlier than seven years after the date on which the City makes the investment, and
 - ii. where the investment is in shares, an amount equal to the principal amount of the investment cannot be withdrawn from the fund for at least seven years after the date on which the City makes the investment.
4. The City establishes and uses a separate reserve fund for the investments.
5. Subject to paragraph 6, the money in the reserve fund, including any returns on the investments or proceeds from their disposition, are used to pay capital costs of the City and for no other purpose.

6. The City may borrow money from the reserve fund but must repay it plus interest. O. Reg. 655/05, s. 4 (3).
- (2) The investment made under clause (1) (b) or described in subsection (1.1), as the case may be, must be made in the public sector group of funds of the Local Authority Services Limited and the CHUMS Financing Corporation with,
- (a) another municipality;
 - (b) a public hospital;
 - (c) a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000;
 - (d) the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002;
 - (e) a school board; or
 - (f) any agent of an institution listed in clauses (a) to (d). O. Reg. 265/02, s. 3; O. Reg. 655/05, s. 4 (4); O. Reg. 607/06, s. 3.
- 5.** A municipality shall not invest in a security issued or guaranteed by a school board or similar entity unless,
- (a) the money raised by issuing the security is to be used for school purposes; and
 - (b) Revoked: O. Reg. 248/01, s. 1. O. Reg. 438/97, s. 5; O. Reg. 248/01, s. 1.
- 6.** (1) A municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s. 6 (1).
- (2) Subsection (1) does not prevent a municipality from continuing an investment, made before this Regulation comes into force, that is expressed and payable in the currency of the United States of America or the United Kingdom. O. Reg. 438/97, s. 6 (2).
- 7.** (1) Before a municipality invests in a security prescribed under this Regulation, the council of the municipality shall, if it has not already done so, adopt a statement of the municipality's investment policies and goals. O. Reg. 438/97, s. 7.
- (2) In preparing the statement of the municipality's investment policies and goals under subsection (1), the council of the municipality shall consider,
- (a) the municipality's risk tolerance and the preservation of its capital;
 - (b) the municipality's need for a diversified portfolio of investments; and
 - (c) obtaining legal advice and financial advice with respect to the proposed investments. O. Reg. 265/02, s. 4.
- (3) Revoked: O. Reg. 655/05, s. 5.
- (4) In preparing the statement of the municipality's investment policies and goals under subsection (1) for investments made under paragraph 9 of section 2, the council of the municipality shall consider its plans for the investment and how the proposed investment would affect the interest of municipal taxpayers. O. Reg. 265/02, s. 4.

8. (1) If a municipality has an investment in a security prescribed under this Regulation, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council, each year or more frequently as specified by the council, an investment report. O. Reg. 438/97, s. 8 (1).
- (2) The investment report referred to in subsection (1) shall contain,
- (a) a statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
 - (b) a description of the estimated proportion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;
 - (c) a statement by the treasurer as to whether or not, in his or her opinion, all investments are consistent with the investment policies and goals adopted by the municipality;
 - (d) a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
 - (e) such other information that the council may require or that, in the opinion of the treasurer, should be included. O. Reg. 438/97, s. 8 (2); O. Reg. 655/05, s. 6.
- (3) Upon disposition of any investment made under paragraph 9 of section 2, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council a report detailing the proposed use of funds realized in the disposition. O. Reg. 265/02, s. 5.
- 8.1** If an investment made by the municipality is, in the treasurer's opinion, not consistent with the investment policies and goals adopted by the municipality, the treasurer shall report the inconsistency to the council of the municipality within 30 days after becoming aware of it. O. Reg. 655/05, s. 7.
9. (1) Despite this Regulation, an investment by a municipality in bonds, debentures or other indebtedness of a corporation made before March 6, 1997 may be continued if the bond, debenture or other indebtedness is rated,
- (a) Revoked: O. Reg. 265/02, s. 6.
 - (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
 - (b.1) by Fitch Ratings as "AA-" or higher;
 - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
 - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 9 (1); O. Reg. 265/02, s. 6; O. Reg. 399/02, s. 5; O. Reg. 655/05, s. 8.
- (2) If the rating of an investment continued under subsection (1) falls below the standard required by that subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 438/97, s. 9 (2).

DEVELOPMENT CHARGE BORROWING POLICIES

OBJECTIVE

The objective of this policy is to provide a framework with respect to borrowing funds to complete Development Charge (DC) related capital projects.

SOURCES OF BORROWING

This section outlines the sources of funding available when the DC Reserves are in (or are approaching) a deficit balance.

Internal Borrowing

The City may loan the DC reserves up to a cumulative maximum of 25% of the previous year's average general portfolio balance (i.e. the City's cash and investments, as defined under the Eligible Investments section of the Municipal Act, that are not attributable to interest bearing reserves, reserve funds, and trust funds). For example if the average general portfolio balance was \$200 million, the City could provide up to \$50 million of funds to the DC reserves. The 25% limit was chosen as it still allows the City to maintain a high level of liquidity and mirrors the 25% annual repayment limit decided upon by the Ministry of Municipal Affairs and Housing.

Term of Borrowing

The internal borrowing provided from the City's General Portfolio will act as a loan for a predetermined period of time. DC Reserves will be able to continue to use these funds while there is a negative balance. At any time, the City can decide to call upon these funds if the money is needed elsewhere. It would be at this point, the DC Reserve would turn to external borrowing. (Note: there would need to be enough time to secure external borrowing before the loan could be called).

Internal Borrowing Interest Rate

The internal borrowing rate will be based on the York Region debenture rate for a similar term as the internal borrowing is estimated to be required.

External Borrowing

Any funding requirements not covered by internal borrowing will require external borrowing. The determination of the source of the funds (i.e. debenturing through the Region of York or borrowing through a bank or government agency) will be made at that time depending on the length of term required, market conditions and rates. All external borrowing needs to be coordinated through the Region of York.

ADMINISTRATION

Any external borrowing will be brought to Council for approval. Any internal borrowing will be approved by the Treasurer and be reported to Council no fewer than twice per year. The determination of the borrowing source will be at the discretion of the Treasurer of the City of Markham.



Any internal borrowing will be tracked and accounted for in the same manner as the City's existing investment portfolio.

As per the Municipal Act, before authorizing any specific work or class of work or any increase in the expenditure for a previously authorized specific work or class of work that would require a long term debt or financial obligation, the Treasurer will calculate an updated annual repayment limit using the most recent debt and financial obligation limit determined by the Ministry of Municipal Affairs and Housing.

INVESTMENT ALLOCATION INTEREST POLICIES

OBJECTIVE

The objective of this policy is to provide a framework with regards to the recording and allocation methods of the City's investment interest income (including bonds, money market, interest earned on bank balances, etc).

INTEREST ALLOCATION

This section outlines the methods for allocating interest to various City Reserves and Reserve Funds.

Development Charges Reserves

The Development Charge Reserves have its own segregated investment pool. The interest generated from these investments is fully allocated to the Development Charge Reserves on a monthly basis.

Interest Bearing Reserves and Reserve Funds

There are no specific investments made on behalf of reserve and reserve funds. Interest is calculated and allocated monthly. The amount of interest is determined by applying the average money market rate earned by the City in a given month to the previous month's ending reserve balance. Any reserves or reserve funds with negative balances will be charged at a rate of prime.

Varley Trust

Through a past agreement with the Varley Trust, interest is calculated and allocated monthly by applying the average bond market rate (exclusive of capital gains) earned by the City in a given month to the previous month's ending reserve balance.

General Portfolio

The remaining interest not allocated to the above reserves and trusts is deemed to be the interest earned on the general portfolio.

CAPITAL GAINS RESERVE

The Treasurer has the authority to transfer year-end surpluses in the Capital Gains account to a Capital Gains Reserve.

The Capital Gains reserve can only be drawn upon in the following situations:

- Funds are required to make up for a current year budget deficit in the Investment Interest or Capital Gains accounts
- Funds are required to set the Investment Interest budget for the following year budget



RESERVE POLICIES

Asset Life Cycle Reserve Study

In 2005, Council approved a reserve study that examined the City's Reserves and Reserve Funds with the purpose of:

- Determining the adequacy of the City's Reserves to meet known future expenditures (Infrastructure/Capital Asset Rehabilitation/Replacements)
- Determining the adequate level for the City's corporate rate stabilization/contingency reserve based upon comparisons and benchmarking with other Municipalities and "best practices"
- Reviewing, consolidating and refining policies for the City's various reserves and reserve funds

The following sections provide more details on the Reserve Study and policies Council approved.

Life Cycle Replacement and Capital Reserve Fund

One of the major recommendations from the 2005 Reserve Study was the consolidation of reserves into the Life Cycle Replacement and Capital reserve or the financial impact of these recommendations (e.g. the reserves that were consolidated to create the Life Cycle Replacement and Capital Reserve)). This reserve is to fund the replacement of the City's aging infrastructure and for major capital expenditures approved by Council.

Funding for this reserve will come from the following sources:

- The City's Operating Budget contribution to Capital;
- Future interest income (in excess of \$1M) from long-term loans and future dividends from Markham Enterprises Corporation, a wholly-owned subsidiary, and its subsidiaries;
- Proceeds from the sale of asset, excluding land; and
- Future year-end Operating Budget Surpluses

Corporate Rate Stabilization Reserve

The purpose of this reserve is to maintain the City's cash flow, minimize need for short-term borrowing, fund urgent expenditure requirements, minimize changes in the property tax rate, and to smooth out fluctuations due to one-time expenditures.

Based on Government Finance Officer Association's (GFOA) recommended best practices, the balance in the Corporate Rate Stabilization reserve was established at 15% of the local tax revenues.

In addition, future year-end operating budget surpluses, if any, will be used to top-up this reserve to the target balance. As explained in the Future Operating Surplus section, below, once the target balance in the Corporate Rate Stabilization is achieved, remaining year-end surpluses, if any, will be allocated to other reserves in a sequential order, as approved by Council.

Other Reserve Study Recommendations and Policies

- **Non-DC Growth Reserve Fund** – intended for the purpose of funding the non DC component of growth related projects. See “Development Charge (DC) Projects – Non-DC Reserve Funding” section in the Capital Budget Guidelines section for further information on the City’s requirement to fund a portion of growth related new capital infrastructure projects. Proceeds from future land sales will be the source of funding for this reserve.
- **Facility Ramp-up Reserve** – funded from the operating budget dollars included in previous years’ budgets to ramp-up for facility operating costs. Intended use of this reserve was not defined when the reserve was established, however, it was used to fund non-growth facility-related capital projects in the past, with Council approval. Balance at the end of each fiscal year will be transferred to the Corporate Rate Stabilization Reserve.
- **Environmental Land Acquisition Reserve Fund** – a new reserve established in 2005 to provide a source of financing for the City to acquire/protect environmentally sensitive land. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve. As well, any remaining year end surpluses after topping up the stabilization reserve will be used to replenish expenditures in the Reserve Fund.
- **Environmental Sustainability Reserve Fund** – intended to provide a source of funding for internal (City) and external (e.g. Community groups) initiatives that are environmental in nature. A base level of \$150,000 was established for this fund. The process to replenish the base for expenditures is through the following year’s Capital Budget process.
- **Land Acquisition Reserve Fund** - a new reserve established in 2005 to provide a source of financing for the City to acquire land that is strategic in nature, non-growth (and thus cannot be DC-funded), and not environmentally sensitive. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.

Future Operating Surpluses

Prior to the 2005 Reserve study, year-end Operating Budget surpluses were directed to the Corporate Rate Stabilization reserve. The 2005 Reserve study established a target balance for the Corporate Rate Stabilization reserve at 15% of local tax revenues. Accordingly, a policy was adopted by Council to prioritize the funding of Reserves from future operating surpluses:

Future year-end surpluses, if any, in the operating budget will be allocated to top-up the Corporate Rate Stabilization reserve to 15% of local tax revenues first. Year-end surpluses remaining, if any, after topping up the stabilization reserve will be used to replenish expenditures in the Environmental Land Acquisition Reserve Fund (second priority) and the Life Cycle Reserve Fund (third priority). Should future year-end surpluses not be sufficient to top-up the Stabilization and replenish the Environmental Land Acquisition reserve fund, the funding requirements should be included for discussion in the following year’s budget discussions.



Waterworks Reserves

Waterworks Reserves is water rate funded and offsets fluctuations in gross profit on water sales to residents and funds repairs/ replacements of waterworks capital infrastructures.

In 2007, Council approved the Water & Wastewater Reserve Study with the purpose of:

- Addressing the ongoing replacement and rehabilitation requirements for the Waterworks infrastructure over their useful lives
- Determining the adequacy of the City's Waterworks Reserves to meet known future expenditures

Based on the future replacement and rehabilitation program as identified in the Water & Wastewater Reserve Study, the Waterworks Reserves will require additional funding in order to sustain future replacement and rehabilitation requirements. As a result, effective January 1, 2008, a Water & Wastewater Infrastructure Surcharge was implemented. Any potential increase to the approved surcharge will be brought forward to Council through the annual reserve study update and the annual budget process.

DEBT POLICIES

Borrowing has its appropriate place in making prudent financing decisions. The City will continue to capitalize on fluctuations in interest rates and recognize when borrowing is appropriate to minimize the impact on tax rates. Building growth related infrastructure in advance of development combined with the fluctuations in development charge revenues, may result in a future need to borrow.

Policy on Debt Issuance

Markham will strive to maintain its status as a “Pay As You Go” Community and the City will only consider borrowing for growth related capital projects.

Provincial Guidelines

- Annual payments relating to debt and financial obligations should not be more than 25% of own source revenues and fund revenues, not including Municipal electrical utilities revenues.
- Markham’s annual repayment limit for 2013 is approximately \$68.1 million.



2013 OPERATING BUDGET GUIDELINES

General Narrative and Assumptions

The 2013 Budget:

- *Provides that current revenues are sufficient to support current expenditures* ("We are living within our means" without drawing down reserves for operating purposes)
- *Maintains the City's general reserves*
- *Provides sufficient maintenance and replacement dollars to ensure capital facilities and equipment are properly maintained*
- *Maintains all the quality of life programs that residents have become accustomed to, and addresses increasing service levels based on demand where necessary*
- *Maintains a competitive compensation and benefits package for our work force.*

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

It is assumed that:

- Gross Assessment Growth will be 2.36%

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

The focus of the 2013 budget revolves around infrastructure management, environment, and transportation issues. This budget provides for adequate maintenance of capital, equipment, and for future replacement of equipment. Through the 2013 Budget Process, the City continues its strategic thinking at all levels of the organization and critically evaluates the status quo.

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

Budget Preparation Guidelines

The 2013 Budget is budgeted at 2012 base levels except for additional funding related to:

- Salary and benefits increases (CUPE and MPFFA wage settlement, OMERS pension rate changes, grid movement)
- Contract escalations and inflationary pressures
- Increased operating costs related to more households, kilometres of roads and new parks
- Operating costs associated with aging infrastructure

Excluding the predetermined increases mentioned above, departments should complete a business case and fill out a form requesting changes to the base budget for any additional funding requirements for new initiatives, programs, growth, or service level changes. Business cases are expected to contain a 'Value Proposition', meaning that the department has to clearly identify a corresponding incremental benefit to the City that the additional funds would generate. Each form requesting a change to the base budget (including completed business cases) will be approved at the Commissioner level before submission to Financial Planning.

No New Debt

The City will not make a provision for the issuance of debt in this budget. The City's share of any work to be done under section 391 of the Municipal Act – Fee and/or Charges bylaw will not constitute debt as defined here.

Establish the Base Level

The base level for the 2013 budget will be the 2012 cost of providing all the services approved in the 2012 budget, except for one-time projects.

The 2013 base level budget is set by taking the inputs approved in the 2012 budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

- **Annualized Costs** - For example, last year's budget might have included a contract to start in April; this year's budget includes the full year's costs. If a contract had a price escalation midway in 2012. These costs are identified and included in the 2013 Base Budget.
- **Growth** - Allow for growth that will occur in the City in 2013. For example, if new roads were constructed in 2012, their upkeep would be part of the 2013 growth adjustment. Requests for new growth dollars must be documented. In order to obtain new growth dollars, there must be the identification of documented productivity, technological, or personnel efficiencies on the expense side or revenue enhancements to offset the request for new growth dollars. Only the portion of the cost from the date of the growth's impact to the end of the year is included in the Budget. However, departments should indicate the full-year cost of the growth.
- **Inflation** - All departments are expected to absorb this inflation within their 2013 approved budgets. However, exceptions are made for extraordinary commodity price increases and contractually related increases.

Service Level Changes

In each department, a critical analysis will be performed to determine where increased efficiencies and possible cost savings could be achieved through the redeployment of staff. If current levels are deemed adequate, departments will include all existing services at 2012 levels in their 2013 base budget submission. Any requests for funding to increase service levels require submission of a form requesting changes to the base budget to justify the additional costs.



New Programs

Requests and business cases for additional funds related to the identification of new programs must be filled out on the form requesting changes to the base budget. Only the portion of the cost from the date of implementation to the end of the year is included in the Budget. However, departments will indicate the full-year cost of the program.

Salaries and Benefits - Full Time

The City continues to scrutinize personnel costs as a percentage of the budget. Financial Planning provides the salary figures for the 2013 base budget. The 2013 base budget from each Department includes only the 2012 full time approved complement. Financial Planning completes the 2013 Human Resources portion of the budget and sends the data to the respective budget coordinators for confirmation regarding positions and grades of full time staff. New headcount requests must be filled out on the forms and identified the associated new revenue and cost savings. All new headcounts were reviewed and approved by Senior Management, CAO and Council.

Fringe Benefits

2013 fringe benefits are based on known benefit rate increases provided by the Human Resources Department. In addition, the Financial Planning Department performs an analysis of 2012 actual benefit costs and reflects its findings in the 2013 budget.

Part Time Salaries

The 2013 Budget Guidelines require that all permanent part-time staff be budgeted for by person/position. 2013 costs and any annualized costs are provided to Financial Planning by the Departments. The annualization of part-time job evaluation is included in the base budget.

Shift Premium

Shift Premium will be budgeted at 2013 levels.

Overtime Dollars and Hours

Overtime dollars and hours will be budgeted at 2013 levels.

Rate Increases

Increases have been provided for as follows:

U.S Exchange Rate:

U.S. Exchange Rate – 1.00

Investment Income:

The forecasted 2013 interest rate of 4.0% is used for budgeting. The Financial Planning Department incorporates this rate in the development of the investment income budget.

Sales Taxes

Municipalities are entitled to a 78% rebate on the PST component of HST, or 6.24%, and 100% federal GST rebate, or 5%. The total rebate is 11.24%. On items that the municipalities did not pay PST prior to the harmonization, there is a maximum net impact of 1.76%. For example, a \$100 purchase that is subject to \$8.00 of PST will receive a rebate of \$6.24 (78% of the 8%); therefore, the net impact to the City is \$1.76 (\$8.00 - \$6.24).

HST also impacts the City's revenues from recreation programs such as ice rentals, facility rentals, fitness memberships and program registrations relating to participants aged 14 and above, as these services are subject to HST.

Use of Accrual Basis for Budgeting

Expenses

Expense items are budgeted for in the month when the goods or services are expected to be received and not in the month when payment is to be made. For example, if a purchase order is issued in November and the goods are expected to arrive in December with payment terms of 45 days, the expenditure is budgeted in December. The actual goods will be paid for in early February due to the terms of the invoice.

Revenues

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

Utilities

The City is at spot rate for both natural gas and hydro in 2013, and it has been reflected in the 2013 Budget. Overall, the City's utility volumes have been reduced from the 2012 level resulting from Facility Energy Retrofits initiatives and adjusted for new facilities in the 2013 budget.

User Fees and Service Charges

User Fees in Recreation and Culture, Engineering and Planning Departments were adjusted to reflect market conditions & general inflation where applicable.

Debt Charges

The City is currently debt free and there are no debt charges included in the Budget.

Identification of Major Service Contracts

The identification of major service contracts up for renewal in 2012 is completed by Financial Planning with the assistance from the Purchasing Department and factored into the Budget.



Budget Administrative Guidelines

Budget Transfers

Budget transfers refer to permanent transfers in the Budget and are not intended as a method of reallocation for budget overspending.

Forms do not have to be completed for re-allocation of dollars within a department. However, re-allocation of dollars may also be done between departments within each Commission. All transfers are tracked and recorded by the Financial Planning Department. Total 2013 budget dollars for the Commission do not change. Any cross-departmental transfers within the same Commission need to be approved at the Commissioner level.

Budget Spending

The City Budget cannot be overspent. There may be variations throughout the year within the various cost centres and line items and the following levels of authority are required if these situations occur.

- Any Commission Level overspending requires the approval of the CAO.
- Within the Commission there may be Departments or line items that may exceed the budget. Provided these stay within the Commission, the Commissioner is authorized to make the necessary balancing decisions. Commissioners are responsible to ensure that procedures are in place to prevent budget overspending.

The CAO & Executive Leadership Team (ELT) regularly undertakes a detailed review of budget over/under spending and makes decisions on spending reallocations, if required.

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

Budget Monitoring

Budget status reports are prepared on a monthly basis for the CAO & Executive Leadership Team (ELT). These provide a comparison between actual revenues and expenditures to budgeted amounts. Further regular reports are presented to the General Committee, which include a detailed analysis of variances.

Monthly financial statements are delivered by Financial Reporting to each Commission by the 5th business day of the following month. Based on this information, departments provide Financial Planning with details of material variances and projections for the remainder of the year.

Financial Planning consolidates the information and presents a reporting package to the General Committee.

Monthly Budget Reporting Content

Financial Planning reports on operating budget variances to Senior Management monthly and to Council quarterly.

Vacancies

Vacancies not filled within six months from the date of occurrence are subject to review by the Chief Administrative Officer (CAO).

Overtime

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

Year-end Projections

Factors that may affect the year-end projection and feedback from all departments are incorporated in the mid-year and third quarter forecasts to Council.

2013 CAPITAL BUDGET GUIDELINES

Key Dates

May 2012	Capital Database was opened for submissions from departments which were due by the end of the June 2012
July 2012	Director's Forum (DF) reviewed the 2013 Capital Budget Submissions and provided a recommendation to the CAO, Executive Leadership Team (ELT)
September 2012	ELT & DF had joint reviews of the 2013 Capital Budget
September 2012	Approval of the 2013 Capital Budget by ELT

2013 Capital Database

The Capital Database is used to input all relevant information related to each capital project request. Departments are required to complete the following fields in the 2013 Capital Database the projects planned for 2013 and 2014:

- Project Information Worksheet which requires departments to provide the following information:
 - Project Manager
 - Project Type (i.e. New Asset/Expansion, Repairs/Replacements, Studies)
 - Detailed Project Description
 - Project Ranking
 - Project Cost
 - Cost of future phases, if applicable
 - Funding Sources
 - Impact on Operating Costs
 - Cash Flow Projection
 - Procurement Plan
 - ITS requirements
 - Link to Council priorities
- DC / Life Cycle Projects Worksheet
 - Applicable when Development Charges (DC) has been identified as a funding source for the Capital Project. Departments are required to outline and compare the 2013 capital project request against the year and costs that have been identified in the DC Background Study. An explanation is required when the year and/or costs deviate from the DC Background Study.
 - Applicable when Life Cycle Replacement and Capital Reserve Fund has been identified as a funding source for repair/replacement of assets. Departments are required to complete the worksheet which compares the 2013 capital project request against the Asset Life Cycle Reserve Study.

An explanation is required when the year and/or costs deviate from the Asset Life Cycle Reserve Study.

- Other Projects Worksheet
 - Applicable to all non-DC and non-Life Cycle projects. Indicate how Service Level will be affected by the project; that is, whether service level will be 'Maintained', 'Increased' or 'Decreased' after implementation. If the response is either 'Increase' or 'Decrease', a detailed explanation is required.

General Information

Funding Guidelines

The City's Commissions are given funding guidelines at the beginning of the capital planning process. For operating non-life cycle funded projects, each Commission was provided with a target that was based on 80% of the average approved capital budget from the previous 2 years. The remaining 20% was allocated based on discussions at the Directors Forum review meetings.

Capital Projects / Acquisitions

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

- It must have future value with an expected useful life longer than 1 year.
- The total cost is \$5,000 or greater.

Priority Setting

Submissions for Operating non-life cycle funded capital projects (tax rate) will be considered in accordance with their priority ranking. Projects should be ranked as follows:

Rank 1

- Projects that have received approval from Council
- Projects that are required due to legal / legislative requirements
- Life cycle funded projects with confirmed need based on condition assessment

Rank 2

- Continuation of an existing project (i.e. second phase)
- Life cycle funded projects without confirmed need based on condition assessment
- Projects that have been reported to Council but pending Council decision
- Projects that are politically sensitive
- Projects that increase efficiency or reduce/eliminate risks
- Projects that are deferred from previous year



2013 Business Plans

The 2013 Business Plans were incorporated into the 2013 Capital and Operating Budget process.

Funding from Life Cycle Replacement & Capital Reserve

In 2005, Council approved the establishment of Life Cycle Replacement & Capital Reserve to address on-going capital replacement and preventive maintenance of capital assets and for major capital expenditures approved by Council. Capital projects with the Life Cycle Replacement and Capital Reserve as a source of funding should also include the year of replacement identified in the Asset Life Cycle Reserve Study.

Special Funding

Departments are required to identify projects in the 2013 Capital database that may require upfront financing by the City because the proposed funding (e.g. sale of assets, grants, subsidies, recoveries from other levels of government) will not be available at the time of expenditure.

Projects Managed by Other Departments

Information Technology Services (ITS):

Departments are required to identify all discretionary IT requirements. Such projects include new corporate applications – training management system, corporate project management system. Non-discretionary requirements (e.g., PC upgrades / replacements, etc.) are managed by ITS separately.

Capital Assets/Fleet:

All business cases & 2013 Capital Funding Request forms for NEW fleet should be forwarded to Operations-Fleet department for review and verification of cost/standards. Operations-Fleet will submit Capital Funding Request form(s) to Finance for NEW fleet vehicles required in 2013.

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in 2013. Replacement vehicles required in 2013 will be consolidated into one capital project by Operations-Fleet.

Council Request

Council members are encouraged to identify projects that should be included in the 2012 Budget submission. These projects should be entered into the Database and identified as a Council Request.

Taxes (Provincial & Federal)

Effective July 1, 2010, Harmonized Sales Tax (HST) of 13% is levied on purchases made in Ontario. For most purchases, Ontario municipalities are entitled to HST Rebate of 11.24%, resulting in a net 1.76% HST impact. For purchases and improvements of eligible capital properties for commercial activities, Ontario municipalities are entitled to HST Input Tax Credit of 13%. All capital projects must be budgeted at project cost excluding taxes. All applicable taxes impact (1.76% HST) must be identified separately.

For example, a project with a quote/estimate of \$200,000 should be budgeted at \$203,520 with net HST impact (\$3,520) identified separately.

Development Charge (DC) Projects – Non Growth DC Reserve Fund

The City collects Development Charges (DC's) from developers to construct growth-related infrastructure, such as roads, parks, fire stations and community centres. Development Charges collected from developers are deposited in a DC Reserve Fund until funding for the growth-related capital project is required. Certain Development Charge projects require non-development charge reserve funding equivalent to 10% of the project cost. Items exempt from the 10% non-growth DC charge are:

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

Projects that do not fall under one of the above exemptions must be noted as requiring 10% Development Fee funding or an alternative non-growth DC source such as other reserves. For example, a new park with a project cost of \$100,000, inclusive of taxes, would have Development Fee funding of \$10,000 (10%) and Development Charge funding of \$90,000 (90%).

Projects with Zero Cost

Departments are required to budget for all projects that they propose to undertake, even those that have a zero net City cost. For example, if a project requires that the City undertake works for other local governments, utilities or developers that will be funded through subsidies or recoveries, then the project should be included in the Capital Budget with appropriate gross subsidies, recoveries and net cost. If the City is to undertake the project, it must be budgeted.



Donations and Donations-In-Kind

Donations and Donations-In-Kind should be included in the 2012 Capital Budget submissions. The funding source should be identified as 'Other' with a description of *Donation* or *Donation-In-Kind*.

Capital Improvements in Specific Areas

Capital improvements that benefit specific residents in an area are recoverable from the residents that benefit from the improvement. The funding source for such projects should be identified as either: Local Improvement Charges; Section 391 – Fees & Charges By-law; or Section 326 – Special Service Charge By-law of the Municipal Act, 2001.

Capital Induced Operating Costs

Future operating costs (personnel and non-personnel) associated with capital projects must be identified in order to be included in the operating budget.

Quotes

To provide more accurate budget figures, where appropriate, all capital projects put forward should have written quotes from vendors.

Endowment Reserve Funds

Capital Projects that will be funded from Endowment Funds, such as the Museum and Theatre, should be included in Capital Budget submissions.

Internal Administration Fees

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

Post Budget Approval – Controlling Capital Expenditures

Under Spending In accordance with the Capital Budget Control Policy, when a Capital Project is cancelled or a completed project results in unspent dollars, those dollars must be returned to the original funding source(s) of the project.

Over Spending

Capital contract overruns that exceed budget must have alternative funding source(s) 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 according to Expenditure Control Policy and as follows:

<i>Contract Overrun Value</i>	<i>Approval Required</i>
\$0 - \$10,000	Director
\$10,001 - \$50,000	Commissioner
\$50,001 - \$100,000	CAO
Greater than \$100,000	Council



CAPITAL BUDGET CONTROL POLICY

Purpose

The Capital Budget Control Policy will provide the necessary guidelines to improve the management, administration, and reporting of capital projects.

The aim of this policy is to:

- Define the Capital Budget reporting requirement to Council
- Define the process for requesting the reallocation of capital budget funds within approved projects
- Define the process for closing capital projects and the transferring of unexpended funds to reserves
- Define the process for the request of any new projects after the annual Capital budget has been approved.

Capital Reporting

The Treasurer will report to Council semi-annually on the status of all capital projects. This regular reporting will provide Council with the tools necessary to make effective decisions on all capital related items requiring approval.

Status Updates from Departments

To accurately administer the capital budget, Finance must be aware of the status of the project. On a quarterly basis, Departments will be required to forward to Finance an accurate, descriptive status of each project. The status must include the percentage of work complete and a projected forecast for completion. Departments should also disclose any third party agreements or other situations that may delay the initiation or the completion of the project. The information provided for each project will be consolidated semi-annually and reported to Council, for information purposes only.

Percentage of Funding Encumbered to Date

The status provided by the Departments will describe the work in progress. In addition to this information, Finance will provide a summary of the encumbrances to date. This report will include the percentage of budget encumbered, the known commitments, and expenditures. The information in this report will be for information purposes only.

Requests for Reallocation, Closed Project, and New Projects

Council will, on a semi-annual basis, approve or deny the reallocation of capital project funds, the closing of capital projects, and requests for new projects. Council will receive a detailed listing of each request for the reallocation of capital funds, a detailed listing of each project being closed, and any requests for new projects that may have been submitted.

Reallocating Capital Funds

Throughout the life of a capital project there may be a need to make adjustments to the project that was originally approved. These adjustments may be to the budget dollars required or to the project scope to adequately complete the project. Reallocated funding or new funding proposed must be appropriate to the project.

The establishment of a capital contingency project was approved by Council November 16, 2004. This project will be funded through transfers from completed tax funded capital projects to a maximum of \$250,000. Requests to use the Capital Contingency Project must be forwarded to the Treasurer for consideration.

In addition, a Planning DC (Development Charge) capital contingency project and an Urban Design DC capital contingency project are established to be utilized by the Planning department and Urban Design department to fund the DC (90%) portion of contingency requirements. These projects will be funded through transfers from completed development charge funded capital projects with development charge funding to a maximum of \$50,000 and \$100,000 for Planning and Urban Design respectively. Any development charge funding above the threshold amounts will be returned to the appropriate Development Charge Reserve Funds. The non development charge portion of the completed projects will be transferred to their original source(s) of funding. Requests to use the Planning and Urban Design Contingency Capital Projects must be forwarded to the Treasurer for consideration.

Approved reallocation of capital funds will result in the budgets of all affected projects amended and the funding transferred to reflect the approved change.

Request for Additional Funding of an Approved Capital Project

During the annual Capital budget process, Departments make every attempt to ensure that the budget request is sufficient to complete the defined scope of the project. Unanticipated costs may arise however, requiring additional funding. Requests for additional funding to an approved project are governed by the Expenditure Control Policy.

The request must include:

- The project name, original scope and budget;
 - The amount of additional funding required
 - An explanation of why the additional funding is required
 - The benefits of proceeding with the project at the increased cost
 - The identification of surplus funding from other existing projects, that can be re-allocated to fund the additional requirement, including an explanation for the surplus;
- Or**
- The identification of the capital contingency project as a source of funding will be considered by the Treasurer.
 - Other funding source, if necessary



Requests for additional funding will be approved as per Expenditure Control Policy and all requests for additional funding over \$100,000 will be taken directly to Council.

Request to Change the Scope of an Approved Capital Project

A considerable effort is expended in assessing the capital assets of the organization and the needs of the Community in preparation for the annual capital budget. The scope of the approved project (additional works, materials or expanded mandate) may change however, as the priorities of the organization and the Community change. Departments must forward all requests for a change in the scope of an approved project to the Treasurer for consideration.

The request must include:

- The project name, original scope and budget;
 - The impact of not proceeding with the project as originally defined
 - The scope and budget of the revised project
 - The benefits of approving the revised project
 - Any budget shortfall/excess
 - The identification of surplus funding, from other existing projects, that can be re-allocated to fund the additional requirement, including an explanation for the surplus
- Or**
- The identification of the contingency capital project as a source of funding will be considered by the Treasurer.
 - Other funding source, if necessary.

Staff be authorized to refine the activities within the approved scope of the project subject to approval of the CAO.

Request to Consolidate Capital Project(s) of a Similar Scope

Many capital projects are submitted each year as part of an asset or infrastructure repair and replacement program. These projects are not always completed within the calendar year in which they are approved. This results in multiple active projects of a similar scope. This can be cumbersome to manage and may result in expenses being allocated incorrectly. Departments may request that projects of a similar scope be consolidated. The Treasurer will consider consolidation requests that clearly outline the incomplete work of each project and their anticipated costs. Any identified budget excess will be returned to the originally source of funding. The projects to be considered for consolidation must be of a similar scope and will be approved by the Treasurer. Requests for consolidation of projects with different scope will be taken directly to Council with the consent of the Treasurer.

Closing of Capital Projects

The timely closing of capital projects is imperative to ensure that surplus funds are not expended unnecessarily, and to ensure that the monies are returned to their original funding source.

In the event where an invoice is received after the closure of a capital project, the Treasurer has the authority to approve payment of the invoice from original funding source as previously approved for the project, providing the total costs of the project is within the original budget and within the same scope. Invoices not within original budget or scope will be processed in accordance with the Expenditure Control Policy and other sections of this Capital Budget Control Policy.

Capital Projects Initiated with Excess Funds

Projects are often initiated and kept open without activity for several years. Projects that remain inactive for a period of twenty-four months will be closed and the funding returned to their original funding source. A project will be considered inactive if it has no commitments or expenditures applied to it during the previous twenty-four months. Departments requesting a project remain active must present a business case to the Treasurer for consideration.

Capital Projects Uninitiated after Twenty Four Months

The annual submissions for Capital budget approval are prepared with the assumption that the project will be completed within the calendar year. Projects that remain uninitiated twenty-four months after approval are therefore likely to have inadequate funding. The scope of the project may also have changed as the asset has aged further. Projects that remain uninitiated twenty-four months after approval will be closed. A project will be deemed uninitiated if there are no commitments or expenditures within the two year period. Departments will have the opportunity to resubmit these projects for consideration during the annual Capital budget process.

Requests for New Capital Projects

Throughout the year, there may be the need to commence a capital project that was unanticipated during the annual capital budget process. Departments may submit their requests for new capital projects, supported by a business case, to the Treasurer. Surplus budget dollars from closed projects or the Capital Contingency Project may be identified as a potential source of funding for the new project. These requests will be included in the semi-annual report to Council for approval. Requests that cannot be accommodated in the semi-annual report, due to time constraints, may be addressed directly to Council with the consent of the Treasurer.



Expenditure Control Policy

1 POLICY

1.01 All employees shall obtain appropriate authorization for any expenditure of funds.

2 PURPOSE

2.01 The purpose of this policy is to establish internal controls over the authorization of expenses.

This procedure is subject to the limitations and guidelines established within Markham's Purchasing By-law #2004-341.

3 SCOPE

3.01 This policy applies to all authorized individuals making payments on behalf of Markham. The responsibility of any employee referred to in this Policy may be temporarily assumed by their designate.

3.02 The approval authority thresholds identified include taxes except for sections under 7.01, 7.02 and 7.03.

4 RESPONSIBILITY

4.01 It will be the responsibility of all Markham employees to ensure that all requirements of the Policy are complied with.

4.02 Staff whose names are approved by the appropriate Commissioner or Chief Administrative Officer (CAO) will have signing authority. Those individuals responsible for approving expenditures are also responsible for the legitimacy of the expenses.

4.03 Accounts Payable is responsible for ensuring that no payments are made without appropriate authorization.

4.04 The Treasurer is responsible for the administration of this Policy and will recommend to the CAO any amendments that may be required.

4.05 The CAO will be authorized to approve any amendments suggested by the Treasurer.

5 DEFINITIONS

“Barter Transactions” means an exchange of goods or services between two or more parties where no money changes hands;

“Blanket Purchase Order” refers to a contract between Markham and a supplier to facilitate the procurement of repetitively used goods and services for a specified term;

“Capital Budget” means a financial plan outlining expenditures and revenues of a Capital Project that is formally reviewed and approved by Council;

“CCC” means the CAO and Commissioner’s Committee;

“Cheque Requisition” means a form requesting a cheque be prepared for payment of non-invoice related transactions (i.e., seminar, conference, and membership);

“Commissioner” means a person appointed by Council with administrative responsibilities of a group of departments;

“Commitment” means an act in the form of a contract or purchase order binding Markham to a financial obligation;

“Contingency” means an unexpected requirement not specified in the original scope of a project that may result in a project change and additional cost;

“Cost Centre Manager” means a person holding a position that has staff reporting directly to him/her and has authority over the scheduling of work and is responsible for the work that these staff produce (e.g., Supervisor, Coordinator, etc.);

“Criteria” means a set of rules the conformance to which will govern the authority limits to award a contract

“Council” means the Council of the Corporation of the City of Markham;

“Designate” means the staff member who may be temporarily appointed to act on behalf of an authority named in this Policy;

“Developer” means a contractor/person who has entered into an agreement with Markham for the development of the land/property;

“Director” means a person holding a management position of Director within a department and includes the Treasurer, Fire Chief, Deputy Fire Chief, Solicitor, Clerk, Architect and Chief Information Officer (CIO), and any other title approved by Human Resources as a staff position equivalent to that of a Director;

“Finance and Administrative Committee” means the finance Standing Committee of Council and includes any committee that may replace this as approved by Council;

“Fixed Purchase Order” refers to a contract between Markham and a supplier to facilitate the procurement of goods and services for a fixed amount during a specified term;



“**Manager**” means a person holding a management position of Manager within a department and includes the Project Manager, Assistant Solicitors and Deputy Clerk and any other title approved by Human Resources as a staff position equivalent to that of a Manager;

“**Markham**” means the Corporation of the City of Markham’

“**Operating Budget**” means a financial plan, outlining expected revenues, expenses and expenditures for operations, that is formally reviewed and approved by Council;

“**Overruns**” means an increase in costs resulting from unforeseen additional services or materials and includes all addenda, change orders, and extensions to the original contract or purchase order value. Overruns resulting from a change in scope from the original contract must be identified and dealt with as a new purchase;

“**Petty Cash**” means a small amount of cash available for necessary minor purchases;

“**Purchase Order**” means a purchase order issued by the Purchasing Department that confirms Markham’s intent to procure goods and services for a price and from the vendor as stated in the purchase order;

“**Treasurer**” means the Council appointed Treasurer of the Corporation of the City of Markham;

“**User Department**” means the department within Markham requiring goods and services to be purchased.

6 COMMITMENTS

6.01 The general level of authority to authorize awards within Markham’s approved Operating and Capital budgets will be as follows:

a. Value <\$5,000

The user department Commissioner or designate delegate shall award purchases of goods and services under \$5000.

b. Contract awards that are within the Established Criteria:

Contract Value	Approval Authority
\$5,000 - 25,000	Manager
\$25,001 - \$100,000	Director
100,001 - \$350,000	Commissioner
>\$350,000	CAO

c. Contract awards that are outside the established criteria:

Contract Value	Approval Authority
\$5,000 - \$25,000	Manager
\$25,001 - \$50,000	Director
\$50,001 - \$100,000	Commissioner
100,001 - \$350,000	CAO
>\$350,000	Council

Established Criteria

The following criteria must be met to enable award of contracts:

- The expenses relating to the goods/services is included in the budget (Operating/Capital)
- The award is within budget
- The award results from the normal tendering process
- The award is to the lowest priced proponent
- The term of the contract is for a maximum of four(4) years
- There are no litigation between the successful bidder and Markham
- There are no bidder protests at the time of contract award

6.02 Contingencies

- a) For approved contingencies, the Director of the User Department responsible for the project will have the authority to authorize project changes. It is the responsibility of the Director of the User Department to ensure that the project contingency fund does not exceed the original contingency funding allowance on the contract award.

6.03 Capital Overruns

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

Dollar Threshold*	Approval Authority
\$0 - \$10,000	Director
\$10,001 - \$50,000	Commissioner
\$50,001 - \$100,000	CAO
>\$100,000	Council

*The dollar threshold limits are cumulative in nature. Two individual capital overruns at \$9,000 each for a cumulative total of \$18,000 will require the Commissioner's authorization.

- a) Approval for a capital overrun must be obtained from the appropriate authority level via an email and a Purchase Order Adjustment Authorization Form (POAAF) must be completed within 10 business days with the email attached.



- b) The Treasurer will review compliance and report any exceptions periodically to CCC.

6.04 Operating Overruns

- a) The User Department Commissioner may approve overruns to contracts drawn from Operating budgets. The User Department Commissioner may approve overspending of any particular budget line by making the necessary balancing decisions with other operating budgets within their Commission. Commissioners are responsible to ensure that procedures are in place to prevent total budget overspending.

6.05 Single Change Order With Budget Remaining Including Contingencies

- a) The approval authority level for a single change order is as follow:

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

7 PROCEDURES

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

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

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

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

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

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

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

7.04 Contingencies

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

7.05 Invoice Authorization for Payment

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

7.06 Write-Offs

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

- Write-off of any non-tax related invoices up to \$10,000 will be reviewed and authorized by the Treasurer. Council approval is required for any write-off in excess of \$10,000.

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

8 MISCELLANEOUS AUTHORITIES

8.01 Accounting

a) Personal Expense Claims

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

8.02 Payroll / Personnel

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

8.03 Letters of Credit – Draws, Reductions, Releases

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

8.04 Miscellaneous

	Authority
a) Disposal of surplus assets	Chief Administrative Officer or Treasurer
b) Acquisition of computer equipment and software	Chief Administrative Officer

8.05 Treasurer's Authority

Despite any other provision in this Policy, the Treasurer is authorized to pay the following accounts, provided that funds are available in the Operating Budget or a Capital Project for that purpose:

- a) all salaries, wages and benefits due to any person in the employ of Markham;
- b) all retiring allowances and mandatory sick pay grants upon Human Resources approval due to any person previously in the employ of Markham;
- c) all accounts for telephones, postage and utilities supplied to Markham;
- d) all accounts for fees and levies payable to the federal, provincial or other municipal government, or to any agency, board or commission thereof;
- e) all accounts for payments of principal or interest on debentures, loans or overdrafts, including foreign exchange;
- f) all accounts for payments to the school boards of amounts raised for them by tax;
- g) all accounts relating to employee pension deductions and employer pension contributions in respect of the salaries and wages of those persons who are paid by or employed by Markham, and which are payable in respect of any duly authorized registered pension plan on behalf of the respective employee.

8.06 Barter Transactions

Barter transactions represent an expense to Markham in the amount of the cost of the items Markham is bartering. Authorizations for barter transactions shall follow the same process as for a standards purchase, in the amount of the value of the barter. Sales taxes must be accounted for as for a standard purchase.

9 AUDIT

Any or all of the procedures cited in this document may be audited by the Corporate Services Commission or the Auditor General.

10 ATTACHMENTS

- Cheque Requisition Form
- Expenditure Control Form
- Purchase Order Adjustment Authorization Form (POAAF)

11 REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE

- Petty Cash Policy
- Business Expenses & Conferences Policy
- Corporate Procurement Card Policy
- Purchasing By-law #2004-341

DONATIONS POLICY

1 POLICY

1.01 The City may accept donations and provide “official tax receipts for income tax purposes” as prescribed by Revenue Canada. Therefore it is necessary to establish a policy for handling donations. The City recognizes and will adhere to the guidelines set out in the Canadian *Income Tax Act*.

2 PURPOSE

2.01 To provide a corporate policy for receiving donations and the issuance of income tax receipts. This policy applies where an income tax receipt is requested for donations.

3 SCOPE

3.01 This policy applies to all employees of the City of Markham, except those of the Markham Public Libraries. The Markham Public Libraries have separate policies approved by Library Board dealing with donations and issue their own official tax receipts.

3.02 All donations will be in keeping with the City of Markham’s Vision and Mission and will not in any way reflect negatively on the City’s public image. The City of Markham reserves the right to reject any gift or donation in whole or in part.

4 RESPONSIBILITIES

4.01 It is the responsibility of all City employees to ensure the requirements of this Policy are complied with.

4.02 It is the responsibility of the receiving department to ensure appropriate acknowledgement of any such donation is provided, and to ensure the Treasurer or designate is informed of all donations requiring official tax receipts and insurance.

4.03 Finance Department is responsible for assessing donations to ensure that appropriate receipts are issued for income tax purposes.

4.04 Finance Department is responsible for making the necessary insurance arrangements for all property as advised of.

4.05 Finance Department will monitor the regulatory changes to the *Income Tax Act* and the changing needs of the organization and update this policy as required.

5 DEFINITIONS

“**Commissioner**” means a person appointed by Council with administrative responsibilities for a group of departments;

“**Council**” means the Council of The Corporation of the City of Markham;



“Designate” means the City staff member who may be temporarily appointed to act on behalf of an authority named in this policy;

“Director” means a person holding a management position of Director within a Department and includes the Treasurer, Fire Chief, City Solicitor, City Clerk, City Architect and/or General Manager;

“Donation” means a financial contribution, cash, property, or items such as art, furniture, equipment, materials of historical interest;

“Donor” means a person or organization that provides a donation to the Corporation of the City of Markham;

“Fair Market Value” the price an item would bring on an open and free market between a willing buyer and a willing seller who are acting independently of each other.

“Gift” see donation, these terms are interchangeable;

“Gift in Kind” is a non-money donation;

“Money” includes bank notes, cheques, money orders, credit card or debit card transactions and currency/cash.

“An Official City Event” is an event approved by Council and supported by a Committee of Council or designated Councillor, where the proceeds will be directed to an existing, or future, City asset and the City controls the event’s spending.

The report must include:

- a) a request for the event to be classified as an “Official City Event”
- b) a detailed budget
- c) the City asset benefiting from the event
- d) identification/approval of the Committee of Council or appointment of the Councillor designate on the Committee supporting or organizing the event. A follow-up report must be submitted to Council highlighting material variances and the net contribution amount to the City.

“Relative” is defined as parent, sibling, child, grandparent, uncle, aunt, and parent inlaw;

“City” means The Corporation of the City of Markham;

“Treasurer” means the Council appointed Treasurer of the Corporation of the City of Markham;

6 SOLICITATION

No individual or organization shall solicit funds in the name of or on behalf of the City without approval of the Chief Administrative Officer or Council or their approved designate unless they are doing so on behalf of an Official City Event.

7 GENERAL RULES

7.01 Revenue Canada's definition of a donation\gift is "a voluntary transfer of property owned by a donor to a donee, in return for which no benefit flows to the donor"

7.02 To have a valid donation\gift, there must be an intention to give, a delivery, and an acceptance. Because there must be an acceptance by the donee, a donation is not completed until it is accepted.

7.03 The transfer is made without the expectation of return.

7.04 No benefit of any kind may be provided to the donor or to anyone designated by the donor, except where the benefit is of nominal value. The benefit is considered nominal value where its fair market value does not exceed the lesser of \$50.00 or 10% of the amount of the donation.

8 QUALIFYING DONATIONS

Donations that qualify for official tax receipts generally include:

- (a) cash
- (b) capital, real or depreciable property
- (c) personal-use property, works of art, jewelry, rare book, stamp, or coin
- (d) a leasehold interest or a residual interest in real property
- (e) donations of life insurance policies
- (f) donations under will

Special rules exist for donations of cultural property and donations of ecologically sensitive lands.

9 NON QUALIFYING DONATIONS

9.01 Contributions of skills or time through volunteer service do not qualify as donations.

9.02 The payment of a basic fee for admission to an event or to a program does not qualify as a donation that is eligible for the issuance of a tax receipt. An exception to this rule is available for the purchase of a ticket to a fund-raising dinner, ball, concert, and show or like event. In this case, the donation is valued as the difference between the fair market value of the food, entertainment, prizes and the purchase price of the ticket. As per the Revenue Canada guidelines, the City will not issue a tax receipt if the total value of the food, entertainment & prizes received exceeds 80% of the purchase price of the ticket.

9.03 When a donor requests the donee to pay for a portion of the donation and the amount paid by the donee to the donor exceeds 80% of the total value of the donation, a tax receipt will not be issued. For example a piece of land valued at \$100,000 is offered to the City for \$85,000 with the request that the City issue a tax receipt for the



difference, \$15,000. Since the amount to be paid by the City is in excess of 80% of the value of the land, the City is unable to issue a tax receipt for the difference.

9.04 When the donor has directed the funds to a specific person or family, a tax receipt will not be issued.

9.05 Donations that have a direct benefit to the donor or any relative of the donor, a tax receipt will not be issued.

9.06 Donations made in exchange for consideration of a right, privilege, material benefit or advantage such as promotion or advertising for the donor's purposes do not qualify for income tax credits under the *Income Tax Act*, and no income tax receipt can be issued.

9.07 The Canada Customs Revenue Agency's (CCRA) regulations on donations where the donor's company name and;

- company logo; or

- slogan; or

- address/phone numbers is listed in promotional material, would not qualify for a tax receipt. The reason is that this is deemed as "significant advertising/promotion" for the donor (i.e. it is a form of advertising/promotion and sponsorship for the donor company).

10 ISSUANCE OF TAX RECEIPTS

10.01 Upon the Treasurer's or designate confirmation that the donation is in compliance with this policy and the donation has been received, the Director of Financial and Client Services shall issue an "official tax receipt for income tax purposes" and the Finance Department shall arrange for the applicable insurance coverage, if required.

10.02 All requests for tax receipts must be accompanied by appropriate donor and donation information as detailed on the "Gift in Kind/Conditional Gift Receipt of Donation" form or "Money Donation Receipt Request" form.

10.03 Income tax receipts shall be issued for donations of \$25.00 or more, unless specifically requested by the donor and approved by the City.

10.04 The date of donation is the date the donation was received or the title to the asset transferred. Donations received after December 31 may not be included in the prior year's donation unless the donation was post marked in the previous year.

10.05 Revenue Canada ultimately determines the value of the donation, which is permitted for income tax deduction.

11 ACCOUNTING FOR DONATION OF MONEY

11.01 For cash donations, the receipt must be made out to the person delivering the donation. All cash donations greater than two hundred and fifty dollars must be received at the Cash Management office. Cash donations of two hundred and fifty dollars or less can be received at the appropriate cultural office or the Cash Management office.

11.02 All cheque donations will be required to have been cleared by the City's financial institution. Upon successful completion of this waiting period, qualifying donors will receive a tax receipt for their donation. The official tax receipt must be made out to the same name and address appearing on the cheque or other form of payment.

11.03 Cheques, money orders and bank drafts should be made out to "The Corporation of the City of Markham", "Markham Theatre", "Markham Museum", or "Frederick Horman Varley Art Gallery". No third party cheques will be accepted.

12 ACCOUNTING FOR DONATIONS OF GIFTS-IN-KIND

12.01 The City of Markham will only issue official tax receipts for Gift in Kind donations where the donation provides a clear benefit to the City of Markham.

12.02 The value placed on Gift-in-Kind items will be determined by the item's Fair Market Value.

12.03 Valuation of Fair Market Value should be based on an arm's length sale and purchase of similar property at or near the same date. A minimum of two appraisals are required to be completed by a qualified dealer, appraiser or other knowledgeable individual who is familiar with the market for the object or property, whenever possible Art appraisers are to be members of ADAC (Art Dealers Association of Canada). The dealer, appraiser or other knowledgeable individual must not be associated with the donor. The appraisals shall be in the form and content acceptable to the Treasurer or designate. Any appraisal not sufficient in form and content may be rejected, and one or more additional satisfactory appraisals may be required to be produced before an official tax receipt is issued.

12.04 If the item is valued at \$1,000 or less, an employee qualified to make the appraisal for such items may complete an appraisal of the item.

12.05 If the item is valued at more than \$1,000 two outside appraisals are required, unless there is a ready market for the item from which the fair market value can be ascertained. Where two or more appraisals have been obtained, the average of these appraisals will be considered the fair market value as long as the appraisals are to the satisfaction of the Treasurer or designate.

12.06 The receipt shall be in the amount of the average appraised value. The receipt shall also indicate a description of the object and the name and address of the



appraiser, and shall be dated the day on which the City received the Donation. If the two appraisals received significantly differ in appraised values, a third appraisal may be requested in an effort to clarify the true value.

13 ACCOUNTING FOR DONATIONS OF CULTURAL PROPERTY

13.01 Cultural property are items that are deemed by the Canadian Cultural Property Export Review Board to have "outstanding significance and national importance" to Canada. Criteria in determining the "significance and importance" can include; the items close association with Canadian history or national life and/or its aesthetic qualities and/or its value in the study of the arts or sciences.

13.02 The donation of cultural property must be certified as such by the Canadian Cultural Property Export Review Board.

13.03 The receiving department shall be responsible to determine if a Cultural Property item is to be accepted and to formalize the transfer of ownership from the donor to the City of Markham.

13.04 The receiving Department shall be responsible for making application to the Canadian Cultural Property Export Review Board for Certification of Cultural Property for Income Tax Purposes.

13.05 Income tax receipts will be issued by the Canadian Cultural Property Export Review Board (CCPERB) and fair market value is determined by the CCPERB on the date ownership is transferred to the City.

14 ACCOUNTING FOR DONATIONS FOR SPECIFIC PURPOSES

14.01 Donations and requests for donations that are made for specific purposes will require Council approval. These requests may originate from individuals, organizations, or Council directly. Long-term programs, where cash inflows and expenditures may span many years are best handled through the establishment of a reserve fund. Examples include donations for specific capital projects, or donations to assist with specific ongoing operational needs, such as for the Museum, Theatre or the Frederick Horsman Varley Art Gallery. Any new programs would require that Council authorize the creation of a new reserve fund.

14.02 Requests to direct donations to a specific operation or for specific capital projects, such as to a community or cultural centre, which are generally short-term in nature (i.e. less than one year), are best handled by depositing to the revenue account of the appropriate capital account.

15 ACCOUNTING FOR DONATIONS TO SUPPORT ORGANIZATIONS INDEPENDENT OF THE CITY

15.01 Organizations that offer programs of genuine benefit to the community may request that the City receive donations on their behalf for the purpose of issuing income tax receipts. Under the *Income Tax Act*, the City cannot issue income tax receipts for funds that it will not itself be responsible for spending. Such organizations should receive their donations directly, and register as a Charity with Revenue Canada if they wish to provide income tax receipts.

15.02 The City may however accept these types of donations with the understanding that no official tax receipt will be issued.

16 ACCEPTANCE

The Treasurer or designate is the final level of acceptance for all donations requiring tax receipts to the City of Markham. The Treasurer or designate may grant approval for official tax receipts for money donations made through a Council approved fund raising effort, i.e. the Markham Theatre Membership Drive.

17 ASSOCIATED COSTS

Unless otherwise agree upon by the City, the donor will responsible for any of the following costs (where applicable):

1. transporting the item;
2. appraisal or evaluation by a certified agency;
3. photographs for inventory and insurance purposes;
4. conservation treatment, if required.

Where the City agrees to incur any of the above costs, these costs will be expensed to the receiving Department.

18 FINANCIAL IMPLICATIONS

Financial implications of accepting a donation should be a consideration in the assessment of the donation acceptance. Some of Financial costs to consider are; cost of project implementation, installation of the work, restoration, and ongoing maintenance of the donation.

19 CONTROL OF RECEIPTS

All used & unused receipts will be securely stored in the Finance Department until needed. All used receipts will be retained for the period required by law in adherence to the "Income Tax Regulation 5800" or any successor legislation or regulation.



20 REFERENCES & RELATED STATEMENTS of POLICY & PROCEDURE

The Canadian *Income Tax Act*

Gifts and Official Donation Receipts IT-110R3 (Section within the *Income Tax Act*)

Canadian Taxation of Charities & Donations, Thomson Carswell

Gifts and Income Tax, Canada Revenue Agency, P113(E) Rev. 04

Reference to a collection policy for the Art Gallery and the Museum

<http://www.culture.gov.on.ca/english/culdiv/heritage/munote3.htm>

TANGIBLE CAPITAL ASSETS POLICY

Introduction

The Public Sector Accounting Board (PSAB), a branch of the Canadian Institute of Chartered Accountants, was created in 1981 as an independent body with the authority to set accounting standards for the public sector. In June 2006, PSAB approved the revisions to Section 3150 of the Public Sector Accounting Handbook - Tangible Capital Assets stating that effective January 1, 2009 all municipal governments would be required to capitalize tangible capital assets (TCA) at historic cost and amortize these assets over their useful lives.

In order to be fully compliant with the new requirements, all tangible capital assets currently owned by the City of Markham (City) were inventoried and valued at their historic costs. The useful life of each asset, or asset class, was determined and amortization was calculated from the time the asset was put into service. The City's 2009 Financial Statements included 2008 comparative numbers along with a budget. The City's 2008 Financial Statements was restated to be PSAB 3150 compliant.

Effective January 1, 2009, the City's Capital Budget must include only projects which meet the criteria laid out in this document for tangible capital assets. All other expenditures must be included in the Operating Budget and be expensed in the period in which they are incurred.

A glossary of terms related to account for tangible capital assets is included in Appendix A.

Scope

This policy will apply to all City departments, boards and commissions, agencies and other organizations falling within the reporting entity of the City.

Purpose

The purpose of the following policy is to provide clear direction to ensure the City's assets are recorded in a fixed asset register, at historic values and amortized over their useful lives, in a consistent manner in accordance with the guidelines established in PSAB 3150.

This policy will provide the framework to achieve the following outcomes:

- Compliance with PSAB 3150
- Consistent accounting treatment of asset related expenditures
- Gather and maintain information needed to prepare financial statements
- Fiscal responsibility
- Users of the financial report are able to discern information about investments in property, plant and equipment, and the changes in such investments.



Policy Statement

All assets owned by the City of Markham, which meet the definition of a tangible capital asset will be capitalized and amortized over its useful life.

1. TCA Definition

According to PSAB 3150 Section .05, tangible capital assets are defined as non-financial assets having physical substance that:

- Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- Have useful economic lives extending beyond an accounting period;
- Are to be used on a continuing basis; and
- Are not for sale in the ordinary course of operations.

1.1 Assets Exclusions

The following assets are to be excluded from the TCA policy:

- Intangible assets including copyrights, trademarks, patents, goodwill and easements;
- Natural resources – trees, woodlots(land value capitalized only)
- Works of Art, Historical Treasures, Archival records – as they have cultural, aesthetic or historical value that is worth preserving in perpetuity, but has no direct future benefit which is measurable. The existence and nature of this property must be disclosed on the Financial Statements (Section PS 3150.42(e)).
- Studies including environmental assessments which are not directly related to an acquisition of a TCA.
- Assets listed for sale if the following conditions are met:
 - The asset is in a condition to be sold
 - There is an active market for the asset
 - There is a plan for selling the asset; and,
 - It is reasonably anticipated that the sale to a purchaser external to the City will be completed within one year of the reporting date.

2.0 Asset Categories

An asset category is a grouping of assets of similar in nature or function in the City's operation. The following is a list of the City's asset categories:

- Equipment
- Furniture & Fixtures
- Infrastructure
- Land
- Library Furniture & Fixtures
- Library Media Collection
- Parks & Pathways
- Vehicles

- Waterworks Equipment
- Waterworks Infrastructure
- Waterworks Vehicles

3.0 Capitalization

Tangible capital assets will be capitalized (recorded in the fixed asset register) according to the following thresholds:

- All land;
- All buildings;
- Civil infrastructure systems (built assets such as roads, bridges, sewers, water, parks etc. with unit cost of \$25,000 or greater, assets less than \$25,000 should be pooled where their pooled value exceeds \$50,000);
- All others with unit cost of \$5,000 or greater.
- Assets between \$1,000 and \$5,000 where their pooled value exceeds \$50,000

Betterments (see Section 12) to existing assets will be capitalized when unit costs exceed the approved threshold.

Thresholds will be reviewed on an annual basis. Changes to the thresholds will require the approval of the Treasurer.

4.0 Opening Valuations

In order to meet PSAB compliance, the following information was collected during the initial recognition and set up of individual asset:

- Description of asset
- Year of acquisition
- Serial ID (or unique asset ID)
- Original historical cost including betterments
- Amortization calculations to date

5.0 Valuation

A tangible capital asset will be recorded at cost plus all charges necessary to place the asset in its intended location and condition for use.

5.1 Purchased assets

Cost is the gross amount of consideration paid to acquire an asset. It includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs, and any other costs necessary to put the asset in the condition necessary for its intended use. It is net of any trade discounts or rebates.

Cost of land includes purchase price plus legal fees, land registration fees and transfer taxes. Also, any costs to make the land suitable for intended use, such as pollution mitigation, demolition and site improvements that become part of the land will be included. In the case of park land, the cost of all landscaping required to put the park into service will be added to the cost of the land.



When two or more assets are acquired for a single purchase price, it is necessary to allocate the purchase price to the individual asset acquired. Allocation will be based on the market value of each asset at the time of acquisition or some other reasonable basis if market value is not readily determinable.

5.2 Acquired, Constructed or Developed Assets

The value of an asset will include all costs directly attributable (e.g., construction, architectural and other professional fees) to the acquisition, construction or development of the asset.

The cost associated with internal staff time for design, inspection, administrative and other similar costs will be capitalized when the value can be determined. TCA related projects which are undertaken by the City's Engineering & Urban Design departments will be charged as a percentage of the project cost to cover internal staff time. This rate will be reviewed on an annual basis and adjusted at the discretion of the Treasurer.

Capitalization of general administrative overhead, for example an allocation of fixed costs such as occupancy costs for the design department or an allocation of the costs of corporate departments such as human resources, legal, purchasing and accounting, is prohibited. Capitalization of carrying costs ceases when no construction or development is taking place or when the tangible capital asset is ready for use.

Any cost that is not necessary for the completion of the acquisition, betterment or construction of an asset cannot be capitalized.

All eligible costs will accumulate within the City's Work in Progress (see Section 6.0) account until such time as the asset is put into service.

5.3 Capitalization of Interest Costs

Borrowing costs incurred by the acquisition, construction and production of an asset that takes a substantial period of time to get ready for its intended use will be capitalized as part of the cost of that asset.

Capitalization of interest costs will commence when expenditures are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalization will be suspended during periods in which active development is interrupted. Capitalization will cease when substantially all of the activities necessary to prepare the asset for its intended use are complete. Substantially all of the activities are complete when only minor or no modifications are outstanding.

5.4 Donated or Conveyed Assets

The cost of donated assets that meet the criteria for recognition will be equal to the fair value at the time of donation. Fair value for donated assets will be determined using market values, appraisal values, or an estimate of replacement cost.

Infrastructure assets conveyed to the City by developers will be recognized on the City's Financial Statements in the year they are accepted by the City for maintenance. These conveyed assets will be valued using the approved engineering consultant's estimates provided by developers at the time of subdivision registration.

The cost of land acquired by the City without consideration, including donated or conveyed land, will be equal to fair value at the time of acquisition. Fair value will be determined using an estimate of the current market value.

Ancillary costs associated with the donated/conveyed asset will also be capitalized.

6.0 Capital Work in Progress

The total cost of TCA, which meet the defined thresholds, currently under construction and not ready to be put into service at the end of the reporting year, will be reported as Work-In-Progress (WIP) on the City's Statement of Financial Position.

Eligible pre-construction costs incurred prior to the actual acquisition or construction of a TCA will be accumulated for each TCA or project as WIP. If in a subsequent period it is determined that the acquisition, development or construction of the TCA will not proceed, the costs accumulated as WIP will be immediately expensed.

7.0 Componentization

Tangible capital assets may be accounted for using either the single asset or component approach. Whether the component approach is to be used will be determined by the usefulness of the information versus the cost of collecting and maintaining information at the component level.

Factors to consider when determining whether to use a component approach include:

- Major components may have significantly different useful lives and consumption patterns than the related tangible capital asset.
- Value of components in relation to the related tangible capital asset.

Major components will be grouped when the assets have similar characteristics and estimated useful lives or consumption rates.

Expenditures, regardless of value, related to assets capitalized using the single asset approach but do not extend the useful lives or improve the economic benefit of the assets must be expensed in the period in which they occur.

Please see Appendix B for a detailed list of asset groups and components.

8.0 In Service Date

The in service date for a TCA is the date at which the City begins to utilize the TCA. Confirmation that a TCA is in service could include such indicators as the receipt of an occupancy permit, certificate of substantial completion or certificate of acceptance by the City.

Conveyed linear assets will be considered in service by the City when a registered plan is accepted for maintenance through a Council resolution.

Land conveyed to the City through registered subdivision agreements will be recognized when there is evidence that land title has been transferred.

9.0 Useful Life

Useful life is the period over which an asset is expected to be available for use by the City. It is normally the shortest of the asset's physical, technological, commercial or



legal life. Some of the factors that are considered when determining an asset's useful life are the asset's intended use, construction type, current maintenance policies and technological changes.

A comprehensive list of useful life of the City's assets, by category, is attached (Appendix B).

The appropriate amortization period for each assets category has been determined at a corporate level with input from user departments. The useful lives of the City's assets will be reviewed on a regular basis and revised, with the approval of the Treasurer, when the appropriateness of a change can be clearly demonstrated.

10.0 Amortization/Depreciation

Amortization is an accounting process that allocates the cost of an asset over accounting periods, as an expense of its useful life. Amortization charges are included in the cost of operations and contribute directly to the net annual operating results.

In general, the City uses or consumes a TCA relatively evenly over the life of the asset. Hence, the most appropriate method for calculating amortization is the straight-line method.

Amortization will begin in the year an asset is put in service. For projects with distinctive phases, amortization will begin with the completion of each phase. Regardless of the month an asset is put in service, half of the annual amortization expense will be charge in the first year.

The amortization method will be reviewed on a regular basis and will be revised when the appropriateness of a change can be clearly demonstrated.

11.0 Disposal

The guidelines for the disposal of tangible capital assets are governed by the Purchasing Bylaw.

Pooled assets will continue to be depreciated over their full lives regardless of the service status of the individual asset in the pool. Non pooled assets will be accounted for as outlined below:

The gain or loss on the disposal of an asset is the difference between the net book value of the asset (at the time of disposal) and the proceeds from the disposal. The gain or loss on disposal of the asset will be charged to the appropriate operating account.

In cases where the tangible capital assets are permanently taken out of service, destroyed or replaced due to obsolescence, scrapping or dismantling, the department head or designate must notify Finance Department of the asset ID, asset description and effective date. The Finance department is responsible for adjusting the asset registers and writing down the asset to the estimated residual value.

Amortization of assets which are temporarily taken out of service should continue to be recorded as if the asset were in use. If the asset is redeployed, the useful life should be determined based upon the new usage of the asset.

12.0 Write Down/Write Off

Pooled assets will continue to be depreciated over their full lives regardless of the service status of the individual asset in the pool. Non pooled assets will be accounted for as outlined below:

The value of a tangible capital asset will be written down when conditions indicate that the service potential to be derived from the asset has been diminished. These conditions include but are not limited to:

- A change in the extent to which the TCA is used
- A change in the manner in which the TCA is used
- Significant technological developments
- Physical damage
- Removal of the TCA from service
- A decline in or cessation of the need for the services provided by the TCA
- A decision to halt construction of the TCA before it is complete or in useable or saleable condition
- A change in the law or environment affecting the extent to which the tangible capital asset can be used.

The impairment to the tangible capital asset must be permanent in nature and the rationale must be documented. The TCA would be written down to the revised estimate of the value of the asset's remaining service potential.

A write down cannot be reversed.

13.0 Maintenance vs. Betterment

PSAB 3150 .21 states that the following basic distinctions can be used to identify maintenance and betterments:

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

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

14.0 Capital Leases

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

- There is reasonable assurance that the City will obtain ownership of the leased property by the end of the lease term.



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

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

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

15.0 Accountability

Operating departments are responsible for:

- Providing information on capital request forms identifying all information required for the eventual calculation of amortization.
- Advising the Manager of Finance Planning of all acquisitions, disposals and asset life expectancy changes.
- Ensuring proper control of tangible capital assets is maintained.
- Providing information about the availability, condition and usage of the asset as required.
- Correct allocation of all expenses whether capital or operating. Note that all expenses charged to a capital WIP project must meet the definition of eligible costs for a TCA.
- Ensuring expenses are charged to the correct WIP account. Department must bear in mind that all WIP transactions will be audited for eligibility as part of the annual external audit.

Finance is responsible for:

- Maintaining the City's asset register
- Accounting for all TCA in accordance with this policy
- Reporting of all TCA in the financial statements of the City
- Establishing policies in compliance with PSAB, the Municipal Act and other Ministry guidelines.
- Updating this policy as required and monitoring compliance on an ongoing basis.
- Recording capital assets appropriately, confirming departments are charging expenses correctly, and that all asset costs are valid.
- Ensuring reporting requirements for provincially, federally or other funding sourced programs appropriately and accurately reflecting the impacts of PSAB (if any)
- Regular review of the useful life of each asset class.
- Periodic physical inventories, including spot-checks where feasible, to ensure all asset are still in use and available.
- Reporting to departments regarding capital assets
- Ensuring that assets convey through development agreements are captured including the required values needed for PSAB compliance.

APPENDIX A

Glossary of Terms

Amortization is the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use. Amortization expense is an important part of the cost associated with providing services, regardless of how the acquisition of tangible capital assets is funded. Depreciation accounting is another commonly used term to describe the amortization of tangible capital assets.

Assets are economic resources controlled as a result of past transactions or events and from which future economic benefits may be obtained. Assets have three essential characteristics:

- a) they embody a future benefit that involves a capacity, singly or in combination with other assets, to provide future net cash flows, or to provide goods and services;
- b) the City can control access to the benefit; and
- c) the transaction or event giving rise to the control of the benefit has already occurred.

Asset impairment occurs when conditions indicate that a tangible capital asset no longer contributes to the City's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value.

Betterment is a cost incurred to enhance the service potential of a tangible capital asset. Betterments increase service potential (and may or may not increase the remaining useful life of the tangible capital asset). Such expenditures would be included in the tangible capital asset's cost.

Capitalization threshold (recognition threshold) is the value above which assets are capitalized and reported in the financial statements.

Capital Lease

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

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

Carrying costs are costs directly attributable to an asset's acquisition, construction or development activity where, due to the nature of the asset, it takes a long period of time to get it ready for its intended use. Typical carrying costs could include:



- technical and administrative work prior to commencement of and during construction;
- overhead charges directly attributable to construction or development; and
- interest.

Conveyed Assets include all assets which are constructed by a developer and where ownership is transferred to the City in accordance with the registered subdivision agreement. These assets could include land, roads, stormwater ponds, sidewalks, street signs, water, waste water & sanitary sewage systems.

Component is a part of an asset with a cost that is significant in relation to the total cost of that asset. Component accounting recognizes that each part might have a different useful life and requires separate accounting for each component that has a different useful life than the whole asset does.

Cost is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, and includes all costs directly attributable to the asset's acquisition, construction, development or betterment, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed tangible capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Capital grants would not be netted against the cost of the related tangible capital asset. The cost of a leased tangible capital asset is determined in accordance with Public Sector Guideline PSG-2 Leased Tangible Capital Assets.

Depreciation is the expense in an accounting period arising from the application of depreciation accounting.

Directly attributable costs refers to direct incremental expenses incurred for technical and administrative activities related to the construction of a tangible capital asset. These costs could include the salaries and benefits for internal staff doing design work related to the construction project. It would not include an allocation of fixed costs such as occupancy costs for the design department or an allocation of the costs of corporate departments such as human resources, legal, purchasing and accounting. These latter costs are incurred whether or not the construction project is undertaken and, therefore, would not be incremental overhead expenses directly attributable to the cost of the project. Refer also to the definitions of direct costs and indirect costs.

Direct costs are incremental costs incurred for the acquisition, construction or development of a tangible capital asset. Direct costs would not have been incurred other than to acquire, construct or develop the tangible capital asset. For example, materials and supplies, equipment, temporary site buildings, legal and other professional fees, etc., could be considered direct costs.

Expenses, including losses, are decreases in economic resources, either by way of outflows or reductions of assets or incurrence of liabilities, resulting from the operations, transactions and events of the accounting period. Expenses include transfer payments due where no value is received directly in return. Expenses include the cost of economic resources consumed in, and identifiable with, the operations of the accounting period. For example, the cost of tangible capital assets is amortized to

expenses as the assets are used in delivering programs. Expenses do not include debt repayments or transfers to other local governmental units in the City's reporting entity.

Fair value is defined in accounting standards as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction who are under no compulsion to act.

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets include but are not limited to, cash, investments, accounts receivable, inventory held for resale.

Full accrual basis of accounting recognizes the financial effects of transactions in the period(s) in which they occur irrespective of when the cash has been received or paid.

It requires that tangible capital assets be reported on the balance sheet (statement of financial position) at historical cost and expensed (amortized) in the annual results of operations over their estimated useful lives.

Gains can arise from peripheral or incidental transactions and events affecting a local government. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

Indirect costs are costs incurred for a common or joint purpose and, therefore, can not be identified readily and specifically with an activity related to the acquisition, construction or development of a tangible capital asset. For example, executive management, occupancy costs for general administrative buildings, corporate services (accounting, payroll, legal, technology, etc.), general local government, etc., would be considered indirect costs.

Liabilities are present obligations to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. Liabilities have three essential characteristics:

- a) they embody a duty or responsibility to others, leaving little or no discretion to avoid settlement of the obligation;
- b) the duty or responsibility to others entails settlement by future transfer or use of assets, provision of goods or services, or other form of economic settlement at a specified or determinable date, on occurrence of a specified event, or on demand; and
- c) the transactions or events obligation have already occurred.

Losses can arise from peripheral or incidental transactions and events. Such transactions and events include the disposition of assets purchased for use and not for resale, and the liquidation or refinancing of debt.

Market value is defined as the estimated amount for which a property would be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion.



Maintenance and repairs maintain the predetermined service potential of a tangible capital asset for a given useful life. Such expenditures are charged in the accounting period in which they are made.

Net book value of a tangible capital asset is its cost, less accumulated amortization and the amount of any write-downs.

Non-financial assets include tangible capital assets and other assets such as prepaid expenses and inventories of supplies. Non-financial assets are acquired, constructed or developed assets that are normally employed to deliver services, may be consumed in the normal course of operations and are not for sale in the normal course of operations.

Pooled Assets are assets that have a unit value below the capitalization threshold but have a material value as a group. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and maintenance. Examples could include personal computers, furniture and fixtures, small moveable equipment, etc.

Residual value is the estimated net realizable value of a tangible capital asset at the end of its useful life.

Revenues, including gains, can arise from: taxation; the sale of goods; the rendering of services; the use by others of economic resources yielding rent, interest, royalties or dividends; or receipt of contributions such as grants, donations and bequests. Revenues do not include borrowings, such as proceeds from debt issues or transfers from other local governmental units..

Service potential is tangible capital asset's output or service capacity, normally determined by reference to attributes such as physical output capacity, quality of output, associated operating costs and useful life.

Straight-line amortization allocates the cost less estimated residual value of a capital asset equally over each year of its estimated useful life.

Useful life is the estimate of either the period over which a tangible capital asset can be used, or the number of production or similar units that it can obtain from the tangible capital asset. The life of a tangible capital asset may extend beyond its useful life. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

Write-down is a reduction in the cost of a tangible capital asset to reflect the decline in the asset's value due to a permanent impairment.

