



# 2007 BUDGET

**Town of Markham**

**Ontario, Canada**

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**Cover photo Canadian flag collage:**

*top left:* Markham Museum Reception Centre; *middle left:* Fitness Centre renovation at Centennial Community Centre; *bottom left:* Markham's Mission Green Program

*centre:* Markham Civic Centre

*top right:* Cycling & Pedestrian Pathway Network; *middle right:* Markham's newest fire station #98; *bottom right:* Markham's hybrid vehicles



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Markham  
Ontario**

For the Fiscal Year Beginning

**January 1, 2006**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Town of Markham, Ontario** for its annual budget for the fiscal year beginning **January 1, 2006**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



## 2007 BUDGET

### EXECUTIVE SUMMARY

**We are pleased to present the 2007 Operating, Capital, Building Standards and Waterworks Budgets for the Town of Markham.** After extensive discussion and planning involving residents, community and business groups, Council and staff have produced a balanced budget which addresses the social needs of the community, maintains service levels and keeps the increase in the municipal portion of the tax rates at a minimal level. Vital Markham services such as fire protection, waste management and roads services have been supported at 2006 levels.

The Town of Markham approved the following 2007 Budgets, totalling \$301.0 million:

- Operating \$151.4 million
- Capital \$91.5 million
- Building Standards \$8.0 million
- Waterworks \$50.1 million

#### **Operating Budget**

The Town of Markham continues to face budgetary pressures in many aspects of its operations. However, the Town continues to remain financially prudent with its policy of not using one-time funding to balance the operating budget. Wage settlements, insurance, general inflation, contract escalations and renewals (including winter maintenance contracts and higher energy costs) have continued to challenge municipal budgets. Further, as the Town grows, the additional inventory of parks, community centres, watermains, roads, and sidewalks result in the need for increased resources to maintain and replace these assets. In addition; the budget includes the phasing in of operating costs related to future facility openings, such as the next Fire Station and the next Community Centre and Library.

The budgetary impact of these pressures were partially offset by increases in revenue resulting in a property tax levy tax rate increase over 2006 of 3.98% (\$40.20 per year on the municipal portion of the tax bill for an average home valued at \$403,000). Of the total residential property taxes collected, the Town receives about 25.55 cents of every dollar, with the remainder going to education (26.87 cents) and the Region of York (48.58 cents).

When the Budget was presented to the community on April 16, 2007, a 4.59 per cent increase in the tax levy was proposed. Following input from residents and review by the Town's budget sub-committee and staff, the tax levy increase was reduced to 3.98 per cent.

## Capital Budget

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

- Infrastructure & Transportation
- Creating a better quality of community
- Safe Streets
- Improving Environmental Protection & Management
- Implementation of Markham Centre Downtown and
- Maintaining Water & Wastewater Programs

## Some of the 2007 Budget highlights include:

- a partnership with local soccer organizations and the York Region District School Board to develop Markham's first fully-lit artificial turf sportsfields at the high school being built in the Markham Centre area
- one of the greenest budgets Markham has produced with funds being allocated to Enhanced Bike Routes & Pedestrian Pathways, Enhanced Tree Planting Initiatives, additional Hybrid Vehicles, support for the Markham Energy Conservation Office and Markham Sustainability Fund. There will also be a continued rollout of "Mission Green", a waste diversion program, to include apartment buildings and community special events, and development of a pesticide-free /enhanced cultural practices turf maintenance program for parks
- traffic calming measures for six streets under the Safe Streets program
- development of a diversity strategy specifically for the organization and continued participation in programs such as the CareerBridge internship program which provides Canadian work experience for new immigrants who have professional experience in their former country. In addition, the Town will develop a policy on the translation of Town communications to residents

## Looking Ahead

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

**Markham Centre** - The Town's vision for an urban, mixed-use, sustainable and transit-supportive downtown – "Markham Centre" is becoming a reality. Within the past year residents have moved into the first phase of Tridel's Circa project at Town Centre Boulevard and Highway 7. Liberty has completed their two office buildings along Highway 7, opposite the Town offices, and work progresses on their phase one residential programme to the south. Construction has commenced on Times' two residential buildings (532 units) at Clegg and South Town Centre Boulevard. Within Remington's "Downtown Markham" project, construction is underway on Honeywell Canada's corporate offices, as is construction on 4 apartment buildings known as the 'Bijou' buildings comprising a total of 432 units. In addition, cranes tower over the Markham Centre High School on Main Street Unionville, which is scheduled to open in September 2008. With the success of the YMCA which opened in 2006 and the possible addition of the Canadian Sports Institute of Ontario and the National Research Council to Markham Centre, the framework is being established early for the creation of a vibrant, mixed-use downtown core. This bodes well for the balance of the anticipated 20 year build-out of this community.

**Transportation** – Council recognizes that transportation is one of the most important strategic initiatives of the Town of Markham. Council recently approved a draft terms of reference and work program for developing a Transportation Strategic Plan for Markham. This plan is required to develop a transportation vision for the future, and to ensure that future transportation needs for an integrated network of highways, roads, rapid and conventional transit, cycling and pedestrian facilities and other infrastructure can be identified, planned and financial resources assigned accordingly. The Markham Transportation Strategic Plan will assist the Town in meeting its objectives of sustainable development, environmental preservation, economic vitality and healthy communities. The development of the plan is a two-year project that is expected to be completed by Fall 2009 and will include extensive public consultation with Markham residents, businesses and other stakeholders. Other transportation priorities in 2007 include; the completion of Markham Cycling Master Plan and the continued implementation of Markham Transportation Demand Management (TDM) initiatives and the Markham Safe Streets Strategy.

**eMarkham** - As Canada's High-Tech Capital, Markham is taking a leading role in exploring ways to improve its service delivery using electronic technology, to conduct an e-business government and to communicate with stakeholders. The Customer Contact Centre will celebrate its fourth year of operation, providing residents with electronic access to its services.

**Environment** – Markham continues to maintain its leadership role in protecting and improving its natural environment. Strategies being developed include additional Stormwater Management Ponds, Down Stream Improvements programs to improve watercourse erosion and fish habitats and expanding the Three Stream waste diversion program, "Mission Green", for apartments and special events. Further, the Town of Markham continues to add Green Fleet/Hybrid vehicles to its inventory and to develop a pesticide-free turf maintenance program for parks. There is also funding in the budget for the Markham Energy Conservation Office (MECO). MECO's objective is to implement programs that will allow for energy conservation, encourage a sustainable community and assist the Town in achieving Kyoto Protocol objectives.

This Budget Document is another example of Markham's commitment to the environment. 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. In addition, the Forestry Stewardship Council has certified that this paper has been made using sustainable forestry practices.

Markham continues to build on its reputation as "Canada's High-Tech Capital" with these initiatives and also its commitment to preserving natural resources which results in a community that is vibrant and provides a quality of life that makes us proud to be part of the community. The 2007 Budget and its long-term initiatives promote these values.

  
Frank Scarpitti  
Mayor

  
Dan Horchik  
Budget Chief & Ward 6 Councillor



## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
<b>1. Introduction</b>	
Markham and the North American Market	1
Markham Street Map	2
Markham Coat of Arms and Motto	3
Markham Council	4
History of Markham	5
Economic Profile	7
New Dwelling Units and Construction Values	16
<b>2. Corporate Overview</b>	
Organization Structure	17
2007 Budget Full Time Complement	18
Long-Term Strategic Plans & Initiatives	21
Engage 21st Century Markham Report	25
<b>3. Budget Policies &amp; Guidelines</b>	
Financial Policies	30
Budgeting Policies	34
Investment Policy	36
Reserve Policies	40
Debt Policy	43
Capital Budget Guidelines	44
Operating Budget Guidelines	49
<b>4. 2007 Budget</b>	
Business Planning and Budget Process	55
Budget Framework	56
Budget Process	56
Budget Summary	57
<b>4a. Operating Budget</b>	
- 2007 Operating Budget Summary	60
- 2007 Operating Budget	68
- Consolidated by Department & Commission	69
- Consolidated by Commission & Account	72
<b>4b. Capital Budget</b>	
- Capital Budget	73
- Capital Budget by Commission	76
- Capital Budget by Department	77
- Sources of Funding	81
- Capital Induced Operating Costs	83
- Long Term Capital Budget Forecast	84
- Description of Capital Projects Valued Over \$1 Million	86



## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
<b>4. 2007 Budget (Continued)</b>	
Waterworks Budget	104
Budget Presentation to Public	107
Treasurer and Commissioner Budget Report to Council	129
Media Release	134
Media Article	137
<b>5. Funds Summary</b>	
Summary of Funds Overview	138
Reserve & Reserve Fund:	
- Description	139
- Continuity Schedule	143
- Explanation of Changes	144
Description of Trust Funds	145
Summary of Funds	147
<b>6. Commission Overview, Business Plans &amp; Detailed Operating Budget</b>	
Business Plans Introduction	149
Mayor & Council	150
CAO's Commission	151
Corporate Services Commission	167
Development Services Commission	192
Community and Fire Services Commission	213
Corporation Consolidated	259
<b>7. Glossary</b>	
Acronyms	260
Glossary of Terms	262



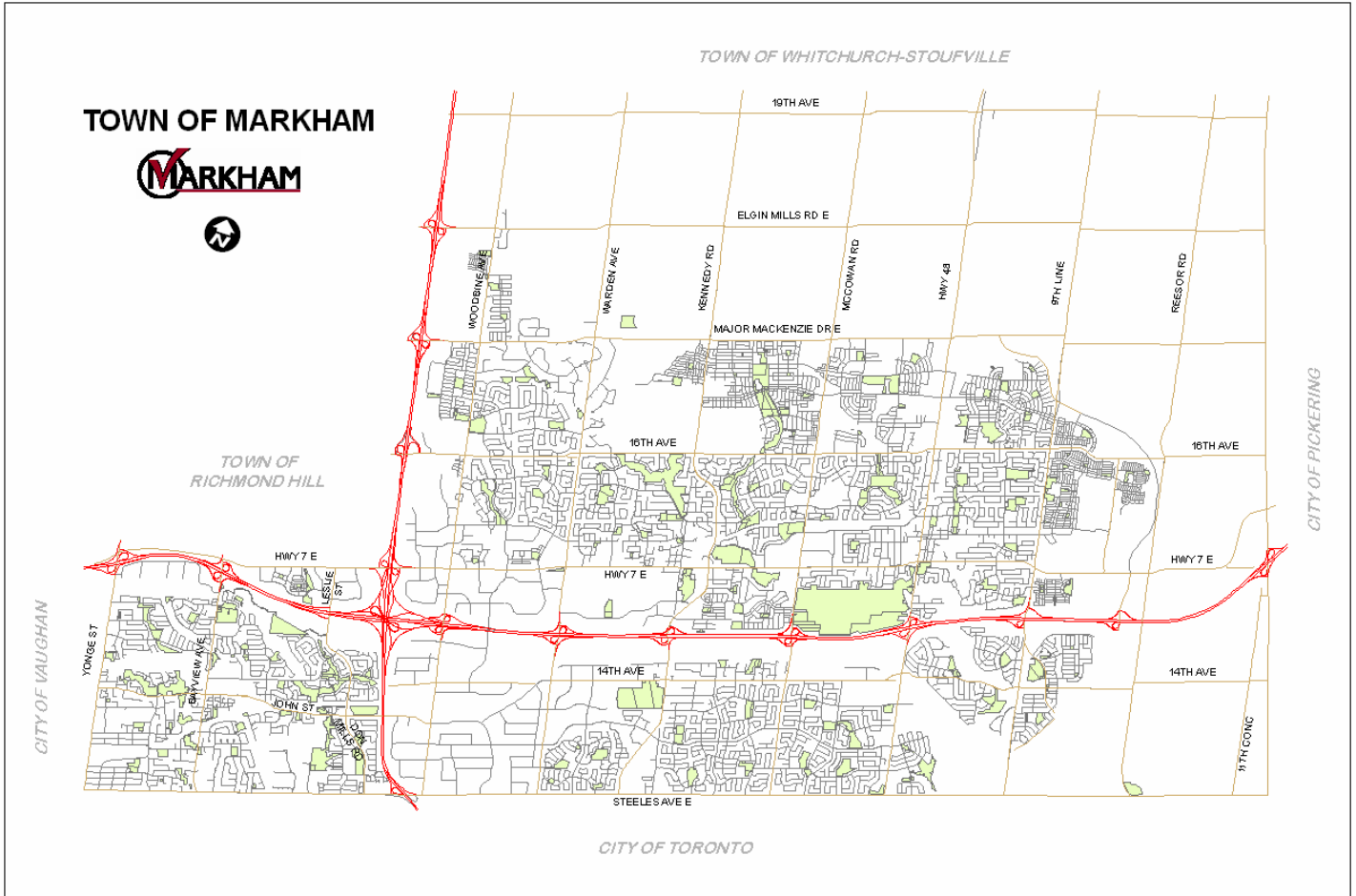
# Markham and the North American Market



# Markham and the Greater Toronto Area



# 2007 Street Map





### 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 -	<b><u>“LEADING WHILE REMEMBERING”</u></b> - Recognizing Markham's municipal leadership, while remembering the contribution of past settlers and residents and our colourful history.

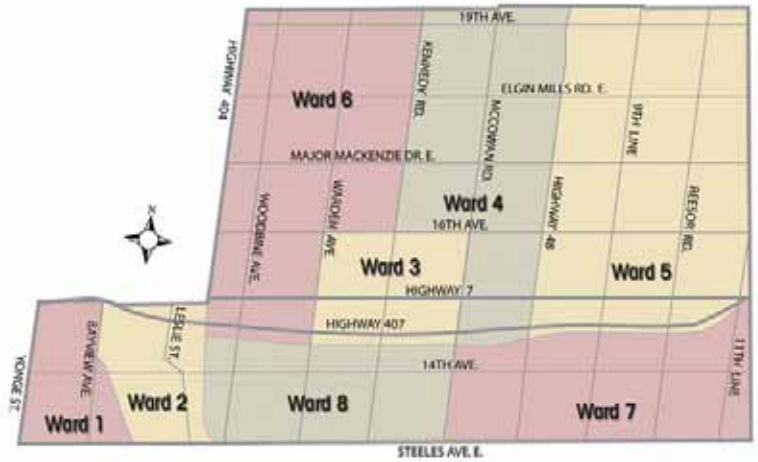
# Town of Markham

## MAYOR

## & MEMBERS OF COUNCIL



MAYOR  
Frank Scarpitti  
fscarpitti@markham.ca  
905-475-4872



DEPUTY MAYOR  
Jim Jones  
jjones@markham.ca  
905-479-7757



REGIONAL COUNCILLOR  
Jack Heath  
jheath@markham.ca  
905-415-7506



REGIONAL COUNCILLOR  
Tony Wong  
twong@markham.ca  
905-415-7549



REGIONAL COUNCILLOR  
Gord Landon  
glandon@markham.ca  
905-415-7534



WARD 1 COUNCILLOR  
Valerie Burke  
vburke@markham.ca  
905-479-7747



WARD 2 COUNCILLOR  
Erin Shapero  
eshapero@markham.ca  
905-479-7756



WARD 3 COUNCILLOR  
Joseph Virgilio  
jvirgilio@markham.ca  
905-479-7749



WARD 4 COUNCILLOR  
Carolina Moretti  
cmoretti@markham.ca  
905-479-7751



WARD 5 COUNCILLOR  
John Webster  
jwebster@markham.ca  
905-479-7750



WARD 6 COUNCILLOR  
Dan Horchik  
dhorchik@markham.ca  
905-479-7758



WARD 7 COUNCILLOR  
Logan Kanapathi  
lkanapathi@markham.ca  
905-479-7748



WARD 8 COUNCILLOR  
Alex Chiu  
achiu@markham.ca  
905-479-7752



## ***HISTORY OF MARKHAM***

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

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

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

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

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

## **HISTORY OF MARKHAM (Cont'd)**

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

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

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

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

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

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

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

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is approximately 280,000 at the end of 2006. 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**

## **Year End 2006**



**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**

Town of Markham Economic Development Department  
101 Town Centre Boulevard, Markham, ON L3R 9W3  
Tel: (905) 475- 4878 Email: [edoinfo@markham.ca](mailto:edoinfo@markham.ca)  
[www.business.markham.ca](http://www.business.markham.ca)



# **Economic Profile** - Year End 2006



## **ECONOMIC Over view**

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

Markham is one of the fastest growing municipalities in Ontario with over 280,000 people. More than 400 companies are headquartered in Markham due to the well developed transportation and communication network, high quality facilities, a diverse and highly educated labour force and pro-business environment. With more than 900 high-technology and life sciences companies, Markham is Canada's High-Technology Capital. The industries within the two sectors generate a total employment of 31,000 that makes up a quarter of Markham's total employment of 115,000. Some of the Town's world renowned corporations include AMD, IBM Canada, Motorola, Philips Electronics, Sun Microsystems, Wyeth, Johnson & Johnson, and American Express.

#### **Markham's top 20 High Technology and Life Sciences Employers**

<b>Company</b>	<b># of Employees</b>
<b>IBM Canada Ltd</b>	<b>8600</b>
<b>AMD</b>	<b>2300</b>
<b>CGI Information Systems</b>	<b>1770</b>
<b>Marshall Macklin Monaghan Ltd</b>	<b>414</b>
<b>HP Canada</b>	<b>400</b>
<b>Motorola Canada Ltd</b>	<b>380</b>
<b>Johnson &amp; Johnson Medical Products</b>	<b>350</b>
<b>Philips Electronics</b>	<b>350</b>
<b>Canon Canada Inc</b>	<b>335</b>
<b>Toshiba Canada Ltd</b>	<b>305</b>
<b>Giesecke &amp; Devrient Systems Canada Inc</b>	<b>300</b>
<b>Emerson Electric Canada Ltd</b>	<b>300</b>
<b>Tyco Electronics Canada</b>	<b>290</b>
<b>Sun Microsystems</b>	<b>250</b>
<b>GE Multilin</b>	<b>250</b>
<b>Adeptron Technologies Corp</b>	<b>230</b>
<b>Wyeth Canada</b>	<b>220</b>
<b>Novopharm Ltd</b>	<b>205</b>
<b>Avaya Canada Corp</b>	<b>200</b>
<b>Johnson &amp; Johnson Group of Consumer Companies</b>	<b>200</b>





# Economic Profile - Year End 2006

## Markham's High-Tech and Life Sciences Clusters

### High-Technology Cluster

Industry Categories	# of Companies
1. Computer Systems Design and Related Services	220
2. Computer and Communications Equipment and Supplies Wholesaler – Distributor	135
3. Management, Scientific and Technical Consulting Services	100
4. Other Professional, Scientific and Technical Services	57
5. Specialized Design Services - Graphic Design Services	46
6. Companies that did not show an NAIC code (identifiable category)	44
7. Electronic and Precision Equipment Repair and Maintenance	40
8. Computer and Peripheral Equipment Manufacturing	21
9. Medical and Diagnostic Laboratories	18
10. Scientific Research and Development Services	17
11. Semiconductor and Other Electronic Component Manufacturing	15
12. Medical Equipment and Supplies Manufacturing	14
13. Communications Equipment Manufacturing	14
14. Other Electrical Equipment and Component Manufacturing	13
15. Electrical Equipment Manufacturing	11
16. Data Processing Services	11
17. Navigational, Measuring, Medical and Control Instruments Manufacturing	10
18. Pharmaceutical and Medicine Manufacturing	9
19. Telecommunications	7
20. Management of Companies and Enterprises	7
21. Software Publishers	7
22. Geophysical Surveying and Mapping Services and Testing Laboratories	5
23. Internet Service Providers, Web Search Portals	4
24. Audio and Video Equipment Manufacturing	3
25. Electric Power Generation, Transmission and Distribution	2
26. Manufacturing and Reproducing Magnetic and Optical Media	1
<b>Total Companies</b>	<b>831</b>

**Note:** Data was obtained from the 2006 preliminary 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 Town 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.



# Economic Profile - Year End 2006

## Life Sciences Cluster

Industry Categories	# of Companies
1. Medical and Diagnostic Laboratories	18
2. Pharmaceuticals and Pharmacy Supplies Wholesaler/Distributors	18
3. Research and Development in the Physical, Engineering and Life Sciences	16
4. Medical Equipment and Supplies Manufacturing	14
5. Computer Systems Design and Related Services (life sciences)	11
6. Navigational, Measuring, Medical and Control Instruments Manufacturing	10
7. Pharmaceutical and Medicine Manufacturing	9
8. Management of Companies and Enterprises (related to life sciences)	8
<b>Total Companies</b>	<b>104</b>



Markham is also a proud partner and founder of the **YORKbiotech, a Regional Innovation Network** for biotechnology-related industries at the centre of the Greater Toronto Area. The mission of YORKbiotech is to act as a catalyst, harnessing the wealth of intellectual and technical resources to promote economic success and growth of the biotechnology and related industries as key component of regional economic development. For more information on YORKbiotech, please visit [www.yorkbiotech.ca/](http://www.yorkbiotech.ca/).

If you are interested in getting involved with Markham and YORKbiotech, please contact Darren Ciastko, Senior Business Development Officer at 905-477-7000 x 2655 or [dciaastko@markham.ca](mailto:dciaastko@markham.ca)



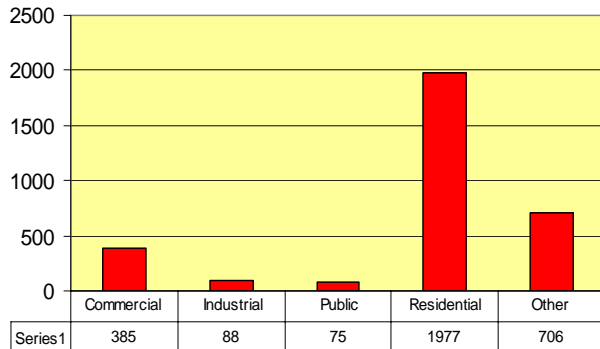
# Economic Profile – Year End 2006

## Development activity

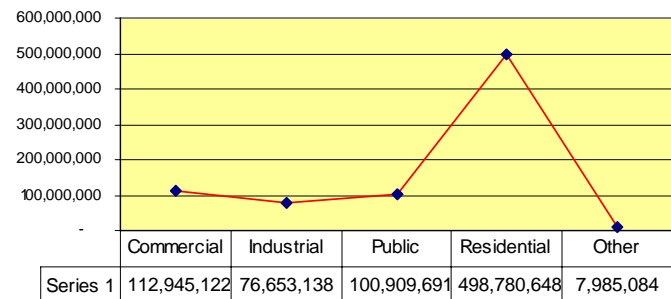
### 2006 Commercial & Industrial Tax Rates (%)

	Commercial	Industrial
Markham	2.37	2.65
Vaughan	2.36	2.64
Mississauga	2.55	2.89
Toronto	4.51	4.89

Number of Building Permits Issued  
Jan - Dec 2006



Value of Construction  
Jan - Dec 2006



## Industrial /commercial development

### Industrial & Business Parks, 2006 ( year end)

Employment areas – business parks	16
Average Price per acre	\$500,000 - \$800,000

### Industrial Inventory, 2006 (Q3)

Total inventory (sq. ft.)	33,817,339
Vacancy rate	3.5%
Average net rent (sq. ft.)	\$6.36

### GTA North Office Inventory, 2006 (Q3)

Total inventory Class A (sq. ft.)	9,015,849
Vacancy rate – class A	10.3%
Average net rent (sq. ft.)	\$11.31

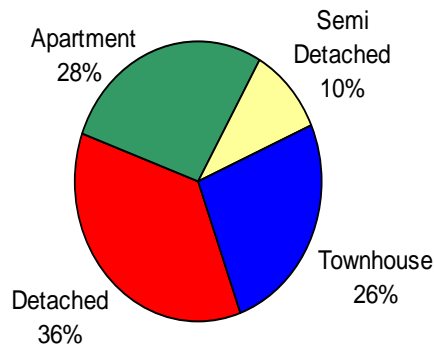


# Economic Profile – Year End 2006

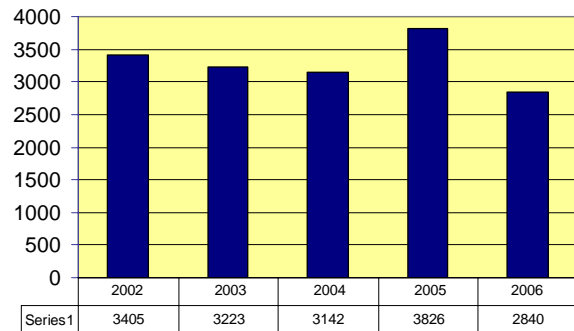
## Residential development

Total number of new residential units in 2006 - 2885

**New Residential Units Profile in 2006**



**Number of New Residential Units per Year**



**Average Housing Prices 2005** (CMHC Housing Report October 2005)

<b>Markham</b>	<b>\$400,546</b>
<b>Mississauga</b>	<b>\$456,720</b>
<b>Vaughan</b>	<b>\$476,537</b>
<b>Toronto</b>	<b>\$658,017</b>

## Municipal utilities

### Water & Sewer Infrastructure, 2006 Rate

<b>Water &amp; wastewater rate per cubic metre</b>	<b>\$1.4909</b>
<b>Sewer mains</b>	<b>684 km</b>
<b>Water mains</b>	<b>780 km</b>

### Electricity Costs and Charges, 2006 business rates

#### 50kW or Less

<b>Distribution rate</b>	<b>\$0.0081 / kWh</b>
<b>Commodity kWh Charge ( 750 kWh)</b>	<b>based on charge type</b>
<b>Monthly customer charge</b>	<b>\$29.96</b>

#### Greater than 50kW Demand

<b>Distribution rate</b>	<b>\$1.100 / kWh</b>
<b>Commodity kWh Charge ( 750 kWh)</b>	<b>based on charge type</b>
<b>Monthly customer charge</b>	<b>\$335.72</b>



# Economic Profile – Year End 2006

## Quality of life

The awarding winning Town of Markham is the largest of nine communities in York Region with a population of 280,000, and a land area of 212 square kilometres. The Town 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. Recently, the new Seneca @ Markham campus opened, the first post-secondary educational research and training facility in York Region.

### Recreation and Culture

Total land area (sq km)	212
Number of parks	160
Trails / pathway system (km)	75
Public libraries	6
Community centres & facilities	17
Seniors centres	2
Soccer fields & baseball diamonds	212
Golf courses	11
Ice pads/arenas	10
Tennis courts	53
Fire stations	7
Markham Theatre, Markham Museum, Varley Art Gallery	
Heritage areas – Thornhill Village, Unionville Village, Markham Village, Buttonville Village	

### Public Health and Education

Markham Stouffville Hospital	205 beds
Shouldice Hernia Centre	89 beds
Elementary schools	65
High schools	13
Community colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	6

### Transportation Infrastructure & Service Providers

Roads	1014 km
Highways (404 and 407)	32 km
Side walks	740 km
York Region Transit (YRT) / Viva	<a href="http://www.yorkregiontransit.com/">http://www.yorkregiontransit.com/</a>
Toronto Transit Commission (TTC)	<a href="http://www.toronto.ca/ttc/">http://www.toronto.ca/ttc/</a>
GO Transit	<a href="http://www.go transit.com/">http://www.go transit.com/</a>
CN Rail	<a href="http://www.cn.ca/about/en_about.shtml">http://www.cn.ca/about/en_about.shtml</a>
407 ETR	<a href="http://www.407etr.com/">http://www.407etr.com/</a>
Toronto Buttonville Municipal Airport	<a href="http://www.torontoairways.com/prices.htm">http://www.torontoairways.com/prices.htm</a>



# Economic Profile – Year End 2006

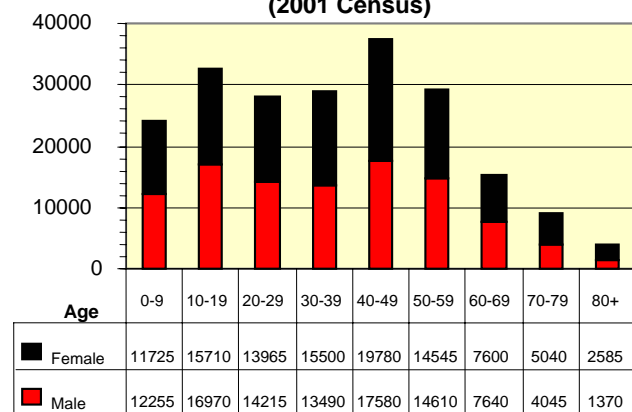
## Demographic profile

### Population Projections

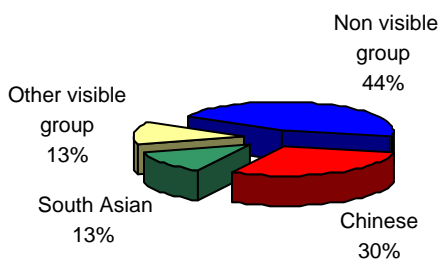
Year	Projection	Ave. Annual Growth
2006 (year end)	279,900	
2001	217,760	
2011	281,000	6320
2021	326,000	4500
2026	348,000	4400

### Population Age Characteristics

(2001 Census)



### Population Demographic Breakdown (2001 Census)



### Educational Attainment (2001 Census)

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

**Note:** Census data is collected from Statistics Canada, which releases new data every five years. New data pertaining to Markham's demographic population and labour force will be released by Statistics Canada in 2007.



# Economic Profile – Year End 2006

## Labour Force Profile

### Income Levels of Persons Reporting Income (2001 Census)

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

### Basic Indicators (2001 Census)

Number of persons employed	114,850
Unemployed rate	5.4%
Employment participation rate	68.2%

Labour Force By Industry (2001 Census)	%
Manufacturing	14
Retail	12
Professional & Scientific	11
Finance & Insurance	9
Wholesale Trade	7
Health care	7
Construction	3
Real Estate	3
Transportation	2
Mining & Agriculture	.3

Wage Rates in Markham (2001 Census)	
Minimum Wage Rate	
Under 18 years of age	\$6.85
Over 18 years of age	\$7.10
Selected Occupation	
Data entry clerks	\$30,801
Parts assemblers/fabricators/testers	\$32,796
Shippers / receivers	\$33,138
Secretaries/administrative assistants	\$36,129
Customer service reps/info clerks	\$37,290
Industrial Electricians	\$47,107
Computer Programmers	\$52,578
Manufacturing engineer	\$67,765
Mechanical engineers	\$67,765
Sales / marketing / advertising managers	\$85,029

## New Dwelling Units and Construction Values

YEAR ENDING DECEMBER 31, 2006

### Number of New Dwelling Units in Year 2006

Single Dwellings	1,042
Double Dwellings	276
Row Dwellings	714
Mixed Residential	11
Apartments	<u>797</u>
<b>Total</b>	<b>2,840</b>

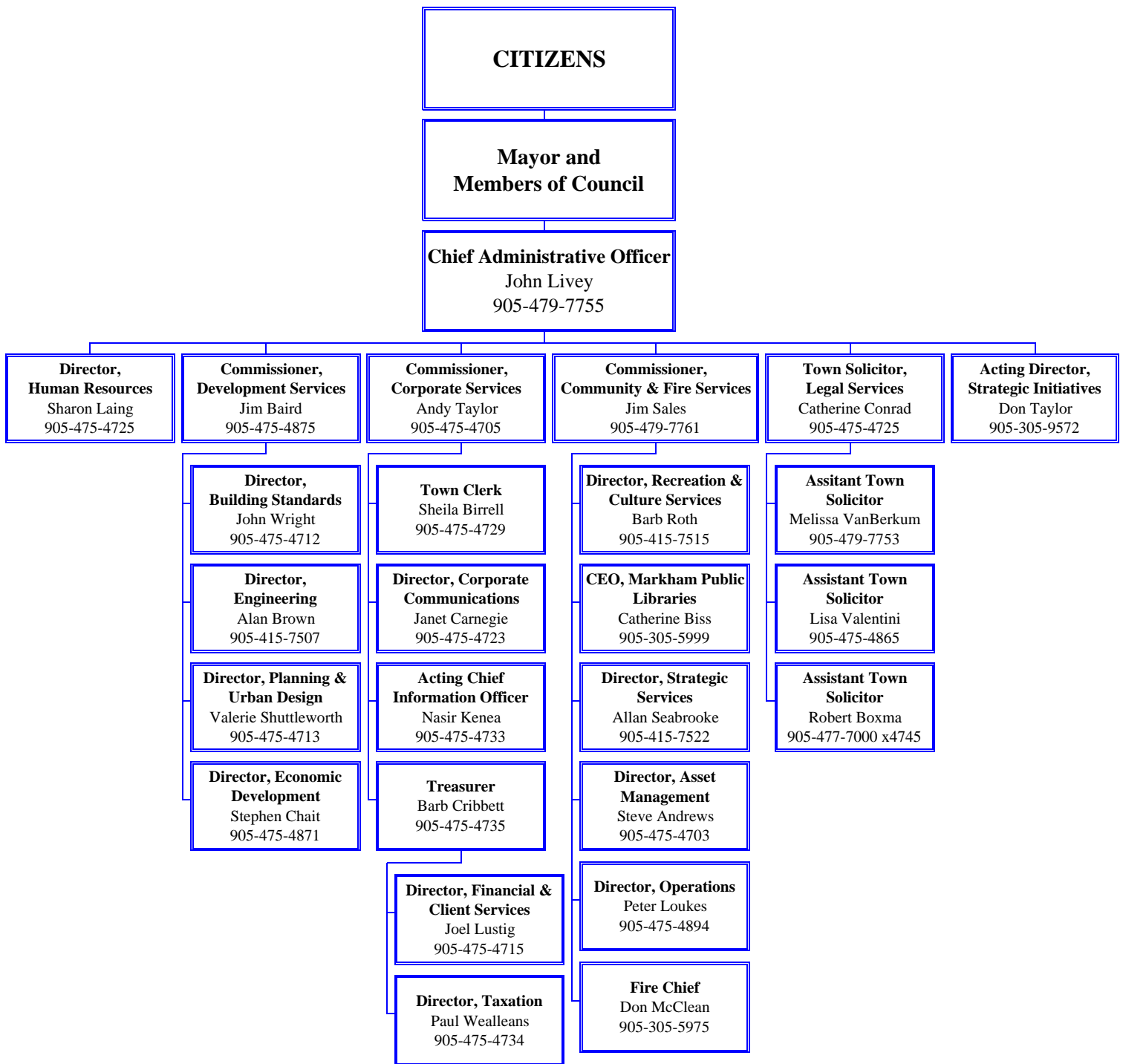
### Construction Value in Year 2006

Residential	\$498,780,648
Mixed Residential	\$ 1,019,771
Industrial	\$ 76,653,138
Commercial	\$112,945,122
Institutional and Governmental	\$100,909,691
Other	<u>\$ 6,965,313</u>
<b>Total</b>	<b>\$797,273,683</b>



# TOWN OF MARKHAM

## Organizational Chart

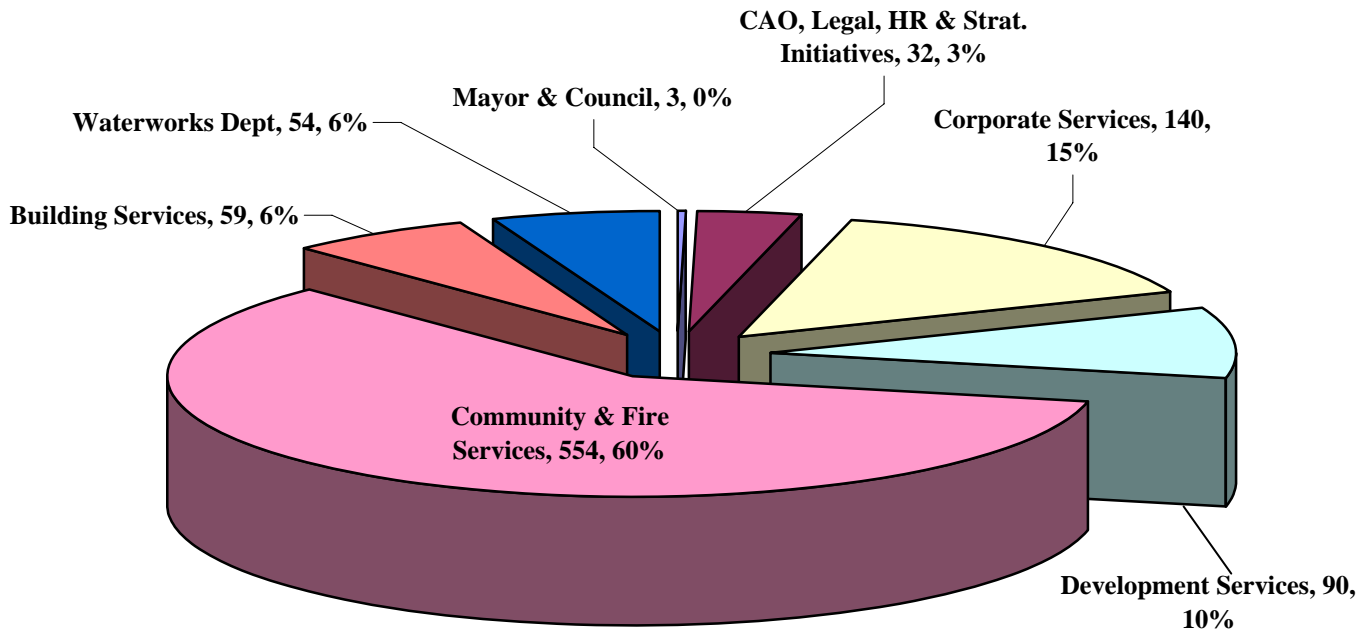


**2007 BUDGET**  
**Head Count - Approved Full Time Complement**

Department / Commission	2005	2006 Approved	2006 Re-Styled	2007
<b>Mayor &amp; Council*</b>	3	3	3	3
Human Resources	15	14	14	16
Legal Services	8	8	8	9
Strategic Initiatives	3	4	4	4
CAO's Office	3	3	3	3
<b>Total CAO, Legal, HR &amp; Strategic Initiatives</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>32</b>
Contact Centre	7	7	7	7
Corporate Communications	5	5	5	5
Financial Services	44	46	44	44
ITS Department	31	33	33	33
Legislative Services	46	48	46	48
Commissioner's Office	3	3	3	3
<b>Total Corporate Services</b>	<b>136</b>	<b>142</b>	<b>138</b>	<b>140</b>
Economic Development	6	6	6	6
Engineering	36	37	35	36
Planning & Design	37	37	37	38
Commissioner's Office	9	9	9	10
<b>Total Development Services</b>	<b>88</b>	<b>89</b>	<b>87</b>	<b>90</b>
Arts Centres	4	4	4	4
Asset Management	9	8	8	9
Construction & Utilities (incl. Capital Works ROW)	11	12	11	12
Fire Services	231	236	236	236
Fleet	7	8	8	9
Library	62	60	60	62
Museum	6	6	6	6
Operations & Asset Management Admin.	4	4	4	4
Operations Admin.	9	14	14	13
Parks	43	42	42	43
Recreation Services (incl. Rec. & Culture Admin.)	83	86	86	91
Roads	30	36	36	38
Strategic Services	10	11	11	12
Theatre	9	9	9	9
Waste Management	4	4	4	4
Commissioner's Office	2	2	2	2
<b>Total Community &amp; Fire Services</b>	<b>524</b>	<b>542</b>	<b>541</b>	<b>554</b>
<b>Sub Total</b>	<b>780</b>	<b>805</b>	<b>798</b>	<b>819</b>
<b>Building Services</b>	<b>56</b>	<b>61</b>	<b>59</b>	<b>59</b>
<b>Waterworks</b>	<b>48</b>	<b>52</b>	<b>52</b>	<b>54</b>
<b>Total Corporation</b>	<b>884</b>	<b>918</b>	<b>909</b>	<b>932</b>

\* Excludes Mayor & Council Members

## 2007 Budget Full Time Headcount by Area



### Summary of Changes to Approved Full Time Complement

#### 2006 Budget

The total full time complement was adjusted from 918 to 909 during 2006. The decrease was the result of a change in reporting policy to exclude full time contract staff.

It was the practice in prior years to include long term (3 to 5 years) contract positions in the overall full time headcount. It was decided in 2006 that such positions should be grouped with the part time & temporary staffing totals. Hence, the reduction in the total full time complement.

#### 2007 Budget

The 2007 approved full time complement of 932 represents an addition of 23 new permanent full time staff in the Budget. Details of these positions are provided on the next page. The increase is due to the overall growth, including Community Centre & Library expansions and to the Town's commitment to maintain or increase service levels.

In addition, 7 existing positions within Recreation Services were converted to full time as part of a 4 phase departmental organizational review. The new organizational model is designed to better accommodate growth, allow for strategic as well as succession planning, address program gaps and to target resources to meet the community's needs.

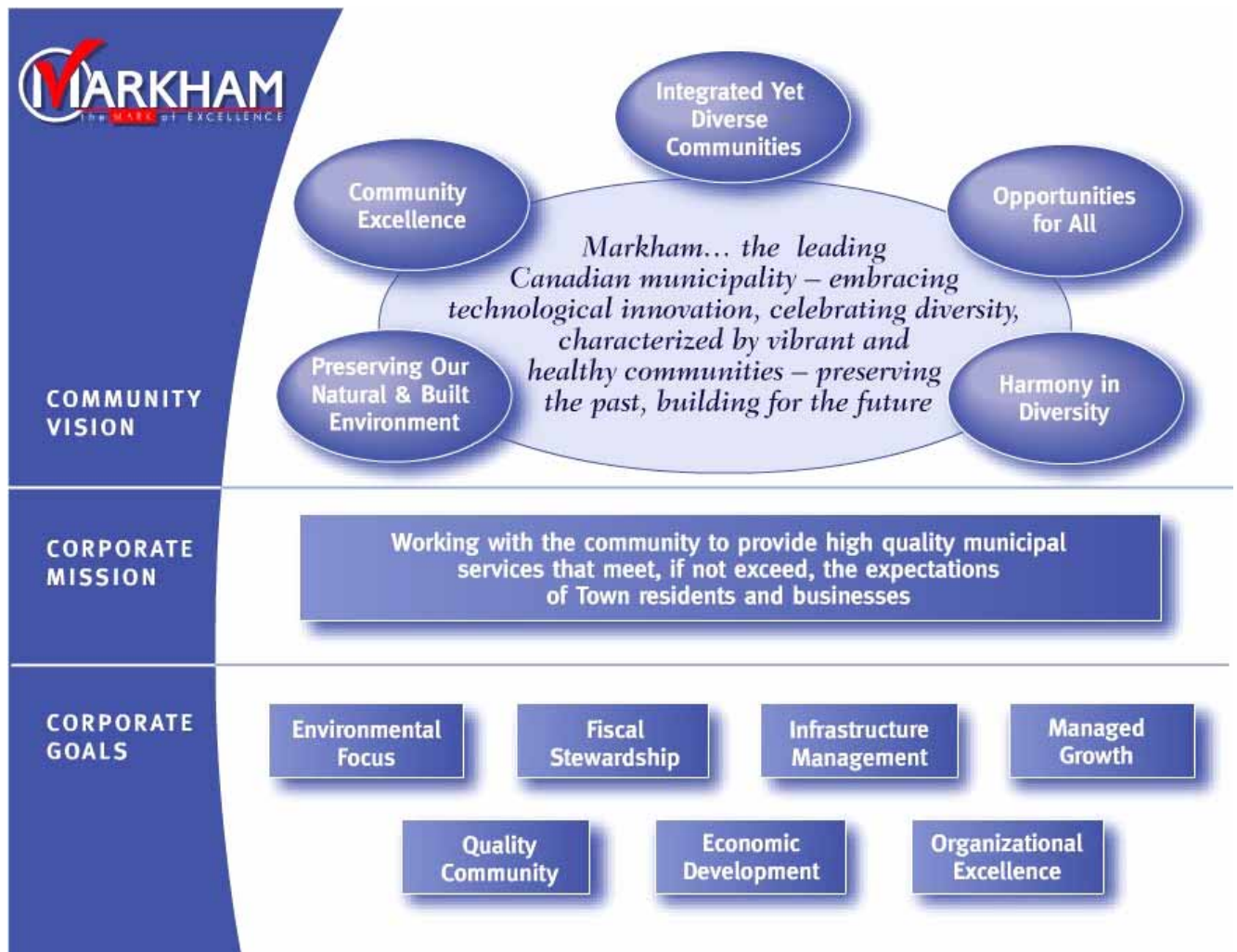
## DETAILS OF 2007 STAFF ADDITIONS

CAO, Legal, HR & Strategic Initiatives: 2		
<b>Human Resources</b>	Human Resources Consultant	1
<b>Legal</b>	Real Property Law Clerk	1
Corporate Services: 3		
<b>Financial Services</b>	Accounts Payable Clerk	1
<b>Legislative Services</b>	Provincial Offences Officer 1	2
Development Services: 3		
<b>Engineering</b>	Capital Engineer	1
<b>Planning &amp; Design</b>	Parks Development Coordinator	1
<b>Commissioner's Office, Dev Svcs</b>	Administrative Assistant	1
Community & Fire Services: 13		
<b>Asset Management</b>	Lifecycle Analyst	1
<b>Construction And Utilities</b>	Survey Instrument Person/Asset Technician	1
<b>Fleet</b>	Licensed Fleet Technician	1
<b>Library</b>	Information Services Librarian - Adult (MVL)	1
	Information Services Librarian - Teen (MVL)	1
<b>Parks</b>	Group Leader - Greensborough Community Park	1
<b>Recreation Services</b>	Facility Operation Coordinator, Centennial C.C.	1
	Facility Allocations Coordinator	1
	Facility Operator II (Centennial C.C.)	1
	Manager, Policy and Program Development	1
	Recreation Programs Supervisor (Centennial C.C.)	1
	Manager, Thornhill C.C.	1
	Manager, Milliken Mills C.C.	1
	Facility Operations Coordinator, Milliken Mills C.C.	1
	Manager, Centennial C.C.	1
	Policy & Program Lead/Youth & Community Development	1
	Manager, Angus Glen C.C.	1
	Fitness Coordinator, South District	1
	Community Resources Coordinator	-1
	Facility Coordinator, Angus Glen C.C.	-1
	Facility Coordinator, Markham Centennial Centre	-1
	Facility Coordinator, Milliken Mills C.C.	-1
	Facility Coordinator, Thornhill C.C.	-1
	Recreation Supervisor, Fitness	-1
	Recreation Supervisor, Milliken Mills C.C.	-1
<b>Roads</b>	Working Supervisor - Contract Administration	1
<b>Strategic Services</b>	Manager, Markham Energy Conservation Office	1
Waterworks: 2		
	QMS Controller	1
	Quality Assurance Analyst / Budget Analyst	1
<b>Total</b>		<b>23</b>

## Long-Term Strategic Plans and Initiatives

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

Development of a vision, mission and long-range strategic plan is one of the key elements of this excellence framework and resulted in the Engage 21st Century Markham project to develop the 20-year vision. It has called attention to the vision, desires and values of its many stakeholders, and has built on a tradition of local volunteerism and engagement that has strengthened the ability of community members and leaders to make important and difficult decisions: to choose a desired 20 year destiny for Markham and to charter a municipal mission that fosters and supports that destiny. The 21st Century Markham project has been included in the “Corporate Overview” tab; these pages were part of the brochure distributed to the residents of Markham at the beginning of the Council term.



## **Engage 21<sup>st</sup> Century Markham Project**

### **Community Vision**

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

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

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

### **Community Vision**

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

### **Key Elements of the Community Vision**

#### *Community Excellence*

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

#### *Integrated yet Diverse Communities*

- ❖ We have built on the separate yet integrated needs, expectations and requirements of the different communities - geographic, ethnic, and interest groups - within the Town.
- ❖ Our communities, even though independent and distinct, feel connected.

- ❖ There is active participation by all communities in the on-going decision-making of the Town.
- ❖ We have, and continue to preserve and enhance, a sense of community.

### *Opportunities for All*

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

### *Harmony in Diversity*

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

### *Preserving Our Natural & Built Environment*

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

## **Corporate Mission**

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

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

### *Strategic Implication*

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

- ❖ The Town will continue to focus on and actively support its position as the high tech/knowledge based capital of Canada
- ❖ The Town will invest in the expectations and requirements of the different communities within the Town
- ❖ The Town will recognize, promote and support its ethnic diversity meaning that there will be ongoing investment in, and priority for, those programs and activities that support multi-culturalism.

- ❖ The Town will pursue programs, services, facilities, and employment and housing opportunities
- ❖ The Town will be a leader in e-government services
- ❖ The Town will be a leader in the efficient and effective management of growth
- ❖ The Town will be a leader in preservation of both its natural and built environment

## **Corporate Goals**

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

### *Environmental Focus*

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

### *Fiscal Stewardship*

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

### *Infrastructure Management*

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

### *Managed Growth*

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

### *Quality Community*

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

### *Economic Development*

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

### *Organizational Excellence*

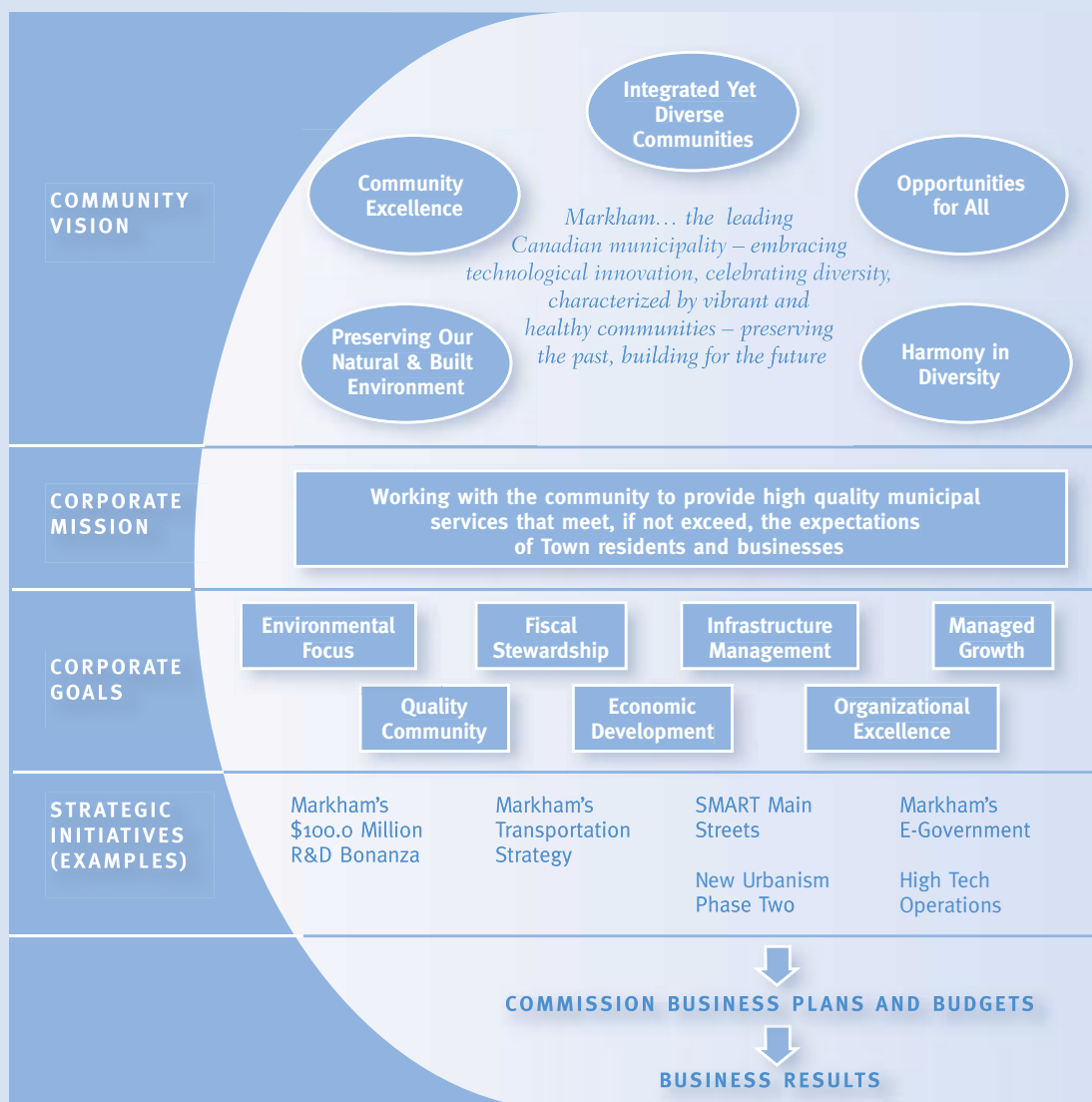
To achieve excellence in managing and delivering quality services through quality people.



# Overview

Its record of success and excellence distinguishes the Town of Markham. An award-winning community for everything from environmental initiatives, to planning to economic development, these successes have been accompanied by ongoing investment. Markham is the preferred place to live and work for an ever-increasing number of people and businesses. Rather than becoming complacent, Markham needs to continue to focus on being the best in all fields.

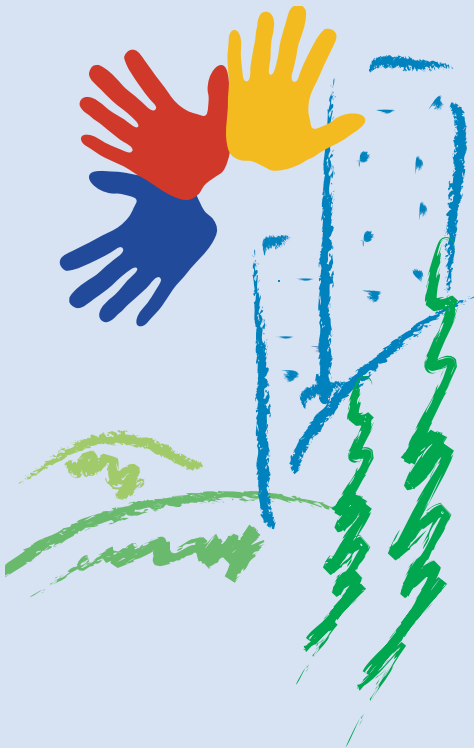
Using the criteria for excellence put forward by Canada's National Quality Institute, the Town has developed a framework for management principles and practices. Development of a vision, mission and long-range strategic plan is one of the key elements of this excellence framework and resulted in the Engage 21st Century Markham project to develop the 20-year vision.



# Community Vision

MARKHAM... THE LEADING CANADIAN MUNICIPALITY – EMBRACING TECHNOLOGICAL INNOVATION, CELEBRATING DIVERSITY, CHARACTERIZED BY VIBRANT AND HEALTHY COMMUNITIES – PRESERVING THE PAST, BUILDING FOR THE FUTURE.

These key elements of the overall vision capture the essence of what Markham wants to be.



- ◆ Community Excellence
- ◆ Integrated Yet Diverse Communities
- ◆ Opportunities for All
- ◆ Harmony in Diversity
- ◆ Preserving Our Natural & Built Environment

# Corporate Mission

The Town's corporate mission statement must be aligned with the 20-year community vision. The Town's corporate mission statement is proposed as:

**“WORKING WITH THE COMMUNITY TO PROVIDE HIGH QUALITY MUNICIPAL SERVICES THAT MEET, IF NOT EXCEED, THE EXPECTATIONS OF TOWN RESIDENTS AND BUSINESSES.”**



# Corporate Goals

Corporate goals focus the efforts of the Town in meeting the needs and expectations of the community given its community vision and corporate mission. These are:

## 1. ENVIRONMENTAL FOCUS

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

## 2. FISCAL STEWARDSHIP

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

## 3. INFRASTRUCTURE MANAGEMENT

Build, renew and strategically manage the Town's infrastructure – the hard and soft services such as streets, waterworks and recreation – to meet the demands and expectations of a growing community.

## 4. MANAGED GROWTH

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

## 5. QUALITY COMMUNITY

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

## 6. ECONOMIC DEVELOPMENT

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

## 7. ORGANIZATIONAL EXCELLENCE

Achieve excellence in managing and delivering quality services through quality people.



# Strategic Implications

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





# FINANCIAL POLICIES

## **1. FINANCIAL PLANNING POLICY**

### **A. Budget Process**

#### Proposed Budget

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

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

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

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

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

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

#### Adoption of Budget

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

### **B. Balanced Budget**

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

### **C. Deficit Avoidance**

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

#### **D. Amendments to Approved Budget**

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

#### **E. Post Budget Reallocation**

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

#### **F. Reporting**

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

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

#### **G. Operating Fund Balance**

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

## **2. LONG RANGE PLANNING**

### General

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

### Master Plans

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

### Capital Improvement Plan

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



### Funding of Capital Improvement

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

### Maintenance and Replacement

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

### Post Budget Approval – Controlling Expenditures

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

## **3. REVENUES**

### Use of one time revenues

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

### User Fees and Revenue Diversification

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

### Use of Unpredictable Revenues

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

#### Use of Supplemental Tax Revenue

Supplementary taxes will continue to be budgeted for. To the maximum extent possible supplemental property tax levies above budget will not be used to balance the operating budget but be used for future requirements by transferring all supplemental taxes above budget to the Corporate Rate Stabilization Reserve.

#### Use of Prior Year's Surplus/Deficit

The Town will continue to reduce its dependence on prior year's surplus to balance the current year's budget. The prior year's surplus will be automatically transferred to the Corporate Rate Stabilization Reserve.

## **BUDGETING POLICIES**

### **A. Basis of Accounting / Budgeting**

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

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

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

The Town of Markham prepares budgets for the Operating, Capital, Waterworks, Building Services and Business Improvement Area (BIA) funds (described below).

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

### **B. Fixed Assets**

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

### **C. Operating Fund**

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

### **D. Waterworks Fund**

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

### **E. Capital Fund**

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

### **F. BIA Fund**

Provide funding for the Markham and Unionville Business Improvement Areas (BIA's). The BIA's were established in accordance with Section 220 of the Municipal Act for the purpose of providing improvement, beautification of land, buildings and structures in the area and the promotion of the area as a business and shopping district. Funding is primarily provided by a special tax levy charged to the member businesses of the BIA.

### **G. Trust Fund**

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

At the end of 2006, the Town of Markham had 7 trust funds with a total balance of \$1,551.191.

### **H. Buttonville Airport Fund**

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

### **I. Reserve and Reserve Funds**

As at December 31, 2006, there were 12 Reserves and 20 Reserve Funds. Out of the total of 32 funds, 24 were discretionary i.e. set aside by Council and 8 obligatory i.e. mandated by legislation). The balance in the funds as of December 31, 2006 was \$137,019,634

# INVESTMENT POLICY

## OBJECTIVES

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

1. Legality of Investments
2. Preservation of Principal
3. Maintenance of Liquidity
4. Competitive Rate of Return

### 1. 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. 265/02 – Eligible Investments. In accordance with this Act, for the purposes of clause 167 (2), a list of eligible securities that a municipality may invest in can be found in Attachment 2:

Investments made by the Town are further restricted by the limitations and terms outlined in this policy. Where the Town 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.

### 2. 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 provincial bond holdings must rate at least “A”, while all other bond holdings (municipalities, government agencies, etc.) must rate at least “AA” or the equivalent from the Dominion Bond Rating Service (DBRS), 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 30% of the total investment portfolio at all times, and may comprise 100 per cent of the portfolio.

The following limitations apply:

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

### Municipal Government Securities

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

### Financial Institutions

Investments in eligible financial institutions shall not exceed 65% 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 25 per cent
- other Canadian chartered banks and Schedule ‘B’ banks - in aggregate 25 per cent with individual maximum of 15 per cent

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.

### **3. 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 ten 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 'A' banks ranked by assets, and institutions guaranteed by the aforementioned.

### **4. 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 and the Treasurer will have signing authority on all investments that require wire transfers. The Investment Analyst will enter into all investment transactions on behalf of the Town 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 Town 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 Town of Markham. This list will be maintained and updated as the business environment changes:

1. TD Canada Trust
2. CIBC World Market Inc./Wood Gundy
3. Scotia McLeod Inc.
4. RBC Dominion Securities Inc.
5. Royal Bank of Canada
6. Bank of Montreal
7. HSBC Bank Canada
8. Manulife Bank
9. 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.



## **RESERVE POLICIES**

### **2005 RESERVE STUDY**

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

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

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

### **A. 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 Town's aging infrastructure and for major capital expenditures approved by Council.

Funding for this reserve will come from the following sources:

- The Town'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 (refer to page 41 for Future Operating Surplus).

### **B. CORPORATE RATE STABILIZATION RESERVE**

The purpose of this reserve is to maintain the Town'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.

### **C. OTHER RESERVE STUDY RECOMMENDATIONS AND POLICIES**

- **10% Non-DC Growth Reserve Fund** – intended to fund a mandatory 10% non-development charge portion of growth-related Library and Recreation projects. See “Development Charge (DC) Projects – 10% Non-DC Reserve Funding” section in the Capital Budget Guidelines section (Page 46) for further information on the Town’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.
- **Environmental Land Acquisition Reserve Fund** – a new reserve established in 2005 to provide a source of financing for the Town to acquire/protect environmentally sensitive land. On an annual basis, \$500,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.
- **Environmental Sustainability Reserve Fund** – intended to provide a source of funding for internal (Town) and external (e.g. Community groups) initiatives that are environmental in nature. A base level of \$300,000 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 Town to acquire land that is strategic in nature, non-growth (and thus cannot be DC-funded), and not environmentally sensitive. On an annual basis, \$500,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.

### **D. FUTURE OPERATING SURPLUSES**

Prior to the 2005 Reserve study, year-end Operating Budget surpluses were directed to the Corporate Rate Stabilization reserve. As summarized in section A of this reserve policy, the 2005 Reserve study established a target balance for the Corporate Rate Stabilization reserve, 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 Capital Budget discussions.

## **DEBT POLICY**

The Town of Markham currently has no outstanding debt.

Markham has not issued any new debt since 1992, however, borrowing does have its appropriate place in making prudent financing decisions. Prior to 1992 the Town issued debt to finance major capital projects (e.g. watermains, sanitary sewers, community centres). The Town will continue to capitalize on fluctuations in interest rates and recognize when borrowing is appropriate to minimize the impact on tax rates. 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 Town 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 fund revenues, not including Municipal electrical utilities revenues.
- Markham’s annual repayment limit is approximately \$46.4 million.

## **2007 CAPITAL BUDGET GUIDELINES**

### **KEY DATES**

- June 19, 2006** Capital Submissions are due from all departments
- July 6, 13, 20 & 27, 2006** Review and ranking of 2007 Capital Submissions by Department Heads Forum (DHF)
- August 29 & 30, 2006** Approval of 2007 Capital Budget by CAO & Commissioners

### **2007 CAPITAL FUNDING REQUEST FORM**

Capital Funding Request forms accompany each capital project request. Departments are required to complete the following areas on the 2007 Capital Funding Request Form:

- Project Information Worksheet which requires all departments to provide the following information:
  - Project Manager
  - Project Type (i.e. New Asset/Expansion, Repairs/Replacements, Studies)
  - Project Description
  - Project Cost
  - Cost of future phases, if applicable
  - Funding Sources
  
- 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 2007 capital project request against the year and costs that have been identified in 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 2007 capital project request against 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**

### **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 (tax rate) funded capital projects 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

#### **Rank 2**

- Continuation of an existing project (i.e. second phase)
- Projects that increase efficiency

#### **Rank 3**

- Projects that can be deferred to another year

### **2007 Business Plans**

The 2007 Business Plans will be incorporated into the 2007 Capital and Operating Budget process.

### **Pre-Budget Approval**

Departments are required to identify projects that may require pre-budget approval on the 2007 Capital Funding Request form.

### **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 that may require upfront financing by the Town 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 on the 2007 Capital Funding Request form in the detail section.

### **Projects Managed by Other Departments**

#### **Information Technology Services (ITS):**

Departments are required to complete a *2007 ITS Project Request* form & business case for 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 & 2007 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 2007.

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in 2007. Replacement vehicles required in 2007 will be consolidated into one Capital Funding Request form by Operations–Fleet.

### **Council Priority Projects**

Council Members are encouraged to identify projects to be included in the 2007 Budget submission by February 2, 2007.

### **Taxes (Provincial & Federal):**

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

For example, a project with a quote/estimate of \$200,000 should be budgeted at \$216,000 with PST (\$16,000) identified separately.

### **Development Charge (DC) Projects – 10% Non-DC Reserve Funding**

The Town 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-DC charge are:

- 1) Water supply services, including distribution and treatment services.
- 2) Waste water services, including sewers and treatment services.
- 3) Storm water drainage and control services.

- 4) Services related to a highway (as defined in subsection 1 of the Municipal Act.
- 5) Electrical power services.
- 6) Police services.
- 7) Fire protection services.
- 8) Other services as prescribed.

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

### **Projects with Zero Cost**

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

### **Donations and Donations-In-Kind**

Donations and Donations-In-Kind should be included in the 2007 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 improvement 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 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 of the project.

**Over Spending**

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

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

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

## 2007 OPERATING BUDGET GUIDELINES

This document is divided into three sections:

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

### A. General Narrative and Assumptions

#### The 2007 Budget:

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

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

It is assumed that:

General Inflation will be at 1.5% during 2007.

Gross Assessment Growth will be 3.08%

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

The focus of the 2007 budget revolves around infrastructure management, the environment, and transportation issues. This budget provides for adequate maintenance of capital, plant, and equipment, and for orderly replacement of equipment. Further the Budget continues to set aside dollars that will be required to offset the costs related to opening of future facilities like Fire Stations, Community Centres and Libraries.

Through the 2007 Budget Process, the Town continues its strategic thinking at all levels of the organization and critically evaluates the status quo.

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

## **B. Budget Preparation Guidelines**

The 2007 Budget is a 'Budget by Exception'. This means that all accounts are budgeted at 2006 base levels except for additional funding related to:

- Salary and benefits increases (CUPE and MPFFA wage settlement, OMERS pension rate increase, 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,
- Provincial legislation (Bill 175 and Safe Drinking Water Act related to water and wastewater costs),
- New ramp ups for anticipated expenditures relating to future Fire stations and community centres,
- Increase in the tax-funded portion of the Capital Budget.

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 Town that the additional funds would generate. Each form requesting a change to base budget (including completed business cases) will be approved at the Commissioner level before submission to Financial Planning.

### **No New debt**

The Town will not make a provision for the issuance of debt in this budget. The Town's share of any work to be done under The Local Improvement Act will not constitute debt as defined here.

### **Establish the Base Level**

The Base Level for the 2007 Budget will be the 2006 cost of providing all the services approved in the 2006 budget, except for one-time projects.

The 2007 Base Level Budget is set by taking the inputs approved in the 2006 budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

1. **Annualized Costs** - For example, last year's budget might have included staff to start in April; this year's budget includes the full year's salary. The only annualized costs that appear in the 2007 Budget are personnel and other costs related to municipal service contracts that had price escalation midway in 2006. These costs are identified and included in the 2007 Base Budget.
2. **Growth** - Allow for growth that will occur in the Town in 2007. For example, if new roads were constructed in 2006, their upkeep would be part of the 2007 growth adjustment. Requests for new growth dollars must be documented. In order to obtain new growth dollars, there must be the identification of documented productivity,

technological, or personnel efficiencies on the expense side or revenue enhancements to offset the request for new growth dollars. Only the portion of the cost from the date of the growth's impact to the end of the year is included in the Budget. However, departments should indicate the full-year cost of the growth.

- 3. Inflation** - As mentioned above, General Inflation of 1.5% is anticipated in 2007. All departments are expected to absorb this inflation within their 2007 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 2006 levels in their 2007 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 Town continues to scrutinize personnel costs as a percentage of the budget. Financial Planning provides the salary figures for the 2007 Base Budget that reflect movement through the salary grids; the negotiated CUPE and MPFFA wage settlement, as well as COLA impact. The 2007 Base Budget from each Department includes only the 2006 full time approved complement. Financial Planning completes the 2007 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.

### **Fringe Benefits**

2007 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 2006 actual benefit costs and reflects its findings in the 2007 Budget.

### **Part Time Salaries**

The 2007 Budget Guidelines require that all permanent part-time staff be budgeted for by person/position. 2007 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 2007 levels.

### **Overtime Dollars and Hours**

Overtime dollars and hours will be budgeted at 2007 levels.

### **Rate Increases**

Increases have been provided for as follows:

#### **U.S Exchange Rate**

U.S. Exchange Rate 0.84

#### **Investment Income**

The forecasted 2007 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**

Due to the full rebate available to municipalities, the 6 % Goods and Sales tax (GST) does not apply to purchases made. However, the Provincial Sales Tax (PST) of 8% will continue to apply and should be included in all budget accounts where applicable.

### **Use the 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 Town negotiated a fixed rate for Natural Gas in 2006 and it has been reflected in the 2007 Budget. The hydro supply rates are budgeted at expected revision and the impact has been accounted for in the 2007 Budget.

### **User Fees and Service Charges**

User Fees in Recreation and Culture, Engineering and Planning Departments were increased to reflect market conditions. The Town still remains one of the municipalities with lowest overall user fees and service charges.

### **Debt Charges**

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

### **Provincial Subsidies**

No increases/decreases to Provincial Subsidies have been made other than those included in the 2007 Base Level budget.

### **Identification of Major Service Contracts**

The identification of major service contracts up for renewal in 2007 is completed by Financial Planning and factored into the Budget.

## **C. 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 2007 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 Town 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 & Commissioners' Committee (CCC) 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 General Committee. These provide a comparison between actual revenues and expenditures to budgeted amounts. Further quarterly 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 6<sup>th</sup> business day of the following month. Based on this information, departments provide Financial Planning with details of material variances and projections for the remainder of the year.

Financial Planning consolidates the information and presents a Reporting Package to the General Committee.

### **Monthly Budget Reporting Content**

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

### **Vacancies**

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

### **Overtime**

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

### **Year-end Projections**

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





## 2007 Business Planning and Budgeting Process

Business Planning		Budgeting	ITS Project Planning	Human Resources
Target Milestone	Description of Activity			
<b>2006</b>				
May 18 to 24		Development and Communication of 2007 Capital Budget process with DHF & CCC		Data Gathering completed by end of Q1
May 22 to 26		New Capital database training		
May 31		Communication 2007 Capital Budget process and forms to department		
June 19		Cut-off for capital submissions	Cut-off for IT-specific capital submissions	
June 19 to 30		Finance review of capital submissions	ITS review IT-specific submissions	
June 22		DHF meet to review capital submissions received to date ("Big Picture" list) and to establish ranking criteria for Non- Replacement Capital projects		2008 onwards - final confirmation and validation of Council and Commission priorities by June 30
July 4		Distribution of revised Consolidated 2007 Capital Summary to DHF		
July 6 & 13		DHF meet to review and rank Life Cycle repair and replacement projects		
July 10 to 14		Operating Budget database training		
July 12	Strategic Initiatives to present as information the 2007 BUP package to CCC			
July 17	Joint communication - Roll-out of BUP forms & Operating Budget database	Joint communication - Roll-out of BUP forms & Operating Budget database		
July 20 & 27		DHF meet to review and rank Non-replacement capital projects	DHF meet to review and rank IT-specific capital projects	
July 31		Distribution of Capital Binders to CCC		
August 1 to 25		CAO & Commissioners' review of capital projects (individually)		2007 only - final confirmation and validation of Council and Commission priorities by August 23, 2006
August 29 to 31		CCC Review & Discussion of 2007 Capital Budget	CCC Review & Discussion of 2007 Capital Budget	
September 6	Cut-off for BUP & Operating Budget database submissions	Cut-off for BUP & Operating Budget database submissions		
September 15	Business units submit their finalized presentation			
September 21 to 22	BUP Presentations to CCC			
Oct / Nov		CCC review & discuss Business Plans and the proposed Operating Budget		
	Strategy Managers wrap up Business Planning process and transition to budget process commences	Finance receives outputs from business planning process		
<b>2007</b>				
January		Final CCC review of Operating & Capital Budgets & recommendation to present to Budget Sub-Committee		
January 22		Budget Sub-Committee Meeting		
February 5		Budget Sub-Committee Meeting		
February 19		Budget Sub-Committee Meeting		
Apr 2		Budget Sub-Committee Meeting		
April 16		Budget Breakfast		
April 23		Budget Sub-Committee - Receive feedback from Budget Breakfast & recommend 2007 Budget to General Committee		
April 30		General Committee - Recommend Budget to Council		
May 8		Budget Approved by Council		

CCC  
DHF  
BUP

= CAO & Commissioners' Committee  
= Department Heads Forum  
- Business Unit Profiles

## **2007 BUDGET OVERVIEW**

### **BUDGET FRAMEWORK**

Council meets every four years to set the Town's goals and priorities. While the long term corporate goals have remained unchanged, Council's strategic priorities for the term 2004 -2007 address the following initiatives; Addressing Gridlock and Rapid Transit, Creating a better quality of community, Improving environmental protection and management, Implementation of Markham Centre Downtown, Safe Streets and Improving standards of service and service delivery. These Strategic Priorities are discussed in further detail in the "Corporate Overview" section and the specific capital projects as they relate 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 Plan. The Business Plan forms the basis for the Budget process. The Budget provides a framework to put the Business Plan into action.

### **BUDGET PROCESS**

In May 2006, staff began working on the business plans for 2007 for the respective Business Units. A presentation highlighting 2006 accomplishments, core services growth requirements and new initiatives in 2007 as they aligned to Council's priorities, was made by the respective department heads to the senior management consisting of the Chief Administrative Officer (CAO) and Commissioners. The presentations from senior management were incorporated and the final business plan was presented at the first Budget Sub-Committee meeting in January 2007, when eight members of Council that make up the Budget Committee began their deliberations. These members included Budget Chief Dan Horchik, Regional Councillors Jack Heath, Tony Wong, and Councillors, Valerie Burke, Alex Chiu, Erin Shapero, Logan Kanapathi and John Webster. 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 five Budget Sub-Committee meetings were held during the period January 2007 to April 2007 to discuss the 2007 Budget. On April 16, 2007 the Mayor, Councillors, Town Staff and members of the community participated in the Town's Seventh Annual Budget Breakfast. The Budget Breakfast was an opportunity for residents, business and community leaders to obtain an overview of the Town's budget process and the status of the 2007 Budget. All attendees were invited to ask questions and to provide feedback at the Budget Breakfast. The feedback was positive and on May 8, 2007, Council approved the Operating, Capital and Waterworks Budgets.

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

### Amendments to Approved Budget

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

## **BUDGET SUMMARY**

The total approved 2007 Budget is \$301.1M comprising of \$151.4 (adjusted for the 2006 year-end surplus) towards Operating, \$91.5M towards Capital, \$8.1M towards Building Standards and \$50.1M for Waterworks (adjusted for the 2006 year-end surplus).

### **Operating Budget**

The Town of Markham continues to face inflationary pressures in many aspects of its operations. Wage settlements, general inflation, winter maintenance contracts, operating costs associated with aging infrastructure including higher repair and maintenance costs, increased costs related to the Town adding to its inventory of parks, community centres and roads, other contract renewals, and the continuation of high fuel/natural gas costs have resulted in increased operating expenditures. Further, the Budget Sub-Committee has approved the continuation of the Town's practice of setting aside operating funds for salary costs related to future facility openings such as Fire Stations and Community Centres. The total impact of these pressures on expenditures is \$8.8M.

To mitigate the impact of increased expenditures, the Town reviewed its revenue sources and increased revenues in areas of Assessment Growth, Investment Income and Annualization of fee increases as well as other operating revenues totalling \$5.2M.

The Town has been able to maintain existing service levels with minimal increases in user fees, and a minimum increase to Council grants. However, as a result of the above noted budgetary pressures mitigated partially through increased revenues, a reduced operating shortfall of \$3.6M (\$8.8M - \$5.2M) or a tax levy increase of 3.98% was presented by the Budget Committee to Council.

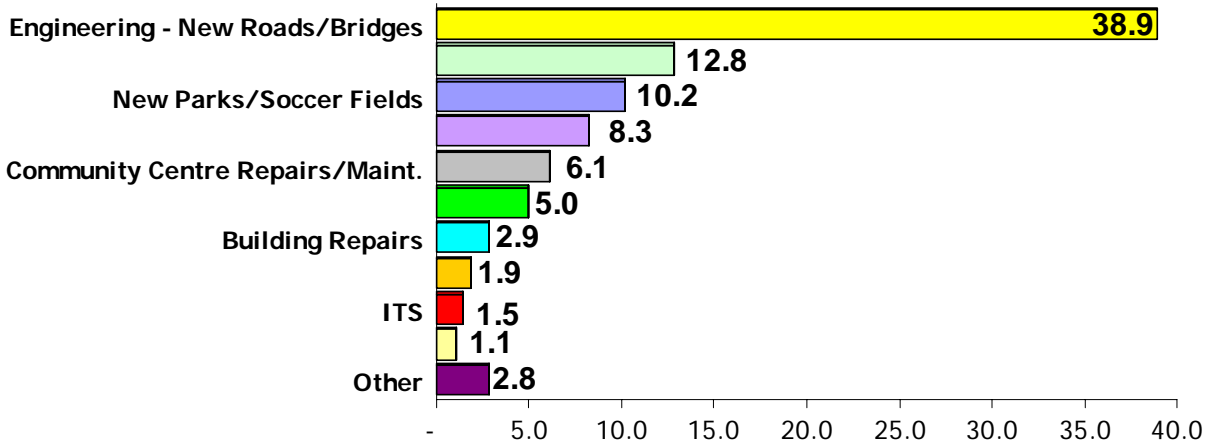
The 3.98% increase in the net tax levy applies only to the municipal portion of the tax bill. For an average household valued at \$403,000, this equates to an extra \$40.20 per year.

## Capital Budget

The breakdown of the Town of Markham's approved Capital Budget is shown below, by department:

### 2007 Capital Expenditures by Area

**\$91.5 M**



With the completion of the Town of Markham Reserve Study in 2005, the Town's 2007 capital requirements for major repair and replacement of aging infrastructure, such as replacement of park amenities and vehicles, were \$17.9M.

The Town's commitment to increase investment in Capital projects by \$0.5M, funded from assessment growth, is maintained.

The 2007 Capital budget also contains \$1.6M of Federal Gas Tax grant funded capital projects in the following areas:

- Public Transit – bike lanes/pathways and new/replacement of sidewalks;
- Local Roads & rehabilitation of culverts.

Other significant Capital projects include Birchmount Road Extension (Phase 1), widening of Rodick Road, Don Mills Culvert rehabilitation, construction of new Fire Station, construction of new Ward Building at Markham Museum, partnership with York Region District School Board for enhancement of sports field, enhancement of bike routes & pedestrian pathways, Markham Energy Conservation Office Energy Retrofit Project and enhanced tree planting initiatives.

### **Waterworks Budget**

Council approved the 2007 Waterworks Budget of \$50.1M (Excluding prior year's surplus transfer to reserves). This marks an increase of \$3.1 million over the 2006 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.

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

### **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 2007, Council approved the approved Building Services Budget of \$8.1M. This represents a decrease of \$1.3M over the 2006 Budget. The decrease is resulting from a reduction in the anticipated licenses & permit revenue for 2007.

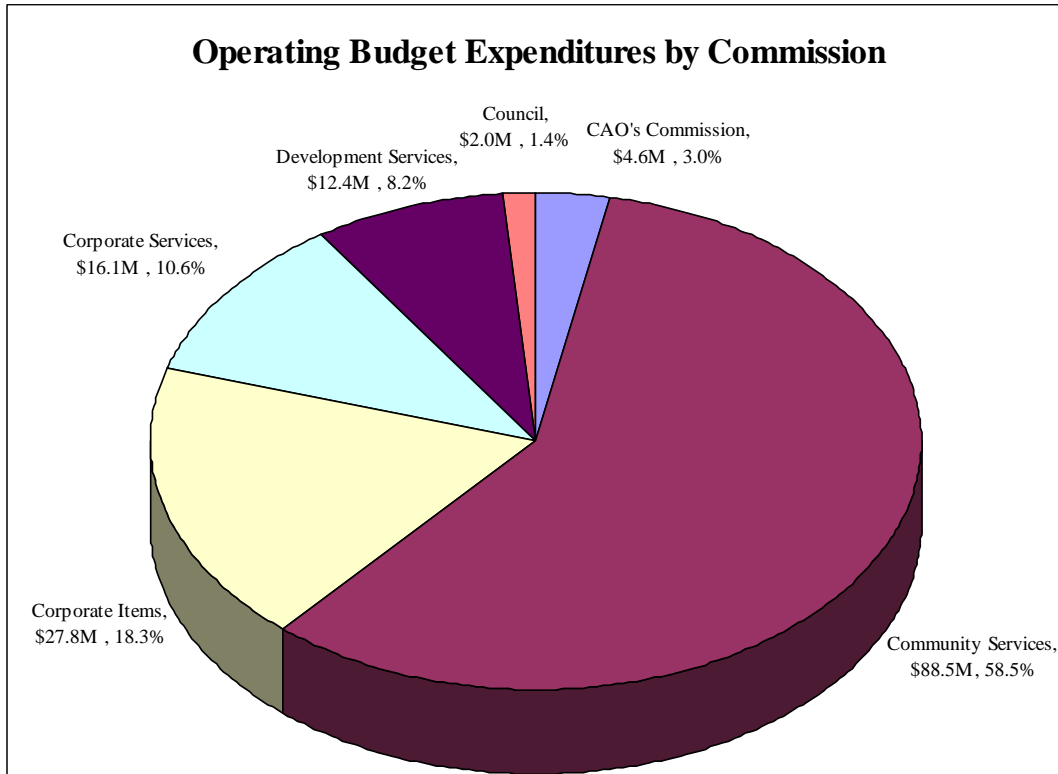


## 2007 OPERATING BUDGET SUMMARY

### Expenditures

The 2007 Operating Budget for Town services totals \$151,419,368. This marks an increase of \$8.8 million over the 2006 Operating Budget. Exhibit 1 shows the composition of the Operating Budget expenditures by Commission.

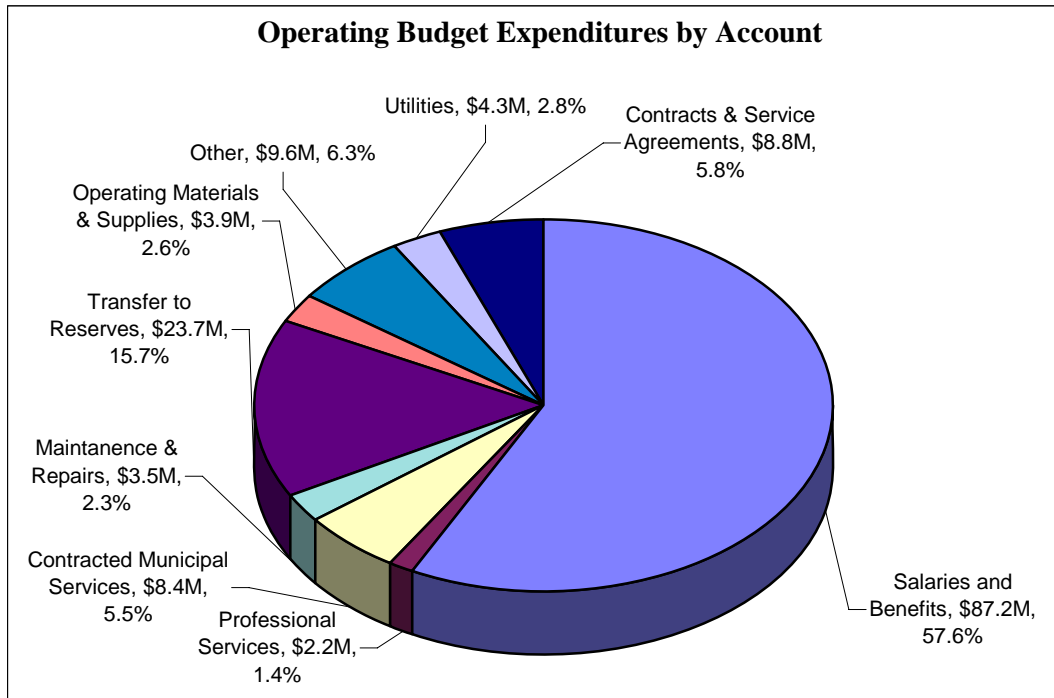
Exhibit 1



The Community & Fire Services Commission accounts for 58.5% 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 2007 Capital Budget program) represents 18.3% of the Budget.

The 2007 Operating Budget expenditures can be alternatively broken down by account. Exhibit 2 indicates that 57.5% of budgeted expenditures are related to the salaries and benefits of Town employees. The next highest individual component is the Transfer to Reserves, which represents 15.7% of the total Budget. The 'Other' category, which accounts for 6.3% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, licences, permits fees, promotion & advertising.

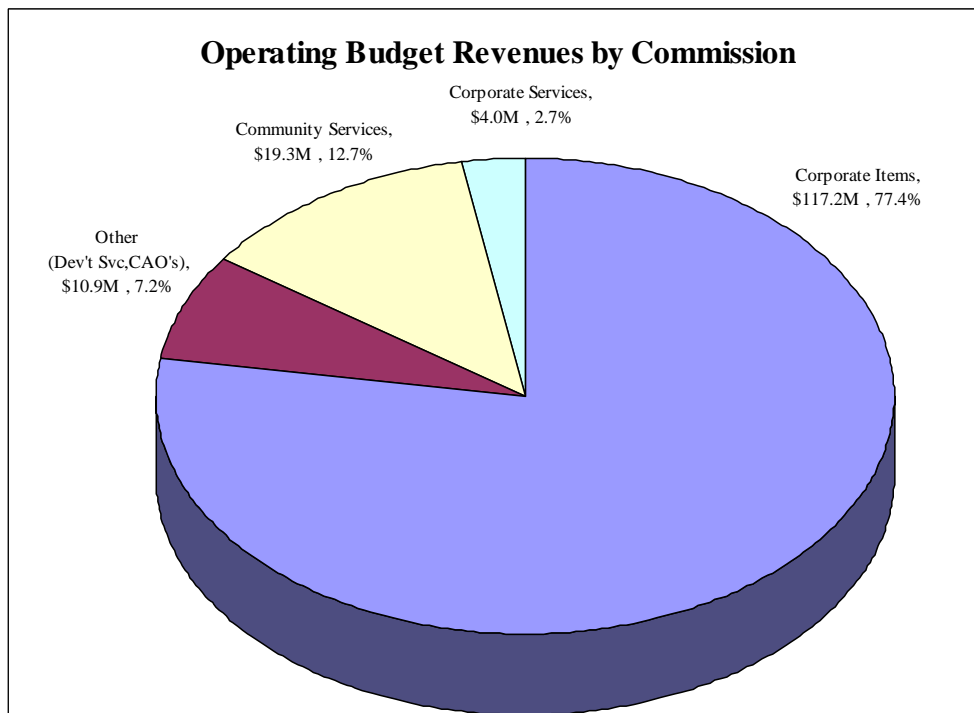
Exhibit 2



## Revenues

The \$151,419,368 Operating Budget is funded mainly through revenues associated with the following Commissions: Corporate Items (77.4%), Community Services (12.7%), and Development Services (7.2%). Corporate Items consist largely of Taxation Revenues, Investment Income, and Interest & Penalties. Please refer to Exhibit 3.

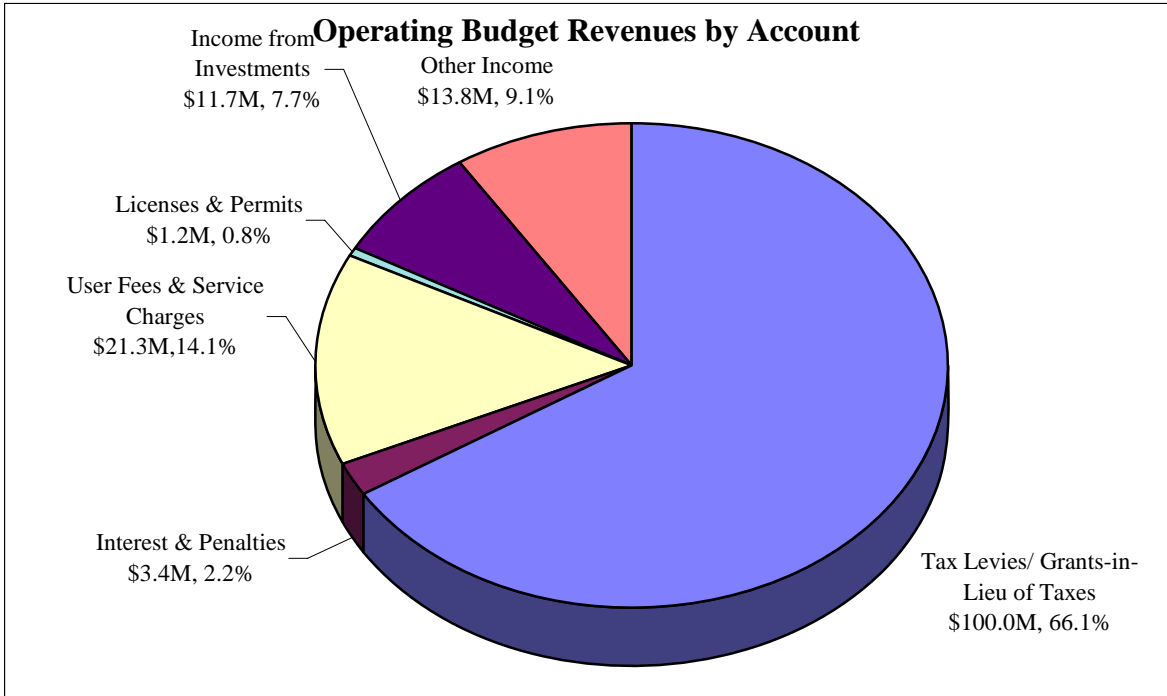
Exhibit 3





And 66.0% of the Operating Budget is funded through Taxation Revenues. Please refer to Exhibit 4.

Exhibit 4

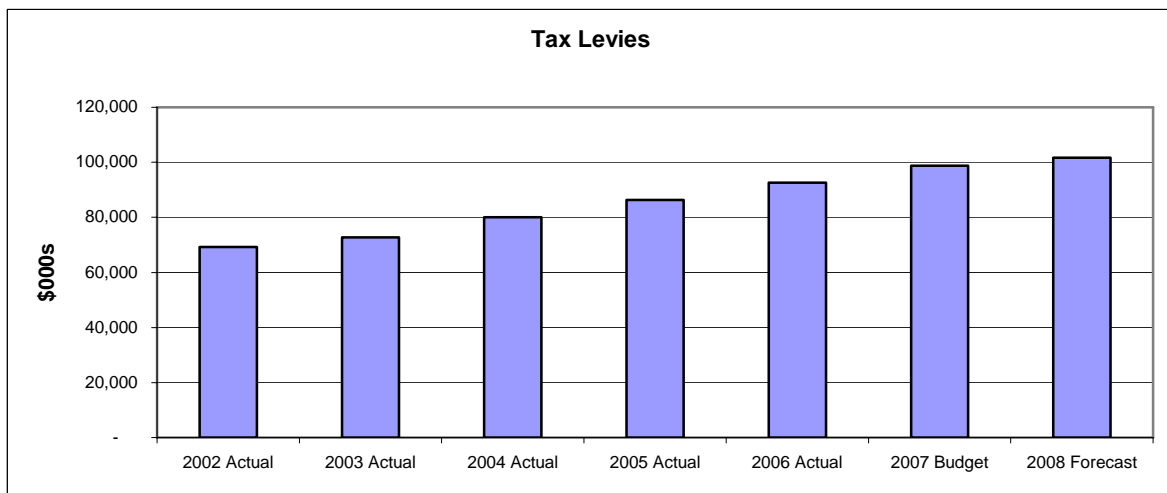


### Major Revenue Sources

#### Tax Levies

Budgeted Tax Levies is at \$98.7 million, an increase of \$6.4 million or 6.9% from 2006. Council authorized a \$3.6 million (3.98%) increase in the net tax levy in order to eliminate the budget shortfall caused by the aforementioned pressures. Council was able to keep the increase to a minimum, partly through the use of \$2.8 million of projected residential, commercial, and industrial assessment growth. Assessment growth is expected to be 3.08% in 2007 and 3.0% in 2008. Please refer to Exhibit 5.

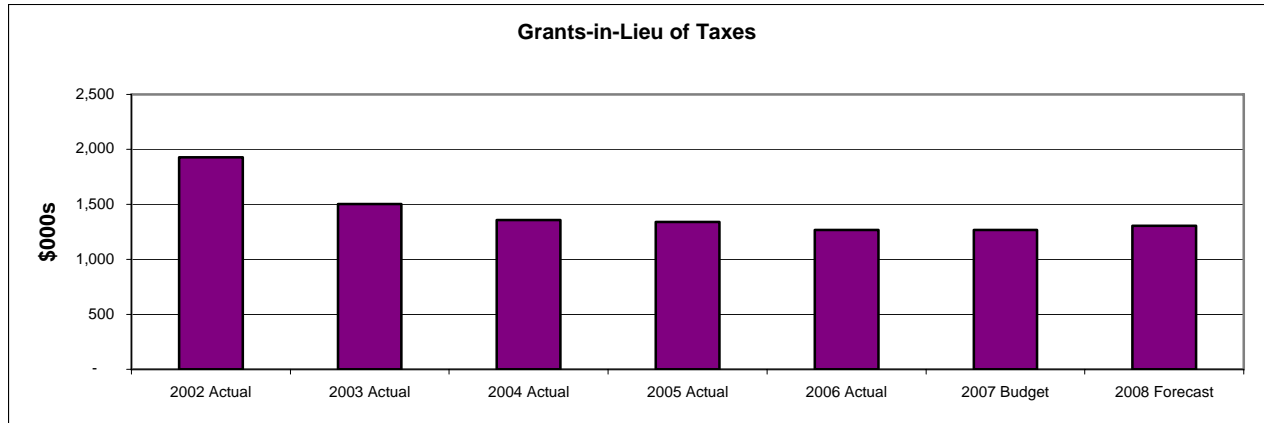
Exhibit 5



### Grants-in-Lieu of Taxes

The 2007 Budget of \$1.3 million is at the 2006 level. It is expected that the \$1.3 million budget will be kept constant through 2008. Please refer to Exhibit 6.

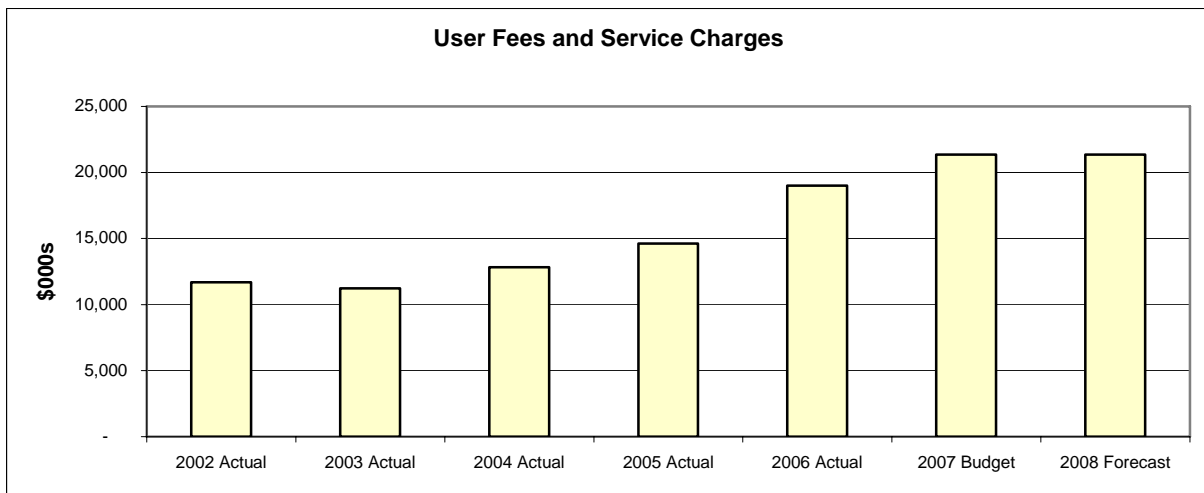
Exhibit 6



### User Fees and Service Charges

User fees & service charges have increased by \$2.6 million mainly due to the impact of Bill 124 on Development Services fees. Development services fees and Recreation fees together represent 83.3% of the Town's 2006 budget for User Fees and Service Charges. The budget of \$21.4 million is expected to remain relatively stable for the year 2008. Please refer to Exhibit 7.

Exhibit 7

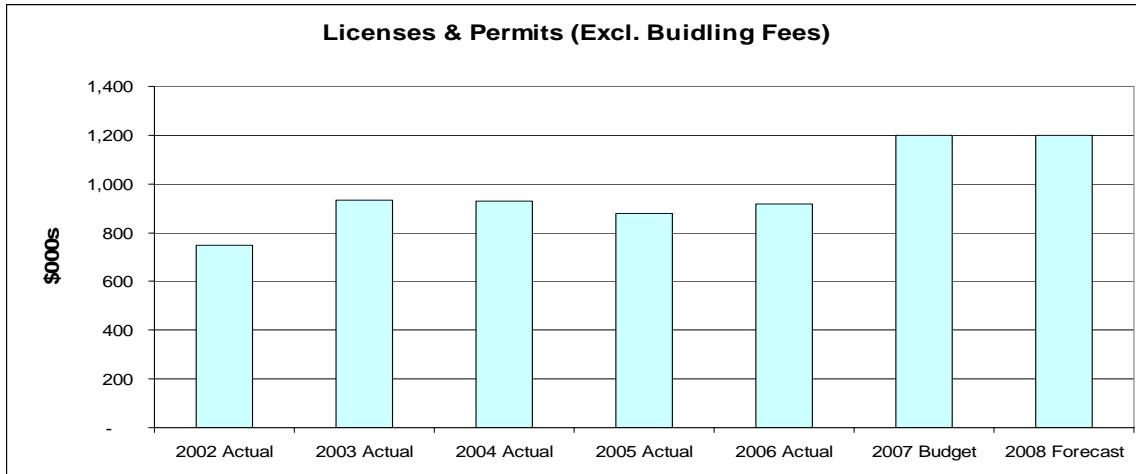


### Licenses & Permits

As a result of Bill 124, Building Standards Department has been moved to a separate fund. This event has an impact on the 2007 budget. Therefore, the Permit revenue that in previous years consisted mainly of Building Permits is not part of the Town 2007 Budget, but is rather reported in the separate Building Standards Department Budget.

The remaining Licenses and Permits revenue is generated by Legislative Services from the sale of business, marriage and other licenses. The 2007 budget of \$1.2 million related to those licenses was increased by \$0.2M from its 2006 level.

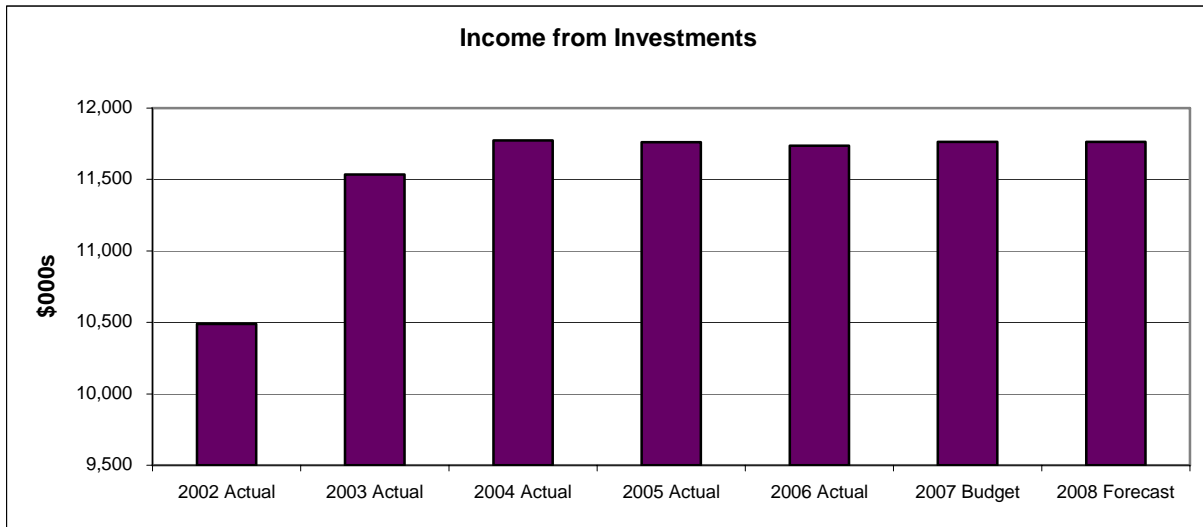
Exhibit 8



### Income from Investments

Income from Investments is at \$11.7 million, at the same level as 2006 Budget. Based on anticipated future cash flows, the forecast for future years is constant at 2007 Budget level. Please refer to exhibit 9.

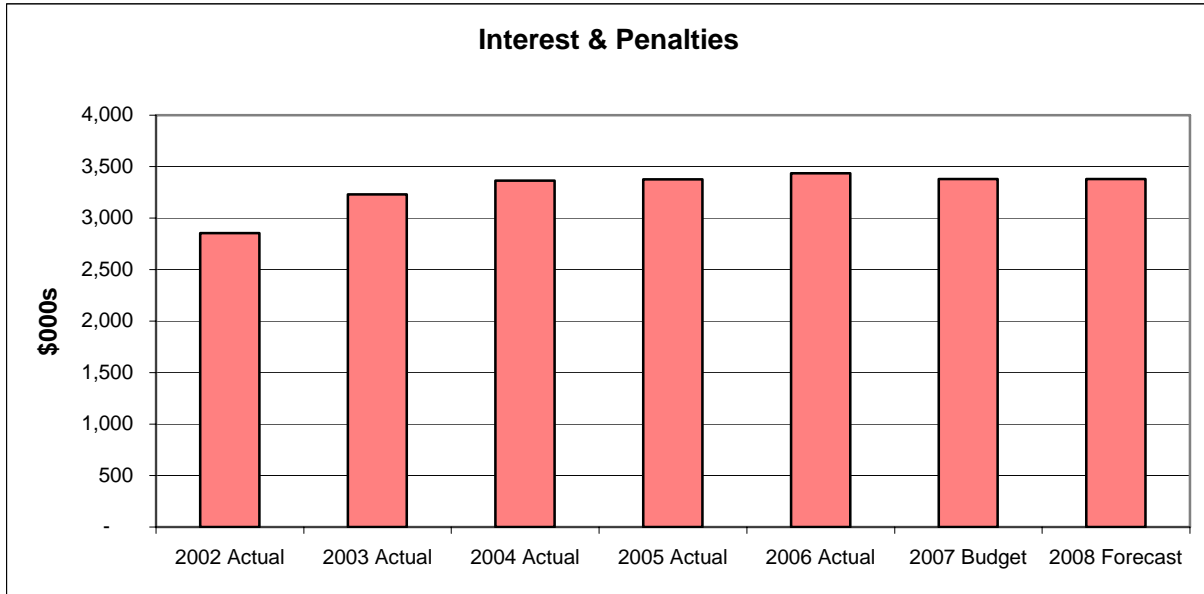
Exhibit 9



### Interest and Penalties

Interest and penalties for late payment of property tax bills remains at the 2006 budgeted level of \$3.4 million, and is expected to remain constant through 2008. Please refer to Exhibit 10.

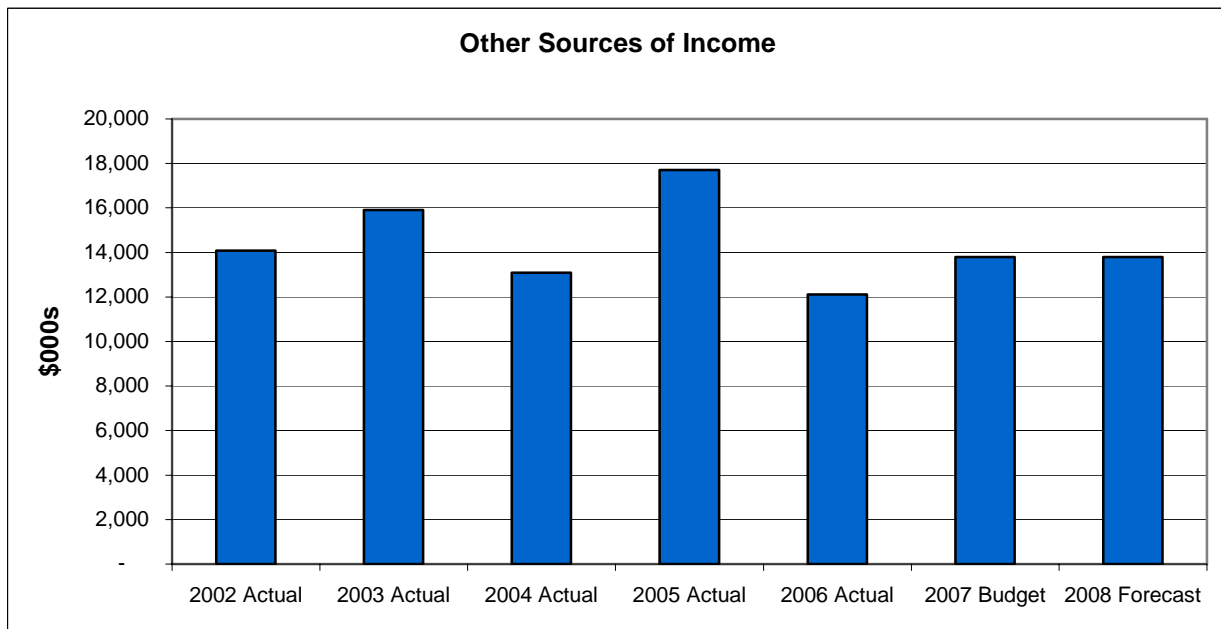
Exhibit 10



Other Income

Other Income budget of \$13.8 million has decreased by \$0.5M over 2006 Budget. This decrease is due numerous smaller items and various recoveries. Please refer to Exhibit 11.

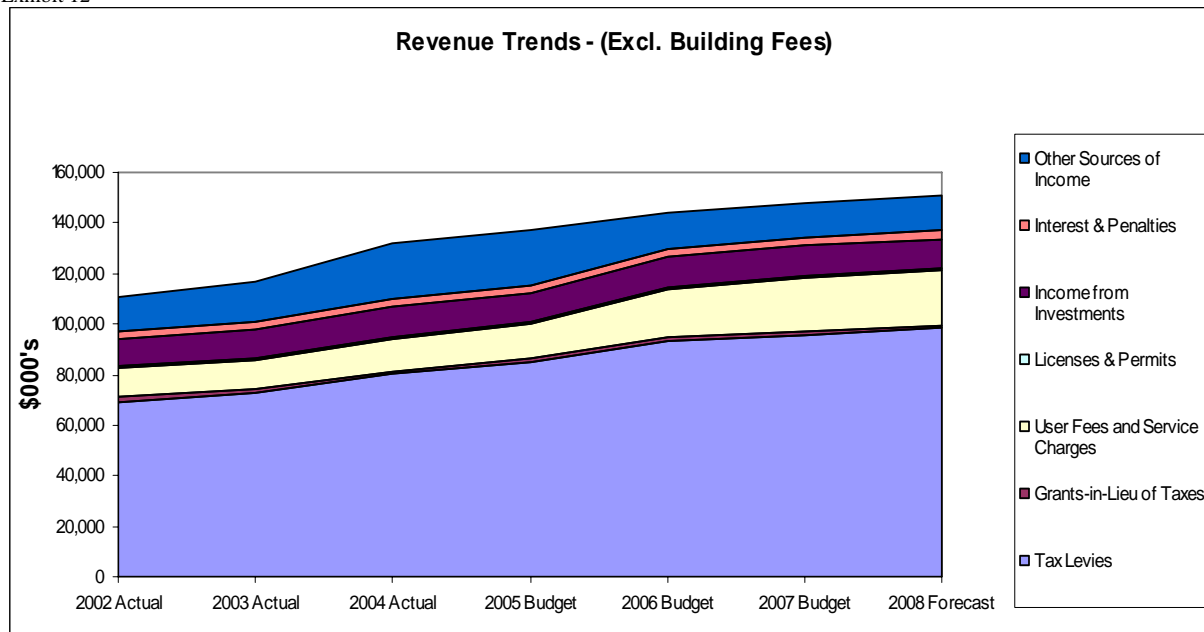
Exhibit 11



## Revenue Summary

On a consolidated basis, Town revenues are expected to grow steadily between 2007 and 2008. The main reasons for the increase are related to assessment growth, Core Services revenue strategies, and other operational revenues. Please refer to Exhibit 12. Licenses and Permits from Building Standards are not included in this chart. These revenues are reported separately in the Building Standards Department Budget.