APPENDIX B

Category 1	Category 2	Category 3	Recording Method	Useful Life (Years)	Components	
Buildings			Single Asset	40		
Equipment	Facility Equipment		Pooled by year	10	Indoor Cleaning/Maintenance, Kitchen, Theatre, etc.	
	Facility Recycling Containers		Pooled by year	10		
	Fire Services Equipment		Pooled by year	11		
	ITS Equipment		Pooled by year	7	Audio/Visual, Computers, Fire Dispatch, Library 3M HW, Network Device, Peripherals, Print Shop Equip, Printers, Servers & Telecomm.	
	Non-Licensed Construction/Maintenance Equipment		Pooled by year	7		
	Parking Machines		Pooled by year	10		
	Recreation Fitness & Program Equipment		Pooled by year	5		
	Solar PV Panels		Single Asset	20		
Furniture & Fixtures	Facility Furniture		Pooled by year	10		
	Office Furniture		Pooled by year	15		
Infrastructure	Bridges	Substructure	Single Asset	75		
		Superstructure	Single Asset	25		
	Culverts		Pooled by year	50		
	Fencing		Pooled by year	20		
	Guide Rails		Pooled by year	20		
	Masonry Features		Pooled by year	40		
	Parking Lots	Paved Surface		Pooled by year	25	
		Sub-base		Pooled by year	45	
	Pedestrian Bridges		Pooled by year	40		
	Retaining Walls		Pooled by year	20		
	Right-Of-Ways (ROW's)	Road Surface		Pooled by year	25	Asphalt surface-roads & laneways, curbs and speed humps.
		Sidewalks		Pooled by year	45	Concrete surface of sidewalks
		Sub-base		Pooled by year	45	Drainage, aggregate & earthwork.
	Signals	Controllers		Pooled by year	10	
		Electrical, Poles & Heads		Pooled by year	22	
	Signs		Pooled by year	10		
	Storm Sewer Systems		Pooled by year	88		
	Stormwater Lift Stations	Building Structure		Single Asset	100	
		Electrical		Single Asset	50	
		Process Mechanical		Single Asset	25	
		Substructure - Concrete		Single Asset	100	
		Substructure - Misc. Metals		Single Asset	50	
	Street Lights		Pooled by year	35		
SWM Ponds		Single Asset	10			
Traffic Islands		Pooled by year	25			
Land	Land Parcels		Single Asset	n/a		
	Land Under ROW's		Single Asset	n/a		
	Park Landscaping		Single Asset	n/a		
Library Furniture & Fixtures	Library Furniture & Fixtures		Pooled by year	10		
Library Media Collection	Library Media Collection		Pooled by year	7		

Category 1	Category 2	Category 3	Recording Method	Useful Life (Years)	Components	
Parks & Pathways	Other Structures	Lighting	Pooled by year	30	Pathway & sportfield lighting.	
		Park Furnishings	Pooled by year	10	Benches, waste receptacles, signage.	
		Shelters	Pooled by year	40	Park buildings, gazebos, arbors.	
		Skate Parks	Pooled by year	25		
		Sportsfield Structures	Pooled by year	10	Fencing, Court surfaces, Bleachers, Goal posts.	
	Pathways		Pooled by year	15		
	Playground Structures		Pooled by year	15		
Vehicles	Site Servicing & Drainage		Pooled by year	60	Water supply & drainage.	
	Waterplay Structures		Pooled by year	20		
	Fire Apparatus		Pooled by year	9		
Waterworks Equipment	Licensed Vehicles		Pooled by year	7		
Waterworks Infrastructure	O&M Tools and Equipment		Pooled by year	9		
			Pooled by year	9		
	Drinking Water Distribution System	Sanitary Sewage Pumping Stations		Pooled by year	60	
				Pooled by year	85	
			Architecture	Single Asset	50	
			Building Mechanical	Single Asset	25	
			Building Structure	Single Asset	100	
			Civil access area	Single Asset	50	
			Civil - Fence and Pavement	Single Asset	20	
			Civil - Underground Piping (50)	Single Asset	50	
			Civil - Underground Piping (100)	Single Asset	100	
			Electrical (25)	Single Asset	25	
			Electrical (50)	Single Asset	50	
			Instrumentation & Control	Single Asset	15	
			Machinery	Single Asset	50	
Process Mechanical	Single Asset	25				
Substructure - Concrete	Single Asset	100				
Substructure - Misc. Metals	Single Asset	50				
Waterworks Vehicles	Licensed Vehicles		Pooled by year	7		

PAYMENT ACCEPTANCE POLICY

1.) Purpose Statement

To provide direction on the forms of payment accepted by the organization (both on-line & in-person) and set limits by payment type. This policy replaces the Council approved "Credit Card Acceptance Policy" dated June 5, 2000.

2.) Applicability and Scope Statement

This policy applies to all staff and all payments received by the organization.

3.) Background

The implementation of the Portal in 2011 provides new opportunities to expand services to the public and provides new on-line payment methods including credit cards and debit card payments.

4.) Definitions

Third-party cheque – is any cheque made payable to someone other than Markham, and that has been endorsed by the payee and then made payable to Markham.

5.) Policy Statements

Credit Card Acceptance (on-line & in-person)

Credit cards shall not be processed for more than the amount of the transaction i.e. no cash back

Credit cards are not to be accepted as payment for the following revenue sources:

- Property taxes
- Development charges
- Water Payments
- Any fees or charges collected by Markham on behalf of a third party
- Refundable / Security deposits (eg. Pool Permit Deposits)
- Transactions / Invoices / Agreements over \$5,000 inclusive of tax

Debit Card Acceptance (on-line & in-person)

There are no limitations associated with the acceptance of Debit cards.

Cheques, Money Orders and Bank Drafts (in-person)

For services provided by Markham, all Cheques, Money Orders or Bank Drafts may only be accepted when made payable to Markham. If Markham is accepting payment for a third party the Cheque, Money Order or Bank Draft may only be accepted when made payable to the name of that organization. Markham does not accept third-party cheques.

Cash (in-person)

Only Canadian currency will be accepted.



Service Charges

The service charges associated with the use of credit and debit cards will be charged to the department for which the revenue was booked.

New Services/Revenue Sources

The Treasurer or designate has the authority to determine if Credit or Debit card payments will be accepted for any new services/revenue sources.

6.) Roles and Responsibilities

Treasurer or designate has the authority to adjust the transaction limits as required to account for inflation or general user fee increases.

Directors will be responsible for implementation of and adherence of this policy regarding payments received by their department.

Financial Services will be responsible for updating this policy and auditing the adherence of this policy.

2013 BUSINESS PLANNING AND BUDGETING PROCESS

Month	Week Of	Business Planning (Strategy Rep)	Budget (Financial Services)
January			
February			
March			
April			Life Cycle & Waterworks Reserve studies (April & May)
May	May 21	Distribute BUP Template	Capital Budget Input (May 1 - May 28)
June			Director Review of Capital, followed by Commissioner's Review (May 28 - June 13) Final changes to Capital Request Forms (June 14 & 15) Capital Budget Database closes (June 17) Operating Budget Input (June 18)
July			DF Capital Review of Capital (July 1 - September 21).
August	Aug 24	BUPs Due To Strategy Rep	Operating Budget Database closes and new Staffing Requests due to Commissioners (August 3) Meeting with Commissioners and Commissioner review of new staffing requests (month of August)
September	Sept 13	ELT and Business Units Workshop	DF & ELT Review of Capital Budget ELT Review of the Operating Budget and new Staffing Requests
October 5			Budget Sub-Committee Meeting
November 10			Public Consultation Meeting
October 12			Budget Sub-Committee Meeting
October 16			Budget Sub-Committee Meeting
October 19			Budget Sub-Committee Meeting (2 sessions)
October 26			Budget Sub-Committee Meeting
November 13			Budget Sub-Committee Meeting
December 18			Capital Budget Approval by Council
January 29, 2013			Operating Budget Approval by Council

BUP	Business Unit Profile
ELT	Executive Leadership Team
DF	Directors' Forum

2013 BUDGET OVERVIEW

Budget Framework

Council meets every four years to set the City's goals and priorities. For 2013, Council's strategic priorities continue to address the initiatives defined in the 2007 – 2010 Council term:

- Growth Management
- Transportation
- Environment and Sustainability
- Municipal Services
- Integrated Leisure Master Plan/Public Safety
- Diversity

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

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

Budget Process

In May 2012, staff began working on the business plans for 2013 for the respective Business Units. Each business unit was required to fill out a BUP that serves as a single reference for identifying 2013 proposed objectives of each business unit, in alignment to the corporate goals and Council priorities. With reference to BUP, each business unit proposed its 2013 unit operating budget and capital project budget that together form the Budget of the unit.

A series of presentations, highlighting the proposed 2013 BUPs and aligning the plan to Council's priorities, were made by the respective department heads to the Directors' Forum (DF). 6 workshops for Directors' Forum (DF) and Chief Administrative Officer (CAO) and Commissioners (ELT) were held in September 2012 to finalize the initiatives to be undertaken in 2013.

The Workshop recommendations were incorporated in the proposed 2013 Budget presented at the Budget Sub-Committee meetings in October 2012, when eight members of Council that make up the Budget Committee began their deliberations. These members included Budget Chief Regional Councillor Gordon Landon, Vice Chair Councillor Logan Kanapathi, Regional Councillors Jim Jones and Joe Li and Councillors Colin Campbell, Don Hamilton, Alan Ho and Howard Shore. This Committee, along with other Council members who attended the Budget Committee meetings helped to shape the budget and report progress to the General Committee.

A total of six Budget Sub-Committee meetings were held in the period from October to November 2012 to discuss, review and finalize the 2013 Operating and Capital Budget. As well, one public consultation meetings were held on October 10, 2012 as an opportunity for residents, business and community leaders to obtain an overview of the City's budget process and the status of the 2012 Budget. Attendees were invited to inquire about the budget and to provide feedback at these meetings.

On December 18, 2012 Council approved the Capital Budget. On January 29, 2013 the Operating, Waterworks, Planning & Design, Engineering, and Building Budgets were approved by Council.

Budget Summary

The total approved 2013 Budget is \$373.7M comprising of \$180.8M towards Operating, \$169.0M towards Capital, \$9.0M towards Building Standards, \$8.4M towards Planning & Design, \$6.5M towards Engineering, and \$81.6M for Waterworks.

Operating Budget

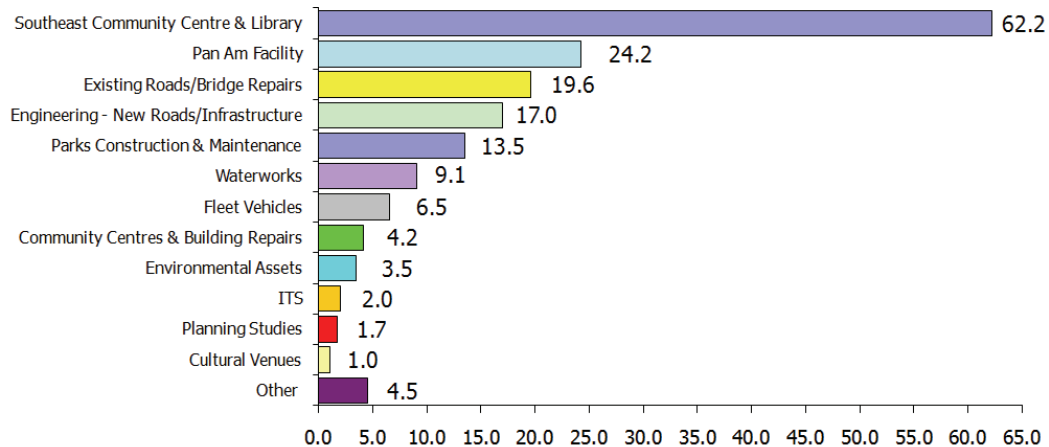
The City of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, waste collection and winter maintenance contracts, other contract renewals, and wage settlements have resulted in increased operating expenditures. Further, the Budget Sub-Committee approved the continuation of the City's practice of phasing-in future personnel costs related to facility openings and funds have been allocated towards the South East Community Centre, Pan/Parapan American Games Facility, a major sports park and the Operations Work Yard.

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 2013 operating budget had an increase in expenditures of \$9.24M offset by an increase in revenues of \$7.47M resulting in a net shortfall of \$1.77M, equivalent to a tax rate increase of 1.5%.



Capital Budget

The breakdown of the City of Markham's approved \$169.0M Capital Budget is shown below, by department:



The 2013 Capital Budget includes funding from various sources. The Federal Gas Tax grant funds \$4.0M for capital projects in the following areas:

- Main Street Markham road improvements
- Light-emitting diode (LED) conversion of Cobra-style streetlights
- PowerStream embedded energy projects
- Multi-residential organics containers

In addition, the Greater Toronto Area, with support from the Province of Ontario, was successful in the bid to host the 2015 Pan/Parapan American Games (Pan Am). Markham will host the water polo, badminton and table tennis competitions. This requires the City to build a new 50,000 square foot aquatic facility that will include a 50 meter pool and a 36,000 square foot field house that meets the International Standards for Badminton. The field house will provide amenities such as multi-purpose meeting rooms and a gymnasium. The capital budget requirement in 2013 was \$24.2 for construction.

Key projects approved in the 2013 Capital Budget are:

- Southeast Markham Community Centre & Library Construction
- Design & Construction of New Parks
- Highway 404 Bridge North of Highway 7 - Construction
- Road Rehabilitation Programs
- Watermain Improvement Programs
- Acquisition of 1 new and replacement of various fire pumpers that have reached the end of their lifespan

The 2013 Capital Budget reflects the City's commitment to maintain service levels to the community and balances social needs with fiscal prudence. This is a reflection of the City's commitment towards fiscal stewardship. Further, consistent with existing City policies,

one-time funding is not used to balance the operating budget and the City's commitment to increase contribution to the capital program by \$0.5M is maintained. The City has also continued to ramp-up the Operating budget for future expenditures related to new Community Centres, Pan Am Facility, Libraries and Fire Stations. In addition, the City has continued to contribute to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

Waterworks Budget

Council approved the 2013 Waterworks Budget of \$89.8M. This marks an increase of \$8.1M over the 2012 Operating 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.

Planning & Design Budget

Planning is primarily funded through Planning Fees and for 2013, Council approved the Planning & Design Budget of \$8.4M. This represents an increase of \$1.7M over the 2012 Budget.

Engineering Budget

Engineering is primarily funded through Engineering Fees and for 2013, Council approved the Engineering Budget of \$6.5M. This represents an increase of \$0.1M from the 2012 Budget.

Building Standards Budget

In July 2005, the Province enacted the "Building Code Statute Law Amendment Act" (Bill 124). This Bill was introduced to address the regulatory system related to Building Fees in the Province of Ontario. The Bill stipulates that the Municipality's fees do not exceed the costs (direct and indirect) of delivering the service.

Historically, Building Services fees included other development costs, such as Planning/Design and Engineering, and as such the Building Fees did not reflect the actual costs of delivering the service. Therefore, the implementation of Bill 124 resulted in a redistribution of revenue sources to reflect the true cost of providing the service.

For 2013, Council approved the Building Services Budget of \$9.0M. This represents an increase of \$1.1M from the 2012 Budget.



LONG TERM OPERATING BUDGET FORECAST

Fiscal Prudence

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

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

Building Markham's Future Together now represents Markham's strategic direction and includes 32 action plans associated with the six strategic priorities (Growth Management, Transportation/Transit, Environment, Municipal Services, Parks, Recreation, Culture & Library Master Plan/Public Safety and Diversity). These strategic priorities are incorporated and considered during the City's annual budget process.

In the development of future budgets, Markham will have to address some of the following challenges:

- Existing infrastructure repairs & replacements and new infrastructure demands
- Wage settlements and benefit costs
- Contract renewals and committed multi-year contracts
- State of economic recovery and Interest rate fluctuations
- Utilities and fuel costs
- Legislation compliance
- Mitigating growth related pressures

SUMMARY OF FUNDS – OVERVIEW

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

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

Capital Fund

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

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

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.



2011 TO 2013 SUMMARY OF RESERVE FUNDS (000's)

	2011 Actual	2012 Actual (Unaudited)	2013 Budget
Balance as of January 1	210,814	222,181	231,398
Other Revenue	1,165	954	8,024
Dividend from Markham Enterprises Corporation	3,445	4,786	-
Transfers in from Operating Fund	30,493	49,883	43,111
Transfer out to Capital Fund (net of unspent)	(23,736)	(46,406)	(56,455)
Balance as of December 31	<u>222,181</u>	<u>231,398</u>	<u>226,078</u>

DESCRIPTION OF RESERVES AND RESERVE FUNDS

The maintenance of Reserves and Reserve Funds is very important to the City of Markham, since the availability of these sources of funding provides Council and senior management with greater flexibility in planning for the future. At Dec. 31, 2012, the balance in the City's Reserves and Reserve Funds was \$231.4 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 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.

WASTE MANAGEMENT STABILIZATION/CAPITAL

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

WATERWORKS/ STABILIZATION CAPITAL

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

FIREFIGHTERS SICK LEAVE BENEFITS

Funds payouts of unused sick leave benefits upon Firefighters' termination required under Firefighters collective agreement.

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 City to increase future insurance deductibles in order to reduce annual premium costs; funded from annual operating surplus in insurance 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 City will add to its inventory



PARTNERSHIPS

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

LONG TERM DISABILITY BENEFITS

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

DEVELOPMENT FEE

Funds to stabilize fluctuations in development fee rates and to fund actual shortfall in Engineering and Planning in future years.

ELECTION REBATE

Fund future Election Contributions Rebate Program expenses.

BUILDING FEE

Funds to help cover costs in "down cycle" years of lower volume activity for the Building department.

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.

THEATRE ENDOWMENT

Funds capital expenditures for the Markham Theatre.

THEATRE CAPITAL IMPROVEMENT FUND

Funds the replacement of capital expenditures for the Markham Theatre.

MUSEUM ENDOWMENT

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

HERITAGE PRESERVATION

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

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.
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.
PARKS 5% CASH IN LIEU	Funds the acquisition of new parkland, recreation facilities and equipment.
TREE REPLACEMENT	Funds the cost of planting, replanting, replacing & repairing boulevard trees in the City.
ROAD RESURFACING	Funds road completion in industrial subdivisions.
NON- DC GROWTH	Used to accumulate and maintain any Pre-Development Charges Act Engineering levies collected in respect of development; represents the non-growth portion of development charges.
WATERWORKS	Funds to be used for the upgrade and replacement of City water infrastructure.
LIBRARY BUILDING PROGRAM	Funds to be utilized for future library building projects, which are not covered by development charges.
LAND ACQUISITION RESERVE FUND	Allows the City to finance the purchase of strategic land acquisitions that are non-growth and that are not environmentally sensitive.
LIFE CYCLE REPLACEMENT AND CAPITAL	To fund asset life cycle replacements and other major capital investments in future years.
GAS TAX REVENUE	To fund eligible projects identified under the terms of agreement with federal government.



ENVIRONMENTAL SUSTAINABILITY

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

TREES FOR TOMORROW

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

ENVIRONMENTAL LAND ACQUISITION

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

DEVELOPMENT CHARGES

Accumulates charges collected from developers according to the Development Charge Act, 1997. The reserve provides funding for eligible growth-related projects in the City's Capital Budget.

WSIB

Allows the City to self-fund staff benefits previously covered by Workplace Safety Insurance Board (WSIB); funded from operating surplus in benefits accounts.

RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE

Description	Actual Balance December 31, 2011	Actual Balance December 31, 2012	2013 Budget			Estimated Balance December 31, 2013
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
RESERVES						
Waste Management Stabilization / Capital	27,883	27,883				27,883
Waterworks Stabilization / Capital	31,118,011	34,097,716		13,783,654	(9,407,891)	38,473,479
Corporate Rate Stabilization	16,419,178	17,099,926		870,000		17,969,926
Capital Gain Reserve	3,133,275	3,456,636				3,456,636
Insurance	1,967,011	2,695,660				2,695,660
Recreation & Culture Capital Replacement	-	-		369,262		369,262
Facility Ramp- Up	5,495,041	7,876,413			(855,000)	7,021,413
Long Term Disability Benefit	11,154,480	12,784,236				12,784,236
Partnership	15,612	15,612				15,612
Building Fee	6,822,719	12,018,320		1,248,598	(18,300)	13,248,618
Development Fee	(1,751,354)	(149,403)		733,760	(392,671)	191,686
Election Rebate	(103,641)	140,000		300,000		440,000
Election Expenses	317,534	617,534		70,000		687,534
Berczy Land Scape Feature	202,969	202,969				202,969
Firefighter's Sick Leave Benefits	5,565,200	6,045,100		41,000		6,086,100
Total Reserves	80,383,918	96,928,602	-	17,416,274	(10,673,862)	103,671,014
RESERVE FUNDS						
Theatre Endowment	287,082	345,948		35,000		380,948
Theatre Capital Improvement Fund	201,978	236,299				236,299
Heritage Preservation	94,470	92,830				92,830
Deginated Heritage Property Grant	85,164	53,692				53,692
Markham Heritage Loans	297,922	301,817				301,817
Museum Endowment	58,101	59,396				59,396
Library Building Program	5,121,505	5,703,506		510,000		6,213,506
Land Acquisition Reserve Fund	4,018,880	3,915,005				3,915,005
Life Cycle Replacement & Capital	96,243,021	80,383,000		24,549,211	(38,625,638)	66,306,573
Environmental Sustainability	290,894	242,708		10,896		253,604
Environmental Land Acquisition	7,758,391	7,847,518				7,847,518
Markham Trees for Tomorrow	229,613	232,614				232,614
Workplace Safety Insurance Board (WSIB)	2,799,401	2,835,987				2,835,987
Non DC Growth	16,435,438	16,803,579			(2,901,480)	13,902,099
Cemetery Operations	100,548	107,731				107,731
Emerald Ash Borer	-	-		590,000		590,000
Waterworks	222,168	225,793				225,793
Road Resurfacing	1,087,748	843,542			(254,400)	589,142
Parks 5% Cash in Lieu	(166,268)	5,059,097				5,059,097
Tree Replacement	5,897	5,975				5,975
Gas Tax Revenue	6,625,522	9,173,855	8,023,752		(4,000,000)	13,197,607
Total Reserve Funds	141,797,475	134,469,892	8,023,752	25,695,107	(45,781,518)	122,407,233
Total Reserve And Reserve Funds	222,181,393	231,398,494	8,023,752	43,111,381	(56,455,380)	226,078,247
Development Charges Reserve Funds *	111,920,532	122,042,115	36,800,436	-	(98,358,120)	60,484,431
Total	334,101,925	353,440,609	44,824,188	43,111,381	(154,813,500)	286,562,678

* City's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements. Budgeted transfer to capital is adjusted based on cash flow projections and will not balance to total approved 2012 capital funding from Development Charges.

** Actual Reserve and Reserve Fund balance as at December 31 includes unspent portion of Reserves at the year end.



RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Waterworks Stabilization / Capital</u>			
Transfer from Waterworks Operating Fund net of 2013 surplus	13,783,654		Transfer to reserves in order to sustain future Waterworks replacement and rehabilitation requirements
Funding of Capital Projects		(9,407,891)	Transfer to Capital Budget on order to fund Waterworks 2013 capital projects
<u>Corporate Rate Stabilization</u>			
Transfer of 2012 Operating surplus	870,000		Top-up Operating surplus remaining from 2012 year end
<u>Recreation & Culture Capital Replacement</u>			
Transfer of funds for future replacement	369,262		Transfer to reserves in order to sustain Recreation and Capital Replacement requirements
<u>Facility Ramp UP</u>			
Funding of Capital Projects		(855,000)	Transfer of funds for a number of Town facility improvement projects
<u>Building Fee</u>			
Transfer from Operating Fund	1,248,598		Transfer of Building Operating Budget based on 2011 projected performance
Transfer to fund Capital Projects		(18,300)	Funding of 2012 capital projects associated with Building Standards
<u>Development Fee</u>			
Transfer from Operating Fund	654,882		Transfer of Planning and Engineering Operating Budget based on 2013 projected performance
Transfer from Operating Fund	78,878		Transfer to reserves in order to sustain Planning and Engineering department capital requirements
Transfer to fund Capital Projects		(392,671)	Funding of 2012 capital projects associated with Planning and Engineering department
<u>Election Rebate</u>			
Transfer from Operating Fund	300,000		Transfer to fund future election rebate costs
<u>Election Expenses</u>			
Transfer from Operating Fund	70,000		Transfer to fund future election costs
<u>Firefighter's Sick Leave Benefits</u>			
Transfer from Operating Fund	41,000		Annual transfer to fund future payout of unused sick leave benefits upon fire fighter's termination
<u>Theatre Capital Improvement Fund</u>			
Transfer from Operating Fund	35,000		Transfer from Culture Operating Budget for future Theatre capital expenditures

RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Library Building Program</u>			
Transfer from Operating Fund	510,000		Transfer from Operating Budget for future library building projects
<u>Life Cycle Replacement & Capital</u>			
Transfer from Operating Fund	24,549,211		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(38,625,638)	Funding of 2013 capital projects associated to asset replacements
<u>Non Development Charges Growth</u>			
Transfer to fund Capital Projects		(2,901,480)	Funding of 2013 Engineering capital projects associated with non-growth related area
<u>Gas Tax Revenue</u>			
Transfer from Other Revenue	8,023,752		Gas tax revenue received from federal government transferred funds for capital projects
Transfer to fund Capital Projects		(4,000,000)	Funding of 2013 capital projects identified as gas tax revenue eligible or for capital projects to be developer funded



DESCRIPTION OF TRUST FUNDS

The City of Markham has 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 ENVIRONMENTAL ADVISORY 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. The Markham Conservation Committee Trust Fund was re-named to Markham Environmental Advisory Committee Trust Fund.

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. During the year, Thornhill Cemetary Trust Fund was merged with City's other Cemeteries.

OLDER ADULTS IN ACTION TRUST FUND

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

MARKHAM HISTORY – RESEARCH AND PUBLICATION TRUST FUND

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

TRUST FUND CONTINUITY SCHEDULE

THE CORPORATION OF THE CITY OF MARKHAM TRUST FUNDS

Statement of Financial Position

December 31, 2012 with comparative figures for 2011

	2012						2011	
	Morgan Park Trust	Varley-McKay Trust	Markham Conservation Committee Trust	Cemetery Trust	Older Adults In Action Trust	Markham History Res & Pub Trust	Total	Total
Cash	\$ 67,429	\$ 1,303,251	\$ 10,805	\$ 789,011	\$ 8,562	\$ 80,281	\$ 2,259,339	\$ 2,234,240
Payable to Varley-McKay Foundation	-	(4,447)	-	-	-	-	(4,447)	(13,316)
Fund balance	\$ 67,429	\$ 1,298,804	\$ 10,805	\$ 789,011	\$ 8,562	\$ 80,281	\$ 2,254,892	\$ 2,220,924

Statement of Financial Activities and Fund Balances

Year ended December 31, 2011 with comparative figures for 2010

Receipts								
Interest Earned	2,540	51,402	439	31,544	322	3,025	89,272	92,780
Sale of plots	-	-	-	29,291	-	-	29,291	37,391
Transfer of assets from Thornhill Cemetery	-	-	-	-	-	-	-	422,062
	2,540	51,402	439	60,835	322	3,025	118,563	552,233
Expenses	-	-	(1,649)	(31,544)	-	-	(33,193)	(31,612)
Distributed to Foundation	-	(51,402)	-	-	-	-	(51,402)	(54,916)
	-	(51,402)	(1,649)	(31,544)	-	-	(84,595)	(86,528)
Excess of receipts over expenses	2,540	-	(1,210)	29,291	322	3,025	33,968	465,705
Fund balance, beginning of year	\$ 64,889	\$ 1,298,804	\$ 12,015	\$ 759,720	\$ 8,240	\$ 77,256	\$ 2,220,924	\$ 1,755,219
Fund balance, end of year	\$ 67,429	\$ 1,298,804	\$ 10,805	\$ 789,011	\$ 8,562	\$ 80,281	\$ 2,254,892	\$ 2,220,924

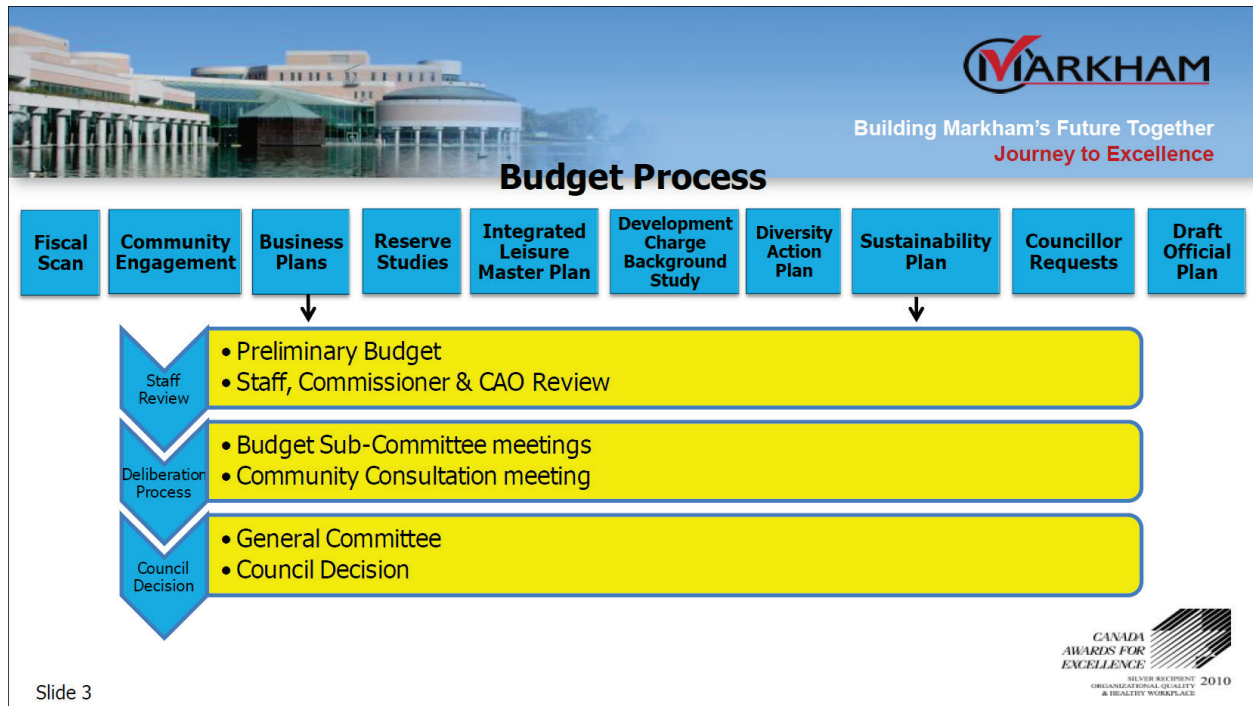
The accompanying notes are an integral part of these financial statements.

PUBLIC CONSULTATION MEETING PRESENTATION



Agenda

- Opening Remarks by Budget Chief, Regional Councillor Gord Landon
- Budget Presentation by Andrea Tang, Manager of Financial Planning
- Questions & Comments



2013 Budget Process

Building Markham's Future Together
Journey to Excellence

Six Budget Sub-Committee meetings are scheduled in October on the 5th, 12th, 16th, 19th (morning & afternoon sessions) and 26th

- Community Consultation Meetings are scheduled to take place on:
 - October 10th from 7 p.m. to 9 p.m. at the Civic Centre
 - October 25th from 7 p.m. to 9 p.m. at the Civic Centre (if required)

Once the Budget Sub-Committee and Community Consultation meetings are complete, the following process will take place to finalize the budget:

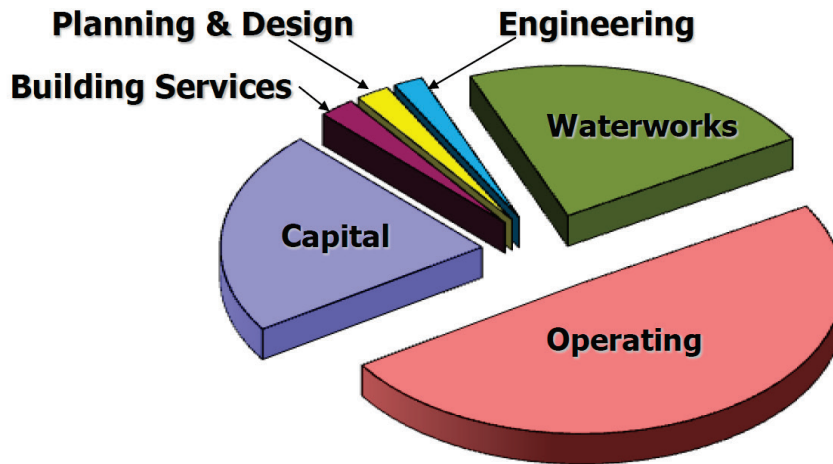
- November 5, 2012 General Committee - recommends budget to Council
- November 12, 2012 Council Decision
- November 13, 2012 Press Conference

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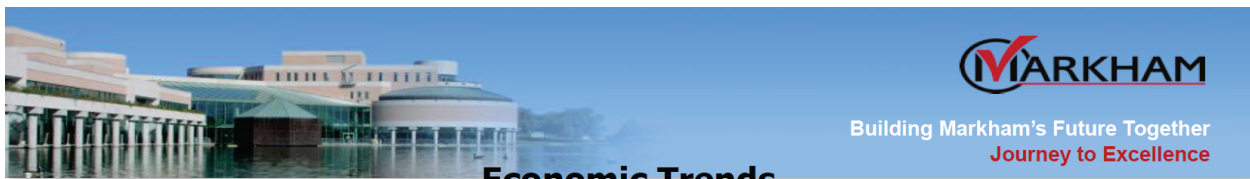
CANADA AWARDS FOR EXCELLENCE SILVER RECIPIENT ORGANIZATIONAL QUALITY & HEALTHY WORKPLACE 2010



Proposed 2013 Budget



Slide 5



Economic Trends

- **Inflation:**
 - 1.2% CPI – Canada, 1.0% CPI – Ontario, All Items (Aug. 2011 to Aug. 2012)
 - 0.8% Energy Index (Aug. 2011 to Aug. 2012), 3.1% Construction Index (Jun. 2011 to Jun. 2012)
 - Unemployment rate in Ontario – 8.0% for Aug. 2012 (7.5% in Aug. 2011)
 - The Ontario forecast for growth: 1.9% in 2012 and 1.8% in 2013, which are below the historical average of 2.6% ⁽¹⁾
- **Stock market indices (1 year and 3 month changes):**
 - TSX – 8.2% increase (Sept. 2011 to Sept. 2012), 9.5% increase (June 2012 to Sept. 2012)
 - Dow – 26.1% increase (Sept. 2011 to Sept. 2012), 8.6% increase (June 2012 to Sept. 2012)
- **Housing:**
 - Markham housing sales down 13.1%, average price is up 5.5%; Greater Toronto Area (GTA) housing sales down 1.5%, average price is up 4.0% (July 2011 to July 2012). GTA housing sales expected to decline 3.8% in 2013, while prices will increase by 0.6% ⁽²⁾
 - Bank of Canada is not expected to raise interest rates until July 2013 (currently at 1%). Avg Canadian's non-mortgage debt is \$26,221 (Q2 2012) ⁽²⁾
 - Global growth forecast 2012: 3.0%, 2013: 3.3%. Europe 2012: (contraction) of (0.3%), 2013: 0.6%. U.S. 2012: 1.7%, 2013: 2.0%. China 2012: 7.8%, 2013: 8.2%. All are below the historical average for growth ^{(1) (3)}

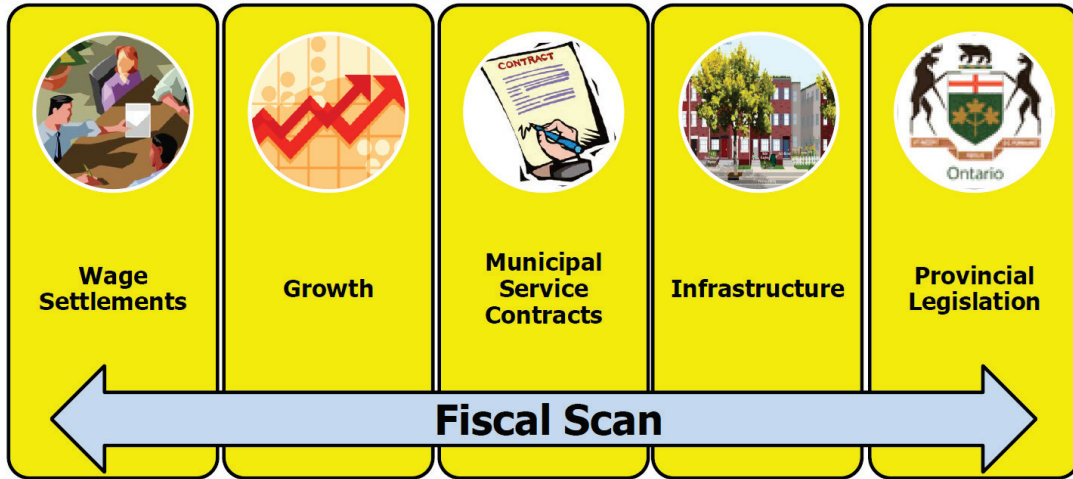
Sources: (1) TD Economics (TD Bank Financial Group) – "The Economic Outlook" September 2012

(2) Canadian Mortgage and Housing Corporation – August 14, 2012 release

(3) Scotiabank – Global Forecast Update – September 27, 2012

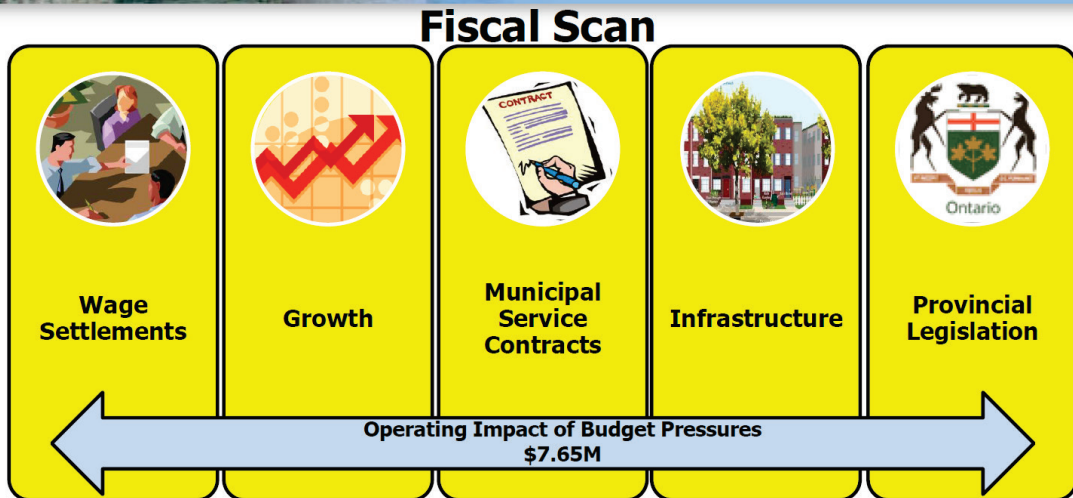


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Slide 7

SILVER EXCELLENCE
ORGANIZATIONAL QUALITY
& HEALTHY WORKPLACE 2010



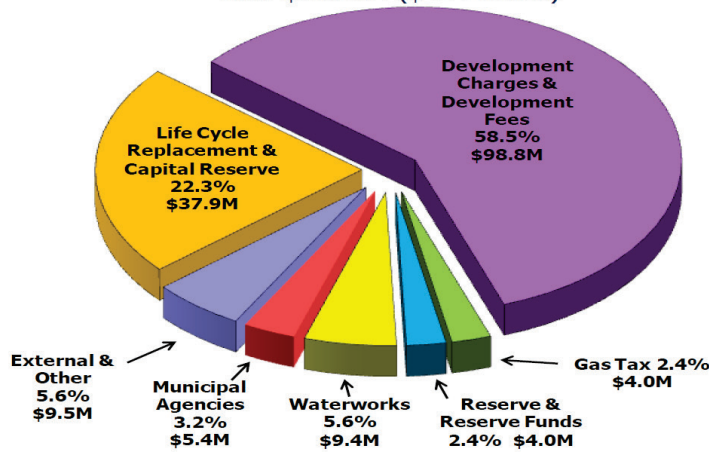
Slide 8

SILVER EXCELLENCE
ORGANIZATIONAL QUALITY
& HEALTHY WORKPLACE 2010



2013 Capital Budget Funding Sources

Total \$169.0M (\$ in Millions)

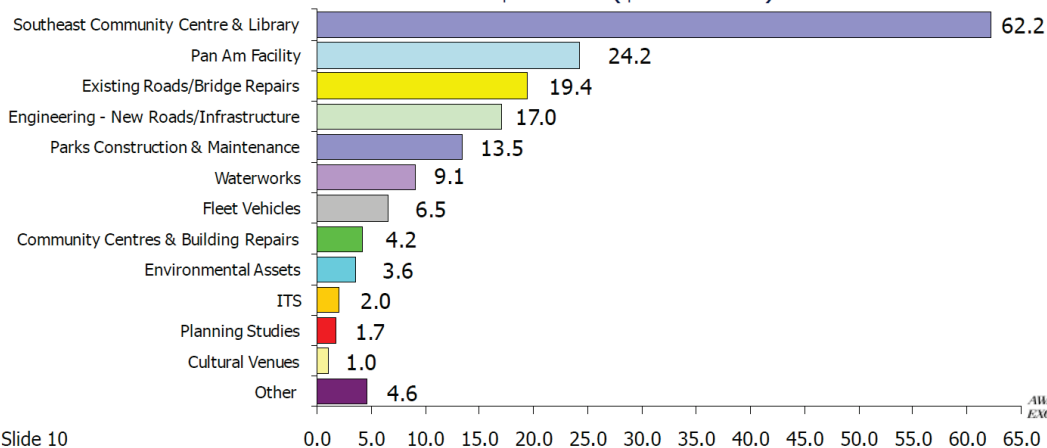


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2013 Capital Budget Expenditure Types

Total \$169.0M (\$ in Millions)



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Excellence through Efficiency & Effectiveness (E3)

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

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Excellence through Efficiency & Effectiveness (E3)

	2009	2010	2011	2012
	\$	\$	\$	\$
Personnel reductions	1.4	0.0	0.0	0.0
Non-Personnel reductions	1.5	3.1	0.3	1.0
Revenue increases	1.6	1.0	1.5	0.6
Total	4.5	4.1	1.8	1.6

- Over the past four years, **\$12M** of revenue enhancements and expenditure reductions have been implemented to offset potential tax increases
- Otherwise a requirement for a 12% increase in taxes - an increase that would have been paid out year after year by taxpayers
- In addition, other initiatives were implemented that strengthened the organization's ability to serve customers, support staff engagement, avoid future costs, and improve quality of services

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2013 E3 Initiatives

- Leverage the Province of Ontario's procurement process on computer & cellular plan for both voice and data procurement contracts available for the Greater Public Sector that eliminates the need to develop tenders, reduces procurement costs and achieves cost avoidance of approximately \$475K
- New fleet purchases and replacements will be equipped with the most recent technology while maximizing fuel economy and minimizing emissions: cost reduction \$18K/year
- Increase in investment income: revenue enhancement \$340K
- Adjust property tax instalments from six to four effective 2013: revenue enhancement \$265K
- Reduced printing of 10,000 pages through on-line access to capital budget request forms at the Directors Forum review of capital budget (offered to Members of Council in 2012)

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2013 E3 Initiatives (cont'd)

- Improve self-service at Milliken Mills and Angus Glen libraries with new radio frequency identification (RFID) self-check units; otherwise 5 additional staff will be required to process the circulation of materials
- Improve boulevard maintenance by adjusting crew routes and staff deployment to achieve mowing standard to over 90%
- In partnership with the Region, pilot a new type of underground waste/recycling/organics containers that can increase storage capacity and reduce collection costs for multi-residential buildings and high density areas. There's an estimated savings of 50% on collection costs or approximately \$2,000 per facility
- Convert existing 12,458 existing streetlight fixtures to Light-Emitting Diodes (LED): total future cost reductions of approximately \$783K in energy and maintenance costs following full implementation

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2013 Preliminary Operating Budget Detail

(\$ in Millions)

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

	2012 \$	2013 \$	Increase/ (Decrease) \$
Revenues	171.55	178.02	6.47
Expenditures			
Personnel	101.83	106.31	4.48
Non-Personnel	69.72	72.89	3.17
Total Expenditures	171.55	179.20	7.65
Net Shortfall			(1.18)
Tax Rate Increase			1.00%

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2013 Preliminary Operating Budget Summary

(\$ in Millions)

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

	2012 \$	2013 \$	Increase/ (Decrease) \$
Total Revenues	171.55	178.02	6.47
Assessment Growth (Property taxes from new homes and businesses)			3.13
Cornell Community Centre and Library User and Program Fees			2.11
Investment Income (based on increase in portfolio balance)			0.34
Investment Income (reduction in tax instalments from 6 to 4)			0.27
CPI Adjustment for User and Program Fees			0.43
Financial Administrative Fees			0.13
Other			0.06
Total Revenue Increase			6.47

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2013 Preliminary Operating Budget Summary

(\$ in Millions)

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

	Increase/ (Decrease)	
Wage Settlements		2.57
Existing Staff	2.48	
New Support Staff	0.09	
Growth		3.72
Future Staff Ramp-up Related to New Facilities	1.65	
Cornell Community Centre & Library expenditures	0.88	
Growth (roads, waste, parks, streetlights and winter maintenance)	0.59	
Transfer to Capital	0.50	
Non-Personnel Ramp-up for a Future Operations Works Yard	0.10	
Municipal Service Contracts		1.36
Winter Maintenance Requirement and Phase-In	0.48	
Utility Price Escalation	0.34	
Streetlight Utility Locate Fees	0.29	
Fuel Cost Increase (waste contract fuel escalation and price adjustment for City fleet)	0.22	
Other	0.03	
Total Expenditures		7.65



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2013 Preliminary Operating Budget Detail

(\$ in Millions)

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

	2012 \$	2013 \$	Increase/ (Decrease) \$
Revenues	171.55	178.02	6.47
Expenditures			
Personnel	101.83	106.31	4.48
Non-Personnel	69.72	72.89	3.17
Total Expenditures	171.55	179.20	7.65
Net Shortfall			(1.18)
Tax Rate Increase			1.00%



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Impact of Markham Tax Rate Increase on an Average Residential Property - Preliminary

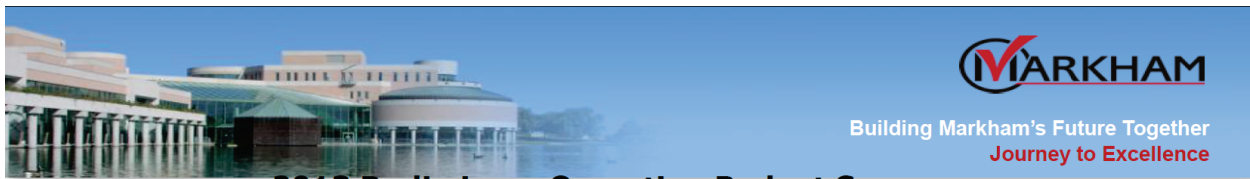
2013 Average Current Value of a Residential Property in Markham = \$485,000*

Approximate Tax Dollar Impact per Household

1% Tax Rate Increase = \$11.07

* - residential tax class includes single family detached, link homes, freehold townhouses, semi-detached and residential condominiums

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2013 Preliminary Operating Budget Summary (\$ in Millions, Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2013 Proposed Budget	% to Total Budget
Revenues		
Tax Revenues	124.2	69.3%
Proposed 1.00% tax increase	1.2	0.7%
User Fees & Service Charges	15.2	8.5%
Income from Investments	10.4	5.8%
Interest & Dividend Income - PowerStream/MEC/MDEI	8.8	4.9%
Rentals, Licenses & Permits	8.2	4.6%
Tax Interest & Penalties	3.4	1.9%
Grant & Subsidy Revenues	1.5	0.8%
Other Revenues	6.3	3.5%
Total Revenues	179.2	100.0%
Expenditures		
Salaries & Benefits	106.3	59.3%
Transfer to Reserves	18.0	10.0%
Purchased Services	15.9	8.9%
Waste Management	8.7	4.9%
Transfer to Reserves - PowerStream/MEC/MDEI	7.8	4.4%
Winter Maintenance	6.6	3.7%
Materials & Supplies	5.7	3.2%
Utilities	5.2	2.9%
Insurance	2.3	1.3%
Other Expenditures	2.6	1.5%
Total Expenditures	179.2	100.0%

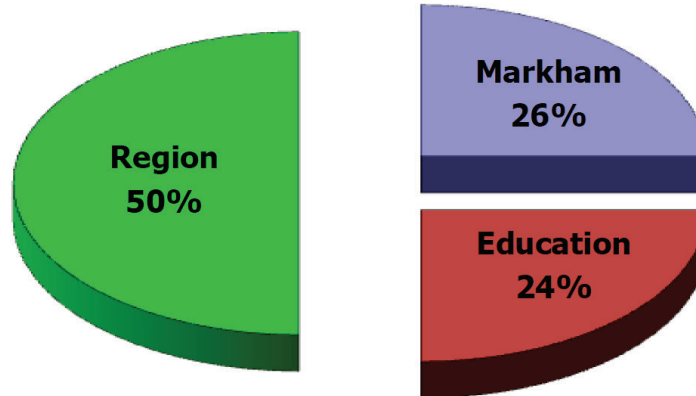
Slide 20





Assessment and Property Taxes

2012 Property Tax Distribution
Residential

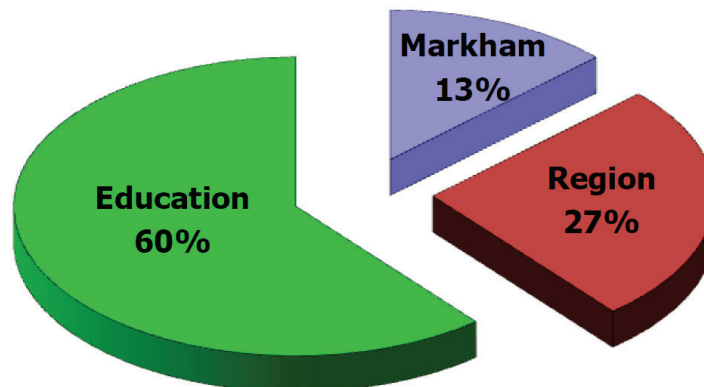


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Assessment and Property Taxes

2012 Property Tax Distribution
Non-Residential



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Property Assessment - Reassessment

- Municipal Property Assessment Corporation (MPAC) is responsible for assessing all properties in Ontario.
- Provincial legislation mandates the reassessment process and 4 year cycle
- Every 4 years, all properties are reassessed. 2013 is the first year of a new 4 year cycle that goes until 2016.
 - Values based on January 1, 2012.
 - Average residential property class increase in assessment is 31.55% over the 4 years and is 7.86% in 2013.
 - The change in your property's assessment is included on the Reassessment Notice you have received from MPAC
- To ensure revenue neutrality, Markham reduces the tax rate by the same increase in average assessment
 - In 2013, the tax rate will be reduced by 7.86% and then add any budgetary increase (if any)

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Property Assessment – Reassessment (cont'd)

- If your residential property has an assessment increase greater than 7.86%, there will be a tax increase due to the reassessment.
- If your residential property has an assessment increase less than 7.86%, there will be a tax decrease due to the reassessment
- Increases are phased in equally over 4 years
- All decreases flow through in the first year (2013)
- The average house value in Markham in 2013 is \$485,000

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Property Re-assessment

% Change in Assessment in 2013	Tax Result
Greater than 7.86%	Tax increase due to reassessment
7.86%	No tax change
Less than 7.86%	Tax decrease due to reassessment

- How can a property owner appeal the assessment of their property if they think it is too high?
 - (1) Informal request to MPAC for review (Request for Reconsideration), then
 - (2) Formal appeal to the Assessment Review Board (ARB) where owner presents evidence as to why it is too high. MPAC staff will respond to defend the value.
 - Decision of ARB is final (no further appeal permitted)

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2013 Budget Summary Highlights Fiscal Stewardship

- Financial Prudence
- Ramp-ups
- Service Levels
- Reserve Studies

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Highlights of 2013 Proposed Capital Budget

Environment (\$ in Millions)

- Cobra-Style Streetlights – Light-Emitting Diode (LED) Conversion \$7.60
- Emerald Ash Borer Program \$2.00
- Stormwater Management & Environmental Asset Program \$1.70
- Continuation of the Trees for Tomorrow Initiative & Replacement of Trees \$0.22
- Energy Conservation Retrofit and Monitoring Program \$0.15



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Highlights of 2013 Proposed Capital Budget

Growth (\$ in Millions)

- Southeast Markham Community Centre & Library – Construction, Library Collections, FF&E (also included in Integrated Leisure Master Plan/Public Safety) \$62.20
- New Parks Assessment Design & Construction \$ 8.30
 - Regional Sports Park – Assessment (101 acres, opening: Beyond 2017)
 - Major Wood Cathedral Town Park – Design (4 acres, opening: Fall 2014)
 - Box Grove Community Park – Design (23 acres, opening: 2016)
 - Wismer Community Park – Construction (7 acres, opening: 2014)
 - Kirkham Drive Park (Phase 2) – Construction (20 acres, opening: 2015)
 - Box Grove Southeast Heritage House Parkette – Construction (1.2 acres, opening: Fall 2013)
- Growth Management Strategies \$ 3.00



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Highlights of 2013 Proposed Capital Budget Transportation (\$ in Millions)

➤ Hwy 404 Bridge North of Hwy 7 – Construction (Additional Funding)	\$8.00
➤ Main Street, Markham Reconstruction	\$3.10
– Bullock Dr. to 16 th Ave. – Storm Sewer Replacement	
– Hwy 7 to Bullock Dr. – Streetscaping	
– Major MacKenzie to Don Cousens Parkway – Design	
➤ Streetlight Replacement & Inspection Program	\$1.00
➤ Traffic Control Signals & Traffic Operational Improvements (also included in Integrate Leisure Master Plan/Public Safety)	\$0.70
➤ Helen Avenue Reconstruction – Construction	\$0.68
➤ Transportation Studies	\$0.28
➤ Church Street – 9 th Line to Bur Oak Ave. (Design)	\$0.24



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Highlights of 2013 Proposed Capital Budget Service Levels (\$ in Millions)

➤ Roads rehabilitation program	\$6.90
➤ Watermain & Sanitary Sewer construction and replacement program	\$6.00
➤ Facility improvement program at Community Centres, Libraries, Fire Stations, Cultural Venues and Civic Centre	\$3.90
➤ Structures rehabilitation program	\$2.60
➤ Library Collections	\$1.90
➤ Water System & Water Meter replacement & upgrade program	\$1.30
➤ Stormsewer Inspection & Rehabilitation program	\$0.43
➤ Tennis Courts Resurfacing	\$0.17
➤ Radio Frequency Identification Self-check Units – Angus Glen Library	\$0.14

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Highlights of 2013 Proposed Capital Budget

Integrated Leisure Master Plan/Public Safety (\$ in Millions)

- Southeast Markham Community Centre & Library – Construction , Library Collections, FF&E (also included in Integrated Leisure Master Plan/Public Safety) \$62.20
- Pan Am Facility - Construction \$24.00
- 1 New Aerial & Fire Pumper Replacements \$4.60
- Fire & Emergency Services Capital Program \$0.17
- Traffic Control Signals & Traffic Operational Improvements (also included in Transportation & Transit) \$0.70
- Play Structure & Safety Resurfacing \$0.22



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Highlights of 2013 Proposed Capital Budget

Diversity (\$ in Millions)

- Pedestrian Accessibility Improvements \$0.42
- Facility Accessibility Program \$0.10
- Language Line Service
- Career Bridge/Ability Edge Program



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Next Steps

- Future Budget Sub-Committee meetings:
 - October 12th
 - October 16th
 - October 19th (morning & afternoon sessions)
 - October 26th
- Community Consultation Meeting is scheduled to take place on:
 - October 25th from 7 p.m. to 9 p.m. at the Civic Centre (if required)

Once the Budget Sub-Committee and Community Consultation meetings are complete, the following process will take place to finalize the budget:

- November 5, 2012 General Committee - recommends budget to Council
- November 12, 2012 Council Decision
- November 13, 2012 Press Conference

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Questions and Comments

**THANK YOU FOR ATTENDING MARKHAM'S 2013 BUDGET
PUBLIC CONSULTATION MEETING**



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SUBJECT: 2013 Capital and Other Programs Budget

PREPARED BY: Judy Rigby, Senior Manager, Financial Planning & Reporting

RECOMMENDATION:

- 1) That the report dated December 10, 2012 entitled, “2013 Capital and Other Programs Budget” (2013 Capital Budget) be received;
- 2) And that Council approve the 2013 Capital Budget which totals \$169,032,100 as outlined in Appendices 1, 2 and 3;
- 3) And further that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval of the City of Markham’s 2013 Capital Budget.

BACKGROUND:

A total of seven Budget Sub-Committee meetings were held in October and November 2012 to discuss, review and finalize the 2013 Operating Budget and the 2013 Capital Budget. In addition, highlights of the 2013 Capital Budget were presented at the public consultation meeting held on October 10, 2012.

DISCUSSION:

The proposed 2013 Capital Budget of \$169,032,100 includes capital projects that are aligned with the City of Markham’s six strategic priorities developed by Council: Growth Management; Transportation; Environment; Municipal Services; Integrated Leisure Master Plan/ Public Safety; and, Diversity.

The major sources of funding, provided in Appendix 1, for the 2013 capital projects are: Development Charges and Development Fees, which contribute \$98.8M (58.5%) of the total funding to support growth initiatives; Life Cycle Replacement and the Capital Reserve Fund, which contribute \$37.9M (22.3%) of the total funding for new purchases, non-growth portion of the growth related projects, replacement and repairs; and, the Waterworks Reserve Fund which contribute \$9.4M (5.6%) for municipal services.

The 2013 Capital Budget also includes \$4.0M (2.4%) from the Federal Gas Tax grant, which will fund the following capital projects:

- Main Street Markham road improvements
- Light-emitting diode (LED) conversion of Cobra-style streetlights
- PowerStream embedded energy projects
- Multi-residential organics containers

Periodically, municipalities are faced with extraordinary circumstances that require Council approval for programs that span several years, such as the Emerald Ash Borer (EAB) infestation.

In 2013, Staff identified a 5 year program with an estimated total funding requirement of \$13.1M to address the environmental threat posed by the EAB infestation and protect homeowner's values. Of the total funding requirement, \$2.0M has been included in the 2013 Capital Budget. As well, a tax rate increase of 0.5% for infrastructure has been proposed to address the EAB infestation. The Council decision on the 2013 tax rate increase is anticipated to take place in January/February 2013.

The 2013 Capital Budget supports new and ongoing projects and initiatives that are aligned with the strategic priorities. The 2013 Capital projects approved in principle by the Budget Sub-Committee are provided in Appendix 2, the highlights of which are:

1. Growth Management:

- New parkland design and construction:
 - Major Wood Cathedral Town Park (4 acres) – design phase, opening Fall 2014
 - Box Grove Community Park (23 acres) – design phase, opening 2016
 - Wismer Community Park (7 acres) – construction phase, opening 2014
 - Kirkham Drive Park (Phase 2) (20 acres) – construction phase, opening 2015
 - Box Grove Southeast Heritage House Parkette (1.2 acres) – construction phase, opening fall 2013

2. Transportation:

- Bridge over Hwy 404, North of Hwy 7 – additional funding for construction
- Streetlight replacement and inspection program
- Traffic control signals and traffic operational improvements
- Helen Avenue reconstruction – construction phase

3. Environment:

- Storm water management and environmental asset program
- Continuation of the “Trees for Tomorrow” initiative and replacement of trees
- Energy conservation retrofit and monitoring program
- Emerald Ash Borer program



4. Municipal Services:
 - Roads rehabilitation program
 - Watermain and Sanitary Sewer construction and replacement program
 - Facility improvement program at community centres, libraries, fire stations, cultural venues and the Civic Centre
 - Structures rehabilitation program
 - West Thornhill Flood Control Implementation

5. Integrated Leisure Master Plan/Public Safety:
 - South East Markham Community Centre & Library – construction of a 115,000 sq ft facility, providing community and library space in the South East area of Markham, opening Q1, 2015
 - Pan Am Facility - construction of a 147,000 sq ft facility which includes an Olympic-size pool and field house, opening in 2014
 - One new aerial & fire pumper replacements

6. Diversity:
 - Pedestrian Accessibility Improvements
 - Facility Accessibility Program

A summary of the 2013 capital and other programs projects by Commission are provided in Appendix 3 for information purposes.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

The 2013 Capital Budget includes \$169,032,100 of capital and other program projects which are funded from multiple funding sources as outlined in the report.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

The proposed 2013 Capital Budget of \$169,032,100 include capital and other program projects that are aligned with the City of Markham's six strategic priorities developed by Council: Growth Management; Transportation; Environment; Municipal Services; Integrated Leisure Master Plan/ Public Safety; and, Diversity.

BUSINESS UNITS CONSULTED AND AFFECTED:

All business units have been consulted during the 2013 Capital and Other Programs budget submission and review process.

RECOMMENDED BY:

X

Joel Lustig
Treasurer

X

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

[Appendix 1 – 2013 Capital and Other Programs Budget: Sources of Funding](#)

[Appendix 2 – 2013 Capital and Other Programs Budget: Projects by Commission](#)

[Appendix 3 – 2013 Capital and Other Programs Budget: Summary by Commission](#)



Report to: Council

Report Date: January 29, 2013

SUBJECT: 2013 Operating Budget – Supplementary Report

PREPARED BY: Andrea Tang, Manager of Financial Planning

RECOMMENDATION:

- 1) That the report dated November 19, 2012 entitled, “2013 Operating Budget” and the report dated January 29, 2013 entitled, “2013 Operating Budget – Supplementary Report” be received;
- 2) And that Council approve a 1.0% tax rate increase to the City’s tax levy;
- 3) And that Council approve an additional 0.5% tax rate increase for infrastructure to fund an extraordinary item, the Emerald Ash Borer infestation;
- 4) And that Council approve the establishment of an interest bearing infrastructure reserve fund for the Emerald Ash Borer program;
- 5) And that Council approve the 2013 Operating Budget for City services totalling \$180,795,409 (excluding the 2012 surplus/deficit) which includes a 1.5% tax rate increase over 2012 (\$171,553,698), of which the principal components are detailed in Appendix 1;
- 6) And that the gross operating expenditures of \$180,795,409, (excluding the 2012 surplus/deficit), be funded from the following sources:

<u>Revenue</u>	<u>2013 Budget \$</u>
Taxation Levies	124,765,727
Grants-in-lieu of Taxes	1,209,007
Grant & Subsidy Revenues	1,546,994
General Revenues (Investment Income, Fines, Permits, Interest & Penalties)	26,393,689
User Fees & Service Charges (User Fees, Rentals, Sales)	22,281,315
Other Income / Recoveries	4,598,677
Total Revenues	<u>180,795,409</u>

- 7) And that Council approve the 2013 Planning & Design Operating Budget totalling \$8,407,168, (excluding the 2012 surplus/deficit), the principal components of which are detailed in Appendix 2;

- 8) And that Council approve the 2013 Engineering Operating Budget totalling \$6,467,026, (excluding the 2012 surplus/deficit), the principal components of which are detailed in Appendix 3;
- 9) And that Council approve the 2013 Building Standards Operating Budget totalling \$9,026,380, (excluding the 2012 surplus/deficit), the principal components of which are detailed in Appendix 4;
- 10) And that upon finalization of the 2012 audited financial statements, the 2013 Operating, Planning & Design, Engineering and Building Standards Operating Budgets be adjusted to reflect the 2012 operating results;
- 11) And that a copy of the Budgets be made available to the public through the Clerk's Department, the City website and each of the Markham Public Libraries;
- 12) And that the "Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09" be received for information purposes;
- 13) And further, that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval of the City of Markham's 2013 Operating Budget, which recommends a total 1.5% tax rate increase: a 1.0% tax rate increase to support the day-to-day operations; and, a 0.5% tax rate increase for infrastructure to address an extraordinary item, Emerald Ash Borer infestation.

BACKGROUND:

A total of seven Budget Sub-committee meetings were held in the period from October to November 2012 to discuss, review and finalize the 2013 Operating and Capital Budgets. As well, one public consultation meeting was held on October 10th.

All Budget Sub-committee meetings were open to the general public, and the following topics were discussed:

- a fiscal scan including economic trends and budgetary pressures;
- a review of the 2013 operating and capital budgets;
- a review of the 2013 new support staffing requests;
- a review of the 2013 Councillor requests;
- the City's asset lifecycle reserve study.



At the November 19, 2012 General Committee, the 2013 Operating Budget was approved. Below highlights the changes since November 19, 2012:

1. Capital Budget

November 19, 2012:

- “Staff will bring forward a report requesting approval of the 2013 Capital Budget to the December 10th General Committee meeting”;

January 29, 2013:

- The 2013 Capital Budget totalling \$169,032,100 was approved on December 18, 2012;

2. Development Fees

November 19, 2012:

- “A report on the proposed Development fee by-law update will be presented to Development Services Committee on November 20, 2012;

January 29, 2013:

- Council approved the Development Fee and Building Fee By-law on November 20, 2012. The approved fee increases for 2013 are 0% for Building Fees, 7.3% for Planning and Urban Design fees and 17.4% for Engineering fees. All fee increases took effect on January 1, 2013 and were incorporated into the 2013 Planning & Design, Engineering and Building Standards Operating Budgets. Recommendations 7-9 reflect the corresponding operating budgets;

3. 2013 Water & Wastewater Rate

November 19, 2012:

- “The proposed 2013 Water and Wastewater rate to take effect on April 1, 2013 will be presented to General Committee in January 2013”;

January 29, 2013:

- The proposed 2013 Water & Wastewater rate (effective April 1, 2013) and the 2013 Waterworks Operating Budget will be presented to General Committee on February 4, 2013. Subsequently, a public meeting will be held on February 12, 2013, feedback from the public meeting will be reported back to General

Committee on February 25, 2013, followed by Council decision on February 26, 2013;

4. Assessment Growth

November 19, 2012:

- Included in the budget at 2.65%

January 29, 2013:

- 2013 final assessment growth of 2.36% (additional property taxes from new homes and businesses) was received in the second week of December 2012. The final assessment growth of 2.36%, combined with a 0.29% increase in supplemental taxes results in a net increase of 2.65%;

5. Ontario Regulation 284/09

November 19, 2012:

- Not provided;

January 29, 2013:

- 2013 Budget is restated to comply with Ontario Regulation 284/09 as part of the 2013 Budget approval process (details are provided on page 5 of the report and Exhibit 1).

DISCUSSION:

The following exhibit reconciles the 2012 approved Operating Budget to the 2013 Operating Budget from \$171,553,698 to \$180,795,409 (figures exclude Planning & Design, Engineering, Building Services and Waterworks):



REVENUES

	<u>2013 Budget \$</u>
Approved 2012 Budget Revenues	171,553,698
Assessment Growth including Supplemental Taxes (Property taxes from new homes and businesses)	3,127,000
Proposed 1.0% Operating Tax Increase	1,180,398
Proposed 0.5% Tax Increase for Infrastructure	590,000
Cornell Community Centre and Library User and Program Fees	2,110,000
Parking Fines	474,000
CPI Adjustment for User and Program Fees	434,000
Investment Income	605,000
Financial Administrative Fees and Other User Fees	226,000
Other	495,313
Total 2013 Budget Revenues - excluding 2012 surplus / (deficit)	<u>180,795,409</u>

EXPENDITURES

Approved 2012 Budget Expenditures	171,553,698
Existing Collective Agreement Wage Settlements	2,310,084
Growth (roads, waste, parks, streetlights and winter maintenance)	3,724,627
Municipal Service Contracts	1,087,000
Transfer to Emerald Ash Borer reserve fund	590,000
Support Services for Building, Engineering, Planning & Design, Waterworks/Corporate Items/Other	1,530,000
Total 2013 Budget Expenditures - excluding 2012 surplus / (deficit)	<u>180,795,409</u>

The 2012 operating results are excluded from the above figures until the City's audited financial statements are finalized and approved by Council. Staff will present the preliminary year-end operating results to General Committee in March 2013. Upon finalization of the 2012 audited financial statements, the 2013 Operating, Planning & Design, Engineering, Building Standards and Waterworks budgets will be adjusted to reflect the surplus/deficit, if any, in revenues and offsetting expenditures.

Markham is the only municipality in Ontario to achieve a zero tax rate increase for three consecutive years from 2009 to 2011, and the lowest 2012 tax rate increase in the GTA of 1.5%, below the rate of inflation. These were accomplished through ongoing efforts to find operational efficiencies, while maintaining and/or enhancing service levels.

The City of Markham, as with all municipalities, is challenged to deliver a balanced budget with minimal tax rate increases in response to increased operating expenditures resulting from economic and growth pressures. Markham has met the challenge of mitigating the impact of economic and growth pressures in the 2013 Operating Budget process through our continuous improvement program, Excellence through Efficiency and Effectiveness (E3), which identified cost reduction initiatives and value for money to the residents in Markham. Opportunities to generate non-tax based revenues have also been explored.

Economic pressures stem from general inflation, third party contract renewals (such as the winter maintenance contract and utility costs) and existing collective agreement wage settlements.

Markham is a growing municipality and it continues to add to its inventory of parks, streetlights, and roads each year which require additional resources to maintain and replace assets. Further, Markham has exhibited sound fiscal management by phasing-in future personnel costs related to facility openings for the South East Community Centre, Pan Am Facility, City of Markham Sports Park and Operations Work Yard. Markham continues the policy of allocating the first \$0.5M from new assessment growth revenues to support a sustainable capital program.

Various additional revenues have been identified to offset increased operating expenditures as they relate to economic and growth pressures. 2013 final assessment growth (additional property taxes from new homes and businesses) is 2.36%, combined with a 0.29% increase in supplemental taxes results in a net increase of 2.65%. As well, investment income has increased by \$0.6M, and Staff identified an opportunity to increase parking fine revenues through benchmarking study with other municipalities.

The opening of the state of the art Cornell Community Centre & Library in December 2012 is expected to generate additional user and program fees. Additional revenues are generated from CPI adjustments on existing user and programs fees.

The pressures and additional revenues result in a net shortfall of \$1.18M, equivalent to a 1.0% tax rate increase to the City's tax levy to maintain and/or enhance service levels.

Periodically, municipalities are faced with extraordinary circumstances such as the Emerald Ash Borer infestation. Staff identified a program of \$13.1M to address this environmental threat and protect homeowner property values. Of the total funding requirement, \$2.0M has been included in the 2013 capital budget, leaving an unfunded balance of \$11.1M. Therefore, a 0.5% tax rate increase is recommended to partially fund the program. This program will address the immediate needs to evaluate the condition of the Ash tree inventory and determine the remediation strategies. An interest bearing infrastructure reserve fund will be established for the Emerald Ash Borer program.

Markham has been recognized for sound fiscal management and stewardship through the receipt of the Government Finance Officers Association Distinguished Budget Presentation Award for best practices in budget presentation for twelve consecutive years. In addition, Markham was identified as one of the top three municipalities in Canada by the CD Howe Institute for fiscal management and transparency.

In summary, the 2013 Operating Budget has an increase in expenditures of \$9.24M, offset by an increase in revenues of \$7.47M, resulting in a net shortfall of \$1.77M, equivalent to a total tax rate increase of 1.5%. The 2013 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.



Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09

Ontario Regulation 284/09 requires the 2013 Budget be provided in accordance to the Public Sector Accounting Board 3150 format prior to budget approval. The City's financial statements, specifically the Accumulated Surplus, now include the impact of tangible capital asset (TCA) amortization, and the full accrual method of accounting.

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

1. Amortization;
2. Post-employment benefits; and
3. Solid waste landfill closure and post closure expenses.

Hence, the 2013 Budget is restated in accordance to Ontario Regulation 284/09 as part of the 2013 Budget approval process.

FINANCIAL CONSIDERATIONS:

The 2013 Budget excludes the following expenses:

1. The budget excludes TCA amortization expenses in the amount of \$61,533,190, and includes reserve contributions of \$41,281,381 to reserves and reserve funds. Therefore, these amounts require restatement of the budget to be compliant with the Regulation.

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

The 2012 Life Cycle reserve study update was presented to the Budget Sub-committee in October 2012 and identified that there are sufficient funds for the major replacement and rehabilitation of existing assets with known work programs for the next 25 years (2013 to 2037), except for items relating to flood remediation programs and trees. The flood remediation programs are currently being reviewed as part of a stormwater rate study, and trees will be included in the 2013 Life Cycle reserve study update which will be presented to the Budget Sub-committee as part of the 2014 budget process.

2. The budget excludes the current year's post employment benefit expenses estimated at \$1,650,900. This is consistent with prior year budgeting practice. However, the City will be fully funding the 2013 post employment benefit obligations in the year-end accounting adjustments;
3. All expenses related to the former Sabiston landfill site are included in the budget and are therefore not further mentioned in this report.
The restatement of the 2013 Budget in accordance with the full accrual method of accounting and Ontario Regulation 284/09 results in a projected a surplus of \$70,237,711. Details of the restated budget are outlined in Exhibit 1 and restatement of revenues and expenses to the balanced budget are highlighted below:

	<u>Reference to Exhibit 1</u>	<u>\$</u>
Balanced budget		-
Revenues:		
Net (new) revenues to fund Capital	2	108,048,120
Expenses:		
Reversal of transfer to reserve/reserve funds	3	41,281,381
TCA amortization	4	(61,533,190)
Post-employment benefits	5	(1,650,900)
Non-tangible capital assets	6	<u>(15,907,700)</u>
Adjusted budget - 2013 budgeted surplus	7	<u><u>70,237,711</u></u>



EXHIBIT 1

2013 CONSOLIDATED BUDGET

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

REVENUES

- City (excl. Planning & Design, Engineering, Building Standards and Waterworks)		\$180,795,409	
- Planning & Design		\$8,407,168	
- Engineering		\$5,867,563	
- Building Standards		\$9,026,380	
- Waterworks (subject to Council decision in February 2013)		\$89,789,481	
Total Revenues from Operations			\$293,886,001
Non-Tangible Capital		\$15,907,700	
Tangible Capital Assets		\$153,124,400	
Total Capital - Tangible & Non-Tangible		\$169,032,100	
<i>Less: Transfer from Reserve / Reserve Funds</i>	(1)	(\$60,983,980)	
Net (new) Revenues to fund Capital			(2) \$108,048,120

TOTAL REVENUES **\$401,934,121**

EXPENSES

- City (excl. Planning & Design, Engineering, Building Standards and Waterworks)		\$180,795,409	
- Planning & Design		\$8,407,168	
- Engineering		\$5,867,563	
- Building Standards		\$9,026,380	
- Waterworks (subject to Council decision in February 2013)		\$89,789,481	
Total Operating Expenses		\$293,886,001	
<i>Less: Transfer to Reserve / Reserve Funds</i>	(3)	(\$41,281,381)	
<i>Add: TCA Amortization Expenses</i>	(4)	61,533,190	
<i>Add: Post-employment benefit Expenses</i>	(5)	\$1,650,900	
Net Operating Expenses			\$315,788,710
Non-Tangible Capital	(6)	\$15,907,700	
Tangible Capital Assets		\$153,124,400	
Total Capital Expenses		\$169,032,100	
<i>Less: Tangible Capital Assets Capitalized</i>		<i>(\$153,124,400)</i>	
Net Capital Expenses - Not Capitalized			\$15,907,700

TOTAL EXPENSES **\$331,696,410**

ADJUSTED BUDGET: 2013 FULL ACCRUAL ACCOUNTING BUDGET SURPLUS / (DEFICIT) (7) \$70,237,711

NOTES:

- (1) Represents transfers from reserves and/or reserve funds to fund expenditures. These are not considered revenues under the full accrual method of accounting.
- (2) Represents new revenues to fund the 2013 capital budget
- (3) Represents contributions to reserves and/or reserve funds. These are not considered expenditures under the full accrual method of accounting, but become part of the actual year end surplus (retained earnings).
- (4) TCA Amortization Expenses are calculated based on actual amortization expenses from "in-service" assets as of 2012 and amortization expenses for assets projected to be "in-service" in 2013 using the 1/2 year rule.
- (5) Post-employment Benefit Expenses are 2013 estimates provided by Morneau Shepell.
- (6) Non-Tangible Capital are included in the 2013 capital budget, and they will be restated as operating expenses.
- (7) Projected Surplus is based on the restated 2013 budget.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED

BY: _____

Joel Lustig, Treasurer

Trinela Cane, Commissioner,
Corporate Services

ATTACHMENTS:

Appendix 1 – 2013 Total Corporation Operating Budget (Excluding Planning & Design, Engineering, Building Standards and Waterworks)

Appendix 2 – 2013 Planning & Design Operating Budget

Appendix 3 – 2013 Engineering Operating Budget

Appendix 4 – 2013 Building Standards Operating Budget



2013 BUDGET MEDIA RELEASE

Budget Delivers Service Enhancements and Moderate Tax Rate Increase

Media Release:

MARKHAM, ON – January 30, 2013 - Markham Council approved the City's 2013 Budget at the January 29 Council meeting. The budget includes a 1% tax rate increase to support day-to-day operations.