Exhibit 12



Highlights of the 2007 Operating Budget include:

### *New Assessment Growth of 3.08%*

- \$2.8 million in additional tax revenues.

### *Maintain Existing Service levels*

- Fire, Parks, Recreation, Roads and Waste Collection 2006 service levels are maintained and improved to accommodate growth.

### *Fiscal Stewardship Leadership*

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

### *Continuation of Council Grants*

- Grants budget of \$283,000 in 2007.

*Other*

- Pesticide Free Turf maintenance/Enhanced Cultural Practices
- Roll-out of Mission Green waste diversion program to apartment buildings
- Transition to recycled paper for all stationery requirements
- Development of a Diversity Strategy
- Development of a Translation Policy
- Continuous support of the CareerBridge 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

## TOWN OF MARKHAM - 2007 OPERATING BUDGET

Total Corporation (Excluding Waterworks & Building Standards)

<u>Description</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>	
			<u>\$ Incr./(Decr.)</u>	<u>% Change</u>
<b>Revenue</b>				
TAX LEVIES	\$92,349,313	\$98,739,015	\$6,389,702	6.9%
GRANTS-IN-LIEU OF TAXES	1,268,845	1,268,845	-	0.0%
GRANTS AND SUBSIDIES	840,831	738,831	(102,000)	-12.1%
LICENCES & PERMITS	958,000	1,171,500	213,500	22.3%
INTEREST & PENALTIES	3,375,000	3,375,000	-	0.0%
INCOME FROM INVESTMENTS	11,671,836	11,673,636	1,800	0.0%
FINES	1,457,925	1,930,675	472,750	32.4%
USER FEES & SERVICE CHARGES	18,698,161	21,349,581	2,651,420	14.2%
RENTALS	5,469,370	5,635,696	166,326	3.0%
SALES	523,050	604,113	81,063	15.5%
RECOVERIES & CONTRIBUTIONS	754,639	1,004,600	249,961	33.1%
OTHER INCOME	5,227,451	3,927,876	(1,299,575)	-24.9%
<b>Total Revenues</b>	<b>\$142,594,422</b>	<b>\$151,419,368</b>	<b>\$8,824,946</b>	<b>6.2%</b>
<b>Expenses</b>				
SALARIES AND BENEFITS	\$81,381,412	\$87,106,105	\$5,724,693	7.0%
PRINTING & OFFICE SUPPLIES	666,294	713,566	47,272	7.1%
PURCHASES FOR RESALE	216,962	273,405	56,443	26.0%
OPERATING MATERIALS & SUPPLIES	3,630,783	3,863,484	232,701	6.4%
VEHICLE SUPPLIES	963,333	1,106,018	142,685	14.8%
SMALL EQUIPMENT SUPPLIES	14,291	14,291	-	0.0%
BOTANICAL SUPPLIES	357,827	361,919	4,092	1.1%
CONSTRUCTION MATERIALS	1,035,567	1,220,096	184,529	17.8%
UTILITIES	3,774,211	4,253,830	479,619	12.7%
COMMUNICATIONS	1,309,850	1,314,224	4,374	0.3%
TRAVEL EXPENSES	390,125	410,369	20,244	5.2%
TRAINING	701,533	720,016	18,483	2.6%
CONTRACTS & SERVICE AGREEMENTS	3,964,092	4,404,590	440,498	11.1%
MAINT. & REPAIR-TIME/MATERIAL	2,976,083	3,508,117	532,034	17.9%
RENTAL/LEASE	986,479	1,002,099	15,620	1.6%
INSURANCE	1,424,613	1,665,789	241,176	16.9%
PROFESSIONAL SERVICES	2,140,080	2,149,108	9,028	0.4%
LICENCES, PERMITS, FEES	611,915	613,442	1,527	0.2%
CREDIT CARD SERVICE CHARGES	143,595	163,024	19,429	13.5%
PROMOTION & ADVERTISING	1,507,659	1,530,509	22,850	1.5%
CONTRACTED MUNICIPAL SERVICES	7,643,775	8,399,989	756,214	9.9%
OTHER PURCHASED SERVICES	813,304	709,911	(103,393)	-12.7%
OFFICE FURNISHINGS & EQUIPMENT	17,276	17,276	-	0.0%
WRITE-OFFS	500,600	500,600	-	0.0%
OTHER EXPENDITURES	2,080,992	1,677,400	(403,592)	-19.4%
TRANSFERS TO RESERVES	23,341,771	23,720,191	378,420	1.6%
<b>Total Expenditures</b>	<b>\$142,594,422</b>	<b>\$151,419,368</b>	<b>\$8,824,946</b>	<b>6.2%</b>
<b>Net Expenditure (Revenue)</b>	-	-	-	

(Excludes prior year surplus)

**2007 OPERATING BUDGET SUMMARY  
CONSOLIDATED BY DEPARTMENT & COMMISSION  
NET CHARGE AGAINST TAX RATE**

<u>Department/Commission</u>	<u>2006 Actual</u>	<u>2006 Budget</u>	<u>2007 Budget Approved</u>	<u>2007 Bud. vs. 2006 Bud. Incr(Decr.)</u>	<u>%Change</u>	<u>2007 Bud. vs. 2006 Act. Incr.(Decr.)</u>	<u>% Change</u>
	\$	\$	\$	\$		\$	
Administrative Costs	1,388,932	1,459,377	1,476,887	17,510	1.2%	87,955	6.3%
Mayor & Councillors	536,201	573,340	583,340	10,000	1.7%	47,139	8.8%
<b>Total Council</b>	<b>1,925,133</b>	<b>2,032,717</b>	<b>2,060,227</b>	<b>27,510</b>	<b>1.4%</b>	<b>135,094</b>	<b>7.0%</b>
CAO's Office	476,624	464,149	467,712	3,563	0.8%	-8,912	-1.9%
Human Resources	2,151,240	2,317,087	2,462,759	145,672	6.3%	311,519	14.5%
Legal Dept.	862,794	822,829	898,268	75,439	9.2%	35,474	4.1%
Strategic Initiatives	466,507	457,869	487,093	29,224	6.4%	20,586	4.4%
<b>Total CAO</b>	<b>3,957,165</b>	<b>4,061,934</b>	<b>4,315,832</b>	<b>253,898</b>	<b>6.3%</b>	<b>358,667</b>	<b>9.1%</b>
Commissioner's Office	431,412	448,589	452,276	3,687	0.8%	20,864	4.8%
Contact Centre	839,776	792,035	835,815	43,780	5.5%	-3,961	-0.5%
Corporate Communications	732,383	815,733	838,553	22,820	2.8%	106,170	14.5%
Financial Services	3,256,009	3,345,402	3,235,270	-110,132	-3.3%	-20,739	-0.6%
ITS Department	4,532,786	5,018,799	5,041,822	23,023	0.5%	509,036	11.2%
Legislative Services	1,570,590	1,903,709	1,645,494	-258,215	-13.6%	74,904	4.8%
<b>Total Corporate Services</b>	<b>11,362,956</b>	<b>12,324,267</b>	<b>12,049,230</b>	<b>-275,037</b>	<b>-2.2%</b>	<b>686,274</b>	<b>6.0%</b>
Commissioner's Office	825,559	850,020	873,158	23,138	2.7%	47,599	5.8%
Economic Development	792,418	846,681	888,661	41,980	5.0%	96,243	12.1%
Engineering	0	0	0	0	0.0%	0	0.0%
Planning & Design	0	0	0	0	0.0%	0	0.0%
<b>Total Development Services</b>	<b>1,617,977</b>	<b>1,696,701</b>	<b>1,761,819</b>	<b>65,118</b>	<b>3.8%</b>	<b>143,842</b>	<b>8.9%</b>
Asset Management	1,414,345	1,346,420	1,495,766	149,346	11.1%	81,421	5.8%
Commissioner's Office	390,165	-168,277	75,316	243,593	-144.8%	-314,849	-80.7%
Construction & Utilities	2,054,364	2,669,086	2,795,106	126,020	4.7%	740,742	36.1%
Culture	1,499,980	1,289,962	1,267,979	-21,983	-1.7%	-232,001	-15.5%
Fire Services	22,673,099	21,359,357	23,148,598	1,789,241	8.4%	475,499	2.1%
Markham Public Libraries	8,677,724	8,733,049	9,053,025	319,976	3.7%	375,301	4.3%
Operations	14,799,526	15,875,631	16,817,373	941,742	5.9%	2,017,847	13.6%
Operations & Asset Mgt -Admin	550,163	527,324	570,192	42,868	8.1%	20,029	3.6%
Recreation & Culture Administration	728,518	631,117	1,082,867	451,750	71.6%	354,349	48.6%
Recreation Services	3,827,859	3,834,565	4,480,606	646,041	16.8%	652,747	17.1%
Strategic Services	1,378,201	868,453	1,250,747	382,294	44.0%	-127,454	-9.2%
Waste	6,963,160	6,485,628	7,240,964	755,336	11.6%	277,804	4.0%
<b>Total Community And Fire Services</b>	<b>64,957,104</b>	<b>63,452,315</b>	<b>69,278,539</b>	<b>5,826,224</b>	<b>9.2%</b>	<b>4,321,435</b>	<b>6.7%</b>
<b>Corporate Items</b>	<b>-85,970,429</b>	<b>-83,567,934</b>	<b>-89,465,647</b>	<b>-5,897,713</b>	<b>7.1%</b>	<b>-3,495,218</b>	<b>4.1%</b>
<b>Total Corporation (Excl. W.W. &amp; Bldg.)</b>	<b>-2,150,094</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>2,150,094</b>	<b>-100.0%</b>
<b>Waterworks (W.W.)</b>	<b>-1,475,510</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>1,475,510</b>	<b>-100.0%</b>
<b>Building Services (Bldg.)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Total Corporation</b>	<b>-3,625,604</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>3,625,604</b>	<b>-100.0%</b>



**2007 OPERATING BUDGET SUMMARY  
EXPENDITURES**

<u>Department/Commission</u>	<u>2006 Actual</u> \$	<u>2006 Budget</u> \$	<u>2007 Budget Approved</u> \$	<u>2007 Bud. vs. 2006 Bud. Incr(Decr.)</u> \$	<u>%Change</u>	<u>2007 Bud. vs. 2006 Act. Incr.(Decr.)</u> \$	<u>% Change</u>
Administrative Costs	1,388,932	1,459,377	1,476,887	17,510	1.2%	87,955	6.3%
Mayor & Councillors	569,576	573,340	583,340	10,000	1.7%	13,764	2.4%
<b>Total Council</b>	<b>1,958,508</b>	<b>2,032,717</b>	<b>2,060,227</b>	<b>27,510</b>	<b>1.4%</b>	<b>101,719</b>	<b>5.2%</b>
CAO's Office	476,624	464,149	467,712	3,563	0.8%	-8,912	-1.9%
Human Resources	2,151,227	2,322,531	2,534,563	212,032	9.1%	383,336	17.8%
Legal Dept.	997,425	1,052,829	1,078,268	25,439	2.4%	80,843	8.1%
Strategic Initiatives	466,507	457,869	487,093	29,224	6.4%	20,586	4.4%
<b>Total CAO</b>	<b>4,091,783</b>	<b>4,297,378</b>	<b>4,567,636</b>	<b>270,258</b>	<b>6.3%</b>	<b>475,853</b>	<b>11.6%</b>
Commissioner's Office	431,412	448,589	452,276	3,687	0.8%	20,864	4.8%
Contact Centre	848,221	820,035	863,815	43,780	5.3%	15,594	1.8%
Corporate Communications	732,383	815,733	838,553	22,820	2.8%	106,170	14.5%
Financial Services	3,869,421	4,038,907	3,925,775	-113,132	-2.8%	56,354	1.5%
ITS Department	4,534,251	5,022,799	5,045,822	23,023	0.5%	511,571	11.3%
Legislative Services	4,571,931	4,484,134	4,941,319	457,185	10.2%	369,388	8.1%
<b>Total Corporate Services</b>	<b>14,987,619</b>	<b>15,630,197</b>	<b>16,067,560</b>	<b>437,363</b>	<b>2.8%</b>	<b>1,079,941</b>	<b>7.2%</b>
Commissioner's Office	825,559	850,020	873,158	23,138	2.7%	47,599	5.8%
Economic Development	897,660	953,515	970,495	16,980	1.8%	72,835	8.1%
Engineering	4,323,477	4,063,213	5,081,399	1,018,186	25.1%	757,922	17.5%
Planning & Design	4,921,924	4,495,887	5,499,662	1,003,775	22.3%	577,738	11.7%
<b>Total Development Services</b>	<b>10,968,620</b>	<b>10,362,635</b>	<b>12,424,714</b>	<b>2,062,079</b>	<b>19.9%</b>	<b>1,456,094</b>	<b>13.3%</b>
Asset Management	1,692,611	1,612,901	1,772,070	159,169	9.9%	79,459	4.7%
Commissioner's Office	390,165	93,723	275,316	181,593	193.8%	-114,849	-29.4%
Construction & Utilities	2,239,659	2,771,086	2,927,106	156,020	5.6%	687,447	30.7%
Culture	3,503,067	3,327,493	3,466,831	139,338	4.2%	-36,236	-1.0%
Fire Services	23,004,234	21,894,357	23,710,559	1,816,202	8.3%	706,325	3.1%
Markham Public Libraries	9,424,847	9,544,656	9,910,632	365,976	3.8%	485,785	5.2%
Operations	15,961,886	16,880,407	18,065,649	1,185,242	7.0%	2,103,763	13.2%
Operations & Asset Mgt -Admin	550,163	527,324	570,192	42,868	8.1%	20,029	3.6%
Recreation & Culture Administration	817,688	789,117	1,179,867	390,750	49.5%	362,179	44.3%
Recreation Services	15,960,641	16,222,523	17,427,548	1,205,025	7.4%	1,466,907	9.2%
Strategic Services	1,779,038	1,441,619	1,437,847	-3,772	-0.3%	-341,191	-19.2%
Waste	7,529,288	7,056,737	7,797,073	740,336	10.5%	267,785	3.6%
<b>Total Community And Fire Services</b>	<b>82,853,287</b>	<b>82,161,943</b>	<b>88,540,690</b>	<b>6,378,747</b>	<b>7.8%</b>	<b>5,687,403</b>	<b>6.9%</b>
<b>Corporate Items</b>	<b>34,912,720</b>	<b>28,109,552</b>	<b>27,758,541</b>	<b>-351,011</b>	<b>-1.2%</b>	<b>-7,154,179</b>	<b>-20.5%</b>
<b>Total Corporation (Excl. W.W. &amp; Bldg.)</b>	<b>149,772,537</b>	<b>142,594,422</b>	<b>151,419,368</b>	<b>8,824,946</b>	<b>6.2%</b>	<b>1,646,831</b>	<b>1.1%</b>
Waterworks (W.W.)	47,349,501	46,976,127	50,146,462	3,170,335	6.7%	2,796,961	5.9%
Building Services (Bldg.)	6,390,055	9,440,255	8,045,000	-1,395,255	-14.8%	1,654,945	25.9%
<b>Total Corporation</b>	<b>203,512,093</b>	<b>199,010,804</b>	<b>209,610,830</b>	<b>10,600,026</b>	<b>5.3%</b>	<b>6,098,737</b>	<b>3.0%</b>

**2007 OPERATING BUDGET SUMMARY  
REVENUES**

<u>Department/Commission</u>	<u>2006 Actual</u> \$	<u>2006 Budget</u> \$	<u>2007 Budget Approved</u> \$	<u>2007 Bud. vs. 2006 Bud. Incr(Decr.)</u> \$	<u>%Change</u>	<u>2007 Bud. vs. 2006 Act. Incr.(Decr.)</u> \$	<u>% Change</u>
Mayor & Councillors	33,375	0	0	0	0.0%	-33,375	-100.0%
<b>Total Council</b>	<b>33,375</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>-33,375</b>	<b>-100.0%</b>
Human Resources	-13	5,444	71,804	66,360	1219.0%	71,817	-552438.5%
Legal Dept.	134,631	230,000	180,000	-50,000	-21.7%	45,369	33.7%
<b>Total CAO</b>	<b>134,618</b>	<b>235,444</b>	<b>251,804</b>	<b>16,360</b>	<b>6.9%</b>	<b>117,186</b>	<b>87.1%</b>
Contact Centre	8,445	28,000	28,000	0	0.0%	19,555	231.6%
Financial Services	613,412	693,505	690,505	-3,000	-0.4%	77,093	12.6%
ITS Department	1,465	4,000	4,000	0	0.0%	2,535	173.0%
Legislative Services	3,001,341	2,580,425	3,295,825	715,400	27.7%	294,484	9.8%
<b>Total Corporate Services</b>	<b>3,624,663</b>	<b>3,305,930</b>	<b>4,018,330</b>	<b>712,400</b>	<b>21.5%</b>	<b>393,667</b>	<b>10.9%</b>
Economic Development	105,242	106,834	81,834	-25,000	-23.4%	-23,408	-22.2%
Engineering	4,323,477	4,063,213	5,081,399	1,018,186	25.1%	757,922	17.5%
Planning & Design	4,921,924	4,495,887	5,499,662	1,003,775	22.3%	577,738	11.7%
<b>Total Development Services</b>	<b>9,350,643</b>	<b>8,665,934</b>	<b>10,662,895</b>	<b>1,996,961</b>	<b>23.0%</b>	<b>1,312,252</b>	<b>14.0%</b>
Asset Management	278,266	266,481	276,304	9,823	3.7%	-1,962	-0.7%
Commissioner's Office	0	262,000	200,000	-62,000	-23.7%	200,000	0.0%
Construction & Utilities	185,295	102,000	132,000	30,000	29.4%	-53,295	-28.8%
Culture	2,003,087	2,037,531	2,198,852	161,321	7.9%	195,765	9.8%
Fire Services	331,135	535,000	561,961	26,961	5.0%	230,826	69.7%
Markham Public Libraries	747,123	811,607	857,607	46,000	5.7%	110,484	14.8%
Operations	1,162,360	1,004,776	1,248,276	243,500	24.2%	85,916	7.4%
Recreation & Culture Administration	89,170	158,000	97,000	-61,000	-38.6%	7,830	8.8%
Recreation Services	12,132,782	12,387,958	12,946,942	558,984	4.5%	814,160	6.7%
Strategic Services	400,837	573,166	187,100	-386,066	-67.4%	-213,737	-53.3%
Waste	566,128	571,109	556,109	-15,000	-2.6%	-10,019	-1.8%
<b>Total Community And Fire Services</b>	<b>17,896,183</b>	<b>18,709,628</b>	<b>19,262,151</b>	<b>552,523</b>	<b>3.0%</b>	<b>1,365,968</b>	<b>7.6%</b>
<b>Corporate Items</b>	<b>120,883,149</b>	<b>111,677,486</b>	<b>117,224,188</b>	<b>5,546,702</b>	<b>5.0%</b>	<b>-3,658,961</b>	<b>-3.0%</b>
<b>Total Corporation (Excl. W.W. &amp; Bldg.)</b>	<b>151,922,631</b>	<b>142,594,422</b>	<b>151,419,368</b>	<b>8,824,946</b>	<b>6.2%</b>	<b>-503,263</b>	<b>-0.3%</b>
<b>Waterworks (W.W.)</b>	<b>48,825,011</b>	<b>46,976,127</b>	<b>50,146,462</b>	<b>3,170,335</b>	<b>6.7%</b>	<b>1,321,451</b>	<b>2.7%</b>
<b>Building Services (Bldg.)</b>	<b>6,390,055</b>	<b>9,440,255</b>	<b>8,045,000</b>	<b>-1,395,255</b>	<b>-14.8%</b>	<b>1,654,945</b>	<b>25.9%</b>
<b>Total Corporation</b>	<b>207,137,697</b>	<b>199,010,804</b>	<b>209,610,830</b>	<b>10,600,026</b>	<b>5.3%</b>	<b>2,473,133</b>	<b>1.2%</b>

**2007 OPERATING BUDGET SUMMARY**  
**CONSOLIDATED BY COMMISSION AND ACCOUNT**  
(Excluding Waterworks & Building Standards)  
(\$000's)

COMPARISON BY COMMISSION					COMPARISON BY ACCOUNT				
	<u>2006</u> <u>Budget</u>	<u>2007</u> <u>Budget</u>	<u>Change</u> <u>Incr./(Decr.)</u>			<u>2006</u> <u>Budget</u>	<u>2007</u> <u>Budget</u>	<u>Change</u> <u>Incr./(Decr.)</u>	
			\$	%				\$	%
<b><u>REVENUES *</u></b>					<b><u>REVENUES *</u></b>				
Mayor & Council	-	-	-		Taxation Revenues	93,618	100,008	6,390	6.8
CAO's Office	235	252	17.00	7.23	Grant & Subsidy Revenues	841	738	-103	(12.2)
Corporate Services	3,306	4,018	712	21.5	General Revenues	17,463	18,151	688	3.9
Development Services	8,666	10,663	1,997	23.0	User Fees and Service Charge	24,690	27,589	2,899	11.7
Community And Fire Service	18,710	19,262	552	3.0	Other Income	5,451	4,402	-1,049	(19.2)
Corporate Items	111,677	117,224	5,547	5	Inter-Departmental	531	531	0	0.0
<b>Total Revenues</b>	<b><u>142,594</u></b>	<b><u>151,419</u></b>	<b><u>8,825</u></b>	<b><u>6.2</u></b>	<b>Total Revenues</b>	<b><u>142,594</u></b>	<b><u>151,419</u></b>	<b><u>8,825</u></b>	<b><u>6.2</u></b>
<b><u>EXPENDITURES *</u></b>					<b><u>EXPENDITURES *</u></b>				
Mayor & Council	2,033	2,060	27	1.3	Personnel Services	81,381	87,106	5,725	7.0
CAO's Office	4,297	4,568	271	6.3	Materials & Supplies	6,885	7,553	668	9.7
Corporate Services	15,630	16,067	437	2.8	Purchased Services	28,387	30,845	2,458	8.7
Development Services	10,363	12,425	2,062	19.9	Capital Asset Acquisition	17	17	0	0.0
Community And Fire Service	82,162	88,541	6,379	7.8	Financial Expenses	501	501	-	-
Corporate Items	28,109	27,758	-351	(1.2)	Other Expenditures	2,081	1,677	-404	(19.4)
<b>Total Expenditures</b>	<b><u>142,594</u></b>	<b><u>151,419</u></b>	<b><u>8,825</u></b>	<b><u>6.2</u></b>	Transfers to Own Funds	23,342	23,720	378	1.6
					<b>Total Expenditures</b>	<b><u>142,594</u></b>	<b><u>151,419</u></b>	<b><u>8,825</u></b>	<b><u>6.2</u></b>

\* Excludes prior years surplus



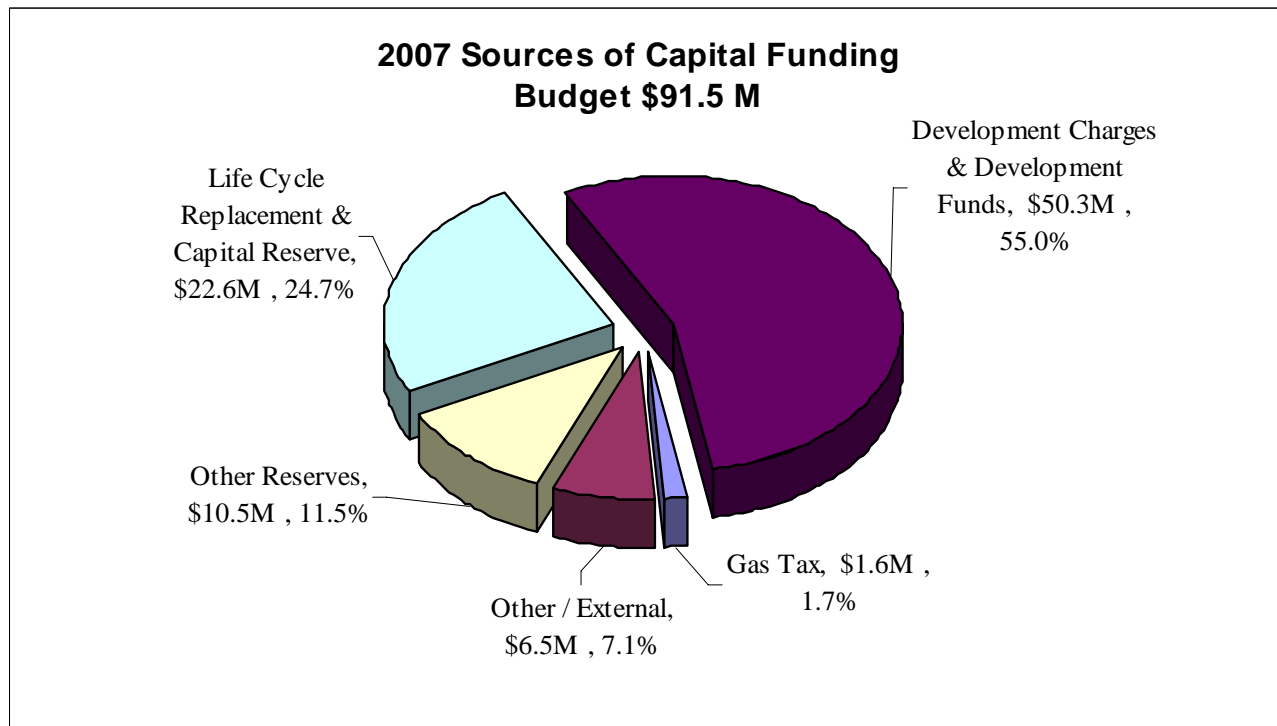
## 2007 CAPITAL BUDGET

### Definition of Capital

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

- It must have an expected useful life longer than one year
- The total costs must meet or exceed \$5,000
- Align with the Town's Corporate Goals

The 2007 Capital Budget totals \$91,467,300 and is funded through a variety of sources. \$22,600,000 (24.7%) 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 \$3,700,000 increase in Life Cycle Replacement and Capital Reserve funding over 2006 levels. Contributions from Developers (DCA, Developers Funds) and Reserves also account for large portion of the Capital Budget funding. Please refer to exhibit below.



Highlights of the 2007 Capital Budget include:

### INFRASTRUCTURE & TRANSPORTATION

#### *Birchmount Road Extension – Phase 1*

- \$15,562,500. Phase 1 includes the extension of Birchmount Road from 14<sup>th</sup> Avenue to Enterprise Drive. It will also include road widening from 14<sup>th</sup> Avenue to Royal Crest, a road extension from Royal Crest to Enterprise Drive, the relocation and expansion of the Concanmar Storm Water Management pond and detailed design on a new Storm Water Management facility north of Hwy 407.

#### *Widening of Rodick Road*

- \$3,795,100. Widening of Rodick Road from Miller Avenue to 14<sup>th</sup> Avenue, including installation of Municipal Services.

#### *Bridges & Culverts Improvement Program*

- \$3,348,200. The 2007 program includes additional funds for Reesor Road bridge replacement and for rehabilitation of John Street Bridge.

#### *Don Mills Culvert Rehabilitation*

- \$1,300,000. This funding provides for the rehabilitation of 10 culverts along Don Mills from Steeles Avenue to German Mills Creek.

### **CREATING A BETTER QUALITY OF COMMUNITY AND SAFE STREETS**

#### *Construction of one new Fire Station*

- \$3,163,500. This funding includes the construction and furnishing of one new Fire Station. It will allow the Town to improve the initial response and service level.

#### *Construction of new Ward Building at Markham Museum*

- \$3,000,000. Construction of the Ward Building at Markham Museum which will serve as collections centre and exhibition centre.

#### *Soccer Fields*

- \$2,400,000. \$2,000,000 is for enhancements to a sports field being constructed by the York Region District School Board. The funds will be used to upgrade 2 planned natural turf sports fields to artificial turf, to provide lights for 3 planned fields, and to increase the size of the maintenance and washroom building. The remaining \$400,000 is provided for the construction of a fully lit soccer field at the Angus Glen Community Centre.

### **IMPROVING ENVIRONMENTAL PROTECTION & MANAGEMENT**

#### *Downstream Improvements Works Program*

- \$1,350,300. This program will improve the Town's watercourse and control erosion.

#### *Bike Routes & Pedestrian Pathways*

- \$400,000. This funding will enhance the Town's bicycle network in providing option for residents to use alternative modes of transportation. It will provide 70km of signed only routes and 30km of bicycle lanes.

#### *Markham Energy Conservation Office Energy Retrofit Project*

- \$287,800. Markham Energy Conservation Office (MECO) is committed to implementing energy savings measures at Town-wide facilities. The 2007 program will be a retrofit at the Milliken Mills Community Centre.

### *Enhanced Tree Planting Initiatives*

- \$250,000. This initiative will allow for the supply, planting and maintenance of approximately 540 trees in parks and open spaces in the Town.

## **MAINTAINING WATER & WASTEWATER PROGRAM**

### *Watermain Replacement*

- \$1,790,000. Watermain replacement on Steeles Avenue from Yonge St. to Henderson Avenue.

### *Wastewater System Upgrade Program*

- \$1,432,500. Structural and service condition repairs of sanitary wastewater collection system, including manhole and service lateral replacement and repairs.

### *Cement Relining of Iron Watermains*

- \$1,282,500. Cement lining of unlined ductile iron watermain pipes to remove corrosion and restore water quality at various locations throughout Town. The project includes hydrant upgrade, valve replacement and curbs box repairs.

### *Water System Upgrade Program*

- \$1,012,000. Upgrade of curb boxes and sampling stations, as well as the repair of the distribution system to maintain life expectancy and to improve maintaining water quality.

### *Cathodic Protection of Iron Watermains*

- \$300,000. This project will protect iron watermains from external corrosion, to minimize watermain breaks, and extend the pipe's useful life expectancy. Various locations throughout the Town.

## **ECONOMIC DEVELOPMENT**

### *Innovation Synergy Centre in Markham (ISCM)*

- \$350,000. Continuing operation of the ISCM requires annual capital contribution by the Town as the lead partner. The Innovation Synergy Centre in Markham was created to help accelerate growth and development of business with the objective of assisting companies to grow their sales and employment base.

## 2007 Capital Budget - Summary by Commission

	<b>2006 Budget</b>	<b>2007 Budget</b>
	\$	\$
<b>CAO, Legal, HR &amp; Strategic Initiatives</b>		
Human Resources	135,000	-
Strategic Initiatives	163,000	472,400
	298,000	472,400
 <b>Corporate Services</b>		
ITS	3,536,379	1,476,600
Financial Services	1,246,200	740,500
Corporate Communications	95,000	30,000
	4,877,579	2,247,100
 <b>Development Services</b>		
Economic Development	440,000	550,000
Planning	575,000	1,128,300
Design	2,188,000	6,394,500
Engineering	28,481,100	38,899,500
	31,684,100	46,972,300
 <b>Community &amp; Fire Services</b>		
Museum	470,000	270,000
Theatre	187,500	424,200
Arts Centre	19,500	327,200
Recreation & Culture Construction	-	3,250,000
Fire	1,901,100	5,013,500
Recreation Services	1,682,900	1,861,600
Operations - Roads	8,047,981	7,220,000
Operations - Parks	1,271,000	1,813,000
Asset Management	2,551,000	2,834,100
Capital Works, ROW	3,215,000	5,588,200
Operations - Fleet	4,058,755	1,885,200
Waste Management	167,000	95,000
Contracts & Utilities	255,000	260,000
Strategic Services	20,000	2,536,700
Library	2,464,500	150,000
Waterworks	6,860,200	8,246,800
	33,171,436	41,775,500
 <b>Total Capital Budget</b>	<b>70,031,115</b>	<b>91,467,300</b>



## 2007 CAPITAL BUDGET BY DEPARTMENT

Project	Project Desc	Total	Operating Budget Funded	Life Cycle	Development Charges	Other	Description of Other Funding
<b>CAO, Legal, HR, &amp; Strategic Initiatives</b>							
<i>Strategic Initiatives</i>							
7720	Residents Satisfaction Survey for Town Service	150,000	73,836			76,164	Carry Forward
7723	Excellence Initiative	40,000	40,000				
7725	Excellence Consultant	85,000	35,000			50,000	Carry Forward
7727	Teamwork Day	20,000	2,378			17,622	Carry Forward
7728	Leaders' Breakfast	7,000	7,000				
7732	Civic Centre Accommodation Plan *	50,000	50,000				
7734	Town Report Card	5,000	5,000				
7735	Employee Recognition Awards Luncheon	5,400	5,400				
7737	Customer Survey Program	10,000	10,000				
7824	Public Participation Program	100,000	100,000				
	<b>Total Strategic Initiatives</b>	<b>472,400</b>	<b>328,614</b>	-	-	<b>143,786</b>	
	<b>TOTAL CAO, LEGAL, HR, &amp; STRATEGIC INITIATIVES</b>	<b>472,400</b>	<b>328,614</b>	-	-	<b>143,786</b>	
<b>Corporate Services</b>							
<i>ITS</i>							
7509	Core - Base Architecture	723,500	152,599	460,266		110,635	WW \$0.03M, Dev Fee \$0.08M
7698	Core Projects	57,000		57,000			
7699	ITS Discretionary Projects	170,100	137,481			32,619	WW \$0.01M, Dev Fees \$0.02M
7744	2007 Corporate ITS Project Request	526,000	336,350	50,000		139,650	WW \$0.07M Dev Fee \$0.04M
	<b>Total ITS</b>	<b>1,476,600</b>	<b>626,430</b>	<b>567,266</b>	-	<b>282,904</b>	
<i>Financial Services</i>							
7765	2007 DC & Project Management - Growth Project	640,500			640,500		
7777	Enhancing Capital Inventory and Policies *	100,000	100,000				
	<b>Total Financial Services</b>	<b>740,500</b>	<b>100,000</b>	-	<b>640,500</b>	-	
<i>Corporate Communications</i>							
7771	2007 Town of Markham Calendar	30,000				30,000	Carry Forward
	<b>Total Corporate Communications</b>	<b>30,000</b>	-	-	-	<b>30,000</b>	
	<b>TOTAL CORPORATE SERVICES</b>	<b>2,247,100</b>	<b>726,430</b>	<b>567,266</b>	<b>640,500</b>	<b>312,904</b>	
<b>Development Services</b>							
<i>Economic Development</i>							
7506	Innovation Synergy Centre in Markham (ISCM)	350,000	350,000				
7673	YORK Biotech	30,000	30,000				
7674	Toronto Region Research Alliance (TRRA)	30,000	30,000				
7679	International and Economic Alliance	30,000	30,000				
7684	Markham Investor Attraction DVE	35,000	35,000				
7687	National Research Council Project fee:	75,000	75,000				
	<b>Total Economic Development</b>	<b>550,000</b>	<b>550,000</b>	-	-	-	
<i>Planning</i>							
7632	Milliken Streetscape Plan	30,000	3,000		27,000		
7641	TIF Implementation	25,000	2,500		22,500		
7642	Markham Centre Performance Measures "Leed" Criteria:	25,000	2,500		22,500		
7646	Annual top up - Markham Centre Advisor:	25,000	986		8,870	15,144	Carry Forward
7648	Markham Centre Greenlands Impl. Plan (Phase 2)	70,000	6,000		54,000	10,000	Carry Forward
7649	Milliken and Cornell Public Advisory Support	25,000	2,500		22,500		
7713	Highway 7 Corridor Study	46,800	4,680		42,120		
7714	Economic Competitiveness ICI Intensification Stud	25,000	2,500		22,500		
7715	Agriculture Activity and Policy	80,000	8,000		72,000		
7722	Project Management (3 new contract staff	333,500	33,350		300,150		
7731	Yonge/Steeles Corridor Study	150,000	15,000		135,000		
7733	Annual top up - Zoning Program	58,000	15,215			42,785	Carry Forward
7736	Langstaff Study - Phase II	60,000	6,000		54,000		
7742	Annual top up - Consultant Studie	135,000	8,195		73,760	53,045	Carry Forward
7828	Growth Summit	25,000	25,000				
7829	Main Street Markham Central Square Feasibility Study	15,000	15,000				
	<b>Total Planning</b>	<b>1,128,300</b>	<b>150,426</b>	-	<b>856,900</b>	<b>120,974</b>	
<i>Design</i>							
7505	Grand Cornell Parks (Lindvest Upfronting) †	1,285,800	128,580		1,157,220		
7621	Wismer Parkette - Mattamy R. C. Upfronting	122,300	12,230		110,070		
7622	Cornell Greenway (Golden Jubilee Greenway	26,300	2,630		23,670		
7623	Markham Centennial Skate Park Modification	71,400	34,380		37,020		
7624	Berczy Park Waterplay and Tennis Court Constr	852,500	85,250		767,250		
7625	Greensborough N. P. Stalmaster at Bur Oak	595,000	59,500		535,500		
7626	Greensborough N. P. Orchard View	494,400	49,440		444,960		
7627	Wismer N. P. (Stricker and Fred McLaren)	754,300	75,430		678,870		
7628	Villages of Fairtree Washroom Building	773,500	77,350		696,150		
7634	East Cathedral Community Parl	773,500	77,350		696,150		
7647	Markham Centre Amenity/Urban Park (Phase I Design	100,000	10,000		90,000		
7753	Berczy Parkette on Cynthia Jean - Remedial Worl	50,300	5,030		45,270		
7760	White's Hill Park Expansion (Mattamy)	95,200	8,520		76,680	10,000	Mattamy Homes
7827	Angus Glen Soccer Field (Ph I of Angus Glen Community Parl	400,000	40,000		360,000		
	<b>Total Design</b>	<b>6,394,500</b>	<b>665,690</b>	-	<b>5,718,810</b>	<b>10,000</b>	
<i>Engineering</i>							
7504	Downstream Improvements Works Program I - Constructio	1,350,300			542,879	807,421	Pre DCA
7629	Birchmount Road Extension, Phase I - Construction	15,562,500			11,312,500	4,250,000	Developer
7640	Engineering Studies	32,600				32,600	Developer
7644	Services Connection - Various Location	57,500				57,500	Developer
7650	Servicing Allocation -Retrofit and Monitoring	200,000				200,000	Pre DCA
7652	Rodick Road Reconstruction, Phase II - Miller to 14th Avt	3,795,100			629,698	3,165,402	Dev\$2.9M,Pre DCA \$0.3M
7656	Hagerman Diamond - Municipal Services Relocatio	338,000				338,000	Pre DCA
7659	Travel Demand Management and Urban Showcas	250,000			250,000		
7660	Safe Streets Program	690,100	425,031			265,069	
7661	MTPS Transportation Model Updat	154,600				154,600	
7662	Traffic Control Signals - Aldergrove/Old Kenned	159,600	103,740			55,860	
7665	Intersection Improvements - Denison/Featherston	322,600	209,690			112,910	
7712	Ramp to Hwy 404, North Hwy 7, Class EA & Detailed Design	206,200				206,200	
7719	Class EA - Main Street Markham (HWY 48) (HWY 407 to MBP)	257,900	137,961			119,939	
7739	Woodbine By-Pass, Sanitary & Road Construction †	14,304,900					
7750	Class EA - Miller Ext. (Rodick to Birchmount	196,000			196,000	14,304,900	Developer
7752	Sidewalk Requests (in fill Sidewalk program	371,000				371,000	Gas Tax \$0.27M,Roads\$0.1M
7773	Downstream Improvements Works Program I	186,200	55,729		74,881	55,590	Pre-DCA
7778	Town-Wide Studies II - Erosion Study at Pomona Mill	64,400			64,400		
7835	Bike Routes & Pathways	400,000				400,000	Gas Tax
	<b>Total Engineering</b>	<b>38,899,500</b>	<b>932,151</b>	-	<b>13,984,936</b>	<b>23,982,413</b>	
	<b>TOTAL DEVELOPMENT SERVICES</b>	<b>46,972,300</b>	<b>2,298,267</b>	-	<b>20,560,646</b>	<b>24,113,387</b>	

\* Project has Capital Induced Operating Costs, refer to page 8  
 \*\* Non-Routine Capital Expenditure

## 2007 CAPITAL BUDGET BY DEPARTMENT

Project	Project Desc	Total	Operating Budget Funded	Life Cycle	Development Charges	Other	Description of Other Funding
<b>Community &amp; Fire Services</b>							
<b>Museum</b>							
7452	Annual Site & Building Restoration	25,000		25,000			
7585	History Book Phase 2 Productior	50,000				50,000	Endowment Fund
7586	Annual Prog For Historical Artifacts Restoration	15,000		15,000			
7587	Upgrade Tactile Lounge	25,000		25,000			
7588	Structural Repairs to Blacksmith Shop	75,000		75,000			
7589	Design North Parking Lot & Soil Testing	30,000		30,000			
7590	Lighting & Electrical Services SW of Reception Ct	50,000	50,000				
	<b>Total Museum</b>	<b>270,000</b>	<b>50,000</b>	<b>170,000</b>	<b>-</b>	<b>50,000</b>	
<b>Theatre</b>							
7592	Backstage Upgrades - Rehearsal Hall/Dressing Room	142,000		142,000			
7594	Auditorium Painting	47,000		47,000			
7595	Highway Sign	70,000		70,000			
7596	Flooring - Hall/Stage	57,200		57,200			
7598	Staging Equipment	52,000		52,000			
7600	HVAC - Building Automation System	22,000		22,000			
7602	Security System	34,000		34,000			
	<b>Total Theatre</b>	<b>424,200</b>	<b>-</b>	<b>424,200</b>	<b>-</b>	<b>-</b>	
<b>Arts Centres</b>							
7508	Exterior Brick Repointing	5,400		5,400			
7528	Painting Interior Gallery & Epoxy Floor Pain	25,700		25,700			
7530	Collection Storage Racks	25,600	25,600				
7531	Gallery-Sound System & Public Address System	15,000	15,000				
7533	Man Lift	16,600		16,600			
7606	McKay House - Landscaping Project *	192,000		40,600	86,400	65,000	Fundraising
7619	Humidifier/Hot Water/Building Automation System	35,300		35,300			
7630	Gallery Floor Refinishing	11,600		11,600			
	<b>Total Arts Centres</b>	<b>327,200</b>	<b>40,600</b>	<b>135,200</b>	<b>86,400</b>	<b>65,000</b>	
<b>Recreation &amp; Culture Construction</b>							
7537	Thornhill CC Parking Lot	250,000	100,000			150,000	Carry Forward
7538	Museum Ward Building *	3,000,000		1,700,000		1,300,000	Grant
	<b>Total Recreation &amp; Culture Construction</b>	<b>3,250,000</b>	<b>100,000</b>	<b>1,700,000</b>	<b>-</b>	<b>1,450,000</b>	
<b>Fire</b>							
7710	Fire Station - Construction & Furniture * **	3,163,500			3,163,500		
7748	1 Fire Pumper Apparatus and Equipment *	650,000			650,000		
7757	Fire Aerial Apparatus and Equipment *	1,100,000			1,100,000		
7758	Firefighting Equipmen	100,000		100,000			
	<b>Total Fire</b>	<b>5,013,500</b>	<b>-</b>	<b>100,000</b>	<b>4,913,500</b>	<b>-</b>	
<b>Recreation Services</b>							
7523	Annual - AED Defib Prograrr	59,000	22,800	36,200			
7524	Annual - Tables & Chairs	42,900		42,900			
7525	Annual - Program Equipmen	37,000		37,000			
7526	Annual - Aquatics Equipmen	48,100		48,100			
7527	Annual - Fitness Equipmen	78,200		78,200			
7529	Annual - Thornlea Pool 2007 Repairs & Improvement	198,000		198,000			
7540	Armadale CC - Toilets, Sinks	8,000		8,000			
7541	Armadale CC - Cleaning Equipmen	10,600		10,600			
7542	Armadale CC - Flooring	122,000		122,000			
7544	Centennial CC - Arena Rubber Flooring	32,000		32,000			
7545	Centennial CC - Pool Starting Block	23,000		23,000			
7547	Centennial CC - Elevator Piston Replacemen	183,000		183,000			
7549	Clatworthy - Exterior Metal Doors with Frames	40,000		40,000			
7550	Clatworthy - Dry Sprinkler Pipe Replacemen	60,000		60,000			
7551	Clatworthy - Refurbish Boardroom	8,600		8,600			
7552	Crosby - Replace Rubber Floor - Dressing Room/Cor	30,000		30,000			
7553	Crosby - Replace Ceiling Tile in Banquet Hal	5,400		5,400			
7555	Crosby - Heat Exchanger	25,000		25,000			
7556	Milliken Mills - Arena Score Clock	10,000		10,000			
7558	Milliken Mills - Sauna Restoration	20,000		20,000			
7559	Milliken Mills - Install Trash Compactor Room	209,000	209,000				
7561	Milliken Mills - Pressure Washer	7,000		7,000			
7562	Milliken Mills - Dome Lighting	8,000	8,000				
7563	Markham Village - Metal Siding	35,000		35,000			
7564	Markham Village - Dressing Room Furnac	6,600		6,600			
7565	Markham Village - Zamboni Pit Drainage	10,900		10,900			
7566	Mt. Joy - Indoor Soccer Field Replacemen	125,000		125,000			
7567	Mt. Joy - Digital Marquee	40,000		40,000			
7568	Mt. Joy - Replacement Fan, Motors & Heater	11,500		11,500			
7570	Rouge River - Security System/Audio System	7,400		7,400			
7571	Rouge River - Interior Painting	10,400		10,400			
7573	Seniors Centre - Replace Garden Tiles & Interlockin	9,200		9,200			
7574	Thornhill - Divider Doors in Boardrooms Replac	20,000		20,000			
7575	Thornhill - Acoustic Tiles in Aerobics Room	9,700	9,700				
7576	Thornhill - East/West Arena Scoreboard	20,000		20,000			
7577	Thornhill - Front Door Awning	45,000		45,000			
7578	Thornhill - Refrigeration Oil Pot	6,000		6,000			
7579	Thornhill - Lighting	37,100		37,100			
7580	Thornhill - Rubber Floor Replacement in Arena/Cor	163,000		163,000			
7582	Unionville Train Station - Paint Exterio	5,300		5,300			
7583	Warden House - Repair Drywall & Paint Interio	6,200		6,200			
7584	Old Unionville Library - Interior Paintin	5,300		5,300			
7825	Thornhill - Billiard / Dart Room	23,200	23,200				
	<b>Total Recreation Services</b>	<b>1,861,600</b>	<b>272,700</b>	<b>1,588,900</b>	<b>-</b>	<b>-</b>	

\* Project has Capital Induced Operating Costs, refer to page 8

\*\* Non-Routine Capital Expenditur

## 2007 CAPITAL BUDGET BY DEPARTMENT

Project	Project Desc	Total	Operating Budget Funded	Life Cycle	Development Charges	Other	Description of Other Funding
<b>Operations - Roads</b>							
7455	Asphalt Resurfacing - Annual Program	5,145,000		5,145,000			
7456	Boulevard Repairs - Annual Program	40,000		30,000		10,000	Carry Forward
7461	Emergency Repairs - Annual Program	100,000		100,000			
7464	LED Traffic Signal Display Retrofit & Replace Program <sup>1</sup>	95,000		95,000			
7465	Localized Repairs - Curb & Sidewalks - Annual Program	500,000		400,000		100,000	Roads Reserve
7467	Localized Repairs - Parking Lots - Annual Program	100,000		100,000			
7468	Markham Beautification - Annual Program	300,000	100,000			200,000	\$0.1M Res., \$0.1M Sponsors
7469	Railway Crossing Improvements - Annual Program	50,000		50,000			
7471	Retaining Walls - Annual Program	30,000		30,000			
7472	Route & Seal - Annual Program	55,000		55,000			
7473	Secondary Road Works - Annual Program	500,000				500,000	Roads Reserve
7477	Storm Sewer Inspection - To Develop Annual Program	25,000		25,000			
7478	Upgraded Guiderail Installation - Annual Program	40,000		40,000			
7479	Salt Management - Phase 3 of 4	30,000	30,000				
7480	Main St Unionville Parking Lot Stair Rehab	80,000		80,000			
7517	Entrance Feature Rehabilitation - Annual Program	30,000		30,000			
7518	Operations - Parking Lots	100,000		100,000			
	<b>Total Operations - Roads</b>	<b>7,220,000</b>	<b>130,000</b>	<b>6,280,000</b>	<b>-</b>	<b>810,000</b>	
<b>Operations - Parks</b>							
7450	Sportsfield Maint. & Reconstruction-Annual Program	112,000		112,000			
7451	Playsstructure & Safety Resurfacing-Annual Program	204,000		204,000			
7453	Replacement of Blvd & Park Tree	150,000		99,900		50,100	Carry Forward
7457	Adopt a Park & Colour Your Corner - Top Up Program	20,000	20,000				
7458	Paving-Pathways/Facilities-Annual Program	102,000		102,000			
7459	New Tree Planting - Parks-Annual Program	20,000	20,000				
7460	Volunteer Ice Rink - Top Up Program	25,000	25,000				
7462	TRCA 50/50 Community Projects-Annual Program	40,000	20,000			20,000	TRCA
7466	Electrical & Cabling - Annual Program	82,000		82,000			
7470	Court Resurfacing/Reconstruction-Annual Program	51,000		51,000			
7474	Dog Off Leash Area Fencing - Annual Program	40,000				40,000	Carry Forward
7475	Town Park/Furniture Amenities - Annual Program	122,000		122,000			
7481	Replacement of Ramp at Toogood Pond	85,000		85,000			
7482	Bleacher Replacement - Bishops Cross Diamond	120,000		120,000			
7484	Streetscapes Planter Replacements-Baythorn & Yong	65,000		65,000			
7503	Enhanced Cultural Practices	200,000	102,200			97,800	Ramp-Up Reserves
7797	Seneca College - New Soccer Field & Streetscape Enhancement	125,000	12,500		112,500		
7836	Tree Planting Initiative-Action Plan for Making Mkhm Greene	250,000	163,456			86,544	MESF
	<b>Total Operations - Parks</b>	<b>1,813,000</b>	<b>363,156</b>	<b>1,042,900</b>	<b>112,500</b>	<b>294,444</b>	
<b>Asset Management</b>							
7491	Civic Centre Improvements - Annual Program	300,000		300,000			
7492	Civic Centre Interlocking Brick Replacement - Ph	150,000		150,000			
7493	Roofing Maintenance & Structural Adequacy - Annu	97,600		97,600			
7494	Roofing Replacement Projects - Annual Program	45,000		45,000			
7495	Satellite Community Centre Improvements - Annu	50,000		50,000			
7496	Asset Management Consulting Contingenc	30,000		30,000			
7497	Accessibility Retrofit Program - Phase 1 of 2	50,000		20,000		30,000	Carry Forward
7498	Other Facility Improvements - Annual Program	202,500		202,500			
7499	Building Condition Audits - Annual Program	60,000		60,000			
7500	Civic Centre Chair Replacement - Phase 3 of 4	100,000		100,000			
7501	Corporate Accommodation - Annual Program	300,000		300,000			
7604	Library Facility Improvement	190,900		190,900			
7607	Fire Facility Improvement	215,600		215,600			
7608	Operations Facilities Improvement	17,500		17,500			
7614	Centennial South Parking Lo	470,000	115,000			355,000	Carry Forward
7615	Centennial North East Parking Lo	400,000				400,000	Carry Forward
7703	Accessibility Audits - Annual Program	30,000		30,000			
7798	Emergency Response Procedure	25,000				25,000	Carry Forward
7799	Civic Centre Parking Lot Rehabilitation	100,000		100,000			
	<b>Total Asset Management</b>	<b>2,834,100</b>	<b>115,000</b>	<b>1,909,100</b>	<b>-</b>	<b>810,000</b>	
<b>Capital Works, ROW</b>							
7454	Bridges and Culverts Improvement Projec	3,348,200		1,793,200		1,555,000	Carry Forward
7485	Bridges & Culverts - Detailed Design for 08 Const	300,000		300,000			
7613	Bullock Widening - Construction Contrac	640,000				640,000	ROY\$0.2M,GOS\$0.2M,Gas Tax
7800	Don Mills Ditch / Culvert Rehabilitatio	1,300,000			585,000	715,000	Gas Tax
	<b>Total Capital Works, ROW</b>	<b>5,588,200</b>	<b>-</b>	<b>2,093,200</b>	<b>585,000</b>	<b>2,910,000</b>	
<b>Operations - Fleet</b>							
7512	Corporate Fleet Refurbishing - Annual Program	30,000		30,000			
7514	Waterworks - Fleet Replacement - Annual Program <sup>1</sup>	408,000				408,000	Waterworks Reserve
7516	Corporate Fleet Replacement - Annual Program	1,410,200		1,410,200			
7700	New Fleet - Waterworks	37,000				37,000	Waterworks Reserve
	<b>Total Operations - Fleet</b>	<b>1,885,200</b>	<b>-</b>	<b>1,440,200</b>	<b>-</b>	<b>445,000</b>	
<b>Waste Management</b>							
7515	Special Events Recycling	10,000	10,000				
7754	Multi-Residential Organics Pilo	40,000	20,000			20,000	Carry Forward
7805	Community Mailbox Recycling	45,000	32,000			13,000	Carry Forward
	<b>Total Waste Management</b>	<b>95,000</b>	<b>62,000</b>	<b>-</b>	<b>-</b>	<b>33,000</b>	
<b>Contracts and Utilities</b>							
7486	Horizontal & Vertical Survey Control Monument -Annual Program	25,000		24,000		1,000	Carry Forward
7487	Illumination Requests & Upgrading - Annual Program	80,000	40,000			40,000	Carry Forward
7489	PowerStream Streetlight Replacement - Annual Program	50,000				50,000	Carry Forward
7490	Streetlight Inventory/Condition Analysis	55,000		55,000			
7776	Pole Replacement - Annual Program	50,000				50,000	Carry Forward
	<b>Total Contracts and Utilities</b>	<b>260,000</b>	<b>40,000</b>	<b>79,000</b>	<b>-</b>	<b>141,000</b>	
<b>Strategic Services</b>							
7638	MECO Energy Retrofit Project	287,800		181,800		106,000	MESF
7822	Annual Top Up - MESF Reserve	248,900	248,900				
7833	YRDSB-Markham Centre Secondary School-Outdoor Sports Fields	2,000,000			1,800,000	200,000	Ramp-Up Reserves
	<b>Total Strategic Services</b>	<b>2,536,700</b>	<b>248,900</b>	<b>181,800</b>	<b>1,800,000</b>	<b>306,000</b>	
<b>Library</b>							
7510	Upgrade Public Study Space and Seating -Phase 1	30,000		30,000			
7653	Replace Furniture and Equipment - Annual Program	60,000		60,000			
7654	Replace Shelving - Annual Program	60,000		60,000			
	<b>Total Library</b>	<b>150,000</b>	<b>-</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	

<sup>1</sup> Project has Capital Induced Operating Costs, refer to page 8

**2007 CAPITAL BUDGET BY DEPARTMENT**

Project	Project Desc	Total	Operating Budget Funded	Life Cycle	Development Charges	Other	Description of Other Funding
<b>Waterworks</b>							
7511	Watermain Construction/Replacemen	1,790,000				1,790,000	Waterworks Reserve
7663	Watermain Construction Design (for 2008 Program	100,000				100,000	Waterworks Reserve
7664	Cathodic Protection of Iron Watermain	300,000				300,000	Waterworks Reserve
7666	Water System Upgrades	1,012,000				1,012,000	Water \$0.3M,CF \$0.7M
7667	Cement Relining of Iron Watermain	1,282,500				1,282,500	Waterworks Reserve
7668	Water Meter Replacement	390,000				390,000	Waterworks Reserve
7669	Sewer Works	460,000				460,000	Waterworks Reserve
7670	Sewer System Upgrades	1,432,500				1,432,500	Waterworks Reserve
7671	Sanitary Trunk Sewer Inspector	65,000				65,000	Waterworks Reserve
7672	Equipment Purchases - Sanitary Sewer Pump	40,000				40,000	Waterworks Reserve
7675	Water System Condition Rating System	50,000				50,000	Waterworks Reserve
7676	Automated Meter Reading (AMR)	150,000				150,000	Carry Forward
7678	SMA/DMA Implementatior	300,000				300,000	CFS\$0.1M, Waterworks \$0.2M
7680	Sanitary System Modelling	60,000				60,000	Waterworks\$0.03M,CFS\$0.03M
7682	SCADA	250,000				250,000	Waterworks\$0.17M,CFS\$0.08M
7683	Backflow Prevention	50,000				50,000	Carry Forward
7685	Inflow/Infiltration	220,000				220,000	Waterworks Reserve
7686	Water System Modelling	65,000				65,000	Waterworks Reserve
7690	Mobile Work Management System (MWMS)	76,000				76,000	Carry Forward
7691	CCTV	33,800				33,800	Carry Forward
7692	Data Quality Assurance (DQA)	50,000				50,000	Waterworks Reserve
7701	Sewer System Condition Rating Syster	50,000				50,000	Waterworks Reserve
7812	Training Records Management & Staff Profiling Softwar	20,000				20,000	Waterworks Reserve
	<b>Total Waterworks</b>	<b>8,246,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,246,800</b>	
	<b>TOTAL COMMUNITY &amp; FIRE SERVICES</b>	<b>41,775,500</b>	<b>1,422,356</b>	<b>17,294,500</b>	<b>7,497,400</b>	<b>15,561,244</b>	
	<b>TOTAL 2007 CAPITAL BUDGET</b>	<b>91,467,300</b>	<b>4,775,667</b>	<b>17,861,766</b>	<b>28,698,546</b>	<b>40,131,321</b>	

\* Project has Capital Induced Operating Costs, refer to page 83

# 2007 CAPITAL & OTHER PROGRAM BUDGET

## Sources of Funding

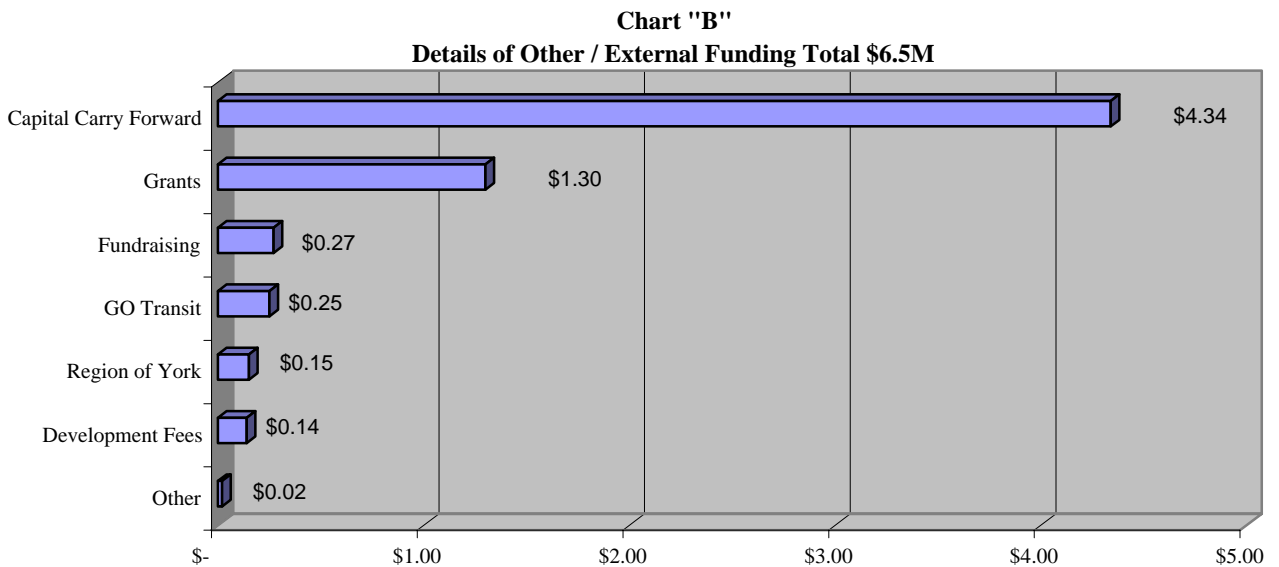
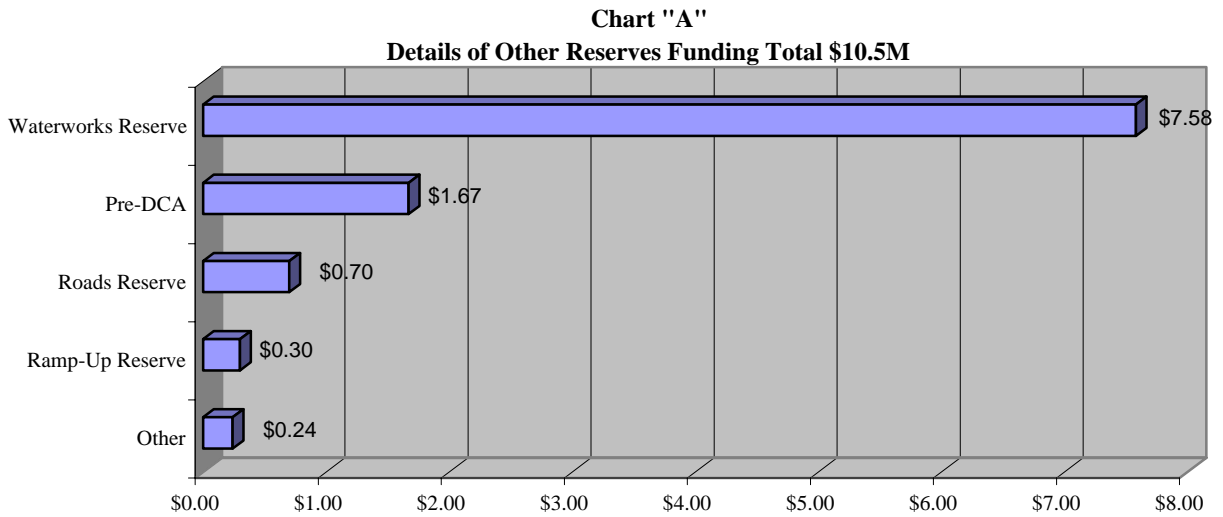
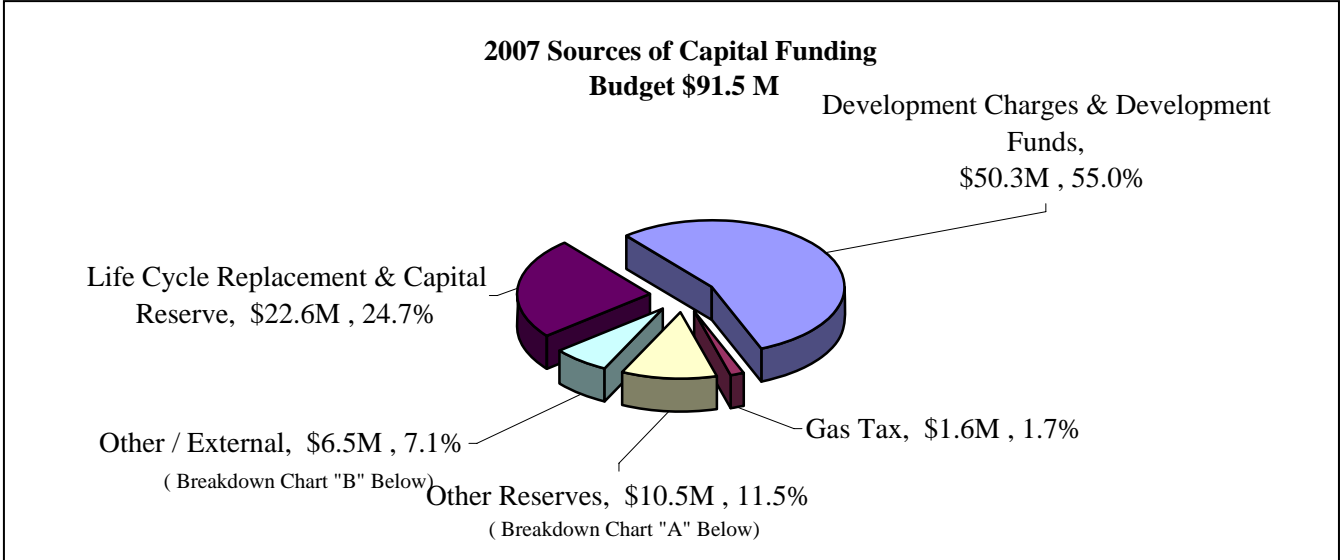
Note: Graphical illustration on next page

<b>LIFE CYCLE REPLACEMENT &amp; CAPITAL RESERVE</b>		22,637,433
<b>DEVELOPMENT CHARGES (DCA)</b>		50,250,746
<b>FEDERAL GAS TAX GRANT</b>		1,634,500
<b>OTHER SOURCES</b>		
Closed Capital From Previous Years (Carry Forward)	4,338,660	
Development Fees	143,949	
Fundraising	265,000	
GO Transit	245,000	
Grants	1,300,000	
Markham Environmental Sustainability Fund	192,544	
Museum Endowment Reserve Fund	50,000	
Pre - DCA	1,669,213	
Ramp-Up Reserves	297,800	
Region of York	150,000	
Roads Reserve	696,500	
Toronto & Region Conservation Authority	20,000	
Waterworks Reserve	7,575,955	
<b>TOTAL OTHER SOURCES</b>	<hr/>	16,944,621
<b>TOTAL 2007 CAPITAL &amp; OTHER PROGRAMS BUDGET</b>		<hr/> <hr/>

91,467,300

# 2007 CAPITAL BUDGET

## Sources of Funding



## CAPITAL INDUCED OPERATING COSTS

Department / Capital Project Description	2007 Operating Budget Impact \$	Annualized Operating Impact \$	Operating Account
<b><u>Design</u></b>			
Grand Cornell Parks (Linvest Upfronting)		23,916	Maintenance Costs
<b><u>Engineering</u></b>			
Birchmount Road Extension, Phase 1 - Construction		10,000	Maintenance Costs
Woodbine By-Pass, Sanitary & Road Construction		10,000	Maintenance Costs
<b><u>Art Centres</u></b>			
McKay House - Landscaping Project	7,078	7,078	Personnel Costs
<b><u>Recreation &amp; Culture Construction</u></b>			
Museum Ward Building		50,000	Maintenance Costs
<b><u>Fire</u></b>			
Fire Station - Construction & Furniture	300,000	1,500,000	Personnel and Maintenance Costs Ramp up
Fire Aerial Apparatus and Equipment		12,000	Maintenance Costs
Fire Pump Apparatus and Equipment		10,000	Maintenance Costs
<b><u>Operations - Roads</u></b>			
LED Traffic Signal Display Retrofit & Replace Prog.	(15,000)	(15,000)	Maintenance Costs
<b><u>Operations - Parks</u></b>			
Seneca College - New Soccer Field & Streetscape Enhancements	9,000	9,000	Maintenance Costs
<b><u>Fleet Operations</u></b>			
New Fleet - Waterworks (Internal Vehicle Maintenance)	2,500	5,000	Maintenance Costs
<b><u>Strategic Services</u></b>			
Markham Centre Secondary School - Outdoor Sports Fields		50,000	Maintenance Costs
<b><u>Waterworks</u></b>			
Equipment Purchases - Sanitary Sewer Pump (Equip. Mtce.)	500	500	Maintenance Costs
<b>Total Capital Induced Operating Costs</b>	<b>304,078</b>	<b>1,672,494</b>	

## LONG TERM CAPITAL BUDGET FORECAST

### Growth Related Projects

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

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

Based on the 2004 DC Study information, the following is a capital forecast from 2008 to 2013:

### 2008 to 2013 Capital Budget Forecast

(in thousands of constant dollars - gross cost)

Category	2008	2009	2010	2011	2012	2013	TOTAL
(A) General Government	518.2	418.2	418.2	418.2	518.2	418.2	\$2,709.2
(B) Library	2,610.2	0.0	0.0	0.0	0.0	7,457.6	\$10,067.8
(C) Fire Services	0.0	0.0	118.8	1,100.0	0.0	0.0	\$1,218.8
(D) Indoor Recreation	0.0	0.0	0.0	0.0	0.0	32,214.2	\$32,214.2
(E) Park Development & Facilities	5,125.7	6,268.6	4,822.4	5,252.4	4,968.2	2,702.7	\$29,140.0
(F) Public Works	72.0	5,787.6	30.0	80.0	45.0	5,634.4	\$11,649.0
<b>TOTAL</b>	<b>\$8,326.1</b>	<b>\$12,474.4</b>	<b>\$5,389.4</b>	<b>\$6,850.6</b>	<b>\$5,531.4</b>	<b>\$48,427.1</b>	<b>\$86,999.0</b>

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*



## LONG TERM CAPITAL BUDGET FORECAST

### Non-Growth Related Capital Projects

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

The Town'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 Town's non-growth related capital expenditures (e.g. repairs, preventative maintenance, replacement of infrastructure) based upon inventory in the life cycle reserve model.

**2008 to 2013 Capital Budget Forecast** (based on 2007 Update)  
(in thousands of constant dollars - gross cost)

CATEGORY	2008	2009	2010	2011	2012	2013	TOTAL
Bridges	1,565.7	1,245.9	1,676.7	1,688.2	1,378.4	1,779.3	<b>\$9,334.2</b>
Facilities	9,809.6	8,433.3	12,909.6	4,927.8	5,630.5	4,609.6	<b>\$46,320.4</b>
Fire Bunker Gear	102.0	104.0	117.6	122.5	1,257.3	128.8	<b>\$1,832.2</b>
ITS	1,706.9	1,738.2	2,704.1	2,172.5	1,085.3	1,288.9	<b>\$10,695.9</b>
Parks	2,247.4	892.7	886.7	2,239.3	1,171.4	1,068.5	<b>\$8,506.0</b>
Roads	6,601.5	6,910.5	7,319.4	7,546.9	7,615.1	8,054.9	<b>\$44,048.3</b>
Storm Sewers	411.4	419.7	428.1	404.8	412.9	759.0	<b>\$2,835.9</b>
Street Lights	185.2	131.7	80.7	82.3	83.9	143.0	<b>\$706.8</b>
Traffic Lights	123.7	154.8	191.3	158.6	130.6	240.0	<b>\$999.0</b>
Vehicles	1,672.9	1,782.9	2,221.4	2,796.7	2,240.9	5,642.8	<b>\$16,357.6</b>
<b>TOTAL</b>	<b>\$24,426.3</b>	<b>\$21,813.7</b>	<b>\$28,535.6</b>	<b>\$22,139.6</b>	<b>\$21,006.3</b>	<b>\$23,714.8</b>	<b>\$141,636.3</b>

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



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The following pages highlight the major capital projects for the Town. 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 REQUEST  
FOR PROJECTS OVER \$1 MILLION**



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**Project Name**      Grand Cornell Parks (Lindvest Upfronting)

**Project Number**    7505

**Estimated Total Cost of Project**

\$1,285,800
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**Commission**              Development Services

**Department**             Design

**Project Description**

*Location*

Three parks within Grand Cornell

*Work to be Performed*

Design, construction, and contract administration of Parks

*Reason for Work*

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

*Impact on Future Operating Budgets*

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

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



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**Project Name**      Downstream Improvements Works Program I - Construction

**Project Number**    7504

**Estimated Total Cost of Project**

\$1,350,300
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**Commission**                  Development Services

**Department**                Engineering

**Project Description**

*Location*

*Work to be Performed*

Rehabilitate eroded watercourses to improve water quality.

*Reason for Work*

To implement watercourse improvements necessary to remediate and revitalize various stream corridors across the municipality

*Impact on Future Operating Budgets*

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

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



---

**Project Name**      Birchmount Road Extension, Phase I – Construction

**Project Number**    7629

**Estimated Total Cost of Project**

\$ 15,562,500
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**Commission**                  Development Services

**Department**                Engineering

**Project Description**

*Location*

Birchmount Road Extension from 14th Avenue to Enterprise Drive

*Work to be Performed*

Road widening, from 14th Ave. to Royal Crest, 500m; Road extension from Royal Crest, 900m to Enterprise Dr.; relocation and expansion of Concanmar Storm Water Management pond; property acquisition; detail design from Hwy 407 to Enterprise new Storm Water Management facility north of Hwy 407 and realigned of the Birchmount tributary 4.

*Reason for Work*

Identified in current transportation studies to improve the north-south capacity.

*Impact on Future Operating Budgets*

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

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



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**Project Name** Rodick Road Reconstruction, Phase II - Miller to 14th Ave.

**Project Number** 7652

**Estimated Total Cost of Project**

\$ 3,795,100
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**Commission** Development Services

**Department** Engineering

**Project Description**

***Location***

Rodick Road from Miller Ave. to 14th Ave.

***Work to be Performed***

Widening of Rodick Road from Miller Ave. to 14th Ave. including the installation of municipal services.

***Reason for Work***

The extension of Rodick Road will provide a continuous connection between 16th Ave. to Steeles Ave. This was recommended in an EA Study in 2002 to provide the required capacity to accommodate additional traffic using the roadway when Rodick / Hwy 407 overpass was completed in 2006

***Impact on Future Operating Budgets***

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

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



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**Project Name** Woodbine By-Pass, Sanitary & Road Construction

**Project Number** 7739

**Estimated Total Cost of Project**

\$14,304,900
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**Commission** Development Services

**Department** Engineering

**Project Description**

*Location*

West of Woodbine Ave. from Major Mackenzie to north Elgin Mills

*Work to be Performed*

Construction of Woodbine Bypass through the Cathedral Community and the 404 North Planning District

*Reason for Work*

Will provide an alternative route for north/south traffic through Victoria Square, this was recommended in the Town's Markham Transportation Planning Study and the Class EA study undertaken by the Region of York.

*Impact on Future Operating Budgets*

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

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



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**Project Name**      Museum Ward Building

**Project Number**    7538

**Estimated Total Cost of Project**

\$3,000,000
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**Commission**                      Community & Fire Services

**Department**                      Recreation & Culture Construction

**Project Description**

*Location*

Markham Museum

*Work to be Performed*

Reconstruct the 14,000 sq ft. Ward building at the Museum.

*Reason for Work*

The renewed centre will include exhibition space, visible storage, and an archives reading room to allow public access and viewing of the collection. In addition, closed storage for collection management will also be provided.

*Impact on Future Operating Budgets*

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



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



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**Project Name**      Fire Station - Construction & Furniture

**Project Number**   7710

**Estimated Total Cost of Project**

\$3,163,500
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**Commission**                      Community & Fire Services

**Department**                      Fire

**Project Description**

*Location*

Northern Markham area

*Work to be Performed*

The design and construction of a new fire station

*Reason for Work*

To maintain the service needs of the growing Markham communities

*Impact on Future Operating Budgets*

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

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



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**Project Name** Fire Aerial Apparatus and Equipment

**Project Number** 7757

**Estimated Total Cost of Project**

\$1,100,000
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**Commission** Community & Fire Services

**Department** Fire

**Project Description**

*Location*

Cornell Fire Station

*Work to be Performed*

Purchase a 105' Aerial ladder and equipment for the Cornell Station

*Reason for Work*

To maintain the service needs of the growing Markham communities

*Impact on Future Operating Budgets*

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

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



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**Project Name** Asphalt Resurfacing - Annual Program

**Project Number** 7455

**Estimated Total Cost of Project**

\$5,145,000
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**Commission** Community & Fire Services

**Department** Roads

**Project Description**

*Location*

Townwide

*Work to be Performed*

Asphalt resurfacing of approximately 27 km of two-lane road throughout the Town, along with sidewalk, Catchbasin and manhole repair.

*Reason for Work*

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

*Impact on Future Operating Budgets*

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

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



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**Project Name**      Bridges and Culvert Improvement Program

**Project Number**    7454

**Estimated Total Cost of Project**

\$3,348,200
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**Commission**              Community & Fire Services

**Department**             Capital Works, ROW

**Project Description**

*Location*

*Work to be Performed*

Annual program for the rehabilitation and replacement of bridges and culverts. In 2007, work required includes; the rehabilitation of the John St. bridge and the replacement of the Reesor Rd. bridge.

*Reason for Work*

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

*Impact on Future Operating Budgets*

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

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



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**Project Name** Don Mills Ditch / Culvert Rehabilitation

**Project Number** 7800

**Estimated Total Cost of Project**

\$1,300,000
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**Commission** Community & Fire Services

**Department** Capital Works, ROW

**Project Description**

*Location*

Bounded by Steeles Avenue East at the upstream and German Mills Creek at the downstream

*Work to be Performed*

Rehabilitation of culverts, including the design, construction, and construction administration

*Reason for Work*

To mitigate flooding impacts by raising the level of service to a 2-year storm event

*Impact on Future Operating Budgets*

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

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



---

**Project Name** Corporate Fleet Replacement Program

**Project Number** 7516

**Estimated Total Cost of Project**

\$1,410,200
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**Commission** Community & Fire Services

**Department** Fleet Operations

**Project Description**

***Location***

Town of Markham – Corporate Fleet

***Work to be Performed***

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

***Reason for Work***

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

***Impact on Future Operating Budgets***

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

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



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**Project Name**      YRDSB -Markham Centre Secondary School – Outdoor Sports Fields

**Project Number**   7833

**Estimated Total Cost of Project**

\$2,000,000
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**Commission**                      Community & Fire Services

**Department**                      Strategic Services

**Project Description**

*Location*

Markham Centre

*Work to be Performed*

Partnership with YRDSB at the School for Athletics & Healthy Active Living to upgrade 2 planned natural turf sports fields to artificial turf, provide lights for all 3 fields, purchase of maintenance equipment and increases in size of the maintenance and washroom building & equipment

*Reason for Work*

To address the current soccer demand in Markham and provide more opportunities for night games and tournaments than at the current unlit fields.

*Impact on Future Operating Budgets*

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

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



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**Project Name**      Watermain Construction / Replacement

**Project Number**    7511

**Estimated Total Cost of Project**

\$1,790,000
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**Commission**              Community & Fire Services

**Department**             Waterworks

**Project Description**

*Location*

All locations throughout the Town

*Work to be Performed*

The annual replacement of aging Watermains.

*Reason for Work*

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

*Impact on Future Operating Budgets*

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



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



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**Project Name**      Water System Upgrades

**Project Number**    7666

**Estimated Total Cost of Project**

\$1,012,000
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**Commission**              Community & Fire Services

**Department**             Waterworks

**Project Description**

*Location*

All locations throughout the Town

*Work to be Performed*

Water system appurtenances curb boxes, sampling stations, automatic repair and upgrades of distribution system

*Reason for Work*

To maintain the water system's life expectancy & improve/maintain the water quality

*Impact on Future Operating Budgets*

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

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



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**Project Name** Cement Relining of Iron Watermain Program

**Project Number** 7667

**Estimated Total Cost of Project**

\$1,282,500
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**Commission** Community & Fire Services

**Department** Waterworks

**Project Description**

***Location***

Various locations throughout the Town

***Work to be Performed***

Cement lining of unlined ductile iron Watermain pipes to remove corrosion and restore water quality at various locations throughout Town. Project includes; hydrant upgrade, valve replacement and curb box repairs.

***Reason for Work***

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

***Impact on Future Operating Budgets***

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

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



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**Project Name** Sewer System Upgrade Program

**Project Number** 7670

**Estimated Total Cost of Project**

\$1,432,500
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**Commission** Community & Fire Services

**Department** Waterworks

**Project Description**

***Location***

Various locations throughout the Town

***Work to be Performed***

Structural and service condition repairs of sanitary sewer collection system, including manhole and service lateral replacement and repairs.

***Reason for Work***

Maintain proper operating standards within the Sewer system.

***Impact on Future Operating Budgets***

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

## WATERWORKS BUDGET

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

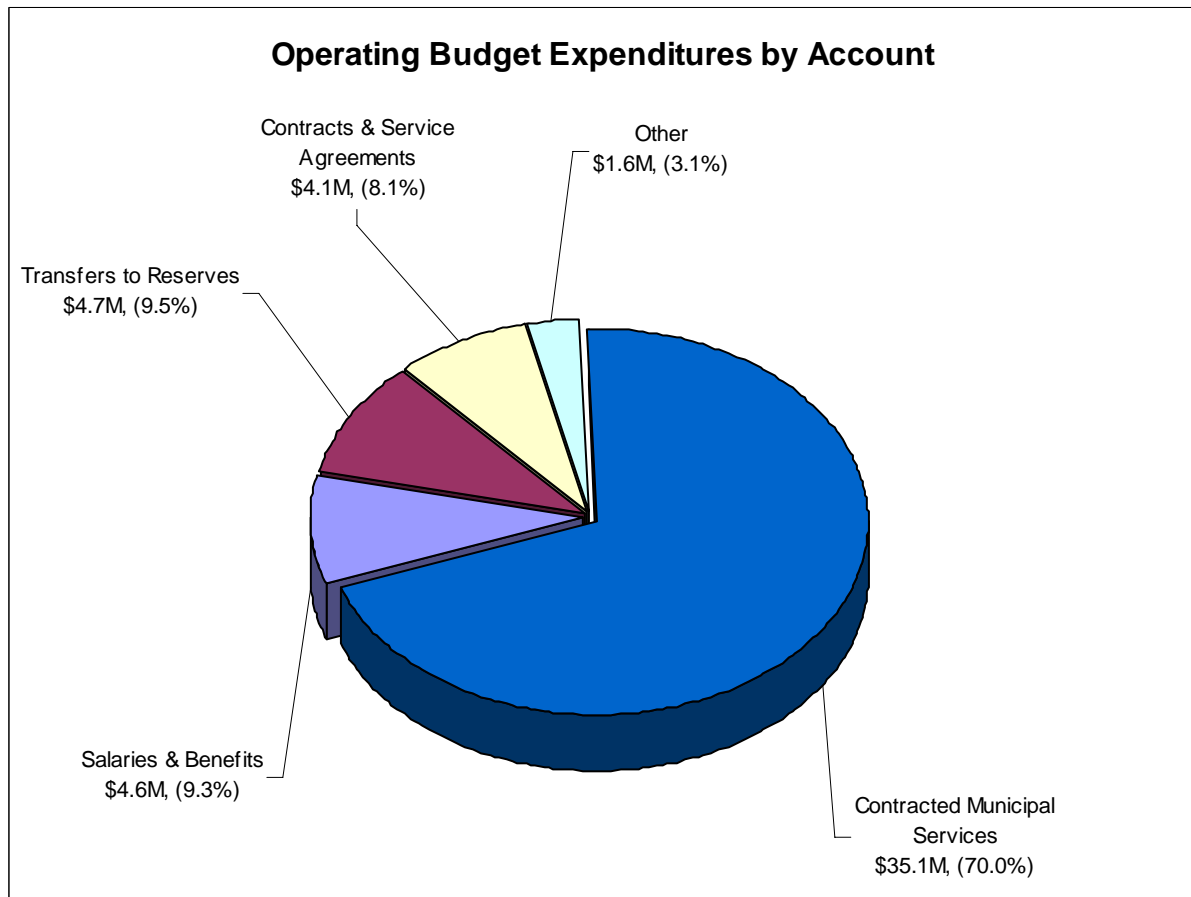
### 2007 OPERATING BUDGET

#### Expenditures

The 2007 Operating Budget for Waterworks totals \$50,146,462 (excluding prior year's surplus). This marks an increase of \$3.2 million over the 2006 Operating Budget.

Exhibit 1 indicates that the major portion of budgeted expenditures is Contracted Municipal Services, which is for the purchase of water from the Region of York. Contract & Service Agreements, which accounts for 8.1% 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.

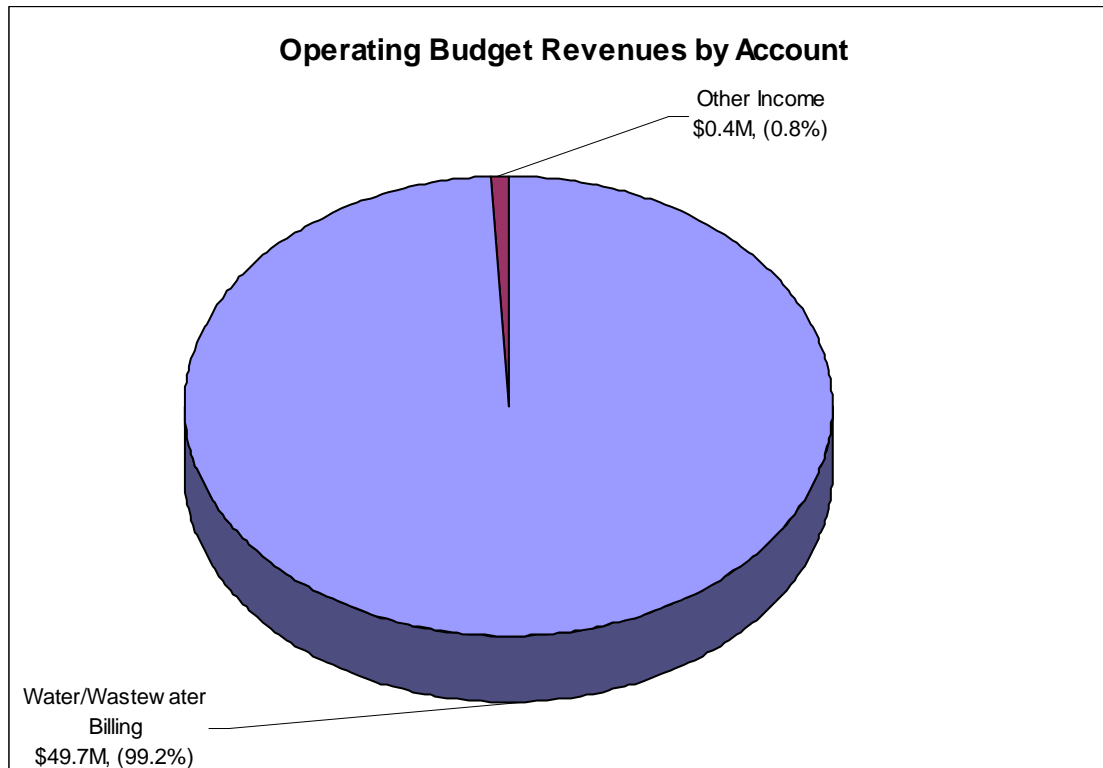
Exhibit 1



## Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to Exhibit 2. The Town's water/wastewater rates have increased by 6.23% from the previous year's level with a corresponding average increase of 6.09% (increase of 6.23% on April 1) in the cost of water/wastewater rates purchased from the Region of York. The net increase in rates contributes to offsetting operating costs and increase contribution towards reserves to be utilized to fund infrastructure replacement requirements.

Exhibit 2



## Bill 175 - The Sustainable Water & Sewage Systems Act

Bill 175 deals with water/wastewater service delivery & asset replacement. The regulations for the Bill is expected to be in place in 2007, setting out the requirements for future water/wastewater rate increases, including disclosure of the capital needs, and the plan to recover the capital costs through rates.

A full review of the Town's Waterworks reserve is expected to take place in 2007, in accordance with the legislation.

## **CAPITAL BUDGET**

The 2007 Waterworks Capital Budget totals \$8,246,800 which is fully funded from the Waterworks reserve. The capital projects include annual programs for watermain construction/replacement, relining of watermain, water meter replacement, and upgrades to water and sewer system.

## 2007 WATERWORKS OPERATING BUDGET

<u>Description</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>				
WATER/WASTEWATER BILLING	\$46,239,542	\$49,754,522	\$3,514,980	7.6%
TAXES - OTHER CHARGES	-	-	-	0.0%
USER FEES & SERVICE CHARGES	607,585	262,940	(344,645)	-56.7%
SALES	126,000	126,000	-	0.0%
RECOVERIES & CONTRIBUTIONS	3,000	3,000	-	0.0%
OTHER INCOME	-	-	-	0.0%
TRANSFER FROM SURPLUS	-	-	-	0.0%
<b>Total Revenues</b>	<b>\$46,976,127</b>	<b>\$50,146,462</b>	<b>\$3,170,335</b>	<b>6.7%</b>
<b><u>Expenses</u></b>				
SALARIES AND BENEFITS	\$4,243,998	\$4,663,199	\$419,201	9.9%
PRINTING & OFFICE SUPPLIES	40,946	41,970	1,024	2.5%
OPERATING MATERIALS & SUPPLIES	98,500	101,562	3,062	3.1%
CONSTRUCTION MATERIALS	622,885	523,060	(99,825)	-16.0%
UTILITIES	29,961	29,915	-46	-0.2%
COMMUNICATIONS	38,174	39,128	954	2.5%
TRAVEL EXPENSES	32,956	41,500	8,544	25.9%
TRAINING	40,000	52,250	12,250	30.6%
CONTRACTS & SERVICE AGREEMENTS	3,567,376	4,063,360	495,984	13.9%
MAINT. & REPAIR-TIME/MATERIAL	226,528	247,229	20,701	9.1%
RENTAL/LEASE	4,854	34,975	30,121	620.5%
PROFESSIONAL SERVICES	171,174	168,034	-3,140	-1.8%
LICENCES, PERMITS, FEES	2,913	16,600	13,687	469.9%
PROMOTION & ADVERTISING	8,000	8,000	0	0.0%
CONTRACTED MUNICIPAL SERVICES	33,018,085	35,107,669	2,089,584	6.3%
OTHER PURCHASED SERVICES	135,521	206,976	71,455	52.7%
WRITE-OFFS	-	42,382	42,382	0.0%
TRANSFERS TO RESERVES	4,694,256	4,758,653	64,397	1.4%
<b>Total Expenditures</b>	<b>\$46,976,127</b>	<b>\$50,146,462</b>	<b>\$3,170,335</b>	<b>6.7%</b>
<b>Net Expenditure (Revenue)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

(Excludes prior year surplus)



# **Town of Markham – 2007 Budget**

## **Budget Breakfast Presentation**

**Dan Horschik, Budget Chief, Councillor Ward 6**  
**Andy Taylor, Commissioner of Corporate Services**

**April 16, 2007**

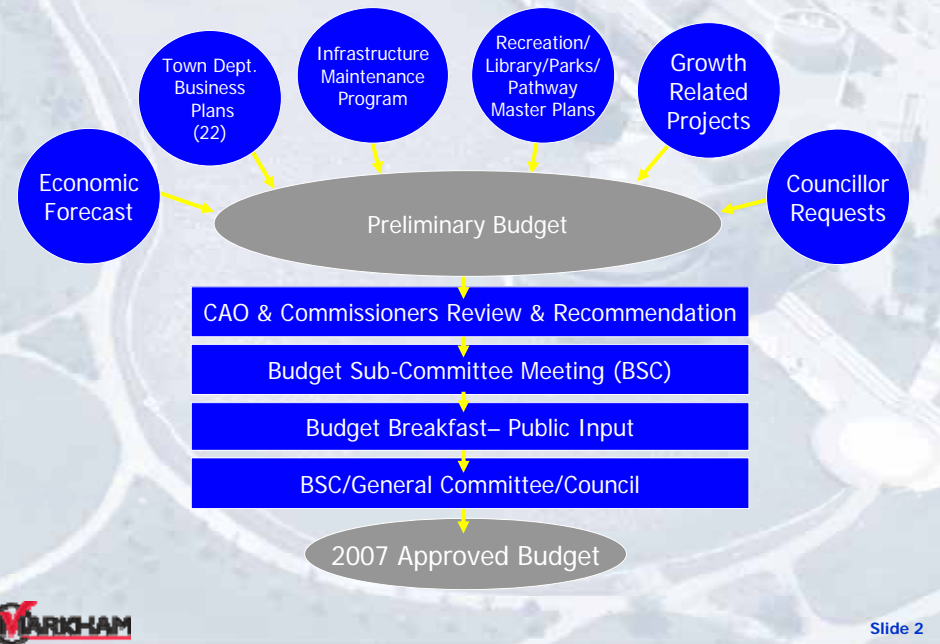


### **Agenda**

- **8:00 – 8:10 Welcome - Mayor & Budget Chief**
- **8:10 – 8:50 Budget Presentation**
- **8:50 – 9:30 Questions & Answers**



## Integration of Business Planning/Budget Process



## 2007 Budget Process

### CAPITAL BUDGET

- Jun. Finance review of Department Capital submissions
- Jun./Jul. Department Heads Forum Capital Project prioritization meetings
- Jul./Aug. CAO Commissioners Committee (CCC) review & discussion of proposed Capital

### OPERATING BUDGET

- Aug. Finance & Commissioner review of base Operating Budget (comparison to previous year, inclusion of contract escalations & growth estimates)
- Sept. Business Plan submissions from Departments. Department business plan presentations to CCC
- Oct./Nov. CCC review & discussion of business plans and the proposed Operating Budget
- Jan. Final CCC review of Operating & Capital Budgets & recommendation to present to Budget Sub-Committee



## 2007 Budget Process (cont'd)

Four Budget Sub-Committee Meetings held in 2007:

Jan. 22, 2007

Feb. 5, 2007

Feb. 19, 2007

Apr. 2, 2007

Apr. 16, 2007      Budget Breakfast

### NEXT STEPS

Apr. 23, 2007      Budget Sub-Committee – Receive feedback from Budget Breakfast & recommend 2007 Budget to General Committee

Apr. 30, 2007      General Committee – Recommend Budget to Council

May 8, 2007        Budget Approval by Council

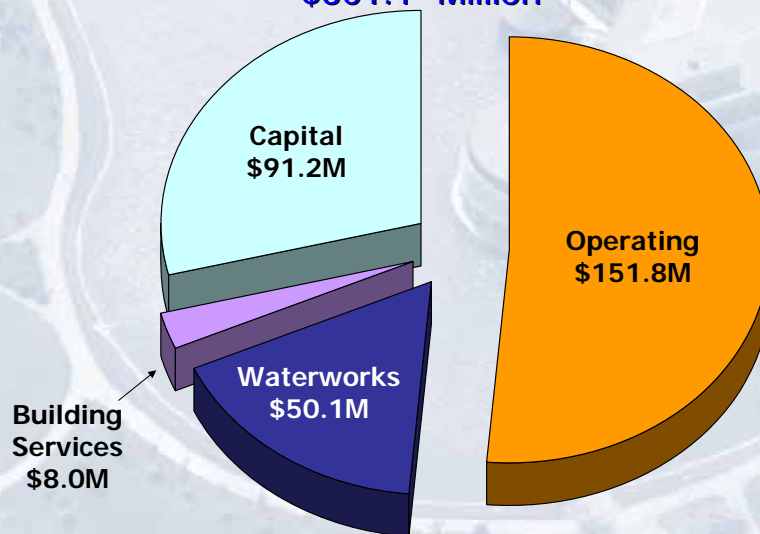


Slide 4

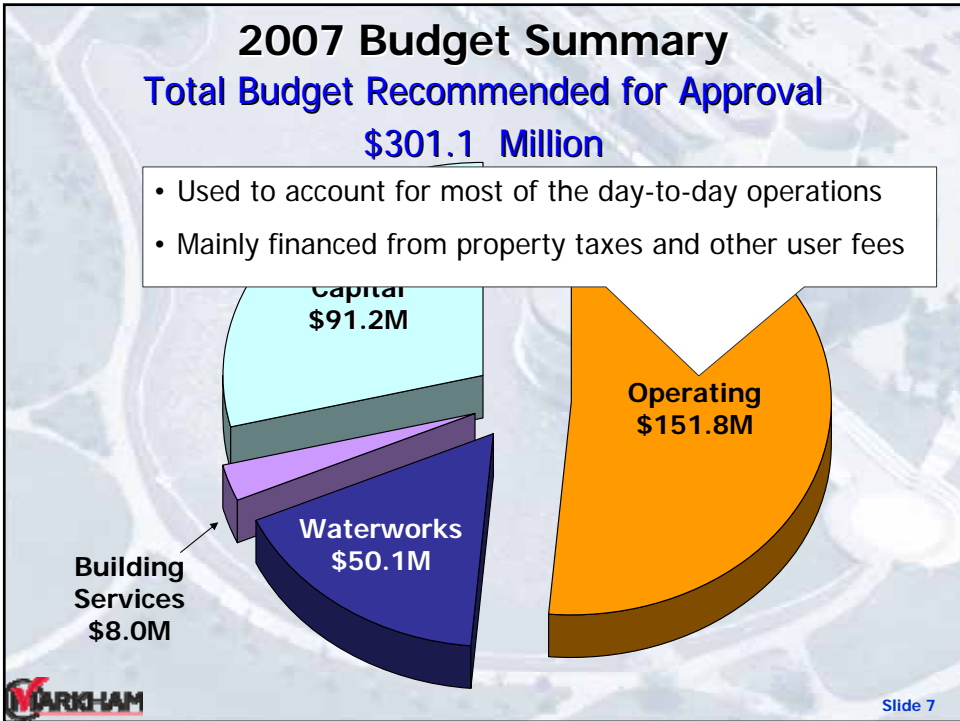
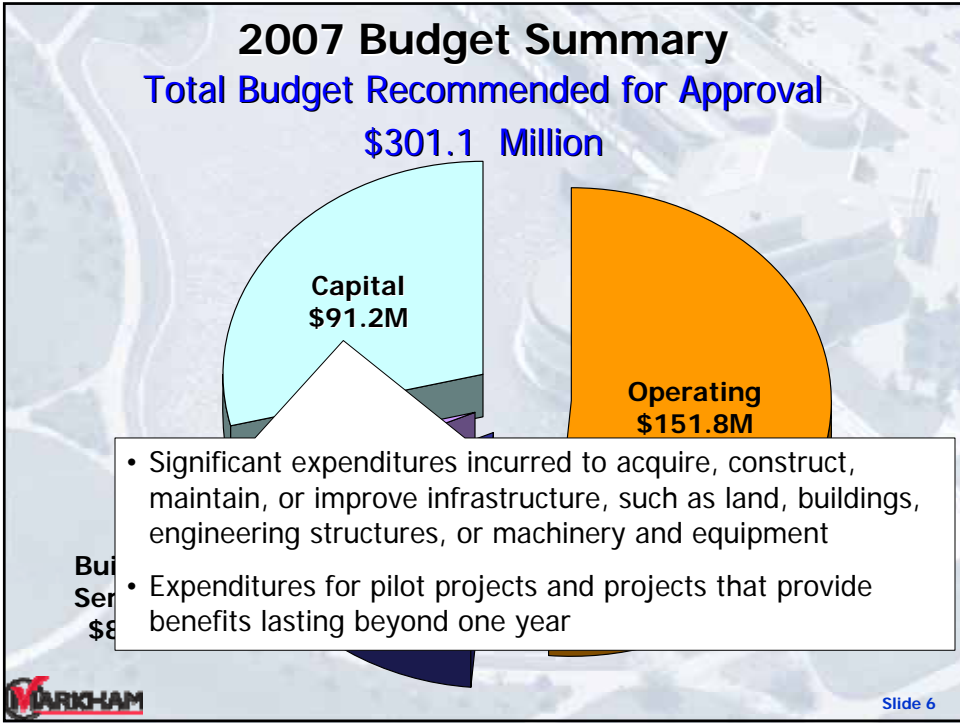
## 2007 Budget Summary

Total Budget Recommended for Approval

\$301.1 Million

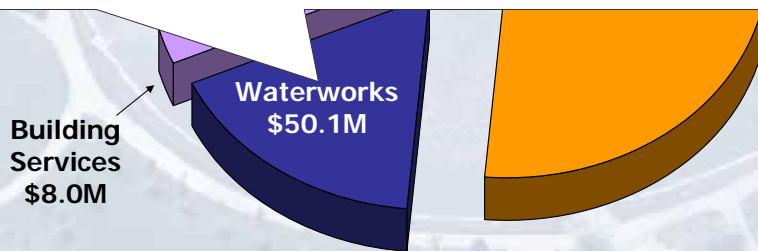


Slide 5



## 2007 Budget Summary

- Water rate funded
- Markham's water and wastewater rate was increased by 6.23% effective January 1, 2007
- The increase will offset the following expenditures:
  - 6.23% wholesale water rate increase from the Region effective April 1, 2007
  - the Waterworks Department's Phase 3 Organizational and Staffing Plan to comply with Provincial legislation
- Impact to residential homeowner based on average consumption is \$33.91/year

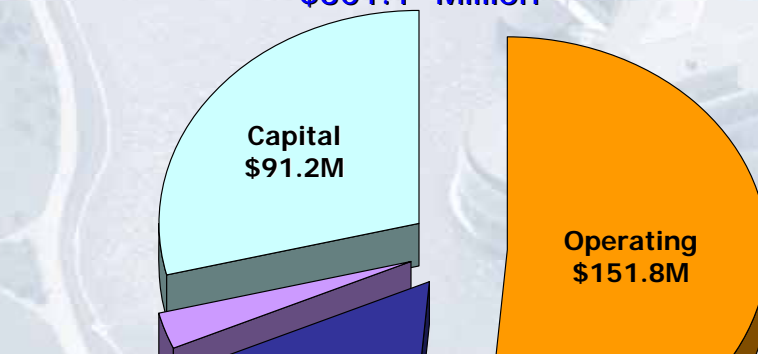


Slide 8

## 2007 Budget Summary

### Total Budget Recommended for Approval

\$301.1 Million



Building Services  
\$8.0M

- Building Services budget reported separately due to Bill 124
- Under Bill 124, Building Services has become self-funded through Building fees



Slide 9

## Economic Forecast - Budget Impact

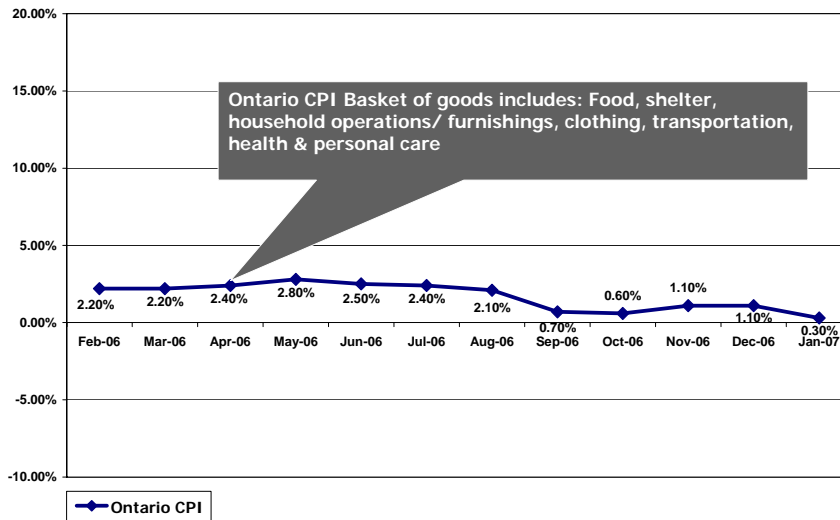
### Economic Trends

- Inflation:
  - 1.2% CPI, Canada, All Items (Jan '06 to Jan '07)
  - 0.3% CPI, Ontario, All Items (Jan '06 to Jan '07)
  - -5.6% Energy Index (Jan '06 to Jan '07)
  - 9.3% Construction Index (Dec '05 to Dec '06)
- Interest Rate Fluctuations: projected rate increase of 0.15%



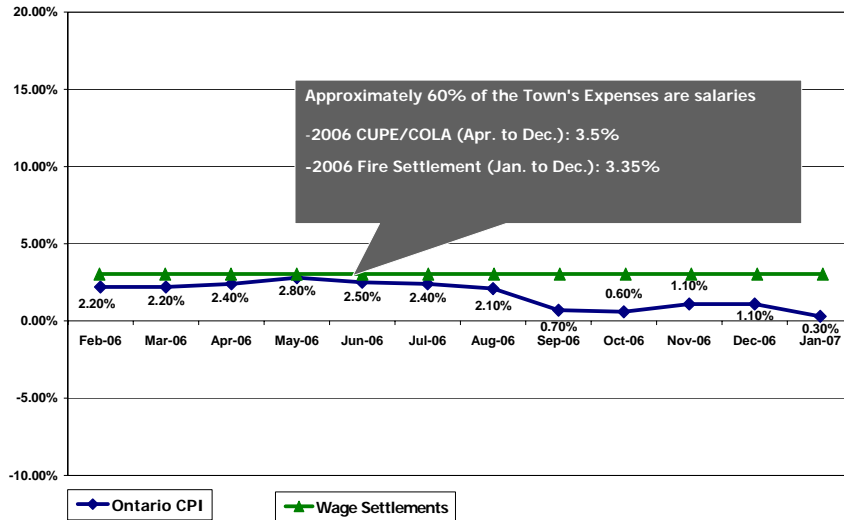
Slide 10

## Indices Impacting the Town



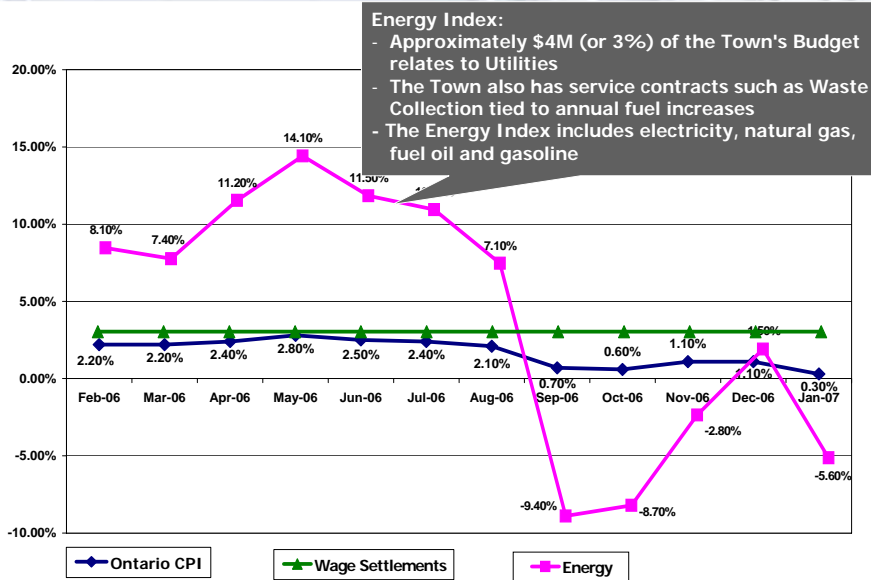
Slide 11

## Indices Impacting the Town



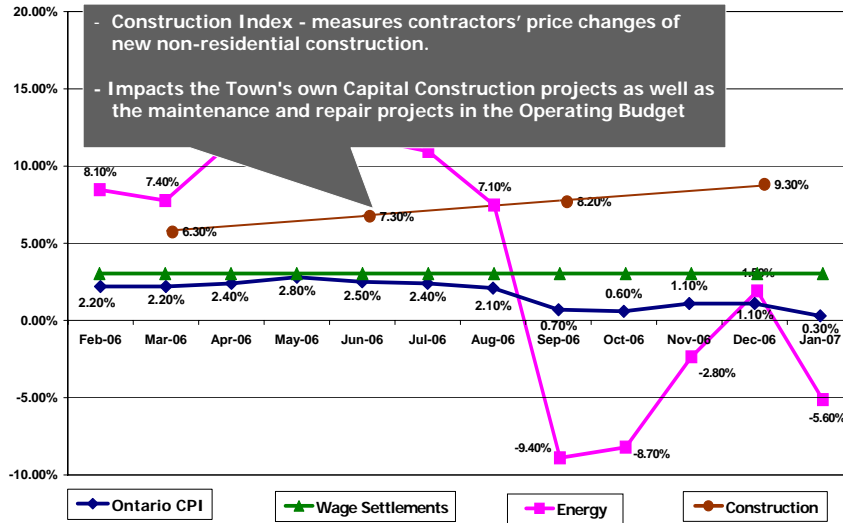
Slide 12

## Indices Impacting the Town



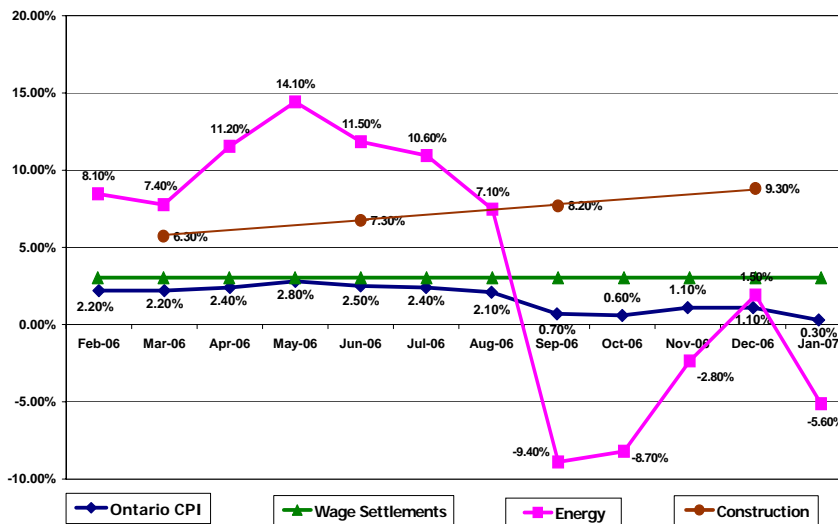
Slide 13

## Indices Impacting the Town



Slide 14

## Indices Impacting the Town



Slide 15

## Economic Forecast - Budget Impact

### Personnel

- Existing Staff \$3.2M
  - Negotiated Wage Settlements for Firefighters - 3.0%
  - Provision for Wage Settlements to be negotiated in 2007 and COLA for Non-Union Staff
  - Salary Grid Movement
- New Staff – 2007 \$1.9M
  - Includes:
    - Centennial C.C. Expansion
    - Markham Village Library Expansion
    - Markham Energy Conservation Office
    - Additional By-Law Enforcement Officers
- New Staff - Future \$0.9M
  - Ramp up for two New Fire Stations
  - Ramp up for East Markham C.C. & Library