In addition, Council approved a 0.5% tax rate increase to address an extraordinary environmental item, the Emerald Ash Borer (EAB) infestation.

Markham's 2013 Budget (excluding waterworks) is \$373.7 million:

- Operating Budget \$180.8 million
- Capital Budget \$169.0 million
- Building Services \$ 9.0 million
- Planning & Design \$ 8.4 million
- Engineering \$ 6.5 million

“This Budget will support both City operations and provide funding to construct important facilities such as the Markham Pan Am Centre and the Southeast Markham Community Centre and Library,” said Mayor Scarpitti.

City staff and the Budget Sub-Committee looked to control costs and provide Markham residents with value for their tax dollars.

“When a 1.69% tax rate increase was proposed to the Budget Sub-Committee, I directed Staff to find additional cost reductions and revenue opportunities, without impacting service levels. It was a challenge to bring our tax rate increase down to 1%, but we met it by working hard to find additional efficiencies,” said Mayor Frank Scarpitti.

Many municipalities, including Markham, are seeing ash trees decimated by the EAB infestation.

Budget Chief and Regional Councillor Gordon Landon said: “Management of the EAB infestation is a challenge we had to meet head on. Dedicating a 0.5% tax rate increase to this issue will allow us to begin to implement our multi-year plan to manage this invasive pest and protect our tree canopy going forward.

“This budget allows the City to continue to run an efficient business and provide the service taxpayers expect,” Regional Councillor Landon concluded.

Markham collects taxes on behalf of the Region of York and the Province. Overall, the City receives about 25 cents of every dollar of residential property taxes collected. The remainder is divided between the Province for education (25 cents) and the Region of York (50 cents).

The tax rate increase, which is in line with the rate of inflation, represents a total average annual increase of \$16.60 – or about \$1.39 a month - for Markham's portion of property taxes.

Budget Sub-Committee Vice Chair Councillor Logan Kanapathi said: “Markham's 2013 Budget continues to support growth in the City while providing quality services to our residents. Our residential, commercial and industrial tax rates continue to be among the lowest in the GTA again this year.”

In 2009, 2010 and 2011, Markham's tax rate increase was 0%, followed in 2012 by an increase of 1.5%.

Mayor Scarpitti concluded: “I'm very proud of the rigorous budget process undertaken by the Budget Sub-Committee and Staff, which has produced another fiscally responsible, service-driven budget for the residents of Markham.”

Media inquiries / interview requests: Dennis Flaherty, Director, Corporate Communications & Community Engagement, 905-415-7520, media@markham.ca

About Markham: Markham, a municipality with more than 310,000 residents centrally located in the Greater Toronto area, is home to 400 corporate head offices and 900 high tech and life science companies. Founded in the 1790s, today Markham is Canada's most diverse community, enjoys a rich heritage, outstanding community planning and services, and a vibrant local economy. Canada's newest city as of July 1, 2012, Markham has received the Excellence Canada PEP III Integrated and Accessibility Awards, and multiple heritage and environmental awards.

BACKGROUNDER

Selected projects and priorities funded in the 2013 budget:

Environment

- Conversion of Cobra-Style Streetlights to Light Emitting Diode (LED)
- Stormwater Management & Environmental Asset Program
- Continuation of the Trees for Tomorrow Initiative & Replacement of Trees
- Energy Conservation Retrofit and Monitoring Program

Growth

- Construction of Southeast Markham Community Centre & Library
- Design of new City of Markham 101-acre Sports Park
- Design of Major Wood Cathedral Town Park
- Design of Box Grove Community Park
- Construction of Wismer Community Park
- Construction of Kirkham Drive Park (Phase 2)
- Construction of Box Grove Southeast Heritage House Parkette



Transportation

- Reconstruction of Main Street Markham
 - Bullock Dr. to 16th Ave. – Storm Sewer Replacement
 - Hwy 7 to Bullock Dr. – Streetscaping
 - Major MacKenzie to Don Cousens Parkway – Design
- Streetlight Replacement & Inspection Program
- Traffic control signals and traffic operational improvements
- Reconstruction of Helen Avenue

Diversity

- Pedestrian accessibility improvements
- Facility Accessibility Program
- Language Line Service
- Career Bridge/Ability Edge Program

Municipal Services

- Roads Rehabilitation Program
- Watermain & Sanitary Sewer construction and replacement program
- Facility Improvement Program at community centres, libraries, fire stations, cultural venues and the Civic Centre
- Water System & Water Meter Replacement and Upgrade Program
- Storm Sewer Inspection and Rehabilitation Program

Integrated Leisure Master Plan/Public Safety

- Southeast Markham Community Centre & Library
- Construction of Markham Pan Am Centre
- One new aerial and fire pumper replacements
- Traffic control signals and traffic operational improvements
- Play structure and safety resurfacing

Taxes up 1.5% as Markham OK's budget

Markham Economist & Sun
by Amanda Persico

For the second year in row, Markham council has approved a 1.5-per-cent property tax increase.

Regional Councillor Joe Li was the sole dissenter as council passed its 2013 budget yesterday morning.

The hike means an extra \$16.60 on your tax bill based on an average Markham home assessed at \$485,000.

While this year's budget includes about \$2 million to fight the invasive emerald ash borer, the city has also decided to set up a reserve fund to help support future tree management plans, budget sub-committee chairperson and Regional Councillor Gordon Landon said.

That amounts to about \$5.60, or 0.5 per cent, on average, of the tax increase. The total emerald ash borer plan costs about \$13 million spread over the next several years and includes one treatment every two years for 530 trees for a total of three treatments, removing and replacing 16,000 ash trees and a five-year monitoring and ash tree inventory assessment.

The city has a reserve fund for pavement or pipes, Mr. Landon said. "We don't have a reserve for trees. And this emerald ash borer problem is serious. We have to protect our tree assets, too."

Adopting a 1.5-per-cent tax increase is impressive and responsible, Mayor Frank Scarpitti said.

"It would be irresponsible to try to keep our taxes low and not address this environmental threat," he said. "All the while, we are maintaining our level of services and planning for new facilities. This is good news."

Other projects in this year's budget are the city's portion of the Markham Pan Am and Parapan Am Centre, a \$78-million project, construction of a southeast community centre, a Hwy. 404 overpass bridge north of Hwy. 7 and starting the design of a 100-acre sports park.

A switch to LED streetlights will save the city about \$2 million a year in energy costs, Mr. Landon said.



Here is a breakdown of Markham's 2013 budget:

1.5 per cent – property tax increase, which amounts to about \$16.60 on the average house worth about \$485,000;

\$373.7 million – the city's total 2013 budget, which excludes water and wastewater rates, of which \$180.8 million is the city's 2013 operating budget, \$9 million for building services, \$8.4 million for planning and design and \$6.5 million for engineering. Building services are self funded and budgets for planning and design and engineering are based on fees;

Of the \$180.8 million operating budget for 2013, \$124,765,727 is collected from property taxes;

\$169 million – is the city's 2013 capital budget

How dollars are being spent:

17.4%– of each city tax dollar is spent on fire services;

13.6% – of each city tax dollar is spent on capital projects;

13.5%– of each city tax dollar is spent on recreation facilities and programming;

12.5% – of each city tax dollar is spent on other expenses, including customer support, communications, parking and culture services;

9.4% – of each city tax dollar is spent on roads and bridges;

7.6% – of each city tax dollar is spent on the city's operations;

6% – of each city tax dollar is spent on finance and IT services;

5.5% – of each city tax dollar is spent on library services;

5% – of each city tax dollar is spent on waste management services;

4.8% – of each city tax dollar is spent on parks;

4.7% – of each city tax dollar is spent on planning services.

Major city projects included in the 2013 budget include:

\$62.5M – for final design and construction of the south-east community centre;

\$24M – for the city's portion of construction costs for the Pan Am Parapan Am Centre

\$8.3M – for the design of new parks, including the city's sports park as well as community parks in Cathedral Town, Box Grove and Wismer area.

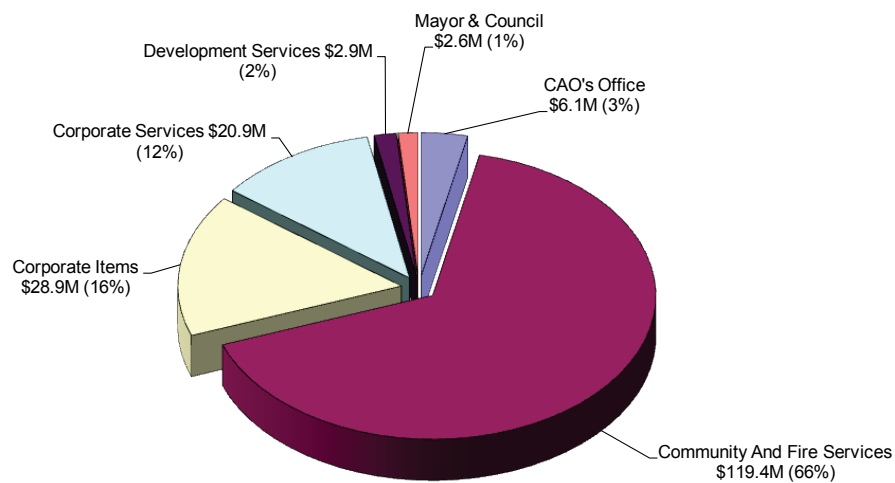
- \$8M – for the Hwy. 404 overpass bridge north of Hwy. 7;
- \$7.6M – for converting the majority of the city’s sodium-vapor street lights to LED lights;
- \$6.9M – for road resurfacing and improvement projects;
- \$6M – for watermain and sewer construction projects;
- \$4.8M – for public safety and firefighter trucking equipment;
- \$3.9M – for community facility improvements;
- \$3.1M – for Main Street Markham road reconstruction and streetscaping;
- \$3M – for growth management strategies;
- \$2.6M – for infrastructure rehabilitation projects;
- \$2M – for the city’s emerald ash borer management plan, which includes treating 530 trees, removing and replacing untreatable or infected trees and monitoring the city’s ash tree inventory; and
- \$1.9M – for improving library collections;
- \$1.7M – for stormwater management plans and \$430,000 for stormwater inspection and rehabilitation;
- \$1.3M – water metre replacement program;
- \$1M – for streelight replacement program;
- \$700,000 – for traffic control signal improvements, including audio and braille cross signals;
- \$680,000 – for Helen Avenue reconstruction;
- \$280,000 – for transportation studies;
- \$240,000 – Church Street construction design;
- \$220,000 – for the Trees for Tomorrow program;
- \$170,000 – for tennis court resurfacing;
- \$150,000 – for energy conservation retrofit plans.

2013 OPERATING BUDGET SUMMARY

Expenditures

The 2013 Operating Budget for City services totals \$180,795,409 excluding prior year surplus/deficit, Waterworks, Building Standards, Planning & Design, and Engineering. This represents an increase of \$9.24 million over the 2012 Operating Budget. Chart below shows the composition of the Operating Budget expenditures by Commission.

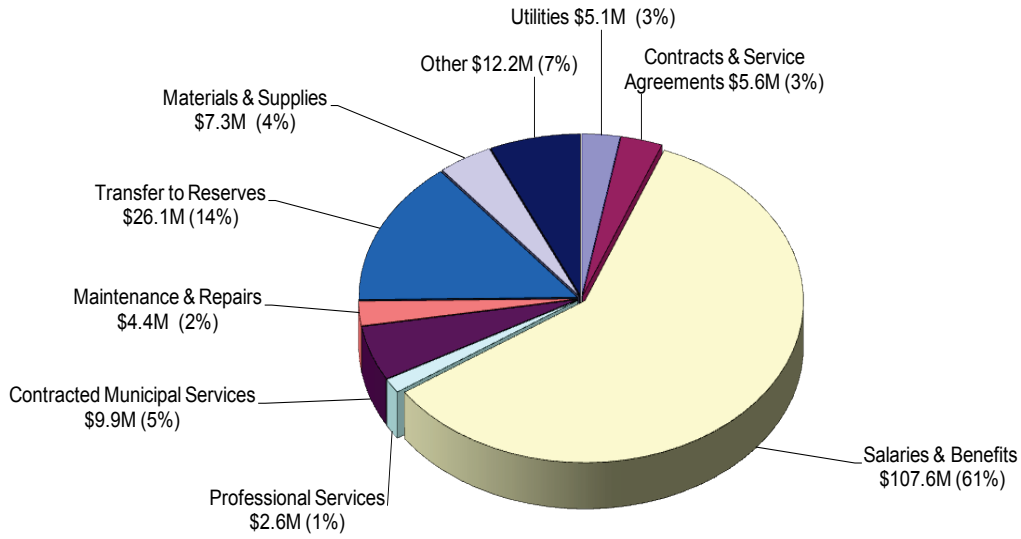
Operating Budget Expenditures by Commission
(excluding Waterworks, Building, Planning & Design, and Engineering)



The Community & Fire Services Commission accounts for 66% 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 2013 Capital Budget program) represents 16% of the budget.

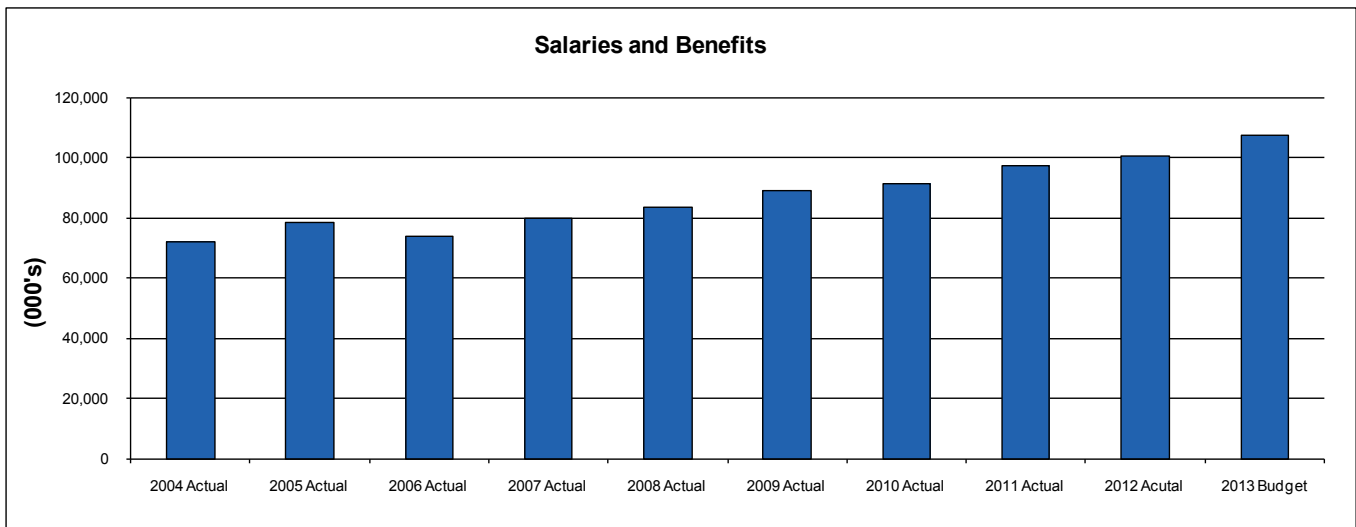
The 2013 Operating Budget expenditures are also broken down by account. The chart on the next page indicates that 61% of budgeted expenditures relate to salaries and benefits of City employees. The next highest component is transfer to reserves, which represents 14% of the total budget. The 'Other' category, which accounts for 7% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, promotion & advertising.

Operating Budget Expenditures by Account



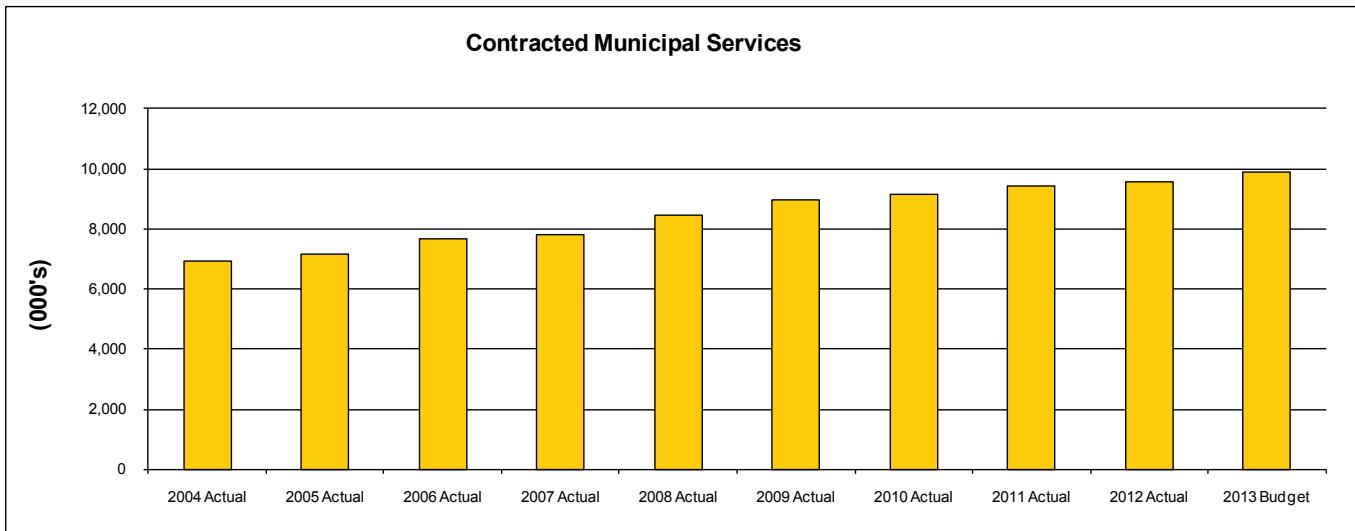
Salaries and Benefits

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



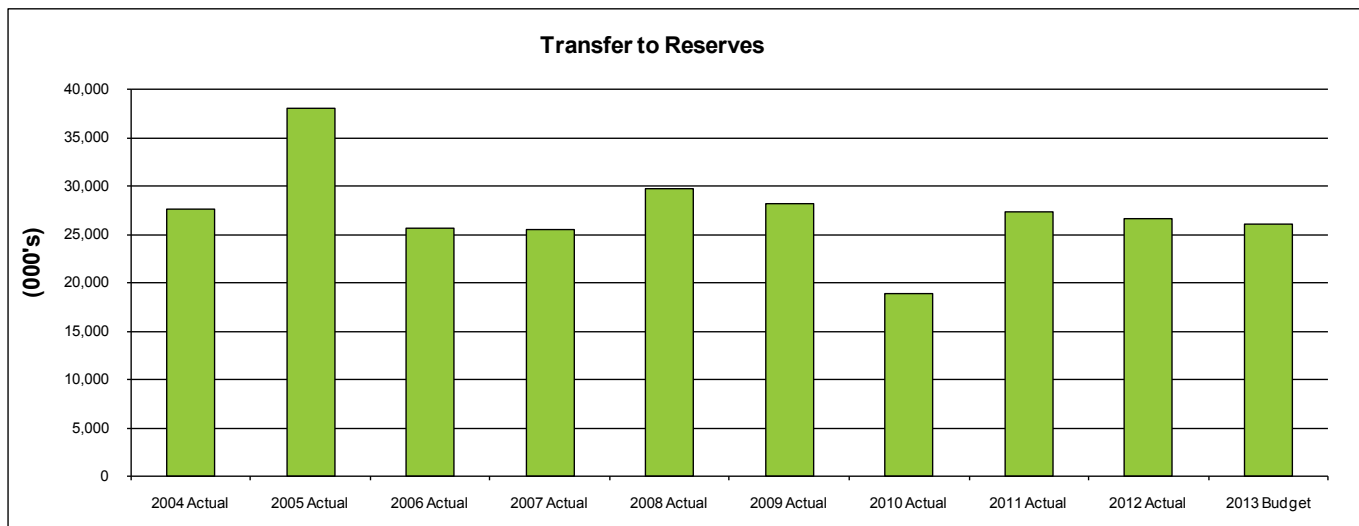
Contracted Municipal Services

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



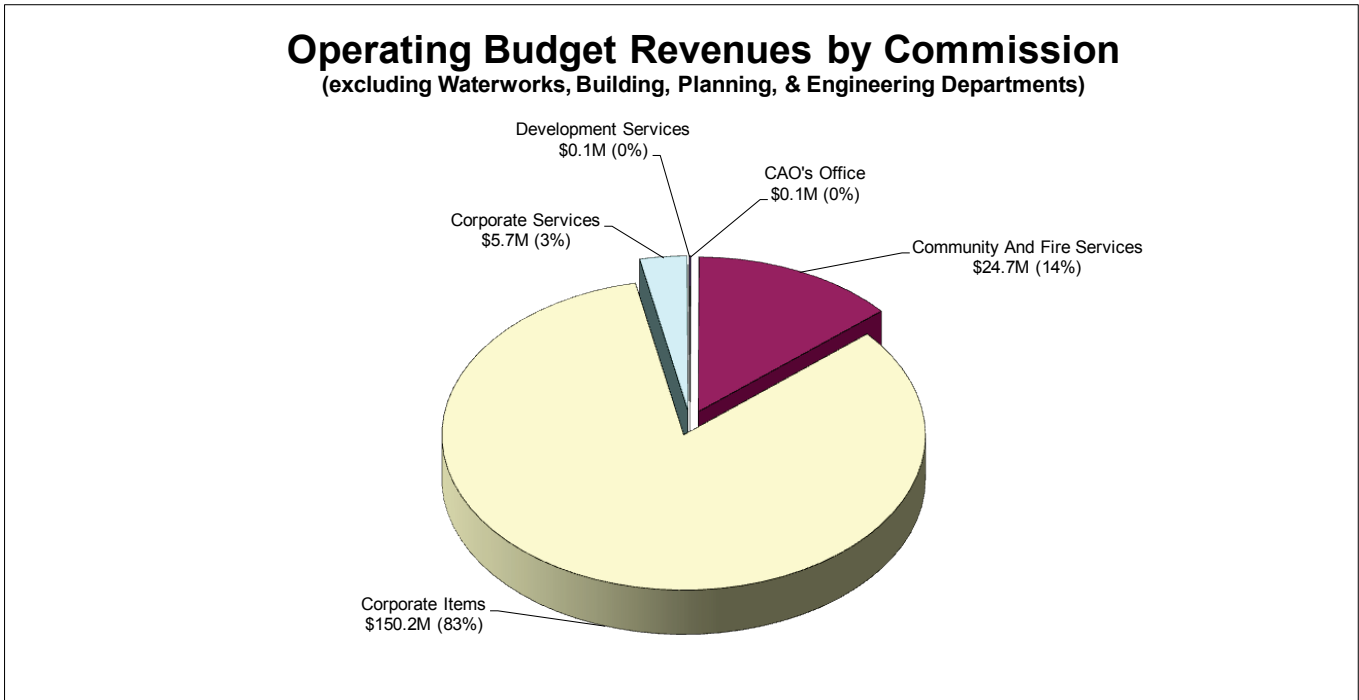
Transfer to Reserves

The transfer to reserves is consistent with last year.



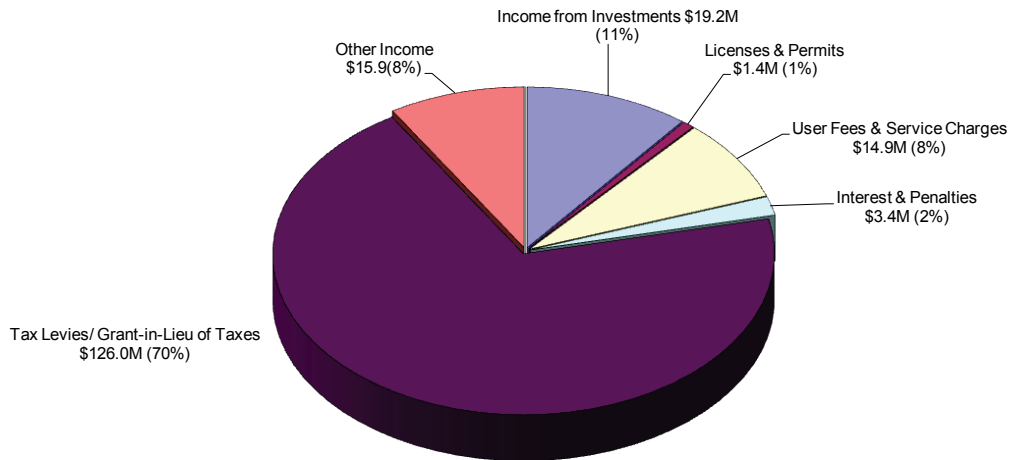
Revenues

The \$180,795,409 Operating Budget is funded mainly through revenues associated with the following Commissions: Corporate Items (83%) and Community and Fire Services (14%). Corporate items consist largely of taxation revenues, investment income, and interest & penalties.



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

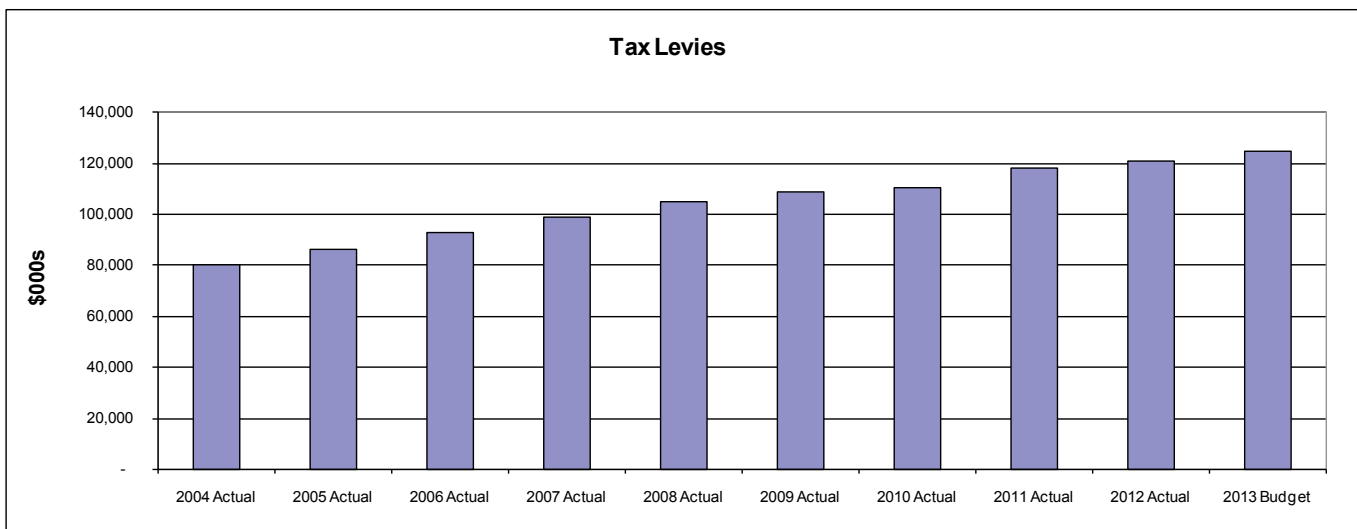
Operating Budget Revenues by Account



Major Revenue Sources

Tax Levies

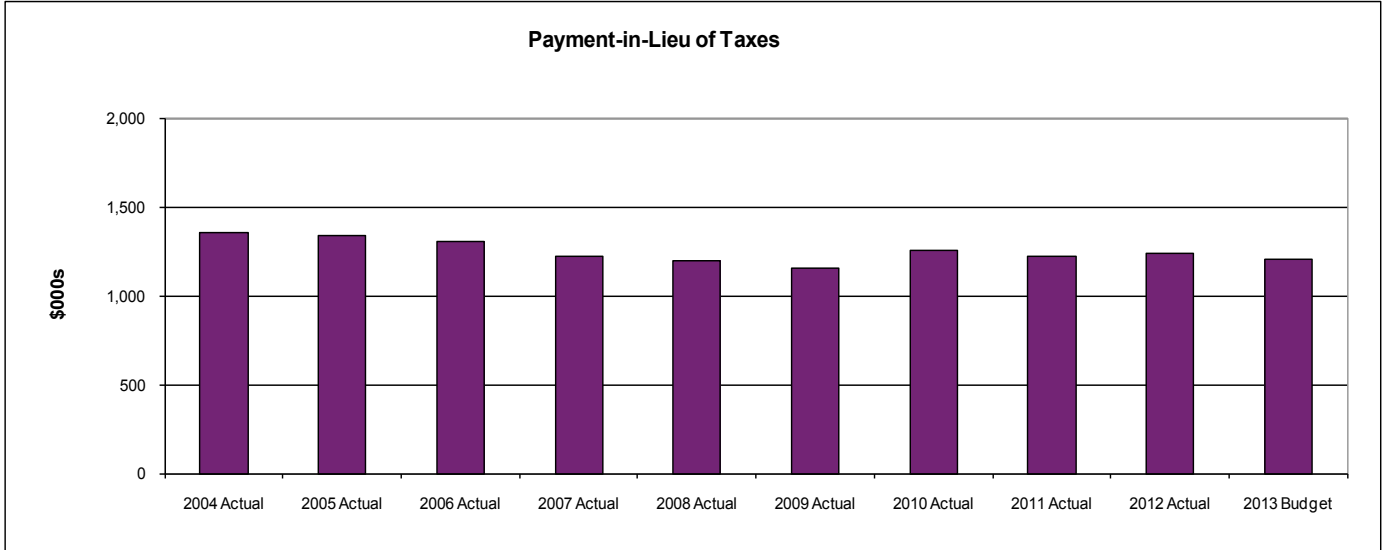
Tax levies is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class. Budgeted 2013 tax levies is at \$124.8 million, an increase of \$4.9 million from 2012. The tax revenue has increased steadily in the past years due to assessment growth in the City. The Assessment growth is expected to be 2.36% in 2013 versus 2.75% in 2012.





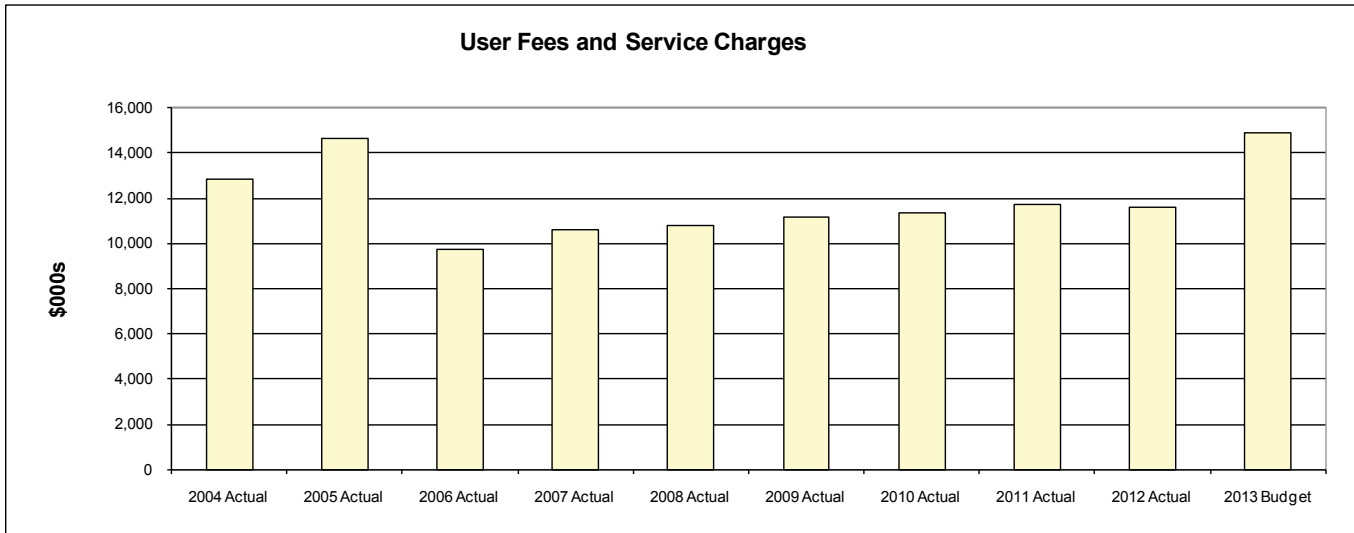
Payment-in-Lieu of Taxes

Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies. The 2013 Budget is \$1.2 million which is trending consistently with prior years.



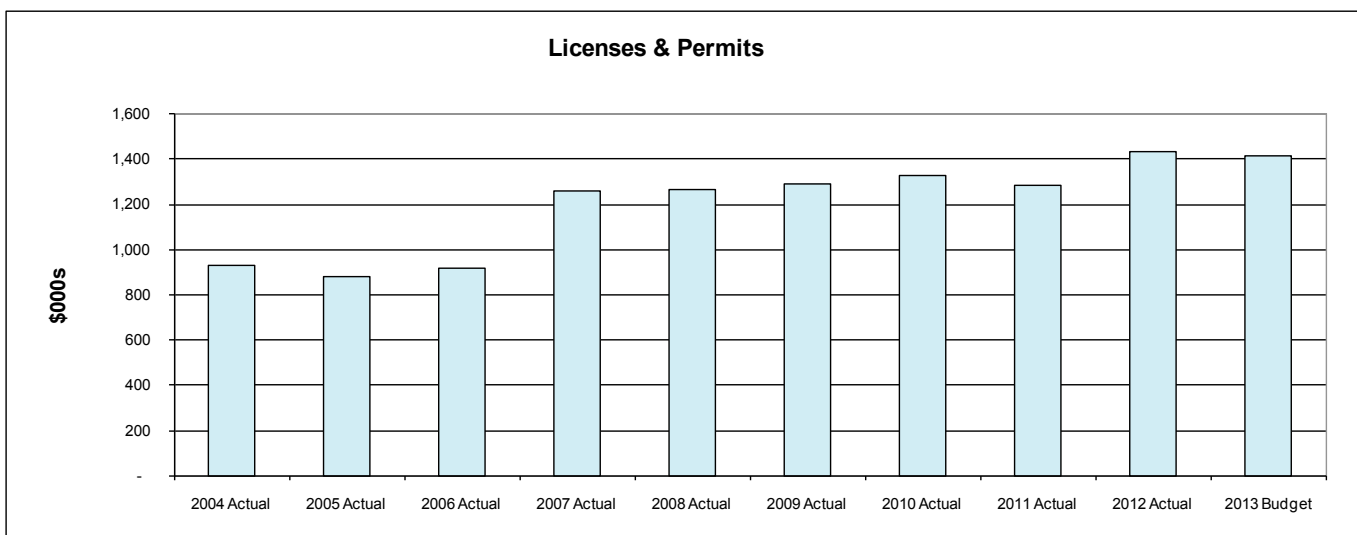
User Fees & Service Charges

User Fees and Service Charges are paid by individuals or organizations to the City for the use of City facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees). The budget of \$14.9 million represents an increase of \$2.5 million over 2012 levels, which resulted mainly from CPI increase and growth in the Recreation Program User Fees.



Licenses & Permits

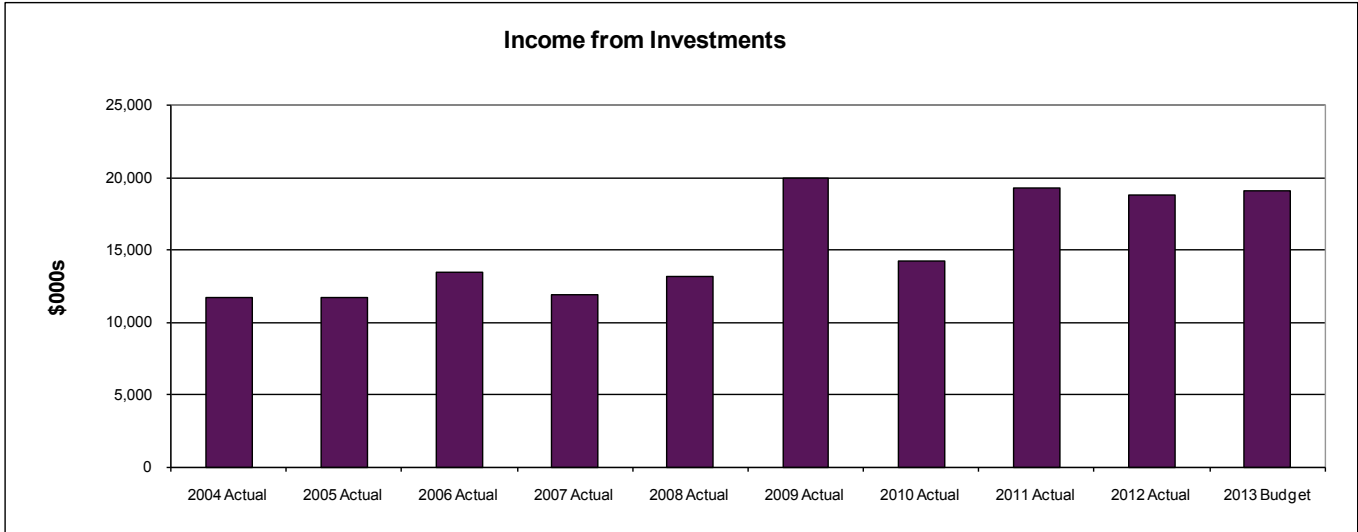
The Licenses and Permits revenues are generated by Legislative Services from the sale of business, marriage and other licenses. The 2013 Budget of \$1.4 million is consistent with 2012.





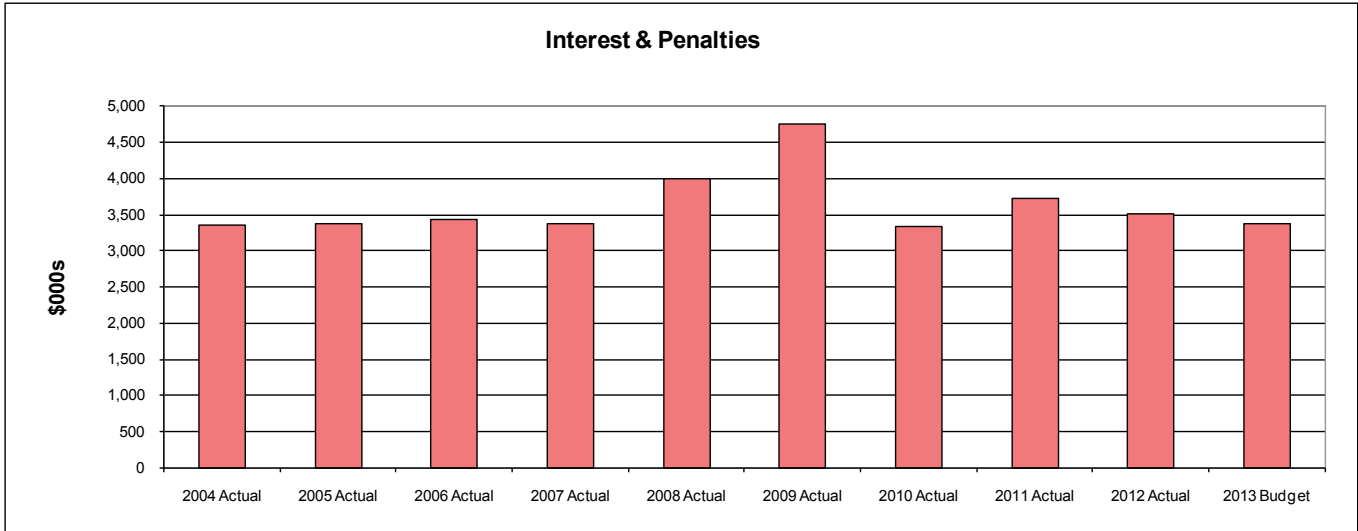
Income from Investments

The City earns income on investments for all major City funds and reserves. Income from investments is at \$19.2 million, an increase of \$0.6 million from the 2012 budget.



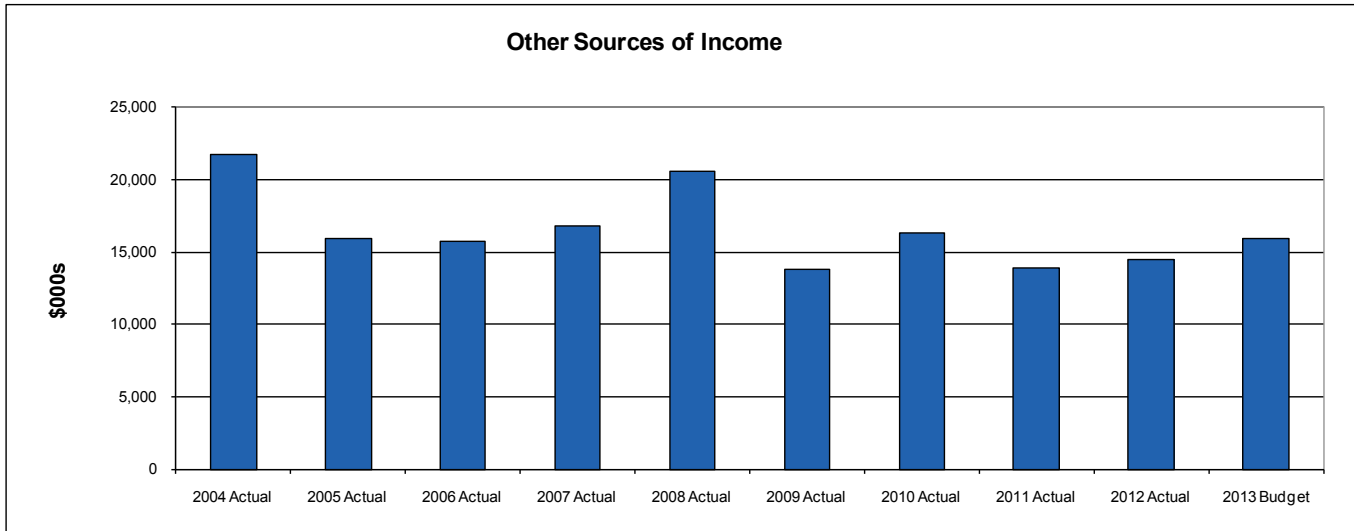
Interest & Penalties

Interest and penalties for late payment of property tax bills remains at the 2012 budget level of \$3.4 million.



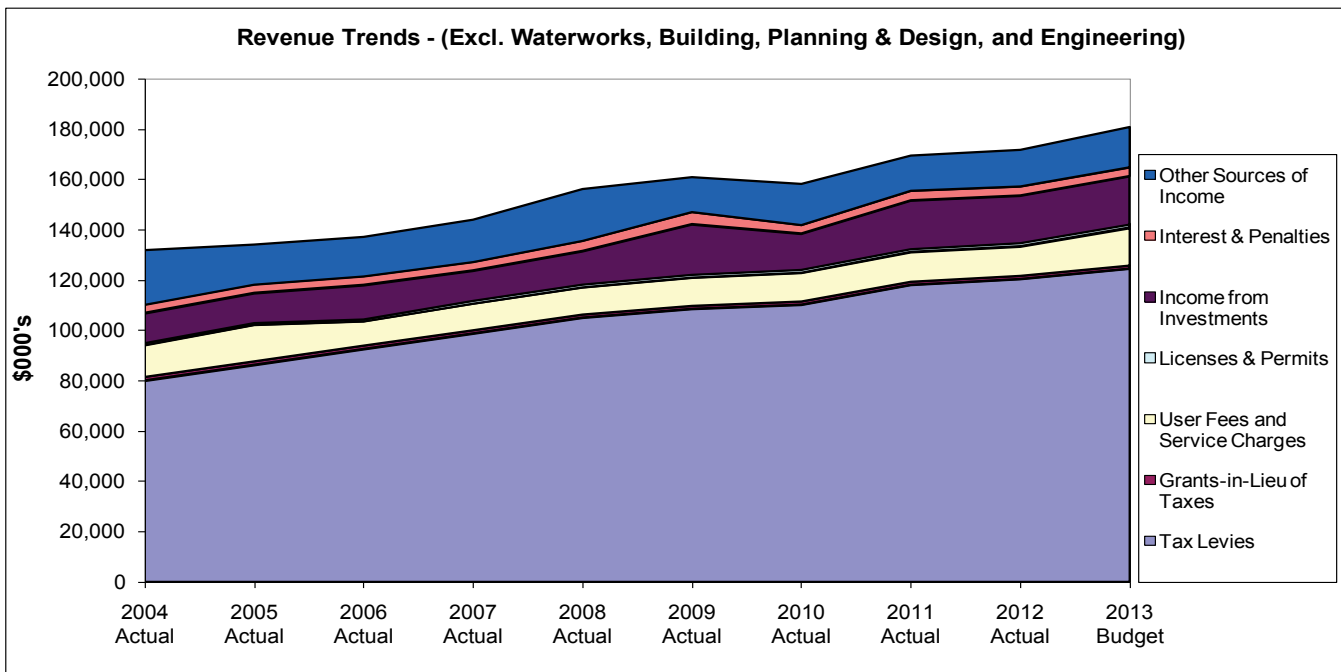
Other Income

Other Income budget of \$16.0 million, an increase of \$1.2m from the 2012 budget resulted from higher revenues from Recreation rental and parking fines.



Revenue Summary

On a consolidated basis, City revenues are expected to grow steadily in 2013. The main reasons for the increase are related to assessment growth, core services revenue strategies, and other operational revenues. Revenue estimations are based on historical trending, market conditions, and consultation between departments. Revenues from Waterworks, Building, Planning & Design, and Engineering are reported separately in each department's revenues.



Highlights of the 2013 Operating Budget include:

New Assessment Growth of 2.36%

- \$2.78 million in additional tax revenues.

Service levels are enhanced

- Service levels are enhanced in 2013 with the opening of the Cornell Community Centre and Library. Markham also offers residents an award-winning recycling program, a one-stop customer service point through our Contact Centre and a 24/7 service on Markham's portal website which was launched in June 2011.

Fiscal Stewardship Leadership

- Continued commitment to increase the City's investment in Capital Projects by \$500,000 each year.
- The City has provided for its future commitments and has no amounts to be recovered for current obligations from future tax revenues.
- The City updates both the Lifecycle Reserve Study and the Water & Wastewater Reserve Study annually
- Continued policy of not using one-time revenues to balance operating budget.

Continuation of Council Grants

- Grants budget of \$298,250 in 2013.

Other

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

CITY OF MARKHAM 2013 OPERATING BUDGET

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

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenue								
TAX LEVIES	\$120,605,908	\$119,868,329	\$124,765,727	\$4,897,398	4.1%	\$4,159,819	3.4%	
GRANTS-IN-LIEU OF TAXES	1,208,507	\$1,209,007	1,209,007	0	0.0%	500	0.0%	
GRANTS AND SUBSIDIES	1,644,596	\$1,529,273	1,546,994	17,721	1.2%	-97,602	-5.9%	
LICENCES & PERMITS	1,431,894	\$1,418,394	1,418,394	0	0.0%	-13,500	-0.9%	
INTEREST & PENALTIES	3,506,273	\$3,375,000	3,375,000	0	0.0%	-131,273	-3.7%	
INCOME FROM INVESTMENTS	18,812,076	\$18,546,065	19,151,065	605,000	3.3%	338,989	1.8%	
FINES	1,965,964	\$1,970,730	2,449,230	478,500	24.3%	483,266	24.6%	
USER FEES & SERVICE CHARGES	12,911,112	\$12,395,023	14,908,403	2,513,380	20.3%	1,997,291	15.5%	
RENTALS	6,579,679	\$6,974,859	6,797,604	-177,255	-2.5%	217,925	3.3%	
SALES	542,526	\$559,834	575,308	15,474	2.8%	32,782	6.0%	
RECOVERIES & CONTRIBUTIONS	1,215,274	\$1,487,920	1,605,800	117,880	7.9%	390,526	32.1%	
OTHER INCOME	3,114,286	\$2,219,264	2,992,877	773,613	34.9%	-121,409	-3.9%	
Total Revenues	\$173,538,095	\$171,553,698	\$180,795,409	\$9,241,711	5.4%	\$7,257,314	4.2%	
Expenses								
SALARIES AND BENEFITS	\$100,461,415	\$101,831,262	\$107,573,175	\$5,741,913	5.6%	\$7,111,760	7.1%	
PRINTING & OFFICE SUPPLIES	591,526	\$612,239	617,359	5,120	0.8%	25,833	4.4%	
PURCHASES FOR RESALE	341,358	\$334,536	332,336	-2,200	-0.7%	-9,022	-2.6%	
OPERATING MATERIALS & SUPPLIES	2,406,725	\$2,636,500	2,906,550	270,050	10.2%	499,825	20.8%	
VEHICLE SUPPLIES	1,556,409	\$1,598,886	1,667,335	68,449	4.3%	110,926	7.1%	
SMALL EQUIPMENT SUPPLIES	3,422	\$15,091	15,091	0	0.0%	11,669	341.0%	
BOTANICAL SUPPLIES	249,674	\$267,197	267,197	0	0.0%	17,523	7.0%	
CONSTRUCTION MATERIALS	924,197	\$1,392,412	1,479,137	86,725	6.2%	554,940	60.0%	
UTILITIES	3,978,798	\$4,424,625	5,154,550	729,925	16.5%	1,175,752	29.6%	
COMMUNICATIONS	1,425,530	\$1,402,193	1,421,522	19,329	1.4%	-4,008	-0.3%	
TRAVEL EXPENSES	358,853	\$406,286	415,928	9,642	2.4%	57,075	15.9%	
TRAINING	565,366	\$775,471	791,686	16,215	2.1%	226,320	40.0%	
CONTRACTS & SERVICE AGREEMENTS	3,959,831	\$4,949,304	5,622,354	673,050	13.6%	1,662,523	42.0%	
MAINT. & REPAIR-TIME/MATERIAL	5,344,211	\$3,712,786	4,362,055	649,269	17.5%	-982,156	-18.4%	
RENTAL/LEASE	1,214,567	\$778,980	760,888	-18,092	-2.3%	-453,679	-37.4%	
INSURANCE	1,641,561	\$2,367,919	2,267,919	-100,000	-4.2%	626,358	38.2%	
PROFESSIONAL SERVICES	2,690,364	\$2,530,784	2,559,039	28,255	1.1%	-131,325	-4.9%	
LICENCES, PERMITS, FEES	558,673	\$615,407	619,077	3,670	0.6%	60,404	10.8%	
CREDIT CARD SERVICE CHARGES	267,394	\$218,335	219,313	978	0.4%	-48,081	-18.0%	
PROMOTION & ADVERTISING	1,530,408	\$1,241,669	1,309,788	68,119	5.5%	-220,620	-14.4%	
DISCRETIONARY COMMUNICATIONS	0	\$429,948	429,948	0	0.0%	429,948	0.0%	
CONTRACTED MUNICIPAL SERVICES	9,587,678	\$9,775,129	9,905,922	130,793	1.3%	318,244	3.3%	
OTHER PURCHASED SERVICES	1,027,571	\$1,031,419	1,141,421	110,002	10.7%	113,850	11.1%	
OFFICE FURNISHINGS & EQUIPMENT	0	\$1,700	0	-1,700	-100.0%	0	0.0%	
WRITE-OFFS	915,974	\$415,141	272,100	-143,041	-34.5%	-643,874	-70.3%	
OTHER EXPENDITURES	1,935,624	\$2,078,870	2,578,350	499,480	24.0%	642,726	33.2%	
TRANSFERS TO RESERVES	26,676,930	\$25,709,609	26,105,369	395,760	1.5%	-571,561	-2.1%	
Total Expenses	\$170,214,059	\$171,553,698	\$180,795,409	\$9,241,711	5.4%	\$10,581,350	6.2%	
Surplus/(Deficit)	3,324,036	-	-	-	-	-\$3,324,036	-100.0%	

In accordance to Ontario Regulation 284/09, municipalities may exclude from budget, all or a portion of the estimate costs of amortization, post-employment benefits, solid waste, landfill closure and post closure expense to allow for preparation of a balanced budget. The City's budgets as shown above exclude such items. Further, as per the Regulation, the impact of these excluded expenses must be reported under the new financial disclosure requirements (refer to page 156 for the restated 2013 budget).



2013 OPERATING BUDGET SUMMARY NET CHARGE AGAINST TAX RATE

Department/Commission	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. vs. 2012 Act.	
	\$	\$	Approved \$	Incr.(Decr.) \$	%Change	Incr.(Decr.) \$	% Change
Administrative Costs	1,697,307	1,750,695	1,778,656	27,961	1.6%	81,349	4.8%
Mayor & Councillors	710,153	879,317	869,403	(9,914)	-1.1%	159,250	22.4%
Total Council	2,407,460	2,630,012	2,648,059	18,047	0.7%	240,599	10.0%
CAO's Office	850,963	931,827	860,424	(71,403)	-7.7%	9,461	1.1%
Human Resources	2,907,604	3,079,234	3,149,822	70,588	2.3%	242,218	8.3%
Legal Dept.	1,481,643	1,606,418	1,590,454	(15,964)	-1.0%	108,811	7.3%
Sustainability Office	357,776	373,901	336,631	(37,270)	-10.0%	(21,145)	-5.9%
Total CAO	5,597,986	5,991,380	5,937,331	(54,049)	-0.9%	339,345	6.1%
Commissioner's Office	291,394	456,119	376,820	(79,299)	-17.4%	85,426	29.3%
Corporation Communications & Community Engagement	1,123,781	1,267,324	1,302,467	35,143	2.8%	178,686	15.9%
Financial Services	3,720,921	4,230,319	4,520,839	290,520	6.9%	799,918	21.5%
ITS Department	6,264,580	6,048,272	6,277,526	229,254	3.8%	12,946	0.2%
Legislative Services	3,072,545	3,248,895	2,790,354	(458,541)	-14.1%	(282,191)	-9.2%
Total Corporate Services	14,473,221	15,250,929	15,268,006	17,077	0.1%	794,785	5.5%
Commissioner's Office	1,104,036	1,092,271	1,130,955	38,684	3.5%	26,919	2.4%
Economic Development	1,783,391	1,398,306	1,727,669	329,363	23.6%	(55,722)	-3.1%
Total Development Services	2,887,427	2,490,577	2,858,624	368,047	14.8%	(28,803)	-1.0%
Commissioner's Office	630,049	608,994	652,512	43,518	7.1%	22,463	3.6%
Asset Management	7,611,696	6,974,942	7,659,368	684,426	9.8%	47,672	0.6%
Culture	2,298,315	2,280,051	2,294,001	13,950	0.6%	(4,314)	-0.2%
Fire Services	32,322,876	32,040,420	32,935,098	894,678	2.8%	612,222	1.9%
Markham Public Libraries	9,181,793	9,023,488	10,468,522	1,445,034	16.0%	1,286,729	14.0%
Operations	22,550,502	22,999,764	24,191,003	1,191,239	5.2%	1,640,501	7.3%
Operations & Asset Mgt -Administration	0	2,016,070	1,788,707	(227,363)	-11.3%	1,788,707	0.0%
Recreation Services	7,428,860	6,448,220	6,745,658	297,438	4.6%	(683,202)	-9.2%
Waste	7,718,571	7,925,097	7,949,002	23,905	0.3%	230,431	3.0%
Total Community And Fire Services	89,742,662	90,317,046	94,683,871	4,366,825	4.8%	4,941,209	5.5%
Corporate Items	(118,432,950)	(116,679,944)	(121,395,891)	(4,715,947)	4.0%	(2,962,941)	2.5%
Total Corporation (Excl. WW & Build. Std.)	(3,324,194)	0	0	0	0.0%	3,324,194	-100.0%
Planning & Design	(527,032)	0	0	0	0.0%	527,032	-100.0%
Engineering	(1,463,047)	0	0	0	0.0%	1,463,047	-100.0%
Building Standards	(5,184,821)	0	0	0	0.0%	5,184,821	-100.0%
Waterworks	696,610	0	0	0	0.0%	(696,610)	-100.0%
Total Corporation	(9,802,484)	0	0	0	0.0%	9,802,484	-100.0%

2013 OPERATING BUDGET SUMMARY – EXPENDITURES

Department/Commission	2012 Actual \$	2012 Budget \$	2013 Budget Approved \$	2013 Bud. vs. 2012 Bud. Incr.(Decr.) \$	%Change	2013 Bud. vs. 2012 Act. Incr.(Decr.) \$	% Change
Administrative Costs	1,697,307	1,750,695	1,778,656	27,961	1.6%	81,349	4.8%
Mayor & Councillors	779,245	879,317	869,403	(9,914)	-1.1%	90,158	11.6%
Total Council	2,476,552	2,630,012	2,648,059	18,047	0.7%	171,507	6.9%
CAO's Office	850,963	931,827	860,424	(71,403)	-7.7%	9,461	1.1%
Human Resources	2,908,316	3,079,234	3,149,822	70,588	2.3%	241,506	8.3%
Legal Dept.	1,671,122	1,733,610	1,737,646	4,036	0.2%	66,524	4.0%
Sustainability Office	371,190	373,901	336,631	(37,270)	-10.0%	(34,559)	-9.3%
Total CAO	5,801,591	6,118,572	6,084,523	(34,049)	-0.6%	282,932	4.9%
Commissioner's Office	291,394	456,119	376,820	(79,299)	-17.4%	85,426	29.3%
Corporation Communications & Community Engagement	1,502,045	2,019,924	2,069,667	49,743	2.5%	567,622	37.8%
Financial Services	4,523,056	4,939,588	5,183,920	244,332	4.9%	660,864	14.6%
ITS Department	6,287,615	6,057,772	6,287,026	229,254	3.8%	(589)	0.0%
Legislative Services	6,762,160	6,948,222	7,012,913	64,691	0.9%	250,753	3.7%
Total Corporate Services	19,366,270	20,421,625	20,930,346	508,721	2.5%	1,564,076	8.1%
Commissioner's Office	1,104,036	1,092,271	1,130,955	38,684	3.5%	26,919	2.4%
Economic Development	2,179,606	1,480,140	1,809,503	329,363	22.3%	(370,103)	-17.0%
Total Development Services	3,283,642	2,572,411	2,940,458	368,047	14.3%	(343,184)	-10.5%
Commissioner's Office	630,049	608,994	652,512	43,518	7.1%	22,463	3.6%
Asset Management	8,020,005	7,144,996	7,829,422	684,426	9.6%	(190,583)	-2.4%
Culture	5,362,224	4,752,185	4,864,135	111,950	2.4%	(498,089)	-9.3%
Fire Services	32,532,414	32,381,381	33,276,059	894,678	2.8%	743,645	2.3%
Markham Public Libraries	10,168,070	10,003,794	11,507,152	1,503,358	15.0%	1,339,082	13.2%
Operations	23,644,850	23,829,869	25,123,816	1,293,947	5.4%	1,478,966	6.3%
Operations & Asset Mgt -Administration	0	2,079,570	1,962,772	(116,798)	-5.6%	1,962,772	0.0%
Recreation Services	22,007,349	21,924,692	24,959,370	3,034,678	13.8%	2,952,021	13.4%
Waste	8,860,395	9,208,615	9,237,856	29,241	0.3%	377,461	4.3%
Total Community And Fire Services	111,225,356	111,934,096	119,413,094	7,478,998	6.7%	8,187,738	7.4%
Corporate Items	28,060,697	27,876,982	28,778,929	901,947	3.2%	718,232	2.6%
Total Corporation (Excl. WW & Build. Std.)	170,214,108	171,553,698	180,795,409	9,241,711	5.4%	10,581,301	6.2%
Planning & Design	6,591,328	6,169,790	8,407,168	2,237,378	36.3%	1,815,840	27.5%
Engineering	5,831,127	5,446,037	5,867,563	421,526	7.7%	36,436	0.6%
Building Standards	7,135,128	7,972,783	9,026,380	1,053,597	13.2%	1,891,252	26.5%
Waterworks	84,153,780	81,642,620	89,789,481	8,146,861	10.0%	5,635,701	6.7%
Total Corporation	273,925,471	272,784,928	293,886,001	21,101,073	7.7%	19,960,530	7.3%



2013 OPERATING BUDGET SUMMARY – REVENUES

Department/Commission	2012 Actual \$	2012 Budget \$	2013 Budget Approved \$	2013 Bud. vs. 2012 Bud. Incr.(Decr.) \$	%Change	2013 Bud. vs. 2012 Act. Incr.(Decr.) \$	% Change
Administrative Costs		0	0	0	0.0%	0	0.0%
Mayor & Councillors	69,092	0	0	0	0.0%	(69,092)	-100.0%
Total Council	69,092	0	0	0	0.0%	(69,092)	-100.0%
CAO's Office	0	0	0	0	0.0%	0	0.0%
Human Resources	712	0	0	0	0.0%	(712)	-100.0%
Legal Dept.	189,479	127,192	147,192	20,000	15.7%	(42,287)	-22.3%
Sustainability Office	13,414	0	0	0	0.0%	(13,414)	-100.0%
Total CAO	203,605	127,192	147,192	20,000	15.7%	(56,413)	-27.7%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Corporation Communications & Community Engagement	378,264	752,600	767,200	14,600	1.9%	388,936	102.8%
Financial Services	802,135	709,269	663,081	(46,188)	-6.5%	(139,054)	-17.3%
ITS Department	23,035	9,500	9,500	0	0.0%	(13,535)	-58.8%
Legislative Services	3,689,615	3,699,327	4,222,559	523,232	14.1%	532,944	14.4%
Total Corporate Services	4,893,049	5,170,696	5,662,340	491,644	9.5%	769,291	15.7%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Economic Development	396,215	81,834	81,834	0	0.0%	(314,381)	-79.3%
Total Development Services	396,215	81,834	81,834	0	0.0%	(314,381)	-79.3%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Asset Management	408,309	170,054	170,054	0	0.0%	(238,255)	-58.4%
Culture	3,063,909	2,472,134	2,570,134	98,000	4.0%	(493,775)	-16.1%
Fire Services	209,538	340,961	340,961	0	0.0%	131,423	62.7%
Markham Public Libraries	986,277	980,306	1,038,630	58,324	5.9%	52,353	5.3%
Operations	1,094,348	830,105	932,813	102,708	12.4%	(161,535)	-14.8%
Operations Administration	0	63,500	174,065	110,565	174.1%	174,065	0.0%
Recreation Services	14,578,489	15,476,472	18,213,712	2,737,240	17.7%	3,635,223	24.9%
Waste	1,141,824	1,283,518	1,288,854	5,336	0.4%	147,030	12.9%
Total Community And Fire Services	21,482,694	21,617,050	24,729,223	3,112,173	14.4%	3,246,529	15.1%
Corporate Items	146,493,647	144,556,926	150,174,820	5,617,894	3.9%	3,681,173	2.5%
Total Corporation (Excl. WW & Build. Std.)	173,538,302	171,553,698	180,795,409	9,241,711	5.4%	7,257,107	4.2%
Planning & Design	7,118,360	6,169,790	8,407,168	2,237,378	36.3%	1,288,808	18.1%
Engineering	7,294,174	5,446,037	5,867,563	421,526	7.7%	(1,426,611)	-19.6%
Building Standards	12,319,949	7,972,783	9,026,380	1,053,597	13.2%	(3,293,569)	-26.7%
Waterworks	83,457,170	81,642,620	89,789,481	8,146,861	10.0%	6,332,311	7.6%
Total Corporation	283,727,955	272,784,928	293,886,001	21,101,073	7.7%	10,158,046	3.6%

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

COMPARISON BY COMMISSION					COMPARISON BY ACCOUNT				
	<u>2012 Budget</u>	<u>2013 Budget</u>	Change			<u>2012 Budget</u>	<u>2013 Budget</u>	Change	
			<u>Incr./</u>	<u>(Decr.)</u>				<u>\$</u>	<u>%</u>
<u>REVENUES *</u>					<u>REVENUES *</u>				
Mayor & Council	0	0	0	0%	Taxation Revenues	121,077	125,975	4,898	4%
CAO's Office	127	147	20	16%	Grant & Subsidy Revenues	1,529	1,547	18	1%
Corporate Services	5,171	5,662	491	10%	General Revenues	25,310	26,408	1,098	4%
Development Services	82	82	(0)	0%	User Fees and Service Charges	19,930	22,280	2,350	12%
Community And Fire Services	21,617	24,729	3,112	14%	Other Income	3,167	3,952	785	25%
Corporate Items	144,557	150,175	5,618	4%	Inter-departmental	541	633	92	17%
Total Revenues	<u>171,554</u>	<u>180,795</u>	<u>9,241</u>	<u>5%</u>	Total Revenues	<u>171,554</u>	<u>180,795</u>	<u>9,241</u>	<u>5%</u>
<u>EXPENDITURES *</u>					<u>EXPENDITURES *</u>				
Mayor & Council	2,630	2,648	18	1%	Personnel Services	101,831	107,573	5,742	6%
CAO's Office	6,119	6,085	(34)	-1%	Materials & Supplies	6,857	7,261	404	6%
Corporate Services	20,422	20,930	508	2%	Purchased Services	34,660	37,102	2,442	7%
Development Services	2,572	2,940	368	14%	Capital Asset Acquisition	2	0	(2)	-100%
Community And Fire Services	111,934	119,413	7,479	7%	Financial Expenses	415	272	(143)	-34%
Corporate Items	27,877	28,779	902	3%	Other Expenditures	2,079	2,481	402	19%
					Transfers to Own Funds	25,710	26,105	395	2%
Total Expenditures	<u>171,554</u>	<u>180,795</u>	<u>9,241</u>	<u>5%</u>	Total Expenditures	<u>171,554</u>	<u>180,795</u>	<u>9,241</u>	<u>5%</u>

2013 CAPITAL BUDGET

Definition of Capital

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

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

Public Sector Accounting Board

In June 2006, Public Sector Accounting Board (PSAB), approved revisions to section 3150 of the Public Sector Accounting Handbook – Tangible Capital Assets stating that effective January 1, 2009 all municipal governments will be required to capitalize Tangible Capital Assets (TCA) at historic cost and amortize these assets over their useful life. Public Sector Guideline 7 (PSG – 7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants provides transitional guidance on presenting information related to tangible capital assets by way of a note to the financial statements until Section 3150 – Tangible Capital Assets comes into effect on January 1, 2009.

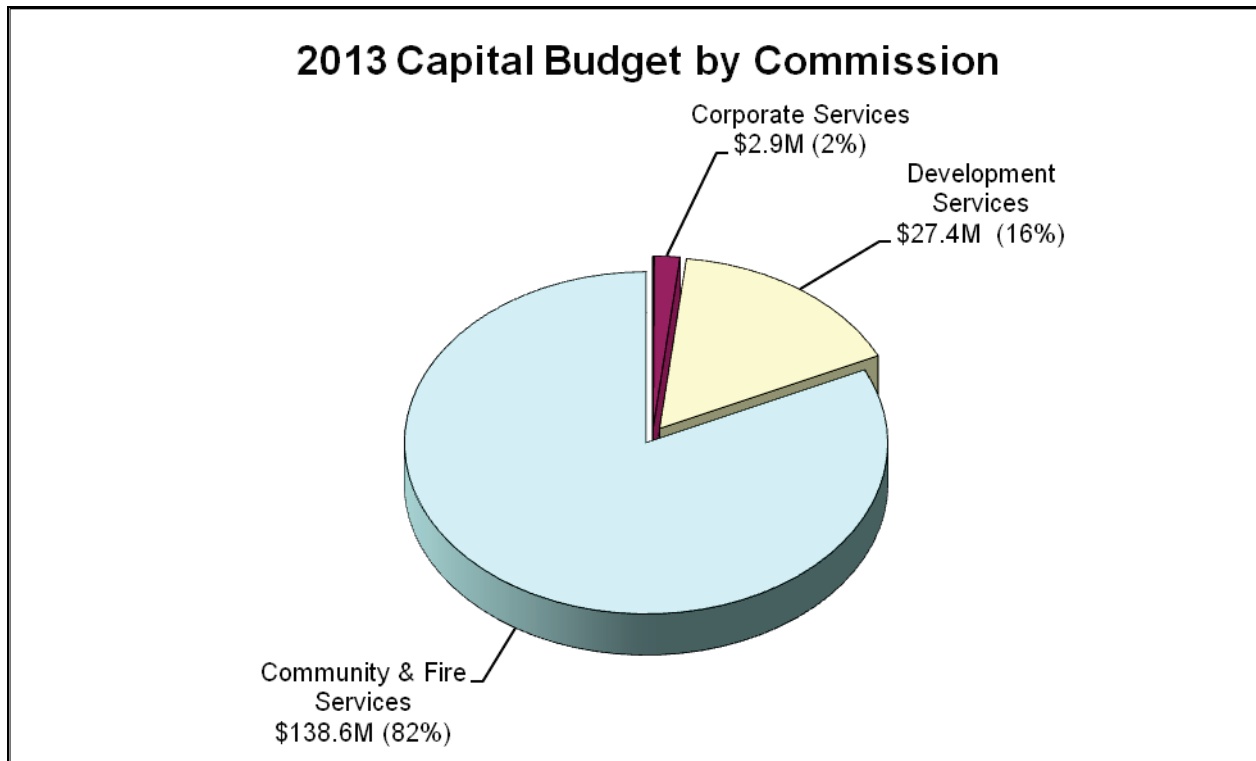
In order to be fully compliant with the above new requirements, the City of Markham has completed the process of inventorying its assets as at December 31, 2008 and restated 2009 financial reports. The City also restated 2010 and 2011 budgets in accordance to the Ontario Regulation 284/09. A new Tangible Capital Assets Policy is included in Budget Policies and Guideline section.

Multi-Year/Prior Year Projects

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

Budget Overview

The 2013 Capital Budget totals \$169,032,100 and is funded through a variety of sources. \$37,900,215 (22%) of the Capital Budget is funded through the Life Cycle Replacement and Capital Reserve and appears as a 'Transfer to Reserves' in the Operating Budget. This marks a \$10,002,077 increase in Life Cycle Replacement and Capital Reserve funding from 2012 levels. Contributions from Developer Charges (DCA) and Reserves also account for large portion of the Capital Budget funding. The capital budget by commission is presented in the exhibit on the following page.



Approximately 81% of the current year Capital Budget is identified through two long-term studies: Life Cycle Reserve study & the Development Charges Background study.

The purpose of the Life Cycle Reserve study is to address the ongoing replacement and rehabilitation requirements for the aging City assets (facilities, roads, water/sewer, etc) over a 25 year period. The 2013 & future year Capital budgets are based upon the Life Cycle Reserve study and condition assessments are performed to determine if the replacements are required. (e.g. 2013 has \$37.9M of projects funded from the Life Cycle Replacement and Capital Reserve Fund)

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

The Development Charges (DC) Background Study for City-Wide hard services were updated in 2008 which covered the period 2008-2031, and the soft services was updated in 2009 which covers the period 2009-2018. (e.g. 2013 has \$98.9M of projects funded from the DC Reserves). The DC Background Study for hard and soft services is being updated with anticipated Council approval by June 2013.

The “Long Term Capital Budget Forecasts” for growth (Development Charges) and non-growth (Life Cycle Reserves) provided on page 195 and 196 are tools that departments use

when determining the current year capital budget. Project submissions will vary as asset conditions are reviewed each year to determine appropriate replacement time.

The remaining 19% of the 2013 Capital budget is funded through various sources as identified in the 'Sources of Funding' section. (E.g. tax funded, provincial grants, and other reserves)

Building Markham's Future Together

The following section summarizes Capital projects beginning in 2013 as they relate to Council's long term strategic plan of Building Markham's Future Together.

Growth Management

Southeast Markham Community Centre & Library – Construction, Library Collections, FF&E

- \$62.20 million. Design and construction of Southeast Markham Community Centre and Library, as well as the purchases of library collections, and furniture, fixture and equipment. Also included in the Integrated Leisure Master Plan/Public Safety section.

New Parks Assessment, Design and Construction

- \$8.30 million. Class environment assessment, public consultation, studies, design and costing of a regional sports park. Design of the Major Wood Cathedraltown Park and Box Grove Community Park. Construction of the Wismer Community Park, Kirkland Drive Park and Box Grove Southeast Heritage House Parkette.

Growth Management Strategies

- \$3.00 million. Development of guidelines, policies and analyses to support a Markham Growth Management Strategy.

Transportation

Highway 404 Bridge North of Highway 7 – Construction (Additional Funding)

- \$8.00 million. Construction of a mid-block crossing across Highway 404, north of Highway 7. Project to be funded by City of Markham, Town of Richmond Hill and York Region.

Main Street, Markham Construction

- \$3.10 million. Construction on Main Street Markham, including streetscaping between Hwy 7 and Bullock Drive, storm sewer replacement between Bullock Drive and 16th Avenue, and design of roadways between Major MacKenzie Drive and Donald Cousens Parkway.



Streetlight Replacement and Inspection Program

- \$1.00 million. Inspection, repair and replacement of deteriorated streetlights and cables. Installation of 11 heritage style streetlights in Markham Heritage Estates Subdivision. Upgrade of existing streetlights and installation of new ones per residents' requests.

Traffic Control Signals and Traffic Operational Improvements

- \$0.70 million. Design and construction of new traffic control signals and replacement of existing ones as identified in the traffic signals life cycle studies. Also included in the Integrated Leisure Master Plan/Public Safety section.

Helen Avenue Reconstruction - Construction

- \$0.68 million. Road reconstruction of the remaining rural section of Helen Avenue, including sidewalk and landscaping.

Transportation Studies

- \$0.28 million. Area wide transportation studies to support the Precinct plan.

Church Street – 9th Line to Bur Oak Avenue (Design)

- \$0.24 million. Class environmental assessment for the widening of Church Street to include left turn lanes and bike lanes.

Environmental and Sustainability

Cobra-Style Streetlights – Light-Emitting Diode (LED) Conversion

- \$7.60 million. Replacement of existing High Pressure Sodium Cobra-Head Style streetlight fixtures with Light-Emitting Diode luminaries.

Emerald Ash Borer Program

- \$2.00 million. Implementation of the Emerald Ash Borer Management Plan. Data collection, tree health assessment as well as removal, disposal, stumping, supply and maintenance of infested trees and newly planted trees.

Stormwater Management and Environmental Assets Program

- \$1.70 million. Class environmental assessment of the flood protection level needed for the Don Mills Channel. Stormwater management guidelines update. Stormwater ponds cleaning.

Continuation of the Trees for Tomorrow Initiative & Replacement of Trees

- \$0.22 million. Continuation of Trees for Tomorrow program which allows for the supply, planting and maintenance of trees in parks and open spaces in the City to

enhance current trees cover levels. Tree replacement program to replace any dead, diseased or damaged trees.

Energy Conservation Retrofit and Monitoring Program

- \$0.15 million. Initiation of a Markham facility wide energy monitoring tool, facility operator training and energy conservation retrofits.

Municipal Services

Road Rehabilitation Program

- \$6.90 million. Various road resurfacing and improvement projects.

Watermain and Sanitary Sewer Construction and Replacement Program

- \$6.00 million. Replacement of watermains and sanitary sewers at various locations.

Facility Improvement Program at Community Centres, Libraries, Fire Stations, Cultural Venues and Civic Centre

- \$3.90 million. Various maintenance & upgrades at City-owned facilities.

Structures Rehabilitation Program

- \$2.60 million. Design and construction for rehabilitation of culverts and pedestrian bridges across City.

Library Collections

- \$1.90 million. Replacement and updating of library materials.

Water System & Water Meter Replacement & Upgrade Program

- \$1.30 million. Water distribution system condition assessment. Water system appurtenances repairs, upgrades and dead end elimination. Replacement of residential and ICI water meters that have reached their life expectancies.

Storm Sewer Inspection and Rehabilitation Program

- \$0.43 million. Inspection and rehabilitation of deficient sections of storm sewer pipes and selected storm sewer outlets.

Tennis Courts Resurfacing

- \$0.17 million. Repair and resurfacing of tennis courts at various locations.

Radio Frequency Identification Self-Check Units – Angus Glen Library

- \$0.14 million. Replacement of 4 self checkout units and 3 staff workstations at Angus Glen Library that have reached the end of their lifespan.



Integrated Leisure Master Plan/Public Safety

Southeast Markham Community Centre & Library – Construction, Library Collections, FF&E

- \$62.20 million. Design and construction of Southeast Markham Community Centre and Library, as well as the purchases of library collections, and furniture, fixture and equipment. The project is also included in the Growth Management section.

Pan/Parapan American Games Facility - Construction

- \$24.00 million. Construction cost of Pan/Parapan American Games Facility.