**Total \$6.0M**



Slide 16

## Economic Forecast - Budget Impact

### Municipal Contracts

- Utilities – 10% Increase in Hydro Supply Rates \$560K
- Insurance – Liability coverage increased to \$15M \$230K
- Price escalations - Multi-year Contracts and contract renewals:
  - Waste Collection Contract linked to CPI and includes a Fuel Escalation clause \$507K
  - Electricity & Maintenance for Existing Street Lights \$150K
  - Maintenance & Supplies for Parks, Roads and Fleet \$360K
  - Winter Maintenance Contracts (hired loaders, salt, sand) \$498K

**Total \$2.3M**



Slide 17

## Economic Forecast - Budget Impact

### Infrastructure Maintenance Program

- 2007 Capital costs associated with replacing aging infrastructure such as existing roads, vehicles, facilities, parks, bridges rising from \$14.2M in the 2006 Capital budget to \$17.9M

### Growth

- \$500K increase in contribution to Capital Budget (Town Policy)
- \$530K increase in costs as a result of:
  - 3% Increase in tonnage – Waste Collection
  - 55 New km's of roads – Maintenance, Sweeping, Line Painting
  - 1,000 New Street Lights to Power, Maintain & Repair
  - Maintenance for 33 Additional Hectares of Park land
  - Increased Operating Costs associated with Centennial & Markham Village Community Centre Expansions (Maintenance Services and Supplies)



Slide 18

## Economic Forecast - Budget Impact

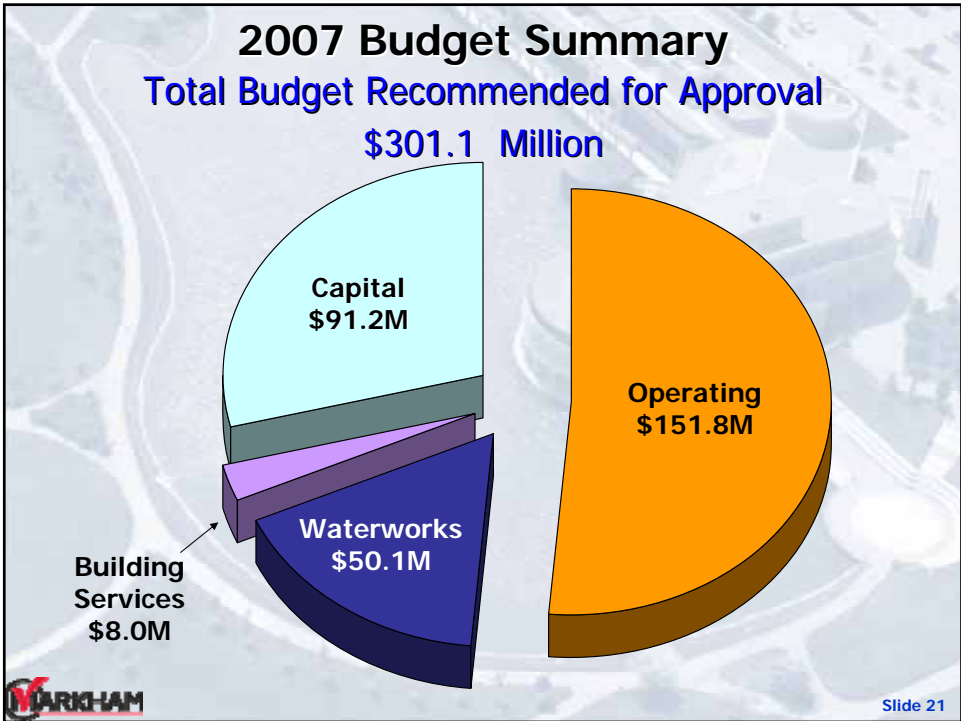
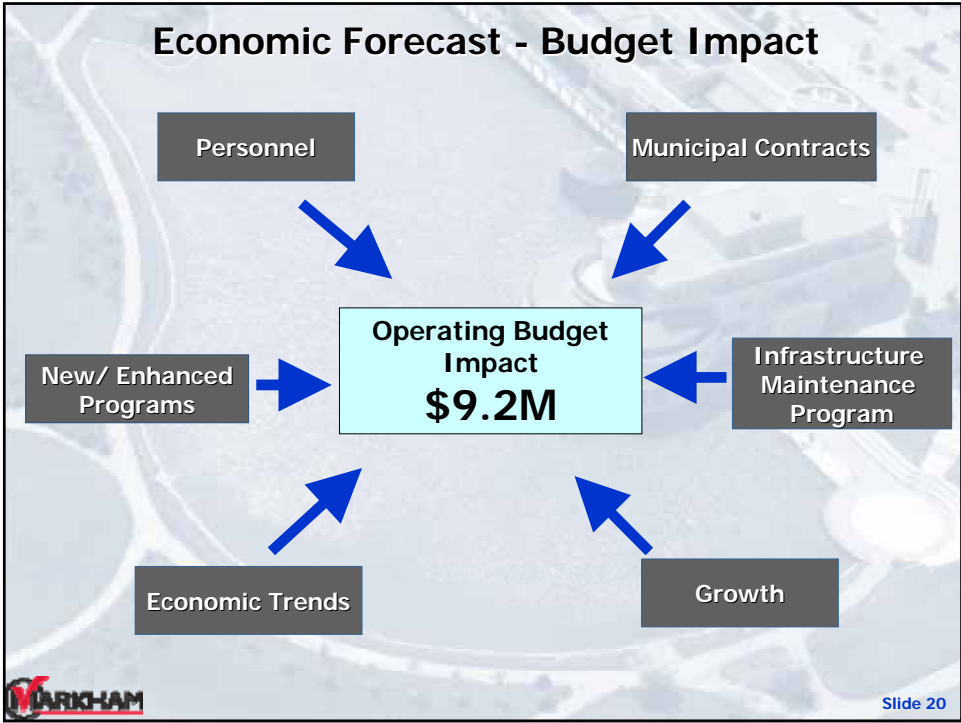
### New/ Enhanced Programs

- Roll-out of Mission Green waste diversion program to Apartment Buildings \$70K
- Auditor General \$150K
- Pesticide-free Turf Maintenance/ Enhanced Cultural Practices (5 year phase-in) \$90K
- Recreation Dept. Re-Organization (4 year phase-in) \$320K



Slide 19





## 2007 Budget Summary

### Total Budget Recommended for Approval

\$301.1 Million



Build  
Servi  
\$8.0

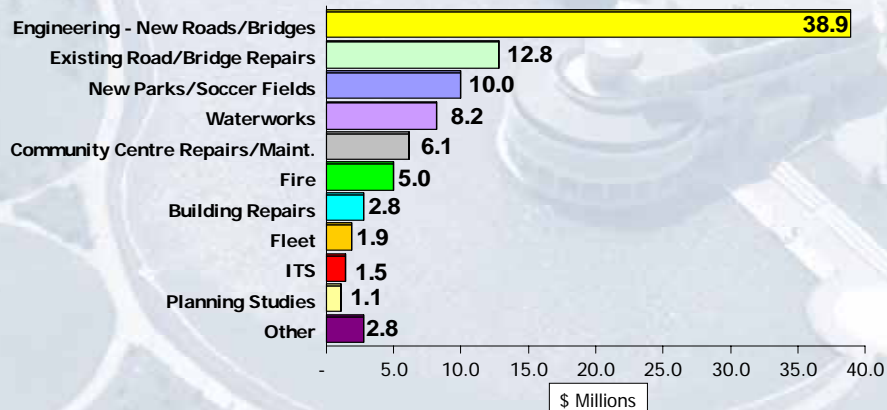
- Significant expenditures incurred to acquire, construct, maintain, or improve infrastructure, such as land, buildings, engineering structures, or machinery and equipment
- Expenditures for pilot projects and projects that provide benefits lasting beyond one year



Slide 22

## 2007 Capital Expenditures by Department/Area

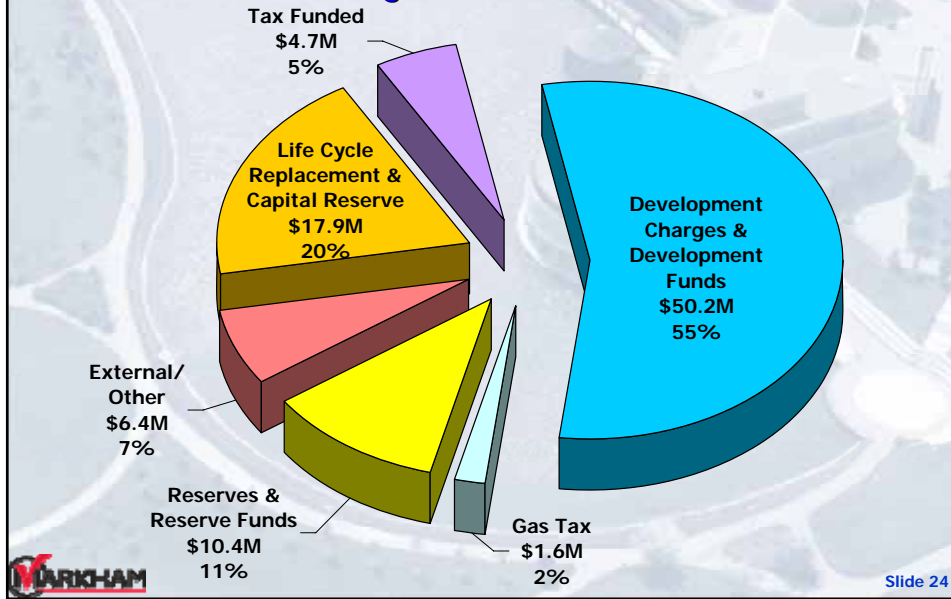
\$91.2 Million



Slide 23

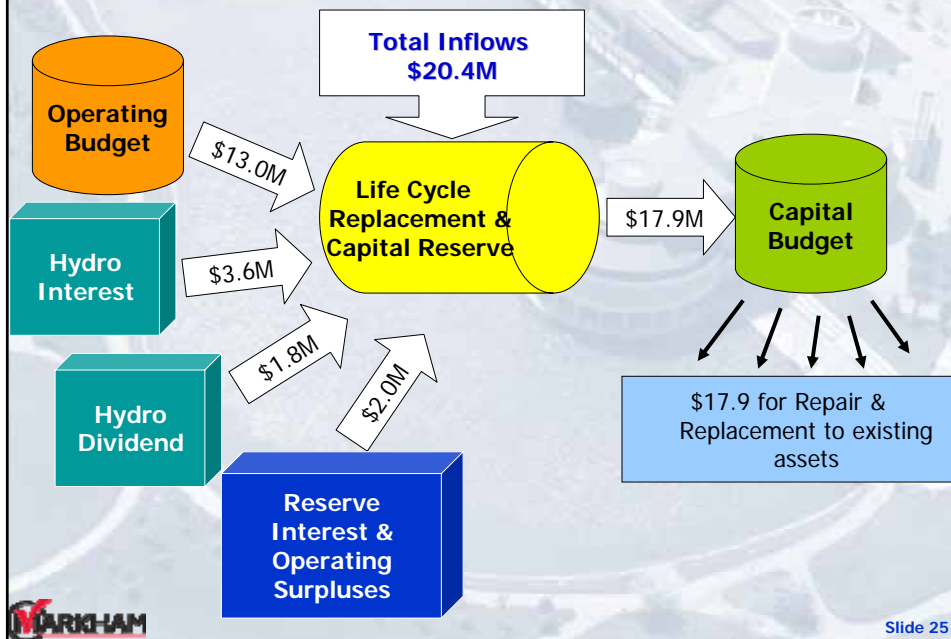
# 2007 Sources of Capital Funding

Budget \$91.2 Million



Slide 24

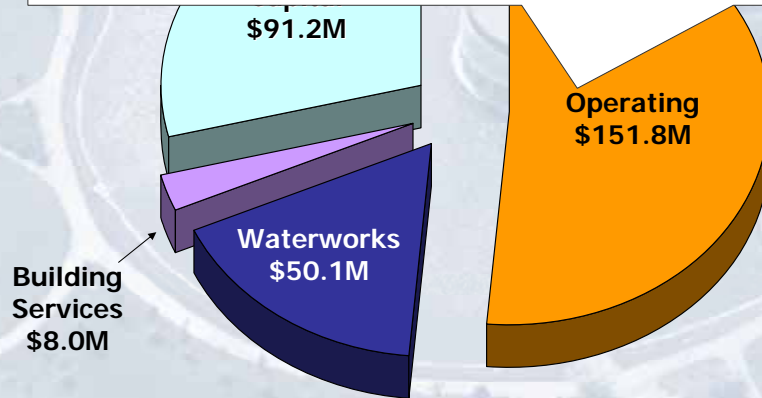
# Life Cycle Replacement and Capital Reserve Fund



Slide 25

## 2007 Budget Summary

- Used to account for most of the day-to-day operations
- Major expenditures – Personnel \$87M (58%) and Contracted Services \$31M (20%)
- Major sources of revenues – Property Taxes \$101M (66%) and User Fees \$28M (18%)



Slide 26

## 2007 Operating Budget Comparison of Revenues – 2006 to 2007 (\$ Millions)

	<u>2006</u>	<u>2007</u>	<u>Increase</u>	<u>% Tax Rate</u>
<b>Total Budgeted Revenues</b>	<u>\$142.6</u>	<u>\$147.6</u>	<u>\$5.0</u>	<u>5.55%</u>
Assessment Growth			\$2.8	3.08%
Development Services Revised Fee Model			\$2.1	2.34%
Other Revenues			\$0.1	0.13%
<b>Total Change in Budgeted Revenues</b>			<u>\$5.0</u>	<u>5.55%</u>



Slide 27

## 2007 Operating Budget Comparison of Expenditures – 2006 to 2007 (\$ Millions)

	2006	2007	Increase	% Tax Rate
<b>Total Budgeted Expenses</b>	<u>\$142.6</u>	<u>\$151.8</u>	<u>\$9.2</u>	<u>10.14%</u>
Salary Grid Movement and Wage Settlements			\$3.2	3.53%
New Staff			\$1.9	2.13%
Ramp-up for two fire stations and East Markham C.C. & Library			\$0.9	1.00%
Waste Collection Growth and Inflation			\$0.7	0.77%
Utilities Increases			\$0.5	0.55%
Tax Funded Capital			\$0.5	0.55%
Winter Maintenance Contracts			\$0.5	0.55%
Parks, Roads and Fleet Growth & Inflation			\$0.5	0.53%
Insurance			\$0.2	0.25%
Electricity and Maintenance for Street Lights			\$0.2	0.17%
Other Expenditures			\$0.1	0.10%
<b>Total Change in Budgeted Expenses</b>			<u>\$9.2</u>	<u>10.14%</u>



Slide 28

## 2007 Operating Budget Summary (\$ Millions)

	Approved Budget 2006	Proposed Budget 2007	Increase	% Tax Rate Increase
<b>REVENUES</b>	\$142.6	\$147.6	\$5.0	5.55%
<b>EXPENDITURES</b>	\$142.6	\$151.8	\$9.2	10.14%
<b>Current Operating Budget Shortfall</b>			<u>\$4.2</u>	<u>4.59%</u>

**\$4.2 Million shortfall translates into an  
increase of 4.59% in the net tax rate**



Slide 29

## Impact of Tax Rate Increase

Average Current Value of a Single Family Detached Household in Markham = \$403,000

**Annual Tax Dollar Impact per Average Household**

4.59% Tax Rate Increase = \$46.36

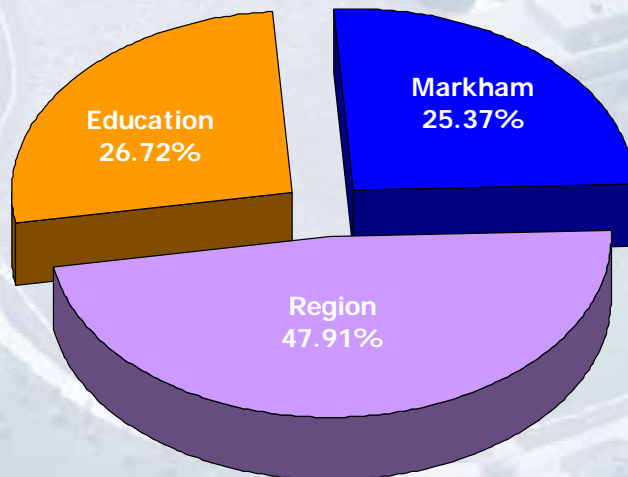


Slide 30

## 2006 Property Tax Distribution

### Residential

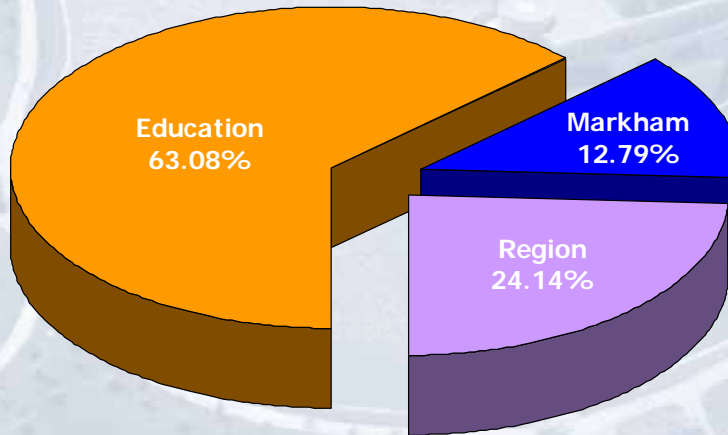
Markham's 4.59% tax increase equals a 1.16% increase on the total tax bill



Slide 31

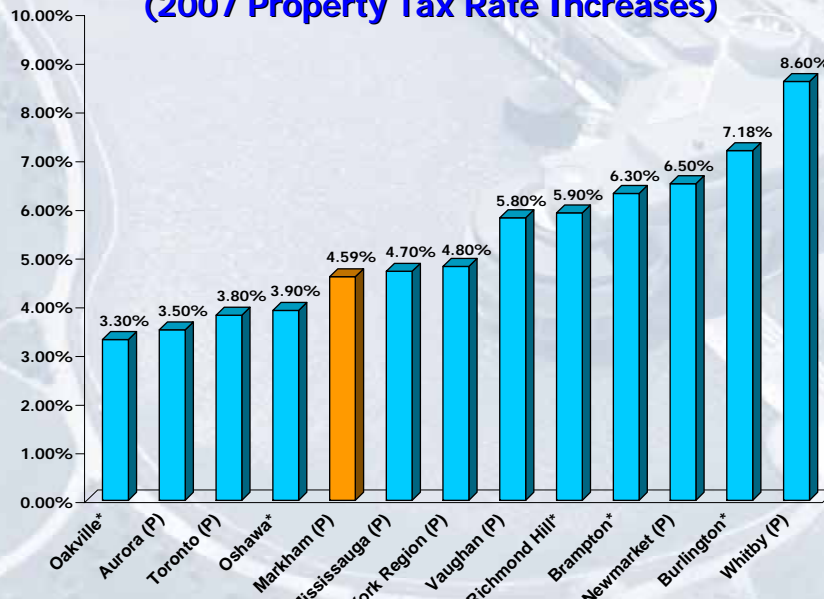
## 2006 Property Tax Distribution Non-Residential

Markham's 4.59% tax increase equals a 0.59% increase on the total tax bill



Slide 32

## Comparison to Other Municipalities (2007 Property Tax Rate Increases)



\* - Approved (P) – Preliminary

Slide 33

## 2007 Budget Summary Highlights Fiscal Stewardship

- Financially Prudent
- Personnel Ramp-ups
- Service Levels Maintained or Enhanced
- Auditor General
- Reserve Studies for Capital Life Cycle Repair and Replacement

## 2007 Budget Summary Highlights Fiscal Stewardship

- Financially Prudent
  - Continued policy of not using one-time funding to balance the operating budget
  - Continued commitment to allocate an additional \$500K of taxes from new property assessment, each year, to the Capital program
- Auditor General
- Reserve Studies for Capital Life Cycle Repair and Replacement



## 2007 Budget Summary Highlights Fiscal Stewardship

- Financially Prudent
- Personnel Ramp-ups
  - Ramp-up for two new fire stations
  - Ramp-up for East Markham Community Centre & Library
- Auditor General
- Reserve Studies for Capital Life Cycle Repair and Replacement



Slide 36

## 2007 Budget Summary Highlights Infrastructure & Transportation

- Birchmount Road Extension Phase 1 (14<sup>th</sup> Avenue to Enterprise Dr.) \$15.6M
- Road Resurfacing and Improvements (see list enclosed) \$5.6M
- Widening of Rodick Road (Miller to 14<sup>th</sup> Avenue) \$3.8M
- Bridges and Culverts Improvement Program \$3.3M
- Don Mills Culvert Rehabilitation (Steeles Ave. East to German Mills Creek) \$1.3M
- Bullock Widening (McCowan & Bullock Intersection) \$0.6M
- New Sidewalks \$0.5M
- Markham Transportation Planning Study Model \$0.2M



Slide 37

## 2007 Budget Summary Highlights

### Quality Communities & Safe Streets

- New Parks (see list enclosed) \$4.3M
- Construction of one new Fire Station \$3.2M
- Construction of new Ward Building at Markham Museum \$3.0M
- Soccer fields (York District School Board Partnership, Angus Glen C.C.) \$2.4M
- Berczy Park Waterplay and Tennis Courts \$0.9M
- East Cathedral Community Park including Waterplay \$0.8M
- Traffic Calming Program (Six Streets – see list enclosed) \$0.7M



Slide 38

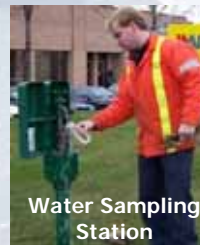
## 2007 Budget Summary Highlights

### Water & Sewer Programs

- Watermain Replacement \$1.8M
- Sewer System Upgrade Program \$1.4M
- Annual Cement Relining of Iron Watermains \$1.3M
- Water System Upgrade Program \$1.0M
- Water Meter Replacements \$0.4M
- Cathodic Protection of Iron Watermains \$0.3M



Water Flushing



Water Sampling Station



Slide 39

## 2007 Budget Summary Highlights

### Economic Development

- Innovation Synergy Centre in Markham  \$0.4M
- National Research Council \$0.1M
- Toronto Region Research Alliance, York Biotech, & International & Economic Alliances \$0.1M



Slide 40

## GFOA Award

**6<sup>th</sup> Consecutive Year!**



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Town of Markham, Ontario** for its annual budget for the fiscal year beginning **January 1, 2006**. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



Slide 41

## Questions & Answers

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



Slide 42

## Outcome of Presentation to Public

**When the Budget was presented to the community on April 16, a 4.59 per cent increase in the tax levy was proposed.**

**Following input from residents and review by the Town's budget sub-committee and staff, the tax levy increase was reduced to 3.98 per cent.**



Slide 43



Report to: General Committee

Report Date: April 30, 2007

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**SUBJECT:** Town of Markham 2007 Budget  
**PREPARED BY:** Joel Lustig, Director of Financial and Client Services  
Fuwing Wong, Manager of Financial Planning

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**RECOMMENDATION:**

That the report dated April 30, 2007 entitled, "Town of Markham 2007 Budget" be received;

And that Council approve the 2007 Operating Budget for Town services which totals \$151,419,368, (excluding prior year surplus) the principle components of which are detailed on Appendix 1;

And that gross operating expenditures of \$151,419,368, (excluding prior year surplus transfers to reserves) be funded from the following sources:

Taxation Revenues	\$100,007,860
Grant & Subsidy Revenues	\$738,831
General Revenues (Investment Income, Fines, Permits)	\$18,150,811
User Fees & Service Charges (User Fees, Rentals, Sales)	\$27,589,390
Other Income / Recoveries	\$4,932,476
<b>Total</b>	<b><u><u>\$151,419,368</u></u></b>

And that Council approve the 2007 Capital Budget that totals \$91,467,300, the funding details of which are listed in Appendix 2;

And that Council approve the 2007 Waterworks Operating Budget that totals \$50,146,462, (excluding prior year surplus) the principle components of which are detailed on Appendix 4;

And that Council approve the 2007 Building Standards Budget that totals \$8,045,000 the principle components of which are detailed on Appendix 5;

And that upon finalization of the 2006 audited financial statements, the 2007 Operating and Waterworks budgets be adjusted to reflect the 2006 operating results;

And that a copy of the budgets be made available to the public through the Clerk's Department and each of the Markham Public Libraries;

And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

Not applicable

**FINANCIAL CONSIDERATIONS:**

Not applicable

**PURPOSE:**

To obtain Council approval of the Town of Markham's 2007 Budget.

**BACKGROUND:**

A total of five Budget Sub-Committee meetings were held in 2007 to discuss, review and finalize the 2007 Operating, Capital and Waterworks and Building Standards budgets. Standing Committee meetings supplemented the Budget Sub-Committee meetings. All Budget meetings were open to the general public, Members of Council, Commissioners, and staff. Topics discussed at the Budget Sub-Committee / Standing Committee meetings include:

- a review of Operating and Capital budgets for 2007;
- an analysis of the significant factors affecting both 2006 actual performance and the 2007 Operating budget;
- economic forecasts including economic trends and budgetary pressures;
- the Town's asset lifecycle replacement methodology and reserve fund;
- the Town's development fee model implemented as part of Bill 124, the Building Code Statute Law Amendment Act;
- background and updates on the Federal Gas Tax grant for sustainable infrastructure.

The following exhibit reconciles the 2006 Approved Operating Budget to the 2007 Operating Budget (figures exclude prior years surplus):

**REVENUES**

Approved 2006 Budget Revenues (excluding Building Standards)	\$142,594,422
2007 Increase in Revenues	\$2,435,244
2007 Assessment Growth - Tax Revenue	\$2,785,794
2007 Property Tax Levy Increase	\$3,603,908
<b>Total 2007 Budget Revenues (excluding surplus)</b>	<b><u><u>\$151,419,368</u></u></b>

**EXPENDITURES**

Approved 2006 Budget Expenditures (excluding Building Standards)	\$142,594,422
2007 Increase in Expenditures	\$8,324,946
2007 Increase Operating Contribution to Capital Reserves	\$500,000
<b>Total 2007 Budget Expenditures (excluding surplus)</b>	<b><u><u>\$151,419,368</u></u></b>

With the implementation of Bill 124 - Building Code Statute Law Amendment Act, the Building Standards department's operating budget is shown separately from the Town's Operating Budget. Accordingly, the approved 2006 budgeted revenues and expenditures, above, have been adjusted for Building Standards.

In addition, the 2006 Operating surplus is excluded from the above figures until the Town's audited financial statements are finalized and approved by Council. Upon finalization of the 2006 audited financial statements, the 2007 Operating and Waterworks budgets will be adjusted to reflect the surplus, if any, in revenues and offsetting expenditures (transfer of the surplus to reserves). This will have no net impact on the operating budget as the Town's policy is to transfer operating surpluses to reserves.

The Town of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, waste collection and winter maintenance contracts, other contract renewals, wage settlements, and the continuation of higher fuel, natural gas and maintenance costs have resulted in increased operating expenditures. Further, the Budget Sub-Committee has approved the continuation of the Town's practice of phasing-in future personnel costs related to facility openings and funds have been allocated towards the next Community Centre and Library, and the next two Fire Stations. In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads, each year, thereby requiring additional resources for the maintenance and replacement of these assets. The total impact of these pressures on expenditures is \$8.8M.

To mitigate the increased expenditures, revenues were reviewed and increased by \$5.2M in the areas of assessment growth, additional legislative services revenue, recreational programs, and fee/fine revenues.

The increase in revenues however, does not fully offset the pressures in operating expenditures of \$8.8M. The resultant shortfall of \$3.6M (\$8.8M - \$5.2M) necessitates a

property tax rate increase of 3.98%. For the average single family detached household in Markham, valued at \$403,000 (based on 2006 Current Value Assessment), a 3.98% increase in the tax rate means a \$40.20 increase in the municipal portion of the property tax bill.

The proposed Capital Budget of \$91.5M includes funding from various sources, as outlined in Appendix 2. A complete listing of the proposed 2007 Capital budget is included in Appendix 3. The 2007 Capital budget also includes \$1.6M of Federal Gas Tax grant funded capital projects in the following areas:

- Don Mills Culvert Rehabilitation;
- Enhanced Bike Routes and Pedestrian Pathways;
- Additional Sidewalk Requests; and
- Bullock Road Widening.

Other significant Capital projects include Phase 1 of the Birchmount Road Extension from 14<sup>th</sup> Avenue to Enterprise Drive, widening of Rodick Road from Miller to 14<sup>th</sup> Avenue, a Markham Transportation Planning Study Model, construction of a new fire station, three additional hybrid vehicles, enhanced tree planting initiatives, community mailbox recycling pilot project, continued roll-out of Mission Green (the Town's waste diversion program) to special events, and watermain replacement on Steeles Avenue from Yonge Street to Henderson Avenue.

The proposed 2007 Budget reflects the Town's commitment to maintain and enhance service levels to the community and balances social needs with fiscal prudence. This is a reflection of the Town's commitment towards fiscal stewardship. Further, consistent with existing Town policies, one-time funding is not used to balance the operating budget. The Town's commitment to increase investment in Capital projects by \$0.5M, funded from assessment growth, is maintained. The Town has also continued to ramp-up the Operating budget for future expenditures related to new Community Centres, Libraries and Fire Stations.

#### **OPTIONS/ DISCUSSION:**

#### **FINANCIAL TEMPLATE: (external link)**

Not applicable

#### **ENVIRONMENTAL CONSIDERATIONS:**

Not applicable

#### **ACCESSIBILITY CONSIDERATIONS:**

Not applicable



**ENGAGE 21<sup>ST</sup> CONSIDERATIONS:**


Not applicable

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not applicable

**RECOMMENDED BY:**

  
\_\_\_\_\_  
Andy Taylor, Commissioner  
Corporate Services

  
\_\_\_\_\_  
Barb Cribbett, Treasurer

**ATTACHMENTS:**

- Appendix 1 – 2007 Operating Budget
- Appendix 2 – 2007 Capital Summary by Commission & Sources of Funding
- Appendix 3 – 2007 Capital and Other Programs Budget
- Appendix 4 – 2007 Waterworks Operating Budget
- Appendix 5 – 2007 Budget Standards Operating Budget



For immediate release

## **Markham Council Approves 2007 Town Budget Lowest Tax Increase for Urban Municipalities in York Region**

**Markham, ON ~ May 9, 2007** ~ Markham Council approved its 2007 budget at its meeting May 8.

This year's budget results in a 3.98 per cent tax increase to the Town's share of the total residential tax bill. Markham's tax rate increase is the lowest for the urban municipalities in York Region and one of the lowest in the Greater Toronto Area. The average impact for residents is \$40.20 on the Markham share of the tax bill.

Overall, Markham receives about 25.5 cents of every dollar of residential property taxes collected, with the remainder divided between education (25.9 cents) and the Region of York (48.6 cents).

When the Budget was presented to the community on April 16, a 4.59 per cent increase in the tax levy was proposed. Mayor Frank Scarpitti said, "This was reduced following input from residents and review by the Town's budget sub-committee and staff."

For the business community, Markham's commercial and industrial tax rates continue to be among the lowest in the Greater Toronto Area.

The 2007 Operating Budget is \$151.4 million, the Capital Budget is \$91.5 million, the Waterworks Budget is 50.1 million and the Building Standards Budget is \$8 million, for a total of \$301 million. This compares to a total budget of \$269 million in 2006. The Budget was set, taking into account a 3.08 per cent increase in assessment growth in the Town.

"We have maintained our policy of not using one-time funding to balance the operating budget," said Budget Chief, Ward 6 Councillor Dan Horchik. "Within this budget, we are funding our environmental initiatives and supporting the many programs and services we provide to our residents. We also continue to ramp-up for future expenditures for staffing our new community centres, libraries and fire stations."

"This is the greenest budget Markham has ever produced. At the same time, finding value for tax dollars was one of our most important guiding principles," said Mayor Scarpitti. "For example, we partnered with local soccer organizations and the York Region District School Board, committing funds to develop Markham's first fully-lit artificial turf sportsfields at the high school being built in the Markham Centre area."

*more.../*



### *Markham Council Approves 2007 Town Budget.../2*

"With this year's budget we continue to maintain and improve our service levels for fire, parks, recreation and roads, while accommodating for growth. We addressed our environmental initiatives and transportation needs. Our budget builds on our quality communities and my commitment to diversity," said Mayor Scarpitti.

"Throughout the fall and winter, we received presentations by Town business units and an economic forecast which examined current trends and pressures. During the public budget sub-committee meetings and community consultation, we developed funding plans for the many initiatives. The result is the 2007 budget, which supports our community priorities," said Budget Chief Horchik.

Budget pressures include the effect of wage settlements, inflation, municipal service contract escalations, and complying with the requirements of provincial legislation.

New programs funded by the Town this year include enhanced tree planting initiatives, the development of new bike routes and pedestrian pathways, and an expanded community mailbox recycling program.

Some of the key projects and priorities funded in the 2007 budget include:

#### **Environment**

- Addition of hybrid vehicles to Town vehicle inventory
- Funding for a works program aimed at generally improving the Town's watercourses and to help control erosion
- An enhanced Mission Green initiative – the recycling and anti-litter programs – at special events
- Support for the Markham Energy Conservation Office and Markham Environmental Sustainability Fund
- Development of a pesticide-free turf maintenance program for parks
- Maintenance for 33 additional hectares of parkland
- Enhanced tree planting initiatives
- Expansion to the community mailbox recycling (anti-litter) project
- Increased waste diversion/recycling programs in apartment buildings throughout the Town

#### **Diversity**

- Markham is developing a diversity strategy specifically for its organization
- Celebrate Markham grants to community groups and organizations
- Development of a translation policy for Town communications to residents
- Support to the CareerBridge internship program which provides Canadian work experience for new immigrants who have professional experience in their former country

*more.../*



*Markham Council Approves 2007 Town Budget .../3*

**Transportation and Transit**

- Widening of Rodick Road from Miller Avenue to 14th Avenue
- Service for 55 new kilometres of roads
- \$5.6 million for road resurfacing and improvements
- Construction of the first phase of Birchmount Road from 14th to Enterprise
- Improvements to bridges and culverts, including the Reesor Road bridge replacement in Ward 5 and the John Street bridge in Ward 1
- Construction of new sidewalks
- Further development of bike routes and pedestrian pathways
- Additional funding for the Transportation Demand Management program

**Quality Communities and Safe Streets**

- Funding for the construction of Markham's first artificial turf sportsfields
- \$4.3 million funding for new parks, including Grand Cornell, White's Park, Greensborough and Wismer
- \$3.2 million funding for the construction of a new fire station
- Development of tennis courts and a waterplay area in Berczy Park
- Design and construction of a community park and waterplay area in the East Cathedral community
- \$500,000 for the Markham Public Libraries annual building program
- Construction of the new Ward building at Markham Museum
- Traffic calming measures for six streets under the Safe Streets program

**Water and Sewer Programs**

Waterworks is funded from water/wastewater revenues. Programs planned include:

- Watermain replacement on Steeles Avenue from Yonge Street to Henderson Avenue
- A sewer system upgrade program, using trenchless technology, for structural and service repairs
- Ongoing installation of corrosion protection for watermains to improve and maintain water quality

*Building Markham's Future Together*

- 30 -

**For information contact:**

Mayor Frank Scarpitti 905-475-4872

Commissioner of Corporate Services Andy Taylor – 905-475-4705

Markham Corporate Communications, Marjorie Rebane – 905-479-7754

# Tax hike lowest in GTA

*Council passes  
'one of greenest budgets ever'*

BY CAROLINE GRECH  
Staff Writer

Your taxes are going up this year, but not as much as homeowners in neighbouring towns.

Markham council passed a 3.98-per-cent tax increase Tuesday night, which amounts to \$40.20 a year on the average home assessed at \$403,000.

It's the lowest increase passed by any urban GTA municipality this year, despite the town's burgeoning growth.

Richmond Hill passed a 5.9-per-cent tax hike and Newmarket raised taxes 6.6 per cent. Vaughan is proposing a 6-per-cent tax hike.

Councillor Dan Horchik, who chairs the budget committee, attributed the lower increase to good planning.

"We have good reserve balances. Our reserves are at a level that can cover infrastructure improvements," Mr. Horchik said.

"You can't do zero (tax increases) with these pressures. I think (3.98 per cent) is respectable. I don't think we were going to do much better," Mr. Horchik said.

"When you compare us to other budgets across the GTA, we're not dipping into reserves and we're not taking the province to court," Mayor Frank Scarpitti said, taking a humorous dig at Toronto's fight for more money from Queen's Park.

"I think this is one of the greenest budgets ever produced and I don't mean the paper it's printed on, some major environmental initiatives are included in this," Mr. Scarpitti said.

See **PARKS**, page 17.

## Parks, sports fields included in budget

From page 1.

ives are included in this," Mr. Scarpitti said.

It includes new hybrid vehicles for the town's fleet, \$300,000 over five years for the development of a pesticide-free turf maintenance program for parks, increased recycling programs for apartment buildings and an enhanced Mission Green initiative — recycling and anti-litter programs at special events.

Also included in the budget are the widening of Rodick Road from Miller to 14th avenues, service for 55 kilometres of roads, construction of new sidewalks and traffic-calming measures.

There is also funding for the construction of Markham's first artificial turf sports fields and \$4.3 million for new parks, including Grand Cornell, White's Park, Greensborough and Wismer.

There is also \$3.2 million for construction of a new fire station slated to begin in 2008 and new tennis courts and a water play area in Berczy Park.

Among pressures on this year's budget were a \$530,000



**DAN HORCHIK:** Markham budget chairperson says good planning helped keep tax increase down.

increase in waste collection costs for new homes and increases in inflation and utility costs, said Joel Lustig, director of financial and client services.

On top of the municipal increase, the region passed a 4.8-per-cent increase last month, which, combined with the local tax increase, means an average \$120 hike.

The breakdown of your property tax bill is 25 per cent for the town, 27 per cent for education and 48 per cent for the region.



## Summary of Funds – Overview

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

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

### Operating Fund

Funds all Town of Markham operations. Tax revenue is the main source of funding. The fund also includes water and sewer operations with water billings being the main source of revenue. The balance in the operating fund as of January 1 is transferred to the Reserve/Reserve fund during the year.

### Capital Fund

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

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

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

### Reserves/ Reserve Funds

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

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

There are two types of reserve funds:

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

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### Trust Funds

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

## DESCRIPTION OF RESERVES AND RESERVE FUNDS

The maintenance of Reserves and Reserve Funds is very important to the Town of Markham, since the availability of these sources of funding provides Council and senior management with greater flexibility in planning for the future. At Dec. 31, 2006, the balance in the Town's Reserves and Reserve Funds was \$137.02 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**

Used to fund temporary fluctuations in the commodities market for recyclables and garbage disposal fees.

#### **WATERWORKS/ STABILIZATION/CAPITAL**

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

#### **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 Town 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 Town will add to its inventory

#### **PARTNERSHIPS**

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



**LONG TERM DISABILITY  
BENEFITS**

To accumulate 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**

To 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.

<b>THEATRE ENDOWMENT</b>	Funds capital expenditures for the Markham Theatre.
<b>THEATRE CAPITAL IMPROVEMENT FUND</b>	Funds the replacement of capital expenditures for the Markham Theatre.
<b>MUSEUM ENDOWMENT</b>	Funds museum-related capital projects; funded by donations from the general public & community organizations.
<b>HERITAGE PRESERVATION</b>	Provides funding to protect and preserve heritage buildings in the Town.
<b>MARKHAM HERITAGE LOANS</b>	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.
<b>ADMINISTRATION LOT LEVIES-EXPENSE</b>	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.
<b>ADMINISTRATION LOT LEVIES -INTEREST INCOME</b>	See above.
<b>PARKS 5% CASH IN LIEU</b>	Funds the acquisition of new parkland, recreation facilities and equipment.
<b>TREE REPLACEMENT</b>	Funds the cost of planting, replanting, replacing & repairing boulevard trees in the Town.
<b>ROAD RESURFACING</b>	Funds road completion in industrial subdivisions.

<b>PRE-DCA ENGINEERING GROWTH</b>	Used to accumulate and maintain any Pre Development Charges Act Engineering levies collected in respect of development; represents the non-growth portion of development charges.
<b>WATERWORKS</b>	Funds to be used for the upgrade and replacement of Town water infrastructure.
<b>LIBRARY BUILDING PROGRAM</b>	Funds to be utilized for future library building projects, which are not covered by development charges.
<b>LAND ACQUISITION RESERVE FUND</b>	Allows the Town to finance the purchase of strategic land acquisitions that are non-growth and that are not environmentally sensitive.
<b>LIFE CYCLE REPLACEMENT AND CAPITAL</b>	To fund asset life cycle replacements and other major capital investments in future years.
<b>10% NON-DC GROWTH</b>	To fund the 10% non-development charges component of growth-related recreational facilities and libraries, this is to be funded from proceeds of land sales.
<b>GAS TAX REVENUE</b>	To fund eligible projects identified under the terms of agreement with federal government.
<b>ENVIRONMENTAL SUSTAINABILITY</b>	Funds to be utilized for Town and community based projects and initiatives that promote environment responsibility and enhances Town's natural resources (water, air quality, soils and natural features).
<b>ENVIRONMENTAL LAND ACQUISITION</b>	Funds to be utilized to acquire property identified by the Town to be environmentally sensitive
<b>DEVELOPMENT CHARGES</b>	Accumulates charges collected from developers according to the Development Charge Act, 1997. The reserve provides funding for eligible growth-related projects in the Town's Capital Budget.
<b>WSIB</b>	Allows the Town 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, 2005 \$	Actual Balance December 31, 2006 \$	2007 Budget			Estimated Balance December 31, 2007 \$
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
<b><u>RESERVES</u></b>						
Waste Management Stabilization / Capital	25,401	26,116				26,116
Waterworks Stabilization / Capital	6,390,203	7,719,288		4,758,653	(7,575,955)	4,901,986
Corporate Rate Stabilization	12,744,604	11,769,483		2,150,107		13,919,590
Insurance	769,889	769,889				769,889
Recreation & Culture Capital Replacement				392,076		392,076
Facility Ramp- Up	17,878	297		2,700,000	(297,800)	2,402,497
Long Term Disability Benefit	3,118,112	4,522,631				4,522,631
Partnership	15,000	15,000				15,000
Building Fee	2,627,137	2,218,077		621,997		2,840,074
Development Fee		254,543		475,621		730,164
Election Rebate		220,000				220,000
Firefighter's Sick Leave Benefits	3,853,400	4,382,600		41,000		4,423,600
<b>Total Reserves</b>	<b>29,561,624</b>	<b>31,897,924</b>	<b>-</b>	<b>11,139,454</b>	<b>(7,873,755)</b>	<b>35,163,623</b>
<b><u>RESERVE FUNDS</u></b>						
Theatre Endowment	271,341	290,481				290,481
Theatre Capital Improvement Fund	10,607	54,111		30,000		84,111
Heritage Preservation	96,992	105,978				105,978
Administration Lot Levies - Expenses	1,921,987	2,000,227				2,000,227
Administration Lot Levies - Interest Income	461,096	479,866				479,866
Markham Heritage Loans	361,045	376,368				376,368
Parks 5% Cash in Lieu	6,624,642	7,421,089				7,421,089
Tree Replacement	5,070	5,275				5,275
Museum Endowment	69,600	48,476	1,524		(50,000)	-
Road Resurfacing	4,050,181	3,608,330			(696,500)	2,911,830
Pre Development Charges Act Engineering Growth	17,855,036	17,517,905			(1,669,213)	15,848,692
Waterworks	190,969	198,742				198,742
Library Building Program	1,601,473	2,194,542		510,000		2,704,542
Land Acquisition Reserve Fund	510,274	1,031,047		500,000		1,531,047
Life Cycle Replacement & Capital	56,559,227	58,629,906		21,022,594	(26,976,093)	52,676,407
10% Non DC Growth	3,476,819	3,696,218				3,696,218
Gas Tax Revenue	2,033,929	610,541	2,711,604		(1,634,500)	1,687,645
Environmental Sustainability	132,284	51,070		248,900	(192,544)	107,426
Environmental Land Acquisition	3,649,471	4,298,033		500,000		4,798,033
Workplace Safety Insurance Board (WSIB)	2,405,475	2,503,504				2,503,504
<b>Total Reserve Funds</b>	<b>102,287,518</b>	<b>105,121,709</b>	<b>2,713,128</b>	<b>22,811,494</b>	<b>(31,218,850)</b>	<b>99,427,481</b>
<b>Total Reserve And Reserve Funds</b>	<b>131,849,142</b>	<b>137,019,633</b>	<b>2,713,128</b>	<b>33,950,948</b>	<b>(39,092,605)</b>	<b>134,591,104</b>
<b>Development Charges Reserve Funds</b>	<b>64,561,141</b>	<b>83,926,859</b>	<b>9,974,941</b>		<b>(50,250,746)</b>	<b>43,651,054</b>
<b>Total</b>	<b>196,410,283</b>	<b>220,946,492</b>	<b>12,688,069</b>	<b>33,950,948</b>	<b>(89,343,351)</b>	<b>178,242,158</b>

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

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Estimated Balance Dec 31,2007 \$	Details
<b><u>Waterworks Stabilization / Capital</u></b>				
Transfer from Waterworks Operating Fund	4,758,653			Refer to Page 106, "Line Transfers to Reserves"
Funding of Capital Projects		(7,575,955)		Refer to Page 81
<b><u>Corporate Rate Stabilization</u></b>				
Transfer of 2006 Operating Surplus	2,150,107			Included in line "Transfers to Reserves" Page 259
Funding of Capital Projects		-		
<b><u>Recreation &amp; Culture Capital Replacement</u></b>				
Transfer of funds for maintenance	392,076			Refer to Page 248, Line "Transfers to Reserves"
<b><u>Facility Ramp UP</u></b>				
Transfer of funds for future maintenance	2,700,000			Included in line "Transfers to Reserves" Page 190
Transfer to fund Capital Projects		(297,800)		Refer to Page 81
<b><u>Building Fee</u></b>				
Transfer from Operating Fund	621,997			Refer to Page 199 Line "Transfers to Reserves"
<b><u>Development Fee</u></b>				
Transfer from Operating Fund	475,621			Refer to Page 203 & 207 Line "Transfers to Reserves"
<b><u>Firefighter's Bunker Gear</u></b>				
Transfer from Operating Fund	41,000			Refer to Page 220, Line "Transfers to Reserves"
<b><u>Theatre Capital Improvement Fund</u></b>				
Transfer from Operating Fund	30,000			Refer to Page 252, Line "Transfers to Reserves"
<b><u>Museum Endowment</u></b>				
Transfer to fund Capital Projects		(50,000)		Refer to Page 81
<b><u>Road Resurfacing</u></b>				
Transfer to fund Capital Projects		(696,500)		Refer to Page 81
<b><u>Pre Development Charges Act Engineering Growth</u></b>				
Transfer to fund Capital Projects		(1,669,213)		Refer to Page 81
<b><u>Library Building Program</u></b>				
Transfer from Operating Fund	510,000			Included in line "Transfers to Reserves" Page 190
<b><u>Land Acquisition Reserve Fund</u></b>				
Transfer from Operating Fund	500,000			Included in line "Transfers to Reserves" Page 259
<b><u>Life Cycle Replacement &amp; Capital</u></b>				
Transfer from Operating Fund	21,022,594			Included in line "Transfers to Reserves" Page 259
Transfer to fund Capital Projects		(26,976,093)		Refer to Page 81 (Life Cycle & Closed Capital)
<b><u>Gas Tax Revenue</u></b>				
Transfer from Other Revenue	2,711,604			
Transfer to fund Capital Projects		(1,634,500)		Refer to Page 81
<b><u>Environmental Sustainability</u></b>				
Transfer from Operating Fund	248,900			Refer to Page 79
Funding of Capital Projects		(192,544)		Refer to Page 81
<b><u>Environmental Land Acquisition</u></b>				
Transfer from Operating Fund	500,000			Included in line "Transfers to Reserves" Page 259

## **DESCRIPTION OF TRUST FUNDS**

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

### **MORGAN PARK TRUSTS**

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

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

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

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

### **MARKHAM CONSERVATION COMMITTEE TRUST FUND**

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

### **ELECTION – CANDIDATES SURPLUS FUNDS TRUST ACCOUNT**

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

### **CEMETARY TRUST FUNDS**

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

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

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

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

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

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

	<u>2005</u>			<u>2006</u>			<u>2007</u>		
	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total
<b><u>A. Sources and Uses of Funds</u></b>									
<b><u>Sources of Funds</u></b>									
Taxation Revenues	86,324		86,324	93,618		93,618	100,008		100,008
Grants & Subsidies	863		863	841		841	739		739
Licences & Permits	9,854		9,854	10,306		10,306	9,125		9,125
Interest & Penalties	3,375		3,375	3,375		3,375	3,375		3,375
Income from Investments	11,232		11,232	11,672		11,672	11,674		11,674
Fines	1,183		1,183	1,458		1,458	1,931		1,931
Water & Sewer Billing	43,393		43,393	46,240		46,240	49,755		49,755
User Fees & Service Charges	14,119		14,119	19,398		19,398	21,705		21,705
Rentals	5,106		5,106	5,469		5,469	5,636		5,636
Sales	660		660	649		649	730		730
Recoveries & Contributions	733		733	1,288		1,288	1,008		1,008
Other Income	4,733		4,733	4,753		4,753	3,928		3,928
Prior year's surplus			-			-			-
Developer's revenue		39,089	39,089		30,445	30,445		50,251	50,251
Other		4,014	4,014		5,009	5,009		2,124	2,124
Transfer from Reserve Fund		16,083	16,083		17,377	17,377		21,393	21,393
Tax Funded Capital		16,700	16,700		17,200	17,200		17,700	17,700
	<u>181,575</u>	<u>75,885</u>	<u>257,460</u>	<u>199,067</u>	<u>70,031</u>	<u>269,098</u>	<u>209,611</u>	<u>91,467</u>	<u>301,078</u>
<b><u>Uses Of Funds</u></b>									
General Government	28,543	6,556	35,099	27,501	5,196	32,697	30,008	8,754	38,762
Protection to Persons & Property	18,288	574	18,863	21,847	1,901	23,748	33,005	5,229	38,234
Transportation Services	8,495	7,562	16,057	10,102	15,322	25,424	20,102	51,968	72,070
Environmental Services	46,336	8,360	54,696	49,339	7,027	56,366	50,970	8,787	59,757
Recreation & Cultural Services	35,182	24,801	59,983	36,949	8,646	45,596	37,525	9,207	46,732
Planning & Development	12,946	27,826	40,772	16,825	31,684	48,509	6,683	7,523	14,205
Other	2,011	205	2,216	4,282	255	4,537	33		33
Transfers to Reserve Fund	29,773		29,773	32,222		32,222	31,284		31,284
	<u>181,575</u>	<u>75,885</u>	<u>257,460</u>	<u>199,067</u>	<u>70,031</u>	<u>269,098</u>	<u>209,611</u>	<u>91,467</u>	<u>301,078</u>
<b>Increase/Decrease to Funds</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>-</b>	<b>0</b>
<b><u>B. Reserve Fund Activities</u></b>									
Balance as of January 1			116,729			113,720			113,399
Transfers in from Operating Fund			29,773			32,222			31,284
Transfer in Developer/Other						2,034			-
Transfer out to Capital Fund			(32,783)			(34,577)			(39,093)
Balance as of December 31	<u>-</u>	<u>-</u>	<u>113,720</u>	<u>-</u>	<u>-</u>	<u>113,399</u>	<u>-</u>	<u>-</u>	<u>105,591</u>

The total 2007 budget of \$301.01 M comprises of the following:

Operating Funds \$209.6 M (excl. prior years surplus) and includes Waterworks of \$50.1 M, Building Standards Budget \$8.0 M and Capital Funds \$91.4 M and Budgeted transfers to Reserve Funds of \$31.2 M



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

	<u>2005</u>			<u>2006</u>		
	Operating Fund	Capital Fund	Total	Operating Fund	Capital Fund	Total
<b><u>A. Sources and Uses of Funds</u></b>						
<b><u>Sources of Funds</u></b>						
Taxation Revenues	87,727		87,727	94,358		94,358
Grants & Subsidies	1,113		1,113	1,200		1,200
Licences & Permits	11,230		11,230	7,258		7,258
Interest & Penalties	3,376		3,376	3,436		3,436
Income from Investments	11,760		11,760	11,738		11,738
Fines	1,489		1,489	1,798		1,798
Water & Sewer Billing	43,733		43,733	45,908		45,908
User Fees & Service Charges	15,264		15,264	19,622		19,622
Rentals	5,017		5,017	5,378		5,378
Sales	730		730	659		659
Recoveries & Contributions	2,537		2,537	1,190		1,190
Other Income	5,234		5,234	4,039		4,039
Prior year's surplus	13,376		13,376			-
Developer's revenue		38,502	38,502		14,983	14,983
Other		3,246	3,246		10,142	10,142
Transfers from Reserve Fund		42,845	42,845		34,730	34,730
	<u>202,586</u>	<u>84,593</u>	<u>287,179</u>	<u>196,583</u>	<u>59,855</u>	<u>256,438</u>
<b><u>Uses Of Funds</u></b>						
General Government	24,401	13,401	37,802	27,190	5,279	32,469
Protection to Persons & Property	20,957	2,839	23,796	29,229	1,303	30,532
Transportation Services	10,435	34,791	45,226	16,413	18,530	34,943
Environmental Services	45,117	6,923	52,040	48,229	7,328	55,557
Recreation & Cultural Services	34,706	22,292	56,998	34,603	18,579	53,182
Planning & Development	14,029	2,710	16,739	5,878	6,037	11,915
Other	3,331		3,331	25		25
Transfers to Reserve Fund	45,940		45,940	35,059	-	35,059
	<u>198,916</u>	<u>82,956</u>	<u>281,872</u>	<u>196,625</u>	<u>57,056</u>	<u>253,681</u>
<b>Increase/Decrease to Funds</b>	<b>3,670</b>	<b>1,637</b>	<b>5,307</b>	<b>(42)</b>	<b>2,799</b>	<b>2,757</b>
<b><u>B. Reserve Fund Activities</u></b>						
<b>Balance as of January 1</b>			123,421			131,851
<b>Other Revenue</b>			5,347			3,060
<b>Dividend from Markham Enterprises Corporation</b>			0			1780
<b>Transfers in from Operating Fund</b>			45,928			35,059
<b>Transfer out to Capital Fund</b>			(42,845)			(34,730)
<b>Balance as of December 31</b>	<b>-</b>	<b>-</b>	<b>131,851</b>	<b>-</b>	<b>-</b>	<b>137,020</b>



## **Business Plans Introduction**

The following section details each Business Unit of the Town. Each Business unit is part of a Town Commission; CAO's Office, Corporate Services, Development Services and Community and Fire Services. A brief overview has been provided for each Commission followed by their respective operating budgets and the Business Unit Profiles.

Business Unit Profiles (BUP), provide a single reference for identifying the services a Business Unit delivers, how well the unit is performing, and the resources required to conduct its business. By collating this information, the profiles have become a great tracking tool for measuring the progress towards the Town's mission, goals and objectives. During the Town's Business Planning Process each Business Units presents their BUP to senior management, identifying their planned objectives for the upcoming year. Each BUP tracks four years of Key Performance Indicators (KPI's), the KPI data trends support the request of the objectives and help estimate the required resources during the Business Planning Process.

For each business unit, the profile provides a summary of info on such matters as:

- Missions & mandates
- Key customers & clients
- Significant accomplishments
- Key performance indicators

One of the key elements of the Business Unit Profiles is a focus on KPIs. With the development of KPIs, the Town has embarked on a corporate-wide approach for measuring our 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 help during our Budget planning process.

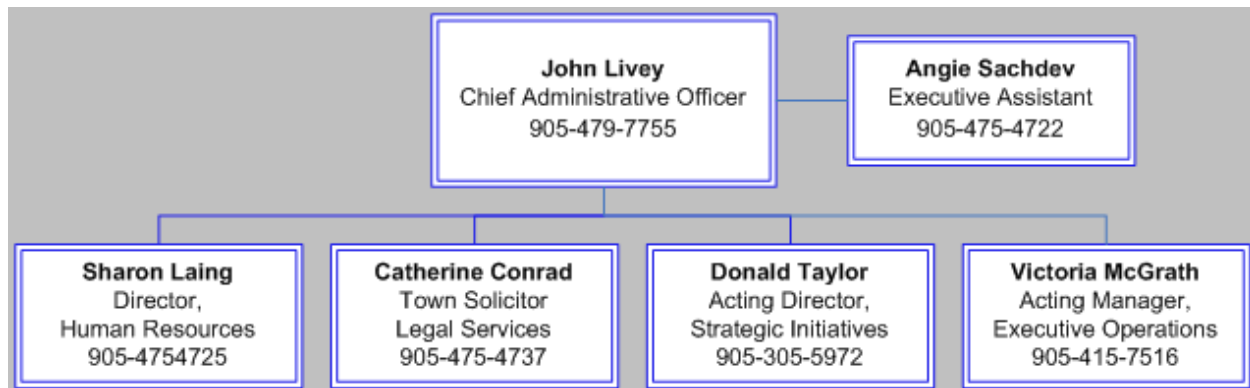
Business Unit Profiles have become an annual exercise for all business units. The style and content of the profiles has evolved over the last few years as we have become more adept at tracking performance, developing insightful KPIs and articulating concise business objectives. Currently the profiles are accessible through the Town intranet site, as they are refined and populated with more fulsome data, elements of the profiles will be available to a broader audience, including the public.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Mayor and Council Consolidated

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
<b><u>Revenue</u></b>								
RECOVERIES & CONTRIBUTIONS	\$33,375	-	-	-	0.0%	(33,375)	-100.0%	
<b>Total Revenues</b>	<b>\$33,375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>(33,375)</b>	<b>-100.0%</b>	
<b><u>Expenses</u></b>								
SALARIES AND BENEFITS	\$1,746,179	\$1,807,811	\$1,837,907	\$30,096	1.7%	\$91,728	5.3%	
PRINTING & OFFICE SUPPLIES	20,469	23,441	23,441	-	0.0%	2,972	14.5%	
OPERATING MATERIALS & SUPPLIES	12,983	11,900	11,900	-	0.0%	(1,083)	-8.3%	
VEHICLE SUPPLIES	1,888	1,000	1,000	-	0.0%	(888)	-47.0%	
COMMUNICATIONS	12,510	15,970	15,970	-	0.0%	3,460	27.7%	
TRAVEL EXPENSES	87,803	96,117	96,257	140	0.1%	8,454	9.6%	
TRAINING	125	4,094	4,094	-	0.0%	3,969	3175.2%	
MAINT. & REPAIR-TIME/MATERIAL	-	7,230	7,230	-	0.0%	7,230	0.0%	
RENTAL/LEASE	19,247	16,300	13,574	(2,726)	-16.7%	(5,673)	-29.5%	
PROFESSIONAL SERVICES	-	6,589	6,589	-	0.0%	6,589	0.0%	
LICENCES, PERMITS, FEES	1,502	1,235	1,235	-	0.0%	(267)	-17.8%	
PROMOTION & ADVERTISING	55,802	41,030	41,030	-	0.0%	(14,772)	-26.5%	
<b>Total Expenses</b>	<b>\$1,958,508</b>	<b>\$2,032,717</b>	<b>\$2,060,227</b>	<b>\$27,510</b>	<b>1.4%</b>	<b>\$101,719</b>	<b>5.2%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,925,133</b>	<b>\$2,032,717</b>	<b>\$2,060,227</b>	<b>\$27,510</b>	<b>1.4%</b>	<b>\$135,094</b>	<b>7.0%</b>	

## Chief Administrative Officer (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 918 who respond to issues of the growing municipality of Markham and the high expectations that the public has for superior service delivery. The responsibilities of the CAO include overseeing municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services, Development Services, as well as the Directors of the Human Resources, Strategic Initiatives, Legal Services, and the Manager Executive Operations.

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

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

- Legal Services
- Human Resources
- Strategic Initiatives

### Legal Services

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

The primary functions and duties of the Legal Department include:

- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Ontario Municipal Board hearings
- Conduct or defend all legal actions instituted by or commenced against the Town in all levels of the Ontario court system

- Preparation and review of all development agreements (subdivision, site plan) and other contracts
- Negotiation, preparation, review and registration of documents required for the acquisition and sale of real property
- Drafting of by-laws
- Provision of legal advice and direction to all municipal departments
- Meetings with other government agencies, particularly provincial ministries and York Region, to resolve issues
- Assistance to the By-law Enforcement Department in the enforcement and prosecution of Town regulatory and zoning by-laws

### **Human Resources**

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

The Town employs 918 full-time staff supported by part time and temporary staff in areas such as Recreation Services, Roads Department and Parks during peak seasons.

### **Strategic Initiatives**

The Strategic Initiatives department champions organizational excellence through the application of business practices in the Markham Management Model. The main responsibilities of the department are to:

- Lead progression through NQI (National Quality Institute) PEP (Progressive Excellence Program) accreditation program
- Lead business planning, quality assessment, KPI development, and trend analysis
- Lead the satisfaction measurement programs
- Lead corporate wide strategic initiatives
- Develop and maintain strategic partnerships

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

CAO's Office Consolidated

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
GRANTS AND SUBSIDIES	-	\$5,444	\$5,444	-	0.0%	\$5,444	0.0%	
USER FEES & SERVICE CHARGES	134,618	180,000	246,360	66,360	36.9%	111,742	83.0%	
OTHER INCOME	-	50,000	-	(50,000)	-100.0%	-	0.0%	
<b>Total Revenues</b>	<b>134,618</b>	<b>\$235,444</b>	<b>\$251,804</b>	<b>16,360</b>	<b>6.9%</b>	<b>\$117,186</b>	<b>0.0%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$3,355,981	\$3,351,874	\$3,662,507	\$310,633	9.3%	\$306,526	9.1%	
PRINTING & OFFICE SUPPLIES	30,747	22,658	22,658	-	0.0%	(8,089)	-26.3%	
OPERATING MATERIALS & SUPPLIES	28,539	38,671	38,671	-	0.0%	10,132	35.5%	
COMMUNICATIONS	9,873	4,554	4,554	-	0.0%	(5,319)	-53.9%	
TRAVEL EXPENSES	22,840	28,516	40,516	12,000	42.1%	17,676	77.4%	
TRAINING	261,869	255,708	255,708	-	0.0%	(6,161)	-2.4%	
CONTRACTS & SERVICE AGREEMENTS	(81,689)	(46,699)	(46,699)	-	0.0%	34,990	-42.8%	
RENTAL/LEASE	6,983	6,855	4,480	(2,375)	-34.6%	(2,503)	-35.8%	
PROFESSIONAL SERVICES	164,928	318,260	268,260	(50,000)	-15.7%	103,332	62.7%	
LICENCES, PERMITS, FEES	48,994	28,341	28,341	-	0.0%	(20,653)	-42.2%	
PROMOTION & ADVERTISING	234,038	262,640	262,640	-	0.0%	28,602	12.2%	
OTHER EXPENDITURES	8,680	26,000	26,000	-	0.0%	17,320	199.5%	
<b>Total Expenses</b>	<b>\$4,091,783</b>	<b>\$4,297,378</b>	<b>\$4,567,636</b>	<b>\$270,258</b>	<b>6.3%</b>	<b>\$475,853</b>	<b>11.6%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$3,957,165</b>	<b>\$4,061,934</b>	<b>\$4,315,832</b>	<b>\$253,898</b>	<b>6.3%</b>	<b>\$358,667</b>	<b>9.1%</b>	



# Legal Services

## Business Overview

### Mission Statement

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

### Business Unit is Meeting 2006 Objectives

Legal Services reports to the CAO office, in 2004 the approved operating budget was \$655,705 and 7 full time employees. The net cost per household to deliver this service is calculated at \$9.01 in 2003.

Legal Services is responsible for providing the following core services:

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

### Business Unit's Direction in 2007

Permanent filling of the Assistant Solicitor position has enabled the Department, to some degree, to deal with backlog of work. In 2007, the full complement should be able to fulfill its 2006 objectives such as Manual/Rules of Procedure for Licensing Hearings, Environmental Compliance process review and standardization of by-laws. There are a number of initiatives planned for the Real Property section provided that sufficient resources are available, including a strategic program for the identification and acquisition of a number of environmentally significant lands and trail connections. Other initiatives include the standardization of Town leases, agreements of purchases and sale and other property related documents, development of an appropriate data base to track municipal leases and a comprehensive land management system, development of an Encroachment policy for Town lands, and development of a policy or program for disposition, re-use or redevelopment of municipal owned residential properties and other Town owned lands.

Incorporating NQI principles into Legal Services operations through communication with staff and participation in Town-wide programs.

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





# Legal Services

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Successful defence of Town's position on several OMB appeals, including 306 Town Centre Blvd., The Lynde Centre for Dermatology.		✓
2 Settled litigation claims relating to recoveries for installation of infrastructure and delay claims related to a municipal facility's construction	✓	
3 Finalized DHG Terms of Reference	✓	
4 Assistant Town Solicitor guest speaker at several prestigious legal conferences	✓	
5 Finalized site plan conditions for contaminated gas station site	✓	
6 Finalized General Terms and Conditions for Purchasing documents	✓	
7 Finalized Memorandum of Understanding for the Varley-McKay Art Foundation	✓	
8 Successfully argued denial of licenses for two body rub parlours	✓	
9 Prepared and presented series of seminars to Planning, Urban Design and Engineering Departments on Subdivision Control, Acquisition and Disposition of Land and Environmental Issues	✓	

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End

## Operational Improvements

### Achieved in the Past 12 Months

A Delivered a series of seminars to Planning, Urban Design and Engineering on Subdivision Control, Acquisition and Disposition of Real Property and Contaminated Lands issues.
B Finalized the standardization of Purchasing General Terms and Conditions

### Anticipated for Next Year

C Improve the documentation and tracking of Real Property related files
D Develop Encroachment Policy
E Develop Manual/Rules of Procedure for Licensing Hearings
F Review Environmental Compliance process
G Standardize by-laws
H Standardize conditions and provisions for agreements for planning approvals



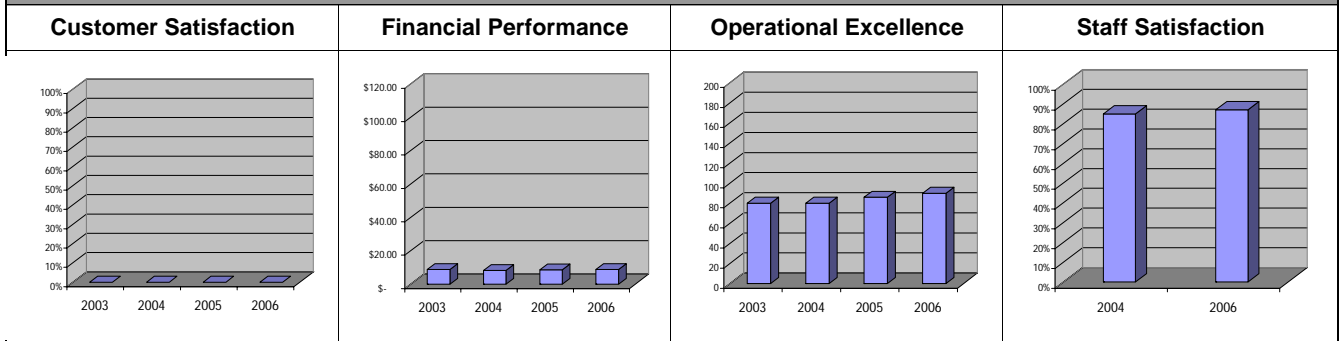
Business Unit Profile

PLANNING DOCUMENT

2007

# Legal Services

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	% of requests for service responded to within requested timelines	Staff Satisfaction Rating			
			<b>2003</b> ACTUAL	<b>2004</b> ACTUAL	<b>2005</b> ACTUAL	<b>2006</b> BUDGET / YTD

CUSTOMER SATISFACTION	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
# of customer satisfaction surveys completed				
Percentage of customers extremely satisfied (Citizen/service specific surveys)				
Percentage of customers satisfied (Citizen/service specific surveys)				

FINANCIAL PERFORMANCE	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
Net cost per household	\$ 8.73	\$ 8.18	\$ 8.54	\$ 8.82
Lawyers to population ratio (avg 1:47, 176)	1:80458	1:84060	1:65394	1:69,450

OPERATIONAL EXCELLENCE	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
% of requests for service responded to within requested timelines	80	80	86	90
# days spent on trials/hearings		17	28	25
# of litigation matters commenced to end of August	10	4	5	4
Favourable decisions as a % of decisions rendered	100	100	95	100
# of development agreements prepared	106	142	147	65
# of files opened	372	380	413	246

STAFF SATISFACTION	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	0.4	0.6	0.8	0.3
Completion rate (%) for staff survey improvement	100%	100%	100%	100%
Recognition rating (from staff survey)		87%		77%
Staff Satisfaction rating (from staff survey)		85%		87%
High Performance Workgroup rating (from staff survey)		91%		85%
Staff absenteeism (average # of days per employee)	1.6	1.3	0.1	1.4
Staff turnover rate	29%	0%	0%	0%

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Legal Department

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
USER FEES & SERVICE CHARGES	\$134,631	\$180,000	\$180,000	-	0.0%	\$45,369	33.7%
OTHER INCOME	-	50,000	-	(50,000)	-100.0%	-	0.0%
<b>Total Revenues</b>	<b>\$134,631</b>	<b>\$230,000</b>	<b>\$180,000</b>	<b>(\$50,000)</b>	<b>-21.7%</b>	<b>\$45,369</b>	<b>33.7%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$880,000	\$932,101	\$1,008,403	\$76,302	8.2%	\$128,403	14.6%
PRINTING & OFFICE SUPPLIES	6,590	4,320	4,320	-	0.0%	(2,270)	-34.4%
OPERATING MATERIALS & SUPPLIES	9,296	6,961	6,961	-	0.0%	(2,335)	-25.1%
COMMUNICATIONS	1,830	1,117	1,117	-	0.0%	(713)	-39.0%
TRAVEL EXPENSES	2,341	4,325	4,325	-	0.0%	1,984	84.8%
TRAINING	2,311	1,189	1,189	-	0.0%	(1,122)	-48.6%
CONTRACTS & SERVICE AGREEMENTS	(35,198)	(35,198)	(35,198)	-	0.0%	-	0.0%
RENTAL/LEASE	2,710	2,383	1,520	(863)	-36.2%	(1,190)	-43.9%
PROFESSIONAL SERVICES	91,297	113,689	63,689	(50,000)	-44.0%	(27,608)	-30.2%
LICENCES, PERMITS, FEES	36,248	21,942	21,942	-	0.0%	(14,306)	-39.5%
<b>Total Expenditures</b>	<b>\$997,425</b>	<b>\$1,052,829</b>	<b>\$1,078,268</b>	<b>\$25,439</b>	<b>2.4%</b>	<b>\$80,843</b>	<b>8.1%</b>
<b>Net Expenditure (Revenue)</b>	<b>\$862,794</b>	<b>\$822,829</b>	<b>\$898,268</b>	<b>\$75,439</b>	<b>9.2%</b>	<b>\$35,474</b>	<b>4.1%</b>

# Human Resources

## Business Overview

### Mission Statement

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

### Business Unit is Meeting 2006 Objectives

The Human Resources department reports to the CAO's office. In 2006, the approved operating budget was \$2,322,531 including 15 full time employees. The net cost per household to deliver this service is calculated at \$24.77 in 2006.

(The following data reflects Q1 and Q2/2006).

- **Workforce development** - The department has provided leadership and guidance for 177 staffing requests at a total cost of \$102,461. Cost effective sourcing strategies have been implemented resulting in greater use of professional associations and web-based recruiting. The Learning Calendar continues to be aligned with organizational priorities and key competencies. 2844.50 hours of training sessions were held with 406 attendees. 1699 hours of Health and Safety training were held with 394 attendees. 22 Compensation and Benefit sessions were delivered. A talent management framework is being developed, including development of an organizational leadership competency framework, and a mandatory leadership training program. The Fire department Performance Management System has been revised and implementation is scheduled for Q3/Q4. Compensation studies are in varying stages of progress.

- **Positive Relations**- Fire Department Early and Safe Return to Work Program- A contract has been awarded to a 3rd party disability claims management provider; protocols and processes to support implementation are underway. Collective Agreement negotiations with the MPFFA have commenced with insights gained from the York Regional Police bargaining. In response to client requests, a corrective action workshop was delivered and was well received by participants. 17 grievances have been filed thus far in 2006. Employee orientation sessions for both permanent and temporary employees have been significantly enhanced. A dedicated resource has been established using part-time funds. The department continues to seek and play leadership roles in the community such as the Inclusivity Action Plan for York Region, Junior Achievement, Take Your Kids to Work Day and the award winning Career Bridge participation.

- **Business Transformation services** - The outcomes of a comprehensive Health and Safety audit are being implemented. Critical processes have been identified in support of Pandemic Planning. The department has provided broad human resources support to a variety of organizational change initiatives including the Library IT integration, the Operations re-organization and the final phases of the Waterworks re-organization.

- **Quality Improvement** - In response to employee and client requests, the department increased transparency of management practices by producing a comprehensive balanced scorecard report providing data and trend analysis regarding key human resources indicators for 2005. A Client Services survey to help us determine how to improve our services and level of responsiveness to clients has been distributed. The department has automated many of its tracking systems in order to increase the efficacy of information to clients. The department works closely with Finance to produce up to date monthly vacancy and head count reports.

### Business Unit's Direction in 2007

Based on the foundational work completed in 2004 to 2006 the department will develop a three to five year plan leveraging the department's medium-range vision. In addition the department will continue to maintain and enhance the delivery of its core services in 2007.

- **Workforce Development**- The department will develop and implement the first stages of its talent management framework relating to succession planning, leadership competencies, leadership training, compensation and benefits competitiveness, and enhanced attraction and assessment methods. A full recruitment process may be conducted for probationary firefighters contingent on approval of new fire stations.

- **Positive Relations**- The department will conduct renewal agreement negotiations with CUPE and continue to respond to changing legislation. The department will continue to develop its policies and programs regarding the part time and temporary employee populations.

- **Business Transformation**- The department will support key organizational change initiatives (such as the Recreation department reorganization) and will also provide support to the organization's NQI-PEP objectives.

- **Quality Improvement**- The department will develop a three to five year strategic plan, continue to respond to client needs by providing a series of HR and customer service metrics, and continue to enhance our client service mechanisms.

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



# Human Resources

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

		Completed	To be Completed by Year End
1	Diversity Strategy- conduct an organizational current state assesment and strategy		✓
2	Health & Safety Audit - implementation of audit recommendations		✓
3	Pandemic Planning- critical organizational processes mapped		✓
4	Fire Department Early and Safe Return to Work Program- A contract has been awarded to a 3rd party disability claims management provider; protocols and processes to support implementation are underway	✓	
5	Fire Department Collective Bargaining		✓
6	Talent Management - Creation of a leadership development program, identification of leadership competencies and the requirement of mandatory participation in leadership development.		✓
7	Compensation reviews (part-time, non-union)		✓
8	Carreer Bridge - continued commitment to the program through two six month term assignments		✓

### 2006 ADDITIONAL OBJECTIVES

		Completed	To be Completed by Year End
9	Pay Equity risk assessment- Study completion		✓
10	NQI-PEP Healthy Workplace Program-integration of principles into HR programs and services		✓
11	Planning for End of Mandatory Retirement		✓

## Operational Improvements

### Achieved in the Past 12 Months

A	Reporting of HR metrics (annual scorecard)
B	Customer service satisfaction survey
C	Development of procedures for Fire third party disability claims management
D	Enhanced Compensation and Benefits Information Sessions in response to client requests

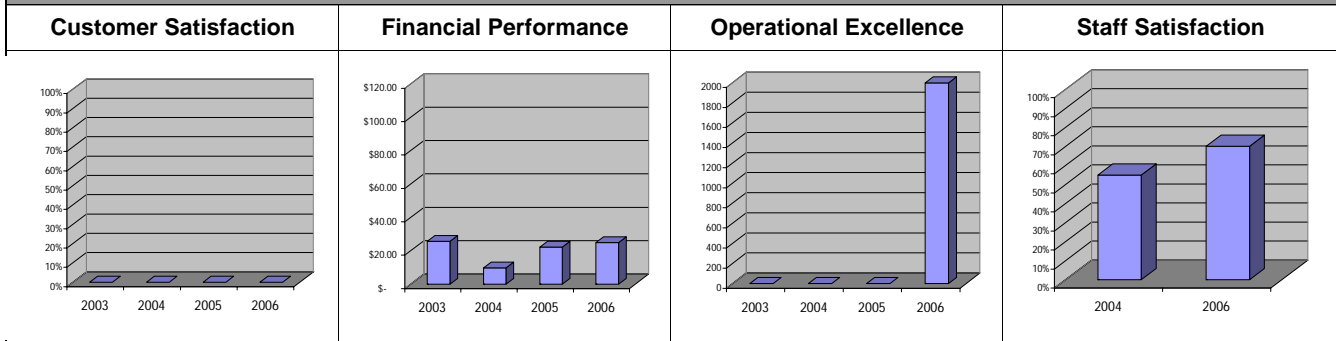
### Anticipated for Next Year

E	Talent Management - support of NQI-PEP journey, selection of learning management technology
F	Diversity Strategy - implementation of recommendations
G	Pay Equity risk assessment- identification of impacts
H	Part-time Employee Program - benchmarking studies and development of policies
I	Mitigating Risk - Corporate Travel Medical Insurance , Compensation and Benefits benchmarking, Competency Management Framework



# Human Resources

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	Total hours of training held per year	Staff Satisfaction Rating			
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	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed			1	1
Percentage of customers extremely satisfied (Citizen/service specific surveys)				tbd
Percentage of customers satisfied (Citizen/service specific surveys)				tbd
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 25.70	\$ 9.80	\$ 22.28	\$ 24.84
Average cost of sourcing per externally posted position	\$ 4,560.00	\$ 5,383.00	\$ 1,767.23	\$ 1,897.00
Average training cost per participant	\$ 339.55	\$ 227.54	\$ 84.57	\$ 77.33
Average number of lost days per WSIB claim	5.8	5.0	5.0	28.0
<b>OPERATIONAL EXCELLENCE</b>				
Total hours of training held per year				2,845
Percentage of employees placed on payroll by payroll deadline		90	90	95
Hours of Health and Safety training conducted				1,699
Grievance resolution ratio - CUPE-MPFFA (%)				23-50
Ratio of HR staff per total employee population			119	160
% of Managers participating in leadership training				23
<b>STAFF SATISFACTION</b>				
Completion rate for performance management			98%	100%
Average # of non-technical training sessions attended per employee(hrs)				2.7
Completion rate (%) for staff survey improvement	40%			43%
Recognition rating (from staff survey)		49%		61%
Staff Satisfaction rating (from staff survey)		55%		70%
High Performance Workgroup rating (from staff survey)		55%		72%
Staff absenteeism (average # of days per employee)	8.4	2.0	2.5	1.4
Staff turnover rate	13%	20%	0%	0%

**NOTES:** KPI's have shifted to focus towards quality of HR practices.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Human Resources Department

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
GRANTS AND SUBSIDIES	-	\$5,444	\$5,444	-	0.0%	5,444	0.0%
USER FEES & SERVICE CHARGES	(13)	-	66,360	66,360	0.0%	66,373	-510561.5%
<b>Total Revenues</b>	<b>(13)</b>	<b>\$5,444</b>	<b>\$71,804</b>	<b>66,360</b>	<b>1219.0%</b>	<b>\$71,817</b>	<b>-552438.5%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$1,583,842	\$1,544,549	\$1,753,748	\$209,199	13.5%	\$169,906	10.7%
PRINTING & OFFICE SUPPLIES	19,873	10,485	10,485	-	0.0%	(9,388)	-47.2%
OPERATING MATERIALS & SUPPLIES	17,231	28,155	28,155	-	0.0%	10,924	63.4%
COMMUNICATIONS	3,988	1,457	1,457	-	0.0%	(2,531)	-63.5%
TRAVEL EXPENSES	6,672	3,204	15,204	12,000	374.5%	8,532	127.9%
TRAINING	239,074	248,554	240,554	(8,000)	-3.2%	1,480	0.6%
CONTRACTS & SERVICE AGREEMENTS	(46,491)	(11,501)	(11,501)	-	0.0%	34,990	-75.3%
RENTAL/LEASE	3,041	2,718	1,551	(1,167)	-42.9%	(1,490)	-49.0%
PROFESSIONAL SERVICES	73,631	204,571	204,571	-	0.0%	130,940	177.8%
LICENCES, PERMITS, FEES	7,648	1,699	1,699	-	0.0%	(5,949)	-77.8%
PROMOTION & ADVERTISING	234,038	262,640	262,640	-	0.0%	28,602	12.2%
OTHER EXPENDITURES	8,680	26,000	26,000	-	0.0%	17,320	199.5%
<b>Total Expenses</b>	<b>\$2,151,227</b>	<b>\$2,322,531</b>	<b>\$2,534,563</b>	<b>\$212,032</b>	<b>9.1%</b>	<b>\$383,336</b>	<b>17.8%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$2,151,240</b>	<b>\$2,317,087</b>	<b>\$2,462,759</b>	<b>\$145,672</b>	<b>6.3%</b>	<b>\$311,519</b>	<b>14.5%</b>



# Strategic Initiatives

## Business Overview

### Mission Statement

To champion organizational excellence, incubate new initiatives, develop long term strategy and drive corporate-wide projects. Work with the community to provide high quality municipal services that meet, if not exceed, the expectations of Town residents and businesses.

### Business Unit is Meeting 2006 Objectives

In 2006 this newest department in the CAO's Commission completed one full year of operation. Its 2006 approved operating budget was \$463,416 including 4 full time employees. In 2006 the net budgeted cost per household to deliver this service was \$5.05.

#### Core Services:

- Championing, assisting, educating the integrated quality and healthy workplace NQI initiative;
- Leading the corporate business planning process;
- Overseeing strategic cross-commission initiatives;
- Coordinating staff and customer satisfaction surveys;
- Developing and tracking corporate performance measures;

### Business Unit's Direction in 2007

The business unit will continue to:

- Work towards implementation of the integrated quality and healthy workplace model in order to achieve integrated NQI Level 2 PEP;
- Act as a catalyst for cross commission projects and issues i.e. Canadian Sports Institute Ontario, South East Community Center, Parking Strategy;
- Review Engage 21st Markham Strategic Plan and coordinate Residents' Survey;
- Continue the evolution of Markham Enterprises Corporation (MEC);
- Coordinate departmental improvement projects from the Staff Satisfaction Survey;
- Make further improvements to the Corporate Business Planning process

Service(s)	Customer(s)
Corporate business planning	All business units
Staff and customer satisfaction surveys and administration	Council members
Overseeing cross commission strategic projects	The corporation of the Town of Markham
Develop key performance indicators	Town of Markham staff
Championing, assisting, educating the NQI initiative	





# Strategic Initiatives

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Work towards implementation of the NQI integrated quality and healthy workplace model		✓
2 Drive corporate cross-commission projects i.e. Paid Parking Program		✓
3 Prepare Facilities & Accommodation Strategic Plan and Civic Centre Accommodation Plan	✓	
4 Participate in the evolution of the Markham Enterprise Corporation i.e. Strategic Planning Workshop	✓	
5 Act as a catalyst for cross-commission projects ie. Telework, Environmental Mngt Plan, Revenue Strategy	✓	
6 Make further improvements to corporate business planning process	✓	
7 Monitor and report on Council Strategic Priorities	✓	
8 Coordinate and manage Staff Satisfaction Survey process and improvement projects	✓	
9 Coordinate corporate events such as Town Hall meetings, Leaders' Breakfast and Teamwork Day		✓
10 Resource for Client and Customer Satisfaction Surveys		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
11 Assist with administrative support to CAO Office	✓	
12 Develop, track and report on performance measures in a report card style		✓

## Operational Improvements

### Achieved in the Past 12 Months

A Established rhythm, routines and processes in new department
B Continued communication and building of inter-departmental relationships

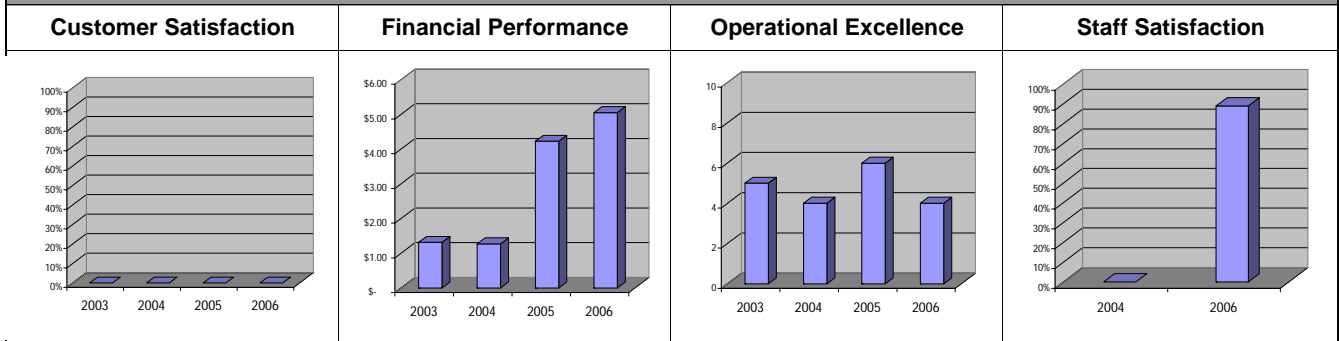
### Anticipated for Next Year

C Improve inter-departmental cooperation and communication (identified from staff satisfaction survey)
D Better define job requirements (identified from staff satisfaction survey)



# Strategic Initiatives

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	Number of Customer Satisfaction Surveys Supported	Staff Satisfaction Rating			
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CUSTOMER SATISFACTION	2003	2004	2005	2006
	ACTUAL	ACTUAL	ACTUAL	BUDGET / YTD
# of customer satisfaction surveys completed	NA	NA	NA	NA
Percentage of customers extremely satisfied (Citizen/service specific surveys)	NA	NA	NA	NA
Percentage of customers satisfied (Citizen/service specific surveys)	NA	NA	NA	NA

FINANCIAL PERFORMANCE				
Net cost per household	\$ 1.31	\$ 1.27	\$ 4.23	\$ 5.05
Average length of time to produce survey results to client	21 days	18 days	14 days	10 days

OPERATIONAL EXCELLENCE				
# of customer satisfaction surveys supported	5	4	6	4
# recognition orders filled	29	64	44	49
# training workshops facilitated	8	32	35	11
# external presentations given	6	6	8	9

STAFF SATISFACTION				
Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	1.0	0.0	2.3	0.0
Completion rate (%) for staff survey improvement	NA	NA	NA	N/A
Recognition rating (from staff survey)	NA	NA	NA	73%
Staff Satisfaction rating (from staff survey)	NA	NA	NA	89%
High Performance Workgroup rating (from staff survey)	NA	NA	NA	88%
Staff absenteeism (average # of days per employee)	1.0	1.0	2.0	1.0
Staff turnover rate	0%	0%	0%	0%

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Strategic Initiatives Department

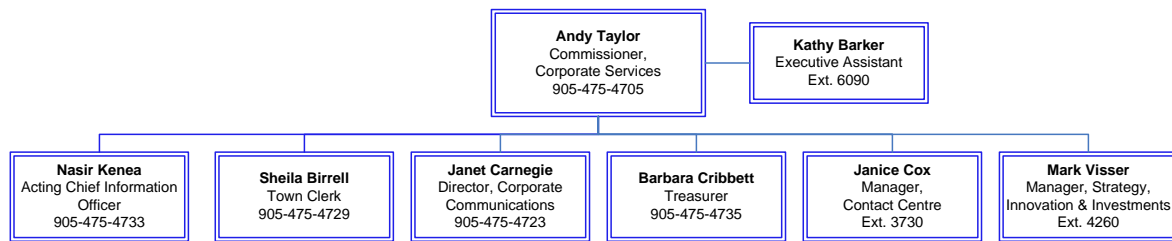
<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
OTHER INCOME	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$435,162	\$431,731	\$452,955	\$21,224	4.9%	\$17,793	4.1%
PRINTING & OFFICE SUPPLIES	3,234	6,078	6,078	-	0.0%	2,844	87.9%
OPERATING MATERIALS & SUPPLIES	1,337	1,455	1,455	-	0.0%	118	8.8%
COMMUNICATIONS	704	728	728	-	0.0%	24	3.4%
TRAVEL EXPENSES	4,796	9,933	9,933	-	0.0%	5,137	107.1%
TRAINING	20,255	5,790	13,790	8,000	138.2%	(6,465)	-31.9%
RENTAL/LEASE	370	954	954	-	0.0%	584	157.8%
LICENCES, PERMITS, FEES	649	1,200	1,200	-	0.0%	551	84.9%
<b>Total Expenses</b>	<b>\$466,507</b>	<b>\$457,869</b>	<b>\$487,093</b>	<b>\$29,224</b>	<b>6.4%</b>	<b>\$20,586</b>	<b>4.4%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$466,507</b>	<b>\$457,869</b>	<b>\$487,093</b>	<b>\$29,224</b>	<b>6.4%</b>	<b>\$20,586</b>	<b>4.4%</b>

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

CAO's Office - Commission Support (299-999)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
OTHER INCOME	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$456,977	\$443,493	\$447,401	\$3,908	0.9%	(9,576)	-2.1%
PRINTING & OFFICE SUPPLIES	1,050	1,775	1,775	-	0.0%	725	69.0%
OPERATING MATERIALS & SUPPLIES	675	2,100	2,100	-	0.0%	1,425	211.1%
COMMUNICATIONS	3,351	1,252	1,252	-	0.0%	(2,099)	-62.6%
TRAVEL EXPENSES	9,031	11,054	11,054	-	0.0%	2,023	22.4%
TRAINING	229	175	175	-	0.0%	(54)	-23.6%
RENTAL/LEASE	862	800	455	(345)	-43.1%	(407)	-47.2%
LICENCES, PERMITS, FEES	4,449	3,500	3,500	-	0.0%	(949)	-21.3%
<b>Total Expenses</b>	<b>\$476,624</b>	<b>\$464,149</b>	<b>\$467,712</b>	<b>\$3,563</b>	<b>0.8%</b>	<b>(8,912)</b>	<b>-1.9%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$476,624</b>	<b>\$464,149</b>	<b>\$467,712</b>	<b>\$3,563</b>	<b>0.8%</b>	<b>(8,912)</b>	<b>-1.9%</b>

## Corporate Services



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

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

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

Currently, there are 142 full time employees who are responsible for the day-to-day operations of the various divisions and departments.

### Legislative Services

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

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

- Administration (includes Insurance Claims Administration, Court Administration, Development Agreement Compliance, Planning Public Meeting Notification, Vital Statistics, Printing and Mail Services, Management of Corporate Copier Fleet, Municipal Elections)
- Secretariat
- Enforcement & Licensing (including By-Law Enforcement, Property Standards, Business Licensing, Wheels Licensing (Taxis, Limousines, & Tow Trucks), Parking Control, Sign By-Law Enforcement, Animal Control)
- Records Management

### **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:

- Accounting and Expenditure Control (Payables, Receivables, Payroll, Financial Reporting)
- Financial and Client Services (Financial Planning, Purchasing)
- Taxation (Tax Billing and Collection, Assessment Review, Cash Management)
- Development Finance

### **Information Technology**

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

- Technology (Network Infrastructure, Telephony, Integration and Support)
- Client Delivery (Help Desk, Client Advisory, Project Management)
- Application and GIS (Applications and Support, Web Development, Centre for GIS)

### **Corporate Communications**

Corporate Communications provides communications counsel and support to maximize the impact of key organizational messages to internal and external audiences. The department produces several regular publications, manages the Town of Markham internet and intranet, and provides project coordination, design and editorial support for approximately 100 client projects throughout the year. Corporate Communications is also responsible for Town of Markham media relations and advertising. The staff prepare media releases, respond to inquiries, provides story ideas to the media and coordinates media training for Town of Markham officials. In addition, the department also provides issues and crisis management support as required.

### **Contact Centre**

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

Some of the services provided are: Tax, Registration, Parks, Waste, Switchboard, By-Law Enforcement, Purchasing (Distribution of Tenders), Operations.

In addition to the telephone support function for each of the noted operating departments, the Contact Centre is responsible for Registration processing, Tender disbursements, Car pool maintenance, White goods management as well as Front counter support. The Contact Centre also provides statistical analysis relative to expense control, planning and forecasting new departmental transitions into the Contact Centre.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Corporate Services Commission Consolidated

Description	2006 Actuals	2006 Budget	2007 Budget	2007 Bud. vs. 2006 Bud.		2007 Bud. Vs. 2006 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>							
LICENCES & PERMITS	\$919,133	\$958,000	\$1,171,500	\$213,500	22.3%	\$252,367	27.5%
INCOME FROM INVESTMENTS	4,404	1,000	2,800	1,800	180.0%	(1,604)	-36.4%
FINES	1,787,387	1,417,925	1,890,675	472,750	33.3%	103,288	5.8%
USER FEES & SERVICE CHARGES	771,557	793,700	815,800	22,100	2.8%	44,243	5.7%
RENTALS	55,503	51,500	56,500	5,000	9.7%	997	1.8%
SALES	12,813	6,000	6,250	250	4.2%	(6,563)	-51.2%
RECOVERIES & CONTRIBUTIONS	25,778	9,805	9,805	-	0.0%	(15,973)	-62.0%
OTHER INCOME	48,088	68,000	65,000	(3,000)	-4.4%	16,912	35.2%
<b>Total Revenues</b>	<b>\$3,624,663</b>	<b>\$3,305,930</b>	<b>\$4,018,330</b>	<b>\$712,400</b>	<b>21.5%</b>	<b>\$393,667</b>	<b>10.9%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$11,407,668	\$12,139,655	\$12,448,182	\$308,527	2.5%	\$1,040,514	9.1%
PRINTING & OFFICE SUPPLIES	171,085	210,805	229,156	18,351	8.7%	58,071	33.9%
PURCHASES FOR RESALE	72,000	60,000	62,400	2,400	4.0%	(9,600)	-13.3%
OPERATING MATERIALS & SUPPLIES	101,160	(56,417)	36,473	92,890	-164.6%	(64,687)	-63.9%
INVENTORY ADJUSTMENTS	1,274	-	-	-	0.0%	(1,274)	-100.0%
COMMUNICATIONS	861,414	867,790	843,549	(24,241)	-2.8%	(17,865)	-2.1%
TRAVEL EXPENSES	48,853	39,534	42,357	2,823	7.1%	(6,496)	-13.3%
TRAINING	96,554	140,101	140,376	275	0.2%	43,822	45.4%
CONTRACTS & SERVICE AGREEMENTS	1,076,572	871,012	1,012,716	141,704	16.3%	(63,856)	-5.9%
MAINT. & REPAIR-TIME/MATERIAL	52,639	82,334	90,802	8,468	10.3%	38,163	72.5%
RENTAL/LEASE	148,211	176,519	161,298	(15,221)	-8.6%	13,087	8.8%
PROFESSIONAL SERVICES	410,897	513,047	517,589	4,542	0.9%	106,692	26.0%
LICENCES, PERMITS, FEES	116,863	141,708	144,514	2,806	2.0%	27,651	23.7%
CREDIT CARD SERVICE CHARGES	163,083	143,595	18,634	(124,961)	-87.0%	(144,449)	-88.6%
PROMOTION & ADVERTISING	185,747	218,414	232,414	14,000	6.4%	46,667	25.1%
OTHER PURCHASED SERVICES	-	4,500	4,500	-	0.0%	4,500	0.0%
OFFICE FURNISHINGS & EQUIPMENT	1,042	3,000	3,000	-	0.0%	1,958	187.9%
WRITE-OFFS	(50)	100	100	-	0.0%	150	-300.0%
OTHER EXPENDITURES	72,607	74,500	79,500	5,000	6.7%	6,893	9.5%
<b>Total Expenses</b>	<b>\$14,987,619</b>	<b>\$15,630,197</b>	<b>\$16,067,560</b>	<b>\$437,363</b>	<b>2.8%</b>	<b>\$1,079,941</b>	<b>7.2%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$11,362,956</b>	<b>\$12,324,267</b>	<b>\$12,049,230</b>	<b>(\$275,037)</b>	<b>-2.2%</b>	<b>\$686,274</b>	<b>6.0%</b>



# Legislative Services

## Business Overview

### Mission Statement

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

### Business Unit Overview

Legislative Services have undertaken many objectives over the past year. Some of the major initiatives include:

- A) An executive summary report template was implemented
- B) 2006 Municipal election Internet Voting; Poll Equipment; Communications; Denial of Ballots
- C) Field Equipment in the Enforcement Division - Increase efficiencies in the field
- D) Parking ticket system - Parksmart - instrumental in determining the activity rating of individual Officers; resulted in reduced hours for First Attendance Hearings; on-line payments
- E) Animal Care Services - services transferred to Whitby January 1st; website established; improved reporting; committee formed; working towards an education program and a veterinarian agreement for reasonable animal care services
- F) The conduct of civil weddings in the Town of Markham has been a huge success; generated both new and additional revenues in related accounts (i.e. chapel rental and marriage licences)
- G) Implemented Bike Park Patrols - working with York Region Police

### Business Unit's Direction in 2007

Legislative Services is planning to accomplish numerous objectives in 2007. These include:

- A) Communication/education/enforcement plan for extended driveways; Enforcement currently enforcing new by-law on new or modified driveways; licensing program for contractors; report recommending communications plan to go forward to General Committee this fall
- B) Review of internal processes for possible operational procedures to improve efficiencies
- C) Investigate a Development Regulation Enforcement - site plan agreements/non compliant areas
- D) Noise By-Law Review and Staff Training Program
- E) 24/7 Selected By-Law Enforcement coverage and issuance of Part 1 tickets, through better utilization of Parking Control Officers achieved through ongoing in-house and external training for Officers; Officers encouraged to take on more responsibilities and are measured by activity rather than just by parking tickets; efficient use of current 24/7 coverage; initial discussions with Commissioner of Community Services with view to assuming enforcement for waste
- F) Implementation of the requirements of Bill 130 - amendments to the Municipal Act scheduled for 2007
- G) Investigate On-line Business Licensing
- H) Co-ordinate wedding activities in the Town of Markham

Service(s)	Customer(s)
Coordination and Administration of Council & Committees	Council and Senior Staff
Enforcement of Town Regulatory and Licensing by-laws	General Public and Businesses
Administration of Vital Statistics and conduct of civil weddings	Town Staff/Other Business Units
Printing, Mail & Courier Services	Representatives from Other Levels of Government
Record Keeping/Retrieval and Subscriptions	
Municipal Elections	





# Legislative Services

## 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed in 2007
1 Implemented an Executive Summary Report Template	✓	
2 Conduct the municipal election utilizing internet voting	✓	
3 Implement electronic mobile equipment in By-Law Enforcement		✓
4 Continuation of Paid Parking program and on-line payment system	✓	
5 Monitor the new short term solution for improved animal care. Establish and continue with an Animal Care Committee dedicated to promoting the well being of animals in Markham.		✓
6 Implemented Civil Wedding Ceremonies	✓	
7 Implemented new Print Strategy	✓	
8 Implement By-Law Officer Uniform Program	✓	
9 Implemented the Parksmart Parking Ticket System and on-line payment system	✓	

## 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed in 2007
10 Implemented Expanded Driveway Enforcement Program for New and/or Modified Driveways		✓
11 Initiated contract for door to door animal tag sales	✓	
12 Anti-Idling Enforcement Program	✓	
13 Park Bicycle Patrols with York Regional Police - roll out in September	✓	

## Operational Improvements

### Achieved in the Past 12 Months

A New Parking Ticket System; improved reporting; more efficient; online payments have doubled since January which results in increased revenue (no reductions of ticket fines); also has increased resident convenience
B New MFD Printing Equipment; represents a capital savings of approximately \$378,500 every five years; reduces the CO2 emissions into the atmosphere by approximately 72,700 lbs. a year; not only more efficient and environmentally friendly reduces paper usage.
C Executive Summary Report Template; paves the way for the paperless agenda system; easier access to information
D Civil Weddings; Additional revenue; upgraded chapel and small inner chamber now accommodating civil weddings
E Whitby began providing animal care services to the Town in January - improved facility, services, reporting and reduced cost; Contact Centre handling the licensing of animals; door to door licensing ongoing to increase revenue
F Enforcement and Licensing files on Amanda - improved reporting; in preparation of field equipment



# Legislative Services

## KEY PERFORMANCE INDICATORS

Customer Satisfaction	Financial Performance	Operational Excellence	Staff Satisfaction			
Percentage of Customers Satisfied (Signs)	Net Cost Per Household	Number of Parking Tickets Processed	Staff Satisfaction Rating (Bi-Annual)			
			2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 ACTUAL
<b>CUSTOMER SATISFACTION</b>						
# of customer satisfaction surveys completed			n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied - Animal Shelter Services			n/a	8%	n/a	n/a
Percentage of customers satisfied - Animal Shelter Services			n/a	66%	n/a	n/a
Percentage of customers extremely satisfied - Enforcing Street Parking By-Law			n/a	15%	n/a	n/a
Percentage of customers satisfied - Enforcing Street Parking By-Law			n/a	70%	n/a	n/a
Percentage of customers extremely satisfied - Enforcing Sign By-Law			n/a	15%	n/a	n/a
Percentage of customers satisfied - Enforcing Sign by-Law			n/a	70%	n/a	n/a
<b>FINANCIAL PERFORMANCE</b>						
Net cost per household			\$ 12.83	\$ 13.88	\$ 16.11	\$ 16.84
Average Cost per license processed/enforced			\$ 133.77	\$ 137.42	\$ 158.81	\$ 190.21
<b>OPERATIONAL EXCELLENCE</b>						
# of Parking Tickets processed			34,071	38,281	42,284	45,499
# of licenses issued			6,409	6,617	7,007	7,230
# of Council communications			253	427	397	130
% of time that Council & Committee minutes are distributed w/in 2 wks			100%	100%	100%	100%
# of CARes delivered to By-law Enforcement and Licensing Section			2,189	3,938	4,231	5,398
# of outgoing mail pieces			327,762	307,432	263,578	291,273
<b>STAFF SATISFACTION</b>						
Completion rate for performance management			100%	100%	100%	100%
Average # of non-technical training sessions attended per employee			1.0	1.0	1.0	n/a
Completion rate (%) for staff survey improvement			n/a	100%	n/a	n/a
Recognition rating (from staff survey)			n/a	68%	n/a	78%
Staff Satisfaction rating (from staff survey)			n/a	69%	n/a	73%
High Performance Workgroup rating (from staff survey)			n/a	83%	n/a	78%
Staff absenteeism (average # of days per employee)			8.9	5.0	n/a	n/a
Staff turnover rate			7%	7%	n/a	n/a

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Legislative Services Department

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
LICENCES & PERMITS	\$919,133	\$958,000	\$1,171,500	\$213,500	22.3%	\$252,367	27.5%
INCOME FROM INVESTMENTS	4,404	1,000	2,800	1,800	180.0%	(1,604)	-36.4%
FINES	1,787,387	1,417,925	1,890,675	472,750	33.3%	103,288	5.8%
USER FEES & SERVICE CHARGES	197,088	134,900	157,000	22,100	16.4%	(40,088)	-20.3%
RENTALS	55,033	50,000	55,000	5,000	10.0%	(33)	-0.1%
SALES	11,818	3,500	3,750	250	7.1%	(8,068)	-68.3%
RECOVERIES & CONTRIBUTIONS	25,778	5,100	5,100	-	0.0%	(20,678)	-80.2%
OTHER INCOME	700	10,000	10,000	-	0.0%	9,300	0.0%
<b>Total Revenues</b>	<b>\$3,001,341</b>	<b>\$2,580,425</b>	<b>\$3,295,825</b>	<b>\$715,400</b>	<b>27.7%</b>	<b>\$294,484</b>	<b>9.8%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$3,046,120	\$3,380,859	\$3,663,373	\$282,514	8.4%	\$617,253	20.3%
PRINTING & OFFICE SUPPLIES	362	66,472	87,063	20,591	31.0%	86,701	23950.6%
PURCHASES FOR RESALE	74,400	6,000	62,400	56,400	940.0%	(12,000)	-16.1%
OPERATING MATERIALS & SUPPLIES	35,403	29,636	37,136	7,500	25.3%	1,733	4.9%
COMMUNICATIONS	254,478	241,419	264,623	23,204	9.6%	10,145	4.0%
TRAVEL EXPENSES	4,510	7,105	9,375	2,270	31.9%	4,865	107.9%
TRAINING	18,252	24,522	28,522	4,000	16.3%	10,270	56.3%
CONTRACTS & SERVICE AGREEMENTS	226,562	370,663	449,663	79,000	21.3%	223,101	98.5%
MAINT. & REPAIR-TIME/MATERIAL	22,861	32,144	38,744	6,600	20.5%	15,883	69.5%
RENTAL/LEASE	208,367	157,530	148,898	(8,632)	-5.5%	(59,469)	-28.5%
PROFESSIONAL SERVICES	100,319	96,787	121,787	25,000	25.8%	21,468	21.4%
LICENCES, PERMITS, FEES	4,861	4,497	7,797	3,300	73.4%	2,936	60.4%
CREDIT CARD SERVICE CHARGES	-	-	9,438	9,438	0.0%	9,438	0.0%
OTHER PURCHASED SERVICES	-	-	-	-	0.0%	-	0.0%
OFFICE FURNISHINGS & EQUIPMENT	654	3,000	3,000	-	0.0%	2,346	358.7%
OTHER EXPENDITURES	5,227	9,500	9,500	-	0.0%	4,273	81.7%
<b>Total Expenses</b>	<b>\$4,002,376</b>	<b>\$4,430,134</b>	<b>\$4,941,319</b>	<b>\$511,185</b>	<b>11.5%</b>	<b>\$938,943</b>	<b>23.5%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,001,035</b>	<b>\$1,849,709</b>	<b>\$1,645,494</b>	<b>(\$204,215)</b>	<b>-11.0%</b>	<b>\$644,459</b>	<b>64.4%</b>



# Finance

## Business Overview

### Mission Statement

To secure the financial integrity of the Corporation.

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

### Business Unit Overview

The Finance Department is expecting to complete the majority of the 2006 Business Plan Objectives by the end of 2006, as well as completion of several new, but critical, objectives. Finance's controllership responsibilities, as set out in the Municipal Act, will be met through projects such as updates to the Reserve/Reserve Fund Adequacy Study, financial analysis for the Recreation Master Plan, debt financing forecasts, and the new payroll confirmation process.