1 New Aerial and Fire Pumper Replacements

- \$4.80 million. Acquisition of 1 new aerial and 1 new compact car. Replacement of various fire pumpers that have reached the end of their lifespan.

Play Structure and Safety Resurfacing

- \$0.75 million. Installation of safety surface and playground equipment at various park locations.

Traffic Control Signals and Traffic Operational Improvements

- \$0.70 million. Design and construction of new traffic control signals, and replacement of existing ones as identified in the traffic signal life cycle studies. Also included in the Transportation section.

Fire & Emergency Services Capital Program

- \$0.14 million. Replacement of old and damaged firefighter tools and equipments as well as medical equipment.

Diversity

Pedestrian Accessibility Improvements

- \$0.42 million. Installation of accessible pedestrian signals at 10 traffic intersections.

Facility Accessibility Program

- \$0.10 million. Accessibility audit and retrofit upgrade programs at City facilities.

2013 CAPITAL BUDGET SUMMARY BY COMMISSION

	2012 Budget	2013 Budget
Development Services		
Economic Development	\$356,100	\$0
Planning	\$1,566,800	\$1,696,300
Design	\$6,198,500	\$8,727,300
Engineering	\$47,355,300	\$17,008,300
	\$55,476,700	\$27,431,900
 CAO, Legal, HR & Sustainability Office		
Sustainability Office	\$0	\$152,600
	\$0	\$152,600
 Corporate Services		
Legislative	\$40,700	\$0
ITS	\$1,190,600	\$2,001,500
Financial Services	\$916,000	\$812,300
Corporate Communications	\$162,800	\$56,000
	\$2,310,100	\$2,869,800
 Community & Fire Services		
Culture	\$0	\$100,000
Museum	\$505,400	\$246,800
Theatre	\$418,700	\$626,500
Arts Centres	\$294,100	\$64,100
Fire	\$1,099,300	\$137,800
Recreation Services	\$3,051,900	\$1,001,000
Recreation/Library Construction	\$0	\$62,200,000
Operations - Roads	\$7,166,900	\$7,553,300
Operations - Parks	\$4,053,700	\$4,769,600
Operations - Traffic	\$865,900	\$1,158,900
Operations - Fleet	\$1,772,100	\$6,522,300
Facility Assets	\$13,264,900	\$27,393,200
Environmental Assets	\$40,700	\$3,483,400
Right-of-Way Assets	\$5,478,200	\$12,003,500
Waste Management	\$57,500	\$120,400
Library	\$1,815,300	\$2,122,600
Waterworks	\$9,167,700	\$9,074,400
	\$49,052,300	\$138,577,800
 Total Capital Budget	 \$106,839,100	 \$169,032,100



2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources				
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>Other</i>
Development Services						
<i>Planning</i>						
13000	Consultant Studies	63,000			56,700	6,300
13001	OMB Hearings Development Application	73,000			65,700	7,300
13002	Heritage Façade Improvements/Sign Replacement	50,000	50,000			
13003	Consolidated Zoning By-law Program	150,000	30,000			120,000
13004	Official Plan - OMB	650,300			610,300	40,000
13005	Growth Monitoring Program & Data Collection	20,000			18,000	2,000
13006	Designated Heritage Property Grant Program Yr 4 of 4	30,000				30,000
13007	Future Urban Areas - Phase 1 of 5	400,000			360,000	40,000
13008	Secondary Plan Program - Phase 1 of 10	260,000			234,000	26,000
TOTAL Planning		1,696,300	80,000		1,344,700	271,600
<i>Design</i>						
13010	Wismer Community Park and Maintenance Building Const.	2,460,600	246,060		2,214,540	
13011	Kirkham Drive Park Phase 2 Construction	3,544,300	354,430		3,189,870	
13012	Box Grove Community Park - Design	553,800	55,380		498,420	
13013	Sports Park - Studies / E.A.s / Consultation	553,800	55,380		498,420	
13014	Box Grove S. E. Heritage House Parkette - Construction	493,900	49,390		444,510	
13015	Reimbursement to Ruland Prop. for Park in M. C.	655,600	65,560		590,040	
13016	Major Wood Cathedraltown Park - Design	108,800	10,880		97,920	
13017	Highway 48 Parkland (north of Museum)	356,500	35,650		320,850	
TOTAL Design		8,727,300	872,730		7,854,570	
<i>Engineering</i>						
13020	Midland Avenue - Steeles to Old Kennedy (EA)	111,800			111,800	
13021	Yorktech Drive Extension (EA)	245,900			245,900	
13022	Hwy 404 Mid-Block Crossing, N of Hwy 7 CA & Const	7,988,400			2,662,800	5,325,600
13023	Helen Avenue Reconstruction (Construction)	676,100			560,000	116,100
13024	Church Street - 9th Line to Bur Oak (Design)	239,700			239,700	
13025	19th Avenue Improvements (EA)	253,000			253,000	
13026	Main St Mkm, Major Mac to Don Cousens Pkwy (Design)	253,000			253,000	
13027	Transportation Studies	275,300			275,300	
13028	Markham Transportation Strategic Plan Implementation	77,200			77,200	
13029	Hwy 404 Crossing (EA and Design)	568,800			568,800	
13030	Warden Avenue Sewer, Steeles to Hwy 407 (EA and Design)	438,900			438,900	
13031	Milliken Centre - Sanitary Sewer Upgrade (EA and Design)	309,800			309,800	
13032	Steeles East Corridor, Sanitary Sewer Upgrade EA & Design	314,900			314,900	
13033	Official Plan & Secondary Plan Engineering Studies	1,679,000			1,679,000	
13034	Main Street Mkm, Bullock Drive to 16th Ave. Storm Sewer	1,440,000				1,440,000
13035	Hwy 7 & Rodick / 404 North Sewer Diversion (Construction)	757,700			757,700	
13036	Main Street Mkm, Hwy 7 to Bullock Drive (Streetscaping)	1,378,800				1,378,800
TOTAL Engineering		17,008,300			8,747,800	8,260,500
TOTAL Development Services		27,431,900	952,730		17,947,070	8,532,100
CAO, Legal, HR, & Sustainability Office						
<i>Sustainability Office</i>						
13101	PowerStream Embedded Energy Projects	152,600				152,600
TOTAL Sustainability Office Total		152,600				152,600
TOTAL CAO, Legal, HR, & Sustainability Office		152,600				152,600

2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources				
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>Other</i>
Corporate Services						
<i>ITS-Building Services</i>						
13810	Paperless Plan Review & Document storage - Phase 1 of 3	36,600				36,600
	TOTAL ITS-Building Services	36,600				36,600
<i>ITS-HR</i>						
13811	Human Resources System (Phase 2 of 3)	400,000	320,000			80,000
	TOTAL ITS-HR	400,000	320,000			80,000
<i>ITS-Finance</i>						
13812	Payment Card Industry Compliance - Phase 1 of 3	121,600	97,323			24,277
	TOTAL ITS-Finance	121,600	97,323			24,277
<i>ITS-Legislative</i>						
13813	Civic Centre & 8100 Warden Online Meeting Room Booking	14,200	11,360			2,840
	TOTAL ITS-Legislative	14,200	11,360			2,840
<i>ITS-Museum</i>						
13814	Audio Archives Digitization	100,000	50,000			50,000
	TOTAL ITS-Museum	100,000	50,000			50,000
<i>ITS-Recreation</i>						
13815	Recreation/ITS CLASS Licensing	50,900	50,900			
	TOTAL ITS-Recreation	50,900	50,900			
<i>ITS-Library</i>						
13816	Angus Glen RFID Selfcheck Units & Staff Workstations	142,500		142,500		
13817	Library - Milliken Mills Branch RFID Selfcheck Units	40,700	40,700			
13818	Public Access Computers (PAC) Management System addons	42,700	42,700			
	TOTAL ITS-Library	225,900	83,400	142,500		
<i>ITS-Fire</i>						
13820	Fire - Mobile Printers	11,200	11,200			
	TOTAL ITS-Fire	11,200	11,200			
<i>ITS-Operations</i>						
13821	Fuel Dispensing System Upgrade (Phoenix)	26,300	26,300			
13822	GPS Units for Operations	21,300	21,300			
	TOTAL ITS-Operations	47,600	47,600			
<i>ITS-Asset Management</i>						
13823	Upgrade Building Automation System (BAS) Software	17,900	17,900			
13824	Eclipse- Upgrade, Additional Training, Customized Reports	30,500	30,500			
	TOTAL ITS-Asset Management	48,400	48,400			
<i>ITS-Waste & Environmental Management</i>						
13825	Radio Frequency Identification (RFID) Collection Service	70,000				70,000
	TOTAL ITS-Waste & Environmental Management	70,000				70,000
<i>ITS-Waterworks</i>						
13826	GPS Handheld Devices	27,000				27,000
13827	Mobile Work Management Software	50,900				50,900
	TOTAL ITS-Waterworks	77,900				77,900
<i>ITS-Other</i>						
13828	ITS Core Base Architecture	797,200		624,055		173,145
	TOTAL ITS-Other	797,200		624,055		173,145
<i>Finance / Asset Management</i>						
13805	Internal Project Management	812,300			812,300	
	TOTAL Financial Services	812,300			812,300	
<i>Corporate Communications</i>						
13800	Great Hall Implementation of Multimedia Phase 2 of 2	56,000	44,800			11,200
	TOTAL Corporate Communication	56,000	44,800			11,200
	TOTAL Corporate Services	2,869,800	764,983	766,555	812,300	525,962



2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources			
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>
Community & Fire Services					
<i>Culture</i>					
13212	Public Art	100,000	100,000		
TOTAL Culture		100,000	100,000		
<i>Museum</i>					
13220	Museum Artifact Restoration	30,000		30,000	
13221	Museum Exhibitions	15,000		15,000	
13222	Museum Building Maintenance Program	101,800		101,800	
13225	Museum Pottery Project (Phase 2 of 2)	100,000		100,000	
TOTAL Museum		246,800		246,800	
<i>Theatre</i>					
13231	Theatre Flooring Replacement	90,600		90,600	
13232	Theatre Auditorium Curtains Replacement	68,700		68,700	
13233	Theatre Scissor Lift Replacement	20,400		20,400	
13234	Theatre seating replacement and accessibility upgrades	372,400	90,300	282,100	
13235	Theatre Replacement of Equipment and Appliances	24,400		24,400	
13236	Theatre Front of the House Upgrade	50,000	50,000		
TOTAL Theatre		626,500	140,300	486,200	
<i>Arts Centres</i>					
13200	Deacon Community Room and Kitchen Repairs	40,700		40,700	
13201	Building Automation System Panel Expansion Upgrade	23,400		23,400	
TOTAL Arts Centres		64,100		64,100	
<i>Fire & Emergency Services</i>					
13241	Breathing Air Cylinders	16,100		16,100	
13242	Firefighting Tools & Equipment Replacement	83,000		83,000	
13243	Hazard Inventory and Risk Analysis (HIRA)	15,300	15,300		
13244	Air Monitors/Detectors	23,400		23,400	
TOTAL Fire & Emergency Services		137,800	15,300	122,500	
<i>Recreation Services</i>					
13501	Recreation AED program	64,700		64,700	
13502	Recreation Aquatic Equipment	33,600		33,600	
13503	Recreation Fitness Equipment	92,000		92,000	
13504	Recreation Program Equipment	49,900		49,900	
13505	Recreation Tables & Chair replacement	43,800		43,800	
13506	Crosby C.C. Conversion to change room	37,000	37,000		
13507	Warden House Interior painting	7,200		7,200	
13508	Thornhill CC Exterior Painting	88,300		88,300	
13509	Markham Village C. C. Flooring	47,400		47,400	
13510	Old Unionville Library C.C - Interior Painting	5,200		5,200	
13511	Angus Glen - Snow clearing tractor	30,100		30,100	
13512	Angus Glen - seniors room flooring	22,300		22,300	
13513	Angus Glen Tennis Centre - snow brakes	30,500	3,050		27,450
13514	Pingle House - interior painting	8,800		8,800	
13515	Angus Glen Youth Centre Furniture	9,200		9,200	
13516	Milliken Mill CC - Administration Office Flooring	7,300		7,300	
13517	Thornhill Fitness Surveillance Equipment Replacement	11,900		11,900	
13518	Thornhill Recreation Area Facility Equipment	26,500		26,500	
13519	Thornhill Drinking fountains Replacement	5,300		5,300	
13520	Crosby lobby Security - Installation of double doors	7,100	7,100		
13521	Crosby Arena protective glass board and gate relocation	10,000	10,000		
13522	Milliken Mills Floor Machine	21,800		21,800	
13523	Armada Gymnasium Floor	24,600		24,600	
13524	Markham Village C. C. Replace Fire Sprinklers	132,300		132,300	
13525	Markham Village C. C. Exterior Painting	20,600		20,600	
13526	Centennial C. C. Refurbish Cedar in Two Saunas	38,000		38,000	
13527	Centennial Pool Filter Replacement	71,200		71,200	
13528	Centennial C.C Renovation of Meeting Room 3.	15,800		15,800	
13529	Milliken Mills Fire Alarm System (Phase 1 of 2)	24,400		24,400	
13530	Milliken Mills Soccer Dome Shower Tiles and floor tiles	14,200		14,200	
TOTAL Recreation Services		1,001,000	57,150	916,400	27,450

2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources				
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>Other</i>
Recreation & Library Construction						
13500	South East Markham Community Centre and Library	62,200,000		5,000,000	55,980,000	1,220,000
	TOTAL Culture	62,200,000		5,000,000	55,980,000	1,220,000
Markham Public Library						
13250	Replace Library Furniture and Equipment	64,300		64,300		
13251	Replace Library Shelving	64,300		64,300		
13253	Library Collections	1,943,100		1,943,100		
13254	Milliken Mills Library Information/Circulation Workstations	50,900		50,900		
	TOTAL Markham Public Library	2,122,600		2,122,600		
Operations - Roads						
13451	Boulevard Repairs	52,900		52,900		
13452	City Owned Fence Replacement Program	120,000		120,000		
13453	Localized Repairs - Curb & Sidewalk	529,400		529,400		
13454	Asphalt Resurfacing	5,813,600		5,813,600		
13456	Parking Lots	213,800		213,800		
13457	Railway Crossing Improvements	52,900		52,900		
13458	Retaining Walls Program	72,700		72,700		
13459	Secondary Roadworks	254,400				254,400
13460	Storm Sewer Inspection	103,800		103,800		
13461	Don Mills Storm Channel	19,000		19,000		
13462	Upgraded Guiderail Installation	116,600		116,600		
13463	Bridge Structure Preventative Maintenance	47,500		47,500		
13464	Pavement Cond'n Inspect'n and Pmnt Mgmt System	105,700		105,700		
13465	Toogood Pond Bank Stabilization	51,000		51,000		
	TOTAL Operations - Roads	7,553,300		7,298,900		254,400
Operations - Parks						
13420	Playstructure & Safety Surface	747,300		747,300		
13421	City Park Furniture / Amenities	120,100		120,100		
13422	Bleachers (Metal) Replacement	20,800		20,800		
13423	Fence (Backstop) Replacement	88,200		88,200		
13424	Waterplay Rehabilitation	249,100		249,100		
13425	Court Resurfacing/Reconstruction	166,100		166,100		
13426	Dog Off Leash Area	50,900	10,900			40,000
13427	Volunteer Ice Rink Program	30,500	9,800			20,700
13428	Public Realm-Markham's Shared Places Our Spaces	300,000	300,000			
13429	TRCA 50/50 Community Projects	40,000	20,000			20,000
13430	Adopt a Park & Colour Your Corner	10,000	5,360			4,640
13431	Markham Trees for Tomorrow	120,000	82,500			37,500
13432	Sportsfield Maintenance & Reconstruction	113,600		113,600		
13433	Paving Pathways/Facilities & Stairways Repairs	136,400		136,400		
13434	Replacement/New Boulevard/Park Trees	97,600		97,600		
13435	Floodlights, Poles & Cross Arms Replacement	159,500		159,500		
13436	Electrical & Cabling	35,600		35,600		
13437	Fountain (Decorative) Replacement	30,000		30,000		
13438	Emerald Ash Borer Program	2,066,300		2,066,300		
13441	John Street Forestry Yard Restoration	147,600		147,600		
13442	Highgate Park Shelter	40,000			36,000	
	TOTAL Operations - Parks	4,769,600	432,560	4,178,200	36,000	122,840
Operations - Traffic						
13470	Traffic Signal Equipment Replacement	310,400		100,717		209,683
13471	Traffic Control Signal Design & Construction	379,400			189,700	189,700
13472	Pedestrian Accessibility Improvement-Ph 3 of 6	412,100	258,900			153,200
13473	Purchase of 8 Speed Display Boards	57,000	57,000			
	TOTAL Operations - Traffic	1,158,900	315,900	100,717	189,700	552,583



2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources				
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>Other</i>
Operations - Fleet						
13400	Corporate Fleet Refurbishing	33,600		33,600		
13401	Corporate Fleet Replacement - Non Fire	1,177,600		1,177,600		
13402	Corporate Fleet Replacement - Fire	3,617,000		3,617,000		
13403	Two New Fleet Vehicles - Fire	1,242,500			1,242,500	
13404	New Fleet - Operations Growth	64,700	6,470		58,230	
13405	Winter Maintenance Vehicles	200,000			200,000	
13406	Waterworks - Fleet Replacement	136,000				136,000
13407	New Fleet - Waterworks	50,900				50,900
TOTAL Operations - Fleet		6,522,300	6,470	4,828,200	1,500,730	186,900
Asset Mgmt - Facility Assets						
13300	Accessibility Retrofit Program	86,500		86,500		
13301	Bird Safe Film	50,900		50,900		
13302	Corporate Accommodations	320,500		320,500		
13303	Corporate Security Operations and System	137,400		137,400		
13304	Municipal Building Backflow Prevention Testing	71,200		71,200		
13305	8100 Warden Facility Improvements	91,000		91,000		
13306	Civic Centre Improvements	137,400		137,400		
13307	Fire Facility Improvements	182,600		182,600		
13308	Library Facility Improvements	75,300		75,300		
13309	Operations Facilities Improvements	173,400		173,400		
13310	Other Facility Improvements	35,000		35,000		
13311	Recycling Depot Improvements	11,200		11,200		
13312	Roofing Maintenance and Repair	91,900		91,900		
13313	Roofing Replacement Projects	943,500		943,500		
13314	Satellite Community Centre Improvements	29,500		29,500		
13315	Facility Project Engineer - Contract (Year 2 of 3)	109,600		109,600		
13316	Building condition Audits - FTE	125,200		125,200		
13317	75 Clegg Facility	474,100		474,100		
13318	Markham Pan Am Centre - Construction (Year 1 of 2)	24,203,800			21,783,420	2,420,380
13319	Unionville Library - Lighting Improvements	43,200	43,200			
TOTAL Asset Mgmt - Facility Assets		27,393,200	43,200	3,146,200	21,783,420	2,420,380
Asset Mgmt - Environmental Assets						
13360	SWM Guideline - Update	61,100			61,100	
13361	Don Mills Channel Class EA Study - Update	203,500		183,150	20,350	
13362	City-wide Stream Erosion Master Study - Update	103,800		103,800		
13363	SWM Pond Cleaning (ID#40) - Bridle Trail Phase 5 Pond	539,900		539,900		
13364	SWM Pond Cleaning (ID#56) - Daniels Rouge Subdiv. Pond	539,900		539,900		
13365	West Thornhill Flood Control Implementation	2,035,200				2,035,200
TOTAL Asset Mgmt - Environmental Assets		3,483,400		1,366,750	81,450	2,035,200
Asset Mgmt - Right-of-Way Assets						
13330	Bridges and Culverts - Condition Inspection	61,100		61,100		
13331	Bridge Rehabilitation (B033 & B035) - Construction	749,000		749,000		
13332	Structures Rehabilitation (11 Structures) - Construction	364,300		364,300		
13333	Culverts Rehabilitation (10 Structures) - Design & Const	1,329,100		1,329,100		
13335	Storm Sewer Outfall Channel - Maintenance	72,700		72,700		
13336	Storm Sewer Outfall Structures - Rehabilitation	254,400		254,400		
13340	Streetlight Poles - Condition Inspection	57,600		57,600		
13341	Streetlights - Pole Replacement Program	158,300		158,300		
13342	Streetlighting - Miscellaneous Requests	50,900	50,900			
13343	Streetlights - Markham Heritage Estates Subdivision	73,100		73,100		
13344	Streetlights Underground Cables - Condition Inspection	52,900		52,900		
13345	Streetlights - Underground Cable Replacement/Repair	622,800		622,800		
13346	Streetlights - LED Conversion of Cobra-Head Fixtures	7,632,000				7,632,000
13350	Survey Monument Replacement	28,600		28,600		
13351	Survey Instrument Replacement	15,600		15,600		
13355	ROW Assets - Structures Program-FTE	124,100		124,100		
13356	Environmental Assets - Storm Water Management-FTE	124,100		124,100		
13357	Former Sabiston Landfill - Management	232,900		232,900		
TOTAL Asset Mgmt - Right-of-way Assets		12,003,500	50,900	4,320,600		7,632,000

2013 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>		Funding Sources				
		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>Other</i>
<i>Waste & Environmental Mgmt</i>						
13602	Multi-Residential Organics Containers	40,400	16,000		24,400	
13603	Ground Hog Retrofit Pilot	80,000	40,000		40,000	
TOTAL Waste & Environmental Mgmt		120,400	56,000		64,400	
<i>Waterworks</i>						
13700	Watermain Construction Design	369,900			369,900	
13701	Watermain Construction and Replacement Program	4,433,000			4,433,000	
13702	Water System Upgrade Program	813,300			813,300	
13703	Water System Physical Condition Assessment	100,000			100,000	
13704	Water Meter Replacement/Upgrade Program	335,800			335,800	
13705	Cathodic Protection of Iron Watermains Program	493,000			493,000	
13706	Automated Meter Reading (AMR/AMI) Program	254,400			254,400	
13707	Sanitary Trunk Sewer and Manhole Inspection	30,000			30,000	
13708	Sanitary Sewer System Upgrade/Rehab Program	1,223,200			1,223,200	
13709	Sanitary Lateral Inspection	305,300			305,300	
13710	Bulk Water Sales Station	101,800			101,800	
13714	Data Support - Phase 2 of 2	55,000			55,000	
13716	Waterworks SCADA	305,300			305,300	
13717	Water System Hydraulic Modeling	101,800			101,800	
13719	12 Month Wastewater Flow Monitoring	152,600			152,600	
TOTAL Waterworks		9,074,400			9,074,400	
TOTAL Community & Fire Services		138,577,800	1,217,780	34,198,167	79,598,750	23,563,103
TOTAL 2013 CAPITAL BUDGET		169,032,100	2,935,493	34,964,722	98,358,120	32,773,765



2013 CAPITAL BUDGET SOURCES OF FUNDING

LIFE CYCLE REPLACEMENT & CAPITAL RESERVE	37,900,215
DEVELOPMENT CHARGES (DCA)	98,358,120
FEDERAL GAS TAX GRANT	4,000,000
OTHER SOURCES	
Waterworks Reserve	9,407,891
Other Internal ⁽¹⁾	6,627,800
Region of York	2,702,800
Town of Richmond Hill	2,662,800
Ramp Up Reserve	2,222,380
Non-DC Growth	1,534,100
Capital From Previous Years (Carry Forward)	725,423
Development Fees	500,971
Road Resurfacing Reserve Fund	254,400
Ontario Museum & Technology Grant	50,000
Heritage Reserve Fund	30,000
Toronto & Region Conservation Authority	20,000
Other - West Thornhill Flood Control Implementation	<u>2,035,200</u>
TOTAL OTHER SOURCES	28,773,765
TOTAL CAPITAL & OTHER PROGRAMS BUDGET	<u><u>169,032,100</u></u>

(1) The estimated annual energy and maintenance operating budget savings will be used to fund the LED conversion of streetlights

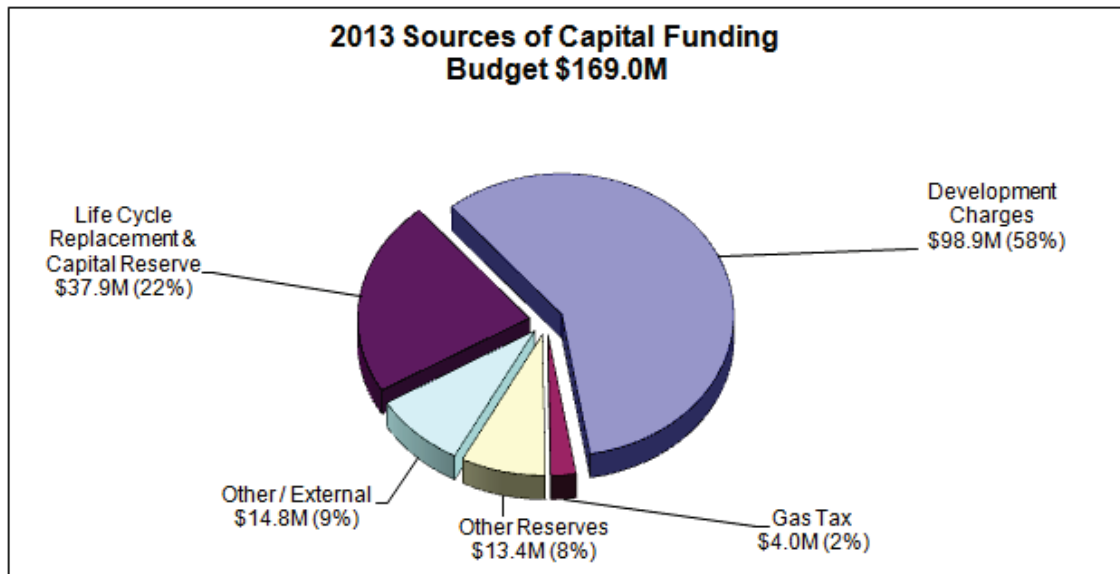


Chart "A"
Details of Other Reserves Funding Total \$13.4M

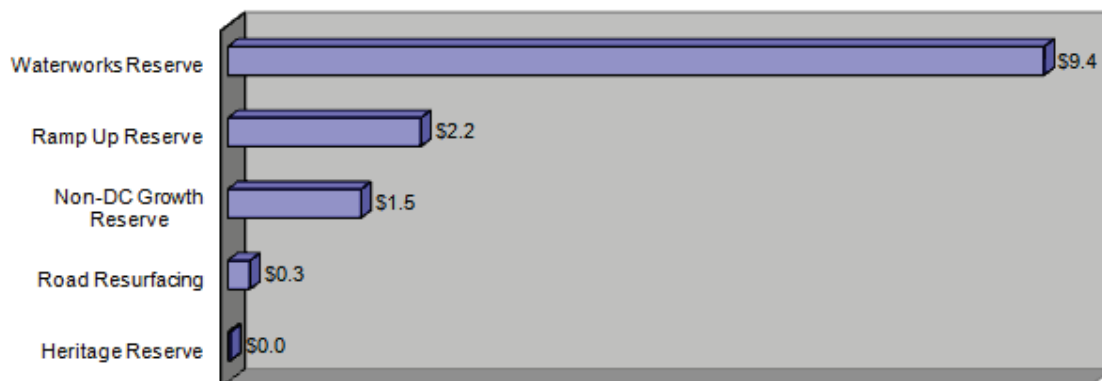
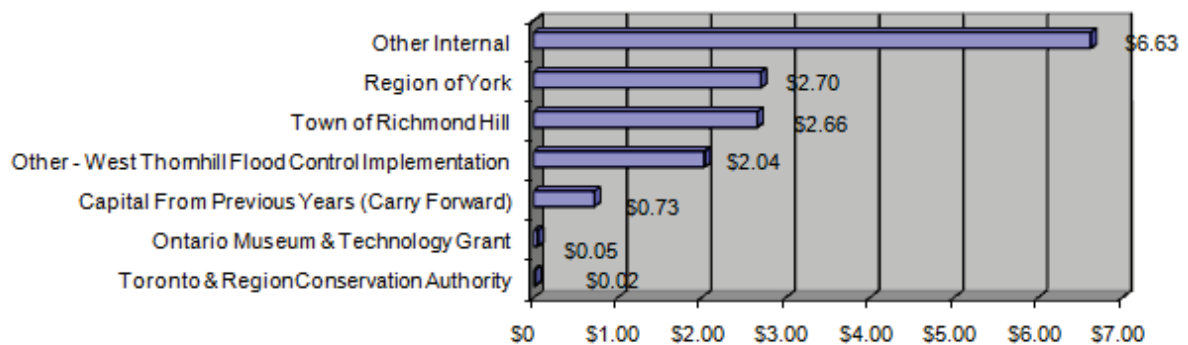


Chart "B"
Details of Other / External Funding Total \$14.82M





2013 CAPITAL INDUCED OPERATING COSTS

<u>Department/Capital Project Description</u>	<u>2013 Operating Budget Impact</u>	<u>Annualized Operating Impact</u>	<u>Comments</u>
<u>Operations - Fleet</u>			
New Fleet Operations Forestry	15,350	37,300	Additional costs for fuel, vehicle parts and supplies.
New Fleet - Growth	4,250	4,250	Additional costs for fuel
	<u>19,600</u>	<u>41,550</u>	
<u>Operations - Traffic</u>			
Traffic Control Signal Design & Construction	1,975	3,950	Traffic sign maintenance
Pedestrian Accessibility	5000	5000	Traffic sign maintenance
	<u>6,975</u>	<u>8,950</u>	
Total Capital Induced Operating Costs	<u>26,575</u>	<u>50,500</u>	

LONG TERM CAPITAL BUDGET FORECAST

Growth Related Projects

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

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the City of Markham. The remaining 10% is funded by the City through non-DC sources. Development Charges are governed by the City's DC By-laws, which are updated every five years or earlier. The City of Markham, like many Ontario municipalities, updated its Development Charges Background Study (DC Study) and DC By-laws in 2009.

The Development Charges (DC) Background Study for City-Wide hard services were updated in 2008 which covered the period 2008-2031, and the soft services was updated in 2009 which covers the period 2009-2018. The DC Background Study for hard and soft services is being updated with anticipated Council approval by June 2013.

A preliminary capital forecast based on the proposed 2013 DC Study information, which is subject to Council approval, is included for the period 2013 to 2018:

Category	2013	2014	2015	2016	2017	2018	TOTAL
(A) General Government	\$ 7,683.40	\$ 1,455.50	\$ 1,455.50	\$ 1,455.50	\$ 1,455.50	\$ 1,455.50	\$ 14,960.90
(B) Library	\$ 3,129.60	\$ 14,858.80	\$ -	\$ 7,601.10	\$ -	\$ -	\$ 25,589.50
(C) Fire Services	\$ 3,665.80	\$ 4,324.30	\$ 75.00	\$ 10,228.90	\$ 4,894.50	\$ -	\$ 23,188.50
(D) Indoor Recreation	\$ 59,612.00	\$ 59,932.00	\$ -	\$ -	\$ -	\$ -	\$ 119,544.00
(E) Parks	\$ 97,090.90	\$ 34,436.60	\$ 20,575.50	\$ 21,795.60	\$ 7,214.40	\$ 19,527.20	\$ 200,640.20
(F) Public Works	\$ 9,625.30	\$ 11,129.10	\$ 1,911.40	\$ 8,974.20	\$ 108.90	\$ 379.10	\$ 32,128.00
(G) Parking	\$ -	\$ 20.00	\$ -	\$ 237.50	\$ -	\$ 199.80	\$ 457.30
	\$ 180,807.00	\$ 126,156.30	\$ 24,017.40	\$ 50,292.80	\$ 13,673.30	\$ 21,561.60	\$ 416,508.40

Notes: Listing of Growth 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
- G. Studies, Equipment, Parking Spaces



Non-Growth Related Projects

In 2005, Council approved a reserve study that evaluated, among other topics, the projected repair and replacement expenditures related to the City's aging capital infrastructure, such as building, bridges, roads and vehicles. The study identified the age of the assets, the remaining life expectancy of the assets and projected replacement costs in order to quantify the City's future expenditures, by year. The City thus established a reserve fund, the Life Cycle Replacement and Capital Reserve to provide a source of funding for the future repair, preventative maintenance and replacement of infrastructure. More details on this reserve are included in the Reserve Policy section.

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

2013 to 2018 Capital Budget Forecast (based on 2012 Update)
(in thousands of constant dollars - gross cost)

CATEGORY	2013	2014	2015	2016	2017	2018	TOTAL
Fire Fighter Equipment	443.1	1,159.9	113.0	242.4	487.9	284.1	\$2,730.4
Traffic Signals	306.4	218.1	135.2	94.7	207.1	197.1	\$1,158.6
ITS Infrastructure	1,057.2	1,948.4	297.7	442.1	2,038.0	1,151.0	\$6,934.3
Parks	4,001.2	4,153.0	2,413.5	2,995.2	1,818.8	1,727.8	\$17,109.4
Library Collections	2,051.6	2,092.6	2,134.5	2,177.2	2,220.7	2,265.1	\$12,941.8
Streetlights	991.4	312.2	318.4	247.9	198.8	202.8	\$2,271.5
Vehicles	4,625.4	2,691.9	2,394.4	2,323.2	1,653.9	1,933.4	\$15,622.3
Structures (Bridges & Culverts)	4,908.6	1,270.5	1,463.1	590.7	1,722.6	5,436.8	\$15,392.2
Storm Sewers, Storm Water Mgmt & Landfill	3,588.0	3,382.4	3,610.7	2,556.0	1,703.1	2,098.2	\$16,938.5
Roads	7,408.6	7,160.6	7,303.9	7,648.7	7,484.1	7,719.9	\$44,725.8
Facilities	7,334.2	7,559.6	18,286.1	8,426.9	8,442.8	5,753.4	\$55,802.9
TOTAL	\$36,715.7	\$31,949.0	\$38,470.5	\$27,745.0	\$27,977.7	\$28,769.6	\$191,627.7

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

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

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

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

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

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

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

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



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION SUMMARY

Project Description	Total Cost	Operating Cost Impact Range		Reduction
		From	To	
Wismer Community Park and Maintenance Building Construction	\$2,460,600	\$10,001	\$50,000	
Kirkham Drive Park Phase 2 Construction	\$3,544,300	\$10,001	\$50,000	
Hwy 404 Mid-Block Crossing N of Hwy 7 Construction	\$7,988,400	\$50,001	\$100,000	
Official Plan Secondary Plan Engineering Studies	\$1,679,000	\$0	\$10,000	
Main Street Markham Bullock Drive to 16th Avenue Storm Sewer	\$1,440,000	\$0	\$10,000	
Main Street Markham Hwy 7 to Bullock Drive (Streetscaping)	\$1,378,800	\$0	\$10,000	
Roofing Replacement Projects	\$943,500	\$10,001	\$50,000	
Markham Pan Am Centre - Construction (Year 1 of 2)	\$24,203,800	\$0	\$100,001	
Library Collections	\$1,675,300	\$0	\$10,000	
Culverts Rehabilitation (10 Structures) - Design Construction	\$1,329,100	\$0	\$10,000	
Streetlights - LED Conversion of Cobra-Head Fixtures	\$7,632,000	\$924,000	\$0	Yes
Corporate Fleet Replacement - Non Fire	\$1,177,600	\$10,001	\$50,000	
Corporate Fleet Replacement - Fire	\$3,617,000	\$10,001	\$50,000	
Two New Fleet Vehicles - Fire	\$1,242,500	\$0	\$100,001	
Emerald Ash Borer Program	\$2,066,300	\$50,001	\$100,000	
Asphalt Resurfacing	\$5,813,600	\$0	\$0	Yes
South East Markham Community Centre and Library	\$62,200,000	\$0	\$0	
Watermain Construction and Replacement Program	\$4,433,000	\$0	\$0	Yes
Sanitary Sewer System Upgrade Rehab Program	\$1,223,200	\$0	\$0	Yes
Total	\$136,048,000			

*Projects with a 'reduction' represent either a reduction in operating costs and/or generation of revenues.

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

Project Name Wismer Community Park and Maintenance Building Construction

Project Number 13010

Estimated Total Cost of Project

2,460,600

Commission Development Services

Department Design

Project Description

Construct parking lots and park maintenance building.

Location

Castlemore Avenue and Mingay Avenue.

Work to be Performed

Construction of a new neighborhood park which includes a parking lot with servicing and landscaping as well as a park maintenance building with public washrooms.

Reason for Work

To provide recreational needs to residents.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2014.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Kirkham Drive Park Phase 2 Construction**

Project Number **13011**

Estimated Total Cost of Project

3,544,300

Commission Development Services

Department Design

Project Description

Undertake further design work and park construction to complete the full build-out of the Southeast Community Park on Kirkham Drive.

Location

Markham Road and Kirkham Drive.

Work to be Performed

Construction of a new neighborhood park including combined soccer fields, cricket field, naturalized areas/planting/trees, picnic area and shelter, junior and senior children's playgrounds, waterplay (Splash Pad), outdoor fitness equipment, community garden, mini skate park, bridge over the pond, parking, paths and lookouts.

Reason for Work

To provide recreational needs to residents.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2015.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Hwy 404 Mid-Block Crossing, North of Hwy 7
Contract Administration & Construction

Project Number 13022

Estimated Total Cost of Project

7,988,400

Commission Development Services

Department Engineering

Project Description

Project will alleviate the traffic issues on Highway 7 and Allstate Parkway.

Location

Proposed project is bound by Highway 7 on the south side and 16th Avenue on the north, crossing Highway 404 connecting Leslie to the west and Woodbine to the east, situated within the City of Markham and the Town of Richmond Hill, providing east-west connection.

Work to be Performed

- Construction of Mid-block Collector Road including underground servicing as required (storm, sanitary and watermain);
- Construction of multi-span structure, crossing Highway 404

Reason for Work

Alleviating current and projected traffic congestion on Highway 7 and 16th Avenue, between Leslie Street and Woodbine Avenue and to achieve a balanced distribution of traffic demand by providing capacity to the network.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2014.



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

Project Name **Official Plan & Secondary Plan Engineering Studies**

Project Number **13033**

Estimated Total Cost of Project

1,679,000

Commission Development Services

Department Engineering

Project Description

Studies as part of the urban expansion and intensification in Markham.

Location

Various study areas City-wide.

Work to be Performed

Engineering studies related to Markham's New Official Plan and Secondary Plans required as part of the urban expansion and intensification in the City.

Reason for Work

In order to plan for development and redevelopment, these studies are required to ensure infrastructure investments are managed and optimized.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2015.

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

Project Name Main Street Markam, Bullock Drive to 16th Ave. Storm Sewer

Project Number 13034

Estimated Total Cost of Project

1,440,000

Commission Development Services

Department Engineering

Project Description

To fund the storm sewer upgrades from Bullock Drive to 16th Avenue.

Location

Main Street Markham between 16th Avenue and Bullock Drive.

Work to be Performed

Upgrade of the existing storm sewer as part of the Main Street Markham road improvements.

Reason for Work

To upgrade the storm sewer for improved flood control.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2013.



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

Project Name **Main Street Mkm, Hwy 7 to Bullock Drive (Streetscaping)**

Project Number **13036**

Estimated Total Cost of Project

1,378,800

Commission **Development Services**

Department **Engineering**

Project Description

Budget request from Urban Design Department to fund the enhanced streetscaping for Main Street Markham, from Hwy 7 to Bullock Drive.

Location

Main Street Markham between Highway 7 and Bullock Drive.

Work to be Performed

Enhancement of the streetscaping for the heritage section of Main Street Markham.

Reason for Work

To enhance the streetscaping of Main Street Markham as part of the Council's direction for this area.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2013.

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

Project Name **Roofing Replacement Projects**

Project Number **13313**

Estimated Total Cost of Project

943,500

Commission **Community & Fire Services**

Department **Asset Management – Facility Assets**

Project Description

Refurbishment or replacement of roofs on City owned facilities.

Location

15 facilities throughout the City.

Work to be Performed

Refurbishment or replacement of facilities roofs including PVC membrane, normal felt & asphalt build-up & metal roof systems.

Reason for Work

Lifecycle replacement.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2013.



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

Project Name **Markham Pan Am Centre – Construction (Year 1 of 2)**

Project Number **13318**

Estimated Total Cost of Project

24,203,800

Commission **Community & Fire Services**

Department **Asset Management – Facility Assets**

Project Description **Markham Pan Am Centre**

Location
16 Main Street, Unionville ON.

Work to be Performed
Construction of the TO2015 Pan Am Aquatics centre and Field House.

Reason for Work
Toronto 2015 Pan Am Games.

Impact on Future Operating Budgets
High - The impact will result in \$100,001 or more annually.

Estimated Project Completion Date – September 2013.

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

Project Name **Library Collections**

Project Number **13323**

Estimated Total Cost of Project

1,675,300

Commission **Community & Fire Services**

Department **Markham Public Libraries**

Project Description

Location

Markham Public Libraries.

Work to be Performed

Purchase collections for library branches.

Reason for Work

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

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2013.



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

Project Name **Culverts Rehabilitation (10 Structures) – Design & Construction**

Project Number **13333**

Estimated Total Cost of Project

1,329,100

Commission Community & Fire Services

Department Asset Management – Right-of-way Assets

Project Description
Design and construction for rehabilitation of 10 culverts.

Location
Various locations in Markham.

Work to be Performed
Design and construction to improve overall transportation accessibility, public safety, creates jobs through project implementation, recycle construction materials and supports City's vision for a sustainable community.

Reason for Work
2011 and 2012 detail visual inspection indicated that these structures require rehabilitation or replacement work to keep them in operational and safe condition and extend their service life.

Impact on Future Operating Budgets
Negligible - The impact will be less than \$10,000 annually.

Estimated Project Completion Date – Feb 2013.

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

Project Name **Streetlights – LED Conversion of Cobra-Head Fixtures**

Project Number **13346**

Estimated Total Cost of Project

7,632,000

Commission Community & Fire Services

Department Asset Management – Right-of-way Assets

Project Description Replace existing street light fixtures with LED luminaires.

Location
City-wide.

Work to be Performed

To replace approximately 12,745 existing High Pressure Sodium (HPS) Cobra-Head Style Streetlight fixtures with LED luminaries.

Reason for Work

This will result in savings on maintenance and energy for the City.

Impact on Future Operating Budgets

Positive impact - Reduce operating cost by approximately 924K per year.

Estimated Project Completion Date – Feb 2014.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

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

Project Number **13401**

Estimated Total Cost of Project

1,177,600

Commission **Community & Fire Services**

Department **Operations - Fleet**

Project Description

2013 Annual Fleet Replacement Program based on the Council adopted Corporate Fleet Policy Guidelines. Life cycle costing targets optimal replacement intervals (ORI) which identifies the most cost effective time period for replacement. All vehicles and equipment contained in this program have reached or surpassed the ORI.

Location:

N/A.

Work to be Performed

Replacement of vehicles and equipment.

Reason for Work

Met required fleet replacement guideline with respect to lifecycle replacement criteria.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – March 2014.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Corporate Fleet Replacement - Fire

Project Number 13402

Estimated Total Cost of Project

3,617,000

Commission Community & Fire Services

Department Operations - Fleet

Project Description

2013 Annual Fleet Replacement Program based on the Council adopted Corporate Fleet Policy Guidelines. Life cycle costing targets optimal replacement intervals (ORI) which identifies the most cost effective time period for replacement. All vehicles and equipment contained in this program have reached or surpassed the ORI.

Location

N/A.

Work to be Performed

Replacement of vehicles and equipment.

Reason for Work

Met required fleet replacement guideline with respect to lifecycle replacement criteria.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – March 2014.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Two New Fleet Vehicles - Fire

Project Number 13403

Estimated Total Cost of Project

1,242,500

Commission Community & Fire Services

Department Operations - Fleet

Project Description

One aerial to be placed at the Cornell Fire station and one compact car for additional Fire Prevention Officer.

Location N/A.

Work to be Performed

Purchase on new additional fire units.

Reason for Work

New staff addition - Fire Prevention Officer, as identified in the Fire Master Plan; Aerial required for training of proposed new crew at Cornell that was identified in 2001 deployment study and the requirement reconfirmed in the Master Fire Plan in 2012 and approved by Council in principle.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2014.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Emerald Ash Borer Program

Project Number 13438

Estimated Total Cost of Project

2,066,300

Commission Community & Fire Services

Department Operations - Parks

Project Description

Emerald Ash Borer (EAB) Management Plan implementation to address the requirements for dealing with the decline in our Ash tree inventory due to the EAB infestation and the need to manage the treatment, removal of trees, disposal, stumping, supply, installation and maintenance of the newly planted trees citywide.

Location: Citywide.

Work to be Performed

Complete Ash tree condition inventory due to the EAB infestation, injection treatment, removal of trees, disposal, stumping, supply, installation and maintenance of the newly planted trees.

Reason for Work

To maintain the health of our Urban Forest and Tree Canopy which are in decline due to the EAB infestation.

Impact on Future Operating Budgets

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

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



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Asphalt Resurfacing**

Project Number **13454**

Estimated Total Cost of Project

5,813,600

Commission **Community & Fire Services**

Department **Operations - Roads**

Project Description

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

Location

City-wide.

Work to be Performed

Road Rehabilitation program consists of asphalt resurfacing of roads throughout the City utilizing a pavement management program to qualify and select rehabilitation candidates.

Reason for Work

The overall goal is to maintain an acceptable pavement condition index and user satisfaction by implementing cost effective strategies designed to extend pavement life and reduce overall maintenance costs of the road network.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2013.

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

Project Name **South East Markham Community Centre and Library**

Project Number **13500**

Estimated Total Cost of Project

62,200,000

Commission **Community & Fire Services**

Department **Recreation & Library Construction**

Project Description **Community Centre Library**

Location
South east corner of 14th Ave and Middlefield.

Work to be Performed
Design and construction of 121,000 sq. ft. Program Area including pool, gym, fitness components and a library.

Reason for Work
Per Integrated Leisure Master Plan.

Impact on Future Operating Budgets
High – The impact will result in an increase of \$100,001 or more annually.

Estimated Project Completion Date – December, 2015.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name **Watermain Construction and Replacement Program**

Project Number **13701**

Estimated Total Cost of Project

4,433,000

Commission Community & Fire Services

Department Waterworks

Project Description:

Replacement of watermains that prematurely reached their service life.

Location:

1. Hwy. #7 (Warden Avenue east to Railroad tracks)
2. Hwy. # 48 (Bullock to 16th Avenue)

Work to be Performed

Watermain replacement.

Reason for Work:

1. Replacement of watermain (near end of lifecycle) in conjunction with York Region 2013 widening and surface improvement program along Hwy. #7. Project addresses domestic water and fire demand and ensure security of water supply in the area.
2. Replacement of old cast iron watermain in conjunction with major road improvements on Hwy. #48. Project addresses domestic water and fire demand and ensure security of water supply in the area.

Impact on Future Operating Budgets

Reduce operating and maintenance costs from watermain breaks.

Estimated Project Completion Date – December 2013.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

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

Project Number **13708**

Estimated Total Cost of Project

1,223,200

Commission Community & Fire Services

Department Waterworks

Project Description

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

Location

Various areas in Markham.

Work to be Performed

Structural and service rehabilitation and repairs of sanitary distribution system and manholes. All repairs are completed with trenchless methods.

Reason for Work

To maintain and extend sanitary distribution system life expectancy and reduce maintenance cost, liabilities and provide system capacity as designed.

Impact on Future Operating Budgets

Reduced maintenance cost and liabilities.

Estimated Project Completion Date – December 2013.

BUILDING STANDARDS BUDGET

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

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

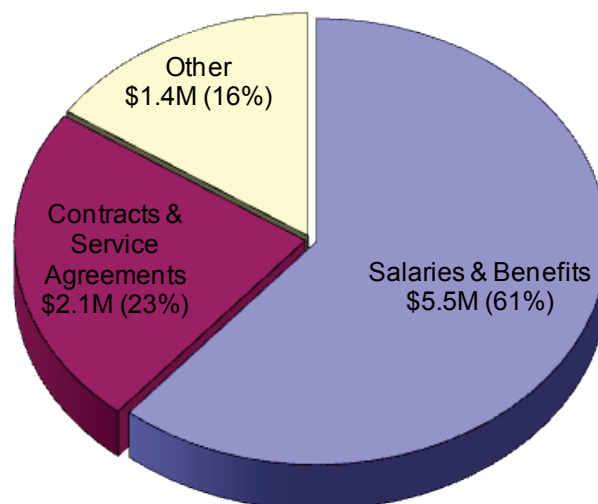
Operating Budget

Expenditures

The 2013 Operating Budget for Building totals \$9,026,380. This marks an increase of \$1,053,597 from the 2012 Operating Budget due to an increase in the transfer to reserves to offset projected revenue.

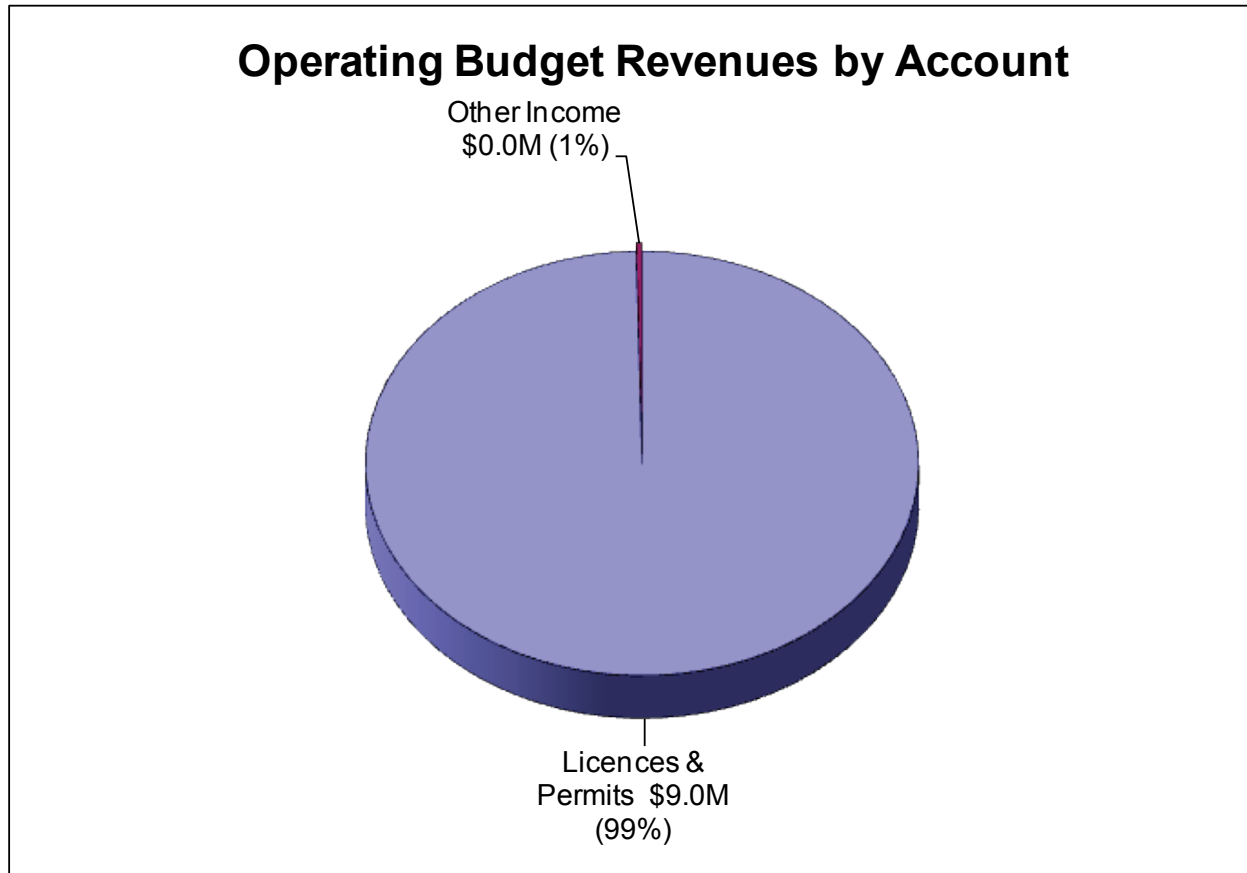
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 61% of the Operating Budget. Contracts & Service Agreement, 23% of the Operating Budget, represents indirect costs such as ITS equipment and other department's services. Other expenditures account for 16%.

Operating Budget Expenditures by Account



Revenues

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



Capital Budget

Building Standards department had no 2013 Capital Budget requests.

BUILDING STANDARDS CONSOLIDATED 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>	
			<u>\$ Incr./(Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
LICENCES & PERMITS	\$7,942,643	\$8,996,240	\$1,053,597	13.3%
USER FEES & SERVICE CHARGES	30,140	30,140	0	0.0%
OTHER REVENUE	0	0	0	0.0%
Total Revenues	\$7,972,783	\$9,026,380	\$1,053,597	13.2%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$5,278,431	\$5,452,204	\$173,773	3.3%
PRINTING & OFFICE SUPPLIES	41,500	41,500	0	0.0%
OPERATING MATERIALS & SUPPLIES	23,500	23,500	0	0.0%
COMMUNICATIONS	30,800	30,800	0	0.0%
TRAVEL EXPENSES	6,000	6,000	0	0.0%
TRAINING	30,000	30,000	0	0.0%
CONTRACTS & SERVICE AGREEMENTS	2,048,346	2,148,528	100,182	4.9%
RENTAL/LEASE	2,500	2,500	0	0.0%
PROFESSIONAL SERVICES	16,000	16,000	0	0.0%
LICENCES, PERMITS, FEES	15,750	15,750	0	0.0%
CREDIT CARD SERVICE CHARGES	10,000	10,000	0	0.0%
PROMOTION & ADVERTISING	1,000	1,000	0	0.0%
TRANSFERS TO RESERVES	468,956	1,248,598	779,642	166.3%
Total Expenses	\$7,972,783	\$9,026,380	\$1,053,597	13.2%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Licences & Permits: Increase is due to the increased number of permits expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

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

Transfers to Reserves: Adjustment to balance the department's budget.

PLANNING & DESIGN BUDGET

The Planning & Design Department responsibilities 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.

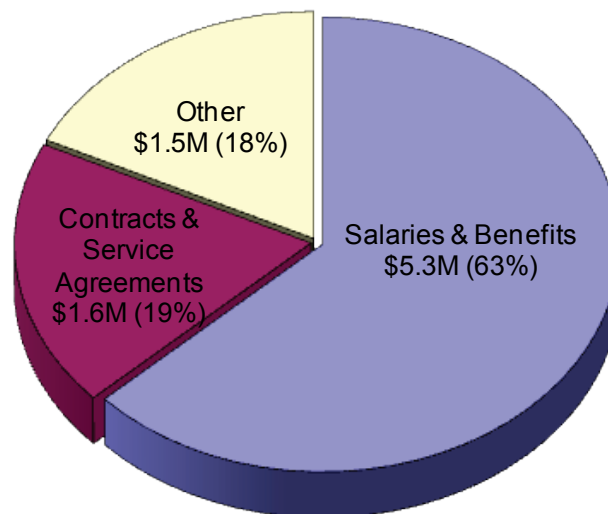
Operating Budget

Expenditures

The 2013 Operating Budget for Planning & Design totals \$8,407,168. This marks an increase of \$2,237,378 from the 2012 Operating Budget due to an increase in the transfer to reserves to offset projected revenue.

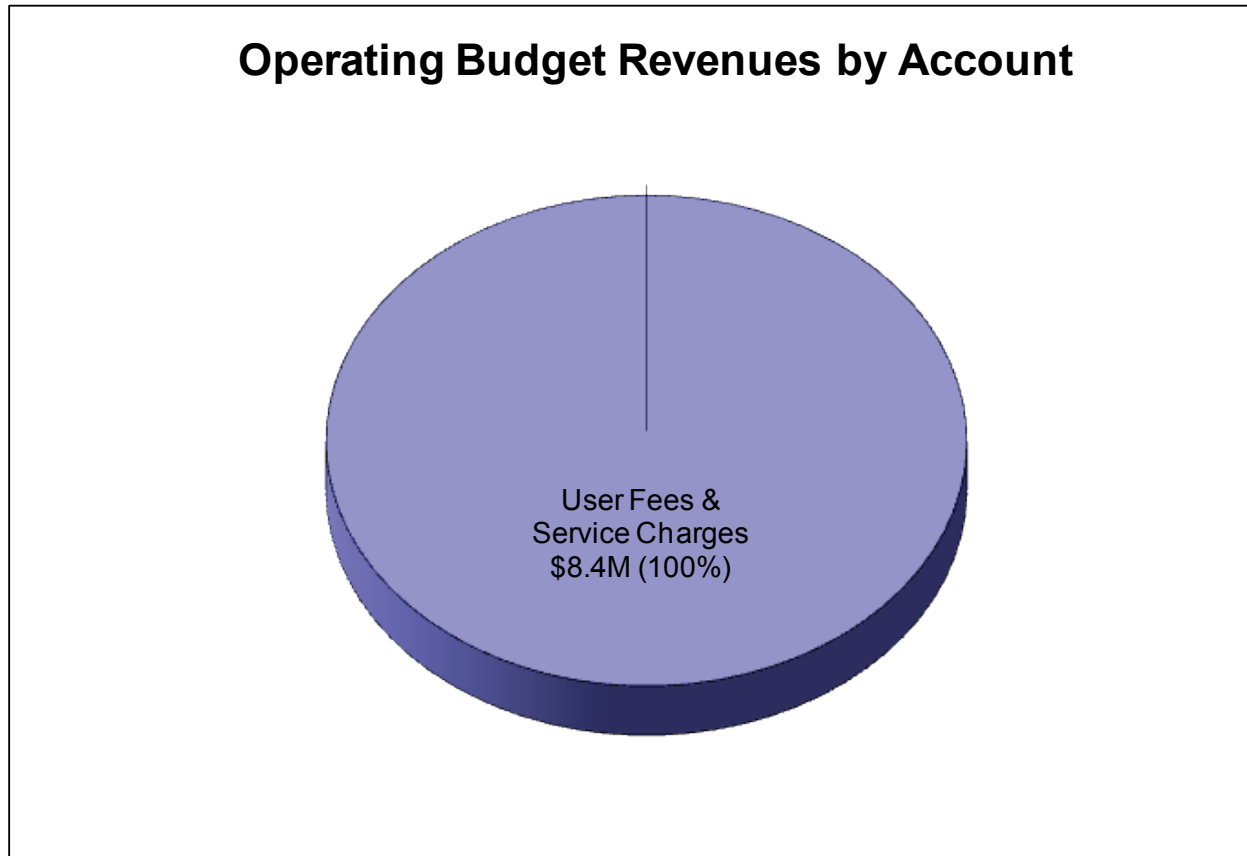
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 63% of the Operating Budget. Contracts & Service Agreement, 19% of the Operating Budget, represents indirect costs such as ITS equipment, other department's services and overhead costs. Other expenditures account for 18%.

Operating Budget Expenditures by Account



Revenues

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



Capital Budget

The 2013 Planning Capital Budget totals \$1,696,300 which is primarily funded from Development Charges. The capital projects include Official Plan preparation projects, future urban area and secondary plan studies, annual advisory and improvement programs, and development area studies.

The 2013 Design Capital Budget totals \$8,727,300 which is primarily funded from Development Charges. The capital projects include new parks and master plan studies.



PLANNING & DESIGN CONSOLIDATED 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u> <u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenue				
USER FEES & SERVICE CHARGES	\$6,169,790	\$8,407,168	\$2,237,378	36.3%
RECOVERIES & CONTRIBUTIONS	0	0	0	0.0%
Total Revenues	\$6,169,790	\$8,407,168	\$2,237,378	36.3%
Expenses				
SALARIES AND BENEFITS	\$5,052,139	\$5,283,539	\$231,400	4.6%
PRINTING & OFFICE SUPPLIES	43,092	43,092	0	0.0%
OPERATING MATERIALS & SUPPLIES	6,803	6,803	0	0.0%
COMMUNICATIONS	10,869	10,869	0	0.0%
TRAVEL EXPENSES	29,342	29,342	0	0.0%
TRAINING	15,000	15,000	0	0.0%
CONTRACTS & SERVICE AGREEMENTS	1,463,203	1,619,369	156,166	10.7%
RENTAL/LEASE	3,000	3,000	0	0.0%
PROFESSIONAL SERVICES	38,748	38,748	0	0.0%
LICENCES, PERMITS, FEES	22,995	22,995	0	0.0%
CREDIT CARD SERVICE CHARGES	1,823	1,823	0	0.0%
PROMOTION & ADVERTISING	4,365	4,365	0	0.0%
PMTS. TO CITIZENS/LOCAL GROUPS	0	0	0	0.0%
OTHER EXPENDITURES	-5,000	-5,000	0	0.0%
TRANSFERS TO RESERVES	-516,589	1,333,223	1,849,812	-358.1%
Total Expenses	\$6,169,790	\$8,407,168	\$2,237,378	36.3%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased number of applications expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

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

Transfers to Reserves: Adjustment to balance the department's budget to zero.

ENGINEERING BUDGET

The Engineering Department responsibilities relate to planning and delivery of infrastructure, transportation, and environmental engineering. This includes: new subdivision & site plan applications, construction of storm & sanitary sewers, watermains, and roads.

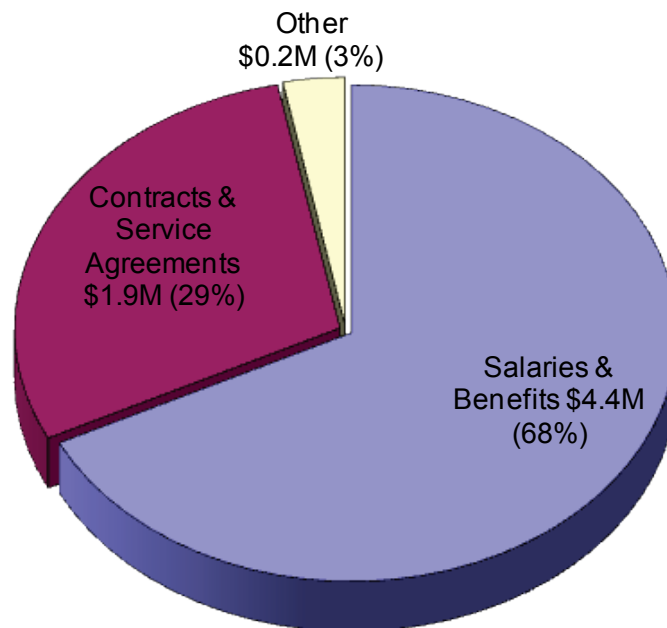
Operating Budget

Expenditures

The 2013 Operating Budget for Engineering totals \$5,867,563. This marks an increase of \$421,526 from the 2012 Operating Budget due to an increase in salary & benefits as well as contract service agreements.

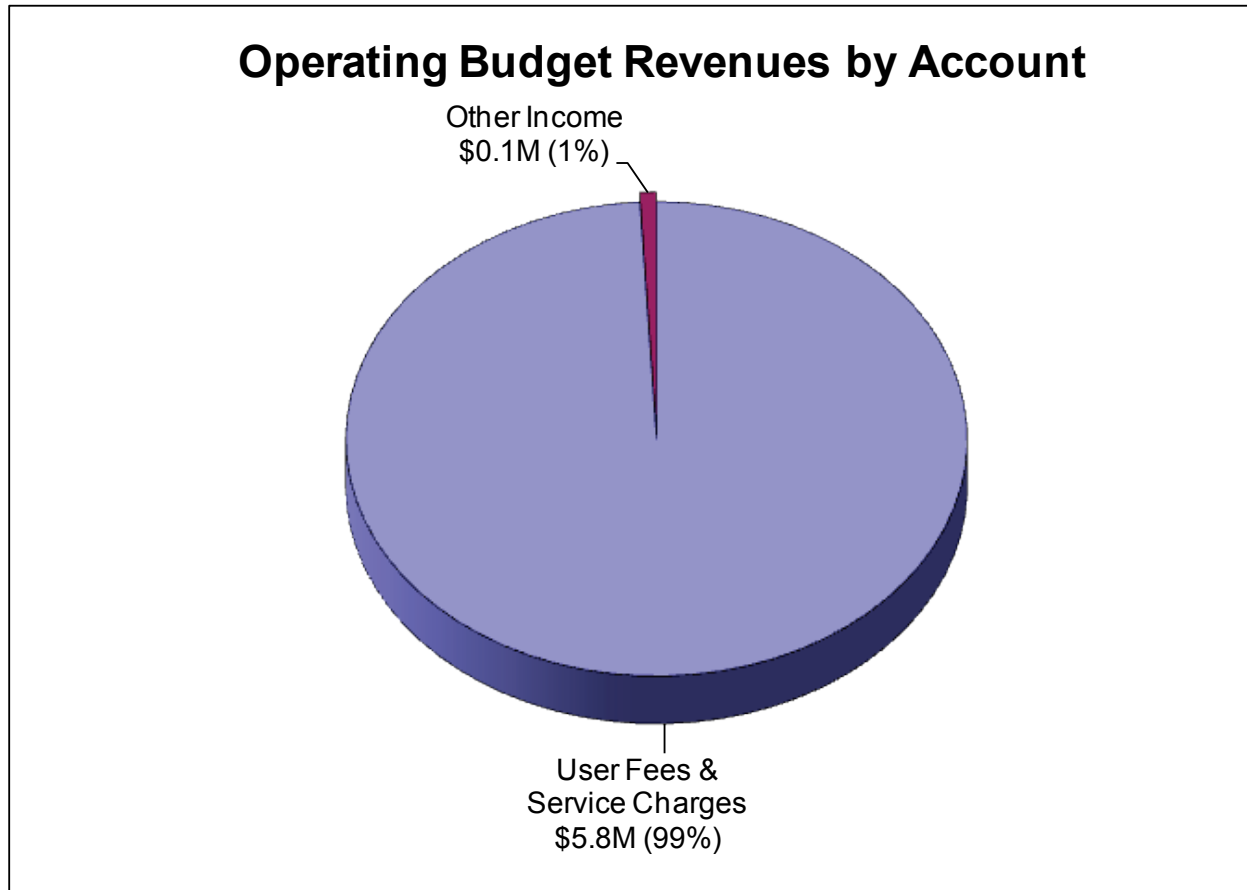
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 68% of the Operating Budget. Contracts & Service Agreement, 29% of the Operating Budget, represents indirect costs such as ITS equipment, other department's services and overhead costs. Other expenditures account for 3%.

Operating Budget Expenditures by Account



Revenues

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



Capital Budget

The 2013 Engineering Capital Budget totals \$17,008,300 which is primarily funded from Development Charges. The capital projects include the design and construction of roads and transportation studies.

ENGINEERING CONSOLIDATED 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
USER FEES & SERVICE CHARGES	\$5,394,224	\$5,818,373	\$424,149	7.9%
SALES	1,000	0	-1,000	-100.0%
RECOVERIES & CONTRIBUTIONS	50,813	49,190	-1,623	-3.2%
OTHER REVENUE	0	0		
Total Revenues	\$5,446,037	\$5,867,563	\$421,526	7.7%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$4,303,516	\$4,454,986	\$151,470	3.5%
PRINTING & OFFICE SUPPLIES	31,000	25,000	-6,000	-19.4%
OPERATING MATERIALS & SUPPLIES	18,000	21,000	3,000	16.7%
COMMUNICATIONS	14,000	23,700	9,700	69.3%
TRAVEL EXPENSES	13,000	20,000	7,000	53.8%
TRAINING	16,000	24,000	8,000	50.0%
CONTRACTS & SERVICE AGREEMENTS	1,877,568	1,850,884	-26,684	-1.4%
MAINT. & REPAIR-TIME/MATERIAL	2,956	2,956	0	0.0%
PROFESSIONAL SERVICES	25,000	15,000	-10,000	-40.0%
LICENCES, PERMITS, FEES	18,500	23,500	5,000	27.0%
TRANSFERS TO RESERVES	-873,503	-599,463	274,040	-31.4%
OTHER EXPENSES	0	6,000	6,000	0.0%
Total Expenses	\$5,446,037	\$5,867,563	\$421,526	7.7%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased construction charges expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Transfers to Reserves: Adjustment to balance the department's budget to zero.

WATERWORKS BUDGET

Operations relating to water and sanitary sewer are identified separately due to its self-funding nature. User fees from water billings are the main source of funding for the Waterworks Budget.

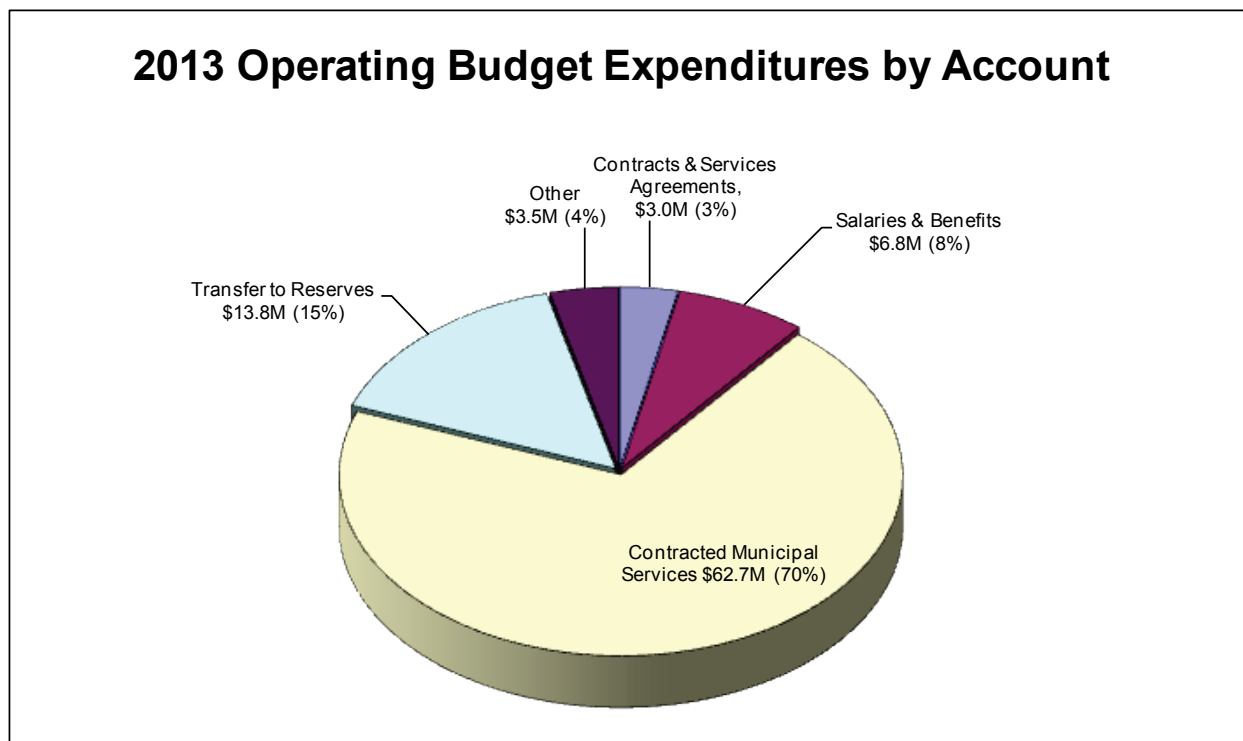
In 2007, the City of Markham implemented a Water & Wastewater Reserve Study to address the ongoing replacement and rehabilitation requirements for the aging water and sewer systems. The study made recommendations to the level of Water & Wastewater Infrastructure Surcharge to charge in order to sustain projected replacement and rehabilitation costs over the next 25 years.

Operating Budget

Expenditures

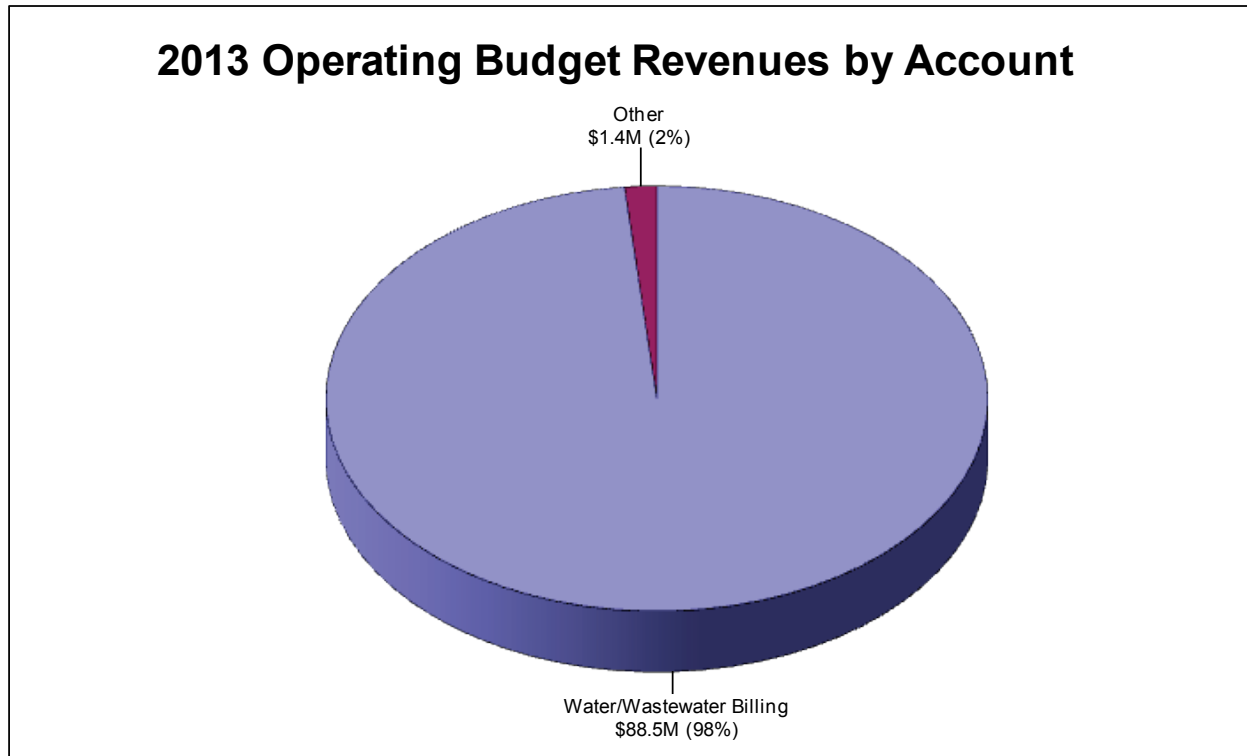
The 2013 Operating Budget for Waterworks totals \$89,789,481 (excluding prior year's surplus), an increase of \$8.1 million over the 2012 Operating Budget.

The figure below indicates that the major portion of budgeted expenditures is Contracted Municipal Services, which is for the purchase of water from the Region of York. Transfer to Reserves, which accounts for 15% of the Operating Budget, represents transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements. Contract & Service Agreements, which accounts for 3% of the Operating Budget, includes items such as inspection & cleaning of the sewer line, maintenance & repair of the water & sewer system, water sampling & testing, installation & maintenance of meters, and water/wastewater reading & billing.



Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. The City's water/wastewater rates have increased by 8.0% from the previous year's level primarily as a result of the wholesale water rate increase from the Region of York effective April 1, 2013 (6.2% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (1.8% impact).



Capital Budget

The 2013 Waterworks Capital Budget totals \$9,074,400 which is fully funded from the Waterworks reserve. The capital projects include annual programs for watermains construction/replacement, relining of watermains, water meter replacement, and upgrades to water and sewer system. The Waterworks reserve also funds capital projects managed by other departments (such as ITS and Fleet). The 2013 capital budget includes funding from Waterworks reserve in the amount of \$9,407,891.



WATERWORKS CONSOLIDATED 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenues</u>				
TAXES - OTHER CHARGES	\$0	\$0	\$0	0.0%
FINES/ BILLINGS	80,740,020	88,460,821	7,720,801	9.6%
USER FEES & SERVICE CHARGES	484,600	682,160	197,560	40.8%
SALES	148,000	273,000	125,000	84.5%
RECOVERIES & CONTRIBUTIONS	270,000	373,500	103,500	38.3%
OTHER REVENUE	0	0	0	0.0%
TRANSFERS FROM RESERVES	0	0	0	0.0%
Total Revenues	\$81,642,620	\$89,789,481	\$8,146,861	10.0%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$6,441,201	\$6,756,944	\$315,743	4.9%
PRINTING & OFFICE SUPPLIES	29,092	29,092	0	0.0%
OPERATING MATERIALS & SUPPLIES	128,705	128,705	0	0.0%
CONSTRUCTION MATERIALS	566,650	594,566	27,916	4.9%
UTILITIES	36,742	36,742	0	0.0%
COMMUNICATIONS	75,601	100,172	24,571	32.5%
TRAVEL EXPENSES	49,500	49,500	0	0.0%
TRAINING	56,130	56,130	0	0.0%
CONTRACTS & SERVICE AGREEMENTS	2,905,096	2,961,912	56,816	2.0%
MAINT. & REPAIR-TIME/MATERIAL	345,122	345,122	0	0.0%
RENTAL/LEASE	5,099	6,099	1,000	19.6%
PROFESSIONAL SERVICES	113,034	113,034	0	0.0%
LICENCES, PERMITS, FEES	32,260	38,260	6,000	18.6%
PROMOTION & ADVERTISING	3,000	3,000	0	0.0%
CONTRACTED MUNICIPAL SERVICES	56,772,274	62,737,473	5,965,199	10.5%
OTHER PURCHASED SERVICES	1,966,822	2,019,076	52,254	2.7%
WRITE-OFFS	30,000	30,000	0	0.0%
TRANSFERS TO RESERVES	12,086,292	13,783,654	1,697,362	14.0%
OTHER EXPENSES	0	0	0	0.0%
Total Expenses	\$81,642,620	\$89,789,481	\$8,146,861	10.0%
Net Expenditures/(Revenues)	\$0	\$0	\$0	0.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

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

User Fees & Service Charges/Sales/Recoveries & Contributions: Increase to budget based on historical actual revenues.

Salaries & Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Contracts & Service Agreements: Increase in costs associated with the sewer effluent sampling program.

Contracted Municipal Services: Increased due to higher water purchases from the Region of York based on increased rates and volume adjustments.

Other Purchased Services: Increase in indirect cost chargeback to Waterworks.

Transfer to Reserves: Increased transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements as per the Waterworks Reserve Study.

BUSINESS PLAN INTRODUCTION

The following section details each Business Unit of the organization. Each business unit reports to a Commission: CAO's Office, Corporate Services, Development Services, and Community and Fire Services. A brief overview of each Commission and its operating budget are followed by the business planning and budgeting information of its business units.

Business Unit Profiles (BUPs) provide a single reference for identifying each business unit's 2013 proposed objectives in alignment to the Corporate goals and Council priorities. By centralizing this information, the profiles have become a useful tool for measuring the progress towards the organization's mission, goals, and objectives. During the annual Business Planning Process, each business unit presents its BUP to senior management, identifying its planned objectives for the upcoming year. As planning documents, not all objectives included in the BUPs will be approved during the 2013 budgeting process. Each BUP tracks five years of Key Performance Indicators (KPI's), in addition to the current mid-year data. The KPI data trends support the proposed objectives and help estimate the required resources during the Business Planning and Budgeting processes.

The BUP provides a summary of information on such matters as:

- 2012 Business Plan Objective/Outcomes
- Key Performance Indicators
- 2013 Cross Commission Projects
- 2013 Business Plan Objectives

One of the key elements of the BUP is a focus on KPIs. With the development of KPIs, the organization has embarked on a corporate-wide approach for measuring its financial performance, operational excellence, staff satisfaction, and customer satisfaction. Trends and inter-relationships among business units' KPIs have proven extremely helpful in identifying services that are working well, and others that require attention during the business planning and budgeting processes.

BUPs are an annual exercise for all business units. Unless specified otherwise, the 2013 objectives are targeted for completion in the same year and the implementation of these objectives will be affected by resource and funding allocation.

As part of our commitment to continuous improvement and excellence, we have become more adept at aligning business unit objectives to corporate goals and Council priorities, developing insightful KPIs, and articulating business objectives. The BUPs are accessible to all staff through its intranet site, and to the public on its official website as part of this annual budget binder.

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MAYOR AND COUNCIL 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenue								
RECOVERIES AND CONTRIBUTIONS	\$69,092	\$0	\$0	\$0	0.0%	(\$69,092)	-100.0%	
Expenses								
SALARIES AND BENEFITS	\$2,212,505	\$2,406,199	\$2,424,246	\$18,047	0.8%	\$211,741	9.6%	
PRINTING & OFFICE SUPPLIES	35,102	23,441	23,441	0	0.0%	-11,661	-33.2%	
OPERATING MATERIALS & SUPPLIES	10,599	11,900	11,900	0	0.0%	1,301	12.3%	
VEHICLE SUPPLIES	4,288	3,200	3,200	0	0.0%	-1,088	-25.4%	
COMMUNICATIONS	496	14,870	14,870	0	0.0%	14,374	2898.0%	
TRAVEL EXPENSES	110,394	92,395	92,395	0	0.0%	-17,999	-16.3%	
TRAINING	0	5,594	5,594	0	0.0%	5,594	0.0%	
MAINT. & REPAIR-TIME/MATERIAL	0	7,230	7,230	0	0.0%	7,230	0.0%	
RENTAL/LEASE	4,636	14,229	14,229	0	0.0%	9,593	206.9%	
PROFESSIONAL SERVICES	22,048	6,589	6,589	0	0.0%	-15,459	-70.1%	
LICENCES, PERMITS, FEES	4,567	2,585	2,585	0	0.0%	-1,982	-43.4%	
PROMOTION & ADVERTISING	63,747	41,630	41,630	0	0.0%	-22,117	-34.7%	
OTHER PURCHASED SERVICES	0	0	0	0	0.0%	0	0.0%	
MISCELLANEOUS EXPENSES	8,170	150	150	0	0.0%	-8,020	-98.2%	
Total Expenses	\$2,476,552	\$2,630,012	\$2,648,059	\$18,047	0.7%	\$171,507	6.9%	
Net Expenditures/(Revenues)	\$2,407,460	\$2,630,012	\$2,648,059	\$18,047	0.7%	\$240,599	6.9%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

No significant changes.

Chief Administrative Officer (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 1041 and approximately 1400 part time/seasonal staff who respond to issues of the growing City of Markham and the high expectations that the public has for superior service delivery. The responsibilities of the CAO include management of a \$463.5 million dollar budget, overseeing municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services and Development Services, as well as the Directors of Human Resources and Sustainability Office, the City Solicitor, the Manager Strategic Initiatives and the Manager of Executive Operations.

The Executive Leadership Team (ELT) supports the management of the City's operations and is comprised of the CAO, Commissioners of Corporate Services, Community and Fire Services and Development Services, the Director of Human Resources, the City Solicitor and the Manager of Executive Operations. The ELT meets weekly, is chaired by the CAO, and addresses City operations and issues.

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

- Legal Services
- Human Resources
- Sustainability Office

Legal Services

Reporting to the Chief Administrative Officer, the Legal Services Department provides a full range of legal advice and support to Council, its committees and City staff. As a municipal corporation, the City is subject to all laws of the Federal and Provincial governments.

The primary functions and duties of the Legal Services Department include:

- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Ontario Municipal Board hearings
- Conduct or defend all legal actions instituted by or commenced against the City in all levels of the Ontario court system
- Preparation and review of all development agreements (subdivision, site plan) and other contracts/agreements

- Negotiation, preparation, review and registration of documents required for the acquisition and sale of real property
- Drafting and review of by-laws
- Provision of legal advice and direction to all municipal departments
- Meetings with other government agencies, including provincial ministries and York Region, to resolve issues
- Assistance to the By-law Enforcement Department in the enforcement and prosecution of City regulatory and zoning by-laws, including representation of the Licensing Manager at Licensing hearings

Human Resources

The Human Resources department supports the achievement of the City of Markham's goals by providing a full range of strategic human resources management solutions in the areas of workforce development, business transformation, positive stakeholder relations, and occupational health, wellness and safety. The department is also the corporate sponsor and champion of the City's comprehensive multi-year Diversity Action Plan "Everyone Welcome" which lays out the paths that the City will travel toward an inclusive Markham. The City employs 1033 full-time staff supported by part time and temporary peak-season staff in areas such as the Contact Centre, Recreation Services and the Operations Department.

Sustainability Office

Reporting to the CAO, the Sustainability Office champions the implementation of the Greenprint, Markham's Sustainability Plan, in partnership with staff and the community.

The Greenprint was developed with extensive consultation and is a 50-100 year vision for Markham to become the most sustainable community in North America; it is based on the three sustainability pillars of:

- Social & Cultural Well-Being
- Economic Vitality
- Environmental Health

The Greenprint has 12 priority areas and 241 recommendations that are new or build on existing initiatives of Markham staff and the community, monitoring and tracking of the priority indicators and recommendations will be by the Sustainability Office.

The Sustainability Office leads specific implementation initiatives of the Greenprint and provides sustainability support services to Council, staff and the community.



CAO, LEGAL, HR AND SUSTAINABILITY OFFICE

2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
Revenues								
USER FEES & SERVICE CHARGES	\$189,479	\$127,192	\$147,192	\$20,000	15.7%	(\$42,287)	-22.3%	
RECOVERIES & CONTRIBUTIONS	13,414	-	-	-	-	(\$13,414)	-100.0%	
OTHER REVENUE	712	-	-	-	-	(\$712)	-100.0%	
Total Revenues	\$203,605	\$127,192	\$147,192	\$20,000	15.7%	(\$56,413)	-27.7%	
Expenses								
SALARIES AND BENEFITS	\$4,687,341	\$4,870,515	\$4,886,297	\$15,782	0.3%	\$198,956	4.2%	
PRINTING & OFFICE SUPPLIES	31,102	30,153	30,153	-	0.0%	(949)	-3.1%	
OPERATING MATERIALS & SUPPLIES	110,330	113,656	113,656	-	0.0%	3,326	3.0%	
UTILITIES	(275,079)	(47,896)	(84,896)	(37,000)	77.3%	190,183	-69.1%	
COMMUNICATIONS	10,892	9,612	10,612	1,000	10.4%	(280)	-2.6%	
TRAVEL EXPENSES	30,381	40,842	44,459	3,617	8.9%	14,078	46.3%	
TRAINING	242,330	298,279	298,279	-	0.0%	55,949	23.1%	
CONTRACTS & SERVICE AGREEMENTS	(234,669)	(139,955)	(152,786)	(12,831)	9.2%	81,883	-34.9%	
RENTAL/LEASE	3,675	6,444	6,444	-	0.0%	2,769	75.3%	
PROFESSIONAL SERVICES	569,612	567,760	564,143	(3,617)	-0.6%	(5,469)	-1.0%	
LICENCES, PERMITS, FEES	55,498	65,626	65,626	-	0.0%	10,128	18.2%	
PROMOTION & ADVERTISING	287,196	262,640	261,640	(1,000)	-0.4%	(25,556)	-8.9%	
OTHER EXPENDITURES	282,982	40,896	40,896	-	0.0%	(242,086)	-85.5%	
Total Expenses	\$5,801,591	\$6,118,572	\$6,084,523	(\$34,049)	-0.6%	\$282,932	4.9%	
Net Expenditures/(Revenues)	\$5,597,986	\$5,991,380	\$5,937,331	(\$54,049)	-0.9%	\$339,345	6.1%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

No significant changes.

LEGAL SERVICES BUSINESS PLAN OUTCOME

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Legal representation at all Ontario Municipal Board hearings. The Department represents the City at all manner of litigation and administrative matters to ensure that Council's position and City policy is upheld.	Success in 2/3 OMB cases and successful settlement of two substantial litigation files. Number of appeals/litigation matters commenced continues to increase. Files opened in the first 6 months of 2012 are trending to equal those opened in 2011.	OT
2	Real property matters - The Department acts for the City in negotiating and completing acquisitions (by agreement with the owner and by expropriation), disposition, leases, easements and permission to enter agreements and licenses to ensure that the interests of the City are well represented and protected and to ensure that City policy is complied with.	Successful completion of transactions authorized by Council, ensuring protection of the City's interests. Draft new Real Property Acquisition and Disposition Policy is under way.	OT
3	Legal representation and provision of strategic and practical advice and services to the City, including Council, Committee and staff, on a wide variety of legal issues and policy matters.	Protection of City's interests while facilitating, in a timely way, the plans and programs of operating departments.	OT
4	Development Agreements - preparation and registration of all subdivision, site plan, heritage conservation easement and other agreements to facilitate residential, commercial, industrial, institutional and heritage development within the City.	Timely preparation, execution and registration of all agreements necessary to protect the interests of the City and facilitate development approvals of the City. Number of subdivision registrations will likely exceed total in 2011, as critical dates for Regional DC's will trigger additional, late Fall registrations	OT
5	Markham Enterprises Corporation - provision of strategic and practical advice to the Shareholder, Board of Directors, staff of MEC and its subsidiary Markham District Energy Inc.	Timely and practical advice delivered to ensure the corporation's interests are protected. Facilitated PowerStream's Solar business continuation plan for 2012/2013 through agreements and facilitated PS refinancing initiatives.	OT
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Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			

LEGAL SERVICES KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
# of formal customer satisfaction surveys completed		1					1 every 2 years
# of informal customer satisfaction surveys completed							
Average overall satisfaction for formal survey(s) completed (%)		73%					≥80%
Average extremely/very satisfied for formal survey(s) completed (%)		59%					≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 10.62	\$ 10.90	\$ 11.58	\$ 17.12	\$ 16.60	\$ 15.98	at or below approved budget
OPERATIONAL EXCELLENCE							
Favourable decisions as a % of decisions rendered	95%	86%		85%	85%	66%	
# of subdivision agreements registered	29	23	1	19	20	12	
# of site plan agreements prepared	65	53	52	35	55	35	
# of other development agreements prepared	53	27	32	63	34	25	
# of files opened	468	440	413	375	325	164	
# of acquisitions by expropriation	1	1			2	-	
% of average increase in purchase price due to expropriation	110%	317%			166%	-	
Average time (months) to acquire by negotiation		12	12	12	12	12	
Average time (months) to acquire by expropriation	13	10			10	10	
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		61%		68%		68%	≥75%
Recognition rating (from staff survey)		29%		57%		48%	≥65%
Staff Satisfaction rating (from staff survey)		76%		77%		85%	≥80%
Completion rate for performance management	100%	100%	100%	100%	100%	100%	100%
Average Corporate learning hours per full-time employee	6.7	7.4	6.0	6.0	2.8	2.8	20.0
Staff absenteeism (average # of days per employee)	4.9	4.4	4.9	2.1	2.3	2.3	≤8.4
Staff turnover rate	14%	29%	0%	7%	0%	0%	≤7.5%
KPI SUMMARY							
<p>We continue to have a high volume of development related work, including preparation of subdivision, site plan and development agreements and Ontario Municipal Board work. Complex site plan work will eventually supplant subdivision work as we grow into a more densified municipality. This type of work is more susceptible to appeal, as it is often on the edge of, or within existing communities, and is viewed less favourably than ground related subdivision, resulting in more appeals. Markham is also engaged in acquisition of land for landbanking or other purposes, which are generally speaking, much more complex transactions than typical acquisitions. The recently added KPI's relating to expropriation and negotiation are proving helpful, as we rarely do expropriate and those KPI's will be replaced next year. Staff satisfaction rating is trending back up, with some areas identified for specific remedial work, including individual recognition and reward and job clarity.</p>							

LEGAL SERVICES BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
				Priorities	
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham
Cross Commission Projects (Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (support)		Support the development of the Official Plan with advice and comments and if necessary, legal assistance on appeals	GM	
2	Portal Phase 3 (support)		Support phase three with assistance with agreements or implementation as required.	MS	OE
3	Excellence Markham - Customer Satisfaction (support)		Support the development of a strategy through work on cross-commission teams		CS
4	Excellence Markham - Staff Survey Implementation (support)		Within Legal and the CAO's Commission, collaborate to address specifically identified areas to increase overall staff satisfaction	MS	OE
5	IT Strategic Plan Refresh (support)		Assist the refresh through participation on the DF Operational Excellence Sub-committee with the development of a strategic alignment tool to evaluate proposed initiatives.		
6	Corporate Community Engagement Strategy (support)		Assist in the development of a strategy that is actionable by the whole organization.	ILMP	CS
7					
Business Unit Objectives					
1	Legal representation at all Ontario Municipal Board hearings. The Department represents the City at all manner of litigation and administrative matters to ensure that Council's position and City policy is upheld.		Addition of Assistant City Solicitor for Planning should result in reduction in number of files sent to outside counsel and reduction in budget impact of litigation files.	GM	FP
2	Real property matters - The Department acts for the City in negotiating and completing acquisitions (by agreement with the owner and by expropriation), disposition, leases, easements and permission to enter agreements and licenses to ensure that the interests of the City are well represented and protected and to ensure that City policy is complied with.		Completion of new Real Property Acquisition and Disposition Policy and review of Delegated Authority. Completion of acquisitions and dispositions as required. Review of areas of responsibility for real property ie leases and acquisitions, once agreements completed, with other Departments having jurisdiction, ie Finance, Asset Management	MS	OE
3	Legal representation and provision of strategic and practical advice and services to the City, including Council, Committee and staff, on a wide variety of legal issues and policy matters.		Protection of City's interests while facilitating, in a timely way, the plans and programs of operating departments.	GM	OE
4	Development Agreements - preparation and registration of all subdivision, site plan, heritage conservation easement and other agreements to facilitate residential, commercial, industrial, institutional and heritage development within the City.		Timely preparation, execution and registration of all agreements necessary to protect the interests of the City and facilitate development approvals of the City. Number of subdivision registrations is down slightly from last year, although with critical dates for Regional DC's coming up, anticipated registrations will exceed last year's total	GM	OE
5	Markham Enterprises Corporation - provision of strategic and practical advice to the Shareholder, Board of Directors, staff of MEC and its subsidiary Markham District Energy Inc.		Timely and practical advice delivered to ensure the corporation's interests are protected. Continue to work proactively with PowerStream and MDEI to identify issues early so that they can be dealt with at MEC and City Council, if necessary, in a timely way.	MS	OE
6	Staff Satisfaction survey improvement projects: Individual Recognition and Reward and Job Clarity.		Objective is to improve rating to within 5% of Commission average results by next survey	MS	SE
7					

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



LEGAL SERVICES 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenues</u>							
USER FEES & SERVICE CHARGES	\$189,479	\$127,192	\$147,192	\$20,000	15.7%	(\$42,287)	-22.3%
Total Revenues	\$189,479	\$127,192	\$147,192	\$20,000	15.7%	(\$42,287)	-22.3%
<u>Expenses</u>							
SALARIES AND BENEFITS	\$1,294,403	\$1,380,741	\$1,399,799	\$19,058	1.4%	\$105,396	8.1%
PRINTING & OFFICE SUPPLIES	5,530	6,320	6,320	0	0.0%	790	14.3%
OPERATING MATERIALS & SUPPLIES	14,024	9,261	9,261	0	0.0%	(4,763)	-34.0%
COMMUNICATIONS	3,812	1,117	2,117	1,000	89.5%	(1,695)	-44.5%
TRAVEL EXPENSES	8,348	4,325	6,942	2,617	60.5%	(1,406)	-16.8%
TRAINING	1,608	1,189	1,189	0	0.0%	(419)	-26.1%
CONTRACTS & SERVICE AGREEMENTS	(39,274)	(39,274)	(54,296)	(15,022)	38.2%	(15,022)	38.2%
RENTAL/LEASE	819	1,520	1,520	0	0.0%	701	85.6%
PROFESSIONAL SERVICES	346,781	325,189	321,572	(3,617)	-1.1%	(25,209)	-7.3%
LICENCES, PERMITS, FEES	35,071	43,222	43,222	0	0.0%	8,151	23.2%
Total Expenditures	\$1,671,122	\$1,733,610	\$1,737,646	\$4,036	0.2%	\$66,524	4.0%
Net Expenditures/(Revenues)	\$1,481,643	\$1,606,418	\$1,590,454	(\$15,964)	-1.0%	\$108,811	7.3%

Changes in 2013 Budget from the 2012 Budget over \$50,000:

No significant changes.

HUMAN RESOURCES BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes

Objective	Actual Outcomes	Status
Diversity- The implementation of the priority items as identified in the Council approved Diversity Action Plan for 2012	HR continued to work with its internal partners to roll out priority areas of the Diversity Action Plan (DAP). Examples include the development of clear language guidelines for all forms of Markham's communications - website program publicity and public notices DAP Rec. 9, lead department - Communications; Designed and established accessibility features on the website in addition to google translate, text size, and contrast options DAP Rec. 63, lead department - Communications/Accessibility; Aligned with the Greenprint objective related to Education and Skills, created learning place programs for teens with a focus on curriculum support as well as life skills. Continued expansion of children's programs to include more literacy support. Year over year attendance and teen learning place programs has increased by approx. 150% DAP Rec 33, lead department - Library; Aligned with the Greenprint objective related to Food Security, partnered with York Food Network to design and distribute some 60,000 food guides to support finding culturally appropriate food DAP Rec 6, lead department - Sustainability. In addition, the following HR related work was implemented: completion of Respect in the Workplace training (Q2); delivery of Diversity Leadership workshop (Q2); commencement of staff Diversity training incorporating customer service (Q4), public Diversity media panel event (Q2); three Diversity related internal surveys (Q3, Q4) including a voluntary demographic survey for part time and temporary staff, "climate" and "self-identification" survey for regular full time staff.	OT
Introduce a talent management framework which allows for the identification, development and retention of identified talent against corporate requirements. Phase 1, Part 2- Identify corporate talent requirements and a risk assessment against identified requirements.	Core and leadership competencies will be developed in Q4 (the identification of corporate talent requirements for success). Development of succession plans for positions of priority will occur in 2013.	ADJ
Modernize HR technology to gain efficiencies and effectiveness. Specifically, in partnership with Finance and ITS, explore and identify HRIS/Payroll technology solutions.	A number of investigative meetings - York Region, PeopleSoft, other potential vendors (e.g. Ceredian, Payworks, Queue), an external PeopleSoft consultant. Ongoing review and discussions regarding pricing of different systems between HR, ITS and Finance.	ADJ
NQI PEP IV Journey - Focus Area - Recognition Program Improvement. Implementation of recognition program refinements including supporting policy and process development.	The 2012 Staff Satisfaction Survey results has served as a basis for information related to employee perspective and priority in the areas of recognition. Improvements and/or refinements to the current policy will be developed with consideration to the results in 2013.	ADJ
Health and Safety- develop core policies, standards, procedures. Complete scheduled health and safety training. Continued confined space assessment and inventory.	Full-time and Part-time staff combined have received 4,647 hours of health & safety training in Q1 and Q2. A Ministry of Labour Order has delayed the development of core policies as referenced under 2012 Unplanned Business Objectives.	DL
Repositioning of employer/employment brand to realign to current and future corporate direction and culture	A communications plan has been developed. Development of a value proposition for employees with consultation with staff focus group, DF and ELT will occur in Q4. Selection of ad agency will also occur in Q4 for purpose of developing 3 creative options for presentation to stakeholders in 2013.	ADJ
Learning and Development program improvements.	A needs assessment protocol put in place to determine learning needs with each Commission. 2012 learning calendar incorporated these needs which included project management, PMP preparation, English oral and written language skills, conflict resolution, presentation to Council skills, business writing and report writing for Council.	OT
Policy development - (related to Employee Code of Ethics and Employee Conduct policy)	A draft revised Employee Code of Ethics and Employee Conduct policy has been developed and senior staff discussion and review of draft continues with approval anticipated for Q4 and an implementation plan developed thereafter. Other policies in development include: corrective action and disability management.	OT
Staff Satisfaction Survey (HR as sponsor)	Staff satisfaction survey implemented in spring 2012 by Metrics at Work and project managed by the Manager of Strategic Initiatives. Results were provided to Commissioners and Directors in June 2012. In addition, beyond the original scope, a pilot part time staff survey incorporating demographic questions will be conducted in August 2012.	OT
Staff Satisfaction Project- focus on increasing work life balance and celebrating team accomplishments.	Implemented quarterly breakfast for staff in recognition for completed projects and work well done. A conscious re-allocation of duties to better manage workload across the HR team.	OT
2012 CONTINUOUS IMPROVEMENT ACTIVITIES		
Technology implementations	Enhanced Applicant Tracking System (Q2) and automated Exit Interview System (Q3) implemented. Pre-employment Background Check Ordering system RFQ to be awarded in Q4.	OT
HR metrics	Comprehensive 2011 human resource related metrics developed and distributed to Commissioners, Directors and Strategy Managers to support the organization in highlighting important people trends that are impacting on the organization. Included metrics such as average salary, retirement forecasting, percentage of positions filled internally, health and safety incidents etc. CAO key business indicators report developed for quarterly distribution.	OT
Wellness program	Increase of Wellness program offerings- introduction of yoga and weight management programs; augmentation of popular massage therapy services. The City received recognition in the Sun Life Financial magazine for our work in the area of Wellness assessment and metrics. In addition, the Wellness program has been nominated for the Benefits Canada 2012 Workplace Health and Benefits Award, Wellness Program Award.	OT
Part-time pay external benchmarking	Preliminary analysis was conducted and indicated that (with an exception of 4 jobs) no immediate concerns with market competitiveness of jobs in the part-time pay grid.	OT
2012 UNPLANNED BUSINESS OBJECTIVES		
Health and Safety Ministry of Labour order (Q3 and Q4)	The Ministry of Labour Order resulted in the requirement to assess all existing safe work procedures, the associated equipment (including personal protective equipment), instruction for activities (including ladder usage), machine operation, and material handling. There is also a requirement to identify any gaps and move to implementing additional/revised safe work procedures and instruction where they do not currently exist. The date to comply is September 30, 2012.	OT
Recreation and Culture Camp recruitment project (Q1-3)	The HR component of the Camp Action Plan included: the move to a centralized camp recruitment process; development of a competency matrix; recruitment vision and communication principles; assessment tools; communication tools; centralized applicant database; behavioural interview training; tracking of metrics. External recruitment coach provided for each panel. 1400 applications received, 450 interviews conducted, 250 hired (63% were returning staff). Process maps, procedural guide and comprehensive website information being developed.	COM
Notes:		
Objective Status: OT= On Target, ADJ= Scope Adjusted, DL= Delayed, COM= Completed, DEL= Deleted		



HUMAN RESOURCES KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed (note 1)		1			1		1 every 2 years
# of informal customer satisfaction surveys completed		Learning	Learning	Learning	Learning	Learning	
Average overall satisfaction for formal survey(s) completed (%)		94%			73%		≥80%
Average extremely/very satisfied for formal survey(s) completed (%)		19%			25%		≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$24.24	\$22.30	\$24.46	\$23.12	\$28.50	\$26.45	at or below approved budget
Average corporate training cost per regular full time employee (note 2)	\$574.00	\$525.00	\$136.62	\$125.20	\$151.84	\$59.96	\$150-\$175
Recruitment cost to fill an external vacancy (excludes 150's/campaigns) (note 3)	\$4,825.00	\$5,668.00	\$6,622.00	\$4,536.29	\$2,043.00	\$8,111.09	
OPERATIONAL EXCELLENCE							
Time to fill a regular full time vacancy in weeks (combined internal and external)	9.4	13.0	12.2	9.9	12.6	13.2	10.0
Corporate course attendance rate (excluding Health and Safety) (note 4)					66.4%	75.3%	85%
Total hours of corporate training delivery held per year (note 5)			1,135	1,310	3,202	2,318	6,500
Average corporate learning hours per regular full time employee (excl. H&S)					3.3	2.4	7
Total hours of Health and Safety training delivery held per year (all employees)					5,223	4,647	6,000
All workplace accident / injury rate				7.10%	6.45%	7.14%	5%
Corporate- turnover (retirements, resignations, terminations, deaths)			4.4%	4.9%	4.7%	1.9%	≤7.5%
Corporate- staff absenteeism per employee	7.2	7.3	5.8	6.3	6.6	3.1	≤8.4
Number of grievances opened during time period	25	14	11	22	6	10	5
Number of arbitrations/mediations resolved	0	1	0	7	0	3	0-2
STAFF ENGAGEMENT (HR Department)							
Healthy Workplace Environment Index (from staff survey)		63%		63%		66%	≥75%
Recognition rating (from staff survey)		63%		54%		56%	≥65%
Staff Satisfaction rating (from staff survey)		82%		62%		74%	≥80%
Completion rate for performance management	93%	100%	88%	93%	100%	n/a	100%
Average Corporate learning hours per full-time employee	9.8	16.0	11.1	6.7	18.7	7.2	20
Staff absenteeism (average # of days per employee)	7.3	12.9	3.0	4.7	12.0	3.3	≤8.4
Staff turnover rate	0%	14%	0%	7%	5%	0%	≤7.5%
KPI SUMMARY							
<p>Note 1- A fall 2012 HR customer survey will be conducted about HR's administrative business services (business cards, photo id card, organization charts etc.) The 2008 survey was a broad HR service survey covering all HR functions, and the 2011 survey related specifically to staffing.</p> <p>Note 2- Corporate training costs per employee decreased in 2012 year to date as a result of catering cost containment and the postponement of the middle and senior management development programs. Corporate training cost includes course design and delivery, catering and materials. Target number is beget divided by number of employees.</p> <p>Note 3- External recruitment costs vary year by year depending on number of search firms used. The cost during Q1 and Q2 is relatively high due to the use of three search firms (Commissioner, Corporate Services; Senior Manager, Financial Planning; Deputy Clerk)</p> <p>Note 4- Corporate learning data relates primarily to regular full time staff (with approximately 5% inclusion of temporary, part time staff). Participation rates have increased due to tighter management of registration process and the alignment of course offerings with organization need</p> <p>Note 5- Total hours of training delivered has increased due to processes put in place to better track registration data and due to increased marketing and participation rates Target hours based on number of regular full time employees multiplied by 7 hours of training per year (this excludes training paid for directly by individual departments).</p> <p>Note- peak number of temporary and part time staff increased from 1404 in 2007 to 1743 in 2012, and increase of 25%.</p>							

HUMAN RESOURCES BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)				Priorities	
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham
Cross Commission Projects (Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (support)		Support the development of the Official Plan by identifying linkages with the Diversity Action Plan objectives.	GM	
2	Portal Phase 3 (support)		Support phase three by recommending HR information integration as appropriate.	MS	OE
3	Excellence Markham-Customer Satisfaction (support)		Support the development of a strategy through work on cross-commission teams and ensure a customer focused set of content in the staff diversity competence training.		CS
4	Excellence Markham-Staff Survey Implementation (support)		Within HR and the CAOs Commission, collaborate to address specifically identified areas to increase overall staff satisfaction.		SE
5	IT strategic plan Refresh (support)		Assist the refresh through participation on the DF Operational Excellence Sub-Committee. Specifically, the development of a strategic alignment tool to evaluate proposed initiatives.	MS	OE
6	Corporate Community Engagement Strategy (support)		Assist in the development of a strategy that is actionable by the whole organization with linkages to the Diversity Action Plan as appropriate.	ILMP	CS
Business Unit Objectives					
1	Lead collective bargaining with the City's 5 trade unions - CUPE 905 Inside, CUPE 905 Outside, MPFFA, Library CUPE Full Time, Library CUPE Part Time	P	Freely negotiated renewal collective agreements within a mandated framework - P2.	MS	OE
2	Continue to implement the Diversity Action Plan		Continue to work with internal partners to implement priority items of the diversity action plan in the areas of: developing and presenting a cultural strategic plan and cultural programming to the community, furthering the Library teen programming and physical space initiative, refreshing youth and senior strategies, creation of partnerships with communities of focus regarding leisure interests, use of multiple languages in communication and delivery of services, Recreation pricing strategy, increasing youth program accessibility. Internal actions include: embedding a diversity question into all interviews; rebranding the employment website to be more inclusive; staff diversity competence training; diversity status report, incorporation of diversity into customer service training, marketing of City's diversity initiatives.	DAP	
3	Continue Talent Management program development		Identify positions of priority and develop associated succession plans.		SE
4	Continue Health and Safety program improvement	P	Development of core policies, standards, and procedures against legislative requirements. P1		OE
5	In partnership with ITS and Finance, conduct a feasibility study for a HRIS upgrade including a gap analysis.	P	Identify relevant market product and system options against our business needs, as well as identify high level pricing and project resourcing needs. P3.		OE
6	Implementation of Recreation and Culture camp recruitment project - Phase 2		Provide recruitment subject matter expertise to Recreation and Culture camp recruitment program leads. Provide behavioural interviewing training.		CS
7	Plan and prepare for 2014 Fire Fighter Recruitment Campaign (September 2014 new hire start date)		Develop recruitment campaign project plan, budget, timelines, roles and resource allocation. Select recruitment process outsourcing vendor. Update advertising, web and external portal materials.		OE
8	Develop and finalize Recruitment policy development		Upon award of the pre-employment background check RFQ in Q4, 2012, develop and finalize an overall recruitment policy, reference policies, and pre-employment policy and procedures (including vulnerable sector screening).		OE
9	Participate in Benefits carrier review (regular full time)		Participation with York Umbrella group (York Region and Newmarket) in vendor review and RFP in 2013-2014 for health, dental, life and LTD carrier.		OE
10	Assess and select Legal service vendor	P	Through the RFP process, select a legal services provider specializing in employment and labour relations. P2.		OE
11	Continued maintenance of compensation programs		Review programs and make recommendations for legislative compliance and structural effectiveness.		SE
12	Develop a temporary full time benefit framework		Develop and obtain approval for the provisions of benefits for temporary full time staff.		SE
13	Automation of temporary and part time enrolment process		Leverage technology to streamline and automate temporary and part time enrolment process.		OE
14	Review and revise Recognition Policy		Benchmark, review and revise Corporate Recognition Policy.		SE
15	Focus on Staff Satisfaction project area		A solution sub-committee formed to develop and implement a improvement plan related to the department's identified area of focus - workload.		SE

Additional Resource Requests:

P1 - Health and Safety Consultant; P2 - Employee and Labour Relations Specialist; P3 - Business Systems Analyst

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



HUMAN RESOURCES 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
OTHER REVENUE	\$712	\$0	\$0	\$0	0.0%	(\$712)	-100.0%	
Total Revenues	\$712	\$0	\$0	\$0	0.0%	(\$712)	-100.0%	
Expenses								
SALARIES AND BENEFITS	\$2,178,671	\$2,209,570	\$2,281,705	\$72,135	3.3%	\$103,034	4.7%	
PRINTING & OFFICE SUPPLIES	18,190	14,985	14,985	0	0.0%	-3,205	-17.6%	
OPERATING MATERIALS & SUPPLIES	84,264	101,190	101,190	0	0.0%	16,926	20.1%	
COMMUNICATIONS	5,215	5,057	5,057	0	0.0%	-158	-3.0%	
TRAVEL EXPENSES	2,476	3,204	4,204	1,000	31.2%	1,728	69.8%	
TRAINING	236,913	275,000	275,000	0	0.0%	38,087	16.1%	
CONTRACTS SERVICES AGREEMENT	(154,657)	(85,125)	(86,672)	(1,547)	1.8%	67,985	-44.0%	
RENTAL/LEASE	2,842	4,051	4,051	0	0.0%	1,209	42.5%	
PROFESSIONAL SERVICES	222,831	242,571	242,571	0	0.0%	19,740	8.9%	
LICENCES, PERMITS, FEES	7,585	16,091	16,091	0	0.0%	8,506	112.1%	
PROMOTION & ADVERTISING	287,196	262,640	261,640	(1,000)	-0.4%	-25,556	-8.9%	
MISCELLANEOUS EXPENSES	16,790	30,000	30,000	0	0.0%	13,210	78.7%	
Total Expenses	\$2,908,316	\$3,079,234	\$3,149,822	\$70,588	2.3%	\$241,506	8.3%	
Net Expenditures/(Revenues)	\$2,907,604	\$3,079,234	\$3,149,822	\$70,588	2.3%	\$242,218	8.3%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

SUSTAINABILITY OFFICE BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Implement Greenprint Community Sustainability Plan (Primary)	Momentum is building, 525 Greenprint aligned activities by City of Markham identified by our inventory process. For example Food Security area of focus leadership - action on 20 of 36 recommendations	OT
2	In support of Greenprint recommendation # 92, conduct climate change risk assessment. (Primary)	Series of internal meetings held to educate staff on climate change issues, on hold pending partnership with York Region and other local municipalities/province	ADJ
3	In support of Greenprint recommendation #84 create an Energy Descent Strategy	Achieved over \$80k/yr of external funding to hire MECO Coordinator to develop and implement corporate energy descent plan.	ADJ
4	Complete Accessibility Design Guidelines (Primary)	Council endorsed and implementation is underway through development applications for all new developments and on-going retrofits for City facilities	COM
5	Provide support role in other cross commission projects including: ILMP, Official Plan amendment, Culture Master Plan, Diversity Action Plan, and Master Transportation Servicing, Sustainable Procurement Guide	Reviewed and provided comments with respect to Greenprint/sustainability on Official Plan, Community Infrastructure Plan and other plans as requested. Supported and encouraged completion of the Sustainable Procurement Guide; provided comments on York Region plans including Vision 2051, draft New Community Guidelines, and Affordable Housing Strategy	OT
6	Continue seeking guidance from Greenprint Steering Committee	Re-started the GPSC and updated their terms of reference, one meeting held with second planned for late 2012/early 2013	OT
7	Continue Greenprint education and discussion to develop awareness, understanding and adoption of the plan's objectives and recommendations.	Inventory process revealed that significant activity aligned to the Greenprint is taking place. Milk bag project has engaged over 500 people directly; community outreach has touched 2625+ residents at over 15 events and workshops, and communications and social media reaching hundreds in the City and beyond. 6 Advisory Committees engaged, 10+ peer to peer presentations, 25+ community events by end of July; Communications and Marketing Strategy development underway; 4 interviews with sustainability researchers	ADJ
8	Identify, support and promote Greenprint Champions.	Greenprint Steering Committee endorsed championing the plan, community and staff champions of sustainability projects include: 12 champions for milk bag project, 12 champions for food, agriculture and community gardens; 2 champions for accessibility; 4 staff champions for summer camp sustainability signage, 4 energy champions for a total of 34!	OT
9	Work with staff to develop a roll out plan that will deepen the Greenprint's integration with the BUP and budget process.	Worked with Finance, strategy managers and DF to enhance strategic initiative alignment with BMFT priorities and therefore GP in the 2013 Budget and BUP	COM
10	Develop Council Greenprint tool to compliment BUP and Budget strategic alignment tools.	ELT will be looking for the current strategic alignment section of Council reports to have a more robust discussion of how the initiative supports our strategies.	ADJ
11	Establish a monitoring and reporting plan that tracks with the BUP/budget and Council review processes.	Monitoring adjusted to focus on GP recommendation tracking through the inventory process. Reporting modified to include our first corporate sustainability report align to the Global Reporting Initiative in our 2011 Annual Report.	ADJ
12	Foster pilots in partnership that advance the Greenprint	Pilot and partnerships achieved include: Enbridge's Community Conservation Project in L3P; TRCA's SNAP in Bayview Glen community retrofit projects; Milk Bag Project partnership in 3 major Markham Camps - Chimo, Gallery, and Museum plus external groups (Unionville High School, Markham Seniors Group, and GTA Konkani Cultural Group ; Ontario Road Ecology Group partnership with TRCA and Toronto Zoo, Greenprint signage for camps; Markham Board of Trade Accessibility Award; Essential Accessibility software partnership for external Markham website; Accessibility Fair attended by 20 departments and organizations, Meatless Monday in partnership with Merlyn's, Purchasing, and Toronto Vegetarian Society; Food Charter Working Group partnership of 8 organizations; 2015 food gardens by 2015 Pan Am Games program developed, 3 new community garden partnerships (Seedlings Day Care, Pathways Group Home, Hagerman Community Housing)	OT
13			
14	Unplanned priorities		
17	Develop new Sustainability Office work plan to 2014	Consulted with Council and Senior Staff to develop a new work plan that addressed opportunities and gaps for Sustainability Office to focus on.	COM
18	Corporate Sustainability Reporting in 2011 Annual Report	Collaborated with Finance, Community and Corporate Relations and many other supportive departments to develop our first CSR for inclusion in the 2011 Annual Corporate Report.	COM
16	Welcome the Accessibility Coordinator into the Sustainability Office	In collaboration with the CAO's Office integrate and align the Accessibility Coordinator with the Greenprint and Sustainability Office	COM
15	Coordinate Markham's Rouge National Urban Park land transfer process	Lead a cross-commission team supporting the Rouge Park Implementation Task Force to negotiate the terms to transfer Markham owned lands to Parks Canada to establish the Rouge National Urban Park	OT
Notes:			
n/a			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



SUSTAINABILITY OFFICE KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007	2008	2009	2010	2011	2012	TARGET
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	JUNE 30	
# of formal customer satisfaction surveys completed							1 every 2 years
# of informal customer satisfaction surveys completed							
Average overall satisfaction for formal survey(s) completed (%)							≥80%
Average extremely/very satisfied for formal survey(s) completed (%)							≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ -	\$ 8.39	\$ 7.78	\$ 5.93	\$ 4.55	\$ 3.21	at or below approved budget
Annual savings from energy projects and programs					\$ 89,800	tbd	\$ 90,000
Annual revenue from energy projects and programs					\$ 236,000	\$ 128,555	\$ 240,000
Annual dollars of low interest loans and grants secured					\$ 4,400,000	\$ 201,000	\$ 80,000
OPERATIONAL EXCELLENCE							
Annual GHG reduction from all energy projects and programs						tracking protocol forth coming	
% of BUPs that action one or two GP recommendations						tbd	100%
Number of GP champions						34	10
Number of pilots/partnerships supported by SO						25	10
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)				71%		75%	≥75%
Recognition rating (from staff survey)				63%		65%	≥65%
Staff Satisfaction rating (from staff survey)				83%		75%	≥80%
Completion rate for performance management			67%	100%	40%	100%	100%
Average Corporate learning hours per full-time employee		3.5	22.7	4.4		5.5	20.0
Staff absenteeism (average # of days per employee)		2.2	6.5	2.9		2.5	≤8.4
Staff turnover rate			33%	0%	40%	0%	≤7.5%
KPI SUMMARY							
<p>The Sustainability Office will work with Markham Excellence to develop and deploy a customer satisfaction mini-survey. Financial performance targets are set based on modelled revenue from renewable energy projects and expected savings (\$'s and GHGs) from energy conservation projects, the SO will develop a tracking and reporting process for energy conservation projects as part of the new MECO Coordinator's work plan. Revenue from energy projects is \$123,000 for 8100's solar array and \$5,000 for Civic Centre's solar array. \$80,000 direct grant is from PowerStream for the Embedded Energy Manager (MECO Coordinator). \$121,000 funds indirectly raised to support Greenprint Food Security Objectives include: Food Charter (\$5,000 Heart and Stroke Foundation Spark Advocacy grant, \$40,000 United Way Strength Investment Fund, \$1,000 Sustain Ontario grant, \$27,000 administered through HealthYork from Ministry of Health promotion), \$30,000 Healthy Communities grant for community kitchens and gleaning programs, \$18,000 Seeds for Change fund raising including minimum of \$10,000 from Shell Fuelling Change grant) BUP alignment with Greenprint, to be determined through the 2013 process. The SO is pleased that we have identified more than 34 champions and at least 19 pilot or partnerships achieved including: Enbridge and TRCA SNAP, new community gardens (3), YR community garden network, YR Food Charter, 2015 food gardens by 2015 Pan Am Games, Markham Fair Agri-Food Tent, Meatless Monday, summer camp signage, Shaping Active Healthy Communities, Fresh! (community kitchens). Partnership with ITS and Essential Accessibility software, Accessibility Fair in partnership with various community organizations (5). Milk bag partners - Unionville HS, Museum, Camp Chimo, Seniors and Cultural groups. The SO will work on improving our staff satisfaction score and increase opportunities for corporate learning.</p>							

SUSTAINABILITY OFFICE BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects (Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (support)		Support the development of the Official Plan with advice and comments with respect to the Greenprint and sustainability best practises.	GM	
2	Portal Phase 3 (support)		Support phase three and provide calculations to quantify waste/energy conservation where achieved through paperless or on-line services.	MS	OE
3	Excellence Markham-Customer Satisfaction (support)		Support the development of a strategy through work on cross-commission teams		CS
4	Excellence Markham-Staff Survey Implementation (support)		Within the Sustainability Office and CAOs Commission collaborate to address specific areas to increase overall staff satisfaction		SE
5	IT strategic plan Refresh (support)		Assist the refresh through the Operational Excellence Sub-Committee with the development of a strategic alignment tool to evaluate proposed initiatives	MS	OE
6	Corporate Community Engagement Strategy (driver/support)		Assist in the development of a strategy that is actionable by the whole organization. Work to include alignment/promotion of the Greenprint	ILMP	CS
Business Unit Objectives					
7	Enhance the City of Markham's sustainability governance		The Greenprint Steering Committee will meet a minimum of twice and is actively engaged in providing implementation oversight and guidance.	GP	
8	Collaborate to coordinate and integrate sustainability activities		A staff committee will be created to coordinate and monitor Greenprint implementation; conduct a gap analysis of the completed inventory and provide recommendations. Further the committee will enable corporate collaboration. Evaluate opportunities for sustainability training for staff.	GP	OE
9	Continue improving our sustainability reporting	P	Corporate Sustainability Reporting will be enhanced for the 2012 Annual Report and the Sustainability Office will develop our first Greenprint Indicator Report for draft presentation to the Greenprint Steering Committee	GP	OE
10	Promote the Greenprint to Markham's community	NP	A mini-survey to baseline community sustainability plan recognition will be conducted; Complete and begin implementing the Greenprint's communication and marketing strategy in partnership with Communications and Community Relations.	GP	
11	Provide sustainability services to Markham Council, staff and the community		All members of Council will be provided with Greenprint communications materials (newsletter and speaking materials). Completed 10 best practise research requests and enabled/supported existing pilots/partnerships and add 10.	GP	SE
12	Provide leadership for Energy and Climate Greenprint priority	B	Markham will effectively reduce GHGs and utility costs - by achieving 300kW electricity demand reduction; corporate energy plan with policies is developed and endorsed by Council that also achieve Partners in Climate Protection milestone 2 and 3 by setting GHG reduction targets and developing plan.	GP	OE
13	Provide leadership for the Food Security Greenprint priority		Community and allotment garden policy pilot is underway in Milliken and the SO continues to monitor and evaluate. Food Charter consultation phase complete and final draft presented to Council for endorsement. The SO supports a minimum of two Agricultural Advisory Committee initiatives, 2015 food gardens for 2015 Pan Am Games community challenge underway.	GP	
14	Provide leadership for the Access and Mobility Greenprint priority		Continue championing Markham facility accessibility retrofits. Increase awareness of recreation programs for persons with disabilities. With increased awareness, program registrations will increase by 50% in 2013.	GP	CS
15	In partnership with Development Services Commission provide leadership for the Shelter Greenprint priority	B	In partnership with Planning Policy develop Markham wide Community Energy Plan and process for Secondary Plans energy modelling as identified in the draft Official Plan	GP	
16	The Sustainability Office will work to improve our team's staff satisfaction		The Sustainability Office will develop opportunities to enhance recognition and organizational communication.		SE

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



SUSTAINABILITY OFFICE 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
RECOVERIES & CONTRIBUTIONS	\$13,414	\$0	\$0	\$0	0.0%	(\$13,414)	-100.0%
Total Revenues	\$13,414	\$0	\$0	\$0	0.0%	(\$13,414)	-100.0%
Expenses							
SALARIES AND BENEFITS	\$403,183	\$417,826	\$414,035	(\$3,791)	-0.9%	\$14,643	3.6%
PRINTING & OFFICE SUPPLIES	4,487	3,021	3,021	0	0.0%	-1,466	-32.7%
OPERATING MATERIALS & SUPPLIES	11,595	485	485	\$0	0.0%	-11,110	-95.8%
UTILITIES	-275,079	-47,896	-84,896	(\$37,000)	77.3%	227,183	-82.6%
COMMUNICATIONS	563	744	744	\$0	0.0%	181	32.1%
TRAVEL EXPENSES	5,018	5,287	5,287	\$0	0.0%	269	5.4%
TRAINING	15	18,130	18,130	\$0	0.0%	18,115	120766.7%
CONTRACTS SERVICES AGREEMENTS	-35,310	-35,310	-31,789	\$3,521	-10.0%	0	0.0%
RENTAL/LEASE	0	318	318	0	0.0%	318	0.0%
LICENCES, PERMITS, FEES	319	400	400	0	0.0%	81	25.4%
OTHER EXPENDITURES	256,399	10,896	10,896	0	0.0%	-245,503	-95.8%
Total Expenditures	\$371,190	\$373,901	\$336,631	(\$37,270)	-10.0%	\$2,711	0.7%
Net Expenditures/(Revenues)	\$357,776	\$373,901	\$336,631	(\$37,270)	-10.0%	\$16,125	4.5%

Changes in 2013 Budget from the 2012 Budget over \$50,000:

No significant changes.

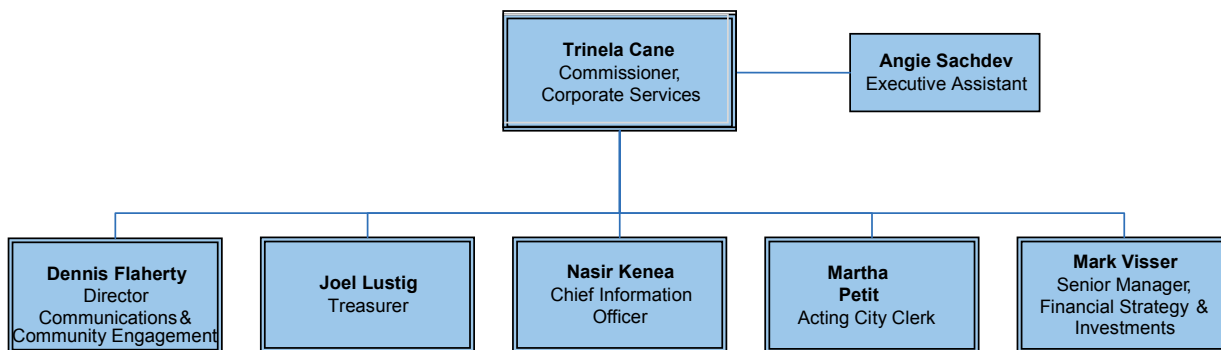
CAO's OFFICE – COMMISSION SUPPORT
2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<u>Revenues</u>								
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
<u>Expenses</u>								
SALARIES AND BENEFITS	\$811,084	\$862,378	\$790,758	(\$71,620)	-8.3%	(\$20,326)	-2.5%	
PRINTING & OFFICE SUPPLIES	2,895	5,827	5,827	-	0.0%	2,932	101.3%	
OPERATING MATERIALS & SUPPLIES	447	2,720	2,720	-	0.0%	2,273	508.5%	
COMMUNICATIONS	1,302	2,694	2,694	-	0.0%	1,392	106.9%	
TRAVEL EXPENSES	14,539	28,026	28,026	-	0.0%	13,487	92.8%	
TRAINING	3,794	3,960	3,960	-	0.0%	166	4.4%	
CONTRACTS SERVICES AGREEMENT	(5,428)	19,754	19,971	217	1.1%	25,399	-467.9%	
RENTAL/LEASE	14	555	555	0	0.0%	541	3864.3%	
LICENCES, PERMITS, FEES	12,523	5,913	5,913	0	0.0%	-6,610	-52.8%	
OTHER EXPENSES	9,793			0	0.0%	-9,793		
Total Expenses	\$850,963	\$931,827	\$860,424	(\$71,403)	-7.7%	\$9,461	1.1%	
Net Expenditures/(Revenues)	\$850,963	\$931,827	\$860,424	(\$71,403)	-7.7%	\$9,461	1.1%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Decrease is due to one position reallocated to the Sustainability Office, partially offset by the annualization of cost of living adjustment and movement of staff along the City's salary grids.

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 and Community Engagement

In 2013, the Commission had an approved full time complement of 154 employees who fulfill the responsibilities of the day-to-day operations of the various divisions and departments.

Legislative Services

Legislative Services Department staff are familiar faces to many Markham residents and businesses; whether attending a public meeting, renewing a business licence or inquiring about recreation program registration. The Department is responsible for a broad range of statutory duties associated with the municipal clerk, regulatory and enforcement services as well as serving as the first point of customer information and front line services through the Contact Centre.

The Department liaises between Council, staff and the public to produce Council and committee meeting notices, agendas, minutes and retains records of the same. Responses to requests for information held by the municipality, organization and administration of municipal elections; registration of deaths and marriages are also undertaken by the Department. The Department provides corporate support and customer services such as mail and print services, records management and sale of plots for public cemeteries.

In addition to telephone, email and in-person customer inquiry support, the Department's Contact Centre processes recreation program registration, tender disbursements, parking permits, animal and business licenses.

By-law Enforcement & Licensing Staff provide frontline field services to Markham residents and businesses. Using their community relations and regulatory compliance skills, Enforcement Staff



maintain community standards in areas such as land use, property maintenance, signage, animals & wildlife and mobile & business licensing. Parking Control is also a responsibility of staff, with school zones and accessible parking enforcement being key service areas. The Department's By-Law Enforcement and Licensing Division works closely with residents and businesses to educate and ensure compliance with licensing, property standards and parking regulations. By-law enforcement and licensing officers address issues related to such things as pesticide use, noise control, taxi and limousine industries and control of disabled parking spaces.

Financial Services

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

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

Information Technology

Information Technology Services (ITS) supports the Corporation in its objective to provide effective public services and maintain efficient government operations through appropriate and innovative use of information and communication technologies. The Department is comprised of three divisions, namely:

- Technology (Network Infrastructure, Desktop, Telecommunication, and Audio Visual support)
- Client Delivery (Service Desk, Project Delivery and Support)
- Applications and GIS (Business Applications & Web, Data Management, GIS Services and Support)

Corporate Communications and Community Engagement

Corporate Communications and Community Engagement leads and manages Markham's public and internal staff communications programs through Markham's website and intranet, printed and digital publications, social media, advertising and media relations. In addition, the department provides special event support for Markham's corporate events, administrative support to community events, and manages Markham's corporate sponsorship program, corporate community engagement strategy, corporate tourism initiatives, and stakeholder relationships. Department staff develop and implement communications plans to support key Markham strategies, programs and initiatives; write, design and produce print and electronic materials; provide issues and crisis management support, and manage Markham's corporate brand, identity and reputation.

CORPORATE SERVICES COMMISSION 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
LICENCES & PERMITS	\$1,431,844	\$1,418,394	\$1,433,329	\$14,935	1.1%	\$1,485	0.1%	
INCOME FROM INVESTMENTS	29,530	13,800	13,800	0	0.0%	-15,730	-53.3%	
FINES	1,945,707	1,967,730	2,446,230	478,500	24.3%	500,523	25.7%	
USER FEES & SERVICE CHARGES	1,152,183	1,067,919	1,101,678	33,759	3.2%	-50,505	-4.4%	
RENTALS	63,430	62,157	81,607	19,450	31.3%	18,177	28.7%	
SALES	52,107	41,531	41,531	0	0.0%	-10,576	-20.3%	
RECOVERIES & CONTRIBUTIONS	54,355	503,305	503,305	0	0.0%	448,950	826.0%	
OTHER INCOME	163,893	168,860	113,860	-55,000	-32.6%	-50,033	-30.5%	
INTERDEPARTMENTAL RECOVERIES	0	(73,000)	(73,000)	0	0.0%	-73,000	0.0%	
Total Revenues	\$4,893,049	\$5,170,696	\$5,662,340	\$491,644	9.5%	\$769,291	15.7%	
Expenses								
SALARIES AND BENEFITS	\$14,890,770	\$15,862,732	\$16,023,417	\$160,685	1.0%	\$1,132,647	7.6%	
PRINTING & OFFICE SUPPLIES	182,263	221,600	222,000	400	0.2%	39,737	21.8%	
PURCHASES FOR RESALE	62,400	67,200	67,200	0	0.0%	4,800	7.7%	
OPERATING MATERIALS & SUPPLIES	(61,564)	30,837	30,837	0	0.0%	92,401	-150.1%	
VEHICLE SUPPLIES	0	0	0	0	0.0%	0	0.0%	
COMMUNICATIONS	1,157,713	919,239	1,078,738	159,499	17.4%	-78,975	-6.8%	
TRAVEL EXPENSES	34,034	36,958	45,958	9,000	24.4%	11,924	35.0%	
TRAINING	51,710	145,220	145,220	0	0.0%	93,510	180.8%	
CONTRACTS & SERVICE AGREEMENTS	1,886,151	1,678,755	1,852,692	173,937	10.4%	-33,459	-1.8%	
MAINT. & REPAIR-TIME/MATERIAL	90,421	92,928	92,928	0	0.0%	2,507	2.8%	
RENTAL/LEASE	122,912	126,045	126,045	0	0.0%	3,133	2.5%	
PROFESSIONAL SERVICES	355,424	448,511	467,511	19,000	4.2%	112,087	31.5%	
LICENCES, PERMITS, FEES	106,879	129,021	129,021	0	0.0%	22,142	20.7%	
CREDIT CARD SERVICE CHARGES	12,775	20,196	20,196	0	0.0%	7,421	58.1%	
PROMOTION & ADVERTISING	175,226	206,885	191,785	-15,100	-7.3%	16,559	9.5%	
KEY COMMUNICATION PROGRAMS	282,210	429,948	431,648	1,700	0.4%	149,438	53.0%	
OTHER PURCHASED SERVICES	3,382	3,550	3,550	0	0.0%	168	5.0%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	0	-400	-100.0%	0	0.0%	
WRITE-OFFS	12,617	100	100	0	0.0%	-12,517	-99.2%	
OTHER EXPENDITURES	947	1,500	1,500	0	0.0%	553	58.4%	
Total Expenses	\$19,366,270	\$20,421,625	\$20,930,346	\$508,721	2.5%	\$1,564,076	8.1%	
Net Expenditures/(Revenues)	\$14,473,221	\$15,250,929	\$15,268,006	\$17,077	0.1%	\$794,785	5.5%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salary and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Communications: Increase due consolidation of the communication budget from all departments to ITS.

Contracted Services Agreements: Increase due to the implementation of the storefront animal service.



CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT BUSINESS PLAN OUTCOME

2012 Business Plan Objectives/Outcomes

#	Objective	Actual Outcomes	Status
1	Support to Corporate priorities Provide communications support to corporate priorities, master plans and action plans. Greenprint community engagement plan, Growth Plan and new Council priorities.	1. Consult on, develop and execute approved communications plans for each of Markham's strategic priorities in support of BMFT. (Greenprint, Official Plan, Diversity Action Plan, ILMP, Transportation, PanAm, MSECC)	COM
2	Portal - Phase II Provide operational and communications support to Portal Phase II	1. Develop and implement a supporting Communications Strategy based on the remaining phases of Portal. 2. Provide specific supporting communications plans for key steps within each phase. (i.e., online services, mobile apps)	OT
3	Council Support Support Council Orientation session on programs, practices and policies	1. Developed and lead Council media relations training and development session (Part One offsite) 2. Developed and implemented social media policy 3. Coordinated ongoing web content author training for Executive assistants and Councillors. 4. Developed and implemented Email Standards and Practices.	COM
4	Customer research Provide support to the Corporate Consumer research initiative	Lead and coordinated the development and execution of consumer research on Markham Life magazine and recreation/culture programs.	COM
5	Corporate Quality Initiative Provide communications support to the Excellence Markham initiative (was NQI)	Execute tactics within approved 2012-2013 Excellence Markham supporting communications plan.	OT
6	CAO Staff Engagement Provide communications leadership and support to the CAO's office on a new staff engagement and communications program	Provided communication consultation, advice and execution support to CAO. (Town Halls, video messages, From the Desk of, speech writing)	COM
7	Issues Management Completion of online issues briefing folder for Council members	Developed corporate briefing notes folder for access by Councillors	COM
8	Printer strategy Establish a vendor and replace the identified printers based on consultant recommendations	Developed business case and approach to replacement of 5 printers across four business units and consolidate use to one central printer location	COM
9	Community Engagement Strategy Develop and implement corporate community engagement strategy - Implement Q2	1. Develop a Community Engagement strategy to serve as the corporate strategy to guide specific communications plans associated with the implementation of business activities and Markham's BMFT strategic priorities. 2. Strategy will ensure opportunities are available for all communities of interest to participate in Markham's community consultation programs.	DL
10	Social Media - Facebook Establish and promote Markham's new Corporate Facebook site -December 2012	Establish 500 followers by December 2012	OT
11	Social Media - Twitter Establish new Corporate Twitter Site	Establish 2000 followers by December 2012	OT
12	Social Media - LinkedIn Update and promote Markham's LinkedIn site as a Talent management and recruitment tool	Realigned content and reposition in conjunction with Human Resources	COM
13	Markham Life magazine Reposition Markham Life to reflect results of customer research and business development - Spring 2012 issue	1. Expanded editorial section from 8 pages to 12 2. Repositioned advertising within book 3. Provided opportunities for community involvement	COM
14	Social Media - QR codes Implement QR code marketing program for business promotions	Applied QR codes to Markham Life and Recreation and Culture programs	COM
15	Corporate Internal Communications Plan Develop and implement new internal communications strategy - Implement Q3	Review current practices, survey employees, develop strategy and implement	DL
16	Staff Satisfaction Enhance staff recognition and work/life balance with goal of staff satisfaction level of 65% - December 2012	Staff satisfaction mini survey completed	COM
17	Develop Corporate and Public Events service delivery and cost recovery model In conjunction with Operations, identify and analyze service costs and appropriate cost model: Cost model under review by Operations, Target completion Q2.	Undertaken in conjunction with Events Working Group and development of Corporate Events policy Q1 - 2013	ADJ
18	Develop C&CR Process and Service Guide for internal clients Develop process map, outline procedures, establish service agreements: Q2	Based on finalization of new approved department pattern, will be available by Q4.	DL
19	Develop process for annual qualification of creative suppliers Supplier roster increased across design, photography and printing in conjunction with Purchasing. Phase I: completed in 2011; Phase II: Q3 Promotional items	1. Photography and external designer roster in place. 2. RFP completed and contract issued for sole source supplier of promotional branded merchandise.	COM
20	Generate Increased Sponsorship Revenue Update strategy for sponsorships of Special Events and Corporate Facility Naming: Q3	1. Facility Naming Policy in place for new and existing facilities. (C&FFS) 2. Corporate Sponsorship Policy in place by Q4 (C&CR)	OT
21	Reposition Community Relations function to support community engagement activities related to corporate priorities Fill existing vacancy with skills and competencies to effectively support corporate community engagement priorities: Position expected to be filled Q3	Repositioning will ensure competencies and experience are in place to provide appropriate advice and guidance on community consultation programs compatible with needs and interests of all communities of interest.	OT

Notes:

Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted

CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

CUSTOMER SATISFACTION	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	1	1	0	1 every 2 years
Average overall satisfaction for formal survey(s) completed (%)	n/a	n/a	n/a	66%	82%	n/a	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	n/a	n/a	n/a	34%	40%	n/a	≥35%
# of informal satisfaction event & communications surveys	0	0	77	15	7	31	30
Overall satisfaction (%) (informal survey)	n/a	n/a	97%	92%	83%	92%	90%
% of special event surveys very/extremely satisfied	n/a	n/a	90%	n/a	76%	82%	85%
% communications customer satisfaction surveys very/extremely satisfied	n/a	n/a	94%	92%	100%	96%	85%
FINANCIAL PERFORMANCE							
Net cost per household (Target 2012 Budget)	\$ 7.64	\$ 16.03	\$ 13.36	\$ 11.74	\$ 10.55	\$ 3.90	\$ 10.88
Net cost of Markham Life per household	\$ 1.77	\$ 1.63	\$ 2.96	\$ 1.07	\$ 0.09	\$ 0.03	zero
Revenue from sponsorships/facility advertising sales ** (see note)	\$ 26,623	\$134,066	\$273,505	\$ 107,712	\$ 78,592	\$ 308,771	\$ 500,000
OPERATIONAL EXCELLENCE							
% of projects meeting agreed upon deliverables			92%	100%	100%	95%	85%
% of projects completed on time and on budget				88%	100%	95%	90%
# of Design Projects Completed in-house		346	343	595	607	383	
# of media releases		95	92	164	127	56	as req'd
Average # of local media impressions per media release	New Performance Indicator to begin in 2011				320,000	375,000	
# of media inquiries		103	68	43	115	98	as req'd
% of media inquiries addressed within prescribed deadline	New Performance Indicator to begin in 2011				98%	98%	
# of media events		51	31	42	58	33	as req'd
Average # of media stories per corporate media event	New Performance Indicator to begin in 2011				6	9	
# Community events supported		188	168	183	438	220	as req'd
Average public attendance per corporate community event	New Performance Indicator to begin in 2011				751	n/a	
# of Mark of Excellence (MOE)		2	11	7	1	2	12
Average # of staff reads of MOE per issue (staff survey- October)	New Performance Indicator to begin in 2011				n/a	n/a	
# of Town E-News		105	83	67	148	67	as req'd
Average # of staff reads of E-News (staff survey-October)	New Performance Indicator to begin in 2011				n/a	n/a	
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	47%	n/a	49%	n/a	56%	≥75%
Recognition rating (from staff survey) *** (see note)	n/a	29%	n/a	37%	62%	50%	≥65%
Staff Satisfaction rating (from staff survey) *** (see note)	n/a	67%	n/a	57%	57%	64%	≥80%
Completion rate for performance management	67%	67%	67%	67%	22%	n/a	100%
Average Corporate learning hours per full-time employee	60.7	11.9	2.4	5.3	3.3	2.7	20.0
Staff absenteeism (average # of days per employee)	4.5	9.9	1.2	10.1	6.5	0.5	≤8.4
Staff turnover rate	0.0%	27.3%	0.0%	33.0%	23%	8%	≤7.5%
KPI SUMMARY							

** 2012 revenue represents fees associated with all existing corporate sponsorships and corporate budget target(FLATO, Kylemore, RBC, ScotiaBank, Coke) and revenue from facility advertising such as rinkboards, backlights and banners).Does not include Markham Life Sales revenue.

*** Staff were surveyed again in early 2011 to determine any changes in satisfaction levels in key areas. Key Satisfaction levels improved



CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)

			Priorities		
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham

Cross Commission Projects

(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)

1	Portal Phase 3 - Implementation (Support)		Support the implementation of the Phase 3 of the Portal as required	MS	OE
2	New Official Plan (Support)		Support the development of the new official plan as required.	GM	
3	Excellence Markham - Customer Satisfaction (Lead)		Support the development of the Customer Satisfaction project through the cross commission work groups		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Support the development of the Staff Survey Implementation through the cross commission work groups		SE
5	IT Strategic Plan - Refresh (Support)		Support the IT strategic plan as required	MS	OE
6	Corporate Community Engagement Strategy (Lead)		Comprehensive Community Engagement Strategy to serve as an overarching strategy for community engagement associated with each of Markham's BMFT Master Plans (Diversity, Growth, ILMP, Transportation, Municipal Services, Sustainability) and other major corporate initiatives. Q1 March	ILMP	CS

Business Unit Objectives

1	Corporate Events Policy for Civic Centre		Establish Events Policy to guide the operational approach to corporate and non- corporate events where Markham provides financial and operational support . Q1 January	MS	OE
2	Corporate Communications Strategy		Develop an overarching multi -year Corporate Communications Strategy to serve as overall strategic communications framework for Markham's internal and external communications activities and programs related to Building Markham's Future Together and key activities such as the Mayor's Board of Trade speech and Corporate annual report.	MS	CS
3	Media Relations Training		Part III - Continuation of 2011 media relations training: One-on-one In-House Media Relations Training for Councillors and selected senior staff - Q2 - May	MS	OE
4	Extended Web content author training		Refresh and renew content author training for business representatives - Ongoing	MS	OE
5	Corporate Digital and Social Media Workshop		Part II - Workshop for all social media authors and senior staff to outline Markham's current use of social media and new tools such as mobile apps to drive traffic to online services and other web-based services. Q1 - March	MS	OE
6	Internal Communications Survey and plan		Staff survey to determine nature and frequency of use of existing internal communications mechanisms and preferences resulting in a plan to help increase staff awareness of corporate activities and engagement in Excellence Markham. Survey - Q1 February. Plan Q2 May	MS	SE
7	Social Media - Facebook		1. Increase corporate Facebook followers to 1000. 2. Leverage major corporate activities to increase Facebook followers as a means to convey news directly and instantaneously to the broad Markham community Q 4 Dec.	MS	CS
8	Social Media - Twitter		Increase Twitter followers to 3500 and strengthen Twitter medium to include strategic audiences of interest. Q 4 Dec.	MS	CS
9	Social Media - LinkedIn		Increase corporate LinkedIn followers to 750 as a means to strengthen Markham's talent recruitment and retention strategy and position Markham's brand as a contemporary employer of choice. Q4 Dec.	MS	OE
10	Guide to Communications Services		1. E- Guide to communications and community engagement support through the Communications and Community Engagement Department. 2. Increase awareness of department professional services resulting in higher quality and effectiveness of communications with staff and residents. Q1 - April	MS	OE
11	Marketing Analysis and Planning: Expand competency profile of Corporate Communications to include increased marketing communications experience.		Increased marketing support to revenue generating businesses. Specific emphasis on Flato Markham Theatre and recreation programs.	MS	OE

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



CORPORATE COMMUNICATIONS AND COMMUNITY ENGAGEMENT 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
USER FEES & SERVICES CHARGES	\$282,950	\$359,100	\$373,700	\$14,600	4.1%	\$90,750	32.1%
RECOVERIES & CONTRIBUTIONS	37,300	466,500	466,500	-	0.0%	\$429,200	1150.7%
OTHER REVENUES	58,014	-	-	-	0.0%	(\$58,014)	-100.0%
INTERDEPARTMENTAL RECOVERIES	-	(73,000)	(73,000)	-	0.0%	(\$73,000)	0.0%
Total Revenues	\$378,264	\$752,600	\$767,200	\$14,600	1.9%	\$388,936	102.8%
Expenses							
SALARIES AND BENEFITS	\$1,004,697	\$1,347,493	\$1,380,016	\$32,523	2.4%	\$375,319	37.4%
PRINTING & OFFICE SUPPLIES	13,033	15,327	15,327	-	0.0%	2,294	17.6%
OPERATING MATERIALS & SUPPLIES	13,643	13,158	13,158	-	0.0%	-485	-3.6%
COMMUNICATIONS	4,471	7,153	6,943	(210)	-2.9%	2,472	55.3%
TRAVEL EXPENSES	3,523	3,779	12,779	9,000	238.2%	9,256	262.7%
TRAINING	-	21,000	21,000	-	0.0%	21,000	0.0%
CONTRACTS SERVICES AGREEMENTS	(119,523)	(119,523)	(116,693)	2,830	-2.4%	2,830	-2.4%
PROFESSIONAL SERVICES	110,189	93,289	112,289	19,000	20.4%	2,100	1.9%
LICENCES, PERMITS, FEES	1,782	1,000	1,000	-	0.0%	-782	0.0%
PROMOTION & ADVERTISING	175,226	206,400	191,300	(15,100)	-7.3%	16,074	9.2%
KEY COMMUNICATION PROGRAMS	282,210	429,948	431,648	1,700	0.4%	149,438	53.0%
OTHER PURCHASED SERVICES	12,794	900	900	-	0.0%	-11,894	-93.0%
Total Expenses	\$1,502,045	\$2,019,924	\$2,069,667	\$49,743	2.5%	\$567,622	37.8%
Net Expenditures/(Revenues)	\$1,123,781	\$1,267,324	\$1,302,467	\$35,143	2.8%	\$178,686	15.9%

Changes in 2013 Budget from the 2012 Budget over \$50,000:

No significant changes.

FINANCE BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Corporate Objectives Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan, Greenprint and the new Council term priorities.	Providing ongoing support/leadership of key corporate objectives.	OT
2	Portal (Phase 2)- Online Payments/Forms Work with the online payment committee (cross commission team) to investigate and implement online forms and payment options for the Town Portal including online statements.	12 forms are now on-line including phase 1 of the pre-authorized tax payments. The Payment Policy & Report was approved at the June 12 Council Meeting. The 3 on-line payments are now scheduled to go live by August.	OT
3	Portal - E Procurement Implement E Procurement recommendations as identified in 2011 report, Completion Q4 2012.	The 1st Markham E-procurement will be undertaken in September with the Milliken Mills HVAC roof top unit. Purchasing and Bidding Staff will be training the suppliers in September on how to upload their bids into Bidding for an "electronic submission". After training the E-procurement document will be released.	OT
4	Recreation, Culture and Library Pricing Strategy Provide financial analysis support of the new pricing strategy in December 2012	Project is currently in the "Public Consultation" stage (stage 2 of 4) and as such has not yet required any financial analysis.	DL
5	Printer Strategy Support ITS by providing financial analysis to establish a vendor for printer replacement.	Provided financial analysis in the selection of the vendor/supplier.	COM
6	Assessment of HR and Finance business processes and system requirements Work with ITS to conduct an end to end review of the current business processes and applications currently in use to manage/support the Financial & Employee Management systems. Completion by Q4 2012	Preliminary assessment of the option with the Region of York is in progress. This will be followed by a detailed gap analysis and implementation plan. Staff is working on undertaking a high level comparison of other options/systems.	DL
7	Enterprise Asset Management (EAM) software Work with ITS and other departments to implement the software. Implementation date Q4 2012	Review of capabilities and resource requirements undertaken. Project is currently on hold pending the prioritization of all ITS projects to determine best use of resources.	DL
8	Sustainable Purchasing Practices Guide Finalize the guide and obtain ELT & Council approval. Completion Q1 2012.	Sustainable Purchasing Practices Guide has been presented and approved through ELT and will be going to Environmental Issues Committee in October.	DL
9	RFP Procedures Guide Develop an RFP procedures guide to establish guidelines for user departments and purchasing staff to follow (similar to the Pre qualification process) Completion Q4 2012.	Research and consolidation of information has been completed, User Department working department feedback has been incorporated within document. The RFP guide will be presented to Finance's Senior Management team in September then to Director's Forum with roll out expected in October.	OT
10	Development Charge (DC) By-laws Undertake the required analysis to update the DC By-laws. To be finalized before June 2013.	Update has commenced with the departments updating their inventory and capital program. At the June GC a DC Sub-Committee was formed. The Sub-Committee is scheduled to meet in the Fall of 2012	OT
11	DC Reserves/Borrowing Monitor the DC Reserves and liaise with the Region regarding borrowing requirements	On-going requirement. A high-level review of Development Charge cash flows indicates borrowing is still required by late 2013. Additional borrowing for the Markham Sports, Entertainment and Cultural Facility is continuously reviewed and discussions with potential lenders occur on a regular basis.	OT
12	Vendor payment through Electronic Fund Transfer (EFT) AP in conjunction with user departments, will investigate the possibility of EFT payments for invoices eliminating the need to process cheques. Investigation completed Q2 2012.	Through Finance's investigation it was determined that the initial setup cost would be approximately \$20,000. Based on the projected uptake of 35% after the fifth year of implementation, it would take 8 to 10 years to recover the initial cost. Based on the above, Finance staff recommend not to pursue at this time.	COM
13	Enhanced EZ Labor Functionality Explore options to provide supervisors ability to adjust missing hours. Completion Q4 2012.	The enhanced EZ labor functionality will be implemented with the Operations department eliminating the need of paper timesheets. Project will completed by Q4.	OT
14	Web-based Budget System Work with ITS to investigate the feasibility of developing a web-based budget system. Completion Q2 2012.	This project is currently on hold due to ITS resource capacity. Finance met with ITS to discuss the scope of the potential project. Further meetings will be set up to determine the feasibility of including this initiative in 2013.	DL
15	Commission Business Analyst Secondment Investigate the potential secondment of Commission Business Analysts to a specific division to enhance business knowledge.	As a pilot program Business Analysts have been working once a week effective March in Asset Management and Operations. Based on the positive feedback received, Finance will continue this arrangement.	OT
16	Credit Card Security Standard Implement the required practices to ensure the Town is compliant with the new Payment Card Industry (PCI) data security standard. Implementation prior to 2012 year end.	IT review indicates a need for HW and SW for inclusion in capital budget for 2013. Also significant IT prep work needed so project will continue into 2013. TD Bank provided a letter stating credit card companies have not provided a final date of compliance but want continued work on compliance. In August, DF approved 2013 capital funds for IT hardware and software. Funding was for year one of a 3 year phased project to be completed by 2015.	OT
17	Current Value Assessment (CVA) - Year 4 of the 4 year Phase-in Analysis done by Q1 of 2012 and implementation of non-residential accounts by Q3 of 2012.	Report to Council in February 2012 regarding analysis of phase-in for 2012. Implementation of capping impacts will be completed for non-residential billing in September.	OT
18	Upgrade the Tax Software System (TXM) Work with ITS to upgrade the TXM software to a web based system.	Mississauga to go live September 2012. Because of required testing, Markham will go live March 2013 after the 2013 Interim billing is complete. In August, Mississauga confirmed the project was on target.	OT
19	Waste Rebate Cheques Investigate the possibility of adding waste rebates to residential tax accounts instead of mailing cheques. Recommendation to ELT in Q2 2012 if necessary.	The 2012 cheques have been mailed out with a message that the new process will begin in 2013.	COM
20	Review of Purchasing Procedures - negotiations vs. tendering Formalized process will be presented to ELT in Feb. 2012.	Informal criteria developed	COM
21	Information Management Program (AP Automation) Work with the investigation team to assist in development of an RFP that will include an A/P automation component. To be completed by 2012.	The project has been rolled into Corporate wide Information Management Project lead by ITS. Currently this project is on hold due to wider scope of the project and limited ITS resources. Time line to be developed upon budget approval.	DL
22	Standardization of contract award contingency percentage Analyse contract awards and develop a standard contingency percentage that will be formalized by Q2 of 2012 and included in the 2013 Capital Budget submissions.	Preliminary contingency percentage calculations are complete for different types of projects 1. Existing Facilities, 2. New Facilities, 3. New Parks, 4. Sidewalks/Illumination, 5. Roads/Bridges, 6. Water - Relining/Cathodic Protection, Watermain/Sewer Replacement Finance will be meeting the departments to discuss the recommended contingency percentages, followed by presentation to ELT that will address the processes including surplus funds. Once approved by ELT, the standard contingency percentages will be adopted in the capital budget.	OT
Notes:			

Objective Status: OT= On Target, ADJ= Scope Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

FINANCE KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	1	0	0	2	0	1 every 2 years
Average overall satisfaction for formal survey(s) completed (%)	n/a	58%	n/a	n/a	83.4%	n/a	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	n/a	22%	n/a	n/a	72.0%	n/a	≥35%
# of informal satisfaction surveys completed	1	1	1	0	0	1 ¹	1%
Overall satisfaction (%) (informal survey)	n/a	59%	n/a	n/a	n/a	n/a	≥80%
% extremely/very satisfied (informal survey)	n/a	14%	n/a	n/a	n/a	n/a	≥35%
FINANCIAL PERFORMANCE							
Net cost per household (Target 2012 Budget)	\$28.75	\$29.51	\$29.59	\$27.24	\$29.19	\$14.66	\$ 37.94
Average Cost per A/P transaction processed (including Pcard)	n/a	n/a	n/a	\$6.77	\$6.87	\$7.23	\$ 6.00
% of tax bills collected	96%	96%	93%	97%	97%	n/a	95%
OPERATIONAL EXCELLENCE							
% of payroll payments sent out on time and controlled error free	99.0%	99.0%	99.0%	99.6%	99.1%	100.0%	99.0%
% of generated PO's compliant with Purchasing by-laws		96.0%	98.0%	97.0%	94.0%	n/a	99.0%
Cost Savings as a result of purchasing activities	\$ 262,000	\$ 911,000	\$ 582,340	\$ 564,417	\$ 608,632	\$ 286,507	\$ 500,000
# of Purchase Orders actioned per FT position	207	225	260	244	206	130	< 300
# of Accounts Payable documents actioned per FT position	9,702	6,783	6,359	4,905	4,949	2,449	< 6,875
% of Letters of Credit processed within 5 days	56.3%	66.5%	74.0%	86.0%	88.7%	95.5%	95.0%
# of Preauthorized Tax Payments	22,027	23,091	24,061	24,209	25,967	26,431	28,500
% of Tax & Water inquiries responded to within 24 hours		100%	100%	100%	99%	100%	100%
% of return on Investment greater than benchmark	0.23%	1.67%	3.50%	2.63%	2.93%	3.06% ⁴	0.50%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	66%	n/a	61%	n/a	65%	≥75%
Recognition rating (from staff survey)	n/a	52%	n/a	51%	n/a	57%	≥65%
Staff Satisfaction rating (from staff survey)	n/a	75%	n/a	66%	n/a	75%	≥80%
Completion rate for performance management	100%	88%	91%	95%	95% ⁵	n/a	100%
Average Corporate learning hours per full-time employee	6.9	7.0	6.2	5.5	8.9	4.2	20.0
Staff absenteeism (average # of days per employee)	4.2	4.7	4.2	3.7	3.4	1.8	≤8.4
Staff turnover rate	8.0%	8.0%	5.0%	7.5%	0.0%	0.0%	≤7.5%

KPI SUMMARY

¹ An informal survey was completed in 2012 on the Budget Process (Capital & Operating as well as the Procurement Plan, this survey solicited comments only and therefore does not have satisfaction %'s.