Finance's customer service responsibilities are met through projects such as:

- improvements to the capital and operating budget data input process
- purchasing and capital project alignment
- implementation of the SFG system update
- development of Key Performance Indicators that relate to customer service, such as 5 day turnaround of letter of credit draws, releases or reductions, reduced manual processing of payments form Mortgage companies and 24 hour turnaround of draft committee/council reports.

### Business Unit's Direction in 2007

As mandated by the Public Sector Accounting Board, the Finance Department will begin the project planning and policy work for the fundamental change to the way Canadian municipalities account for tangible capital assets in 2008/2009. Funding for this initiative is requested for consulting assistance in the 2007 Capital Budget. The Town of Markham's size and financial complexity continues to increase, and Finance proposes to examine at least 2 financial processes with the assistance of an external auditing firm, in order to document the processes, review opportunities for efficiencies and ensure that adequate controls are in place. Additional funding of \$30,000 for this initiative is included in the 2007 Operating Budget.

The accounts payable section, which performs a critical role from the perspective of vendor relations and corporate reputation, as well as one of the most important financial control points in the Finance Department, has seen transactions increase by 35.4% from 2000 to 2005. Staff in this section have not increased since 1998 and overtime costs being incurred support an additional position. Additional funding of \$47,530 is being requested for this position. During 2005, the Purchasing Section of Finance was successful in documenting the purchasing process in a manual available for all staff. In 2007, Finance proposes to update and consolidate existing financial policies dealing with a wide range of financial matters into a manual available for all staff.

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



# Finance

2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS	Completed	To be Completed in 2007
1 Risk Management		✓
2 2007 Capital Budget	✓	
3 Update Reserve/Reserve Fund Adequacy Study	✓	
4 Legal Agreements and Financial Implications		
5 Purchasing & Capital Project Alignment	✓	
6 Finalize Financial Analysis for Recreation Master Plan		✓
7 Complete Implementation of SFG Financial System upgrade	✓	
8 Refresh Key Development Charge By-laws		✓
9 Update cash flow forecast for debt financing requirements		✓
10 Process Review and policy development for refundable deposits		✓

2006 ADDITIONAL OBJECTIVES	Completed	To be Completed in 2007
11 Financial Analysis and Funding Plan for Markham District Energy 10 Year Capital Plan	✓	
12 Financial Modelling and Analysis of National Sport Institute Proposal, National Research Council, Tax Increment Financing etc.		✓
13 Detailed Review of Development Charge Receivables from 1992 to 2006	✓	
14 Review of Corporate Insurance Policy Options		✓
15 Development and tracking of KPI's relating to customer service and efficiencies	✓	

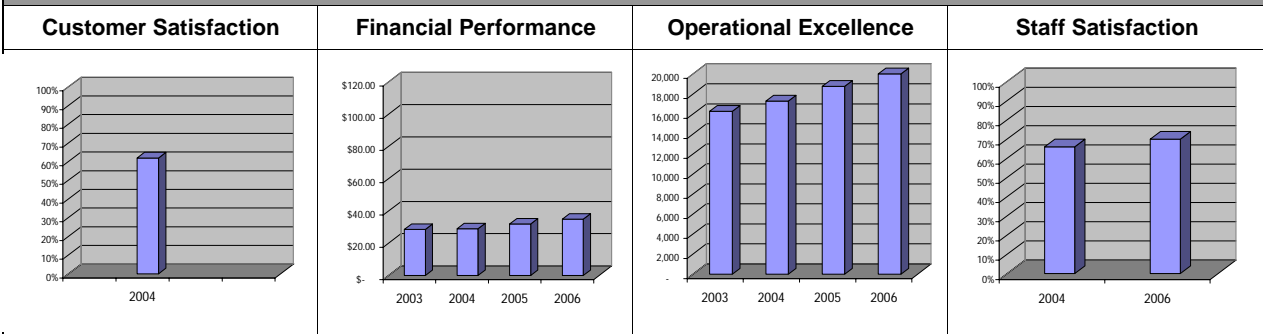
## Operational Improvements Achieved in the Past 12 Months

A Implementation of shift from hard copy financial statements to Electronic formats
B Set Up Cost Centre and Provide Full Accounting Services to Innovation and Synergy Centre
C Payroll Confirmation Process established
D Implementation of Changes to Fee By-law due to GST Reduction
E Increased Preauthorized Tax Payments by 9% from 2005
F Implemented Wire payments for 14 major vendors
G SFG Upgrade resulted in increased user ease of use and efficiency
H Capital and Operating Budget Process Improvements via development of Access Data Base Input Screen



# Finance

## KEY PERFORMANCE INDICATORS



Percentage of Customers Satisfied	Net Cost Per Household	# of Pre-Authorized Tax Payments	Staff Satisfaction Rating (Bi-Annual)			
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	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 ACTUAL
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied (Citizen/service specific surveys)	n/a	23%	n/a	n/a
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	62%	n/a	n/a
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 28.60	\$ 28.96	\$ 32.02	\$ 34.90
Average Cost per invoice processed	\$ 5.69	\$ 5.72	\$ 5.45	\$ 5.22
Average cost per procurement card transaction	\$ 0.92	\$ 1.66	\$ 1.64	\$ 1.58
% of tax bills collected	92%	93%	95%	95%
<b>OPERATIONAL EXCELLENCE</b>				
# of Preauthorized Tax Payments	16,254	17,284	18,757	20,446
# of Purchase Orders actioned	766	809	622	704
# of Purchase Orders actioned per FT position	153	142	124	176
# of Accounts Payable documents actioned per FT position	8,827	10,324	10,256	9,810
% of time vendors paid within 30 days	90%	90%	90%	95%
% of time that month-end reports are distributed in 6 business days	75%	58%	60%	86%
% of payroll cheques/direct deposits processed error free	98%	98%	98%	99%
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	2.3	0.8	n/a	n/a
Completion rate (%) for staff survey improvement	100%	100%	n/a	n/a
Recognition rating (from staff survey)	n/a	66%	n/a	62%
Staff Satisfaction rating (from staff survey)	n/a	66%	n/a	70%
High Performance Workgroup rating (from staff survey)	n/a	78%	n/a	73%
Staff absenteeism (average # of days per employee)	5.6	2.3	n/a	n/a
Staff turnover rate	3%	8%	n/a	n/a

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Financial Services

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
USER FEES & SERVICE CHARGES	\$566,024	\$630,800	\$630,800	-	0.0%	\$64,776	11.4%
RECOVERIES & CONTRIBUTIONS	-	4,705	4,705	-	0.0%	4,705	0.0%
OTHER INCOME	47,388	58,000	55,000	(3,000)	-5.2%	7,612	16.1%
<b>Total Revenues</b>	<b>\$613,412</b>	<b>\$693,505</b>	<b>\$690,505</b>	<b>(\$3,000)</b>	<b>-0.4%</b>	<b>\$77,093</b>	<b>12.6%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$3,554,255	\$3,859,246	\$3,796,179	(63,067)	-1.6%	\$241,924	6.8%
PRINTING & OFFICE SUPPLIES	102,127	105,574	104,294	(1,280)	-1.2%	2,167	2.1%
OPERATING MATERIALS & SUPPLIES	2,367	(107,411)	(22,021)	85,390	-79.5%	(24,388)	-1030.3%
INVENTORY ADJUSTMENTS	1,274	-	-	-	0.0%	(1,274)	-100.0%
COMMUNICATIONS	2,779	2,312	4,867	2,555	110.5%	2,088	75.1%
TRAVEL EXPENSES	12,494	7,491	8,044	553	7.4%	(4,450)	-35.6%
TRAINING	15,816	28,115	24,390	(3,725)	-13.2%	8,574	54.2%
CONTRACTS & SERVICE AGREEMENTS	(314,469)	(336,723)	(355,883)	(19,160)	5.7%	(41,414)	13.2%
MAINT. & REPAIR-TIME/MATERIAL	1,860	1,651	3,519	1,868	113.1%	1,659	89.2%
RENTAL/LEASE	13,701	12,688	8,640	(4,048)	-31.9%	(5,061)	-36.9%
PROFESSIONAL SERVICES	213,202	195,338	218,800	23,462	12.0%	5,598	2.6%
LICENCES, PERMITS, FEES	100,982	126,931	126,437	(494)	-0.4%	25,455	25.2%
CREDIT CARD SERVICE CHARGES	163,083	143,595	8,409	(135,186)	-94.1%	(154,674)	-94.8%
WRITE-OFFS	(50)	100	100	-	0.0%	150	-300.0%
<b>Total Expenses</b>	<b>\$3,869,421</b>	<b>\$4,038,907</b>	<b>\$3,925,775</b>	<b>(\$113,132)</b>	<b>-2.8%</b>	<b>\$56,354</b>	<b>1.5%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$3,256,009</b>	<b>\$3,345,402</b>	<b>\$3,235,270</b>	<b>(\$110,132)</b>	<b>-3.3%</b>	<b>(\$20,739)</b>	<b>-0.6%</b>



# Information Technology Services

## Business Overview

### Mission Statement

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

### Business Unit Overview

The ITS business unit provides specific value-added services to the organization in regards to the use and application of information technologies to enhance organizational effectiveness. ITS is structured into three divisions: Client Delivery, Technology, and Application & GIS. Utilizing a client delivery model, the divisions work together to establish and maintain a solid reputation by implementing IT best practices, innovative and comprehensive strategies as well as full service technical support. By organizing strategies and prioritizing requests the divisions continuously endeavour to deliver effective solutions with great customer service.

In 2006, ITS undertook several key initiatives. Effort was focused on the ITS Strategic Plan that was endorsed by Council in 2006 which gave direction to proceed with a business plan for a joint portal with the York Region. ITS also participated in the initiation of Municipal Reference Model v2 project for Business Architecture. Other objectives in 2006 included continued effort in Information Technology Infrastructure Library best practice implementation, and completing an agreement with the Region of York to provide them with Markham GIS Parcel data.

Focus on telephony technology towards upgrading the voice messaging system resulted in an RFP. Implementation of this upgrade is anticipated to be completed by the middle of 2007. As well, there has been significant focus on upgrading and enhancing current Infrastructure Services such as Email Server, Citrix for Remote access, Additional Disk Space, Archival System & Blackberry Enterprise Server for wireless reconciliation of Contact Lists and Tasks.

Planning for client IT projects has been completed, and statuses are reportable. The project process has been modified and backlog has been significantly reduced. ITS worked closely with the Department Heads Forum to prioritize projects, then take on the adequate level of work to see that the implementations run smoothly. A system has been implemented whereby projects are queued according to a ranking, and initiated only when appropriate ITS and client staff are available to commence implementation. This is resulting in smoother rollouts, clearer project focus, and better planned results.

### Business Unit's Direction in 2007

ITS will continue to implement phases of the IT Strategic Plan with emphasis on planning and undertaking studies, while additional focus will also be on enhancement, maintenance and support of systems and infrastructure components. Another focus area will be to continue identifying and implement IT best practices as well as initiating a long term plan for operational improvements covering borad areas. These objectives are carried out along with continued emphasis on aligning ITS with business needs of the organization, and providing a managed and flexible response to client focussed organizational demands, with equal focus to building a positive work environment.

Service(s)	Customer(s)
Service Desk	Council
Project Management and Delivery Coordination	Town Staff/Other Business Units
GIS and Data Management	Libraries
Application Implementation and Support	Residents
Network Infrastructure and Telecommunications	Selected Town External Agencies:
Desktop Integration & Audio Visual Support	(Information Markham, Synergy Centre, MDEI ...)





# Information Technology Services

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

Completed To be Completed in 2007

1 ITS Strategic Plan-Plan endorsed by Council in March-06.	✓	
2 Joint Portal Business Plan with Region of York - final report expected to be completed by early 2007		✓
3 Markham has reached an agreement with the Region to provide parcel data to the Region as part of the York Info Partnership	✓	
4 ITS Best Practices(Phase I)-ITS has begun the implementation of the ITIL best practices, commencing with Service Desk, designed to streamline service offerings for clients, simplifying the ITS requirements experience.	✓	
5 Voice Messaging System Implementation-RFP was released and project will be completed by mid 2007		✓
6 Server Hardware Tendering-ITS has identified a vendor for the provision of server hardware technologies.	✓	
7 Server Hardware Replacement with Consolidation - Phase One (for Servers running critical services)	✓	
8 Integration of Library Network resources (User, Computers, Servers, Printers, etc) to Town Network Infrastructure.	✓	
9 Migration from CARE to ACR (Active Customer Request) as part of partnership agreement with Active Networks	✓	
10 Implementation of Archival Solution-Hardware acquired and will be in place by year end	✓	

### 2006 ADDITIONAL OBJECTIVES

Completed To be Completed in 2007

11 ITS plans to continue discussions around partnership potentials. ITS is working with the Region of York on a number of initiatives, and will focus on expanding these partnerships in 2007. ITS is also currently investigating the potential partnership with Town of Richmond Hill.		✓
12 Implementation of various IT project requests by other business units across the corporation	✓	

## Operational Improvements

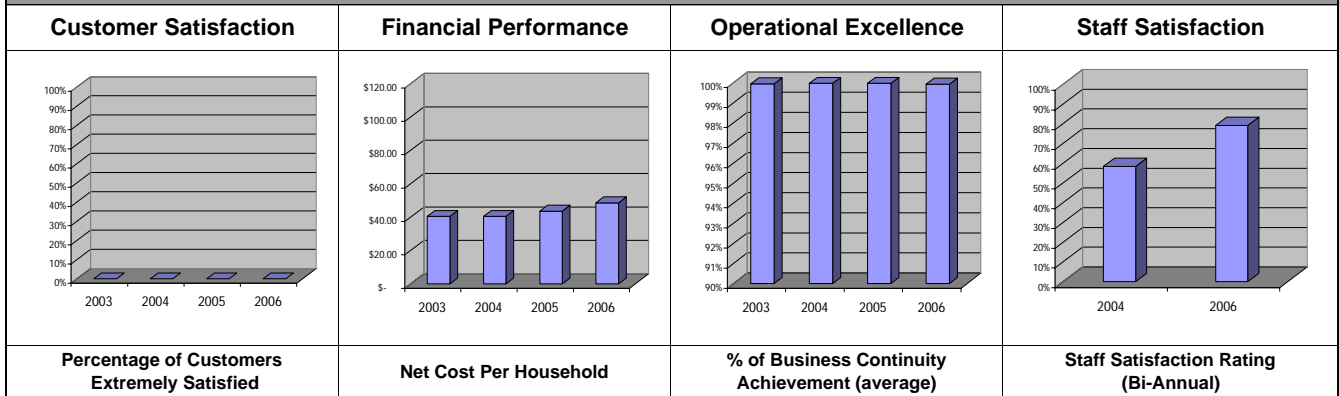
### Achieved in the Past 12 Months

A Network Monitoring System - Allows proactive monitoring of Network Devices. Send alerts and notifies support staff when a problem is detected. (System outage, Free Disk space below threshold value, etc)
B Service Request Acquisition Process - Significant enhancements were made, reducing the wait times for delivery of technology items for clients. Adhering to quality principles, we have improved the process to have the appropriate staff processing the appropriate process items.
C Library Integration - Cost avoidance of approx. \$25K by planning and implementing the integration in-house



# Information Technology Services

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 ACTUAL
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 40.42	\$ 40.47	\$ 43.61	\$ 48.59
% of ITS operating budget vs. Town budget (excl Water)	3.14%	3.28%	3.09%	3.30%
<b>OPERATIONAL EXCELLENCE</b>				
Business continuity service achievement	99.95%	99.97%	99.97%	99.93%
Call abandonment at Service Desk	30%	18%	17%	17%
Average number of answered calls by Service Desk/month	753	898	871	895
Calls resolved at Service Desk	n/a	n/a	n/a	42.7%
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	1.1	1.3	n/a	n/a
Completion rate (%) for staff survey improvement	n/a	100%	n/a	n/a
Recognition rating (from staff survey)	n/a	48%	n/a	72%
Staff Satisfaction rating (from staff survey)	n/a	58%	n/a	79%
High Performance Workgroup rating (from staff survey)	n/a	73%	n/a	78%
Staff absenteeism (average # of days per employee)	3.8	4.1	n/a	n/a
Staff turnover rate	0%	7%	n/a	n/a

NOTES:

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Information Technology Services (ITS)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
RENTALS	\$470	\$1,500	\$1,500	-	0.0%	\$1,030	219.1%	
SALES	995	2,500	2,500	-	0.0%	1,505	151.3%	
<b>Total Revenues</b>	<b>\$1,465</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>-</b>	<b>0.0%</b>	<b>\$2,535</b>	<b>173.0%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$2,788,311	\$3,193,725	\$3,229,764	\$36,039	1.1%	\$441,453	15.8%	
PRINTING & OFFICE SUPPLIES	10,446	15,049	15,049	-	0.0%	4,603	44.1%	
OPERATING MATERIALS & SUPPLIES	13,950	19,902	19,902	-	0.0%	5,952	42.7%	
COMMUNICATIONS	587,483	618,729	568,729	(50,000)	-8.1%	(18,754)	-3.2%	
TRAVEL EXPENSES	6,539	9,196	9,196	-	0.0%	2,657	40.6%	
TRAINING	66,213	79,610	79,610	-	0.0%	13,397	20.2%	
CONTRACTS & SERVICE AGREEMENTS	949,571	837,072	918,936	81,864	9.8%	(30,635)	-3.2%	
MAINT. & REPAIR-TIME/MATERIAL	24,923	48,539	48,539	-	0.0%	23,616	94.8%	
RENTAL/LEASE	4,761	3,301	2,341	(960)	-29.1%	(2,420)	-50.8%	
PROFESSIONAL SERVICES	80,639	195,637	151,717	(43,920)	-22.4%	71,078	88.1%	
LICENCES, PERMITS, FEES	1,415	2,039	2,039	-	0.0%	624	44.1%	
<b>Total Expenses</b>	<b>\$4,534,251</b>	<b>\$5,022,799</b>	<b>\$5,045,822</b>	<b>\$23,023</b>	<b>0.5%</b>	<b>\$511,571</b>	<b>11.3%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$4,532,786</b>	<b>\$5,018,799</b>	<b>\$5,041,822</b>	<b>\$23,023</b>	<b>0.5%</b>	<b>\$509,036</b>	<b>11.2%</b>	



# Corporate Communications

## Business Overview

### Mission Statement

Corporate Communications provides strategic communications services to help safeguard and enhance the reputation of the Town of Markham.

### Business Unit Overview

Corporate Communications provides communications counsel and support to maximize the impact of key organizational messages to both internal and external audiences. The department produces several regular publications, provides content management for the Town of Markham internet and intranet, and provides professional communications support for approximately 100 client projects throughout the year.

Corporate Communications is responsible for Town of Markham media relations and advertising and provides Emergency Planning and issues & crisis management support as needed.

In 2006 Corporate Communications produced : 51 Town Pages in the Markham Economist & Sun and Thornhill Liberal; responded to 127 media inquiries; held 28 media events; issued 108 media releases; produced 2 issues of About Markham, 1 Living in Markham, 1 issue of Water Watch, 3 issues of "From the Desk of ...", 4 issues of Mark of Excellence and launched the Community & Fire Services edition of Mark of Excellence; 52 Facts and Stats; developed and issued 115 Town e-News; completed 1026 intranet updates and, 2019 website updates; coordinated the installation of electronic information boards at Angus Glen Library and the Markham Museum and; worked closely with clients on key projects such as Pandemic Preparedness; Votes 2006; Markham Centre; CPAC and Active 2010; Safe Streets; Environmental issues and Communities in Bloom.

### Business Unit's Direction in 2007

Corporate Communications will continue to produce foundation communications vehicles for both internal and external audiences and will support in-house clients' communications requirements. Key focus will be placed on strengthening internal communications on our NQI excellence journey. Content in all vehicles will be aligned with Council and organizational priorities. A key area for improvement in 2007 is the development of a transition website and intranet in preparation for the upcoming Portal project and to bring both sites into conformity with best practices. Content Management software will be implemented. The department will also pilot the ACR system to track and assign client requests. Corporate Communications will work to stream-line and document work processes and work flow; set service standards and focus on enhanced project management. Corporate Communications will also focus on improving cross-organizational awareness/understanding of Corporate Communications function, services and processes.

#### Service(s)

#### Customer(s)

Communications strategy and consulting

Markham residents and business community

Media relations; Advertising

Other external stakeholders

Public Relations

Mayor, Councillors, Committees

Editorial and design services

Internal Departments

Website & intranet content development

Local, GTA and national media

Communications Project Management

Regional, Provincial & Federal Governments & Agencies



# Corporate Communications

## 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed in 2007
1 Develop Town facility signage plan		✓
Enhanced internal communications - on-going; Added Town e-News to internal communications mix; created Community & Fire Service Commission edition of Mark of Excellence; increased number of Mark of Excellence editions; enhanced CheckMark; created PEP Talk bulletins; provided video services to support staff meetings.	✓	
3 Expand electronic information system - added screens at Angus Glen Library and Markham Museum	✓	
4 Implement cross-organization Marketing Team to address common issues - meets quarterly	✓	
5 Process documentation - on-going; refinements to media and publications processes		✓

## 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed in 2007
6 Markham Pandemic Planning - Participated on PREP team; chaired Communications sub-committee; developed Communications pandemic plan; presented at Markham Board of Trade seminars; Municipal Communications Conference scheduled for October.	✓	
7 Communities in Bloom - Produced Brag Book and Town video; provided major support for Judges Tour; produced Markham Economist & Sun/Thornhill Liberal special supplement	✓	
8 CPAC/Active 2010 - combined resources from two Commissions to launch major social marketing campaign	✓	
9 Worked with WNED Channel 17 Buffalo/Toronto to develop hour-long "Our Town Markham" video scrapbook of the town, its people and places.	✓	
10 Support client requirements - completed approximately 100 client projects	✓	

## Operational Improvements

### Achieved in the Past 12 Months

A Established the cross-organization Marketing Communications Team to more effectively co-ordinate efforts and reduce redundancies
B Developed Town e-News to consolidate "All Staff" e-mail traffic
C Introduced new graphic design and enhancements for Checkmark.
D Piloted HTML e-letter for Strategic Services to more effectively market Town advertising opportunities. This approach can be expanded to support other revenue-generating initiatives.



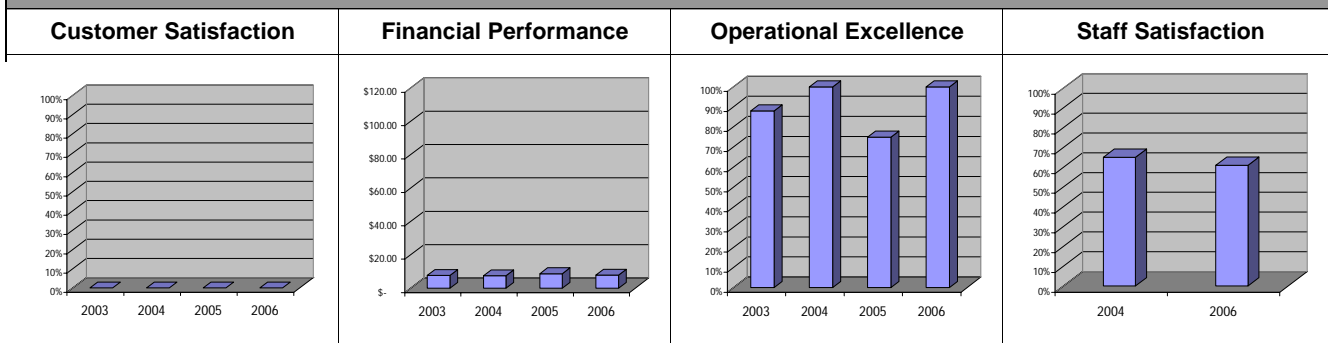
Business Unit Profile

PLANNING DOCUMENT

2007

# Corporate Communications

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	% of Publications Completed on Time	Staff Satisfaction Rating (Bi-Annual)			
---	------------------------	-------------------------------------	---------------------------------------	--	--	--

CUSTOMER SATISFACTION	2003	2004	2005	2006
	ACTUAL	ACTUAL	ACTUAL	ACTUAL
# of customer satisfaction surveys completed	-	-	-	-

FINANCIAL PERFORMANCE				
Net cost per household	\$ 7.64	\$ 7.43	\$ 8.68	\$ 7.85
Cost per Town Page (hours expended per page)	7	7	7	7

OPERATIONAL EXCELLENCE				
% of publications completed on time	88%	100%	75%	100%
Mark of Excellence (Four issues)	75%	100%	100%	75%
About Markham (Two issues)	100%	100%	100%	100%
Living in Markham (One issue)	100%	100%	100%	100%
Calendar (One issue)	100%	n/a	100%	100%

STAFF SATISFACTION				
Completion rate for performance management	100%	100%	100%	n/a
Average # of non-technical training sessions attended per employee	2.8	4.4	n/a	n/a
Completion rate (%) for staff survey improvement	n/a	84%	n/a	n/a
Recognition rating (from staff survey)	n/a	62%	n/a	35%
Staff Satisfaction rating (from staff survey)	n/a	65%	n/a	61%
High Performance Workgroup rating (from staff survey)	n/a	69%	n/a	63%
Staff absenteeism (average # of days per employee)	3.1	2.4	n/a	n/a
Staff turnover rate	0%	0%	n/a	n/a

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Corporate Communications

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
SALES	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$429,096	\$474,865	\$479,645	\$4,780	1.0%	\$50,549	11.8%
PRINTING & OFFICE SUPPLIES	11,473	14,573	13,613	(960)	-6.6%	2,140	18.7%
OPERATING MATERIALS & SUPPLIES	1,582	1,456	1,456	-	0.0%	(126)	-8.0%
COMMUNICATIONS	898	4,165	4,165	-	0.0%	3,267	363.8%
TRAVEL EXPENSES	5,773	3,980	3,980	-	0.0%	(1,793)	-31.1%
TRAINING	2,167	2,524	2,524	-	0.0%	357	16.5%
RENTAL/LEASE	326	-	-	-	0.0%	(326)	-100.0%
PROFESSIONAL SERVICES	29,792	25,285	25,285	-	0.0%	(4,507)	-15.1%
LICENCES, PERMITS, FEES	607	1,456	1,456	-	0.0%	849	139.9%
PROMOTION & ADVERTISING	184,663	217,929	231,929	14,000	6.4%	47,266	25.6%
OTHER PURCHASED SERVICES	-	4,500	4,500	-	0.0%	4,500	0.0%
OTHER EXPENDITURES	66,006	65,000	70,000	5,000	7.7%	3,994	6.1%
<b>Total Expenses</b>	<b>\$732,383</b>	<b>\$815,733</b>	<b>\$838,553</b>	<b>\$22,820</b>	<b>2.8%</b>	<b>\$106,170</b>	<b>14.5%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$732,383</b>	<b>\$815,733</b>	<b>\$838,553</b>	<b>\$22,820</b>	<b>2.8%</b>	<b>\$106,170</b>	<b>14.5%</b>



# Contact Centre

## Business Overview

### Mission Statement

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

### Business Unit Overview

The Contact Centre represents a unified corporate approach to service delivery. Customer inquiries are answered in a timely manner by knowledgeable and caring customer service agents. We continue to provide follow-up to our customers to ensure satisfaction and timely resolution to their concerns.

The Contact Centre averages 22,000 contacts with customers a month (phone, e-mail, voicemail and front counter). In 2006, 240,000 phone calls have been answered in an average of 23 seconds. The Contact Centre has also met the service level of answering 70% of calls within 30 seconds. The average abandonment rate was 2%, well below our 5% accepted level. After-hours voice mail and e-mail receive a response within 24 hours and this service level commitment has resulted in a 44% increase in e-mails and a 10% increase in voice mail inquiries over 2005. In 2006, we have also processed over \$5,000,000 in revenue for recreation programs.

In 2006, the Contact Centre transitioned Animal Licensing, Parking Control and Fire Administration. \$80,000 in revenue was processed by the Contact Centre for animal licensing. The parking control line averages approximately 850 calls a month and over 3400 parking exemptions were processed and 532 parking permits were issued in 2006.

The Contact Centre partnered again in 2006 with the Fire Department to assist in their recruitment. Fire Prevention engaged the Contact Centre to assist in their Smoke Alarm Awareness Program and 700 requests were received for this initiative. One of the Contact Centre's biggest successes this year came in August when the Fire Administration Line transitioned into the Contact Centre for inspection requests.

The Election Team engaged the Contact Centre for the 2006 Municipal Election to take over 7000 election related calls.

Eleven part-time employees were hired in February and undertook the three week condensed training program which included five services and general information about the Town of Markham. The training journey for each Customer Service Representative to become proficient in all 13 services is one year.

In addition, the Contact Centre continues to be actively involved with the IT Department in the testing of an enhanced version of CARE called ACR2.0, which is the customer request management tool used by the Town. Design and testing has been ongoing to automate the callback for clients on recreation waitlists.

### Business Unit's Direction in 2007

The major Contact Centre objectives for 2007 include 1) continuing the migration of services into the contact centre; 2) fulfilling Core Services' vision to implement a Corporate Request Management Software ACR2.0 town wide; 3) Investigate On Line Customer Self-service; and 4) Improving the Contact Centre page on Town's external website.

Service(s)	Customer(s)
<p>Telephone support (inquiries &amp; Complaints) for 13 services;</p> <p>Processing Registrations for the Recreation Department, animal licences, parking exemptions and permits, work orders for Powerstream and the Region;</p> <p>Administration of the Seniors Windrow applications, Town and Region's subsidy program, registration for community events, Town pool cars;</p> <p>Distribution of all Tenders/RFP's/Addendums/Quotes;</p> <p>White Goods Management</p> <p>Front Counter Support</p> <p>Administration of a Resource Pool</p> <p>Respond to Customer Service e-mails and Customer Service Voicemails</p>	<p><b>External:</b> Residents, Miller Paving, Businesses, Powerstream, Region of York</p> <p><b>Internal:</b> Councillors, Senior Management, and the following internal departments: By-Laws, Engineering Municipal Inspections, Engineering Traffic, Fire Administration and Fire Prevention, Parking, Parks and Forestry, Recreation, Purchasing, Roads, Tax, Urban Design Forestry, Waste.</p>





# Contact Centre

## 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed in 2007
1 Partnership with IT and vendor to conduct eight months of extensive testing of ACR2.0 (replacement for CARE) - customer request management tool.	✓	
2 Training of all ACR2.0 users in the town as well as Miller Waste	✓	
3 Transition of Animal Licensing program, Parking Control, and Fire Administration	✓	
4 Partnership with Clerk's/Election Office to answer Election Inquiries/Complaints and tabulate results on election night.	✓	
5 Transition of Fire Administration to take requests for fire inspection as well as Fire Prevention calls.	✓	
6 Annual Resource Pool Training Program (Hired 11 part-time employees for Contact Centre)	✓	
7 Waitlist Callback		✓

## 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed in 2007
8 Conducted customer satisfaction surveys for 3 operational departments	✓	
9 Hired a special needs person in resource pool for cross corporate use	✓	
10 Initiated a department newsletter	✓	
11 Administered resource pool	✓	
12 Partnered with MECO for Appliance Retirement Program		✓

## Operational Improvements

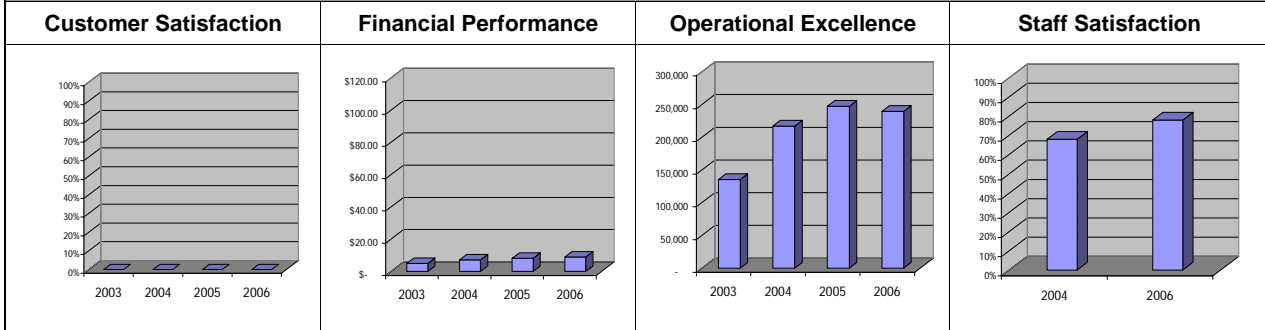
### Achieved in the Past 12 Months

A Consolidate the confirmation and receipt into one document for registration programs/aquatics - Saving of paper & printing costs
B Ability to e-mail duplicate receipts for recreation customers - Saving of paper, printing, stamps and envelopes
C Revision of hourly report for part-time staff for payroll (Efficiency of 2 hours for team supervisor every two weeks)
D Process mapped and streamlined all counter activities to reduce duplication and to be more efficient in serving customers
E Contact Centre webpage created
F Changed manual process to record parking exemptions to automated process (report created from Parksmart - more accurate reporting)
G Improved documentation from Region for all Regional Subsidy Programs (Ontario Works, Play, DNA) to improve account reconciliation
H Transitioned responsibility for updating and maintaining "Guide to Services"



# Contact Centre

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	Number of Phone Calls	Staff Satisfaction Rating (Bi-Annual)
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CUSTOMER SATISFACTION	2003	2004	2005	2006
	ACTUAL	ACTUAL	ACTUAL	ACTUAL
CARe Follow Up Target	n/a	10%	10%	10%

### FINANCIAL PERFORMANCE

Net cost per household	\$ 4.94	\$ 7.17	\$ 8.16	\$ 9.00
Average Cost per Call**	\$ 2.63	\$ 2.45	\$ 2.41	\$ 2.81

### OPERATIONAL EXCELLENCE

% of calls answered in 30 seconds - excluding switchboard	77%	77%	72%	70%
Agent's average talk time (in seconds) - including switchboard	115	117	120	120
Agent's average talk time (in seconds) - excluding switchboard	n/a	184	176	173
% of Call Abandonment - including switchboard	3.08%	2.69%	2.11%	2.00%
# of Recreation Registrations	55,419	88,565	110,228	113,299
# of calls - including switchboard	135,192	217,118	247,372	239,392
# of calls - excluding switchboard	n/a	131,437	161,062	158,545
# of people served at counter	8,325	6,460	10,754	11,201

### STAFF SATISFACTION

Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	2.0	3.7	n/a	n/a
Completion rate (%) for staff survey improvement	n/a	85%	n/a	100%
Recognition rating (from staff survey)	n/a	65%	n/a	70%
Staff Satisfaction rating (from staff survey)	n/a	68%	n/a	78%
High Performance Workgroup rating (from staff survey)	n/a	81%	n/a	80%
Staff absenteeism (average # of days per employee)	5.9	4.0	n/a	n/a
Staff turnover rate	0%	0%	n/a	n/a

**NOTES:** The Town of Markham Contact Centre began operations on April 28, 2003. As a result, the 2003 KPIs are based on approximately 8 months of data. 2004 Operational KPI data is also for 8 months (Jan-Aug).

\*\*based on the assumption that 80% of staff time is spent answering calls

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Contact Centre

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$8,445	\$28,000	\$28,000	-	0.0%	\$19,555	231.6%	
<b>Total Revenues</b>	<b>\$8,445</b>	<b>\$28,000</b>	<b>\$28,000</b>	<b>-</b>	<b>0.0%</b>	<b>\$19,555</b>	<b>231.6%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$828,932	\$803,951	\$848,525	\$44,574	5.5%	\$19,593	2.4%	
PRINTING & OFFICE SUPPLIES	10,669	7,875	7,875	-	0.0%	(2,794)	-26.2%	
OPERATING MATERIALS & SUPPLIES	546	-	-	-	0.0%	(546)	-100.0%	
COMMUNICATIONS	208	-	-	-	0.0%	(208)	-100.0%	
TRAVEL EXPENSES	3,524	2,200	2,200	-	0.0%	(1,324)	-37.6%	
TRAINING	742	2,709	2,709	-	0.0%	1,967	265.1%	
RENTAL/LEASE	3,310	3,000	1,419	(1,581)	-52.7%	(1,891)	-57.1%	
LICENCES, PERMITS, FEES	290	300	300	-	0.0%	10	3.4%	
CREDIT CARD SERVICE CHARGES	-	-	787	787	0.0%	787	0.0%	
<b>Total Expenses</b>	<b>\$848,221</b>	<b>\$820,035</b>	<b>\$863,815</b>	<b>\$43,780</b>	<b>5.3%</b>	<b>\$15,594</b>	<b>1.8%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$839,776</b>	<b>\$792,035</b>	<b>\$835,815</b>	<b>\$43,780</b>	<b>5.5%</b>	<b>(\$3,961)</b>	<b>-0.5%</b>	

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Corporate Items Consolidated

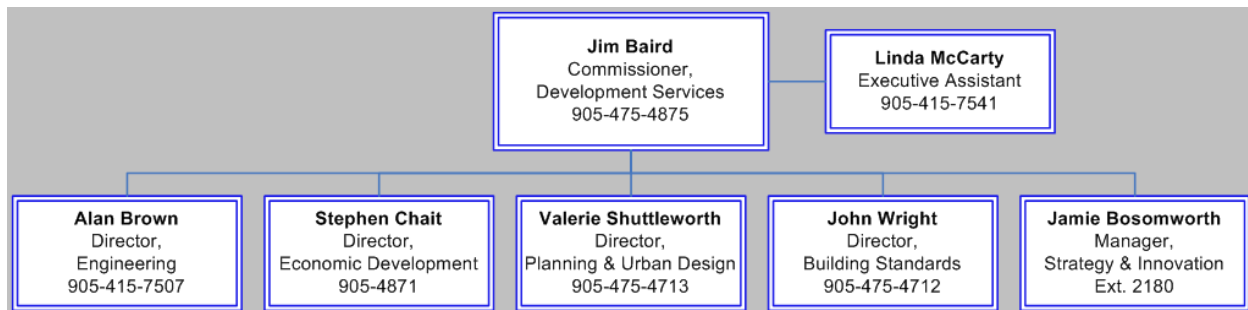
Description	2006 Actuals	2006 Budget	2007 Budget	2007 Bud. vs. 2006 Bud.		2007 Bud. Vs. 2006 Act.	
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenue</b>							
TAX LEVIES	\$92,626,614	\$92,349,313	\$98,739,015	\$6,389,702	6.9%	\$6,112,401	6.6%
GRANTS-IN-LIEU OF TAXES	1,308,529	1,268,845	1,268,845	-	0.0%	(39,684)	-3.0%
INTEREST & PENALTIES	3,436,395	3,375,000	3,375,000	-	0.0%	(61,395)	-1.8%
INCOME FROM INVESTMENTS	18,957,487	11,670,836	11,670,836	-	0.0%	(7,286,651)	-38.4%
USER FEES & SERVICE CHARGES	2,206	-	-	-	0.0%	(2,206)	-100.0%
OTHER INCOME	2,965,000	3,013,492	2,170,492	(843,000)	-28.0%	(794,508)	-26.8%
TRANSFER FROM SURPLUS/DEFICIT	1,586,918	-	-	-	0.0%	(1,586,918)	-100.0%
<b>Total Revenues</b>	<b>\$120,883,149</b>	<b>\$111,677,486</b>	<b>\$117,224,188</b>	<b>5,546,702</b>	<b>5.0%</b>	<b>(\$3,658,961)</b>	<b>-3.0%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$3,232,705	\$3,637,582	\$4,866,798	\$1,229,216	33.8%	\$1,634,093	50.5%
UTILITIES	-	10,117	-	(10,117)	-100.0%	-	0.0%
CONTRACTS SERVICE AGREEMENTS	-2,915,969	(2,007,291)	(3,827,119)	(1,819,828)	90.7%	(911,150)	31.2%
RENTAL/LEASE	-5,839	-	-	-	0.0%	5,839	-100.0%
INSURANCE	1,863,170	1,411,351	1,652,527	241,176	17.1%	(210,643)	-11.3%
PROFESSIONAL SERVICES	15,270	44,117	44,117	-	0.0%	28,847	188.9%
LICENCES, PERMITS, FEES	12,252	15,620	15,620	0	0.0%	3,368	27.5%
PROMOTION & ADVERTISING	35,945	31,709	31,709	-	0.0%	(4,236)	-11.8%
OTHER PURCHASED SERVICES	257,070	307,261	226,395	(80,866)	-26.3%	(30,675)	-11.9%
WRITE-OFFS	589,590	500,500	500,500	-	0.0%	(89,090)	-15.1%
OTHER EXPENDITURES	1,356,463	1,877,092	1,466,500	(410,592)	-21.9%	110,037	8.1%
TRANSFERS TO RESERVES	30,472,063	22,281,494	22,781,494	500,000	2.2%	(7,690,569)	-25.2%
<b>Total Expenses</b>	<b>\$34,912,720</b>	<b>\$28,109,552</b>	<b>\$27,758,541</b>	<b>(\$351,011)</b>	<b>-1.2%</b>	<b>(\$7,154,179)</b>	<b>-20.5%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>(\$85,970,429)</b>	<b>(\$83,567,934)</b>	<b>(\$89,465,647)</b>	<b>(\$5,897,713)</b>	<b>7.1%</b>	<b>(\$3,495,218)</b>	<b>4.1%</b>

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

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

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
OTHER INCOME	-	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$411,822	\$427,009	\$430,696	\$3,687	0.9%	\$18,874	4.6%
PRINTING & OFFICE SUPPLIES	264	1,262	1,262	-	0.0%	998	378.0%
OPERATING MATERIALS & SUPPLIES	45	-	-	-	0.0%	(45)	-100.0%
COMMUNICATIONS	805	1,165	1,165	-	0.0%	360	44.7%
TRAVEL EXPENSES	11,845	9,562	9,562	-	0.0%	(2,283)	-19.3%
TRAINING	-	2,621	2,621	-	0.0%	2,621	0.0%
LICENCES, PERMITS, FEES	6,631	6,485	6,485	-	0.0%	(146)	-2.2%
PROMOTION & ADVERTISING	-	485	485	-	0.0%	485	0.0%
<b>Total Expenses</b>	<b>\$431,412</b>	<b>\$448,589</b>	<b>\$452,276</b>	<b>\$3,687</b>	<b>0.8%</b>	<b>\$20,864</b>	<b>4.8%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$431,412</b>	<b>\$448,589</b>	<b>\$452,276</b>	<b>\$3,687</b>	<b>0.8%</b>	<b>\$20,864</b>	<b>4.8%</b>

## 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 149 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 Town's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders. Each building's addition or renovation is issued a building permit and inspected for the following major building components:

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

## **Planning & Urban Design**

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

## **Engineering**

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

- Development
- Inspection
- Infrastructure and Capital Projects
- Transportation

### Development

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

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

### Inspection

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

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

### Infrastructure and Capital Projects

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

## Transportation

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

- Travel Demand Management
- Transportation Planning
- Operations

### *Travel Demand Management*

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

### *Transportation Planning*

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

### *Operations*

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

## **Economic Development**

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

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



**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Development Services Consolidated (excluding Building Standards)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
GRANTS AND SUBSIDIES	\$98,601	\$55,000	\$55,000	-	0.0%	(43,601)	-44.2%
USER FEES & SERVICE CHARGES	9,245,019	8,515,100	10,537,061	2,021,961	23.7%	1,292,042	14.0%
SALES	3,123	-	-	-	0.0%	(3,123)	-100.0%
RECOVERIES & CONTRIBUTIONS	3,900	20,834	20,834	-	0.0%	16,934	434.2%
OTHER INCOME	-	75,000	50,000	(25,000)	-33.3%	50,000	0.0%
<b>Total Revenues</b>	<b>\$9,350,643</b>	<b>\$8,665,934</b>	<b>\$10,662,895</b>	<b>\$1,996,961</b>	<b>23.0%</b>	<b>1,312,252</b>	<b>14.0%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$8,311,641	\$8,350,864	\$8,770,386	\$419,522	5.0%	\$458,745	5.5%
PRINTING & OFFICE SUPPLIES	62,372	91,387	91,387	-	0.0%	29,015	46.5%
OPERATING MATERIALS & SUPPLIES	35,064	38,026	38,026	-	0.0%	2,962	8.4%
COMMUNICATIONS	30,958	33,009	33,009	-	0.0%	2,051	6.6%
TRAVEL EXPENSES	53,542	111,409	111,409	-	0.0%	57,867	108.1%
TRAINING	19,917	53,607	65,607	12,000	22.4%	45,690	229.4%
CONTRACTS & SERVICE AGREEMENTS	933,153	32,242	1,739,221	1,706,979	5294.3%	806,068	86.4%
MAINT. & REPAIR-TIME/MATERIAL	2,109	2,956	2,956	-	0.0%	847	40.2%
RENTAL/LEASE	11,871	10,194	9,676	(518)	-5.1%	(2,195)	-18.5%
PROFESSIONAL SERVICES	555,329	633,637	656,637	23,000	3.6%	101,308	18.2%
LICENCES, PERMITS, FEES	32,617	48,151	51,151	3,000	6.2%	18,534	56.8%
CREDIT CARD SERVICE CHARGES	-	-	9,321	9,321	0.0%	9,321	0.0%
PROMOTION & ADVERTISING	315,867	312,907	317,907	5,000	1.6%	2,040	0.6%
OFFICE FURNISHINGS & EQUIPMENT	334	2,400	2,400	-	0.0%	2,066	618.6%
OTHER EXPENDITURES	12,000	50,000	50,000	-	0.0%	38,000	316.7%
TRANSFERS TO RESERVES	591,846	591,846	475,621	(116,225)	-19.6%	(116,225)	-19.6%
<b>Total Expenses</b>	<b>\$10,968,620</b>	<b>\$10,362,635</b>	<b>\$12,424,714</b>	<b>\$2,062,079</b>	<b>19.9%</b>	<b>1,456,094</b>	<b>13.3%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$ 1,617,977</b>	<b>\$ 1,696,701</b>	<b>\$ 1,761,819</b>	<b>\$ 65,118</b>	<b>3.8%</b>	<b>\$143,842</b>	<b>8.9%</b>



# Building Standards

## Business Overview

### Mission Statement

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

### Business Unit is Meeting 2006 Objectives

Staff of the Building Standards Department is responsible for the administration of the Ontario Building Code and other applicable laws including the Town's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders. Each building, addition or renovation is issued a building permit and inspected for the following major building components: architectural, mechanical, structural, plumbing, on-site sewage systems, & zoning. Regulatory reform at the Provincial level has obliged the Department to review such fundamental operational metrics as fees, service levels, qualifications of staff and permit prerequisites. These reviews were conducted in 2005. In most cases, staff have obtained the necessary qualifications, additional positions were approved by Council and are being filled to improve our prospect of meeting prescribed service standards.

Workflow adjustments have been implemented to bring the permit process into compliance with the new "applicable law" standards. The 7th Annual Building Excellence Awards were given to builders who met prescribed performance standards. The Awards are continuously refined and by 2008 will incorporate recognition of energy efficient construction.

### Building Standards Direction in 2007

Although fundamental responsibilities of the department remain unchanged, Mandatory service standards, extraordinary staff turnover, transition of application procedures to the Internet and preparation for Objective-based building codes will continue to shape our activities in 2007.

Service(s)	Customer(s)
Architectural plans examination, building inspections, plumbing inspections, zoning review, letters of compliance	Home builders, contractors, land developers, residents
Code enforcement (including investigation & prosecution)	Planning, Engineering, Urban Design, Waste Management,
Reporting & Access to information, Training, Investigation and legal defence of tort claims relating to building failure	General public, StatsCanada, MTAC, Tarion, Ministry of Labour
Applicable Law Administration	Builders, Home owners
Investigation of unsafe conditions, including Marijuana grow operations	external agencies such as TRCA, LLBO, Tarion Warranty Program, Ministries of Labour, Health, Environment, Housing, Community Services.



# Building Standards

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

		Completed	To be Completed by Year End
<b>Development approvals</b>			
1	Determine 2620 building permits New and additions	✓	
2	Determine 50 Pools, Signs, Underground Tanks	✓	
3	Respond to 500 Compliance letters	✓	
4	Complete 750 Zoning Searches	✓	
5	Conduct 85,060 Building Inspections		✓
6	Respond to 200 Building Code Complaints		✓
<b>Productivity Enhancements</b>			
7	Implement Information Request (IR) folder in AMANDA	✓	
8	Exploit Enhancements in AMANDA 4.3, Adoption of new mapping tool, Report Generator; clock feature; electronic document management		✓
9	Receive 200 Residential Applications via the Internet		✓
<b>Management Practices</b>			
10	Prepare Managers & Supervisors for 2006 OBC	✓	

### 2006 ADDITIONAL OBJECTIVES

		Completed	To be Completed by Year End
11			
12			
13			
14			
15			

## Operational Improvements

### Achieved in the Past 12 Months

A	Compliance with Bill 124 Service standards was only partly achieved in 2006 due to difficulty recruiting and retaining staff
B	Insufficient office space for existing and anticipated staff complement
C	Effectiveness dependent on cooperation of other internal departments which rely on building permits for their program delivery
D	Inspection request system is not adequate and requires Integrated Voice Response (IVR) system to meet our customers' demands
E	Very high rate of turnover frustrates departmental productivity. Currently (September 2005) 9 full-time vacancies and two part-time vacancies and 5 full-time staff with less than two weeks experience in their position.

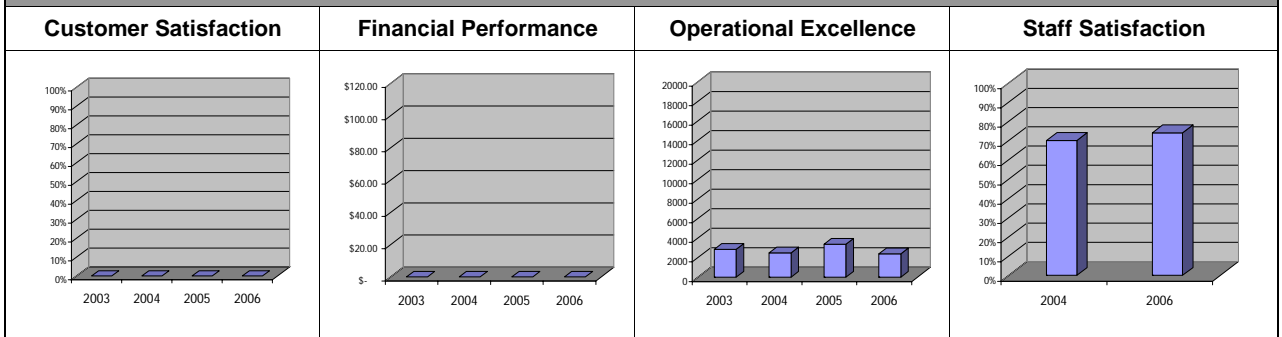
### Anticipated for Next Year

G	Permit fees are currently being collected in anticipation of five additional full time positions.
H	Permit fees are currently being collected in anticipation of the cost of AMANDA upgrades including PAL 4.0, IVR, and One-Stop Gov.
I	
J	
K	
L	



# Building Standards

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	Total floor area of permits issued for ICI (sq. m.)	Staff Satisfaction Rating
---	------------------------	---	---------------------------

	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied (Citizen/service specific surveys)	n/a	n/a	n/a	n/a
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	n/a	n/a	n/a
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ (70.57)	\$ (43.71)	\$ (31.78)	\$ -
Average cost per building permit issued	\$ 442.10	\$ 440.00	\$ 352.00	n/a
Average cost per inspection	\$ 23.00	\$ 20.75	\$ 23.00	n/a
<b>OPERATIONAL EXCELLENCE</b>				
Number of permits issued for residential construction	2,854	2,500	3,381	2,390
Total floor area of permits issued for ICI (sq. m.)	198,823	130,000	445,995	307,158
Number of inspections undertaken	65,746	75,726	55,321	53,552
% of prosecutions that are successful	96	n/a	n/a	98
% of repeat houses determined within prescribed time (Bill 124)	9%	20%	61%	94%
% of ICI permits determined within prescribed time (Bill 124)	24%	33%	21%	45%
% of single houses determined within prescribed time (Bill 124)	3%	7%	15%	50%
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	98%	100%	100%
Average # of non-technical training sessions attended per employee	1.4	0.4	0.2	n/a
Completion rate (%) for staff survey improvement	61%	33%	n/a	20%
Recognition rating (from staff survey)	n/a	61%	n/a	65%
Staff Satisfaction rating (from staff survey)	n/a	70%	n/a	74%
High Performance Workgroup rating (from staff survey)	n/a	73%	n/a	76%
Staff absenteeism (average # of days per employee)	4.0	3.9	2.0	n/a
Staff turnover rate		0%	4%	n/a

NOTES:

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Building Standards

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b><u>Revenue</u></b>								
LICENCES & PERMITS	\$6,338,856	\$9,348,255	\$7,953,000	(\$1,395,255)	-14.9%	1,614,144	25.5%	
USER FEES & SERVICE CHARGES	50,699	92,000	92,000	-	0.0%	41,301	81.5%	
OTHER INCOME	500	-	-	-	0.0%	(500)	-100.0%	
<b>Total Revenues</b>	<b>\$6,390,055</b>	<b>\$9,440,255</b>	<b>\$8,045,000</b>	<b>(\$1,395,255)</b>	<b>-14.8%</b>	<b>1,654,945</b>	<b>25.9%</b>	
<b><u>Expenses</u></b>								
SALARIES AND BENEFITS	\$4,305,331	\$4,960,327	\$5,133,200	\$172,873	3.5%	\$827,869	19.2%	
PRINTING & OFFICE SUPPLIES	50,305	53,708	53,708	-	0.0%	3,403	6.8%	
OPERATING MATERIALS & SUPPLIES	11,185	14,604	14,604	-	0.0%	3,419	30.6%	
COMMUNICATIONS	21,277	23,893	23,893	-	0.0%	2,616	12.3%	
TRAVEL EXPENSES	5,369	9,006	9,006	-	0.0%	3,637	67.7%	
TRAINING	22,008	27,476	27,476	-	0.0%	5,468	24.8%	
CONTRACTS & SERVICE AGREEMENTS	1,987,288	1,931,993	2,128,220	196,227	10.2%	140,932	7.1%	
MAINT. & REPAIR-TIME/MATERIAL	-	235	235	-	0.0%	235	0.0%	
RENTAL/LEASE	12,523	6,214	6,214	-	0.0%	(6,309)	-50.4%	
PROFESSIONAL SERVICES	148	5,971	5,971	-	0.0%	5,823	3934.5%	
LICENCES, PERMITS, FEES	12,711	14,165	14,165	-	0.0%	1,454	11.4%	
PROMOTION & ADVERTISING	1,740	6,311	6,311	-	0.0%	4,571	262.7%	
TRANSFERS TO RESERVES	(39,830)	2,386,352	621,997	(1,764,355)	-73.9%	661,827	-1661.6%	
<b>Total Expenses</b>	<b>\$6,390,055</b>	<b>\$9,440,255</b>	<b>\$8,045,000</b>	<b>(\$1,395,255)</b>	<b>-14.8%</b>	<b>\$1,654,945</b>	<b>25.9%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>	



# Planning and Urban Design

## Business Overview

### Mission Statement

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

### Business Unit is Meeting 2006 Objectives

**Development Approvals** - District teams continue to review and process all manner of development proposals from submission through to Council approval and agreements. There has been a higher number of approvals than 2005 due to the release of additional service capacity and phasing of approvals.