² The 2012 increase of 3% in "Average cost per A/P transaction processed" is due to the 2012 CUPE increase. Current transaction volumes are on target with 2011 volumes.

³ The decrease of 7% in "Average cost of procurement card transaction" is a result of a 10% increase in credit card transactions offset by the 2012 3% CUPE increase.

⁴ Investment Benchmark = 50% of the 3 month Banker's Acceptance (B.A.) rate + 50% of the 5 year Bank of Canada Bond rate. As of June 30 2012 the calculated investment benchmark was 1.32% and the return on investment was approximately 4.37%.

⁵ Completion rate for performance management includes submitted PMR up to June 2012.



FINANCE BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)

Priorities			
#	Objective	Requires Additional Resources	Outcomes
			<div style="display: flex; justify-content: space-between;"> <div style="width: 45%; background-color: #e1f5fe; padding: 2px;">Building Markham's Future Together</div> <div style="width: 45%; background-color: #fff9c4; padding: 2px;">Excellence Markham</div> </div>

Cross Commission Projects

(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)

1	Portal Phase 3 - Implementation (Support)		Support the implementation of the Phase 3 of the Portal as required	MS	OE
2	New Official Plan (Support)		Support the development of the new official plan as required.	GM	
3	Excellence Markham - Customer Satisfaction (Lead)		Define customer service; Review current customer service practices; facilitate staff focus groups to leverage input from all staff; review external customer services strategies from organizations for benchmarking. Q1: Initial review and definitions; Q2: complete staff focus groups; Q3: draft of findings for ELT; Q4: implementation of results.		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Support the development of the Staff Survey Implementation through the cross commission work groups		SE
5	IT Strategic Plan - Refresh (Support)		Support the IT strategic plan as required	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support the development of the Corporate Community Engagement Strategy through the cross commission work groups	ILMP	CS

Business Unit Objectives

1	2013 Development Charge Background Study and Associated By-laws		Finalize the 2013 Update of the Development Charge Background Study and Associated By-laws. To be approved by Council by May 2013.	GM	FP
2	Chart of Accounts (GL Structure)		Review current GL structure with the stakeholders and update the chart of accounts by Q3 2013.		FP
3	Accounts Payable Automation (Intelligent Scanning)		In 2012 this project was rolled into Corporate wide Information Management Project lead by ITS. Finance will work with ITS to assist in development of an RFP that will include an A/P automation component. To be completed in Q4 2013. Lead to be determined.	GP	FP
4	E-procurement		Expand the implementation of accepting electronic bid submissions (release and receipt of bids electronically) based on the results of the pilot program in 2012.	GP	FP
5	Sustainable Purchasing Guide Training Program		Implement a semi-annual training program on the contents of the Sustainable Purchasing guide to incorporate green options into the bid documents.	GP	FP
6	Review Payroll Processes for Continuous Improvement		Complete process review as per KPMG's report of 2012. And review Payroll's standard operating practices and update a standard operating procedures manual.		FP
7	Current Value Assessment (CVA) - reassessment		New 4 year cycle (2013-2016). Analysis done by Q1 and implementation of non-residential accounts by Q3.		FP
8	Enumeration of properties		Review and inspect sample properties to ensure property assessment accuracy. To be completed by Q3 (summer project).		FP
9	Capital Project Tracking		Implement a methodology to track capital projects through the various Financial stages: DC Background Study, Capital Budget, Procurement, and Reporting. Competition Date Q3 2013.		FP
10	Process/Policy Review		Review of existing Financial Services procedures and policies in an effort to create efficiencies. On-going objective.		OE
11	Staff Satisfaction Improvement		Based on the feedback received through the 2012 Staff Satisfaction Survey, the finance department staff will identify areas of improvement for implementation in 2012 and 2013	MS	SE
12	Customer Survey - Letters of Credit		Survey to determine customer's satisfaction with the current Letters of Credit procedures by Q3 2013.	MS	CS

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



FINANCE 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./((Decr.)	% Change	\$ Incr./((Decr.)	% Change	
Revenues								
USER FEES & SERVICE CHARGES	\$696,164	\$537,704	\$546,516	\$8,812	1.6%	(\$149,648)	-21.5%	
RECOVERIES & CONTRIBUTIONS	0	4,705	4,705	0	0.0%	\$4,705	0.0%	
OTHER INCOME	105,971	166,860	111,860	(55,000)	-33.0%	\$5,889	5.6%	
Total Revenues	\$802,135	\$709,269	\$663,081	(\$46,188)	-6.5%	(\$139,054)	-17.3%	
Expenses								
SALARIES AND BENEFITS	\$4,375,147	\$4,539,004	\$4,789,235	\$250,231	5.5%	\$414,088	8.6%	
PRINTING & OFFICE SUPPLIES	86,429	92,262	92,262	0	0.0%	5,833	6.7%	
OPERATING MATERIALS & SUPPLIES	(145,865)	(32,021)	(32,021)	0	0.0%	113,844	-78.0%	
COMMUNICATIONS	4,746	3,867	3,867	0	0.0%	-879	-18.5%	
TRAVEL EXPENSES	2,754	3,844	3,844	0	0.0%	1,090	39.6%	
TRAINING	9,689	24,390	24,390	0	0.0%	14,701	151.7%	
CONTRACTS & SERVICE AGREEMENTS	41,159	40,778	34,879	(5,899)	-14.5%	-6,280	-15.3%	
MAINT. & REPAIR-TIME/MATERIAL	2,399	3,519	3,519	0	0.0%	1,120	46.7%	
RENTAL/LEASE	7,774	8,640	8,640	0	0.0%	866	11.1%	
PROFESSIONAL SERVICES	53,138	142,359	142,359	0	0.0%	89,221	167.9%	
LICENCES, PERMITS, FEES	79,457	102,437	102,437	0	0.0%	22,980	28.9%	
CREDIT CARD SERVICE CHARGES	5,547	10,409	10,409	0	0.0%	4,862	87.7%	
WRITE-OFFS	0	100	100	0	0.0%	100	0.0%	
OTHER EXPENSES	682			0		-682		
Total Expenses	\$4,523,056	\$4,939,588	\$5,183,920	\$244,332	4.9%	\$660,864	14.6%	
Net Expenditures/(Revenues)	\$3,720,921	\$4,230,319	\$4,520,839	\$290,520	6.9%	\$799,918	21.5%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salary and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids, and transfer of one position from Corporate Services Commissioner's Office.



INFORMATION TECHNOLOGY SERVICES BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes

#	Objective	Actual Outcomes	Status
	Corporate Objectives		
1	Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan, Greenprint and Council term priorities.	ITS department contributed to various corporate initiatives as required.	OT
2	Portal project - implementation The next phase of portal implementation will focus on providing more online self-services including online payment and forms, mobile support, enhanced GIS maps and social media capabilities for Markham residents and businesses.	A framework for development of online forms and online payment using credit card has been established. A set of 12 online services have been deployed. In addition, a large number of online services have been grouped and prioritized, as well as a high level roadmap has been developed.	OT
3	Telecommunication infrastructure enhancement Completion of the telecommunication infrastructure replacement with Voice over IP technology for all Town facilities.	95% of infrastructure replacement has been rolled out successfully on schedule and on budget. A few sites remain. Project scheduled to be completed in August.	OT
4	Implementation of Information Management Program - multi phased Work with Legislative Services Dept. to establish governance, record management practices etc. that will enable management of information as corporate asset. This will be achieved through specific pilot projects that will be defined.	On hold.	DL
5	Implementation of Wireless Communication including AVL Implement the infrastructure required to provide Town staff with the ability to use an enhanced and functionally rich radio communication capability along with Automated Vehicle Location services.	RFP for the implementation of the wireless radio network was prepared and evaluated, and currently workings towards the award of the contract. This will be followed by design work that will be reviewed by Industry Canada and then implementation. An agreement on the construction of the tower has been signed with Bell Canada.	DL
6	Enterprise Asset Management Implementation - Phase 1 Based on the assessment on the feasibility and impact of implementing an Enterprise Asset Management System (EAM) in 2011, procurement and implementation of an EAM solution for Facility Management, Operations and Job Costing.	On hold.	DL
7	Printer strategy Establish a vendor/supplier for replacement of imaging devices in 2013 based on the recommendations made in 2011 report.	Printer strategy and 2013 rollout recommendations were developed and discussed with all business units. Further review to be undertaken as per ELT recommendation.	COM
8	Assessment of HR business processes and system requirements Conduct a review of the current business processes and review options for better Employee Management technology and make suitable recommendations. Explore options with the Region of York.	Preliminary assessment of the option with the Region of York is in progress. This will be followed by a detailed gap analysis and implementation plan. Staff is working on undertaking a high level comparison of other options/systems.	DL
9	Audio Visual enhancement and replacement Replace and enhance the Audio Visual equipment within Canada Room, Council Chamber and implement an AV solution based on Business Units needs.	RFP has been issued, evaluated and awarded. Work has began and a number of opportunities used to validate requirements are met. Project is progressing well and is expected to be completed in early Sept.	OT
10	Implementation of Payment Card Industry requirements Continue work on technology change requirements and business process changes for compliance with Payment Card Industry standard.	ITS has segmented Class to its own separate network (called VLAN), the removal of unnecessary paper records of credit card numbers, revised policies and provided training to prohibit accepting credit card numbers via email.	DL
11	Staff satisfaction survey result improvements Focus on workload issues through the engagement of staff and implement recommendations by end of 2012.	Survey result received and discussed at management. Result will be shared with staff in September along with discussion at commission level to identify opportunities for focus.	OT
12	Customer satisfaction survey result improvements Conduct survey in 2012 and identify areas for future improvements.	To be done in Sept.	OT
13	IT operational review and enhancements Improvements of internal ITS processes in the area of customer service, policy review and PM methodologies - continuation of 2010 objective as part of continuous improvement.	ITS has introduced internal processes enhancements for managing IT assets as part of the computer replacement, as well as HR related processes etc. Online service for new equipment orders have also been put in place. In addition, some services were also moved from second level support to Service Desk in order to provide faster services to customers.	DL
14	Town Wide Wireless access points replacement Replace and enhance the current WiFi infrastructure across the various Town facilities.	To be started in Sept.	OT
15	Establish Service Level Agreements Establish service level agreements with Finance, Communications and Community Relations, Legislative Services by end of 2012.	SLA renewal for the Library is near completion. New SLA's has been established with Operations. New SLAs in progress included Fire, Culture, Asset Management, Waste Management, Finance and Development Services to be done by year end.	OT
16	Enhancing public facing mapping Continue enhancing external (through Portal) and internal mapping interfaces by end of 2012 based on the new technology.	A number of enhancements were undertaking including integration with the portal platform - property detail map, Councillor ward display, roads work map display etc.	OT
17	Security review - implementation Implement recommendations coming out as a result of the security review.	To be started in Oct.	OT
18	Implementation of other capital and non-capital technology projects Implement council approved technology projects, as well as non-capital projects, for business units. Includes East Markham CC setup, POS implementation, Fire dispatch system, TXM upgrade etc.	Successfully implemented fifteen capital and seven non capital project to date for various business units, all within budget. Furthermore, 24 capital and ten non capital projects are on track to be completed by year end.	OT
19	Web-based Budget System Work with Finance to investigate the feasibility of developing a web-based budget system. Completion Q3 2012.	Deferred due to other priorities.	DL
20	Explore and pilot Open Government program Initiate a pilot project in partnership with other jurisdictions on Open Government with focus on Open Data, define an approach/ road map.	Part of the Advisory Group at the Region of York - in order to learn from their experience and use when we are ready.	OT
21	System upgrades and enhancements Upgrade of business applications such as Eclipse, SharePoint, ArcGIS, ACR, Exchange 2010, Firewall, Active Directory etc.	Exchange and Sharepoint system upgrades have been completed (data migration being in progress), and ArcGIS upgrade is in progress. All Firewalls have been upgraded and Active Directory upgrade is in progress.	OT

Notes:

Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted

INFORMATION TECHNOLOGY SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	1	0	1	0	0 *	1 every 2 years
Average overall satisfaction for formal survey(s) completed (%)	n/a	75%	n/a	86%	n/a	n/a *	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	n/a	68%	n/a	54%	n/a	n/a *	≥35%
# of informal satisfaction surveys completed	12	12	12	12	12	6	12
Average customer satisfaction % - very satisfied	62%	70%	60%	62%	61%	68%	75%
FINANCIAL PERFORMANCE							
Net cost per household (Target 2012 Budget)	\$ 44.13	\$ 49.70	\$ 51.93	\$ 50.91	\$ 50.42	\$ 28.68	\$ 52.11
% of ITS operating budget vs. Town budgeted expenses (excluding Waterworks)	3.36%	3.48%	3.52%	3.49%	3.39%	3.17%	<5%
OPERATIONAL EXCELLENCE							
Business continuity service achievement (%)	99.94%	99.82%	99.92%	99.97%	99.98%	100%	99.95%
% Call abandonment at Service Desk	11%	13%	14%	15%	16%	14%	7%
Average number of answered calls by Service Desk/month	937	1,036	1,015	993	1,064	973	n/a
% of Calls resolved on first contact at Service Desk	40%	37%	37%	45%	42%	37%	50%
% of incidents resolved within severity-based set targets	n/a	n/a	78%	70%	71%	82%	85%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	69%	n/a	69%	n/a	67%	≥75%
Recognition rating (from staff survey)	n/a	65%	n/a	60%	n/a	55%	≥65%
Staff Satisfaction rating (from staff survey)	n/a	78%	n/a	78%	n/a	73%	≥80%
Completion rate for performance management	100%	76%	93%	97%	100%	n/a	100%
Average Corporate learning hours per full-time employee	11.3	5.6	7.2	3.2	2.3	4.3	20.0
Staff absenteeism (average # of days per employee)	5.6	5.6	3.9	3.2	2.9	2.4	≤8.4
Staff turnover rate	7.1%	11.1%	11.1%	4.0%	3.1%	0.0%	≤7.5%

KPI SUMMARY

- * Formal customer satisfaction survey is scheduled for mid September 2012.
- There is an overall increase of 7% in customer satisfaction based on informal survey.
- There is a decrease in % of incidents resolved at Service Desk which may be attributed to the number of major implementations such as computer replacement, phone replacement etc. projects that involve several new functionalities.
- There is significant improvement (11%) in incident resolution within set target which is attributed to the internal process improvements that ITS has undertaken in 2012.
- Overall staff satisfaction and particularly staff recognition will be considered for follow up in 2013.



INFORMATION TECHNOLOGY SERVICES BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)

				Priorities	
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham
Cross Commission Projects (Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective)					
1	Portal (Lead)		Implementation of a wide range of online services to provide more self-service capabilities including payment options to customers, work on single-sign-on and/or personalization implementation. Exact scope and deliverables to be defined.	MS	OE
2	New Official Plan (Support)		Support the development of the new official plan as required.	GM	
3	Excellence Markham - Customer Satisfaction (Support)		Support the development of the Customer Satisfaction through the cross commission work groups		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Support the development of the Staff Survey Implementation through the cross commission work groups		SE
5	IT Strategy Refresh (Lead)	NP	This initiative will allow the city to understand where the various business areas in the organization are heading in the midterm, synthesize and prioritize them such that the associated IT enablers can be provided in order to meet these objectives. The deliverable will be a technology roadmap (blue print) for the organization for the next few years as well as governance.	MS	OE
6	Corporate Community Engagement Strategy (support)		Support the development of the Corporate Community Engagement Strategy through the cross commission work groups	ILMP	CS
Business Unit Objectives					
1	Human Resources system - assessment and initiation of implementation	NP	Initial implementation of core Human Resources system following a roadmap/implementation strategy development in 2012.	MS	OE
2	Printer replacement	NP	Replacement of printers in user departments across the organization based on life cycle.	MS	CS
3	Payment Card Industry standard	NP	Implement initial phase of Payment Card Industry compliance requirement	MS	FP
4	Enterprise Asset Management		Implementation of Phase 1 - includes job costing and facility management for Operations, Asset Management & Finance. Phase 2 will be in 2014 for Waterworks and Operations.	MS	CS
5	Upgrade of the Tax system		Upgrade of the current Tax system to a web platform by June 2013.	MS	CS
6	Implement 2013 and previously approved IT projects	NP	Implement 2013 and other previously approved IT capital projects including project management support	MS	OE
7	Implement Data Centre disaster recovery capability meeting EOC requirements		Finalize the critical services and the system requirements followed by a Disaster Recovery options, and implementation.	MS	OE
8	Project management and technology support for 2014 Election		Preparatory and prerequisite work for technology requirements related to 2014 election	MS	OE
9	Pilot/implement collaboration tool		Implementation of collaboration tool for employees that integrates with Microsoft Outlook	MS	OE
10	Server replacement strategy		Establish a strategy around server replacement including virtualization, consolidation and other technology opportunities that provide additional value to the City	MS	CS
11	Establish process for patch management		Establish a process by which patches are applied to systems while keeping interruption to business operation to the lowest	MS	OE
12	Portal platform upgrade		Upgrade of Websphere portal platform to the latest version and maintain support from the vendor as well as provide additional functionalities	MS	OE
13	Replacement of technology infrastructure		Replacement of backup hardware along with the appropriate management software and process changes, backbone switches, and remaining access points (cloud-based) for wireless communication	MS	OE
14	Business application upgrades CLASS (includes POS) upgrade		Upgrade the Class registration system, ACR for Contact Centre and Eclipse (cloud-based) for project portfolio management, implementation of Sharepoint 2010	MS	CS
15	Database systems upgrades		Upgrade the Enterprise Manager Grid Control system that is used to manage the database infrastructure, and upgrade of the SAS data management platform	MS	OE
16	Optimization of technology platform/infrastructure		Migration of application and databases to virtual environment to provide consolidated infrastructure	MS	OE

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound



INFORMATION TECHNOLOGY SERVICES

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
SALES	\$6,085	\$500	\$500	\$0	0.0%	(\$5,585)	-91.8%	
RECOVERIES & CONTRIBUTIONS	16,950	7,000	7,000	\$0	0.0%	(\$9,950)	-58.7%	
OTHER REVENUE	0	2,000	2,000	\$0	0.0%	\$2,000	0.0%	
Total Revenues	\$23,035	\$9,500	\$9,500	\$0	0.0%	(\$13,535)	-58.8%	
Expenses								
SALARIES AND BENEFITS	\$3,792,201	\$3,808,285	\$3,865,323	\$57,038	1.5%	\$73,122	1.9%	
PRINTING & OFFICE SUPPLIES	7,432	14,199	14,199	0	0.0%	6,767	91.1%	
OPERATING MATERIALS & SUPPLIES	10,400	10,902	10,902	0	0.0%	502	4.8%	
COMMUNICATIONS	799,103	607,208	758,917	151,709	25.0%	-40,186	-5.0%	
TRAVEL EXPENSES	5,917	8,196	8,196	0	0.0%	2,279	38.5%	
TRAINING	27,480	65,000	65,000	0	0.0%	37,520	136.5%	
CONTRACTS & SERVICE AGREEMENTS	1,520,444	1,385,324	1,405,831	20,507	1.5%	-114,613	-7.5%	
MAINT. & REPAIR-TIME/MATERIAL	32,823	43,539	43,539	0	0.0%	10,716	32.6%	
RENTAL/LEASE	711	2,341	2,341	0	0.0%	1,630	229.3%	
PROFESSIONAL SERVICES	88,799	110,739	110,739	0	0.0%	21,940	24.7%	
LICENCES, PERMITS, FEES	2,305	2,039	2,039	0	0.0%	-266	-11.5%	
Total Expenses	\$6,287,615	\$6,057,772	\$6,287,026	\$229,254	3.8%	(\$589)	0.0%	
Net Expenditures/(Revenues)	\$6,264,580	\$6,048,272	\$6,277,526	\$229,254	3.8%	\$12,946	0.2%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salary and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Communications: Increase due consolidation of the communication budget from all departments to ITS.

LEGISLATIVE SERVICES BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes

#	Objective	Actual Outcomes	Status
1	Smoking By-law Review	Report to Council in Q4 to update by-law to ban smoking in all public areas.	OT
2	Review and update Procedural By-law	Review Procedure By-law and prepare necessary housekeeping amendments as a result of Bill 130 amendments to the Municipal Act, 2001 and to reflect current practices. Review to include consultation with Council and other key stakeholders. Update by-law and bring a report to Council in Q4.	DL
3	Review of Markham's Animal Services	Consultant has been retained and the contract has been awarded. The public consultation portion of the study has been completed. An interim report was provided by the Consultant June 8, 2012 and a second report was provided July 3, 2012. Consultant will present his findings at a GC meeting in September and staff will report back pending Council direction.	OT
4	Ward Boundary Review	Presentation and report to Council in June to sole source the award to a consultant. Contract has been awarded and Consultant has commenced work.	OT
5	Implement consolidated licensing by-laws for mobile and stationary businesses.	Mobile business licensing by-law was successfully adopted by Council. Stationary business licensing by-law was passed June.	COM
6	Prepare presentation & business plan (subject to Council direction after presentation) on the implementation of an Administrative Fine Program in Markham.	The implementation target is Q4 2012. The Program would result in the diversion of Parking Ticket matters from the Provincial Court to an Administrative Hearing process that is conducted solely by the City. Program business case will identify required resources, technology/equipment needs and offsetting revenues.	ADJ
7	Public Facility & Parks Use By-law	Create a consolidated by-law for all public parks & buildings regulating the use and activities that can be carried out on these properties. Update standards and have one consistent by-law that contains all City owned lands for Q4.	OT
8	Process Review of Report Circulation & Approval	The timetable for amending the schedules for standing committees to meet every other week. Currently reviewing the report circulation process to identify efficiencies. A capital request was submitted for meeting management software.	OT
9	On-boarding & Committee Orientation	Refreshment policy will be brought forward in the fall. A document for the role of staff representatives on Committees is currently being developed.	OT
10	Review Accountability Officers & Policies	Open Education & Training Session was presented to Council on Sept. 5, 2012 for both Integrity Commissioner and Lobbyist Registry. Staff to prepare a report on the hiring of an Integrity Commissioner for Oct. 2012.	OT
11	Development of a mediation/conflict resolution model for by-law and regulatory disputes.	Changed practice in 2011 to offer mediation for neighbour disputes through an external agency. Looking to formalize the process in 2012 by partnering with a mediation agency.	ADJ
12	Conduct two formal surveys: 1 of By-law Services & 1 of Animal Services	Animal services survey complete. By-law services survey will be done in Q4.	OT
13	Collaborate with Operations on the establishment of a Parks Ambassador Program (Q2).	Recruitment & training complete. Waiting on police background checks from YRP which are expected in late September. Another recruiting event is planned for October.	OT
14	Filling Council Vacancies	Presentation and report to GC in Oct. to provide options for a policy on filling council vacancies.	OT
15	Sign Strategy	Developing a comprehensive sign enforcement strategy to address illegal signs and report back to Council in Sept on success.	OT

Notes:

Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted

LEGISLATIVE SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	1	0	1	0	1	0	1 every 2 years
Average overall satisfaction for formal survey(s) completed (%)	81%	n/a	100%	n/a	n/a	n/a	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	22%	n/a	100%	n/a	n/a	n/a	≥35%
# of informal satisfaction surveys completed	2	1	n/a	4	1	1	1
Overall satisfaction (%) (informal survey)	n/a	96%	n/a		n/a	n/a	n/a
% extremely/very satisfied (informal survey)	n/a	91%	n/a		n/a	n/a	n/a
FINANCIAL PERFORMANCE							
Net cost per household (Target 2012 Budget)*	\$ 14.01	\$ 16.95	\$ 15.16	\$ 15.26	\$ 18.02	\$ 9.66	\$ 27.90
OPERATIONAL EXCELLENCE							
% of Parking Tickets Paid On-Line	20%	25%	21%	28%	21%	25%	23%
% of Staff Reports Received on Time for Council/Standing Comm. Agendas	50%	50%	50%	64%	64%	65%	80%
# of Civil Marriage Ceremonies Performed	359	381	470	465	442	215	375
# of Formal MFIPPA Requests Received	41	26	37	54	94	36	n/a
# of Privacy Complaints Received	2	0	0	0	0	0	0
Average # of Daily Property Standards Inspections per Officer	8	9	8	8.0	8	8	10
% of Property Standards Complaints Resolved without Legal Action	98%	98%	99%	99%	99%	100%	100%
Average # of Unscheduled In-Field Vehicle Inspections per Officer per Month	45	50	60	48	62	5	65
Average # of On-Site Business Inspections per Officer per Month	100	110	130	55	42	30	65
% of Business Licences Renewed by Renewal Date	40%	45%	70%	77%	66%	59%	90%
% of First Attendance Appearances Going to Trial	11%	10%	12%	8%	7%	6%	10%
% of Non-Parking Charges that Proceed to Trial	7%	8%	10%	0%	2%	6%	6%
% of Quashed /Withdrawn Non-Parking Charges (Quality Control)	3%	3%	5%	0%	1%	0%	3%
Total # of File Boxes Sent to Storage From Business Units Annually	1,015	1,031	787	603	832	485	800
Annual File/Box Retrieval Rate (on-site and off-site)	2,118	2,192	2,346	1,626	1,308	766	2,400
% of calls answered in 30 seconds (excluding switchboard)	70.00%	70.00%	71.10%	70.00%	70.70%	71.00%	70.00%
% of abandon calls - including switchboard	3.00%	2.10%	2.10%	2.50%	2.00%	3.20%	>5%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	61%	n/a	50%	n/a	68%	≥75%
Recognition rating (from staff survey)	n/a	48%	n/a	34%	n/a	60%	≥65%
Staff Satisfaction rating (from staff survey)	n/a	78%	n/a	59%	62%	74%	≥80%
Completion rate for performance management	98%	74%	94%	98%	100%	n/a	100%
Average Corporate learning hours per full-time employee	17.1	11.0	3.8	3.9	3.8	6.1	20.0
Staff absenteeism (average # of days per employee)	5.4	4.5	6.8	7.6	9.8	3.7	≤8.4
Staff turnover rate	7.3%	11.9%	11.1%	2.0%	5.7%	1.7%	≤7.5%

KPI SUMMARY

* During 2011 the Contact Centre was transferred into Legislative Services, as such the 2012 KPIs now include the Contact Centre.

LEGISLATIVE SERVICES BUSINESS PLAN OUTCOMES

2013 Business Plan Objectives (S.M.A.R.T)

		Priorities		
# Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham

Cross Commission Projects

(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)

1	Portal Phase 3 - Implementation (Support)	Support the implementation of the Phase 3 of the Portal as required	MS	OE
2	New Official Plan (Support)	Support the development of the new official plan as required.	GM	
3	Excellence Markham - Customer Satisfaction (Support)	Support the development of the Customer Satisfaction project through the cross commission work groups		CS
4	Excellence Markham - Staff Survey Implementation (Support)	Support the development of the Staff Survey Implementation through the cross commission work groups		SE
5	IT Strategic Plan - Refresh (Support)	Support the IT strategic plan as required	MS	OE
6	Corporate Community Engagement Strategy (Support)	Support the development of the Corporate Community Engagement Strategy through the cross commission work groups	ILMP	CS

Business Unit Objectives

1	Tow Truck Licensing Regulation Overview	Review of the specific licensing regulations pertaining to the Tow Truck industry. Consideration on the capping of fees and the licensing of tow impound yards	MS	OE
2	Taxi & Limousine Field Enforcement Program	Strategic review of field enforcement programs for taxis and limousines with new consolidated by-laws and deployment of technology in field	MS	OE
3	Public Health Licensing	Establish contacts within each of the responsible sections of the York Region Health Department and formalize reporting procedures between the Health Department and the City. 4. Consult on shared responsibilities (i.e. drafting of by-laws) and create electronic communication for licence review (On-line applications). Plan to be in place by Q1 and implemented by the end of Q4.	MS	OE
4	Animal Services: Implementation of Strategic Direction & Outcomes from Consultant Review	Implementation of short term and long term animal care strategy based on the 2012 Consultant Report and Staff Report. Implementation of a single price animal licence fee with a customer loyalty card, where the objective is to increase the number of animal licensed and animal licence revenues.	MS	OE
5	Keeping Markham Beautiful	Continuation of 2012 initiative to maintain the high level of property maintenance.	MS	OE
6	Establishment & Implementation of Administrative Monetary Penalties program	If Council approves a report to implement AMP in Q4 of 2012, a 2013 project to implement a AMP program will occur. The program will transition the processing of parking offences from the Provincial Court System to a quasi- judicial process operating independently by the City.	MS	OE
7	ACR Data Clean Up	Clean-up in preparation for potential upgrade to simplify categories for all staff	MS	OE
8	Expand ACR Case Types	Implement on Portal allowing clients to more easily submit their concerns sent to correct operating department for quicker service and initiate an email response expected turn around time for the service or query.	MS	OE
9	Report Circulation Process Improvements	Conduct review of report circulation process to determine where efficiencies can be found and explore software options that can improve the process. Implement improvements to the process in Q1.	MS	OE
10	Establishment of a Legislative Calendar	Modify list of upcoming reports into a strategic document for meeting management purposes.	MS	OE
11	2014 Municipal Election Preparation	Draft RFPs for tabulator rentals, internet voting service provider for 2014 election. Release RFP in Q4 to have contract awarded in Q1 of 2014. Update alternate voting by-law to provide for internet voting in 2014. Review Election Sign By-law and regulations.	MS	OE
12	Staff Satisfaction Results & Improvement Plan	Review results of 2012 staff satisfactions survey and implement improvement plan once established by EMT.	MS	SE
13	Civic Centre Room Booking Policy	Establish a policy for booking rooms at the Civic Centre in alignment with the corporate policy.	MS	OE
14	Ward Boundary Review	Report and presentation to Council in Q1 to present consultants findings and determine next steps depending on outcome of report.	MS	OE
15	Establishment of Accountability Officers & Policies	Draft code of conduct and job description for Integrity Commissioner. Develop policies and procedures for complaint protocols.	MS	OE
16	Update Procedural By-law	Update by-law to reflect current practices and changes in legislation for Q4.	MS	OE
17	Review Licensing Committee Function & Composition	Review operation of Licensing Committee to ensure compliance with administrative law and practices, to streamline committee operations, and to investigate options for alternative committee composition	MS	OE

Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)

Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)

Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)

S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound

LEGISLATIVE SERVICES 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenues								
LICENCES & PERMITS	\$1,431,844	\$1,418,394	\$1,433,329	\$14,935	1.1%	\$1,485	0.1%	
INCOME FROM INVESTMENTS	29,530	13,800	13,800	0	0.0%	(\$15,730)	-53.3%	
FINES	1,945,707	1,967,730	2,446,230	478,500	24.3%	\$500,523	25.7%	
USER FEES & SERVICE CHARGES	173,069	171,115	181,462	10,347	6.0%	\$8,393	4.8%	
RENTALS	63,430	62,157	81,607	19,450	31.3%	\$18,177	28.7%	
SALES	46,022	41,031	41,031	0	0.0%	(\$4,991)	-10.8%	
RECOVERIES & CONTRIBUTIONS	105	25,100	25,100	0	0.0%	\$24,995	23804.8%	
OTHER INCOME	-92	0	0	0	0.0%	\$92	-100.0%	
Total Revenues	\$3,689,615	\$3,699,327	\$4,222,559	\$523,232	14.1%	\$532,944	14.4%	
Expenses								
SALARIES AND BENEFITS	\$5,430,883	\$5,726,922	\$5,626,868	(\$100,054)	-1.7%	\$195,985	3.6%	
PRINTING & OFFICE SUPPLIES	75,271	98,550	98,950	400	0.4%	\$23,679	31.5%	
PURCHASES FOR RESALE	62,400	67,200	67,200	0	0.0%	\$4,800	7.7%	
OPERATING MATERIALS & SUPPLIES	59,900	38,798	38,798	0	0.0%	(\$21,102)	-35.2%	
VEHICLE SUPPLIES	0	0	0	0	0.0%	\$0	0.0%	
COMMUNICATIONS	349,017	299,846	307,846	8,000	2.7%	(\$41,171)	-11.8%	
TRAVEL EXPENSES	14,645	11,575	11,575	0	0.0%	(\$3,070)	-21.0%	
TRAINING	14,541	32,209	32,209	0	0.0%	\$17,668	121.5%	
CONTRACTS & SERVICE AGREEMENTS	453,562	381,667	538,412	156,745	41.1%	\$84,850	18.7%	
MAINT. & REPAIR-TIME/MATERIAL	55,199	45,870	45,870	0	0.0%	(\$9,329)	-16.9%	
RENTAL/LEASE	114,427	115,064	115,064	0	0.0%	\$637	0.6%	
PROFESSIONAL SERVICES	98,287	102,124	102,124	0	0.0%	\$3,837	3.9%	
LICENCES, PERMITS, FEES	23,330	14,060	14,060	0	0.0%	(\$9,270)	-39.7%	
CREDIT CARD SERVICE CHARGES	7,228	9,787	9,787	0	0.0%	\$2,559	35.4%	
OTHER PURCHASED SERVICES	3,205	2,650	2,650	0	0.0%	(\$555)	-17.3%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	0	-400	-100.0%	\$0	0.0%	
OTHER EXPENDITURES	265	1,500	1,500	0	0.0%	\$1,235	466.0%	
Total Expenses	\$6,762,160	\$6,948,222	\$7,012,913	\$64,691	0.9%	\$250,753	3.7%	
Net Expenditures/(Revenues)	\$3,072,545	\$3,248,895	\$2,790,354	(\$458,541)	-14.1%	\$282,191	9.2%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salary and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Contracted Services Agreements: Increase due to the implementation of the storefront animal service.



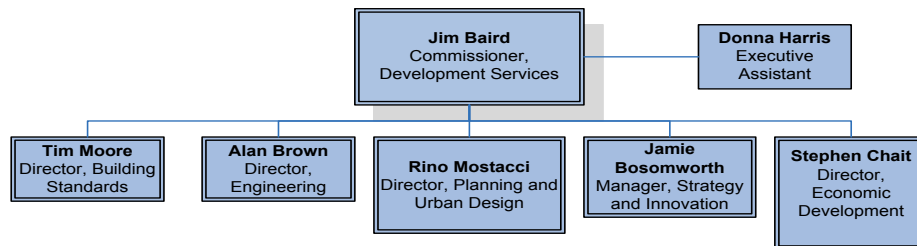
**CORPORATE SERVICES COMMISSIONER'S OFFICE
2013 OPERATING BUDGET**

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses								
SALARIES AND BENEFITS	\$287,842	\$441,028	\$361,975	(\$79,053)	-17.9%	\$153,186	53.2%	
PRINTING & OFFICE SUPPLIES	98	1,262	1,262	0	0.0%	1,164	1187.8%	
OPERATING MATERIALS & SUPPLIES	358	0	0	0	0.0%	(358)	-100.0%	
COMMUNICATIONS	376	1,165	1,165	0	0.0%	789	209.8%	
TRAVEL EXPENSES	7,195	9,564	9,564	0	0.0%	2,369	32.9%	
TRAINING	0	2,621	2,621	0	0.0%	2,621	0.0%	
CONTRACTS SERVICES AGREEMENTS	(9,491)	(9,491)	(9,737)	(246)	2.6%	0	0.0%	
LICENCES, PERMITS, FEES	5	9,485	9,485	0	0.0%	9,480	189600.0%	
PROMOTION & ADVERTISING	0	485	485	0	0.0%	485	0.0%	
OTHER EXPENSES	5,011	0	0	0	0.0%	(5,011)	-100.0%	
Total Expenses	\$291,394	\$456,119	\$376,820	(\$79,299)	-17.4%	\$164,725	56.5%	
Net Expenditures/(Revenues)	\$291,394	\$456,119	\$376,820	(\$79,299)	-17.4%	\$164,725	56.5%	

Changes in 2013 Budget from the 2012 Budget over \$50,000:

Salary and Benefits: Decrease due to transfer of one position to Finance, offset by the annualization of cost of living adjustment and movement of staff along the City's salary grids.

DEVELOPMENT SERVICES



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

The following Business Units are included under Development Services Commission:

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

Currently, there are 158 full time employees who are responsible for the day-to-day operations of the various divisions and departments.

Building Standards

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

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

- Architectural
- Mechanical
- Structural
- Plumbing



- Zoning
- Application Review

Engineering

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

- Development and Transportation
- Inspection
- Infrastructure and Capital Projects

Development and Transportation

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

- New subdivisions applications
- Site plan applications
- Transportation planning proposals
- Storm water management proposals
- Municipal servicing and infrastructure design and construction
- Travel Demand Management

Inspection

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

- Storm and sanitary sewer construction
- Water main construction
- Road construction
- Grading
- Service connection
- Utilities
- Reduction and/or release of engineering-related securities
- Pool inspection

Infrastructure and Capital Projects

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

Planning & Urban Design

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

Economic Development

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

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

BUILDING STANDARDS BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	In collaboration with Legal, Legislative and Fire Services, develop a Report to Council and By-law providing for recovery of costs associated with grow operations and illegal drug labs	By-law finalized. Awaiting completion of the associated report and Council scheduling.	DL
2	In collaboration with Legal, Legislative and Fire Services, develop a Report to Council and By-law prohibiting fortification of buildings	Not proceeding at this time.	DEL
3	In collaboration with the Treasurer, establish an interdepartmental procedure setting out the roles and responsibilities of Building Standards and Finance in determining and collecting building and development fees and charges.	In progress - procedure to be finalized by end of 2012.	OT
4	Review \$750 million of construction proposals, process and issue 3,000 building permits , and complete 60,000 compliance inspections according to the technical and performance requirements set out in the <i>Building Code Act</i>	Record building permit volumes in 2011 is continuing into 2012. Markham experienced the third highest volume of permit values in Ontario in 2011, after Toronto and Ottawa. To the end of June, permit values are yet higher in 2012. Work volume is impacting staff, processing timelines and limiting capacity for achievement of other objectives, to a certain extent.	OT
5	Alternative Solutions & Innovation	Report containing 15 recommendations for modernizing the building approval system to support construction innovation was endorsed by Building Advisory Council and filed with Minister on April 4, 2012.	COM
6	Implement new provincial energy efficiency requirements for new buildings	Energy Efficiency Design Summary developed here in early 2012 which has since been adopted province wide as a design compliance template by municipalities, designers and the homebuilding industry. Comprehensive staff training sessions conducted in January. CBO presented best practices at spring LMCBO workshop. Ongoing collaboration with OHBA ironing out teething issues.	COM
7	Implement new provincial occupancy permit requirements for houses	Builder information bulletin issued and permit system put in place on January 1. Occupancy permits being issued electronically via email by inspector using mobile devices immediately after final inspection in order not to add any additional time, costs or red tape associated with this new requirement. Compliance monitoring will take place in Q3/4 of 2012	COM
8	Develop and implement online business applications through the portal	Zoning information service is now a fully integrated online service. Seven Building Standards business processes have been identified for online development in next phase: Property compliance requests, certificates of completion, pool enclosure permits, demolition permits, sign permits, conditional permits and house plan certifications.	OT
9	DSC Service Improvement Plan	Project impacted by permit processing volumes. Customer service counter objectives will be rolled into a cross commission customer service project in 2013. Application streamlining/collaboration efforts with other DSC Departments is an ongoing exercise on a number of fronts.	DEL
10	Increase Electronic Capture of Inspection Data	Building Code inspection data related to housing construction will be documented in AMANDA using the deficiency module. This will create data that can be used to focus our resources for training and inspection in order to achieve a better built dwelling. It will also provide for accurate real time deficiency tracking for inspection staff, internal staff and clients.	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			

BUILDING STANDARDS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007	2008	2009	2010	2011	2012	TARGET
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	JUNE 30	
# of formal customer satisfaction surveys completed			1				every 2 nd year
Informal survey cards issued to clients			0				500/yr
Overall satisfaction (%)			70%		78%		80%
% extremely/very satisfied			52%		63%		35%
Clients indicating satisfaction or better							75%
FINANCIAL PERFORMANCE							
Net cost per household	\$ -	\$ -	\$ -	\$ -	\$0	\$0	[Note 1]
Total Revenue from Building Permits			\$ 5,396,403.00	\$ 6,196,269.75	\$13,546,694	\$ 5,935,828.00	
Cost of Permit & Inspection Services per \$1,000 of construction value (MPM			\$ 16.15	\$ 10.50	\$ 6.61	\$ 4.70	\$10.00
Expenditures as a % of revenue			134%	109%	50%	59%	100%
OPERATIONAL EXCELLENCE							
Median Permit Processing Time - Housing (MPMP)					10 days	16 days	<10 days
Median Permit Processing Time - Small Buildings (MPMP)					16 days	16 days	<15 days
Median Permit Processing Time - Large Buildings (MPMP)							<20 days
Median Permit Processing Time - Complex Buildings (MPMP)					20 days	27 days	<30 days
Total number of Permits issued	3,868	3,841	2,407	2,526	5,042	2,591	
Complete Applications as a % of total					53%	60%	50%
Zoning Enquiries responded to in writing in 5 days or less					71%	85%	90%
Property compliance letters responded to in writing in 5 days or less					54%	59%	90%
Community and industry engagement meetings, seminars or presentations							25hrs
Inactive Applications (Dormant - No activity for 12 months) as a % of total					10%	22%	10%
Total number of inspections conducted	57,103	69,729	40,222	32,185	47,991	21,009	
% of Successful Prosecutions					100%	100%	90%
Inspections conducted within 48 hours					94%	96%	98%
Mandatory Inspection completion rate					96%	97%	90%
Open Building Permits inspected at least once in past year					19%	27%	85%
Marijuana Grow-Ops remediated within 6 months					84%	50%	80%
Technical, Regulatory & Safety Training Hours per FTE					30hrs	9hrs	35hrs
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		72%	69%	69%		68%	≥75%
Recognition rating (from staff survey)		59%		55%		51%	≥65%
Staff Satisfaction rating (from staff survey)				79%		78%	≥80%
Completion rate for performance management		73%	98%	92%	100%		100%
Average Corporate learning hours per full-time employee	1.3	7.1	4.4	1.3	0.5	1.0	20.0
Staff absenteeism (average # of days per employee)	3.4	6.1	4.8	5.9	7.0	3.3	≤8.4
Staff turnover rate	9%	0%	4%	4%	2%	0%	≤7.5%
KPI SUMMARY							
<p>Note 1: There are no household costs for building standards operations. Services are driven by new development activity rather than existing households and are funded through construction application fees. An activity-based financial performance measure for Building Departments was incorporated into the provincial MPMP program in 2011, to enable year over year financial performance comparisons.</p>							



BUILDING STANDARDS BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	Official Plan				
2	Portal	NP	Implement web-portal submission and electronic record keeping for professional general review reports, and online demolition, sign, swimming pool and other non-complex permit application services. Collaborate with IT in identifying the software, hardware, human resource training and physical changes necessary in order to fully implement building, planning and development online application, plan review and approval systems through the portal in 2014.	MS	OE
3	Customer Satisfaction		Increase plan review resources to improve turnaround times. Revise job assignments and redeploy administrative staff to provide more effective and responsive application counter services. Support the successful implementation of extended hours at the Civic Centre, through customer satisfaction subcommittee leadership, and by monitoring after hours customer activity to assess any development	MS	CS
4	Staff Satisfaction		Fill all vacant positions in plan review, to moderate demands on technical review staff. Redeploy existing staff to add an additional applications administrator to moderate demands on the supervisor and her applications team. Increase Department communication and team building initiatives to improve staff cohesion.	MS	SE
5	Information Technology Strategic Plan				
6	Community Engagement				
Business Unit Objectives					
1	In collaboration with Human Resources, institute a building official intern position.		More successful and adaptive human resource recruitment and succession planning. The availability of an internship program will provide partially qualified employees and outside job applicants the ability to gain the full qualification and experience necessary to fill our core position needs.	MS	SE
2	In collaboration with the homebuilding industry, design and implement alternative building permit service delivery for high volume housing		Availability of an alternate system of plan and inspection approvals which makes high volume housing regulation faster, less labour intensive and more cost effective. A successful strategy will involve offloading some routine technical responsibilities to qualified and registered private sector agents, while refocusing City officials on	MS	OE
3	Knowledge maintenance and training - New Ontario Building Code		The new building code will require that Markham's appointed officials become fully knowledgeable about all the changes from the 2006 building code and that they demonstrate this through proof of learning and a renewal of Ministry qualifications.	MS	OE
4	Accessible built environment (Ministry working group appointment)		Recommend the enactment of additional barrier free standards in the building code that will improve building accessibility for physically disabled persons, and which address the intent of the 2010 accessible built environment standard. [GP 179]	GP	
5	Verify that new buildings in Markham are meeting Ontario's increased standards for energy efficiency		Develop an energy efficiency compliance verification strategy for large and small buildings where they are designed using the performance path and energy modeling in SB-10 and SB-12 of the	GP	OE
6	In a support role to Planning, begin consolidation and modernization of Markham Zoning By-law	NP	A consolidated, rationalized, simplified, updated and more consistent zoning standard which will make compliance and control more efficient for development clients and City staff.	GM	OE
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					

BUILDING STANDARDS OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenue							
LICENCES & PERMITS	\$12,263,585	\$7,942,643	\$8,996,240	\$1,053,597	13.3%	(\$3,267,345)	-26.6%
USER FEES & SERVICE CHARGES	57,864	30,140	30,140	0	0.0%	-27,724	-47.9%
OTHER REVENUE	(1,500)	0	0	0	0.0%	1,500	-100.0%
Total Revenues	\$12,319,949	\$7,972,783	\$9,026,380	\$1,053,597	13.2%	(\$3,293,569)	-26.7%
Expenses							
SALARIES AND BENEFITS	\$4,931,467	\$5,278,431	\$5,452,204	\$173,773	3.3%	\$520,737	10.6%
PRINTING & OFFICE SUPPLIES	61,879	41,500	41,500	0	0.0%	-20,379	-32.9%
OPERATING MATERIALS & SUPPLIES	14,460	23,500	23,500	0	0.0%	9,040	62.5%
COMMUNICATIONS	26,308	30,800	30,800	0	0.0%	4,492	17.1%
TRAVEL EXPENSES	4,782	6,000	6,000	0	0.0%	1,218	25.5%
TRAINING	19,963	30,000	30,000	0	0.0%	10,037	50.3%
CONTRACTS & SERVICE AGREEMENTS	2,048,346	2,048,346	2,148,528	100,182	4.9%	100,182	4.9%
RENTAL/LEASE	124	2,500	2,500	0	0.0%	2,376	1916.1%
PROFESSIONAL SERVICES	0	16,000	16,000	0	0.0%	16,000	0.0%
LICENCES, PERMITS, FEES	16,023	15,750	15,750	0	0.0%	-273	-1.7%
CREDIT CARD SERVICE CHARGES	10,581	10,000	10,000	0	0.0%	-581	-5.5%
PROMOTION & ADVERTISING	1,195	1,000	1,000	0	0.0%	-195	-16.3%
TRANSFERS TO RESERVES	0	468,956	1,248,598	779,642	166.3%	1,248,598	0.0%
Total Expenses	\$7,135,128	\$7,972,783	\$9,026,380	\$1,053,597	13.2%	\$1,891,252	26.5%
Net Expenditures/ (Revenue)	(\$5,184,821)	\$0	\$0	\$0	0.0%	\$5,184,821	-100.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Licences & Permits: Increase is due to the increased number of permits expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

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

Transfers to Reserves: Adjustment to balance the department's budget.



ENGINEERING BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Official Plan Update	<ul style="list-style-type: none"> • Provide input into preparation of new Official Plan on transportation, servicing and environmental policies and directions • Complete detailed transportation, servicing and environmental policies 	COM
2	Project Management	<ul style="list-style-type: none"> • Provide input into corporate team regarding Capital delivery 	OT
3	Development Review Process continuous improvement	<ul style="list-style-type: none"> • Coordinate with other departments and external approval authorities to streamline development review and approval process, greater utilization of Amanda 	OT
4	Staff Satisfaction Survey improvement and harness departmental reorganization benefits	<ul style="list-style-type: none"> • Address workload, stress, compensation, space planning and administrative support 	DL
5	Building Markham's Future Together (BMFT) Strategic Initiatives	<ul style="list-style-type: none"> • Implement recommendations and provide monthly updates to ELT related to transportation and servicing 	OT
6	Transportation	<ul style="list-style-type: none"> • Update Council on prioritization list and funding strategy 	DL
	a) Metrolinx		
	b) Provincial Evaluation of Langstaff/Richmond Hill Centre Mobility Hub	<ul style="list-style-type: none"> • Update Council on ARUP study and Markham's response to Regional and Provincial Studies 	COM
	c) Transit/Transportation Initiatives	<ul style="list-style-type: none"> • Update Council on various transit initiatives (Subway, 407 Transitway, Hwy 7 BRT, Mobility Hub Studies, I-Metro-E, etc.) • Implement MTSP recommendations/next steps 	DL
	d) Travel Demand Management	<ul style="list-style-type: none"> • Implement TDM Plan Guidelines as part of the Official Plan and Development Applications 	OT
	e) Parking Strategy	<ul style="list-style-type: none"> • Implement strategy and business plans as adopted by Council; Recommend revise parking standards 	DL
	f) Pathways	<ul style="list-style-type: none"> • Toogood Pond to Bob Hunter Memorial Park - constructed 2.5m of trails • Implement Major Mackenzie/Donald Cousens Parkway Pathway User Safety Guidelines 	DL
7	Capital		
	a) Implement 2012/13 Capital Program	<ul style="list-style-type: none"> • 70% of projects committed by year end, reconcile carryover by January 31, 2013 	OT
	b) Continue Implementation of Auditor's recommendations	<ul style="list-style-type: none"> • Implemented recommendation and monitor progress 	
8	Inspection		
	a) Review Capital contract administration concept	<ul style="list-style-type: none"> • Review revenue opportunities 	
	b) Building/grading approvals for site plan residential entered into AMANDA	<ul style="list-style-type: none"> • Staff advancement and retention 	
	c) Plot Plan - scan into archives	<ul style="list-style-type: none"> • Planned activities completed 	OT
	d) Assumption - Historical data to be entered back to 2000		
	e) Service connections - redo documentation and enter historical data		
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			

ENGINEERING KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
# of formal customer satisfaction surveys completed						1	
# of informal customer satisfaction surveys completed						22	
Average overall satisfaction for formal survey(s) completed (%)						73%	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)						27%	≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ -	\$ -	\$ -	\$ -	\$ (5.17)	\$ -	at or below approved budget
Development Revenue/Expenditure Ratio	\$ 1.20	\$ 1.00	\$ 0.60	\$ 3.00	\$ 1.70	\$ 1.50	1.0
Engineering Capital Revenue/Expenditure Ratio	\$ 0.50	\$ 0.80	\$ 0.90	\$ 0.90	\$ 1.00	\$ 0.80	1.0
Asset Management/Waterworks Revenue/Expenditure Ratio	n/a	n/a	n/a	n/a	\$ 0.60	\$ 0.80	1.0
OPERATIONAL EXCELLENCE							
% of Planning applications processed in an agreed upon time frame				78%	80%	80%	85%
% of Engineering submissions processed in service level time frame				70%	80%	90%	85%
% of Site Plan and Subdivision Agreements processed in agreed upon time				95%	95%	95%	85%
% of ACR cases completed within service level time frame						100%	95%
% of Capital programs committed							
• Capital - Engineering				75%			
• Capital - Asset Management & Operations	75%	60%	65%	80%	70%	70%	80%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	75%	n/a	63%	59%		63%	≥75%
Recognition rating (from staff survey)	63%	n/a	53%	49%		53%	≥65%
Staff Satisfaction rating (from staff survey)	73%	n/a	78%	67%		71%	≥80%
Completion rate for performance management	93%	100%	100%	90%	100%		100%
Average Corporate learning hours per full-time employee	13.6	24.4	16.5	11.4	4.9	10.1	20.0
Staff absenteeism (average # of days per employee)	3.8	3.6	2.4	3.9	2.6	2.3	≤8.4
Staff turnover rate	13%	3%	18%	14%	11%	0%	≤7.5%
KPI SUMMARY							
<p>The Key focus in 2013 will be to:</p> <p>a) Address the Staff Satisfaction Survey issues, namely: work load, stress, compensation, administrative support</p> <p>b) Bring department to full staff complement and harness the benefits of the departments organization and resources to meet the KPI targets</p>							



ENGINEERING BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects (Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	Official Pan Update	P	Provide evidence at OMB of new Official Plan on transportation, servicing and environmental policies and directions	GM	OE
2	Project Management		Provide input into corporate team regarding Capital delivery	MS	CS
3	Development Review Process continuous improvement	P	Coordinate with other departments and external approval authorities to streamline development review and approval processes, greater utilization of	GM	CS
Business Unit Objectives					
1	E3 Initiatives	P	Review feasibility of quality control section in Inspections section	GM	OE
2	Official Plan Update a) Development Official Plan policies		Testify at OMB re: transportation and servicing requirements in new Official Plan	GM	OE
3	Building Markham's Future Together Strategic Initiatives a) priority on transportation		Regular updates to Council/ELT on transportation issues and status	TT	CS
4	Transportation a) Metrolinx b) Markham Transportation Strategic Plan c) Travel Demand Management (TDM) • Advance external and internal programs • Work with Smart Commute to increase service and participation levels • Advance corporate programs d) Parking Strategy • Council approval of Parking Strategy e) Cycling, Pathways and Trails Master Plan • Implement Cycling and Pathway Master Plan		<ul style="list-style-type: none"> • Funding strategy prioritization to be completed by Spring 2013 • Implement MTSP recommendations • Participated in programs designed to promote TDM and transportation Management Association (TMA) • Finalize guidelines for the preparation of TDM plans • Implement parking strategy and business plans. Revise and recommend parking standards • Implement 5 Year Implementation program through Capital Budget including \$2.5m Transit System in 2013 	TT	CS
5	Transit • Markham Centre Mobility Hub Station • Langstaff/Richmond Hill Centre Mobility Hub • Box Grove Mobility Station • I - Metro – E		<ul style="list-style-type: none"> • Finalize station study • work with agencies to finalize transit facilities • Subject to Metrolinx, MTO, VIVA and GO participation undertake a mobility hub station study • Participate in technical working group 	TT	CS
6	Development Charges Update		• Process credit agreements	GM	FP
7	Development • Markham Centre • Langstaff		• Finalize servicing, roads and transit requirements for mobility hubs	GM	CS
8	Capital a) Implement 2012/2013 Capital Program b) Monitor Regional roads, sewers and watermain EA and design project and update Council as required c) Finalize and implement project management tools and Software d) Yearly capital update to Council		<ul style="list-style-type: none"> • 80% of Engineering and Asset Management/Waterworks Capital projects committed by Fall • Update Council as required 	MS	FP
9	Inspection a) Review Capital quality control proposal b) Building/Grading approvals for site plan residential entered into AMANDA c) Plot Plan - scan into AMANDA d) Assumption - Historical data to be entered		<ul style="list-style-type: none"> • Review revenue/staffing issues • Staff advancement and retention • Planned activities completed 	GM	OE
<p>Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)</p> <p>Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)</p> <p>Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)</p> <p>S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound</p>					



ENGINEERING 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.	
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenue							
USER FEES & SERVICE CHARGES	\$7,310,750	\$5,394,224	\$5,818,373	\$424,149	0.0%	(\$1,916,526)	-26.2%
SALES	-31,973	1,000	0	-1,000	0.0%	32,973	-103.1%
RECOVERIES & CONTRIBUTIONS	45,397	50,813	49,190	-1,623	0.0%	5,416	11.9%
Total Revenues	\$7,324,174	\$5,446,037	\$5,867,563	421,526	0.0%	(\$1,878,137)	-25.6%
Expenses							
SALARIES AND BENEFITS	\$3,824,026	\$4,303,516	\$4,454,986	151,470	0.0%	\$479,490	12.5%
PRINTING & OFFICE SUPPLIES	14,312	31,000	25,000	-6,000	0.0%	16,688	116.6%
OPERATING MATERIALS & SUPPLIES	16,502	18,000	21,000	3,000	0.0%	1,498	9.1%
COMMUNICATIONS	16,063	14,000	23,700	9,700	0.0%	-2,063	-12.8%
TRAVEL EXPENSES	13,332	13,000	20,000	7,000	0.0%	-332	-2.5%
TRAINING	4,566	16,000	24,000	8,000	0.0%	11,434	250.4%
CONTRACTS & SERVICE AGREEMENTS	1,877,568	1,877,568	1,850,884	-26,684	0.0%	0	0.0%
MAINT. & REPAIR-TIME/MATERIAL	0	2,956	2,956	0	0.0%	2,956	0.0%
PROFESSIONAL SERVICES	3,755	25,000	15,000	-10,000	0.0%	21,245	565.8%
LICENCES, PERMITS, FEES	17,031	18,500	23,500	5,000	0.0%	1,469	8.6%
TRANSFERS TO RESERVES	39,439	-873,503	-599,463	274,040	0.0%	-912,942	-2314.8%
OTHER EXPENSES	4,533	0	6,000	6,000	0.0%	-4,533	-100.0%
Total Expenses	\$5,831,127	\$5,446,037	\$5,867,563	\$421,526	0.0%	(\$385,090)	-6.6%
Net Expenditures/ (Revenue)	(\$1,493,047)	\$0	\$0	\$0	0.0%	\$1,493,047	-100.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased construction charges expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Transfers to Reserves: Adjustment to balance the department's budget to zero.



PLANNING AND URBAN DESIGN BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes

#	Objective	Actual Outcomes	Status
1	New Official Plan process Continue and advance the preparation of a new Markham Official Plan, as directed by Council in 2010, incorporating the growth alternative to 2031 endorsed by Council in 2010, integrating with other BMFT initiatives, and in conformity with the Regional and Provincial policy context.	Draft Completed. Presentation to Council and Circulation in Q3/4	OT
2	Provide response and implementation recommendations for Green Print from all Divisions within Department (Development Planning, Design, Heritage, Policy)	Completed.	COM
3	Complete a Markham Centre Secondary Plan update by end of year including a Markham Live/Mobility Hub elements.	T of R for Consolidated Precinct Plan initiated.	OT
4	Implementation of Streetscape Manual	Process the approval of over 300 applications	DL
5	Markham Centre East Precinct Plan (Markham Live) and implementation strategy	T of R for Consolidated Precinct Plan initiated.	OT
6	Complete Town wide UD Guidelines	Ongoing	DL
7	Complete sustainable landscape practice manual	Ongoing	ADJ
8	Complete various studies throughout Town (Milliken/Kennedy/Steeles Plan, North Yonge Corridor Study, Highway 48 Secondary Plan, Cornell Centre Urban Design Study, Yonge Steeles Corridor Secondary Plan, Markham Centre Secondary Plan, Markham Centre Public Realm and Streetscape Plan)	Ongoing	OT
9	Process development applications from submission through to approval and final inspection	Process the approval of over 300 applications	OT
10	Process design, tender documents and construction of town parks	\$12M worth of Parks in design/construction in 2013	OT
11	Precinct Plan and Development Approvals for Shoppes on Steeles	Completed.	COM
12	Zoning and Land Use Study for John Street/Green Lane industrial area	Completed.	COM
13	Reinstate positions held back due to lack of revenue and schedule Department wide activities to address Staff Satisfaction survey	Completed.	COM
14			
15			
16			
17			

Notes:

Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted



PLANNING AND URBAN DESIGN BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan - Lead the preparation and approval of the New Official Plan. The New OP will guide growth and development in Markham for the next 20 years; it will have a significant impact both corporately and in the community.		Q1: public consultation, Q2: Council approval, Q4: York Region approval 2013: initiate planning for future urban areas and intensification areas Involvement of Specific Depts.: Most involvement occurs during preparation of draft and final OP. There will be continued involvement of departments in planning for future urban areas and intensification areas, particularly Engineering, Stormwater Management, Recreation, Operations Alignment with BMFT: Growth, Transportation, Environment, Integrated Leisure Master Plan, Sustainability	GM	CS
2	Portal Phase 3 - Implantation (Support)		Support the implementation of phase 3	MS	OE
3	Excellence Markham - Customer Service (Support)		Support the development of the customer service strategy through work on cross commission work groups	MS	OE
4	Excellence Markham - Staff Survey: In conjunction with HR and the Office of the CAO, identify opportunities that address the key outcomes identified via the survey.		Q1: consultation with directors, Q2: workshop, Q3 opportunity checklist Involvement of Specific Depts.: Participation via DF	MS	SE
5	IT Strategic Plan (Support)		Provide input and support the IT strategic plan	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support and provide input on community engagement initiatives	MS	CS
7					
Business Unit Objectives					
1	Lead the preparation and approval of the New Official Plan.		Q1: public consultation, Q2: Council approval, Q4: York Region approval	GM	CS
2	Markham Centre		Finalise and approve Consolidated Precinct Plan to support Mobility Hub Project and Secondary Plan Update	GM	CS
3	GTASE		Approve Site Plan & Agreement	ILMP	
4	Architectural Advisory Committee		Develop Terms of reference and an organizational model to seek approval and funding to launch in 2014	GM	CS
5	Establish Senior Coordinator positions in Policy Section to launch the Secondary Planning program for the Future Urban Area and Intensification Areas	P	Part of the Operating Budget Approval process.	GM	OE
6	Future Urban Areas	P	Hire Senior Project Coordinator and initiate work program	GM	OE
7	Intensification Areas	P	Hire Senior Project Coordinator and initiate work program	GM	OE
8	Development Applications		Manage, process and support the approval of development applications (OPAs, Rezoning, Subdivision, Condominium, Subdivision, Site Plan Approval, CofAs) in accordance to statutory requirements and City standards and policy. Schedule and attend Pre-consultation, Working and Public Meetings. Prepare Information and Recommendation Reports for Council. Respond to community and stakeholder feedback and comments. Attend and support OMB Hearings as required.	GM	CS
9	Electronic Plan Check	NP	Develop a strategy undertake this multi year project	MS	SE
10	Consolidated Zoning By-law	NP	Develop a strategy undertake this multi year project	GM	CS
11	100 acre Community Park		Finalize concept plan for development in 2014	ILMP	CS
12	Implement Park Development Program in accordance with approved budget		Ongoing program to design and develop a multi million dollar Parks program	ILMP	CS
13	Development Charge Update		Ensure that all growth related urban design and park infrastructure is captured in the DC study	GM	FP
14	Complete various studies throughout Town (Milliken/Kennedy/Steeles Plan, North Yonge Corridor Study, Highway 48 Secondary Plan, Cornell Centre Urban Design Study, Yonge Steeles Corridor Secondary Plan, Markham Centre Secondary Plan, Markham Centre Public Realm and Streetscape Plan)		Ongoing program	GM	OE
15	Parkland Dedication Policy		Finalize and approve a new Policy and By-law.	GM	FP
16					
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), GreenPrint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



PLANNING AND URBAN DESIGN 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>	
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>
Revenue							
USER FEES & SERVICE CHARGES	\$7,116,588	\$6,169,790	\$8,407,168	\$2,237,378	36.3%	(\$946,798)	-13.3%
RECOVERIES & CONTRIBUTIONS	1,772	0	0	0		(1,772)	-100.0%
Total Revenues	\$7,118,360	\$6,169,790	\$8,407,168	\$2,237,378	36.3%	(\$948,570)	-13.3%
Expenses							
SALARIES AND BENEFITS	\$4,895,098	\$5,052,139	\$5,283,539	\$231,400	4.6%	\$157,041	3.2%
PRINTING & OFFICE SUPPLIES	51,452	43,092	43,092	0	0.0%	(8,360)	-16.2%
OPERATING MATERIALS & SUPPLIES	5,725	6,803	6,803	0	0.0%	1,078	18.8%
COMMUNICATIONS	7,952	10,869	10,869	0	0.0%	2,917	36.7%
TRAVEL EXPENSES	22,417	29,342	29,342	0	0.0%	6,925	30.9%
TRAINING	4,987	15,000	15,000	0	0.0%	10,013	200.8%
CONTRACTS & SERVICE AGREEMENTS	1,463,203	1,463,203	1,619,369	156,166	10.7%	0	0.0%
RENTAL/LEASE	0	3,000	3,000	0	0.0%	3,000	0.0%
PROFESSIONAL SERVICES	27,293	38,748	38,748	0	0.0%	11,455	42.0%
LICENCES, PERMITS, FEES	38,848	22,995	22,995	0	0.0%	(15,853)	-40.8%
CREDIT CARD SERVICE CHARGES	3,210	1,823	1,823	0	0.0%	(1,387)	-43.2%
PROMOTION & ADVERTISING	2,530	4,365	4,365	0	0.0%	1,835	72.5%
PMTS. TO CITIZENS/LOCAL GROUPS	0	0	0	0		0	0.0%
OTHER EXPENDITURES	24,174	(5,000)	(5,000)	0	0.0%	(29,174)	-120.7%
TRANSFERS TO RESERVES	39,439	(516,589)	1,333,223	1,849,812	-358.1%	(556,028)	-1409.8%
Total Expenses	\$6,586,328	\$6,169,790	\$8,407,168	\$2,237,378	36.3%	(\$416,538)	-6.3%
Net Expenditures/ (Revenue)	(\$532,032)	\$0	\$0	\$0		\$532,032	-100.0%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased number of applications expected in 2013.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

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

Transfers to Reserves: Adjustment to balance the department's budget to zero.



ECONOMIC DEVELOPMENT BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Increase market awareness and optimize operation of Markham Convergence Centre	By year end 80% of the leasable space at the MCC will be occupied vs targeted 85%. The Province (MEDI) has recognized MCC and ventureLAB as the 2nd best performing Regional Innovation Centre on Ontario.	OT
2	Increase effectiveness of ventureLAB as a leader in regional innovation.	ventureLAB's client service and financial performance is tracking in excess of business plan, and will have served over 300 clients in 2012.	OT
3	Advance Foreign Direct Investment (FDI) results by conducting investment attraction missions to India and China.	Missions to India/Dubai and to China attracted record levels of mission participants. India mission resulted in increased prestige of Markham (and local firms like Quanser and Novo Plastics) among Indian IT and business execs in Canada, and engagement of Markham with Indian colleges/universities, and industry associations. China mission is anticipated to result in incremental investments by IT and banking organizations in Markham in 2013.	OT
4	Provide improved strategic and facilitation services to BIAs in Markham and Unionville.	Staff attended all BIA meetings and helped facilitate marketing strategies. Staff produced Chinese language DVD for main streets. George Brown College (lWB) completed design study of main streets and identified development opportunities within BIAs.	OT
5	Markham to be Canadian HQ of "5 Fortune 500" banks, investment firms or insurers.	Bank of China opened its new Canadian HQ in Markham. Seneca College delivered more of its Centre for Financial Services programs in Markham.	OT
6	Add to Markham's competitiveness as a superior business location.	Inventory of vacant and marketable employment lands completed. Awaiting return of senior staff in order to go on-line. Staff provided strategic support for Markham's adoption of City status.	OT
7	Increase new business formation by youth and newcomers to Markham.	MSBC on track to conduct 23 seminars/workshops this year. By year end will have served 1,100 seminar attendees, 1,600 client inquiries, 300 one-on-one consultations, and 55,000 website page views.	OT
8	Increase market awareness of Markham as the best place to locate knowledge based businesses.	Staff produced 4 new DVDs and a 2012 Annual Progress Report for use in promoting Markham locally and globally.	OT
9			
10			
11			
Notes:			
<p>In 2012 the Economic Development has operated without the resources of one Sr. Business Development Officer (L-T-D). It is anticipated that this staff member will begin to transition back to work in Q4. Outbound international missions (3 in total: January 2012 India/Dubai, November to China, January 2013 to India), hosting major events (MBT Mayors luncheon in May, India and China related conferences and association meetings), and a higher level of staff engagement at the MCC have all dominated the 2012 business plan.</p>			
<p>Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted</p>			



ECONOMIC DEVELOPMENT BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
				Priorities	
# Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham	
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1		Assist with implementation of the Culture Master Plan		2020	CS
2		Launch and promote Green Business Website	In collaboration with Sustainability Office and Community Relations, develop and promote annual video and promotional program showcasing local companies that are leaders in sustainability.	GP	CS
3		Portal Phase 3. Implementation (Support)	Support the implementation of the Phase 3 of the Portal as required.	MS	OE
4		New Official Plan (Support)	Support the development of the City's new O.P. as required.	GM	
5		Excellence Markham, Customer Satisfaction (Support)	Support the development of the Customer Satisfaction project.		CS
6		IT Strategic Plan. Refresh (Support)	Support the IT strategic plan as required.	MS	OE
7		Corporate Community Engagement Strategy (Support)	Support the development of the Staff Survey implementation through the cross commission work groups.	ILMP	CS
8					
9					
10					
Business Unit Objectives					
1	P	Increase market awareness and optimize operation of MCC.	Establish contract FTE position to be responsible for building, tenant and visitor/client services.	2020	CS
2		Increase effectiveness of ventureLAB as a leader in regional innovation.	Economic Development Director to serve as ventureLAB Board member and Secretary Treasurer.	2020	FP
3		Advance FDI results by conducting investment attraction missions.	Staff to plan and conduct missions to India (January) and to Germany (September).	2020	OE
4		Provide strategic and facilitation services to BIAs in Markham and Unionville.	Participate in BIA meetings, facilitate BIA requests of Town, and offer market information assistance where available.	2020	CS
5		Markham to be Canadian HQ of 5 "Fortune 500" banks, investment firms or insurers.	Pursue Chinese and Indian banking organizations to locate in Markham.	2020	
6		Add to Markham's competitiveness as a superior business location.	Complete on-line installation of employment lands information. Launch social networking initiatives.	2020	CS
7		Increase new business formation by youth and newcomers to Markham.	Conduct monthly seminars and marketing events targeted to youth and new Canadians.	2020	CS
8		Increase market awareness of Markham as the best place to locate knowledge based businesses.	Launch new DVDs and Annual Progress Report.	2020	CS
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Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					

ECONOMIC DEVELOPMENT 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenue								
GRANTS AND SUBSIDIES	\$112,820	\$60,500	\$60,500	\$0	0.0%	-52,320	-46.4%	
USER FEES & SERVICE CHARGES	5,732	10,500	10,500	0	0.0%	4,768	83.2%	
SALES	0	0	0	0	0.0%	0	0.0%	
RECOVERIES & CONTRIBUTIONS	8,500	10,834	10,834	0	0.0%	2,334	27.5%	
OTHER REVENUE	269,163			0	0.0%	-269,163		
Total Revenues	\$396,215	\$81,834	\$81,834	\$0	0.0%	-314,381	-79.3%	
Expenses								
SALARIES AND BENEFITS	\$756,414	\$808,428	\$823,091	\$14,663	1.8%	66,677	8.8%	
PRINTING & OFFICE SUPPLIES	17,557	18,776	18,776	0	0.0%	1,219	6.9%	
PURCHASES FOR RESALE	0	0	0	0	0.0%	0	0.0%	
OPERATING MATERIALS & SUPPLIES	1,674	5,454	5,454	0	0.0%	3,780	225.8%	
COMMUNICATIONS	7,710	3,301	3,301	0	0.0%	-4,409	-57.2%	
TRAVEL EXPENSES	42,328	41,001	41,001	0	0.0%	-1,327	-3.1%	
TRAINING	970	6,311	6,311	0	0.0%	5,341	550.6%	
CONTRACTS SERVICES AGREEMENT	325,446	320,000	320,000	0	0.0%	-5,446	-1.7%	
RENTAL/LEASE	514,716	938	938	0	0.0%	-513,778	-99.8%	
PROFESSIONAL SERVICES	38,558	0	0	0	0.0%	-38,558	-100.0%	
LICENCES, PERMITS, FEES	6,217	4,354	4,354	0	0.0%	-1,863	-30.0%	
PROMOTION & ADVERTISING	451,120	271,577	367,477	95,900	35.3%	-83,643	-18.5%	
OTHER EXPENSES	16,896	0	218,800	218,800	0.0%	201,904	1195.0%	
Total Expenses	\$2,179,606	\$1,480,140	\$1,809,503	\$329,363	22.3%	-370,103	-17.0%	
Net Expenditures/ (Revenue)	\$1,783,391	\$1,398,306	\$1,727,669	\$329,363	23.6%	-55,722	-3.1%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Promotion & Advertising: Increase is due to the ongoing projects being transferred to the operating budget from the capital budget.

Other Expenses: Increase is due to the ongoing projects being transferred to the operating budget from the capital budget.