**Administration & Productivity Enhancements** - Re-aligned district teams from 5 to 4 to better manage workload. Reviewing subdivision agreement process and clauses. Ongoing updates to DAP Manual. Site Plan approval process amended to align with Building Code legislation.

**Infrastructure Projects** - the department initiated the design & construction process for almost 27.5 ha. of new parks. Prepared a 5-year parks development program which includes regular reporting to Council.

**Growth Management** - initiated a number of Town policy reviews in support of growth management and intensification consistent with the Region and Province and continued to provide leadership in environmental policy and heritage preservation.

### Planning and Urban Design's Direction in 2007

1. We will present and begin to implement a multi year work program for a **Directed Growth Strategy** and new Official Plan, in response to the Provincial Places to Grow Act and Growth Plan and in concert with the Region's emerging Growth Management
2. The department will continue to deliver on its core business through 2007, in the context of the challenges related to servicing allocation restrictions and senior government policy initiatives.
3. We will continue with the implementation of Markham Centre through continued priority on development approvals, finalizing a Parks agreement, securing TIF, implementing the parking strategy and Greenlands Master Plan. Using Markham Centre as a model we will bring forward an implementation framework to deliver the Cornell Centre mixed use vision
4. Policy initiatives include continuing to develop a clear and consistent policy framework for the intensification within the Urban boundary, focussing on Regional Transit Corridors. Implementation of Cornell Centre through adoption of a new Secondary Plan and enactment of a Cornell Centre Zoning By-law will be one of the leading focuses of the policy group. All on-going and new policy initiatives will be carried out in the context of the new Provincial Growth Plan targets and in concert with the Growth Management Strategy emerging from the Region.
5. A public consultation program will be completed and a new tree bylaw will be enacted. Design staff will also continue to deliver new parkland and open spaces to meet community expectations.
6. We will continue to focus on enhancing our environmental policy framework through approval of the Rouge North Official Plan amendment at the OMB and the Small Streams Study.
7. We will continue to actively facilitate the preservation, restoration, interpretation and enhancement of our heritage resources.
8. We will review and align staff complement to better address policy focus emerging from Provincial and Regional initiatives.
9. We will continue with the regular, annual reporting on the 5 year parks program.

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



# Planning and Urban Design

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

		Completed	To be Completed by Year End
1	<b>Development Approvals</b> - Process 385 Development Applications, Process 60 landscape drawings, Process 21 Heritage permits		✓
2	<b>Infrastructure Projects</b> - Review and approval of \$6M worth of Parks construction		✓
3	<b>Productivity Enhancement</b> - Heritage Procedural Manual completed, Districts re-aligned from 5 to 4, Site Plan process revised and DAP manual updated	✓	
4	<b>Development Teams</b> - Various Land Use Plans, including, Langstaff, Miliken Main St. & Yonge St. were approved or advanced - Distribution of Servicing Allocation - Various Heritage Studies including, New Thornhill District Plan and Buttonville Heritage Study, - Other Development Studies including Markham Stouffville Partnership, Yonge Street Study and Widened Driveways		✓
		✓	
			✓
			✓
5	<b>Environmental</b> - Small Stream Study, Noise Policy, Rouge North Plan, Environmental Policy Review, Contaminated Lands Policy, Environmental Land Acquisition, Little Rouge Corridor Study and SPA		✓
6	Markham Centre - Greenlands Plan Implementation (Phase 1), Financial TIF strategy, Advisory Group support, New M/C sign by-law initiated, LEED performance measures review, Civic Centre Master Plan initiated, Parks agreement		✓
7	<b>Growth Management</b> - Ph. 1 Hwy 7 corridor, Provincial Growth Plan, Greenbelt Plan and new Planning Act (Bill 51), Incentives for affordable housing, Housing stock analysis, housing intensification study, Regional OP, OPA 149 - 404, Cornell Centre		✓

### 2006 ADDITIONAL OBJECTIVES

		Completed	To be Completed by Year End
8	Assist in planning for Royal Conservatory of Music <b>Ongoing</b>		
9	Assist in planning NRC <b>Ongoing</b>		
10	Assist in planning for National Sports Institute <b>Ongoing</b>		
11	Extensive Public consultation Program for Widened Driveway.	✓	
12	Development Charges Review		✓
13	Communities in Bloom (presentation & tour)	✓	

## Operational Improvements

### Achieved in the Past 12 Months

A	Development Teams realigned from 5 to 4 to better manage work load
B	Site Plan process revised to reflect changes to the Building Code and applicable law
C	Approval authority delegated to staff for "phased" draft plan of subdivision

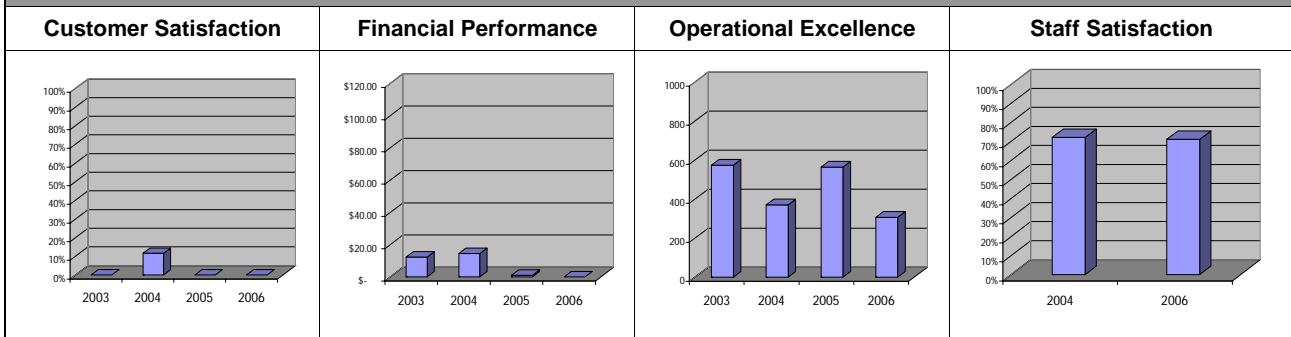
### Anticipated for Next Year

D	Documentation and streamlining of cross commission processes to improve corporate wide communication.
E	Improvement of tracking and reporting tools (Amanda)



# Planning and Urban Design

## KEY PERFORMANCE INDICATORS



<b>Customer Satisfaction</b>	<b>Financial Performance</b>	<b>Operational Excellence</b>	<b>Staff Satisfaction</b>
<b>Percentage of Customers Extremely Satisfied</b>	<b>Net Cost Per Household</b>	<b>Number of Applications Circulated</b>	<b>Staff Satisfaction Rating</b>

	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied (Citizen/service specific surveys)	n/a	12%	n/a	n/a
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	43%	n/a	n/a

<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 12.30	\$ 14.41	\$ 1.01	\$ -
Average cost per application circulated	\$ 1,207.76	\$ 12,392.79	\$ 8,355.86	n/a

<b>OPERATIONAL EXCELLENCE</b>				
Number of applications circulated	574	371	564	307
% of new parks initiated within year of budget approval	74%	99%	100%	n/a
Area (ha) of new parks assumed	30	34	8	n/a
% of planning studies initiated within year of budget approval	88%	89%	100%	n/a
Number of heritage buildings/properties designated	19	27	10	8
Number of reports presented to Development Services Committee	269	263	341	214

<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	100%
Average # of non-technical training sessions attended per employee	1.3	1.2	0.8	n/a
Completion rate (%) for staff survey improvement	53%	100%	n/a	25%
Recognition rating (from staff survey)	n/a	66%	n/a	66%
Staff Satisfaction rating (from staff survey)	n/a	72%	n/a	71%
High Performance Workgroup rating (from staff survey)	n/a	79%	n/a	74%
Staff absenteeism (average # of days per employee)	3.4	1.9	1.1	n/a
Staff turnover rate	5%	3%	3%	n/a

**NOTES:**



**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Planning & Urban Design

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
USER FEES & SERVICE CHARGES	\$4,921,924	\$4,435,887	\$5,439,662	\$1,003,775	22.6%	\$517,738	10.5%
RECOVERIES & CONTRIBUTIONS	-	10,000	10,000	-	0.0%	10,000	0.0%
OTHER INCOME	-	50,000	50,000	-	0.0%	50,000	0.0%
<b>Total Revenues</b>	<b>\$4,921,924</b>	<b>\$4,495,887</b>	<b>\$5,499,662</b>	<b>\$1,003,775</b>	<b>22.3%</b>	<b>\$577,738</b>	<b>11.7%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$3,647,646	\$3,542,532	\$3,810,197	\$267,665	7.6%	\$162,551	4.5%
PRINTING & OFFICE SUPPLIES	33,800	53,092	53,092	-	0.0%	19,292	57.1%
OPERATING MATERIALS & SUPPLIES	6,946	6,803	6,803	-	0.0%	(143)	-2.1%
COMMUNICATIONS	7,653	4,369	4,369	-	0.0%	(3,284)	-42.9%
TRAVEL EXPENSES	10,312	17,869	17,869	-	0.0%	7,557	73.3%
TRAINING	5,422	7,281	7,281	-	0.0%	1,859	34.3%
CONTRACTS & SERVICE AGREEMENTS	843,479	418,937	806,914	387,977	92.6%	(36,565)	-4.3%
RENTAL/LEASE	624	-	-	-	0.0%	(624)	-100.0%
PROFESSIONAL SERVICES	17,941	41,748	41,748	-	0.0%	23,807	132.7%
LICENCES, PERMITS, FEES	16,448	32,995	32,995	-	0.0%	16,547	100.6%
PROMOTION & ADVERTISING	3,757	4,365	4,365	-	0.0%	608	16.2%
OTHER EXPENDITURES	12,000	50,000	50,000	-	0.0%	38,000	316.7%
TRANSFERS TO RESERVES	315,896	315,896	664,029	348,133	110.2%	348,133	110.2%
<b>Total Expenses</b>	<b>\$4,921,924</b>	<b>\$4,495,887</b>	<b>\$5,499,662</b>	<b>\$1,003,775</b>	<b>22.3%</b>	<b>\$577,738</b>	<b>11.7%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>

# Engineering

## Business Overview

### Mission Statement

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

### Business Unit is Meeting 2006 Objectives

**Development** • Provide comments and approvals for planning applications • Review and approve all new hard infrastructure for development

**Capital** • establish yearly and 10 year capital programmes • implement capital budget • coordinate Markham requirements in the Capital Programmes of external agencies including, Region of York, Ministry of Transportation, 407 ETR, and adjacent municipalities

**Transportation** • Coordinate and implement Safe Street Strategy • Oversee Smart Commute Hwy 404-7 TMA and develop Town TDM programmes • coordinate operational issues (signals, stop signs, parking, school crossing guards, etc.) • Complete Phase I bike route and finalize Bike Master Plan • review and provide conditions on transportation studies related to development application

**Inspections** • provide quality control on all new development and capital projects • Administration of subdivision and Site Plan agreement with respect to public works, infrastructure including securities, Acceptance and final assumption of works

**Environmental** • completion of Small Stream Study • Manage a multi million dollar environmental studies for rehabilitation, restoration, erosion protection, flood mitigation and flood emergency response plan • Establish new environmental policies and guidelines dealing with contaminated site review, SWM facilities sediment removal and disposal and environmental monitoring program • Update existing engineering criteria and SWM Guideline • Establish a comprehensive SWM Facilities Operation and Maintenance Manual • Manage Brownfield and contaminated site applications/issues and provide input into development agreement

### Engineering's Direction in 2007

In addition to our Core Services the priorities for 2007 will be:

**Transportation** • Safe Streets Strategy Implementation • Travel Demand Association Implementation • Oversee Smart Commute Hwy 404/7 TMA and develop Town TDM programmes • bike study implementation

**Capital** • Implementation of road infrastructure projects (i.e. Enterprise Drive, Rodick Road, Birchmount Road structures) • Implementation of major trunk servicing projects (14th Avenue watermain, Hwy 7 sanitary, water and drainage works) • Markham Centre infrastructure implementation • Implementation of Environmental projects - SWM pond retrofit, erosion works, watercourse rehabilitation • Capital Fee review

**Development** • Places to Grow Studies • Streamline development review process • Update engineering standards and specification • Update standard agreements

**Inspections** • Letter of Credit process improvement (Amanda) • Review of Public Works Security requirements • Implement Municipal Construction and Inspection Guidelines

**Environmental** • Complete Phase II of the Flood Emergency Response Plan; • Update the environmental section of the Engineering Standards; • Update Markham's SWM Guideline; • Establish new SWM Facilities Operation and Maintenance Manual; • Don Mills Ditch/Culvert Capacity Study • Provide input/comments into other external studies (TRCA, MOE, York Region) such as Source Protection, Groundwater Study, Water Balance, etc.; • Continue review of SWM report and contaminated site issues for subdivision and site applications

**Administration** • Manager's salary compensation

### Service(s)

### Customer(s)

**Development** • Engineering approvals of Infrastructure • Engineering comments on development applications

Operations and Asset Management Department, contractors, land developers, planning, Public

**Capital** • Infrastructure Planning • Environmental assessments • Infrastructure design and construction • Project Management

Consultants, developers, public

**Transportation** • Safe Street Implementation • Operational Issues • TDM • Engineering approvals

Markham Public, Business owners, residents, and developers

**Inspections** • Infrastructure Construction inspections • Administration of Agreements • Final Assumption of Infrastructure • Resident concerns re new development, servicing and lot grading

Developers, public, contactors, operational departments

**Environmental** • Manage contaminated sites • Manage SWM applications/reports/studies • Establish new Environmental guidelines, policies and manual • Lead environmental restoration, rehabilitation and erosion control studies • Manage a variety of environmental monitoring programs

Other Town departments and external agencies

## Engineering

### 2006 PROGRESS REPORT

#### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

 Completed      To be Completed by  
 Year End

1	<b>Development Division</b> <ul style="list-style-type: none"> <li>Approved over 80 site plans for residential, institutional, commercial and industrial developments</li> <li>Approved nearly 50 residential plans of subdivision and associated municipal engineering infrastructure worth over \$30 million</li> <li>Approved 2 new industrial subdivisions - first industrial subdivisions since the late 1980's</li> <li>Adopted new Development Approval Process to reflect changes to Building Code Act as amended by Bill 124</li> </ul>	✓	
2	<b>Inspection Division</b> - \$35 million in infrastructure constructed <ul style="list-style-type: none"> <li>Letter of Credit process improvement (Amanda) - <b>ongoing</b></li> </ul>	✓	
3	<b>Transportation Division</b> <ul style="list-style-type: none"> <li>Safe Streets Strategy Implementation including committee meetings, assessment of 2005/6 enforcement plans, identify streets for 2006/7 enforcement plan, select traffic calming projects for EA studies, deliver neighbourhood education plan to 5 streets</li> <li>± 500 requests for parking, stop sign and signals processed</li> <li>200 development review submissions including traffic studies, CUP's, internal functional studies, site plans <b>-ongoing</b></li> <li>Bicycle Network Phase 2</li> <li>Anti Whistling review - <b>ongoing</b></li> </ul>	✓	
4	<b>Capital division</b> - Implementation of road infrastructure projects (i.e. Enterprise Dr., Rodick Road, Birchmount Road), implementation of major trunk servicing projects (14th Avenue watermain, Hwy 7 Sanitary, water and drainage works), Markham Centre, infrastructure implementation, implementation of Environmental projects (SWM pond retrofit, erosion works, watercourse rehabilitation), East Valhalla Drive Reconstructin and Langstaff Water and Sewer Servicing Feasibility Study	✓	✓
5	<b>Administration</b> - Customer satisfaction surveys, KPI update, Environmental standards/criteria update, Manager's salary compensation - ongoing		✓
6	<b>Transportation Division</b> <ul style="list-style-type: none"> <li>Safe Streets Strategy Implementation including committee meetings, assessment of 2005/6 enforcement plans, identify streets for 2006/7 enforcement plan, select traffic calming projects for EA studies, deliver neighbourhood education plan to 5 streets</li> <li>oversee Smart Commute Hwy 404-Hwy 7 and delivery of Town TDM programmes</li> </ul>	✓	
7	<b>Environmental division</b> <ul style="list-style-type: none"> <li>Manage contaminated sites</li> <li>Manage SWM applications/reports/studies</li> <li>Establish new Environmental guidelines, policies and manual</li> <li>Lead environmental restoration, rehabilitation and erosion control studies</li> <li>Manage a variety of environmental monitoring programs</li> <li>Completed Town wide erosion study and prioritized 30 sites for restoration between 2007 and 2010 (Total Cost of restoration \$22 million)</li> <li>Completed Flood Emergency Response Plan (Phase I)</li> <li>Completed Burdenet Creek Erosion Control Study</li> <li>Participated in federal and provincial environmental initiatives (e.g. source water protection, Regional Groundwater Study) with Fisheries and Oceans Canada, Ontario Ministry of the Environment., York Regin and Toronto and Region Conservation Authority</li> </ul>		✓

#### 2006 ADDITIONAL OBJECTIVES

 Completed      To be Completed by  
 Year End

8	Streamlining site plan approvals		✓
9	Hired an Environmental Engineer to manage heavy workload of environmental projects	✓	
10	Processing Policies for Brownfields		✓
11	Canadian Sports Institute Ontario <b>ongoing</b>		

### Operational Improvements

#### Achieved in the Past 12 Months

A	streamlined review process for site plan approvals		✓
B	Best Effort Recovery Database		✓

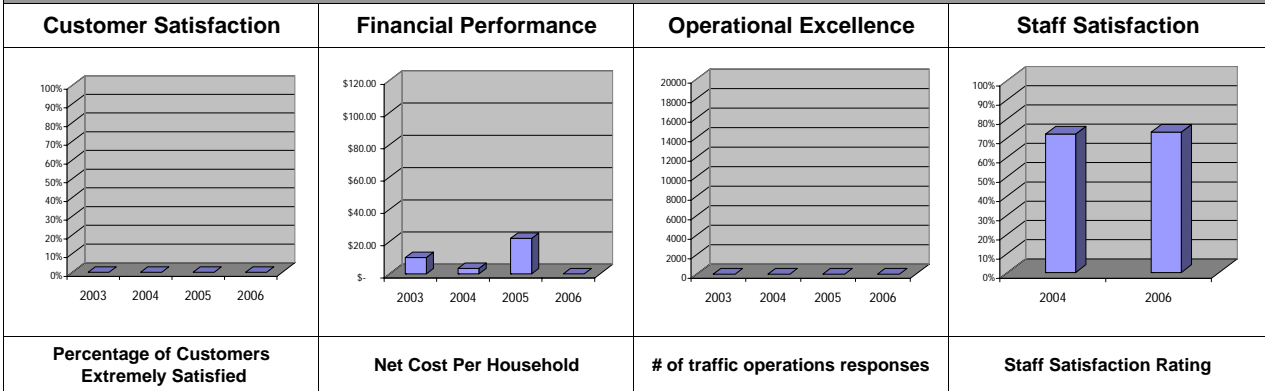
#### Anticipated for Next Year

C	Review of Public Works Security/ Letters of Credit requirements and process		
D	Update Standard Agreements - Format and Streamling		
E	Update Standard Drawings and Design Criteria		
F	Preparation of SWM Manual Guidelines		
G	Preparation of SWM Facilities Maintenance Manual		



# Engineering

## KEY PERFORMANCE INDICATORS



CUSTOMER SATISFACTION	2003	2004	2005	2006
	ACTUAL	ACTUAL	ACTUAL	BUDGET / YTD
# of customer satisfaction surveys completed	n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied (Citizen/service specific surveys)	n/a	n/a	n/a	n/a
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	n/a	n/a	n/a

FINANCIAL PERFORMANCE				
Net cost per household	\$ 10.12	\$ 3.33	\$ 22.03	\$ -
Average gross cost per application reviewed		\$ 442.01	n/a	n/a,

OPERATIONAL EXCELLENCE				
Response time - Engineering Drawings approval (\$ million)	\$47 Million	\$60 Million	\$51 million	\$30 million
- % of capital program completed within calendar year	15%	20%	60%	65%
- \$ of infrastructure constructed within calendar year	\$37 Million	\$79 Million	\$75 Million	\$70 million
- traffic operations (# of responses)	104	161	500	500

STAFF SATISFACTION				
Completion rate for performance management	100%	97%	n/a	100%
Average # of non-technical training sessions attended per employee	1.3	1.3	0.9	n/a
Completion rate (%) for staff survey improvement		25%	n/a	50%
Recognition rating (from staff survey)		62%	n/a	63%
Staff Satisfaction rating (from staff survey)		72%	n/a	73%
High Performance Workgroup rating (from staff survey)		81%	n/a	75%
Staff absenteeism (average # of days per employee)	3.0	3.4	1.7	2.9
Staff turnover rate	3%	3%	3%	n/a

**NOTES:**

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Engineering

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$4,320,406	\$4,063,213	\$5,081,399	\$1,018,186	25.1%	\$760,993	17.6%	
SALES	3,071	-	-	-	0.0%	(3,071)	-100.0%	
<b>Total Revenues</b>	<b>\$4,323,477</b>	<b>\$4,063,213</b>	<b>\$5,081,399</b>	<b>\$1,018,186</b>	<b>25.1%</b>	<b>\$757,922</b>	<b>17.5%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$3,338,202	\$3,450,910	\$3,576,452	\$125,542	3.6%	\$238,250	7.1%	
PRINTING & OFFICE SUPPLIES	14,036	19,519	19,519	-	0.0%	5,483	39.1%	
OPERATING MATERIALS & SUPPLIES	19,816	26,126	26,126	-	0.0%	6,310	31.8%	
COMMUNICATIONS	19,372	24,271	24,271	-	0.0%	4,899	25.3%	
TRAVEL EXPENSES	7,733	30,621	30,621	-	0.0%	22,888	296.0%	
TRAINING	7,255	29,835	41,835	12,000	40.2%	34,580	476.6%	
CONTRACTS & SERVICE AGREEMENTS	89,674	(386,695)	932,307	1,319,002	-341.1%	842,633	939.7%	
MAINT. & REPAIR-TIME/MATERIAL	2,109	2,956	2,956	-	0.0%	847	40.2%	
PROFESSIONAL SERVICES	538,972	579,889	602,889	23,000	4.0%	63,917	11.9%	
LICENCES, PERMITS, FEES	10,358	9,831	12,831	3,000	30.5%	2,473	23.9%	
TRANSFERS TO RESERVES	275,950	275,950	-188,408	(464,358)	-168.3%	(464,358)	-168.3%	
<b>Total Expenses</b>	<b>\$4,323,477</b>	<b>\$4,063,213</b>	<b>\$5,081,399</b>	<b>\$1,018,186</b>	<b>25.1%</b>	<b>\$757,922</b>	<b>17.5%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>	



# Economic Development

## Business Overview

### Mission Statement

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

### Economic Development is Meeting 2006 Objectives

The Department is meeting all of its objectives in 2006.

1. the number of high-tech firms in Markham (899) is growing by 3%- 5% annually since 2002, and now provides in excess of 31,000 jobs (estimated 25% of total employment). Prime among new firms in Markham are Honeywell, St. Regis Glass, and at least 3 new hotels. Significant expansions by existing Markham firms include; Giesecke & Devrient, ATI Technologies, HSBC, and the Orthotics Group.
2. Markham's reputation as "Canada's High Tech Capital" has been significantly enhanced as a result of the successful operation and growth of the ISCM, the pursuit of R&D establishments including the NRC, the launch of YorkBiotech consortium, and the town's leadership in event sponsorship and promotion including representation on the Toronto Region Research Alliance Board of Directors, and the pursuit of international economic alliances.
3. Programs implemented to distinguish Markham as a "unique sales and investment opportunity" include the promotion of Markham Centre (including district energy) as a major business location in the GTA, the development of a gateway business strategy for Cornell Centre, the pursuit of knowledge-based and R&D enterprises, the acceleration of existing businesses (ISCM), the launch of the "Markham Space Race", and support for new business development (MSBEC).
4. The Markham Board of Trade has become a welcome economic development partner, and strategic partnerships have been operationalized by the Town with Seneca College (MSBEC & ISCM), York University (biotech & ISCM), NRC (ISCM and the NCMDD opportunity), IBM (NRC opportunity), three foreign markets (Cary NC, Wuhan China, Zhonguancuun Science Park), & with key ICI interests (e.g., Jolis, GWL Realty, Remington, H&R Reit, and Metrus).
5. The Small Business Enterprise Centre (MSBEC) served over 2,000 clients and hosted a record number (24) of events in 2006. Over \$25,000 in grants and sponsorships were received.
6. Work is underway to develop a competitiveness strategy that will focus the Town's economic development strategy for the next 10 years.

### Economic Development's Direction in 2007

In 2007 the Department will pay particular attention to addressing the following key strategic activities: the completion and implementation of Markham's competitive strategy (including a new approach to attracting foreign investment), the pursuit and attraction of R&D functions to Markham, the expansion of the MSBEC to address the growth of demands for service, the involvement of Markham in the Toronto Region Research Alliance, and the aggressive promotion of employment and ICI investment in Markham Centre.

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



# Economic Development

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

		Completed	To be Completed by Year End
	<b>Development approvals</b>		
1	Attract investments by high-tech firms and provide input into development applications		✓
	<b>Growth Management</b>		
2	Raise international awareness of Mkm Ctr.		✓
3	Establish Markham as a Knowledge Community		✓
4	Strengthen reputation as High-Tech Capital		✓
5	Increase Markham's competitiveness		✓
6	Strengthen strategic partnerships		✓
7	Grow and strengthen entrepreneurship		✓
8	Develop and implement investment attraction programs		✓
9	Provide policy planning advice		✓

### 2006 ADDITIONAL OBJECTIVES

		Completed	To be Completed by Year End
11			
12			
13			
14			
15			

### Operational Improvements

Achieved in the Past 12 Months

A
B
C
D
E
F

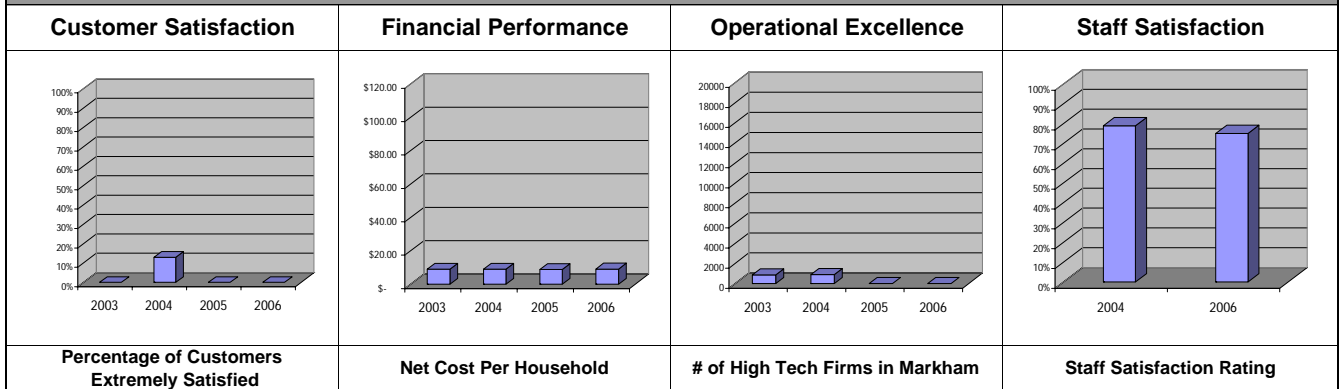
### Anticipated for Next Year

G
H
I
J
K
L



# Economic Development

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	n/a	n/a	n/a	n/a
Percentage of customers extremely satisfied (Citizen/service specific surveys)	n/a	13%	n/a	
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	41%	n/a	
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 9.03	\$ 8.92	\$ 8.74	\$ 9.08
External grants and sponsorship funds attracted	\$300,000	\$450,000	n/a	\$70,000.00
<b>OPERATIONAL EXCELLENCE</b>				
# of high-tech firms in Markham	866	899	n/a	n/a
# of employees hired by high-tech firms	3,100	n/a	n/a	n/a
# of events hosted or sponsored	40	65	50	75
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	N/A	100%
Average # of non-technical training sessions attended per employee	8.0	0.2	0.2	n/a
Completion rate (%) for staff survey improvement	n/a	100%	n/a	100%
Recognition rating (from staff survey)	n/a	80%	n/a	70%
Staff Satisfaction rating (from staff survey)	n/a	79%	n/a	75%
High Performance Workgroup rating (from staff survey)	n/a	84%	n/a	80%
Staff absenteeism (average # of days per employee)	2.5	3.0	0.7	n/a
Staff turnover rate	0%	0%	0%	n/a

**NOTES:**



**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Economic Development

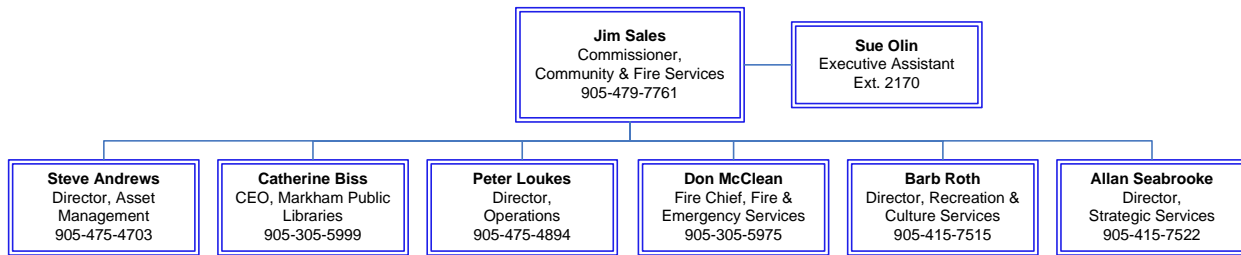
<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b><u>Revenue</u></b>								
GRANTS AND SUBSIDIES	\$98,601	\$55,000	\$55,000	-	0.0%	(43,601)	-44.2%	
USER FEES & SERVICE CHARGES	2,689	16,000	16,000	-	0.0%	13,311	495.0%	
SALES	52	-	-	-	0.0%	(52)	-100.0%	
RECOVERIES & CONTRIBUTIONS	3,900	10,834	10,834	-	0.0%	6,934	177.8%	
OTHER INCOME	-	25,000	-	(25,000)	-100.0%	-	0.0%	
<b>Total Revenues</b>	<b>\$105,242</b>	<b>\$106,834</b>	<b>\$81,834</b>	<b>(\$25,000)</b>	<b>-23.4%</b>	<b>(\$23,408)</b>	<b>-22.2%</b>	
<b><u>Expenses</u></b>								
SALARIES AND BENEFITS	\$525,054	\$563,320	\$575,818	\$12,498	2.2%	\$50,764	9.7%	
PRINTING & OFFICE SUPPLIES	14,363	18,776	18,776	-	0.0%	4,413	30.7%	
OPERATING MATERIALS & SUPPLIES	7,610	4,454	4,454	-	0.0%	(3,156)	-41.5%	
COMMUNICATIONS	3,115	3,301	3,301	-	0.0%	186	6.0%	
TRAVEL EXPENSES	22,741	41,001	41,001	-	0.0%	18,260	80.3%	
TRAINING	6,662	6,311	6,311	-	0.0%	(351)	-5.3%	
RENTAL/LEASE	1,678	1,456	938	(518)	0.0%	(740)	-44.1%	
LICENCES, PERMITS, FEES	4,327	4,354	4,354	-	0.0%	27	0.6%	
PROMOTION & ADVERTISING	312,110	308,542	313,542	5,000	1.6%	1,432	0.5%	
OFFICE FURNISHINGS & EQUIPMENT	-	2,000	2,000	-	0.0%	2,000	0.0%	
<b>Total Expenses</b>	<b>\$897,660</b>	<b>\$953,515</b>	<b>\$970,495</b>	<b>16,980</b>	<b>1.8%</b>	<b>72,835</b>	<b>8.1%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$792,418</b>	<b>\$846,681</b>	<b>\$888,661</b>	<b>41,980</b>	<b>5.0%</b>	<b>\$96,243</b>	<b>12.1%</b>	

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Development Services Commissioner's Office - Commission Support (699-999)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
OTHER INCOME	-	-	-	-	0.0%	-	0.0%	
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$800,739	\$794,102	\$807,919	\$13,817	1.7%	\$7,180	0.9%	
PRINTING & OFFICE SUPPLIES	173	-	-	-	0.0%	(173)	-100.0%	
OPERATING MATERIALS & SUPPLIES	692	643	643	-	0.0%	(49)	-7.1%	
COMMUNICATIONS	818	1,068	1,068	-	0.0%	250	30.6%	
TRAVEL EXPENSES	12,756	21,918	21,918	-	0.0%	9,162	71.8%	
TRAINING	578	10,180	10,180	-	0.0%	9,602	1661.2%	
RENTAL/LEASE	9,569	8,738	8,738	-	0.0%	(831)	-8.7%	
PROFESSIONAL SERVICES	(1,584)	12,000	12,000	-	0.0%	13,584	-857.6%	
LICENCES, PERMITS, FEES	1,484	971	971	-	0.0%	(513)	-34.6%	
CREDIT CARD SERVICE CHARGES	-	-	9,321	9,321	0.0%	9,321	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	334	400	400	-	0.0%	66	19.8%	
<b>Total Expenses</b>	<b>\$825,559</b>	<b>\$850,020</b>	<b>\$873,158</b>	<b>\$23,138</b>	<b>2.7%</b>	<b>\$47,599</b>	<b>5.8%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$825,559</b>	<b>\$850,020</b>	<b>\$873,158</b>	<b>\$23,138</b>	<b>2.7%</b>	<b>\$47,599</b>	<b>5.8%</b>	

## Community and Fire Services



“*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. This is accomplished through the delivery of services provided by the ten business units that report to the six departments (referenced in the above organizational chart) residing in the Commission. Although Town of Markham Council created the new Culture Department in the 2<sup>nd</sup> quarter of this year, the information contained in this summary represents the organizational structure that was in place at the time the 2007 budget process was undertaken.

The Business Units and the departments they report to in the Community & Fire Services Commission are summarized below:

Business Unit	Department
1. Asset Management	Asset Management
2. Utilities & Capital Works	
3. Fire & Emergency Services	Fire & Emergency Services
4. Markham Public Libraries	Markham Public Libraries
5. Operations	Operations
6. Waste Management	
7. Waterworks	
8. Recreation	Recreation & Culture Services
9. Culture	
10. Strategic Services	Strategic Services

In 2007, the Commission has an approved full-time complement of 608 employees, including Waterworks.

### **Asset Management**

The Asset Management Department is made up of two business units, namely Asset Management and Utilities & Capital Works.

The **Asset Management** business unit is responsible for administering and maintaining over 100 buildings so as to ensure the safe, user-friendly, comfortable, and energy-efficient use of these facilities. These facilities include Civic Centre, community centers, fire stations, libraries, works yards, and cultural and heritage facilities. In addition to property maintenance and planning, this

group also manages corporate databases and uses technology tools to support departments in the Commission.

The **Utilities & Capital Works** 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. Services are provided in the areas of: Capital Works - Facilities, Capital Works – Right-of-way, and Utilities and Contracts. Capital Works – Facilities provides project management services to all internal departments in the areas of major building repairs, replacements, expansions, and new construction. Capital Works – Right-of-Way is responsible for the design and project management of capital projects along the Town's Rights-of-Way (e.g. Watermains, Sewers, Roads, Sidewalks, etc.). Utilities and Contracts administers and coordinates utility approvals within existing rights of ways and provides survey services to various internal departments.

### **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 its seven fire stations and administrative office.

### **Markham Public Libraries**

Markham Public Libraries has six branches located throughout Markham and provides virtual services through its website. Administratively it reports to the Town of Markham Public Library Board, and has a dotted line reporting relationship with the Commissioner, Community & Fire Services. Library services include: information services, lending of library materials, programs for residents of all ages, room rentals, WiFi Internet services. Website services include access to the Library catalogue, subscription databases, Internet links and eBooks.

### **Operations**

The Operations Department is made up of three business units, namely Operations, Waste Management and Waterworks.

The **Operations** business unit is responsible for the maintenance of roads and parks in the Town of Markham, supported by fleet and business technical services. Aside from road and sidewalk safety, this group ensures effective winter control, environmental protection of right-of-ways, watercourses, and the maintenance and protection of natural and artificial drainage infrastructure. In addition to parks, this group also maintains natural areas and streetscapes. The Town fleet is comprised of approximately 600 vehicles and equipment units, which are used to maintain parks and streets, respond to fire emergencies, and assist all Municipal operations.

The **Waste Management** business unit is responsible for managing the curbside pickup of household recyclables, garbage, organic waste, and yard waste. Other services include the operation of recycling depots, large appliances / metal pickup, special recycling programs, policy development, and public education programming. Mission Green is one of its key initiatives to

introduce three stream waste collection into the community, with a target to divert 70% of household garbage from landfills.

The **Waterworks** business unit is responsible for the provision of safe 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.

### **Recreation and Culture Services**

The Recreation and Culture Services Department is made up two business units, namely Recreation and Culture.

The **Recreation** business unit is responsible for operating and programming the community centres in the Town and includes the provision of quality recreational programs and the development of related policies to create a vibrant community. There are four major integrated community centres along with specialty and smaller recreation facilities. Aside from the recreation opportunities listed in the *Recreation & Culture Guide*, special focus areas for programming include active living, youth, and older adults.

The **Culture** business unit is responsible for operating and programming the three municipal cultural venues in Markham. The 25-acre Museum site offers events, programming, tours, rental, membership, and research in genealogy and family history. The Markham Theatre offers membership, rental, and a professional season of entertainment each year. The Varley Art Gallery of Markham features frequently changing exhibitions from the permanent collection as well as historical contemporary exhibitions drawn from local, national and international sources. The Gallery offers group tours, school programs, studio courses and workshops, courses and lectures, and family activities.

### **Strategic Services**

This department provides the Commission with a number of strategic and emerging services. Some of the services span the Commission and/or corporation. The key services provided in this department include: corporate and Commission business planning coordination, marketing and community partnerships, environmental leadership, Markham Energy Conservation Office, and special initiatives such as the Canadian Sports Institute Ontario and the East Markham Community Centre & Library project.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Community & Fire Services Consolidated (excluding Waterworks)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
GRANTS AND SUBSIDIES	\$793,521	\$780,387	\$678,387	(\$102,000)	-13.1%	(\$115,134)	-14.5%
FINES	11,000	40,000	40,000	-	0.0%	29,000	263.6%
USER FEES & SERVICE CHARGES	8,814,088	9,209,361	9,750,360	540,999	5.9%	936,272	10.6%
RENTALS	5,322,081	5,417,871	5,579,196	161,325	3.0%	257,115	4.8%
SALES	473,275	517,050	597,863	80,813	15.6%	124,588	26.3%
RECOVERIES & CONTRIBUTIONS	1,651,938	1,254,708	1,504,669	249,961	19.9%	(147,269)	-8.9%
OTHER INCOME	830,280	1,490,251	1,111,676	(378,575)	-25.4%	281,396	33.9%
<b>Total Revenues</b>	<b>\$17,896,183</b>	<b>\$18,709,628</b>	<b>\$19,262,151</b>	<b>\$552,523</b>	<b>3.0%</b>	<b>\$1,365,968</b>	<b>7.6%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$52,976,197	\$52,093,626	\$55,520,325	\$3,426,699	6.6%	\$2,544,128	4.8%
PRINTING & OFFICE SUPPLIES	306,727	318,003	346,924	28,921	9.1%	40,197	13.1%
PURCHASES FOR RESALE	232,623	156,962	211,005	54,043	34.4%	(21,618)	-9.3%
OPERATING MATERIALS & SUPPLIES	3,770,670	3,598,603	3,738,414	139,811	3.9%	(32,256)	-0.9%
VEHICLE SUPPLIES	1,187,150	962,333	1,105,018	142,685	14.8%	(82,132)	-6.9%
SMALL EQUIPMENT SUPPLIES	14,572	14,291	14,291	-	0.0%	(281)	-1.9%
BOTANICAL SUPPLIES	354,334	357,827	361,919	4,092	1.1%	7,585	2.1%
CONSTRUCTION MATERIALS	656,832	1,035,567	1,220,096	184,529	17.8%	563,264	85.8%
INVENTORY ADJUSTMENTS	15,901	-	-	-	0.0%	(15,901)	-100.0%
UTILITIES	3,693,131	3,764,094	4,253,830	489,736	13.0%	560,699	15.2%
COMMUNICATIONS	393,740	388,527	417,142	28,615	7.4%	23,402	5.9%
TRAVEL EXPENSES	135,965	114,549	119,830	5,281	4.6%	(16,135)	-11.9%
TRAINING	201,596	248,023	254,231	6,208	2.5%	52,635	26.1%
CONTRACTS & SERVICE AGREEMENTS	4,738,232	5,114,828	5,526,471	411,643	8.0%	788,239	16.6%
MAINT. & REPAIR-TIME/MATERIAL	2,878,732	2,883,563	3,407,129	523,566	18.2%	528,397	18.4%
RENTAL/LEASE	751,324	776,611	813,071	36,460	4.7%	61,747	8.2%
INSURANCE	11,963	13,262	13,262	-	0.0%	1,299	10.9%
PROFESSIONAL SERVICES	709,659	624,430	655,916	31,486	5.0%	(53,743)	-7.6%
LICENCES, PERMITS, FEES	320,088	376,860	372,581	(4,279)	-1.1%	52,493	16.4%
CREDIT CARD SERVICE CHARGES	-	-	135,069	135,069	0.0%	135,069	0.0%
PROMOTION & ADVERTISING	639,901	640,959	644,809	3,850	0.6%	4,908	0.8%
CONTRACTED MUNICIPAL SERVICES	7,660,131	7,643,775	8,399,989	756,214	9.9%	739,858	9.7%
OTHER PURCHASED SERVICES	471,460	501,543	479,016	(22,527)	-4.5%	7,556	1.6%
OFFICE FURNISHINGS & EQUIPMENT	4,726	11,876	11,876	-	0.0%	7,150	151.3%
WRITE-OFFS	292	-	-	-	0.0%	(292)	-100.0%
OTHER EXPENDITURES	74,942	53,400	55,400	2,000	3.7%	(19,542)	-26.1%
TRANSFERS TO RESERVES	652,399	468,431	463,076	(5,355)	-1.1%	(189,323)	-29.0%
<b>Total Expenses</b>	<b>\$82,853,287</b>	<b>\$82,161,943</b>	<b>\$88,540,690</b>	<b>\$6,378,747</b>	<b>7.8%</b>	<b>\$5,687,403</b>	<b>6.9%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$64,957,104</b>	<b>\$63,452,315</b>	<b>\$69,278,539</b>	<b>\$5,826,224</b>	<b>9.2%</b>	<b>\$4,321,435</b>	<b>6.7%</b>



# Fire & Emergency Services

## Business Overview

### Mission Statement

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

### Fire & Emergency Services is Meeting 2006 Objectives

Fire & Emergency Services is a department of the Community & Fire Services Commission. In 2006, approved net budget was \$21,036,540 and 236 full-time employees. \$535,000 in revenue was budgeted, resulting in a net budgeted cost per household of \$229.19 or \$75.73 per capita.

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

- **Fire Prevention** - Fire Prevention activities include inspections, plans review, public education and fire investigations. As of Aug. 31/06, 1,208 inspections have been conducted. Fire inspections are focused on industrial/commercial occupancies as well as other high risk areas such as schools, hospitals and nursing homes. In ensuring compliance with the Ontario Building Code and the Ontario Fire Code the Division has reviewed 346 plans. The Learn-Not-to-Burn school program was delivered to 43 schools (7,500 students) in 2006. The 'Press to Test' program visited over 600 homes to ensure smoke alarms were installed and working.
- **Fire Suppression & Emergency Response** - We continue to improve our response to emergencies through improved equipment and additional firefighting capability. NFPA 1710, a response standard remains our goal and Automatic Vehicle Location (AVL) and Global Positioning System (GPS) will eventually lead to service and quality measurement improvements.
- **Mechanical Division** - The Mechanical Division maintains all of our vehicles. A service schedule has been developed that allows a pro-active maintenance approach. Complete pump tests in-house will be done in 2007 improving services.
- **Training Division** - The Division is continuing to implement and administer our Emergency Medical Responder (EMR) program to greatly improve our quality service. As of Aug. 31/06 the division staff completed a recruit training class, implemented new training programs such as: 'Incident Command Simulator' curriculum for company officers, firefighter survival, Rapid Intervention Crews (RIC), chain saw operations, as well as planning our first Company Officer Development School. These activities have been enhanced by the use of the new 'Training Academy' facility at 438 John St.
- **Communications** - Members of the Communications fielded over 45,000 incoming telephone calls and managed almost 8,300 incident responses for the Town of Markham and the Town of Whitchurch-Stouffville.
- **Emergency Management** - The fire department oversees the provincially mandated, Emergency Management Program. The Town meets or exceeds all provincial requirements. As of Aug. 31/06, over 150 people had attended the public education and awareness program, including two sessions for Markham Board of Trade and a special session for Elected and Senior Municipal Officials. Council approved the formation of a new Emergency Management Program and Committee which will begin meeting in September. The Emergency Plan has undergone a revision, with the help of a new assistant that now fully encompasses the recent corporate restructuring that has taken place. Major planning is underway for specific hazards such as the anticipated Avian Flu Pandemic.

### Fire & Emergency Services' Direction in 2007

1) Build Cathedral and/or Cornell fire station(s); (2) Purchase apparatus for new station(s); (3) Recruit firefighters for new station(s); (4) Recheck deployment study; (5) Promotional Process (Company Officer); (6) Company Officer Training; (7) Improve Training Centre; (8) Live-Fire training; (9) Partnership with Richmond Hill Training; (10) Training Equipment purchase; (11) Respirator Program improvements; (12) Emergency Medical Responder training; (13) Flashover, back-to-basics, survival firefighting training; (14) Refinement of Town's Emergency Operations Centre (EOC); (15) Emergency Management training program for EOC staff; and (16) Emergency Management EOC Exercise.

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



# Fire & Emergency Services

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Purchase Cornell property/Cathedral property.		✓
2 Complete study on New Specialized Services.	✓	
3 1 new pumper in service.	✓	
4 Complete Training Centre Study - held in abeyance until 2006.		✓
5 2006 Emergency Management By-law approved, Emergency Management Program Committee established.	✓	
6 New Fee Schedule.	✓	
7 Finish Fire Prevention Model.		✓
8 Identify and complete staff satisfaction survey improvements.		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
9 Pump testing to be completed in house.		✓
10 Locate and acquire Administrative Office space.		✓
11 Complete transition to Amanda Program Fire Prevention.		✓
12 Transfer all incoming calls (Administrative Line)/Complaints to Contact Centre.	✓	
13 Purchase portable lap tops for Prevention staff.		✓
14 Initiate new Night Inspection Program.	✓	
15 Phase One of Community Based Fire Prevention Program.	✓	
16 Emergency Management Pandemic Flu Exercise.		✓

## Operational Improvements

### Achieved in the Past 12 Months

A Transfer all incoming calls to the Contact Centre for logging.
B New revenues generated through fees and training.
C Brought pump testing in house.
D Improved Officer testing/training through simulation.
E Transition to AMANDA.
F Improved Smoke Alarm Program.
G Specialized services shared with Richmond Hill and Vaughan.
H Front line apparatus standardized.

### Anticipated for the Next 12 Months

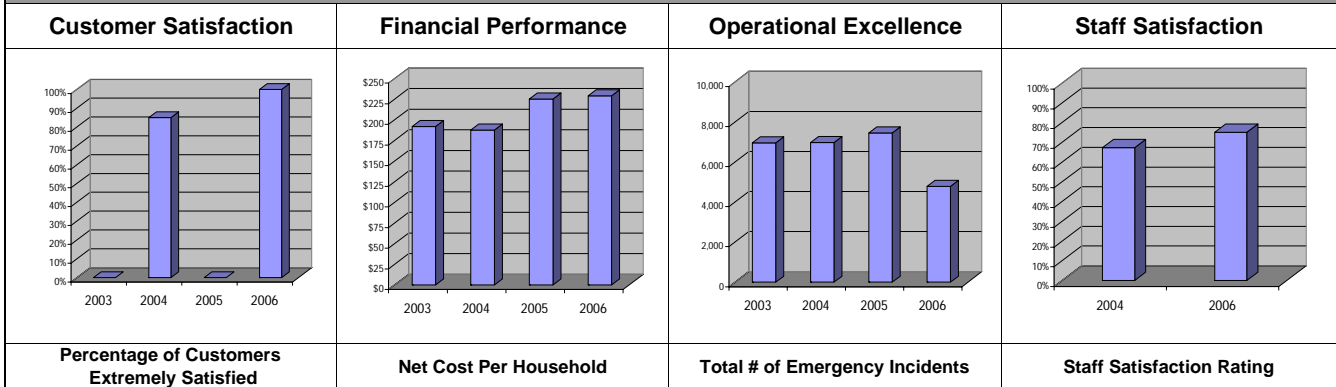
I Staff Satisfaction Projects.
J Increase citizen surveys.
K Partnerships with Richmond Hill Training, Vaughan Dispatch.
L Emergency Management Operations Centre Training (Town staff).
M Emergency Management Operations Centre Exercise York Region.





# Fire & Emergency Services

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	3
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	85%	N/A	100%
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	100%	N/A	100%
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 191.92	\$ 187.64	\$ 225.19	\$ 229.19
Average monthly maintenance cost per heavy truck vehicle <sup>1</sup>	\$ 1,354	N/A	\$ 1,668	\$1,601
Average monthly vehicle down time (in hours) <sup>1</sup>	20	22	39	15
<b>OPERATIONAL EXCELLENCE</b>				
# of fires with greater than \$50,000 in damages <sup>1</sup>	21	30	17	16
# of inspections <sup>1</sup>	4,181	2,534	3,003	1,208
Total # of emergency incidents <sup>1</sup>	6,962	6,967	7,452	4,784
# of Vehicle activity per emergency incident <sup>1</sup>	2.1	2.0	2.0	1.7
# of accidental fire deaths <sup>1</sup>	0	0	0	0
# of plans reviewed <sup>1</sup>	657	485	487	346
<b>STAFF SATISFACTION</b>				
Completion rate for performance management <sup>1</sup>	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee <sup>1</sup>	0.2	0.2	0.3	0.2
Completion rate (%) for staff survey improvement	100%	100%	100%	100%
Recognition rating (from staff survey)	N/A	56%	N/A	65%
Staff Satisfaction rating (from staff survey)	N/A	67%	N/A	75%
High Performance Workgroup rating (from staff survey)	N/A	78%	N/A	73%
Staff absenteeism (average # of days per employee)	7.0	6.6	6.5	7.0
Staff turnover rate	1%	3%	1%	2%

NOTES: <sup>1</sup> 2006 YTD data is provided as at August 31, 2006.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Fire Services

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
FINES	\$11,000	\$40,000	\$40,000	-	0.0%	\$29,000	263.6%	
USER FEES & SERVICE CHARGES	60,144	119,000	99,000	(20,000)	-16.8%	38,856	64.6%	
RENTALS	-	10,000	-	(10,000)	-100.0%	-	0.0%	
SALES	1,886	6,000	12,000	6,000	100.0%	10,114	536.3%	
RECOVERIES & CONTRIBUTIONS	177,771	275,000	325,961	50,961	18.5%	148,190	83.4%	
OTHER INCOME	80,334	85,000	85,000	-	0.0%	4,666	5.8%	
<b>Total Revenues</b>	<b>\$331,135</b>	<b>\$535,000</b>	<b>\$561,961</b>	<b>\$26,961</b>	<b>5.0%</b>	<b>\$230,826</b>	<b>69.7%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$22,046,818	\$21,015,444	\$22,837,984	\$1,822,540	8.7%	\$791,166	3.6%	
PRINTING & OFFICE SUPPLIES	59,640	33,835	33,835	-	0.0%	(25,805)	-43.3%	
PURCHASES FOR RESALE	6,431	3,883	3,883	-	0.0%	(2,548)	-39.6%	
OPERATING MATERIALS & SUPPLIES	339,401	319,308	325,308	6,000	1.9%	(14,093)	-4.2%	
VEHICLE SUPPLIES	-	2,913	2,913	-	0.0%	2,913	0.0%	
UTILITIES	179,364	196,306	179,331	(16,975)	-8.6%	(33)	0.0%	
COMMUNICATIONS	71,671	70,678	70,678	-	0.0%	(993)	-1.4%	
TRAVEL EXPENSES	33,184	34,517	34,517	-	0.0%	1,333	4.0%	
TRAINING	20,790	65,825	65,825	-	0.0%	45,035	216.6%	
CONTRACTS & SERVICE AGREEMENTS	30,802	13,445	13,445	-	0.0%	(17,357)	-56.4%	
MAINT. & REPAIR-TIME/MATERIAL	160,577	80,362	80,362	-	0.0%	(80,215)	-50.0%	
RENTAL/LEASE	4,830	4,660	3,297	(1,363)	-29.2%	(1,533)	-31.7%	
PROFESSIONAL SERVICES	4,368	4,359	10,359	6,000	137.6%	5,991	137.2%	
LICENCES, PERMITS, FEES	4,312	3,956	3,