DEVELOPMENT SERVICES COMMISSIONER'S OFFICE 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenue								
OTHER INCOME	0	0	0	\$0	0.0%	0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses								
SALARIES AND BENEFITS	\$1,082,795	\$1,049,572	\$1,088,256	38,684	0.0%	\$5,461	0.5%	
PRINTING & OFFICE SUPPLIES	1,013	0	400	400	0.0%	-613	-60.5%	
OPERATING MATERIALS & SUPPLIES	1,477	643	643	0	0.0%	-834	-56.5%	
COMMUNICATIONS	430	1,068	1,068	0	0.0%	638	148.4%	
TRAVEL EXPENSES	9,178	21,918	21,918	0	0.0%	12,740	138.8%	
TRAINING	1,098	10,180	10,180	0	0.0%	9,082	827.1%	
RENTAL/LEASE	5,751	8,738	8,738	0	0.0%	2,987	51.9%	
PROFESSIONAL SERVICES	0	8,460	8,460	0	0.0%	8,460	0.0%	
LICENCES, PERMITS, FEES	2,133	971	971	0	0.0%	-1,162	-54.5%	
CREDIT CARD SERVICE CHARGES	0	321	321	0	0.0%	321	0.0%	
STATUTORY COMMUNICATIONS	0	0	0	0	0.0%	0	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	0	-400	0.0%	0	0.0%	
OTHER EXPENSES	161	-10,000	-10,000	0	0.0%	-10,161	-6311.2%	
Total Expenses	\$1,104,036	\$1,092,271	\$1,130,955	\$38,684	0.0%	\$26,919	2.4%	
Net Expenditures/ (Revenue)	\$1,104,036	\$1,092,271	\$1,130,955	\$38,684	0.0%	\$26,919	2.4%	



DEVELOPMENT SERVICES CONSOLIDATED 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
Revenue								
GRANTS AND SUBSIDIES	\$112,820	\$60,500	\$60,500	\$0	0.0%	(\$52,320)	-46.4%	
USER FEES & SERVICE CHARGES	5,732	10,500	10,500	0	0.0%	4,768	83.2%	
SALES	0	0	0	0	0.0%	0	0.0%	
RECOVERIES & CONTRIBUTIONS	8,500	10,834	10,834	0	0.0%	2,334	27.5%	
OTHER REVENUE	269,163	0	0	0	0.0%	-269,163	-100.0%	
Total Revenues	\$396,215	\$81,834	\$81,834	\$0	0.0%	(\$314,381)	-79.3%	
Expenses								
SALARIES AND BENEFITS	\$1,839,209	\$1,858,000	\$1,911,347	\$53,347	2.9%	\$72,138	3.9%	
PRINTING & OFFICE SUPPLIES	18,570	18,776	19,176	400	2.1%	606	3.3%	
PURCHASES FOR RESALE	0	0	0	0	0.0%	0	0.0%	
OPERATING MATERIALS & SUPPLIES	3,151	6,097	6,097	0	0.0%	2,946	93.5%	
COMMUNICATIONS	8,140	4,369	4,369	0	0.0%	-3,771	-46.3%	
TRAVEL EXPENSES	51,506	62,919	62,919	0	0.0%	11,413	22.2%	
TRAINING	2,068	16,491	16,491	0	0.0%	14,423	697.4%	
CONTRACTS & SERVICE AGREEMENTS	325,446	320,000	320,000	0	0.0%	-5,446	-1.7%	
RENTAL/LEASE	520,467	9,676	9,676	0	0.0%	-510,791	-98.1%	
PROFESSIONAL SERVICES	38,558	8,460	8,460	0	0.0%	-30,098	-78.1%	
LICENCES, PERMITS, FEES	8,350	5,325	5,325	0	0.0%	-3,025	-36.2%	
CREDIT CARD SERVICE CHARGES	0	321	321	0	0.0%	321	0.0%	
PROMOTION & ADVERTISING	451,120	271,577	367,477	95,900	35.3%	-83,643	-18.5%	
STATUTORY COMMUNICATIONS	0	0	0	0	0.0%	0	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	0	-400	-100.0%	0	0.0%	
OTHER EXPENDITURES	17,057	-10,000	208,800	218,800	-2188.0%	191,743	1124.1%	
Total Expenses	\$3,283,642	\$2,572,411	\$2,940,458	\$368,047	14.3%	(\$343,184)	-10.5%	
Net Expenditures/ (Revenue)	\$2,887,427	\$2,490,577	\$2,858,624	\$368,047	14.8%	(\$28,803)	-1.0%	

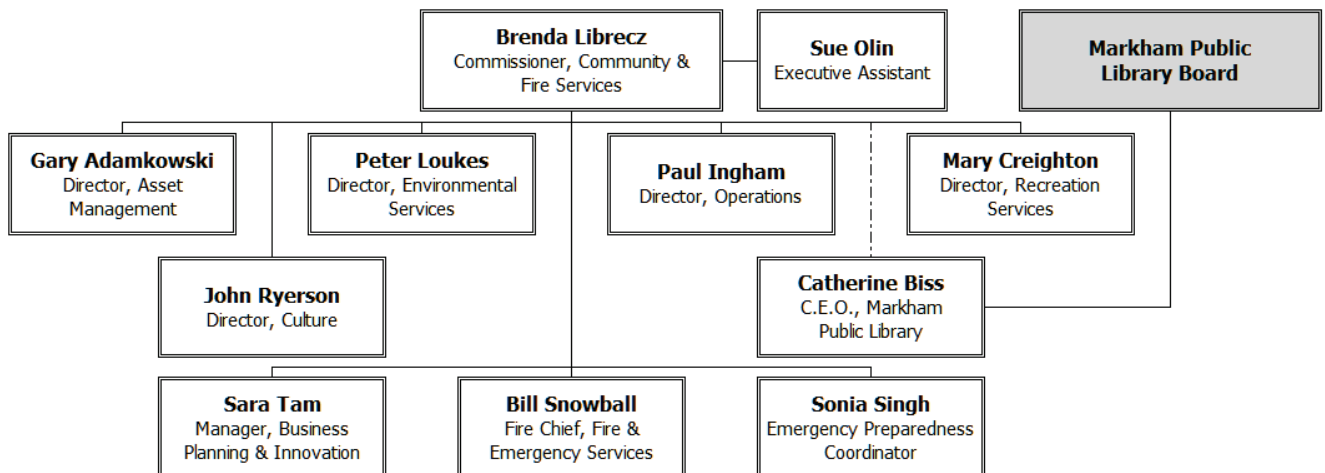
COMMUNITY AND FIRE SERVICES COMMISSION

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

For the purpose of business planning and budgeting, the seven departments are further broken out into Business Units. The departments and their business unit(s) are noted below:

Department	Business Unit
Asset Management	<ul style="list-style-type: none"> • Facility Assets • Right-of-Way & Environmental Assets
Culture	<ul style="list-style-type: none"> • Culture
Environmental Services	<ul style="list-style-type: none"> • Waste & Environmental Management • Waterworks
Fire & Emergency Services	<ul style="list-style-type: none"> • Fire & Emergency Services
Markham Public Library	<ul style="list-style-type: none"> • Markham Public Library
Operations	<ul style="list-style-type: none"> • Operations (Roads/Parks/Fleet/Traffic)
Recreation Services	<ul style="list-style-type: none"> • Recreation Services

The Commissioner’s Office has responsibilities in the areas of overall coordination, at a Commission-level, of business planning and strategic activities, emergency preparedness for the overall organization, and special initiatives such as the Pan Am Games. The Community & Fire Services Commission organizational structure is outlined below.



In 2013, the Commission including Waterworks, had an approved full-time complement of 691 positions, a gross operating expenditures budget of \$209.2 million, revenues budgeted at \$114.5 million, and capital budget of \$138.6 million.



The commitment and dedication of our staff are recognized externally as their programs and practices have garnered numerous awards for the City of Markham. Recent awards include:

- 2010 Ontario Waste Minimization Platinum Award
- 2010 P.J. Marshall Award for Innovation (C3 library classification system)
- 2010 Paul McGaw Memorial Conservation Award
- 2010 Silver Award for Integrated Quality and Healthy Workplace (organization-wide)
- 2010 Top Honours for Urban Forestry Management (Grandview Park Woodlot Restoration)
- 2010 Unique Waste Programs Gold Award
- 2011 Awards of Excellence (11 Church Street Project)
- 2011 Ontario Waste Minimization Gold Award
- 2011 Unique Waste Programs Gold Award
- 2012 Applause! Award (Firefighter Cadet Program)
- 2012 Creative Excellence Award – Second Place (Firefighter Recruitment Campaign)
- 2012 MarCom Platinum Award (Employee Publication: 2011 Accomplishments & 2012 Priorities)
- 2012 Ontario Association of Art Galleries Design Award (Kai Chan catalogue)
- 2012 Ontario Waste Minimization Gold Award

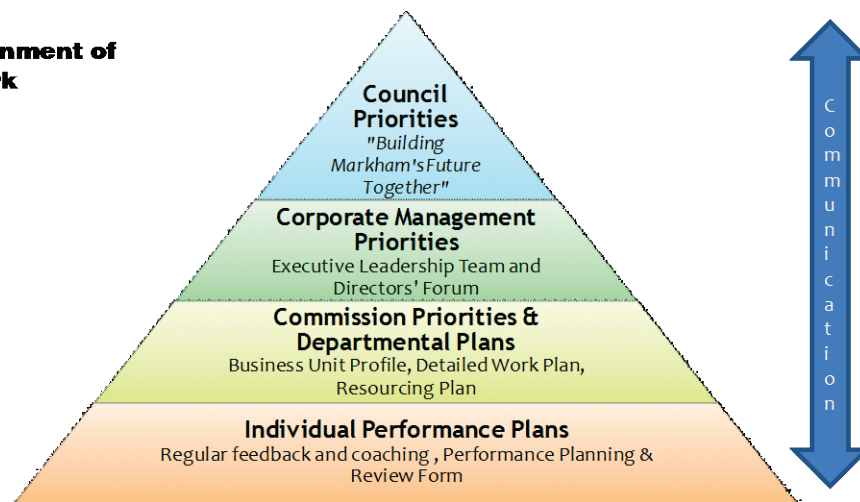
Some Commission Facts (2012 Data)

• Number of annual visits at recreation facilities:	7.8 million
• Number of all direct recreation program registrations:	91,757
• Number of sportsfield hours booked:	66,752
• Total library items borrowed:	4.4 million
• Total number of library visits (in-person and electronic):	4.83 million
• Size of municipal art gallery and museum collection:	78,052 items
• Number of visitors at Markham Museum, Markham Theatre, and Varley Art Gallery:	190,491
• Number of emergency incident response from Fire Department:	6,942
• Number of calls answered by Fire Dispatch	61,235
• Total city parks and valleylands:	1,977 ha
• City-maintained roads:	984 km
• Number of fleet vehicles maintained:	850
• Number of facilities maintained:	172 buildings
• Number of households receiving curbside collection services for garbage, recycling, organics and yard waste:	93,037
• Cubic metres of water consumed:	31.5 million

The following Commission Priorities have guided the development of the departmental objectives:

Community & Fire Services Commission	Pillar	For Our Future 	For Our Community 	For Our Staff 	For Our Organization 
	Key Focus	Strategic Planning	Community Engagement	People Focus	Organizational Excellence
	Values	Customer/Client-centric, Cooperation and collaboration, Leadership through involvement, Respectful conduct, Fact-based decision-making, Systems thinking, Continuous improvement & innovation focus			
	Key Multi-Year Priorities (alphabetical)	<ul style="list-style-type: none"> Manage Growth and its Impacts on our Services Operationalize Greenprint Public Realm Strategy Public Works Facility Master Plan 	<ul style="list-style-type: none"> Community Engagement Plan Commission Customer Experience Strategy Municipal Role in Community Events Pan Am Games Construction & Operations Pricing Strategy Seniors Services Strategy Service Planning Program Southeast Community Centre & Library 	<ul style="list-style-type: none"> Commission People Plan Sharing our Successes Training Centre Study 	<ul style="list-style-type: none"> Commission Policy Management Management of Key Stakeholders Technology Plan

Alignment of Work



Note: The above layout was adapted from the Region of York.



A brief summary for each department is provided below:

Asset Management

The Asset Management Department is made up of the **Facility Assets** and **Right of Way & Environmental Assets** business units.

The **Facility Assets** business unit provides project management services to all internal departments for new and existing facilities to achieve safety, functional use, comfort, user-friendliness, and energy efficiency. Examples include construction of the new Cornell Community Centre & Library and Markham Pan Am Centre. The key responsibilities include:

- Manage city-wide services such as security, accessibility, corporate accommodations, maintenance contracts, life cycle study updates, and energy retrofits.
- Operate the Civic Centre and 8100 Warden Avenue and mechanically operate the Varley Art Gallery, Markham Village Library, and the Museum Collections Building.
- Maintain and manage life cycle repair projects for 87 facilities such as smaller community centres, libraries, fire stations, heritage sites, and city-owned homes.

The **Right-of-Way & Environmental Assets** business unit is responsible for providing technical assistance and advice to internal departments to achieve the most effective engineering solutions for new and replacement municipal infrastructure. Sections within the Right-of-Way & Environmental Assets business unit include Right-of-way Assets, Utilities and Contracts, Business Systems Improvement, and Environmental Assets.

- Right-of-Way Assets is responsible for the planning of the City's capital works rehabilitation programs such as bridge, culvert and storm sewer outfalls inspection and rehabilitation. It works closely with the Engineering and Operations Departments.
- Utilities and Contracts administers and coordinates utility approvals within the City's right-of-ways, provides survey services to various internal departments, and maintains the street lighting system.
- Business Systems Improvement manages asset inventories of roads, water, sanitary sewer, storm sewer, streetlights, parks, and parks amenities in corporate databases, infrastructure management system, and Geographic Information System (GIS) maps and provides engineering drawings for Staff access. It also manages the City's closed landfill, including the operation of the gas collection system and monitoring methane and leachate levels.
- Environmental Assets manages the City's environmental-related programs such as Flood Control & Remediation, Erosion Control, Watercourse Management, Brownfield Assessment, and review of development applications.

Culture

The Culture Department is responsible for overseeing the development and celebration of the community's cultural identity and in managing the direction and operations of the three municipal cultural venues in Markham. The department is responsible for the Public Art program and policies and is guided by the Culture Plan, approved by City Council in 2012.

- Flato Markham Theatre for Performing Arts offers entertainment/event services (rentals), and programs to Markham and the Greater Toronto Area (GTA). It serves more than 145,000 patrons annually. With globally acclaimed artists, Canadian and GTA Premieres, and Exclusive Presentations, this 530-seat theatre offers innovative programming in a welcoming ambience through its new signature Diamond Series. The Theatre has evolved beyond its walls to deliver quality programming with its "Discovery" Programs that support education and community outreach initiatives.
- Markham Museum connects the history of Markham from First Nation's to William Berczy Settlers to today's new 'settlers' by examining our environment and the tools we use to adapt to our changing world. The Museum offers exhibits, school programs, public programs and events, private event venues, and research facilities. Opened in 2011, the new collection and exhibition hall provides a safe environment for the preservation and conservation of the over 70,000 artifacts and archives in the museum collection. Through changing exhibitions, the exhibition space explores the layers of settlement and the resulting changes that Markham has experienced. The Museum is receiving national attention for its unique and effective way of connecting with its community and its environmental programs.
- Varley Art Gallery of Markham, along with its Wallace Joyce wing, explores the art of F.H. Varley, that of his contemporaries, and recognizes how their works contributed to shaping the practice of Canadian art today. The Gallery's exhibitions and publications are seen and recognized across Canada with regularly touring exhibitions. It also operates the McKay House. The Gallery's goals and objectives are to: 1) support artists and create a vibrant visual arts community; 2) broaden access to the arts for all; 3) connect people through the arts; and 4) develop research projects and maintain the collection. The Gallery offers group tours, school programs, studio, lectures, and family activities.



Environmental Services

The Environmental Services Department was created in 2011 and it oversees two business units - ***Waste & Environmental Management*** and ***Waterworks***.

The ***Waste & Environmental Management*** business unit is responsible for managing the curbside pickup of household recyclables, garbage, organic waste, and yard waste and in 2010, a broader environmental focus was incorporated into its mandate. Other services include the operation of recycling depots, large appliances / metal pickup, special recycling programs, policy development, and public education programming. Following Council approval of a new diversion target in 2012, strategies are being implemented to reach the 80% target.

The ***Waterworks*** business unit is responsible for the provision of safe drinking water for domestic and commercial use throughout Markham. This responsibility includes the maintenance and repair of watermains up to the property line as well as the water meters inside the house. This group is also responsible for the maintenance and repair of sanitary sewers and all appurtenances up to the property line. Another important service is the regular sampling of the water distribution system to ensure the quality of water for human consumption. A key focus for the next several years is the development and implementation of water conservation programs and practices.

Supporting the two business units is the Business Compliance Division which ensures that the Department is compliant with corporate financial procedures, legislative requirements for technical and health and safety training, and Ministry of Environment regulations for the Drinking Water Quality Management System.

Fire & Emergency Services

The department is responsible for providing safety and property protection to those who live, work or play in the community. This is achieved by providing quality preventative, educational, and emergency services in a professional, sensitive and caring manner. These services are supported internally by the Training, Mechanical, Communications, and Administration divisions. Services are deployed from nine fire stations and an administrative office.

Additionally, the Fire & Emergency Services Department is committed to Public Education and reaching out to the diverse community by providing over 280 school visits a year and attending in excess of 400 community events. It partners with the Commissioner's Office to deliver the Emergency Preparedness program, where a Deputy Fire Chief performs the function of the Certified Community Emergency Manager.

Markham Public Library

Markham Public Library (MPL) is responsible for the delivery of library services through seven branches and its website. Administratively, it reports to the Markham Public Library Board, and the Commissioner of Community & Fire Services. The Library's mission is to "make Markham the premier place to live and work in the GTA through library services that enhance quality of life and help everyone achieve their full potential." MPL is committed to providing the highest levels of convenience and accessibility in library services through innovative business models that respond to resident needs, use resources efficiently and maximize ROI for tax dollars. MPL services, collections and programs are focused on lifelong learning, literacy skills, and inclusive community-building. As one of the most innovative and most efficiently operated public libraries in Canada, MPL's innovations include the award-winning C3 - Customer Centred Classification system, the Learning Place business model for library programs, and a leading position in the implementation of RFID-based self-service technology in public libraries.

Operations

The Operations Department is responsible for the maintenance of roads and parks in the City of Markham, supported by the Roads, Parks, Fleet, Traffic Operations and Business Technical Services divisions.

- Roads Division is responsible for the maintenance of assumed developments, such as curbs & sidewalks, road resurfacing and life cycle maintenance, catch basins, maintenance holes, storm sewers and bridge, and urban all-season street maintenance, such as winter maintenance, street sweeping, and minor asphalt and boulevard repairs. Other services include contract administration, pavement markings, guiderail repair and replacement, traffic and street name signs, and special events road closures.
- Parks Division is responsible for the maintenance of natural areas, valleylands, horticulture (flower and plant barrels, hanging baskets, park gardens and entrance features to the municipality), turf maintenance of parks and boulevards, urban forestry, and park amenities such as play structures, sports field structures, irrigation systems, baseball diamonds, soccer fields, cricket and rugby pitches, and tennis courts. Other services include special events support, winter maintenance of parking lots and walkways of city-owned facilities and public skating ponds.
- Fleet & Supplies Division is responsible for the maintenance, repair, acquisition, parts inventory management, and safe operation of the diverse municipal fleet and equipment assets. Management of street and traffic sign manufacturing is undertaken in a cost-effective manner.
- Business Technical Services Division is responsible for the coordination and management of technical and business/ administrative services within the Operations Department and the management of traffic operations. Services include budget management and accounting activities, asset and life cycle analysis, coordination of development application review, and public education and community events.



- Traffic Operations deals with investigations and recommendations for stop signs, on-street parking regulations, traffic calming, traffic signals, speeding and traffic volume concerns. They are also responsible for the maintenance and operation of all City traffic signals.

Recreation Services

The Recreation Services Department advocates for the creation of sense of community, belonging and enjoyment, while delivering approximately 25% of total City of Markham revenue annually through user fees and rentals.

The Department is committed to improving the quality of life for Markham residents through provision of quality leisure programming and comfortable and well-maintained community facilities. The Department combines a direct service delivery approach in provision of recreational, aquatic, fitness and lifestyle programming for individuals of all ages with ongoing community development work with minor sports organizations, community groups, not-for-profit organizations and other key stakeholders. As well, through the 5 major community centres and 17 satellite facilities, thousands of hours are permitted annually to various community-based organizations.

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

COMMUNITY AND FIRE SERVICES 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. vs. 2012 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenues							
GRANTS AND SUBSIDIES	\$1,531,776	\$1,468,773	\$1,486,494	\$17,721	1.2%	(\$45,282)	-3.0%
LICENCES & PERMITS	50	0	0	0	0.0%	-50	-100.0%
FINES	19,300	3,000	3,000	0	0.0%	-16,300	-84.5%
USER FEES & SERVICE CHARGES	11,278,404	11,189,412	13,495,085	2,305,673	20.6%	2,216,681	19.7%
RENTALS	6,151,635	6,403,450	6,792,453	389,003	6.1%	640,818	10.4%
SALES	490,419	518,303	536,119	17,816	3.4%	45,700	9.3%
RECOVERIES & CONTRIBUTIONS	1,030,958	973,781	1,091,661	117,880	12.1%	60,703	5.9%
OTHER INCOME	373,849	446,623	602,703	156,080	34.9%	228,854	61.2%
INTERDEPARTMENTAL RECOVERIES	606,303	613,708	721,708	108,000	17.6%	115,405	19.0%
Total Revenues	\$21,482,694	\$21,617,050	\$24,729,223	\$3,112,173	14.4%	\$3,246,529	15.1%
Expenses							
SALARIES AND BENEFITS	\$73,901,589	\$73,307,662	\$78,003,179	\$4,695,517	6.4%	\$4,101,590	5.6%
PRINTING & OFFICE SUPPLIES	306,989	318,269	322,589	4,320	1.4%	15,600	5.1%
PURCHASES FOR RESALE	278,958	267,336	265,136	-2,200	-0.8%	-13,822	-5.0%
OPERATING MATERIALS & SUPPLIES	2,346,993	2,474,010	2,744,060	270,050	10.9%	397,067	16.9%
VEHICLE SUPPLIES	1,589,253	1,595,686	1,664,135	68,449	4.3%	74,882	4.7%
SMALL EQUIPMENT SUPPLIES	3,422	15,091	15,091	0	0.0%	11,669	341.0%
BOTANICAL SUPPLIES	249,674	267,197	267,197	0	0.0%	17,523	7.0%
CONSTRUCTION MATERIALS	924,197	1,392,412	1,455,137	62,725	4.5%	530,940	57.4%
UTILITIES	4,247,771	4,438,940	5,203,864	764,924	17.2%	956,093	22.5%
COMMUNICATIONS	250,196	454,103	312,933	-141,170	-31.1%	62,737	25.1%
TRAVEL EXPENSES	133,883	173,172	179,197	6,025	3.5%	45,314	33.8%
TRAINING	269,258	309,887	326,102	16,215	5.2%	56,844	21.1%
CONTRACTS & SERVICE AGREEMENTS	7,691,497	9,216,061	9,683,813	467,752	5.1%	1,992,316	25.9%
MAINT. & REPAIR-TIME/MATERIAL	4,801,286	3,612,628	4,618,679	1,006,051	27.8%	-182,607	-3.8%
RENTAL/LEASE	568,127	622,586	609,494	-13,092	-2.1%	41,367	7.3%
INSURANCE	15,554	13,263	13,263	0	0.0%	-2,291	-14.7%
PROFESSIONAL SERVICES	1,699,830	1,455,347	1,487,219	31,872	2.2%	-212,611	-12.5%
LICENCES, PERMITS, FEES	367,269	397,230	400,900	3,670	0.9%	33,631	9.2%
CREDIT CARD SERVICE CHARGES	254,549	197,818	198,796	978	0.5%	-55,753	-21.9%
PROMOTION & ADVERTISING	497,139	425,228	398,447	-26,781	-6.3%	-98,692	-19.9%
CONTRACTED MUNICIPAL SERVICES	9,587,678	9,775,129	9,906,720	131,591	1.3%	319,042	3.3%
OTHER PURCHASED SERVICES	656,646	657,869	767,871	110,002	16.7%	111,225	16.9%
OFFICE FURNISHINGS & EQUIPMENT	0	900	0	-900	-100.0%	0	0.0%
WRITE-OFFS	(1)	0	0	0	0.0%	1	-100.0%
OTHER EXPENDITURES	148,918	101,010	124,010	23,000	22.8%	-24,908	-5.7%
TRANSFERS TO RESERVES	434,681	445,262	445,262	0	0.0%	10,581	0.0%
Total Expenses	\$111,225,356	\$111,934,096	\$119,413,094	\$7,478,998	6.7%	\$8,187,738	7.4%
Net Expenditures/(Revenues)	\$89,742,662	\$90,317,046	\$94,683,871	\$4,366,825	4.8%	\$4,941,209	5.5%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increase headcount.

Operating Materials & Supplies: Due to opening of the new Cornell Community Centre and Library.

Utilities: Increase hydro related to assumption of new streetlights and the opening of the new Cornell Community Centre and Library.

Contracts & Service Agreements: Increase due to growth and prices escalation on winter maintenance services.

Maintenance & Repair – Time/Materials: Increase due to the annual assumption of new streetlights for maintenance and increase of streetlight pole repair and underground cabling.

Contracted Municipal Services: Increase due to higher tonnage of waste collected throughout the City as a result of development growth.



FACILITY ASSETS BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Operationalize Greenprint (Support)	On-going - incorporated features of Greenprint into Facility Asset projects - Work Plan finalized by lead department	OT
2	Public Realm Program (Support)	Completed - coordinated 2013 Capital Budget request on Civic Centre Site Improvements	COM
3	Municipal Role in Community Events (Support)	On-going - increasing number of events at the Civic Centre is putting pressure on resources	OT
4	Project Management Service Office (Lead)	Adjusted - developed guidelines will be implemented by Q2 2013 instead of the original timeline of Q4 2012 to align to the availability of new Eclipse templates	ADJ
5	Corporate Building Security Strategy (Lead)	On Target - initial phases of security infrastructure will be completed by Q4 2012. Adjusted - rethink and tweak approach to the development of Corporate Security Policy.	ADJ
6	Pan Am + Southeast Community Centre & Library (Integrated Leisure Master Plan - ILMP): • Support PAN AM bid projects • Design Southeast Community Centre & Library (SECC&L)	• On-Target - continue support to Pan Am project • On-Target - to complete SECC&L design and issue construction tender Q2 2013	OT
7	Continue with construction of Cornell Community Centre (ILMP)	On-Target - for construction to complete Q3 2012	OT
8	Corporate Accommodation Strategy	Adjusted - Develop multi-year space planning strategy by Q4 2012 instead of Q2. On-Target - Complete plan for 3rd and 4th floors of the Civic Centre.	ADJ
9	Succession Planning	Adjusted - Develop succession planning for Department by Q4 2012 instead of Q2.	ADJ
10	Implement Enterprise Asset Management (Support)	Deferred in 2012 - Effort made in developing approach to project. Implementation of EAM awaiting ELT approval.	DL
11	Complete 2011 Life Cycle Projects	Adjusted - Complete projects by Q4 2012 instead of Q2.	ADJ
12	Complete 2012 Life Cycle Projects	Adjusted - Complete projects by Q2 2013 instead of Q4 2012.	ADJ
13	Heritage building restoration / stabilization (Stiver Mill, Daniel Fairty, Tremont Hotel)	• On-Target - Stiver Mill concept plan developed and will be presented to Council Q3 2012. • On-Target - Daniel Fairty to be presented to Council in Q4. • Deferred in 2012 - Tremont Hotel due to no permission to enter.	ADJ
14	Portal information (Support)	Provided necessary input. Work plan finalized by lead department.	OT
15	Operate and Maintain City-owned Facilities	On-Target	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			

FACILITY ASSETS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	1	3	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	0	0
Average overall satisfaction for formal survey(s) completed (%)	N/A	N/A	67%	72%	N/A	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	N/A	N/A	40%	N/A	N/A	N/A	≥35%
Post project completion surveys completed	N/A	N/A	N/A	1	0	0	N/A
FINANCIAL PERFORMANCE							
Net cost per household	\$ 14.83	\$ 19.30	\$ 21.01	\$ 20.88	\$ 23.31	\$ 12.12	\$ 25.27
Net operating cost per gross sq.ft. of Civic Centre facility (172,515sf) and 8100 Warden Ave (85,000 sq effective 2009)	\$ 6.96	\$ 7.03	\$ 8.87	\$ 6.15	\$ 6.46	\$ 3.34	\$ 6.79
Est. value of construction & renovation projects managed - Facilities	\$11.5 M	\$84.4 M	\$88.6m	\$118.9m	\$120.9m	\$117.1m	N/A
% of projects completed on budget	N/A	N/A	N/A	100%	100%	100%	100%
OPERATIONAL EXCELLENCE							
Facility Maintenance - # of facilities maintained	161	162	165	166	174	176	N/A
# of facility work orders generated	549	480	972	1,099	1,130	621	N/A
Average # of days for facility work order to be completed	N/A	N/A	N/A	N/A	6 days	5 days	≤ 7 days
SF of facilities managed by Civic Centre Coordinator	172,515	257,515	325,015	325,015	338,121	338,121	N/A
SF of facilities managed by Maintenance Coordinator	223,000	262,674	217,000	276,072	299,994	361,994	N/A
Completion rate of capital projects (% of planned budget spent) ¹	N/A	N/A	N/A	83%	85%	83%	80%
% of projects with an environmental focus	N/A	N/A	N/A	83%	85%	85%	100%
# of capital projects undertaken and managed per staff ¹	N/A	N/A	N/A	9	10	11	5
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	70%	N/A	78%	n/a	75%	≥75%
Recognition rating (from staff survey)	N/A	63%	N/A	67%	n/a	65%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	82%	N/A	84%	n/a	75%	≥80%
Completion rate for performance management ²	100%	100%	96%	100%	100%	n/a	100%
Average Corporate learning hours per full-time employee ²	30.8	18.4	14.2	14.3	11.6	5.4	20.0
Staff absenteeism (average # of days per employee) ²	5.3	5.1	9.8	5.8	15.6	7.1	≤8.4
Staff turnover rate ²	5.0%	10.0%	5.0%	9.1%	25.0%	0.0%	≤7.5%
KPI SUMMARY							
Note: ¹ Based on the aggregate of all open projects to include multi-year projects.							
² Until 2012, the data is generated for the Asset Management Department and not for each of the two business units that make up the department.							



FACILITY ASSETS BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Review draft plan and provide feedback	GM	
2	Portal Phase 3 (Support)		Provide necessary input	MS	OE
3	Excellence Markham - Customer Satisfaction (Support)		Support Corporate Project		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Review with Staff and implement improvement		SE
5	IT Strategic Plan Refresh (Support)		Provide input when necessary	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support and provide input	ILMP	CS
Business Unit Objectives					
1	Municipal Role in Community Events Support)	B	Provide support for public event at Civic Centre throughout the year. Develop resource requirements by Q1 2013 to satisfy Civic Centre public event needs	MS	OE
2	Project Management Service Office (Lead)	P	Implement developed guidelines to align to the availability of new Eclipse templates by Q2 2013	MS	OE
3	PAN AM bid projects (Support)		Provide support as required to corporate team	ILMP	FP
4	Continue with design of South East Community Centre and Library (Lead)		Complete design and issue construction tender by Q2 2013	ILMP	CS
5	Corporate Building Security Strategy (Lead)		Develop Civic Centre security strategy (in collaboration with HR and Clerks) by Q4 2013	MS	OE
6	Implement Enterprise Asset Management, subject to ELT approval (Support)	P	Support approved work plan from Lead Department or Project Team	MS	FP
7	Milliken Mills Community Centre and Library Expansion (Support)		Support Recreation Services and Markham Public Library in execution of this objective.	ILMP	CS
8	Corporate Accommodation Strategy	P	Implement initial phase of multi year space planning strategy by Q4. Complete corporate accommodation requests by Q4.	GM	FP
9	Complete 2012 Life Cycle Projects		Completion of projects by Q2 2013	MS	FP
10	Operate and Maintain City-owned Facilities		Operate Civic Centre, 8100 Warden and 75 Clegg. Respond to maintenance requests within 7 business days. Provide maintenance services at Varley Art Gallery, Museum Collections Building, Markham Village Library, Fire Station 93 and 99.	MS	CS
11	Complete 2013 Life Cycle Projects		Completion of projects by Q2 2014	MS	FP
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					

RIGHT OF WAY ASSETS BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Operationalize Greenprint (Support)	On-going - incorporated features of Greenprint into ROW projects. Work plan finalized by Lead Department.	OT
2	LED Street Lighting Task Force (Continuous Improvement)	Phase 1- Market survey and life cycle analysis completed. Phase 2 - Pre-qualification of manufacturers is in progress.	OT
3	Portal information (Support)	Provided necessary input. Work plan finalized by Lead department.	OT
4	Succession Planning	Adjusted - Develop succession planning for Department by Q4 2012 compared to Q2	ADJ
5	Manage annual programs (lifecycle reserve updates, condition assessment, capital budget requests, databases update)	Life cycle reserve update, structures condition assessments and capital budget requests completed in Q2 2012.	COM
6	Develop a strategic Asset Management Plan for structures (bridges and culverts) based on relevant Asset Management Best Practices	Adjusted - Completion of draft by Q2 2013 instead of Q2 2012.	ADJ
7	Develop and maintain a comprehensive structures database with existing information and information collected from site investigations.	Database updated in Q1 2012 to support 2013 life cycle reserve study.	COM
8	Implement Streetlight Pole Identification Program	Contract awarded. Project completion by Q4 2012.	OT
9	Provide utility approval and inspection services per MAA requirements	Services delivered within agreed upon timeframe.	OT
10	Monitor and maintain gas collection system at the former Sabiston Landfill	Monitoring program ongoing; Leachate collection system feasibility study completion by Q3 2012.	OT
11	Develop and implement Pavement Management System	1st condition survey completed in 2012. 2nd round survey planned for 2013. Model development completion by Q4 2013.	OT
12	Develop, update, and maintain city-wide sanitary & storm sewer models	City-wide sanitary sewer modelling 75% completed. Storm sewer models for West Thornhill and Don Mills Channel completed.	OT
13	Develop and maintain city-wide environmental database programs	Stormwater Pond database updated. Erosion database to be updated by Q3 2012.	ADJ
14	Implement Flood Remediation Program for West Thornhill.	Design contract awarded. Initial implementation (Phase 1 - Stage 1) in Q1 2013.	OT
15	Update stormwater management guidelines, standards, policies, and programs	Adjusted - Completion by Q1 2013 instead of Q2 2012.	ADJ
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



RIGHT OF WAY ASSETS KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	1	3	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	1	0	0	0
Average overall satisfaction for formal survey(s) completed (%)	92%	N/A	66%	72%	N/A	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	N/A	N/A	38%	N/A	N/A	N/A	≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 25.33	\$ 27.13	\$ 26.08	\$ 28.77	\$ 31.77	\$ 21.06	\$ 34.70
Streetlighting Cost per Light Standard	\$ 103	\$ 115	\$ 111	\$ 120	\$ 131	\$ 56	\$ 109
Amount of Utility Fees Collected	\$ 160,000	\$ 167,000	\$ 119,480	\$ 140,673	\$ 181,496	\$ 108,024	\$ 102,000
OPERATIONAL EXCELLENCE							
# km of watermains and sewers digitized per staff	26	28	36	20	34	21	22
# of survey requests processed per staff	131	140	156	137	172	90	140
# of new streetlights assumed by Asset Management per year	977	855	600	344	698	496	est. 700
# of utility permits issued and inspected per staff per year	1,152	1,423	1,348	1,098	1,060	707	1,400
% of assets (Structures) assessed per year	46%	25%	11%	25%	35%	46%	≥25%
Completion of capital projects (% of planned vs actual) ¹	N/A	N/A	N/A	N/A	74%	75%	≥80%
Preventive maintenance works completed for assets (bridges & culverts) identified in the annual inspection ¹	N/A	N/A	N/A	N/A	80%	80%	≥80%
% of ACR cases for bridge, culverts and utilities completed within service level timeline ¹	N/A	N/A	N/A	N/A	99%	100%	≥80%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	70%	N/A	78%	n/a	70%	≥75%
Recognition rating (from staff survey)	N/A	63%	N/A	67%	n/a	54%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	82%	N/A	84%	n/a	69%	≥80%
Completion rate for performance management ²	100%	100%	96%	100%	100%	n/a	100%
Average Corporate learning hours per full-time employee ²	30.8	18.4	14.2	14.3	7.8	6.8	20.0
Staff absenteeism (average # of days per employee) ²	10.6	5.1	9.8	5.8	5.6	3.6	≤8.4
Staff turnover rate ²	5.0%	10.0%	5.0%	9.1%	0.0%	0.0%	≤7.5%
KPI SUMMARY							
Note: ¹ New KPI developed as part of the 2012 Business Planning Process in 2011. ² Until 2012, the data was generated for the Asset Management Department and not for each of the two business units that make up the department.							

RIGHT OF WAY BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Review draft plan and provide feedback	GM	
2	Portal Phase 3 (Support)		Provide necessary input	MS	OE
3	Excellence Markham - Customer Satisfaction (Support)		Support Corporate Project		CS
4	Excellence Markham-Staff Survey Implementation		Review with Staff and implement improvement		SE
5	IT Strategic Plan Refresh (Support)		Provide Input when necessary	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support and provide input	ILMP	CS
Business Unit Objectives					
ROW Assets:					
1	Manage annual programs - life cycle reserve, condition assessment, capital budget requests, databases		Complete life cycle analysis by Q1 2013 so that the budget request is in line with business planning	MS	FP
2	Develop a strategic Asset Management Plan for structures (bridges and culverts) based on relevant Asset Management Best Practices		Draft plan completion by Q2 2013 and final plan by Q1 2014	TT	OE
3	Develop and maintain a comprehensive Outfall database with existing information and information collected from site investigations		Update database by Q1 2013 to support life cycle reserve study	MS	OE
Utilities, Streetlights & Surveys:					
4	Provide utility approval and inspection services per MAA requirements.		Services delivered within agreed upon timeframe	MS	OE
5	Convert Cobra-Head style HPS luminaires with LED fixtures		Completion by Q4 2013 subject to 2013 budget approval	MS	FP
6	Utility locates and streetlight maintenance transfer from PowerStream, subject to approval by City of Markham	P	If approved, develop work plan, resourcing and financial plan, and new programs to accommodate the transfer of these new responsibilities to City of Markham	MS	OE
Business Systems & Programming:					
7	Undertake monitoring program at former Sabiston Landfill. Enhance systems, investigate leachate collection system and complete indoor monitoring installations.		Maintain monitoring program. Leachate collection system feasibility study completed by Q1 2013. Indoor monitoring installations by Q1 2013.	MS	OE
8	Pavement Management System: 1) Road condition survey; and 2) Improve modelling and decision trees based on University of Waterloo's recommendations, include strength testing and traffic data		1) Completion of 2 nd round of condition survey by Q3 2013; and 2) Model upgrade development by Q4 2013.	TT	OE
9	Develop GIS model for all environmental asset features.		Completion by Q3 2013	MS	OE
10	Develop model for identifying streetlight cables in common trench with PowerStream hydro cables that will be used for Ontario One call screening		Completion by Q2 2013	MS	OE
Environmental Assets:					
11	Develop and maintain city-wide erosion database		Erosion database updated by Q1 2013	MS	OE
12	Implement Flood Remediation Program in West Thornhill		Initial implementation of Phase 1 - Stage 1 by Q1 2013	MS	OE
13	Don Mills channel Class EA Flood Remediation Class EA		Study completion by Q4 2013	MS	OE
14	Stormwater Funding Study		Study completion by Q3 2013	MS	FP
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



ASSET MANAGEMENT 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
USER FEES & SERVICE CHARGES	\$202,042	\$64,000	\$64,000	\$0	0.0%	(138,042)	-68.3%	
RENTALS	174,790	68,654	68,654	0	0.0%	(106,136)	-60.7%	
SALES	3,376	0	0	0	0.0%	(3,376)	-100.0%	
RECOVERIES & CONTRIBUTIONS	27,895	30,000	30,000	0	0.0%	2,105	7.5%	
INTERDEPARTMENTAL RECOVERIES	5	7,400	7,400	0	0.0%	7,395	0.0%	
OTHER REVENUE	201	0	0	0	0.0%	(201)		
Total Revenues	\$408,309	\$170,054	\$170,054	\$0	0.0%	-\$238,255	-58.4%	
Expenses								
SALARIES AND BENEFITS	\$2,338,259	\$2,359,391	\$2,448,595	\$89,204	3.8%	110,336	4.7%	
PRINTING & OFFICE SUPPLIES	19,567	14,407	14,407	0	0.0%	(5,160)	0.0%	
OPERATING MATERIALS & SUPPLIES	125,109	122,730	122,730	0	0.0%	(2,379)	-1.9%	
SMALL EQUIPMENT SUPPLIES	0	(97)	(97)	0	0.0%	(97)	0.0%	
CONSTRUCTION MATERIALS	0	2,028	2,028	0	0.0%	2,028	0.0%	
UTILITIES	540,561	530,441	577,406	46,965	8.9%	36,845	6.8%	
COMMUNICATIONS	16,563	13,218	13,218	0	0.0%	(3,345)	-20.2%	
TRAVEL EXPENSES	7,928	12,425	12,425	0	0.0%	4,497	0.0%	
TRAINING	10,913	13,631	13,631	0	0.0%	2,718	24.9%	
CONTRACTS & SERVICE AGREEMENTS	789,645	881,562	904,562	23,000	2.6%	114,917	14.6%	
MAINT. & REPAIR-TIME/MATERIAL	2,211,791	1,386,916	1,844,173	457,257	33.0%	(367,618)	-16.6%	
PROFESSIONAL SERVICES	15,301	11,640	11,640	0	0.0%	(3,661)	-23.9%	
LICENCES, PERMITS, FEES	12,039	9,710	9,710	0	0.0%	(2,329)	-19.3%	
CONTRACTED MUNICIPAL SERVICES	1,928,657	1,786,994	1,854,994	68,000	3.8%	(73,663)	-3.8%	
OTHER EXPENDITURES	3,672	0	0	0	0.0%	(3,672)	-100.0%	
TRANSFERS FROM OWN FUNDS	0	0	0	0	0.0%	0	0.0%	
Total Expenses	\$8,020,005	\$7,144,996	\$7,829,422	\$684,426	9.6%	(190,583)	-2.4%	
Net Expenditures/(Revenues)	\$7,611,696	\$6,974,942	\$7,659,368	\$684,426	9.8%	47,672	0.6%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increased headcount.

Maintenance & Repairs – Time/Material: Increase due to the annual assumption of new streetlights for maintenance and increase of streetlight pole repair and underground cabling.

Contracted Municipal Services: Increase in hydro costs due to assumption of new streetlights.

CULTURE BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Plan for the Pan Am Games (Support)	Participated in corporate working team to advance Markham's interest	OT
2	Develop Stiver Mill Restoration Plan (Support)	Building use will be explored following project presentation by Asset Management to Council.	ADJ
3	Develop Tremont Hotel Proposal (Support)	Provide support to Asset Management. Access to building has not been received from building owner.	DL
4	Official Plan and Community Infrastructure Planning	Provided feedback to Planning staff.	COM
5	South East Markham Community Centre Rehearsal Hall (Support)	Culture Department has provided support and feedback as requested by Asset Management	OT
6	Pricing Strategy - Develop a comprehensive pricing strategy (Support)	Culture Department has provided support and feedback as requested by Recreation Services	DL
7	Public Art Program and Policy (Lead)	Council approved public art policy in Spring 2012. Public Art program is underway and being led by the Varley Art Gallery.	COM
8	Establish and Implement Culture Plan (Lead)	Culture Plan strategies were brought to Council in June, draft of Plan will be presented in Fall of 2012. Approval of plan anticipated by Q4 2012.	DL
9	Develop individual Strategic Plan for Markham Museum and Varley Art Gallery (Lead)	Work on hold subject to approval of Culture Plan. In preparation, Museum and Gallery have each developed a comprehensive rolling business plan in 2012.	DL
10	Implementation of Integrated Leisure Master Plan (ILMP) - Culture Recommendations (Support)	Used the ILMP as a resource to develop key strategies for the Culture Plan. Actively built relationships with external agencies and community partners to support various actions within ILMP. All culture venues have developed youth programs that support the goals of ILMP.	OT
11	Lead Commission Priorities in: • Relationship Building • Governance of External Partnerships	Research and best practices review underway	ADJ
12	Green Print (Support)	Provided support and feedback to Sustainability Office. Sustainability staff attends Museum programs and events to build public awareness.	ADJ
13	Implement Strategic Plan for the Theatre (Lead)	Theatre completed a plan with numerous strategies that was endorsed by Council in Spring 2012. Target of less than 30% subsidy achieved, major discovery program underwritings achieved.	OT
14	Expansion Varley Art Gallery (Lead)	Expansion completed and wing opened on June 22. Renovations to old office space and lobby will be completed in late 2012.	COM
15	Camp Policy and Training Implementation (Support)	Culture worked with the project lead (Recreation) to implement new procedures and policy, train staff, develop reporting strategies and develop some adaptations specific to culture program.	COM
16	Markham South Asian Festival (Support)	Culture Department has provided support and feedback, as requested, to the agency that produced the event.	COM
17	New Museum property (Support) - north of the Museum	Property acquired in early 2012. Asset Management maintains the property. Planning will undertake capital project for parkland development. Culture Department has provided feedback, advice and	OT
18	Develop and incorporate a community engagement approach into service planning and service delivery (Lead)	Review following completion of the Culture Plan.	DL
19	Sponsorship (Identification of Requirements, Development of Corporate Strategy) (Support)	This is a corporate wide initiative. No action in 2012.	DEL
<p>Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted</p>			



CULTURE KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	1	0	1	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	4	4	1/year
Average overall satisfaction for <u>formal</u> survey(s) completed (%)	83%	86%	N/A	36%	N/A	N/A	≥80%
Average extremely/very satisfied for <u>formal</u> survey(s) completed (%)	19%	86%	N/A	58%	N/A	N/A	≥35%
Average overall satisfaction for <u>informal</u> survey(s) completed (%) ¹	N/A	N/A	N/A	N/A	N/A	N/A	≥80%
Average extremely/very satisfied for <u>informal</u> survey(s) completed (%) ¹	N/A	N/A	N/A	N/A	N/A	N/A	≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 14.46	\$ 15.85	\$ 17.55	\$ 17.35	\$ 18.84	\$ 11.73	\$ 19.54
Net cost per capita	\$ 4.15	\$ 4.57	\$ 5.04	\$ 5.02	\$ 5.53	\$ 3.44	\$ 5.73
Revenue as % of total gross Culture expenditures	62%	57%	52%	54%	56%	47%	53%
Revenue as % of total non-tax City revenues	4.5%	4.3%	4.0%	4.4%	5.7%	5.2%	5.0%
Total expenditure per visitor ²	\$ 19.30	\$ 21.56	\$ 27.37	\$ 19.07	\$ 29.33	\$ 24.82	\$ 20.00
Net operating cost per square foot of facility space ³	\$ 8.97	\$ 11.08	\$ 12.40	\$ 12.63	\$ 16.48	\$ 8.74	\$ 14.84
Rental revenue as % of total Culture Revenue	N/A	N/A	28%	31%	29%	41%	30%
OPERATIONAL EXCELLENCE							
# of visits at cultural venues per capita	N/A	N/A	0.5	0.7	0.5	0.3	1.0
Active Culture Membership as % of Total Population	N/A	N/A	0.1%	0.3%	0.1%	0.1%	1.0%
Total Volunteer Hours (Art Gallery & Museum & Theatre)	N/A	N/A	12,250	11,143	18,935	8,205	12,000
# of Annual Participants in Education and Outreach Programs	N/A	N/A	14,413	43,250	52,444	9,532	14,000
Total Web Hits	N/A	N/A	N/A	575,123	526,405	579,473	550,000
Active Culture Memberships as % of participants	N/A	N/A	N/A	0.60%	1.70%	3.90%	1.00%
Average fill rate for all public programs	N/A	N/A	N/A	43.53%	62.12%	61.91%	60.00%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	64%	N/A	71%	N/A	66%	≥75%
Recognition rating (from staff survey)	N/A	52%	N/A	73%	N/A	62%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	84%	N/A	76%	N/A	75%	≥80%
Completion rate for performance management	94%	81%	30%	91%	100%	N/A	100%
Average Corporate learning hours per full-time employee	14.8	3.2	8.0	6.7	5.2	1.6	20.0
Staff absenteeism (average # of days per employee)	2.4	4.6	3.3	2.2	1.3	3.4	≤8.4
Staff turnover rate	0.0%	12.0%	5.0%	5.3%	4.3%	0.0%	≤7.5%
KPI SUMMARY							
Note: ¹ Culture staff will review reporting process for informal surveys to improve on results reporting in 2013.							
² This measure will be revised next year to show net expenditure instead of gross expenditure.							
³ The Varley Art Gallery expansion added 3,000 square feet in 2012.							

CULTURE BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Continue to provide support and feedback to Planning staff, as requested.	GM	
2	Portal Phase 3 - Implementation (Support)		Provide support and feedback to Project Team. Selected Culture staff have authorization to update material and are supported by IT.	MS	OE
3	Excellence Markham - Customer Satisfaction (Support)		Provide support and feedback as requested. Make improvements to informal survey results reporting by Culture.		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Provide support to corporate project. Lead and undertake departmental discussion and improvement work.		SE
5	IT Strategic Plan - Refresh (Support)		Provide support and feedback as requested by ITS.	MS	OE
6	Corporate Community Engagement Strategy (Support)		Provide support and feedback as requested. Sit on corporate team.	ILMP	CS
Business Unit Objectives					
1	Stiver Mill and Tremont Hotel (Support)		Provide advice pertaining space use of the Stiver Mill after the plan developed by Asset Management is implemented.	ILMP	CS
2	Pricing strategy (Support)		The Culture Department will follow the lead of the Recreation Department and provide advice pertaining to Culture specific items	ILMP	CS
3	Implementation of Diversity and Sustainability plans (Support)		The Museum will update the Diversity plan with information about the federally funded Youth and Diversity Program which will continue until 2014. All venues will update the plan as requested by Human Resources. The Museum will support the Sustainability Plan through programs and with the progress of Rouge Park. Markham Theatre and Varley Art Gallery will record program initiatives that support Greenprint. All venues will update Greenprint as requested by the Sustainability Office.	DAP	OE
4	Develop and implement public art plan (Lead)	NP	Three-year plan will be developed by the Varley Art Gallery with Council approval by March 2013.	ILMP	OE
5	Implement Culture Plan, subject to Council approval	P	Following approval of Culture Plan, develop implementation plan in Q1. Align annual business planning and budgeting to deliver on the approved Culture Plan in Q2. Develop and provide annual status update of plan in Q1 2014.	ILMP	OE
6	Safety and Customer service • grounds maintenance and repairs at museum • Improved staff interface and services • theatre capital accessibility project. (Lead)	B	Site safety, customer service improved and workload issues will be improved in 2013. Museum will create a separate entrance for the Markham Little Theatre. Gallery will make improvements to the lobby. Theatre will be developing a new volunteer program.	DAP	OE
7	Implement Year 3 of Theatre Strategic Plan (Lead)		Strategy of volunteer development will be addressed in 2013. The Theatre will report on the progress of the strategies throughout 2013.	MS	OE
8	Develop individual Strategic Plan for Markham Museum and Varley Art Gallery (Lead)		Anticipating approval of Culture Plan in 2012, drafts of each strategic plan will be prepared in Q2	GM	OE
9	Public realm support (Support)	NP	Support work of Project Team.	ILMP	OE
10	Commission Priorities: • Relationship Building • Governance of External Partnerships (Lead)		Develop models for use by the Commission	MS	OE
11	Pan Am Project (Support)		Contribute to the overall Markham Pan Am Plan and support Recreation Services (Lead) in the community activation work	ILMP	OE
12	Youth Strategy and Senior Strategy (Support)		All Culture venues will further develop youth and senior programming and volunteer programs and will report through ILMP.	ILMP	OE
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					
Commentary: 2013 will reflect the implementation of the public art plan, pan am plan, the culture plan will start implementation. There will be a focus on managing workload for the dept. And improving customer service and safety. As well as supporting corporate initiatives and community engagement related to those initiatives.					



CULTURE

2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
GRANTS AND SUBSIDIES	\$249,292	\$172,300	\$222,300	\$50,000	29.0%	(\$26,992)	-10.8%	
USER FEES & SERVICE CHARGES	2,243,792	1,735,847	1,775,847	40,000	2.3%	-467,945	-20.9%	
RENTALS	341,768	341,163	341,163	0	0.0%	-605	-0.2%	
SALES	103,227	105,824	108,824	3,000	2.8%	5,597	5.4%	
RECOVERIES & CONTRIBUTIONS	48,995	40,000	45,000	5,000	12.5%	-3,995	-8.2%	
OTHER INCOME	76,835	77,000	77,000	0	0.0%	165	0.2%	
Total Revenues	\$3,063,909	\$2,472,134	\$2,570,134	\$98,000	4.0%	(\$493,775)	-16.1%	
Expenses								
SALARIES AND BENEFITS	\$3,236,147	\$2,952,105	\$2,980,293	\$28,188	1.0%	(\$255,854)	-7.9%	
PRINTING & OFFICE SUPPLIES	57,623	79,990	79,990	0	0.0%	22,367	38.8%	
PURCHASES FOR RESALE	35,572	45,000	45,000	0	0.0%	9,428	26.5%	
OPERATING MATERIALS & SUPPLIES	234,512	213,996	213,996	0	0.0%	-20,516	-8.7%	
VEHICLE SUPPLIES	0	500	500	0	0.0%	500	0.0%	
SMALL EQUIPMENT SUPPLIES	219	1,500	1,500	0	0.0%	1,281	584.9%	
UTILITIES	188,918	224,999	229,999	5,000	2.2%	41,081	21.7%	
COMMUNICATIONS	26,495	56,527	47,289	-9,238	-16.3%	20,794	78.5%	
TRAVEL EXPENSES	23,041	20,305	20,305	0	0.0%	-2,736	-11.9%	
TRAINING	8,177	12,083	12,083	0	0.0%	3,906	47.8%	
CONTRACTS & SERVICE AGREEMENTS	118,568	107,296	107,296	0	0.0%	-11,272	-9.5%	
MAINT. & REPAIR-TIME/MATERIAL	150,805	111,438	111,438	0	0.0%	-39,367	-26.1%	
RENTAL/LEASE	10,130	17,424	22,424	5,000	28.7%	12,294	121.4%	
PROFESSIONAL SERVICES	791,553	534,763	598,763	64,000	12.0%	-192,790	-24.4%	
LICENCES, PERMITS, FEES	70,266	54,285	59,285	5,000	9.2%	-10,981	-15.6%	
CREDIT CARD SERVICE CHARGES	3,479	-10,941	-10,941	0	0.0%	-14,420	-414.5%	
PROMOTION & ADVERTISING	367,999	277,543	289,543	12,000	4.3%	-78,456	-21.3%	
OTHER PURCHASED SERVICES	14,149	15,372	17,372	2,000	13.0%	3,223	22.8%	
WRITE-OFFS	-1	0	0	0	0.0%	1	-100.0%	
OTHER EXPENDITURES	153	3,000	3,000	0	0.0%	2,847	1860.8%	
TRANSFERS TO RESERVES	24,419	35,000	35,000	0	0.0%	10,581	43.3%	
Total Expenses	\$5,362,224	\$4,752,185	\$4,864,135	\$111,950	2.4%	(\$498,089)	-9.3%	
Net Expenditures/(Revenues)	\$2,298,315	\$2,280,051	\$2,294,001	\$13,950	0.6%	(\$4,314)	-0.2%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Grants and Subsidies: Increase in receipt of federal grants.

Professional Services: Increase artist fees relating to the Theatre's professional entertainment series.

FIRE AND EMERGENCY SERVICES BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Work with Asset Management to manage fire station Life Cycle (repair & maintenance)	Annual life cycle repairs & property maintenance in fire stations; Communications Room 8100 Warden project	OT
2	Address Impacts of Growth	Opened Stn. 99 Cornell; 2012 Recruitment; filled vacancies; complete Overtime maintenance records and Master Fire Plan	OT
3	Support implementation of strategic plans: Greenprint, Diversity Action Plan, Community Infrastructure Strategy, etc.	Markham Fire & Emergency Services received Lorax Award for ranking #1 in reducing paper consumption in Community & Fire Services Commission	OT
4	Implement recommendations from Master Fire Plan	Council approved Master Fire Plan on June 25, 2012	OT
5	Undertake revised operating plan for department based on direction received from the approval of the Master Fire Plan	Revised operating plan was a part of the Master Fire Plan recommendations	DL
6	Open Cornell station & make fully operational	Station opened for operation as planned on February 6, 2012. Official ribbon cutting for Stn. 99 Cornell by Q4.	ADJ
7	Construction & completion of new Communications Centre 8100 Warden Ave.	Construction completed on March 31, 2012. Outstanding item relating to York Regional Police changed vendor for provision of telecommunication systems for 911 without consultation with MFES; new vendor technology not compatible with Markham IT infrastructure. Awaiting 3rd party completion of IT infrastructure at YRP headquarters.	ADJ
8	Delivery of 2 new replacement apparatus	Apparatus delivered in June and August.	COM
9	Fire/Waterworks Training Centre Study	Being addressed as a component of the Master Fire Plan.	DL
10	Fire Prevention recruitment & training. Complete promotional Captains' process and training. Company Officers' school.	Fire Prevention Officer recruitment ADJ; Company Officers' School OT; Captains' process & training COM.	ADJ
11	Fire Prevention Records management	Updating records into AMANDA system underway with completion planned for year end.	OT
12	Order & purchase life cycle apparatus replacements	Maintain service levels..	COM
13	Review processes and practices to generate continuous improvement opportunities (E3, NQI)	Fire Prevention Officers mobile with tablets in vehicles for on site inspections and data collection. SCBA and propane training with Waterworks Dept. COM.	OT
14	Training for special responses	Confined space, trench, rope training resources required. Begin program in 2013.	DL
15	Public Education programs: 1) Cadet program for special needs students; 2) Industrial/Commercial training; 3) Jr. Firefighter camp; 4) Fairchild Radio programming; 5) On-line video training; 6) VIP York Regional Police; 7) Regional Jr. Firefighter camp; 8) Elementary school program	1) Cadet program OT; 2) Industrial/Commercial training OT; 3) Jr. FF camp COM; 4) Fairchild Radio COM; 5) On-line video training OT; 6) VIP York Regional Police COM; 7) Regional Jr. FF camp COM; 8) Elementary school program OT	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



FIRE AND EMERGENCY SERVICES KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	1	6	14	15	1	1	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	0	N/A
Average overall satisfaction for formal survey(s) completed (%)	91%	70%	70%	83%	92%	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	29%	50%	50%	N/A	100%	N/A	≥35%
MFES School Program total schools involved ¹	N/A	32	70	71	72	74	100%
MFES School Program classroom visits ¹	495	406	300	177	245	114	100%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 252.86	\$ 236.32	\$ 237.71	\$ 239.87	\$ 257.61	\$ 136.47	\$ 275.17
Net cost per capita ¹	\$ 72.64	\$ 68.14	\$ 68.25	\$ 69.43	\$ 75.59	\$ 40.04	\$ 80.74
Average monthly maintenance cost per heavy truck vehicle	\$ 1,614	\$ 1,887	\$ 1,977	\$ 2,129	\$ 1,343	\$ 2,008	\$ 1,500
Average monthly vehicle down time (in hours)	N/A	N/A	N/A	N/A	7.6	6.6	7.0
Operating cost per \$1,000 of assessed value (MPMP)	\$ 0.66	\$ 0.69	\$ 0.66	\$ 0.64	\$ 0.68	N/A	N/A
OPERATIONAL EXCELLENCE							
# of inspections per inspector ¹	495	406	300	177	245	114	>2011
Total # of emergency incidents	7,649	7,592	7,666	6,615	6,801	3,323	<2011
# of Vehicle activity per emergency incident	2	2	2	2	2	2	2
# of accidental fire deaths	2	0	1	0	2	1	0
# of plans reviewed per examiner	679	260	295	270	330	144	370
# of inspection violations	3,466	2,842	2,105	2,444	2,205	915	>2011
# of technical training hours per firefighter ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Communications turnaround, response time (in seconds) ²	N/A	N/A	N/A	N/A	N/A	46	N/A
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	65%	N/A	62%	N/A	65%	≥75%
Recognition rating (from staff survey)	N/A	36%	N/A	49%	N/A	49%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	85%	N/A	72%	N/A	75%	≥80%
Completion rate for performance management	100%	100%	91%	99%	100%	N/A	100%
Average Corporate learning hours per full-time employee	2.1	1.6	1.4	N/A	0.4	0.3	20.0
Staff absenteeism (average # of days per employee)	7.9	8.4	7.1	6.2	6.4	2.7	≤8.4
Staff turnover rate	1.0%	2.0%	3.0%	1.6%	1.8%	2.1%	≤7.5%
KPI SUMMARY							
Note: ¹ New KPI develop as part of the 2010 Business Planning Process in 2009							
² New KPI introduced in 2013 BUP.							

FIRE AND EMERGENCY SERVICES OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
				Priorities	
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support the development of the new official plan as required, including the Community Infrastructure Strategy. New station location and staffing projections in Master Fire Plan in accordance with Official plan development. Review site plan and building permit submissions in accordance with fire code compliance.	GM	
2	Portal Phase 3 - Implementation (Support)		Support the implementation of Phase 3 of the Portal Plan. Assigned staff for training.	MS	OE
3	Excellence Markham-Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross commission workgroups as required.		CS
4	Excellence Markham-Staff Survey Implementation (Support)		Within the department, develop a project plan to address Key Improvement Area(s) that will help support the overall corporate response to the staff survey.		SE
5	IT Strategic Plan Refresh (Support)		Support the IT strategic plan - refresh as required.	MS	OE
6	Corporate Community Engagement Strategy (Support)		Continue Fire Department outreach programs to focus groups and "at risk" populations: Youth, elderly, persons with disabilities, cultural communities.	DAP	CS
Business Unit Objectives					
1	Work with Asset Mgmt. To manage fire station Life Cycle (repair & maintenance)		All repairs completed in a timely fashion; fire stations maintained for efficient operations	MS	OE
2	Support implementation of strategic plans: Greenprint, Diversity Action Plan, etc.		Continue to manage greenprint strategies; fire outreach programs; new recruitment and public education	GP	OE
3	Implement recommendations from Master Fire Plan (MFP), including undertake organizational review and Fire Prevention Officer recruitment	B	Initialize recommendations and budget submissions in accordance with financial processes; Complete organizational review, including standard operating procedures and departmental policies; and Complete Fire Prevention Officer recruitment.	MS	OE
4	Corporate Training Centre for Fire / Waterworks (Co-Lead)		Work on RFP project & evaluate in conjunction with Waterworks Dept.	MS	OE
5	Order & purchase of life cycle apparatus replacements		Maintain service levels; continue condition assessments in conjunction with Fleet Manager	MS	OE
6	Continuous Improvement to enhance effectiveness and efficiency: 1) customer service; 2) data collection and analysis; 3) automation of records.		1) Continue with customer service survey; 2) refine data collection and analysis for revenue generation, sick time management, and scheduling; 3) fire prevention records converted to digital format.	MS	CS
7	Special response programs - trench, rope rescue		Complete special response program initiated in previous year	GM	OE
8	Evaluate Regional Radio systems		Complete RFP of regional radio system in conjunction with other municipal fire departments and York Regional Police (lead)	MS	OE
9	In-building Voice Repeaters		Initiate by-law review requiring radio repeaters in new construction	GM	OE
10	SCBA Analysis to conform with NFPA Standards		Complete analysis of current protective equipment & determine a replacement strategy	MS	FP
11	Prepare RFP for: 1) bunker gear & compressor maintenance; and 2) Positive Pressure Attack training.		RFPs completed and contracts awarded	MS	FP
12	Emergency Preparedness - Update Business Continuity Plans (Co-Lead with Emergency Preparedness Coordinator)		Devise approach and template for all departments to update its Business Continuity Plan. Updated Business Continuity Plans received from all departments.	MS	OE
13	Fire Prevention Officers fully mobile (in accordance with Master Fire Plan)		Complete mobile access for fire prevention records system	GM	CS
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



FIRE AND EMERGENCY SERVICES 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
FINES	\$19,300	\$3,000	\$3,000	0	0.0%	(16,300)	-84.5%	
USER FEES & SERVICE CHARGES	16,784	30,000	30,000	0	0.0%	13,216	78.7%	
SALES	111	2,000	2,000	0	0.0%	1,889	1701.8%	
RECOVERIES & CONTRIBUTIONS	155,108	280,961	280,961	0	0.0%	125,853	81.1%	
OTHER INCOME	18,235	25,000	25,000	0	0.0%	6,765	37.1%	
Total Revenues	209,538	\$340,961	\$340,961	\$0	0.0%	\$131,423	62.7%	
Expenses								
SALARIES AND BENEFITS	\$31,744,774	\$31,362,797	\$32,291,517	\$928,720	3.0%	\$546,743	1.7%	
PRINTING & OFFICE SUPPLIES	36,969	38,109	39,009	900	2.4%	2,040	5.5%	
PURCHASES FOR RESALE	1,363	3,883	3,883	0	0.0%	2,520	184.9%	
OPERATING MATERIALS & SUPPLIES	311,068	387,463	387,463	0	0.0%	76,395	24.6%	
VEHICLE SUPPLIES	533	2,913	2,913	0	0.0%	2,380	446.5%	
UTILITIES	197,439	211,717	233,857	22,140	10.5%	36,418	18.4%	
COMMUNICATIONS	14,986	81,027	24,845	(56,182)	-69.3%	9,859	65.8%	
TRAVEL EXPENSES	22,699	35,067	35,067	0	0.0%	12,368	54.5%	
TRAINING	16,052	40,500	40,500	0	0.0%	24,448	152.3%	
CONTRACTS & SERVICE AGREEMENTS	21,742	25,830	25,830	0	0.0%	4,088	18.8%	
MAINT. & REPAIR-TIME/MATERIAL	116,396	127,000	127,000	0	0.0%	10,604	9.1%	
RENTAL/LEASE	1,841	3,297	3,297	0	0.0%	1,456	79.1%	
PROFESSIONAL SERVICES	1,173	14,878	14,878	0	0.0%	13,705	1168.4%	
LICENCES, PERMITS, FEES	4,297	5,000	5,000	0	0.0%	703	16.4%	
OFFICE FURNISHINGS & EQUIPMENT	0	900	0	(900)	-100.0%	0	0.0%	
TRANSFERS TO RESERVES	41,000	41,000	41,000	0	0.0%	0	0.0%	
OTHER EXPENSES	82			0	0.0%	(82)		
Total Expenses	\$32,532,414	\$32,381,381	\$33,276,059	\$894,678	2.8%	\$743,645	2.3%	
Net Expenditures/(Revenues)	\$32,322,876	\$32,040,420	\$32,935,098	\$894,678	2.8%	\$612,222	1.9%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Communications: Internal consolidation of telecommunication budgets.

MARKHAM PUBLIC LIBRARY BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Commission Priority Project #15 Technology Plan (Lead)	Staff consultation in progress and aligning with municipal technology strategy; flowing into IT Strategic Plan.	OT
2	Commission Priority Project #3 Operationalize Greenprint (Support)	Greenprint team launched Ecomentors partnership program to engage teen volunteers in promotion of environmental awareness to community through schools and events; also developing plan for rollout of organizational greenprint initiatives (e.g. Commission paper reduction).	OT
3	Commission Priority Project #5 Community Engagement Plan (Support)	Developing staff roles for development and implementation of community engagement strategy	OT
4	Community Infrastructure Strategy (Support)	Strategy in process of being finalized. Policy framework in development	OT
5	Portal (Support)	Director of Service Excellence from Markham Public Library serving as active member on Portal Steering Committee	OT
6	Public Realm (Support)	Partnership with Markham Group of Artists in development to enhance public realm through display of art in library branches	OT
7	Southeast CC and Library Design (Support)	Completed site evaluation, building program. Design phase in progress.	OT
8	Commission Priority Project #10 Senior Services Strategy (Support)	Sociodemographic research re needs of seniors in public libraries completed; Commission project deferred to 2013	DL
9	Commission Priority Project #18 Governance of External Partnerships (Co-Lead)	In progress through several elements (rather than one overall policy)	ADJ
10	Improve management of payment transactions through implementation of POS cashiering system and online	Implementation by ITS in progress; specifications sign off completed	OT
11	Improve staff development and engagement by improving processes relating to internal communications, staff suggestions, and reward and recognition	Engaged staff in Customer Service Revolution project and training, visible leadership workshops, and reward & recognition project	OT
12	Improve efficiencies of attendance management processes through leveraging EZ-LABOUR	Transition from manual processes scheduled for Q4	OT
13	Customer Service: Improve customer feedback system, merchandizing, and processes for collection improvement in response to customer demand	In progress through training (developed in partnership with Ryerson U), staff projects, and Collection Steering Committee which has developed plan for collection improvements, including revised profiles and processes to measure and respond to customer demand	OT
14	Implement more efficient data management system	Implemented LIBPAS (data management system) project through monthly data input; began upload of historical data; consolidation of definitions from various surveys in progress so that data can be linked	OT
15	Improve Thornhill Village customer experience through implementation of furniture and shelving standards	Renovation of staff work areas and furniture procurement scheduled for completion by Q4	OT
16	Improve volunteer policy and management.	Volunteer project in progress; developing strategy re improving intake process, training, and quality of volunteer experience; scheduled for completion by end of Q3	OT
17	Operationalize East Markham branch (collection, staff, FF&E, IT, programs, MSH partnership)	In progress for Q3 occupancy	OT
18	Complete design process for Milliken Library expansion and renovation	Pending Council direction	OT
19	C3 Business & Marketing Plan: continue to develop; continue worldwide patent process	U.S. and Canada patent applications submitted; developing business model for Q4 marketing and launch Q1 2013	OT
20	One Book One Markham - community reading project	Launched July 14 2012 (Vincent Lam's <i>Bloodletting & Miraculous Cures</i> , and <i>The Headmaster's Wager</i>); continuing through Q3	OT
21	Expand Learning Place programs for lifelong learning, education support and skill development	Project in progress to identify program scope, & develop learning outcomes for teen/adult Learning Place programs; expanded summer camp learning programs	OT
22	Community Outreach: Improve and expand outreach and develop partnerships with schools	Project in progress to develop strategy for expanded outreach and involvement in community events	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



MARKHAM PUBLIC LIBRARY KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	0	0	0	0	1 every 2 years
Average overall satisfaction for <u>formal</u> survey(s) completed (%)	90%	N/A	N/A	N/A	N/A	N/A	≥80%
Average extremely/very satisfied for <u>formal</u> survey(s) completed (%)	39%	N/A	N/A	N/A	N/A	N/A	≥35%
# of informal customer satisfaction surveys completed (Counting Opinions)	1,671	1,932	1,643	1,222	677	133	2,000
Average overall satisfaction for <u>informal</u> survey(s) completed	7.9	7.9	7.9	8.0	7.8	7.3	≥8.0
Average extremely/very satisfied for <u>informal</u> survey(s) completed (%)	39%	41%	42%	44%	40%	34%	≥45%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 83.16	\$ 85.41	\$ 89.48	\$ 71.99	\$ 75.41	\$ 43.25	\$ 78.44
Net cost per capita ¹	\$ 23.89	\$ 24.63	\$ 25.69	\$ 20.84	\$ 22.13	\$ 12.69	\$ 23.02
Net cost per registered borrower ¹	\$ 38.90	\$ 39.39	\$ 39.06	\$ 40.46	\$ 42.56	\$ 23.99	\$ 40.00
Operating costs for library services per use (MPMP) ¹	\$ 0.72	\$ 0.66	\$ 0.78	\$ 0.83	\$ 0.84	N/A	\$ 0.80
OPERATIONAL EXCELLENCE							
Population per Staff FTE ²	2,393	2,380	2,420	2,461	2,436	2,474	2,500
Total Service transactions per Capita (MPMP) ¹	20.6	23.1	29.0	31.6	42.7	N/A	45.0
Total Visits (in-person and electronic) per Capita	13.0	13.6	15.4	14.9	14.6	7.7	20.0
Circulation per Capita ³	14.5	16.5	17.7	15.7	14.1	7.0	18.0
In-Person Visits per Capita	6.5	6.9	7.5	7.0	6.8	3.6	8.0
Number of people using library computers per household	3.99	3.99	3.29	4.42	5.43	2.69	6.00
Number of people using wireless per household	N/A	N/A	N/A	4.34	5.29	3.23	6.00
Holds placed per Staff FTE	N/A	N/A	4,510	4,218	6,022	3,151	5,000
Library Space (sq. ft.) per Capita	0.45	0.43	0.42	0.41	0.41	0.40	0.60
Registered Borrowers as % of Population	62%	63%	63%	65%	65%	66%	70%
Holdings per Capita	2.58	2.46	2.34	2.30	2.20	2.20	3.00
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	65%	N/A	63%	N/A	67%	≥75%
Recognition rating (from staff survey)	N/A	53%	N/A	54%	N/A	56%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	74%	N/A	71%	N/A	76%	≥80%
Completion rate for performance management ⁴	61%	95%	100%	100%	78%	N/A	100%
Average Corporate learning hours per full-time employee ⁴	10.1	6.9	11.8	15.5	7.4	11.2	20.0
Staff absenteeism (average # of days per employee) ⁴	12.2	11.5	7.5	8.2	6.7	3.8	≤8.4
Staff turnover rate ⁴	5%	3%	3%	6%	8.0%	7.1%	≤7.5%
KPI SUMMARY							
Strategic Considerations:							
<ul style="list-style-type: none"> • Format diversification and ongoing need for balanced response to demand for ebooks vs. print • Increasing demand for study space and increasing "second campus" role for post secondary students living in Markham • Experiencing challenges in customer satisfaction due to ageing collections, wireless speed and downtime issues, and staffing levels in relation to changing service demands • Thornhill post-construction usage hasn't rebounded due to local competition (Vaughan and Richmond Hill) - may have lost customers • Transition from website analytics to portal analytics has resulted in reduced website metrics; catalogue usage has increased 60% over same period • Structure of portal has reduced usage of online databases and access to online customer survey since June 2011 							
General Notes:							
<ul style="list-style-type: none"> • Thornhill Community branch was closed for renovation from January to June 2011. • HR KPIs (performance management, learning hours, absenteeism, and turnover) are based on total staff FTE, including full-time and permanent part-time staff. 							
¹ Reflects changes required by the Ministry of Municipal Affairs & Housing to include total annual circulation of all library materials, annual program attendance, total in-library materials use, electronic information resources and wireless use, reference transactions (in-person, electronic, reader's advisor, and customer requests for support re information communication technology, software and social media), and library visits (in-person and electronic).							
² Highest in GTA (average is 1,768). Reflects cost avoidance through investment in self-service technology (\$882,000 annually = 19.7 FTEs).							
³ Measure now includes ebooks.							
⁴ The closure of Thornhill branch and the C3 conversion project disrupted the 2011 performance management cycle. The methodology for data collection was different from the corporate approach in that they include permanent part-time data as requested by the Markham Library Board.							

MARKHAM PUBLIC LIBRARY BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
				Priorities	
#	Objective	Requires Additional Resources	Outcomes	Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support the development of the new Official Plan as required.	GM	
2	Portal Phase 3 (Support)		Support the implementation of Phase 3 of the Portal Plan.	MS	OE
3	Excellence Markham-Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross-commission work groups as required.		CS
4	Excellence Markham-Staff Survey Implementation (Support)		Within the business unit, develop a project plan to address Key Improvement Areas that will help support the overall corporate response to the staff survey.		SE
5	IT Strategic Plan - Refresh (Support)		Support the IT Strategic Plan - Refresh as required.	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support the development of a corporate wide Community Engagement framework through workshops, work team, and staff training as required.	ILMP	CS
Business Unit Objectives					
1	Improve high-speed network to meet bandwidth requirements of library computer users and wireless users, for better support of education, research and innovation	NP	15% increase in customer satisfaction with bandwidth/speed (7.1 to 8.5)	GP	CS
2	Automate public printing and payment processes through procurement of print release stations with access/print management software and e-commerce module	NP	RFP to be issued Q3 2012 for 2013 implementation of automated public printing and payment; improved efficiency, increased revenue, improved customer satisfaction (contingent on budget process)	MS	OE
3	Improve functionality of ILS (Integrated Library System) and enhance related workflows through API programming	NP	Improved ILS reporting to support collection and service improvements; improved staff satisfaction; improved customer satisfaction	MS	CS
4	Improve self-service at Milliken & Angus Glen branches with new RFID self check units	NP	Increased and improved self-service options for improved customer service, reduced backlogs, reduced exposure to RSI risk, and improved customer satisfaction (contingent on capital budget)	MS	CS
5	Complete community consultation & construction-ready design for new 30,000 sf Milliken library (Co-Lead)	NP	Design completed and approved (contingent on capital budget)	ILMP	CS
6	Complete design of Southeast library branch (Co-Lead)		Design completed and approved	ILMP	CS
7	Launch development of Southeast library collection through RFP & approval for vendor services to build Southeast opening day collection; begin procurement	NP	Vendor approved; multi-year (2013-2015) collection development project launched (contingent on approval of tender award)	ILMP	CS
8	Improvements at Milliken Branch: 1) Customer service desk; and 2) Furniture and shelving standards (Life cycle)	NP	1) Improved customer service; improved customer satisfaction; more efficient service delivery (contingent on capital budget); and 2) Increased space for public use; consistent standard (functionality, ergonomics, durability) in all branches; improved customer satisfaction.	ILMP	CS
9	Senior Services Strategy (Support)		Increased and improved senior services and programs.	ILMP	CS
10	Develop more cultural events and programs through partnerships		Increased and enhanced partnerships; increased cultural events and programs	GP	CS
11	Improve newcomer services through partnerships		Improved partnerships; increased newcomer services and programs	DAP	CS
12	Complete patent process for C3 and launch business		Patents completed; business model launched	GP	OE
13	Implement Greenprint recommendations through Green project staff team - develop partnerships, educational programming and information delivery		Greenprint recommendations implemented; increased outputs re programs and delivery of educational information	GP	SE
14	Implement collection improvement strategies through improved collection planning and profiles, improved management of customer feedback, and improved analysis through CollectionHQ (evidence-based stock management tool)		Improved customer satisfaction increase by 23% (6.5 to 8); improved collection turnover by 10% (6.4 to 7.0)	ILMP	CS
15	Expand Learning Place programs for lifelong learning, academic support and skill development		Increased Learning Place programs, improved children's literacy, increased teen and adult programs; learning outcomes defined & measured; diversity	GP	CS
16	Expand outreach initiatives and community development strategy		Increased community partnerships, outreach events and programming	ILMP	CS
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



MARKHAM PUBLIC LIBRARY 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
GRANTS AND SUBSIDIES	\$231,292	\$228,778	\$228,778	\$0	0.0%	(\$2,514)	-1.1%	
USER FEES & SERVICE CHARGES	647,341	665,811	695,996	30,185	4.5%	48,655	7.5%	
RENTALS	46,975	37,517	50,170	12,653	33.7%	3,195	6.8%	
SALES	60,540	48,200	63,686	15,486	32.1%	3,146	5.2%	
OTHER INCOME	129	0	0	0	0.0%	-129	-100.0%	
Total Revenues	\$986,277	\$980,306	\$1,038,630	\$58,324	5.9%	\$52,353	5.3%	
Expenses								
SALARIES AND BENEFITS	\$8,204,241	\$8,037,936	\$9,283,026	\$1,245,090	15.5%	\$1,078,785	13.1%	
PRINTING & OFFICE SUPPLIES	52,048	51,792	45,512	-6,280	-12.1%	-6,536	-12.6%	
OPERATING MATERIALS & SUPPLIES	579,635	568,592	609,445	40,853	7.2%	29,810	5.1%	
UTILITIES	116,944	125,798	125,798	0	0.0%	8,854	7.6%	
COMMUNICATIONS	82,253	106,696	109,580	2,884	2.7%	27,327	33.2%	
TRAVEL EXPENSES	33,098	37,720	42,720	5,000	13.3%	9,622	29.1%	
TRAINING	28,163	23,817	49,017	25,200	105.8%	20,854	74.0%	
CONTRACTS & SERVICE AGREEMENTS	69,655	90,612	169,612	79,000	87.2%	99,957	143.5%	
MAINT. & REPAIR-TIME/MATERIAL	263,720	228,059	221,761	-6,298	-2.8%	-41,959	-15.9%	
RENTAL/LEASE	8,826	10,266	10,308	42	0.4%	1,482	16.8%	
INSURANCE	11,963	11,963	11,963	0	0.0%	0	0.0%	
PROFESSIONAL SERVICES	55,740	51,529	51,818	289	0.6%	-3,922	-7.0%	
LICENCES, PERMITS, FEES	10,703	10,220	11,020	800	7.8%	317	3.0%	
CREDIT CARD SERVICE CHARGES	5,865	5,022	6,000	978	19.5%	135	2.3%	
PROMOTION & ADVERTISING	36,616	34,454	39,254	4,800	13.9%	2,638	7.2%	
OTHER PURCHASED SERVICES	606,308	606,308	714,308	108,000	17.8%	108,000	17.8%	
OFFICE FURNISHINGS & EQUIPMENT	0	0	0	0	0.0%	0	0.0%	
OTHER EXPENDITURES	2,292	3,010	6,010	3,000	99.7%	3,718	162.2%	
Total Expenses	\$10,168,070	\$10,003,794	\$11,507,152	\$1,503,358	15.0%	\$1,339,082	13.2%	
Net Expenditures/(Revenues)	\$9,181,793	\$9,023,488	\$10,468,522	\$1,445,034	16.0%	\$1,286,729	14.0%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase due to the opening of Cornell Library.

Salaries & Benefits: Increase due to increased staffing required at the new Cornell Library, annualization of cost of living adjustment and movement of staff along the City's salary grids.

Operating Materials & Supplies: Increase in e-resources, program costs and periodicals due to opening of Cornell Library offset partially by a budget reallocation to Contracts & Service Agreements

Contracts & Service Agreements: Budget reallocation from Operating Material & Supplies.

Other Purchased Services: Increase due to chargeback of occupancy costs for the new Cornell Community Centre & Library.

OPERATIONS BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Public Works Facility Master Plan (Lead) - New east works facility and renovate John St. & Central shops. Necessary to address space planning , staff satisfaction, health & safety and environmental issues	In formal discussion with senior Region of York staff regarding land acquisition within defined search area and possible construction of a co-located or joint use facility. Update / outcomes expected prior to year end	OT
2	Greenprint (Support) - Develop a strategy to align and prioritize Green Print recommendations	Completed two staff workshops, determined and aligned Operations department 'lead and support roles' relating to Greenprint objectives. Considered operating and capital budget impacts.	COM
3	Address Impacts of Growth (Co-Lead) - Work with Development Services to address development, review, approval, specifications, construction, inspection/testing and acceptance. Investigate opportunities for public/private partnerships in service delivery models (Co-Lead with Fire Services) involving Engineering, Urban Design, Parks Design & Construction and all C&FS Departments.	Developed Service Level Agreement, to be executed prior to year end, between Traffic Operations in this Department and Transportation Planning in the Engineering Department. Moving forward into Q4 2012 and into Q1 2013 in discussion with Development Services (Urban Design & Engineering) regarding design specifications, construction and acceptance process improvements	OT
4	Community Engagement (Support) - Engage volunteer groups / agencies. Advance programs in place	Developed and delivered Community Engagement Overview to General Committee (April) detailing sustainable community engagement, growth in community parks programs and contributory value of volunteers.	COM
5	Public Realm (Lead) - Long term plan to create dynamic and beautiful public spaces	Official program launch completed in June (Pomona Mills Tennis Mural). Pilot projects underway and consultant engaged to develop long-term strategy prior to year end.	OT
6	Service Planning (Support) - Information sharing and mentoring	Completed program transfer to Waterworks including information sharing and 'lessons learned' documentation	COM
7	Community Events (Co-Lead) - Review events (City led, supported, and external). Investigate opportunities for grants for city supported/led events and fees for external led events	Project work plan underway with presentation to General Committee / Council in Q4. Special events policy and report to GC / Council by Q1, 2013.	ADJ
8	Portal (Support) - Leverage existing technology to enhance customer service, education and communication with our stakeholders	Supported completion of Phase 2 including review of enhanced functionality through GIS / mapping focus and integration in Q1 & Q2. Implemented online applications (e.g. Tree Preservation Applications) in Q2. Currently reviewing moving fee based permits to online service with strategy to be confirmed prior to year end.	OT
9	Urban Forestry Management Emerald Ash Borer (EAB) - Develop strategy with York Region to manage the infestation Complete UFORE Study	Ongoing representation on Regional EAB Technical Working Group. Completed inventory of road allowance and parks ash trees in Q3. Program update presentation to GC / Council prior to year end. UFORE (iTree) Study completed in Q2 with final report and update to General Committee expected prior to year end.	OT
10	PIPEs Group - Improve service to community	Delayed to 2013	DL
11	Accessibility Improvements - Implement Year two of Audible Pedestrian Signal enhancements (6 yr program)	Ongoing accessibility improvement capital program (multi-year) underway in Roads & Traffic Operations (intersection improvements). Year 2 work plan to be complete prior to year end.	OT
12	Pavement Management Program - Complete tasks outlined in staff report	Report due from University of Waterloo by end of Q3. Report to GC/ Council by Q1 2013.	OT
13	People Plan - Succession Planning, Recruitment Process, and Training & Development	Complete training and orientation program improvements as required by Ministry of Labour by Q4	OT
14	Technology Plan - Leverage AVL/GPS technology to improve / monitor service delivery, spatial data collection, surveying and mapping of infrastructure inventory	AVL project deferred pending implementation of IT corporate wireless project	DL
15	Continuous Improvement - Continue cross-commission teamwork with Development Services (Eng, Urban Des, Parks Des & Const).	In Q2, confirmed Working Supervisor for sportsfields under the Enhanced Cultural Practices Program. Achieving targets for top dressing, aerating, fertilizing and overseeding activities.	OT
16	Service Club Signs Policy	Obtain Council approval for a Service Club Sign Policy in Q4. Complete installation of approved signs Q2, 2013	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



OPERATIONS KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007	2008	2009	2010	2011	2012	TARGET
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	JUNE 30	
# of formal customer satisfaction surveys completed	0	0	2	3	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	1	1	0	0	1	NA	NA
Average overall satisfaction for formal survey(s) completed (%)	79%	N/A	66%	65%	NA	NA	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	33%	N/A	44%	N/A	NA	NA	≥35%
% Customers indicated 'Timely Response' received	N/A	92%	N/A	88%	80%	NA	≥85%
% Customers indicated 'Satisfactory Resolution' received	N/A	83%	N/A	89%	80%	NA	≥85%
% Customers indicated 'Satisfactory Level of Service' received	N/A	82%	N/A	88%	80%	NA	≥85%
Number of ACR work orders/requests (Parks, Roads & Traffic)	10,478	10,128	10,850	13,673	12,370	6,707	NA
FINANCIAL PERFORMANCE							
Net cost per household	\$ 188.25	\$ 206.62	\$ 198.80	\$ 182.99	\$ 205.70	\$ 101.37	\$ 215.55
Cost per hectare of parks maintained	\$ 6,637	\$ 7,688	\$ 7,786	\$ 8,227	\$ 8,571	\$ 8,692	N/A
Cost per tree maintained	\$ 3.13	\$ 3.62	\$ 3.85	\$ 4.02	\$ 4.18	\$ 4.51	N/A
Total costs for paved roads per lane kilometre (MPMP)	N/A	N/A	\$ 15,038	\$ 8,886	\$ 6,145	N/A	N/A
Operating costs of road winter maintenance per lane kilometre maintained (MPMP)	\$ 3,969	\$ 5,501	\$ 5,545	\$ 3,450	\$ 3,954	N/A	N/A
Average annual operating cost per licensed unit in Fleet under 10,000 lb GVW	N/A	N/A	\$ 3,500	\$ 3,300	\$ 3,500	\$ 3,700	N/A
OPERATIONAL EXCELLENCE							
Hectares of park per 1,000 persons (MPMP)	2.9	3.5	3.4	3.6	3.5	N/A	N/A
Parkland hectares as % of total hectares in municipality	3.8%	3.8%	4.0%	4.0%	4.1%	4.2%	N/A
% of paved lane kms where condition is rated good or above (MPMP)	77%	76%	87%	93%	93%	N/A	85%
% of winter responses that meet or exceed road maintenance standards (MPMP)	99%	100%	100%	100%	100%	N/A	100%
Completion rate of capital projects (% of planned budget spent)	N/A	N/A	72%	74%	65%	60%	80%
Licensed fleet availability (in service rate in %)	N/A	N/A	99.7%	99.8%	99.0%	99.5%	90.0%
% of fleet utilizing hybrid technology (light duty vehicles under 10,000 lb GVW)	N/A	N/A	15.8%	16.4%	16.4%	16.0%	N/A
Met mowing standard of 12 – 14 days	N/A	N/A	81%	81%	95.0%	N/A	100%
Availability of sportfields for public use (in service rate in %)	N/A	N/A	91%	92%	96%	96%	100%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	59%	N/A	60%	N/A	58%	≥75%
Recognition rating (from staff survey)	N/A	50%	N/A	50%	N/A	42%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	71%	N/A	70%	N/A	65%	≥80%
Completion rate for performance management	100%	95%	98%	98%	100%	N/A	100%
Average Corporate learning hours per full-time employee ¹	43.2	10.4	11.1	15.0	3.3	2.2	20.0
Staff absenteeism (average # of days per employee)	N/A	10.4	7.8	N/A	6.4	3.5	≤8.4
Staff turnover rate	3.0%	11.0%	3.0%	7.1%	4.5%	3.7%	≤7.5%
KPI SUMMARY							
NOTE: ¹ Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste & Environmental Management, and Waterworks. A separate figure for this business unit was not available.							

OPERATIONS BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support development of new OP through review / comment on Planning / Engineering reports. Provide feedback on Operational and Life Cycle impacts for new infrastructure.	GM	OE
2	Portal Phase 3 (Support)		Support implementation of Phase 3. Update on-line forms and support implementation of on-line payment processes. Update / enhance content.	MS	CS
3	Excellence Markham-Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross commission work groups, as required.	MS	CS
4	Excellence Markham-Staff Survey Implementation (Support)		Support staff improvement initiatives through cross commission teams. Develop project plans to address key improvement areas.	MS	SE
5	IT Strategic Plan Refresh (Support)		Support IT Strategic Plan. Work with cross commission teams to implement corporate IT initiatives such as HRIS, Enterprise Asset Management, etc.	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support the development of a corporate wide Community Engagement framework through work on cross commission work groups as required	ILMP	CS
Business Unit Objectives					
For the Community					
1	Education and Communications		Q1 - Redesign construction notifications and Sports Field Closure Program notification protocol by end of Q1 for Portal. Q2- Update Portal to include Service Standards and develop Tree Preservation By-law Education Program.	MS	CS
2	Urban Forestry Management		Q2 - Develop management plan for Trees for Tomorrow and the Tree Preservation Program. Q4 - complete a protocol with Urban Design to include Woodlot Management Plan.	MS	OE
3	Emerald Ash Borer Response Plan	NP	Q2 - Develop & implement management plan for Emerald Ash Borer. Ongoing participation on the York Region EAB Technical Working Group	MS	OE
4	Special Events		Q1 - Finalize policy with Corporate Communications and received approval by Council, including the fee bylaw updates	MS	OE
5	Safe Streets Strategy		Q3 - Improve community awareness by implementing an enhanced communication and education program through the City's Portal	TT	CS
6	Public Realm (Lead)	B	Q2 - Complete strategy and present to Council. Q3 - Develop 2014 plan and budget. Q4 - Implement 2013 capital program and implement grant program.	MS	CS
For our Staff					
7	People Plan - Training & Development and succession strategy		Q1 - Implement multi-year training plans for staff through PMR meetings. Work with HR and improve seasonal and part-time recruitment and	MS	SE
8	Health and Safety Training Internal licensing		Q1 - Develop a SLA with HR to address all safety training. Q2 - Complete H&S training for JHSC members. Q2 - Develop and administer comprehensive driver training for all class and types of vehicles and equipment.	MS	OE
For the Organization					
9	Continuous Improvement (Service Planning)	P	Q 1 & 2 - Improve front line service delivery, inventory management and special event setup and work order process improvements	MS	OE
10	Risk Management		Q2 - Develop protocol for sign design, installation and notification as well as risk management practices for parks, pathways and SWM ponds. Q2 - Work with Development Services / Legal to develop Construction Management	MS	OE
11	Fee Bylaw Review and Update		Q4 - Amend Operations fees to include cost recovery	MS	FP
For the Future					
12	Impacts of Growth - Work with Development Services on: 1) maintenance management plan; and 2) review of design and assumption processes.		1) Q2 - Initiate maintenance management plan (include financial models) protocol in high density developments; and 2) Q1- Complete review of design and assumption processes.	GM	OE
13	ILMP (Support) - Park Renaissance Project, Sport Park Development, Pricing & Subsidy Strategy	NP	Support each of these initiatives as determined by the project lead	ILMP	OE
14	Rouge Park (Support)		Q3 - Work with Development Services to understand impact on Park and Pathway infrastructure, departmental role, and operational plan	ILMP	OE
Strategic Projects					
15	Operations Facility Master Plan	NP	Q1 - Advance formal discussions with Region of York on land acquisition and possible construction of a co-located or joint use facility	GM	OE
16	Policy Development and Updates		Q4 - Develop standard operating procedures for traffic operations and Service Level Agreements with Asset Management and Recreation	MS	OE
17	PIPES Group		Q4 - Restructure duties and responsibilities of storm, sanitary, and water distribution systems	MS	OE
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



OPERATIONS 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. vs. 2012 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
LICENCES & PERMITS	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
RENTALS	235,265	236,785	246,493	9,708	4.1%	11,228	4.8%
SALES	87,953	86,000	86,000	0	0.0%	-1,953	-2.2%
RECOVERIES & CONTRIBUTIONS	766,735	506,320	599,320	93,000	18.4%	-167,415	-21.8%
OTHER INCOME	4,395	1,000	1,000	0	0.0%	-3,395	-77.2%
Total Revenues	\$1,094,348	\$830,105	\$932,813	\$102,708	12.4%	(\$161,535)	-14.8%
Expenses							
SALARIES AND BENEFITS	\$12,128,712	\$10,892,529	\$11,393,625	\$501,096	4.6%	(\$735,087)	-6.1%
PRINTING & OFFICE SUPPLIES	24,524	0	0	0	0.0%	-24,524	-100.0%
OPERATING MATERIALS & SUPPLIES	177,406	76,497	98,582	22,085	28.9%	-78,824	-44.4%
VEHICLE SUPPLIES	1,556,770	1,560,093	1,624,725	64,632	4.1%	67,955	4.4%
SMALL EQUIPMENT SUPPLIES	3,203	13,688	13,688	0	0.0%	10,485	327.3%
BOTANICAL SUPPLIES	249,674	267,197	267,197	0	0.0%	17,523	7.0%
CONSTRUCTION MATERIALS	924,197	1,387,024	1,449,749	62,725	4.5%	525,552	56.9%
UTILITIES	304,492	238,590	284,590	46,000	19.3%	-19,902	-6.5%
COMMUNICATIONS	79,563	59,467	59,467	0	0.0%	-20,096	-25.3%
TRAINING	41,868	4,000	4,000	0	0.0%	-37,868	-90.4%
CONTRACTS & SERVICE AGREEMENTS	5,840,620	7,174,580	7,373,145	198,565	2.8%	1,532,525	26.2%
MAINT. & REPAIR-TIME/MATERIAL	1,051,431	851,788	1,277,041	425,253	49.9%	225,610	21.5%
RENTAL/LEASE	357,379	389,013	353,521	-35,492	-9.1%	-3,858	-1.1%
PROFESSIONAL SERVICES	667,269	694,967	704,050	9,083	1.3%	36,781	5.5%
LICENCES, PERMITS, FEES	218,123	220,436	220,436	0	0.0%	2,313	1.1%
PROMOTION & ADVERTISING	373	0	0	0	0.0%	-373	-100.0%
OTHER EXPENSES	19,246	0	0	0	0.0%	-19,246	-100.0%
TRAVEL EXPENSES	0	0	0	0	0.0%	0	0.0%
Total Expenses	\$23,644,850	\$23,829,869	\$25,123,816.00	\$1,293,947	5.4%	\$1,478,966	6.3%
Net Expenditures/(Revenues)	\$22,550,502	\$22,999,764	\$24,191,003	\$1,191,239	5.2%	\$1,640,501	7.3%

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Recoveries & Contributions: Increase driven by additional recoveries from developers for unassumed subdivision snow plowing services.

Salaries & Benefits: Increase due to addition of 1 full time staff in Roads (Working Supervisor) along with increased part-time personnel as a result of growth in roads and parks, and annualization of cost of living adjustment and movement of staff along the City's salary grids.

Vehicle Supplies: Increase due to higher fuel costs based on projected price escalations and volume increases.

Construction Materials: Increase due to growth and price escalation on road salt as well as growth in stone/gravel requirements.

Contracts & Service Agreements: Increase due to growth and prices escalation on winter maintenance services.

WASTE AND ENVIRONMENTAL MANAGEMENT BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Water Bottle Policy (Lead)	Transitioned to Access to Drinking Water initiative	ADJ
2	Storm Water Management (Support)	Council Workshop and focus group presentation completed	COM
3	Program to provide recycling drop offs across the City for electronic goods (Lead)	Program to provide E-waste collections at multi res buildings launched. First 15 buildings to be completed in Q3 and 15 in Q4	ADJ
4	Establish new diversion target of 80%	Diversion sub-committee completed Diversion Report with 10 recommendations to achieve new 80% diversion. Report to Council Q4.	OT
5	Implement Part B collection program for bulk material collection and RFID system.	Negotiations with Miller to be completed Q3. Part of new collection program to include RFID system in partnership with York Region.	OT
6	Develop Greenprint implementation approach for Community Services Commission	Overview presentation to Directors on Greenprint and proposed multi-year plan	OT
7	Develop Vision and Mission Statement for Waste & Environmental Management Division	To be completed in Q3	OT
8	Water Efficiency and Conservation Education.	WOW trailer at events. Resident water survey underway	OT
9	Expand outreach communications to recognize languages and cultures, etc	New ads developed with have 7 languages. Environmental Newsletter to all residents in Q4 with collection schedule. Survey undertaken with Asian community and water survey underway with consultant.	OT
10	Increase presentations to community	Diversion report presented to MEAC (Markham Environmental Advisory Committee). Information booths at all key events.	OT
11	Update Website for Environmental Services Department	Revised website to be completed in Q4	OT
12	Presentations/awareness lunch and learn programs for staff. Develop education for new employees	Established electronic information board. Lunch and learns for Q3 and Q4	OT
13	Zero Waste implemented in all Facilities	Angus Glen in Q3 and Thornhill and Milliken in Q4	OT
14	Support Operations in Public Space Recycling Initiative	RFP issued. Report to Council in Q4.	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



WASTE AND ENVIRONMENTAL MANAGEMENT KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	0	0	0	1	1 every 2 years
# of informal customer satisfaction surveys completed	3	1	4	5	1	1	2
Average overall satisfaction for formal survey(s) completed (%)	86%	N/A	93%	88%	N/A	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	N/A	N/A	N/A	N/A	N/A	N/A	≥35%
% of ACR acknowledged within 24 hours ¹	N/A	N/A	N/A	N/A	90%	90%	90%
Overall Satisfaction with depot services (%) ¹	N/A	N/A	N/A	N/A	88%	N/A	90%
# of Households receiving Special Services ¹	N/A	N/A	N/A	N/A	2	6	N/A
FINANCIAL PERFORMANCE							
Net cost per household	\$ 72.54	\$ 68.16	\$ 70.18	\$ 68.94	\$ 65.59	\$ 31.86	\$ 68.06
Operating cost for waste collection per tonne (MPMP) ²	\$ 26.27	\$ 26.56	\$ 44.26	\$ 24.43	\$ 22.66	N/A	N/A
Operating cost for waste diversion per tonne (MPMP) ²	\$ 98.35	\$ 107.86	\$ 112.43	\$ 106.87	\$ 96.22	N/A	N/A
Average cost for waste management - integrated (MPMP) ²	\$ 95.35	\$ 102.03	\$ 124.06	\$ 97.62	\$ 94.09	N/A	N/A
OPERATIONAL EXCELLENCE							
Overall waste diversion rate (MPMP)	70%	73%	73%	73%	74%	74%	80%
% of Multi-Residential Units participating in 3-Stream Collection ¹	N/A	N/A	N/A	N/A	38%	39%	95%
% of Multi-Residential Units in Compliance with Regional Requirements ¹	N/A	N/A	N/A	N/A	N/A	N/A	95%
% of Diversion for Multi-Residential ¹	N/A	N/A	N/A	N/A	26%	26%	30%
% of Residential Properties in Compliance with Regional Requirements ¹	N/A	N/A	N/A	N/A	95%	N/A	95%
% of Diversion for Residential Properties ¹	72%	72%	72%	72%	72%	70%	80%
% of Households Serviced within 3km of a Recycling Depot ¹	N/A	N/A	N/A	N/A	80%	80%	90%
% of City Facilities on Zero Waste Program ¹	N/A	N/A	N/A	N/A	70%	85%	100%
% of Diversion Achieved at City Facilities ¹	N/A	N/A	N/A	N/A	80%	80%	90%
% of Contracted collection services provided on schedule	N/A	N/A	N/A	99%	97%	98%	100%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	≥75%
Recognition rating (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	≥65%
Staff Satisfaction rating (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	≥80%
Completion rate for performance management	N/A	N/A	83%	100%	100%	N/A	100%
Average Corporate learning hours per full-time employee ⁴	37.3	3.5	11.1	5.3	5.2	0.2	20.0
Staff absenteeism (average # of days per employee)	12.2	43.0	0.7	2.8	3.3	1.9	≤8.4
Staff turnover rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	≤7.5%
KPI SUMMARY							
<p>Note: ¹ New KPI developed as part of the 2012 Business Planning Process.</p> <p>² The methodology for the calculation of the "Operating cost for waste collection per tonne", "Operating cost for waste diversion per tonne", and "Average cost for waste management - integrated" were changed in 2009 to respond to Public Sector Accounting Board (PSAB) requirements. Due to the change in methodology, the 2009 figures are not comparable with previous years.</p> <p>³ The business unit did not generate enough responses in the Staff Satisfaction Survey for the KPI to be provided.</p> <p>⁴ Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste & Environmental Management, and Waterworks. A separate figure for this business unit was not available.</p>							

WASTE AND ENVIRONMENTAL MANAGEMENT BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support the development of the new official plan as required.	GM	OE
2	Portal Phase 3 (Support)		Support the implementation of Phase 3 of the Portal Plan	MS	OE
3	Excellence Markham- Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross commission work groups as required		CS
4	Excellence Markham- Staff Survey Implementation (Support)		Within the department develop a project plan to address key improvement area(s) that will help support the overall corporate response to the staff		SE
5	IT Strategic Plan Refresh (Support)		Support the IT strategic plan- refresh as required	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support and provide input	ILMP	CS
Business Unit Objectives					
1	Zero Waste - Launch Zero Waste Schools Program	B	Expand Zero Waste initiatives to schools by developing a partnership program with funding support program - MESF (Markham Environmental Sustainability Fund)	GP	CS
2	80% Diversion Strategy Implementation - Develop mandatory Diversion By-Law		Prepare mandatory material separation by-law applicable to single family homes and multi-residential units	GP	OE
3	80% Diversion Strategy Implementation - Expand electronic waste diversion program-events		Provide electronic waste collection opportunities to all multi-residential facilities and special collection events	MS	CS
4	80% Diversion Strategy Implementation - Develop 'move out' program		Introduce new program to manage 'move outs' and capture costs to collect	MS	FP
5	80% Diversion Strategy Implementation - Develop annual "Environment Days" for residents		Develop annual 'Environment Day' to provide compost, containers, education	GP	CS
6	80% Diversion Strategy Implementation - Curbside Bag changes	NP	Launch new bag program for curbside collection	GP	OE
7	80% Diversion Strategy Implementation - Establish Retail Bag policy		Develop a Retail bag policy in line with GTA municipalities	GP	OE
8	Initiate tracking program for front end service - RFID	NP	In partnership with Region develop RFID to monitor collection from multi-res, facilities and other sectors	GM	OE
9	Complete integrated partnership model with Region		As part of Master Plan development with Region and partner municipalities	MS	OE
10	Groundhog pilot with Region	NP	To find creative solutions to servicing high density developments Markham and Region to pilot underground waste /recycling system at select facilities	GM	OE
11	Paper Reduction Program in Community Services Commission		Continue to promote paper reduction to achieve Commission targets	GP	OE
12	Facility Diversion Report Card		Develop program to track and report on diversion achievement at City facilities	MS	OE
13	Tap water availability project	NP	Develop policy direction on access to tap water externally and internally	GP	OE
14	Operationalize Green Print		Facilitate achievement of Green Print goals and objectives within the Commission and develop project plan	GP	OE
15	Integrated Leisure Master Plan (Support) • Pan Am Project • Seniors Strategy • Youth Strategy		Support each of the initiatives as determined by the Project Lead.	ILMP	CS
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



WASTE AND ENVIRONMENTAL MANAGEMENT 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. vs. 2012 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
GRANTS AND SUBSIDIES	\$985,726	\$1,051,695	\$977,416	(\$74,279)	-7.1%	(\$8,310)	-0.8%	
USER FEES & SERVICE CHARGES	11,394	17,311	17,484	173	1.0%	6,090	53.4%	
SALES	105,646	156,264	145,706	-10,558	-6.8%	40,060	37.9%	
OTHER INCOME	39,058	58,248	148,248	90,000	154.5%	109,190	279.6%	
Total Revenues	\$1,141,824	\$1,283,518	\$1,288,854	\$5,336	0.4%	\$147,030	12.9%	
Expenses								
SALARIES AND BENEFITS	\$781,257	\$768,547	\$784,306	\$15,759	2.1%	\$3,049	0.4%	
PRINTING & OFFICE SUPPLIES	7,086	18,930	18,930	0	0.0%	11,844	167.1%	
PURCHASES FOR RESALE	164,004	157,135	157,135	0	0.0%	-6,869	-4.2%	
OPERATING MATERIALS & SUPPLIES	55,915	62,608	62,608	0	0.0%	6,693	12.0%	
UTILITIES	3,816	3,950	3,950	0	0.0%	134	3.5%	
COMMUNICATIONS	6,605	10,494	10,494	0	0.0%	3,889	58.9%	
TRAVEL EXPENSES	11,396	8,721	8,721	0	0.0%	-2,675	-23.5%	
TRAINING	1,409	3,014	3,014	0	0.0%	1,605	113.9%	
CONTRACTS SERVICES AGREEMENTS	14,505	27,000	27,000	0	0.0%	12,495	86.1%	
MAINT. & REPAIR-TIME/MATERIAL	6,072	11,102	11,102	0	0.0%	5,030	82.8%	
RENTAL/LEASE	0	981	981	0	0.0%	981	0.0%	
PROFESSIONAL SERVICES	29,338	16,214	11,114	-5,100	-31.5%	-18,224	-62.1%	
LICENCES, PERMITS, FEES	2,526	1,939	1,939	0	0.0%	-587	-23.2%	
CREDIT CARD SERVICES CHARGES	2,953	1,737	1,737	0	0.0%	-1,216	-41.2%	
PROMOTION & ADVERTISING	91,811	102,219	58,638	-43,581	-42.6%	-33,173	-36.1%	
CONTRACTED MUNICIPAL SERVICES	7,645,513	7,977,835	8,039,996	62,161	0.8%	394,483	5.2%	
OTHER PURCHASED SERVICES	36,189	36,189	36,191	2	0.0%	2	0.0%	
Total Expenses	\$8,860,395	\$9,208,615	\$9,237,856	\$29,241	0.3%	\$377,461	4.3%	
Net Expenditures/(Revenues)	\$7,718,571	\$7,925,097	\$7,949,002	\$23,905	0.3%	\$230,431	3.0%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Grants and Subsidies: Revenue decrease due to reduction in grant from Waste Diversion Ontario.

Other Income: Revenue increase due to additional revenues from the Public Space Waste Recycling Receptacles System and Advertising Program.

Contracted Municipal Services: Increase due to higher tonnage of waste collected throughout the City as a result of development growth.

WATERWORKS BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Service Planning - Feasibility of 'Pipes Group'	To be included as the main task of Service Planning phase 2, starting in Q3	OT
2	Office Relocation - New location to move Waterworks	New location has been identified and purchased by the Corporation	COM
3	Carlton Road Pumping Station Building	Tender for the design of the pumping station to be developed by INF for Q3; SE will review RFP and specify SCADA component requirement for consultants in Q3, SE will review consultant's delivery, design and tender in Q4 & Q1 2013	OT
4	Corporate Training Centre Study for Fire / Waterworks (Co-Lead with Fire & Emergency Services)	Being addressed as a component of the Master Fire Plan	DL
5	Implementation of Water Audit - an International best practice to determine water loss in drinking water systems	Staff are tracking sources of Non-Revenue Water (NRW). Meters have been added to unmetered locations (i.e. City facilities). Work on going over billing justification with Region.	OT
6	Inflow and Infiltration (I&I) Reduction - A joint undertaking of all York municipalities to reduce I&I system flows by 10%	Thornhill relining project to start in Q3/Q4. System engineer to be hired by Q4 to start downspout disconnect project.	ADJ
7	Service Planning - Building on work done for QMS, Service Planning is a program designed to allow for bottom-up input into service delivery and to design services to provide value and accountability	Completed phase 1 of Service Planning in Q2 - revised the O&M Functional Chart and completed 5 tasks. Remaining tasks to be worked on by next phases of Service Planning in Q3 and 2013.	OT
8	Legislative and Corporate Compliance - Processes for ensuring compliance to legislative requirements and corporate policies	All staff managing capital projects were trained in Eclipse in Q1. Staff improving competency in financial tracking by Q2. Project scheduling is final phase of competency to be developed by end of Q4.	OT
9	Sustainable Revenue - Programs to stabilize revenue streams and ensure long-term affordability of service and undertake review of the water rate structure	Completed review of the water rate structure; engaged BDR consultant to develop new water rate model. Report to Council in Q3 2012.	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



WATERWORKS KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	0	0	0	1 every 2 years
Average overall satisfaction for formal survey(s) completed (%)	N/A	N/A	N/A	N/A	N/A	N/A	≥80%
Average extremely/very satisfied for formal survey(s) completed (%)	N/A	N/A	N/A	N/A	N/A	N/A	≥35%
Service Satisfaction Rating (%) from informal survey	82%	73%	65%	78%	81%	78%	≥85%
Water Quality Complaints per 1,000 people served (NBI) showing Markham / Canada-wide average	0.2 / 0.60	0.2 / 0.70	0.3 / 0.70	0.2 / 0.5	N/A	N/A	0.20
Water Pressure Complaints per 1,000 people served (NBI) showing Markham / Canada-wide average	0.67 / 0.44	0.66 / 0.44	0.76 / 0.46	0.85 / 0.32	N/A	N/A	0.45
FINANCIAL PERFORMANCE							
Operating cost per km - water distribution system (MPMP)	\$ 11,597	\$ 12,517	\$ 9,190	\$ 9,314	\$ 10,833	N/A	\$ 10,833
Operating cost per km - wastewater collection system (MPMP)	\$ 4,820	\$ 4,614	\$ 3,225	\$ 3,671	\$ 3,921	N/A	\$ 3,921
OPERATIONAL EXCELLENCE							
Annual # of water main breaks per 100km of distribution pipe (MPMP)	4.34	2.90	3.26	3.14	3.66	1.65	3.00
# of households per FTE	1,412	1,591	1,611	1,632	1,479	1,455	1,435
Reportable adverse water quality samples as % of all samples taken	0.17%	0.16%	0.10%	0.08%	0.12%	0.10%	0.10%
Work order & Service requests issued	74,239	45,733	45,031	42,048	39,999	23,509	45,382
Completion rate on approved capital projects	69%	69%	68%	73%	61%	40%	80%
# of sewer backups per 100km of mainline (MPMP)	0.45	1.23	3.15	1.43	2.43	NA	2.00
Average Waterworks-specific training hours per full-time employee	75	81	79	71	75	60	75
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	52%	N/A	61%	N/A	64%	≥75%
Recognition rating (from staff survey)	N/A	48%	N/A	54%	N/A	53%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	69%	N/A	71%	N/A	72%	≥80%
Completion rate for performance management	N/A	N/A	98%	98%	96%	N/A	100%
Average Corporate learning hours per full-time employee ¹	21.1	14.4	11.1	9.0	4.6	5.4	20.0
Staff absenteeism (average # of days per employee)	8.3	8.8	10.1	12.1	8.6	5.2	≤8.4
Staff turnover rate	0.0%	0.0%	6.0%	3.9%	8.3%	0.0%	≤7.5%
KPI SUMMARY							
Note: ¹ Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste & Environmental Management, and Waterworks. A separate figure for this business unit was not available.							
MPMP data for any given year is calculated in April of the following year. As a result, mid-year data for the current year are not available.							
NBI data, in the Customer Satisfaction section, for any given year is calculated in October/November of the following year and Canada-wide comparisons are published the year after that.							

WATERWORKS BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support the development of the new official plan as required	GM	
2	Portal Phase 3 (Support)		Support the implementation of Phase 3 of the Portal Plan	MS	OE
3	Excellence Markham- Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross commission work groups as required		CS
4	Excellence Markham- Staff Survey Implementation (Support)		Within the department develop a project plan to address key improvement area(s) that will help support the overall corporate response to the staff survey		SE
5	IT Strategic Plan Refresh (Support)		Support the IT strategic plan- refresh as required	MS	OE
6	Corporate Community Engagement Strategy (Support)		Support and provide input	ILMP	CS
Business Unit Objectives					
1	Water Audit - Metering Accuracy	NP	a) Upgrade an area of the City with up to 500 automated meters (subject to Business Case report findings due this fall.) By Q4 2013 to provide more timely meter data to correlate with SMA data and regional billings. b) Work with Region to implement findings of billing audit currently underway and expected to be completed by Q1 2013. Actual work required and completion dates to be finalized once study is complete. c) Completion of 5 sector management areas by Q3 2013 to help track where water goes in system. Data is used to identify areas of high losses as well as correlate with Regional billings.	MS	OE
2	Water Audit - Unauthorized Consumption	NP	a) Implement Water Meter By-law expected to be approved by Council in Q4 2012. Implementation of this By-law will provide staff with processes to deal with companies or individuals manipulating the water system to obtain unmetered water. b) Construct a bulk water station in Box Grove by Q2 2013 which will allow contractors access to bulk water through a pay-by-use dispenser.	MS	OE
3	Develop Vision and Mission Statement for Environmental Services Department		In Q2 2013, the Department will develop a mission and vision document which will outline guiding principles and provide a basis for future business planning and continuous improvement.	MS	OE
4	Develop and Implement Financial Processes		Operationalize procurement planning in Q1 to plan, track and report on procurement activities. Integrate project management and reporting through use of Eclipse and management reports in Q1.	MS	FP
5	Sustainable Water Rates		Subject to Council approval in fall 2012, Waterworks will work with Finance and PowerStream to implement a new water rate structure effective April 2013.	GP	FP
6	Water Conservation Program		Develop a water conservation strategy with details on program and funding for Council approval in Q3 2013 in time for inclusion in the 2014 budget work. Will be coordinated with programs being developed by Region. Investigate customers feedback mechanisms i.e. detailed billing, IBM Smart Cities, etc.	GP	CS
7	Pipes Group		In Q4 2012, Service Planning will be reviewing the opportunity to develop a 'Pipes' team which will be able to deal with the Operations and Maintenance of both storm and sanitary sewers. Based on the outcome of that study additional work in 2013 may be	MS	OE
8	Corporate Training Centre Study for Fire/Waterworks (Co-Lead)		Work on RFP project & evaluate in conjunction with Fire & Emergency Services (FES).	MS	OE
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



WATERWORKS 2013 OPERATING BUDGET

Description	2012 Actual	2012 Budget	2013 Budget	2013 Bud. vs. 2012 Bud.		2013 Bud. Vs. 2012 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
TAXES - OTHER CHARGES	\$2,185	\$0	\$0	\$0	0.0%	(\$2,185)	-100.0%	
FINES/ BILLINGS	81,489,040	80,740,020	88,460,821	7,720,801	9.6%	6,971,781	8.6%	
USER FEES & SERVICE CHARGES	732,867	484,600	682,160	197,560	40.8%	-50,707	-6.9%	
SALES	469,224	148,000	273,000	125,000	84.5%	-196,224	-41.8%	
RECOVERIES & CONTRIBUTIONS	751,502	270,000	373,500	103,500	38.3%	-378,002	-50.3%	
OTHER REVENUE	12,352	0	0	0	0.0%	-12,352	-100.0%	
TRANSFERS FROM RESERVES	0	0	0	0	0.0%	0	0.0%	
Total Revenues	\$83,457,170	\$81,642,620	\$89,789,481	\$8,146,861	10.0%	\$6,332,311	7.6%	
Expenses								
SALARIES AND BENEFITS	\$6,180,023	\$6,441,201	\$6,756,944	\$315,743	4.9%	\$576,921	9.3%	
PRINTING & OFFICE SUPPLIES	28,903	29,092	29,092	0	0.0%	189	0.7%	
OPERATING MATERIALS & SUPPLIES	126,639	128,705	128,705	0	0.0%	2,066	1.6%	
CONSTRUCTION MATERIALS	603,565	566,650	594,566	27,916	4.9%	-8,999	-1.5%	
UTILITIES	26,316	36,742	36,742	0	0.0%	10,426	39.6%	
COMMUNICATIONS	45,383	75,601	100,172	24,571	32.5%	54,789	120.7%	
TRAVEL EXPENSES	28,218	49,500	49,500	0	0.0%	21,282	75.4%	
TRAINING	54,735	56,130	56,130	0	0.0%	1,395	2.5%	
CONTRACTS & SERVICE AGREEMENTS	3,013,951	2,905,096	2,961,912	56,816	2.0%	-52,039	-1.7%	
MAINT. & REPAIR-TIME/MATERIAL	300,983	345,122	345,122	0	0.0%	44,139	14.7%	
RENTAL/LEASE	2,609	5,099	6,099	1,000	19.6%	3,490	133.8%	
PROFESSIONAL SERVICES	102,233	113,034	113,034	0	0.0%	10,801	10.6%	
LICENCES, PERMITS, FEES	32,228	32,260	38,260	6,000	18.6%	6,032	18.7%	
PROMOTION & ADVERTISING	0	3,000	3,000	0	0.0%	3,000	0.0%	
CONTRACTED MUNICIPAL SERVICES	59,552,485	56,772,274	62,737,473	5,965,199	10.5%	3,184,988	5.3%	
OTHER PURCHASED SERVICES	1,966,822	1,966,822	2,019,076	52,254	2.7%	52,254	2.7%	
WRITE-OFFS	2,070	30,000	30,000	0	0.0%	27,930	1349.3%	
TRANSFERS TO RESERVES	12,086,292	12,086,292	13,783,654	1,697,362	14.0%	1,697,362	14.0%	
OTHER EXPENSES	81	0	0	0	0.0%	-81	-100.0%	
Total Expenses	\$84,153,536	\$81,642,620	\$89,789,481	\$8,146,861	10.0%	\$5,635,945	6.7%	
Net Expenditures/(Revenues)	(\$696,366)	\$0	\$0	\$0	0.0%	\$696,366	-100.0%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

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

User Fees & Service Charges/Sales/Recoveries & Contributions: Increase to budget based on historical actual revenues.

Salaries & Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.

Contracts & Service Agreements: Increase in costs associated with the sewer effluent sampling program.

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

Other Purchased Services: Increase in indirect cost chargeback to Waterworks.

Transfer to Reserves: Increased transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements as per the Waterworks Reserve Study.

RECREATION SERVICES BUSINESS PLAN OUTCOMES

2012 Business Plan Objectives/Outcomes			
#	Objective	Actual Outcomes	Status
1	Community Engagement Plan (Lead) - Building on the success of the 2011 Pilot Program, a full plan will be rolled out in 2012.	Draft Community Engagement Framework has been developed. Draft framework and community engagement process successfully piloted for South East Markham. Workshop-style meeting will be held in September 2012 with all departments to get input into the framework, with intent to finalize in Q4.	ADJ
2	Municipal Role in Community Events (Support) - City's involvement in Community Events will be explored through a Cross Commission review of current involvement.	Lead Department has not initiated work on this project. Recreation has worked with Communications & Community Relations (C&CR) to transition the RBC Milliken Children Festival to being a corporately supported event that is managed by C&CR in 2012.	DL
3	PAN AM Projects (Support) - Continue working with Toronto 2015 and Infrastructure Ontario design and commencement of construction of facilities.	Collaborated with Asset Management and the Community Services Commissioner (Lead) and supported the development and design of the Pan Am facility that has received Council approval. Construction to commence fall 2012. Facility Agreement has been signed and FF&E has been finalized.	COM
4	Integrated Leisure Master Plan (Lead) - Coordinate cross-Commission implementation of the recommendations contained within this 10-Year plan.	Report Card on the status of the implementation received by Council in June 2012. In Q3, a meeting will be held with all departments to ensure continued support of the ILMP through the work they do within their departments.	COM
5	Support corporate initiatives: Official Plan update, Diversity Action Plan, Portal, Records Management (Support)	Continued to support as necessary. Developed a tracking system to ensure ILMP, Diversity Plan, and Green Print recommendations relating to the department are monitored and reported consistently and efficiently.	COM
6	Pricing Strategy (Lead) - Finish development of a comprehensive pricing strategy, including pricing philosophies, financial accessibility and subsidy, pricing elasticity and fee increase methodology	First phase has been completed and reported to Council. Second phase to be completed by end of Q4.	OT
7	Service Planning Initiative - Undergo a service planning review and formulate service standards and recommendations.	As a result of identification of issues within our camp program, service planning was completed specific to our camp services. A full review of 5 areas has been completed and implemented which included: Supervision, Hiring Practices, Programming, Training, and Communication/Issue Management.	COM
8	Community Safety Plan (Lead) - Through an approach of research, partnership consultation and community engagement, a plan will be developed that will explore how the Markham, a safe community, can be made even safer.	Research on existing plans has been completed, inventory of current programs and processes that exist have been completed. Scope of work with desired outcomes will be presented to ELT in Q3. If approved by end of Q4 RFP, retain a consultant to work with a staff team to develop a community safety plan in 2013. Capital funding has been allocated.	ADJ
9	Seniors Services Strategy (Lead) - Development of a strategy for the delivery of services impacting seniors.	To be initiated in Q4 - work team to be identified, project charter to be developed and initiate inventory of senior services that are currently offered in City of Markham.	OT
10	Marketing Strategies - Development of Marketing Strategies that acknowledge the specific target markets and diverse clientele of the differing service delivery areas offered within Recreation Services.	Fitness program is an area of focus. Developed a 30-second commercial, QVR code, and print add. Groupon/WagJag currently being investigated for implementation in September.	OT
Notes:			
Objective Status: OT= On Target, ADJ= Scope Adjusted , DL= Delayed, COM= Completed, DEL= Deleted			



RECREATION SERVICES KEY PERFORMANCES INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	3	1	0	0	0	1 every 2 years
Average overall satisfaction for <u>formal</u> survey(s) completed (%)	84%	79%	87%	N/A	N/A	N/A	≥80%
Average extremely/very satisfied for <u>formal</u> survey(s) completed (%)	24%	71%	NA	N/A	N/A	N/A	≥35%
# of informal customer satisfaction surveys completed	0	0	0	0	0	1	0
Average overall satisfaction for <u>informal</u> survey(s) completed (%)	N/A	N/A	N/A	N/A	N/A	94%	≥80%
Average extremely/very satisfied for <u>informal</u> survey(s) completed (%)	N/A	N/A	N/A	N/A	N/A	47%	≥35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 50.46	\$ 52.17	\$ 49.71	\$ 49.65	\$ 54.86	\$ 29.33	\$ 55.83
Net cost of recreation per capita	\$ 13.33	\$ 18.80	\$ 14.27	\$ 14.37	\$ 16.10	\$ 8.61	\$ 16.38
Revenue as % of total gross Recreation operating expenditures	73%	70%	72%	71%	69%	67%	70%
Revenue as % of total non-tax City revenues	25%	25%	27%	26%	29%	30%	15%
OPERATIONAL EXCELLENCE							
# of annual visits at recreation facilities	5,763,326	6,214,641	6,958,725	6,330,339	7,795,439	3,696,777	≥6,749,303
Average fill rate for all programs	87%	87%	85%	82%	77%	75%	80%
Sq.ft. of community centre space per capita	3.1	3.1	3.1	3.1	3.1	3.1	3.5
Annual # of all direct program registrations	78,281	82,750	81,271	82,125	71,199	38,729	90,000
Annual # of all direct program classes	9,805	9,900	9,856	9,953	8,198	5,146	N/A
# of fitness memberships at year end	3,735	3,599	3,651	3,395	3,061	1,869	4,000
Completion rate on approved capital projects	86%	82%	86%	27%	58%	N/A	95%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	66%	NA	63%	NA	61%	≥75%
Recognition rating (from staff survey)	N/A	54%	NA	56%	NA	47%	≥65%
Staff Satisfaction rating (from staff survey)	N/A	80%	NA	72%	NA	66%	≥80%
Completion rate for performance management	100%	99%	90%	98%	96%	N/A	100%
Average Corporate learning hours per full-time employee	18.6	13.7	12.6	2.5	2.1	1.2	20.0
Staff absenteeism (average # of days per employee)	6.1	6.8	5.6	7.4	6.0	2.9	≤8.4
Staff turnover rate	0.0%	5.0%	2.0%	3.8%	3.2%	0.0%	≤7.5%
KPI SUMMARY							
NOTE: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009.							

RECREATION SERVICES BUSINESS PLAN OBJECTIVES

2013 Business Plan Objectives (S.M.A.R.T)					
#	Objective	Requires Additional Resources	Outcomes	Priorities	
				Building Markham's Future Together	Excellence Markham
Cross Commission Projects					
(Ensure all affected departments have been consulted and Lead or Support role is noted in the Objective column)					
1	New Official Plan (Support)		Support the development of the new official plan as required. Provide information from the Integrated Leisure Master Plan that informs the Official Plan.	GM	
2	Portal Phase 3 - Implementation (Support)		Support the implementation of Phase 3 of the Portal Plan.	MS	OE
3	Excellence Markham - Customer Satisfaction (Support)		Support the development of the customer service strategy through work on cross commission work groups as required.		CS
4	Excellence Markham - Staff Survey Implementation (Support)		Within the department develop a project plan to address Key Improvement Area(s) that will help support the overall corporate response to the staff survey.		SE
5	IT Strategic Plan - Refresh (Support)		Support the IT Strategic Plan - refresh as required.	MS	OE
6	Corporate Community Engagement Strategy - Develop a corporate wide Community Engagement framework that provides guidelines and tools on effective methods for engaging our community. (Lead)		Host work shop with all department heads - Q4 (2012) to review work to date initiated through the ILMP. Develop work team with representatives from all departments to develop work plan and refine proposed tool kit developed from ILMP work team. Q2 host workshop with Council for their input into framework. Q3 staff training session. Q4 Implementation.	ILMP	CS
Business Unit Objectives					
1	Integrated Leisure Master Plan (Lead) - Continue to implement ILMP recommendation and monitor progress by other departments supporting the ILMP		Report the progress of the ILMP on an annual basis to Council. Individual department to implement applicable recommendations.	ILMP	OE
2	Continue to develop the Senior Strategic Plan (Lead)		Based on the Project charter that will be finalized in Q4 2012 the project team will implement a work plan. An inventory of current services will be included. The work team will ensure that the Senior Advisory Board is included at all points through the work plan. Progress of work to be reported to council end of Q2 and draft of strategy to be completed in Q4.	ILMP	CS
3	Milliken Mills Library and Recreation Expansion (Co-Lead)		As part of a work team continue to support as necessary the work to be completed, if project approved by Council. If approved, design should be completed by Q4 2013, and RFP developed	ILMP	CS
4	South East Markham Community Centre and Library (Co-Lead)		As part of a work team support the design process of the new facility. Recreation role will be to lead the Community Engagement segment of the process to ensure the community has been fully engaged throughout schematic and design development.	ILMP	CS
5	Cornell Community Centre and Library (Co-Lead)		Operationalize the new community centre to ensure that community expectations are met. Continue to work with Markham Stouffville Hospital to maximize the benefits of the partnership	ILMP	CS
6	Refresh the Youth Strategy (Lead)		Working with a team of internal and external stakeholders to review the current Youth Strategy to ensure that it is still meeting the needs of the Youth in our community. This work will be initiated in Q3.	ILMP	CS
7	Community Safety Plan (Lead)		Finalize the plan by working with community stakeholders (e.g. York Region Police, School Boards) by Q3. Presentation of a Community Safety Plan to Council for approval by Q4.	ILMP	CS
8	Pricing Strategy and Subsidy Strategy (Lead)		Implementation of Phase 3 and Phase 4 of the Pricing and Subsidy Strategy.	ILMP	FP
9	Develop Public Education Plan on safe bicycle riding (Lead)		In partnership with external agencies work with them to develop key Public Education messages about safe bicycling in our community. This program will be designed to be delivered primarily in the schools within our community. It will also be supported by learn to ride programs offered at community	ILMP	CS
10	Pan Am Project - Community Activation Plan Implementation and development of Operating Plan		Continue to support the Pan Am project through development of a community activation plan. Work with Pan Am to support the July 10 - 2 year out celebration. Develop operating plan for inclusion in the 2014 operating	ILMP	CS
11	Sport Park Development (Support)		Working with Parks Design, lead the community consultation portion of this project to ensure that all stakeholders have the opportunity to have input into the design of the sport park.	ILMP	CS
Requires Additional Resources: P=Personnel, NP=Non-Personnel, B=Both (Personnel & Non-Personnel)					
Building Markham's Future Together: - Markham 2020 Economic Development Strategy (2020), Diversity (DAP), Growth Management (GM), Greenprint (GP), Integrated Leisure Master Plan/Public Safety (ILMP), Municipal Services (MS), Transportation & Transit (TT)					
Excellence Markham: The Excellence Canada framework contains four outcomes, namely Customer Satisfaction (CS), Financial Performance (FP), Staff Engagement (SE), Operational Excellence (OE)					
S.M.A.R.T: Specific, Measurable, Attainable, Realistic, Time-bound					



RECREATION SERVICES 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>		
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
Revenues								
GRANTS & SUBSIDIES	\$65,466	\$16,000	\$58,000	\$42,000	0.0%	(\$7,466)	-11.4%	
USER FEES & SERVICE CHARGES	8,157,051	8,676,443	10,911,758	2,235,315	0.0%	2,754,707	33.8%	
RENTALS	5,352,837	5,719,331	6,085,973	366,642	0.0%	733,136	13.7%	
SALES	129,566	116,015	125,903	9,888	0.0%	-3,663	-2.8%	
RECOVERIES & CONTRIBUTIONS	32,161	57,000	66,315	9,315	0.0%	34,154	106.2%	
OTHER REVENUE	235,100	285,375	251,455	-33,920	0.0%	16,355	7.0%	
INTERDEPARTMENTAL RECOVERIES	606,308	606,308	714,308	108,000	0.0%	108,000	17.8%	
Total Revenues	\$14,578,489	\$15,476,472	\$18,213,712	\$2,737,240	0.0%	\$3,635,223	24.9%	
Expenses								
SALARIES AND BENEFITS	\$14,837,692	\$14,593,371	\$16,550,256	\$1,956,885	0.0%	\$1,712,564	11.5%	
PRINTING & OFFICE SUPPLIES	105,434	90,928	100,628	9,700	0.0%	-4,806	-4.6%	
PURCHASES FOR RESALE	78,019	61,318	59,118	-2,200	0.0%	-18,901	-24.2%	
OPERATING MATERIALS & SUPPLIES	854,277	960,543	1,159,342	198,799	0.0%	305,065	35.7%	
VEHICLE SUPPLIES	31,950	32,180	35,997	3,817	0.0%	4,047	12.7%	
UTILITIES	2,895,601	3,069,487	3,710,106	640,619	0.0%	814,505	28.1%	
COMMUNICATIONS	23,403	91,378	27,137	-64,241	0.0%	3,734	16.0%	
TRAVEL EXPENSES	10,939	8,175	11,200	3,025	0.0%	261	2.4%	
TRAINING	137,522	130,722	125,650	-5,072	0.0%	-11,872	-8.6%	
CONTRACTS & SERVICE AGREEMENTS	905,987	972,696	1,142,845	170,149	0.0%	236,858	26.1%	
MAINT. & REPAIR-TIME/MATERIAL	1,001,071	889,245	1,019,084	129,839	0.0%	18,013	1.8%	
RENTAL/LEASE	189,951	183,605	180,963	-2,642	0.0%	-8,988	-4.7%	
INSURANCE	0	1,300	1,300	0	0.0%	1,300	0.0%	
PROFESSIONAL SERVICES	114,776	93,300	66,000	-27,300	0.0%	-48,776	-42.5%	
LICENCES, PERMITS, FEES	49,310	68,882	70,752	1,870	0.0%	21,442	43.5%	
CREDIT CARD SERVICE CHARGES	241,834	202,000	202,000	0	0.0%	-39,834	-16.5%	
PROMOTION & ADVERTISING	340	1,000	1,000	0	0.0%	660	194.1%	
CONTRACTED MUNICIPAL SERVICES	13,508	10,300	11,730	1,430	0.0%	-1,778	-13.2%	
PMTS. TO CITIZENS/LOCAL GROUPS	46,101	45,000	45,000	0	0.0%	-1,101	-2.4%	
OTHER EXPENDITURES	100,372	50,000	70,000	20,000	0.0%	-30,372	-30.3%	
TRANSFERS TO RESERVES	369,262	369,262	369,262	0	0.0%	0	0.0%	
Total Expenses	\$22,007,349	\$21,924,692	\$24,959,370	\$3,034,678	0.0%	\$2,952,021	13.4%	
Net Expenditures/(Revenues)	\$7,428,860	\$6,448,220	\$6,745,658	\$297,438	0.0%	(\$683,202)	-9.2%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

User Fees & Service Charges: Increase due to opening of the new Cornell Community Centre and CPI (consumer price index) price increases.

Rentals: Increased rental volumes due to opening of the new Cornell Community Centre.

Interdepartmental Recoveries: Related to Library Occupancy Recovery from the new Cornell Community Centre.

Salaries and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids and increase staffing due to opening of new the Cornell Community Centre.

Utilities: Due to hydro rate price increase and increased volume from opening of the new Cornell Community Centre.

Operating Materials & Supplies: Increase due to opening of the new Cornell Community Centre.

Contracts & Service Agreements: Increase due to opening of the new Cornell Community Centre.

**COMMUNITY AND FIRE COMMISSIONER'S OFFICE
2013 OPERATING BUDGET**

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. vs. 2012 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses								
SALARIES AND BENEFITS	\$630,507	\$578,167	\$637,660	\$59,493	10.3%	\$7,153	1.1%	
PRINTING & OFFICE SUPPLIES	3,738	2,334	2,334	0	0.0%	-1,404	-37.6%	
OPERATING MATERIALS & SUPPLIES	9,071	8,877	8,877	0	0.0%	-194	-2.1%	
COMMUNICATIONS	328	750	750	0	0.0%	422	128.7%	
TRAVEL EXPENSES	5,791	18,167	18,167	0	0.0%	12,376	213.7%	
TRAINING	25,154	40,241	36,328	-3,913	-9.7%	11,174	44.4%	
CONTRACTS & SERVICE AGREEMENTS	(69,225)	(69,225)	(72,187)	-2,962	4.3%	-2,962	4.3%	
PROFESSIONAL SERVICES	24,680	29,100	20,000	-9,100	-31.3%	-4,680	-19.0%	
LICENCES, PERMITS, FEES	5	583	583	0	0.0%	578	11560.0%	
Total Expenses	\$630,049	\$608,994	\$652,512	\$43,518	7.1%	\$22,463	3.6%	
Net Expenditures/(Revenues)	\$630,049	\$608,994	\$652,512	\$43,518	7.1%	\$22,463	3.6%	

Changes in the 2013 Budget from the 2012 Budget over \$50,000:

Salaries and Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the City's salary grids.



CORPORATE ITEMS 2013 OPERATING BUDGET

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenues							
TAX LEVIES	\$120,605,908	\$119,868,329	\$124,765,727	\$4,897,398	4.1%	\$4,159,819	3.4%
GRANTS-IN-LIEU OF TAXES	1,292,833	1,209,007	1,209,007	0	0.0%	-83,826	-6.5%
INTEREST & PENALTIES	3,506,273	3,375,000	3,375,000	0	0.0%	-131,273	-3.7%
INCOME FROM INVESTMENTS	19,759,980	18,532,265	19,136,923	604,658	3.3%	-623,057	-3.2%
USER FEES & SERVICE CHARGES	6,417	0	0	0	0.0%	-6,417	-100.0%
RENTALS	95,451	509,252	74,252	-435,000	-85.4%	-21,199	-22.2%
OTHER INCOME	1,226,785	1,063,073	1,629,309	566,236	53.3%	402,524	32.8%
TRANSFER FROM SURPLUS/DEFICIT	0	0	0	0	0.0%	0	0.0%
Total Revenues	\$146,493,647	\$144,556,926	\$150,190,218	\$5,633,292	3.9%	\$3,696,571	2.5%
Expenses							
SALARIES AND BENEFITS	\$3,690,496	\$3,526,154	\$4,324,690	\$798,536	22.6%	\$634,194	17.2%
UTILITIES	6,106	33,581	35,581	2,000	6.0%	29,475	482.7%
CONTRACTS SERVICE AGREEMENTS	-6,115,594	-6,125,557	-6,337,490	-211,933	3.5%	-221,896	3.6%
MAINT. & REPAIR - TIME & MATERIAL	39,808	0	0	0	0.0%	-39,808	-100.0%
RENTAL/LEASE	-5,250	0	0	0	0.0%	5,250	-100.0%
INSURANCE	1,626,007	2,354,656	2,254,656	-100,000	-4.2%	628,649	38.7%
PROFESSIONAL SERVICES	4,892	44,117	44,117	0	0.0%	39,225	801.8%
LICENCES, PERMITS, FEES	16,100	15,620	15,620	0	0.0%	-480	-3.0%
PROMOTION & ADVERTISING	55,675	33,709	33,709	0	0.0%	-21,966	-39.5%
OTHER PURCHASED SERVICES	367,543	370,000	370,000	0	0.0%	2,457	0.7%
WRITE-OFFS	903,358	415,041	272,000	-143,041	-34.5%	-631,358	-69.9%
OTHER EXPENDITURES	0	1,956,210	935,483	-1,020,727	-52.2%	935,483	0.0%
TRANSFERS TO RESERVES	27,471,556	25,253,451	26,845,961	1,592,510	6.3%	-625,595	-2.3%
Total Expenses	\$28,060,697	\$27,876,982	\$28,794,327	\$917,345	3.3%	\$733,630	2.6%
Net Expenditures/(Revenues)	(\$118,432,950)	(\$116,679,944)	(\$121,395,891)	(\$4,715,947)	4.0%	(\$2,962,941)	2.5%



**CORPORATE CONSOLIDATED
2013 OPERATING BUDGET
(EXCLUDES WATERWORKS, BUILDING, PLANNING AND ENGINEERING)**

<u>Description</u>	<u>2012 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2013 Bud. vs. 2012 Bud.</u>		<u>2013 Bud. Vs. 2012 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenue							
TAX LEVIES	\$120,605,908	\$119,868,329	\$124,765,727	\$4,897,398	4.1%	\$4,159,819	3.4%
GRANTS-IN-LIEU OF TAXES	1,208,507	\$1,209,007	1,209,007	0	0.0%	500	0.0%
GRANTS AND SUBSIDIES	1,644,596	\$1,529,273	1,546,994	17,721	1.2%	-97,602	-5.9%
LICENCES & PERMITS	1,431,894	\$1,418,394	1,418,394	0	0.0%	-13,500	-0.9%
INTEREST & PENALTIES	3,506,273	\$3,375,000	3,375,000	0	0.0%	-131,273	-3.7%
INCOME FROM INVESTMENTS	18,812,076	\$18,546,065	19,151,065	605,000	3.3%	338,989	1.8%
FINES	1,965,964	\$1,970,730	2,449,230	478,500	24.3%	483,266	24.6%
USER FEES & SERVICE CHARGES	12,911,112	\$12,395,023	14,908,403	2,513,380	20.3%	1,997,291	15.5%
RENTALS	6,579,679	\$6,974,859	6,797,604	-177,255	-2.5%	217,925	3.3%
SALES	542,526	\$559,834	575,308	15,474	2.8%	32,782	6.0%
RECOVERIES & CONTRIBUTIONS	1,215,274	\$1,487,920	1,605,800	117,880	7.9%	390,526	32.1%
OTHER INCOME	3,114,286	\$2,219,264	2,992,877	773,613	34.9%	-121,409	-3.9%
Total Revenues	\$173,538,095	\$171,553,698	\$180,795,409	\$9,241,711	5.4%	\$7,257,314	4.2%
Expenses							
SALARIES AND BENEFITS	\$100,461,415	\$101,831,262	\$107,573,175	\$5,741,913	5.6%	\$7,111,760	7.1%
PRINTING & OFFICE SUPPLIES	591,526	\$612,239	617,359	5,120	0.8%	25,833	4.4%
PURCHASES FOR RESALE	341,358	\$334,536	332,336	-2,200	-0.7%	-9,022	-2.6%
OPERATING MATERIALS & SUPPLIES	2,406,725	\$2,636,500	2,906,550	270,050	10.2%	499,825	20.8%
VEHICLE SUPPLIES	1,556,409	\$1,598,886	1,667,335	68,449	4.3%	110,926	7.1%
SMALL EQUIPMENT SUPPLIES	3,422	\$15,091	15,091	0	0.0%	11,669	341.0%
BOTANICAL SUPPLIES	249,674	\$267,197	267,197	0	0.0%	17,523	7.0%
CONSTRUCTION MATERIALS	924,197	\$1,392,412	1,479,137	86,725	6.2%	554,940	60.0%
UTILITIES	3,978,798	\$4,424,625	5,154,550	729,925	16.5%	1,175,752	29.6%
COMMUNICATIONS	1,425,530	\$1,402,193	1,421,522	19,329	1.4%	-4,008	-0.3%
TRAVEL EXPENSES	358,853	\$406,286	415,928	9,642	2.4%	57,075	15.9%
TRAINING	565,366	\$775,471	791,686	16,215	2.1%	226,320	40.0%
CONTRACTS & SERVICE AGREEMENTS	3,959,831	\$4,949,304	5,622,354	673,050	13.6%	1,662,523	42.0%
MAINT. & REPAIR-TIME/MATERIAL	5,344,211	\$3,712,786	4,362,055	649,269	17.5%	-982,156	-18.4%
RENTAL/LEASE	1,214,567	\$778,980	760,888	-18,092	-2.3%	-453,679	-37.4%
INSURANCE	1,641,561	\$2,367,919	2,267,919	-100,000	-4.2%	626,358	38.2%
PROFESSIONAL SERVICES	2,690,364	\$2,530,784	2,559,039	28,255	1.1%	-131,325	-4.9%
LICENCES, PERMITS, FEES	558,673	\$615,407	619,077	3,670	0.6%	60,404	10.8%
CREDIT CARD SERVICE CHARGES	267,394	\$218,335	219,313	978	0.4%	-48,081	-18.0%
PROMOTION & ADVERTISING	1,530,408	\$1,241,669	1,309,788	68,119	5.5%	-220,620	-14.4%
DISCRETIONARY COMMUNICATIONS	0	\$429,948	429,948	0	0.0%	429,948	0.0%
CONTRACTED MUNICIPAL SERVICES	9,587,678	\$9,775,129	9,905,922	130,793	1.3%	318,244	3.3%
OTHER PURCHASED SERVICES	1,027,571	\$1,031,419	1,141,421	110,002	10.7%	113,850	11.1%
OFFICE FURNISHINGS & EQUIPMENT	0	\$1,700	0	-1,700	-100.0%	0	0.0%
WRITE-OFFS	915,974	\$415,141	272,100	-143,041	-34.5%	-643,874	-70.3%
OTHER EXPENDITURES	1,935,624	\$2,078,870	2,578,350	499,480	24.0%	642,726	33.2%
TRANSFERS TO RESERVES	26,676,930	\$25,709,609	26,105,369	395,760	1.5%	-571,561	-2.1%
Total Expenses	\$170,214,059	\$171,553,698	\$180,795,409	\$9,241,711	5.4%	\$10,581,350	6.2%
Surplus/(Deficit)	3,324,036	-	\$0	\$0	-	-\$3,324,036	-100.0%

ACRONYMS

BIA	A Business Improvement Area (BIA) is an association of business people within a specified district, who join together with official approval of the City, in a self-help program aimed at stimulating business.
BU	Business Unit Profile
CAO	Chief Administrative Officer
CARE	Customer Action Request Forms are a way to monitor customer responses to the services provided by the City.
CCC	CAO & Commissioners' Committee (know as ELT for 2013)
COLA	Cost of Living Adjustment
CPI	Consumer Price Index – A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e. economic inflation)
CUPE	Canadian Union of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
DBRS	Dominion Bond Rating Service
DCA	Development Charges Act – Provides guidelines on funding of identified growth related projects in the City from developers.
DF	Director's Forum
ELT	Executive Leadership Team (formerly known as CCC)
GAAP	Generally Accepted Accounting Principles – Uniform minimum standards for financial accounting a recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
GFOA	Government Finance Officers Association of the United States and Canada
HST	Harmonized Sales Tax (13%)
ITS	Information Technology Services
KPI	Key Performance Indicators (Performance Measures)



LEED	Leadership in Energy and Environmental Design
MEC	See Markham Enterprises Corporation in glossary of terms
MECO	See Markham Energy Conservation Office in glossary of terms
MESF	Markham Environmental Sustainability Fund
MPFFA	Markham Professional Firefighter's Association – An association of Firefighter's formed for protecting the rights of its members in their workplace environment.
MTO	The Ontario Ministry of Transport
NCMDD	National Centre for Medical Devices Development
NQI	National Quality Institute. NQI provides organizational leaders with strategic business frameworks, services and tools that support ongoing performance improvement in quality and healthy workplace environments, using NQI's innovative Roadmap to Excellence. The Roadmap guides Canadian organizations through leadership participation, base-line reviews, related training and organizational certification.
NRC	National Research Council
OMERS	Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the City's full-time employees. Employees and employers normally make equal contributions to the plan.
PEP	Progressive Excellence Program. The Progressive Excellence program gives companies a roadmap to implement NQI criteria into the organization.
PSAB	Public Sector Accounting Board. The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information. The City of Markham adheres to PSAB's Public Sector Standards for Municipal Financial Reporting.
SWM	Storm Water Management
TIF	Tax Increment Financing

TRCA	Toronto and Region Conservation Authority is an organization that prepares and delivers programs for the management of the renewable natural resources within its watersheds.
WDO	Waste Diversion Ontario is a non-crown corporation created under the Waste Diversion Act (WDA) on June 27, 2002. It was established to develop, implement and operate waste diversion programs for a wide range of materials. The Minister of the Environment has designated Blue Box Waste, Used Tires, Used Oil Material, Waste Electrical and Electronic Equipment and Municipal Hazardous or Special Waste under the WDA.
YRDSB	York Region District School Board

GLOSSARY OF TERMS

Accrual Basis	A method of accounting that recognizes revenue as they are earned and expenditure when they are incurred rather than waiting until cash is exchanged.												
Accumulated Depreciation	The total amount recorded, during a specified period of time, to reduce the value of a long-term tangible asset.												
Assessment	<p>The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arms length, open market sale between a willing buyer and willing seller.</p> <p>The date used to determine current value is as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Tax Year</u></th> <th style="text-align: left;"><u>Base Year</u></th> </tr> </thead> <tbody> <tr> <td>1998, 1999, 2000</td> <td>June 1996</td> </tr> <tr> <td>2001, 2002</td> <td>June 1999</td> </tr> <tr> <td>2003</td> <td>June 2001</td> </tr> <tr> <td>2004, 2005</td> <td>June 2003</td> </tr> <tr> <td>2006, 2007, 2008</td> <td>June 2005</td> </tr> </tbody> </table>	<u>Tax Year</u>	<u>Base Year</u>	1998, 1999, 2000	June 1996	2001, 2002	June 1999	2003	June 2001	2004, 2005	June 2003	2006, 2007, 2008	June 2005
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1998, 1999, 2000	June 1996												
2001, 2002	June 1999												
2003	June 2001												
2004, 2005	June 2003												
2006, 2007, 2008	June 2005												
Administrative Expenses	Expenses incurred for the day-to-day running of operations e.g. Salaries, Building rental, Office expenses etc.,												
Bill 175	Legislation requiring mandatory adherence by municipalities to assess and report on the full costs of providing water and sewage services, and then to prepare and implement plans for recovering those costs.												
Bill 195	Legislation to safeguard health and prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing.												
Balanced Budget	When total revenues equals total expenses in a fiscal year.												
Budget	A financial plan for a given fiscal year showing revenues and expenditures for different funds of the City.												
Capital Budget	The budget that provides for the funding of the City's expenditures on capital assets, i.e. assets which provide benefits to the City over several years.												
Capital Assets	Represents assets like Land, Building, Machinery etc whose benefits last												

several years.

Capital Receipts	Receipt of funds specifically for the creation of a Trust account.
Capital Expenditure	Money's spent for replacement, renovation or maintenance of fixed assets the benefits of which could spread over several years.
Capital Projects	Projects whose value is more than \$5,000 with benefits of expenditure lasting several years.
Chargebacks	Represents allocating a portion of costs incurred by the department, which provides a service to the department, which benefits from such service.
Depreciation	An accounting and finance term for the method of attributing the cost of an asset across the useful life of the asset in order to match expenses with revenues.
Development Charges	A fee charged to new development to finance the cost of new growth-related capital facilities and infrastructure required to satisfy increased servicing needs
Donations in Kind	Represents the value of a commercial service received from external customers without any payment for the same.
Fixed Assets	A long-term tangible asset used in the delivery of Municipal services that is not expected to be consumed or converted into cash any sooner than at least one year's time.
Fund	A sum of money set aside and earmarked for a specified purpose.
Gas Tax Rebate	This is the funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions: economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water and reduced greenhouse gas emissions
Grants in Lieu	Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies.
Infrastructure	The system of public works in the City, consisting of immovable physical assets, that delivers an essential public service (e.g. road network, water and sewer systems, and lighting).
Levy	The amount of property tax, in dollars, which is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.

Line Item	General Ledger account code
Markham Enterprise Corporation	A wholly owned subsidiary of the City of Markham that was incorporated under the Electricity Act. Markham Enterprises Corporation has a wholly owned subsidiary, Markham District Energy Incorporated, and a 43% shareholding in PowerStream.
Markham Energy Conservation Office	MECO was established in 2005, with funding support from the City of Markham and PowerStream and is responsible for leading, developing and implementing energy conservation programs that deliver realistic demand shedding and cost avoidance results and are in line with the Provincial goals of creating a 'culture of conservation'.
Municipal Act	<p>Sections referenced:</p> <p>Section 326 of the Municipal Act, 2001 allows a municipality to enact a by-law to impose a special service charge to raise the cost of providing a water system. Such bylaw has to identify the service, determine the costs and designate the area where the charge would apply.</p> <p>Section 391 of the Municipal Act, 2001 allows a municipality to pass a by-law to impose a fee for capital costs related to sewage or water services on a class of persons that will receive a benefit from such services. Unlike a local improvement charge or special service charge, a fee imposed pursuant to section 391 does not have to be based on frontage or assessed value. This provision would enable the City to impose a fixed charge on each of the lots in question.</p>
New Urbanism	New Urbanism community planning creates more attractive, efficient and liveable neighbourhoods. These neighbourhoods are comprised of a compact built form, designed to promote pedestrian activity and social interaction. They have a mix of residential, commercial and community uses and activities. Special attention is paid to creating quality streetscapes, public buildings and spaces, and protecting the public realm.
Non-routine Capital Expenditures	Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.
Operating Budget	The budget that provides the various departments with funding for their annual recurring operating costs (e.g. salaries, materials and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.
Reserve	An allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Interest earned on the invested earnings is reported as

operating fund earnings and not accumulated in the reserve.

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

Section 391 Part of the Municipal Act, it authorizes the Council of a local municipality to pass by-laws imposing fees or charges on any class of persons for services or activities provided or done by or on behalf of the municipality.

Surplus The excess of actual revenue over operating expenditures incurred during a budget period. Surpluses at the end of each year must be applied to the following year's operating budget to reduce reliance on the tax levy, unless they are allocated to a reserve by a Council bylaw.

Supplementary Taxes Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).

Tax Rate A percentage rate that is used to determine the property tax levy to be paid by a particular taxpayer within the City. The rate for a property depends on its tax class, which in turn depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Tax rates are established by a Council bylaw.

User Fees & Service Charges Fees paid by individuals or organizations to the City for the use of City's facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees).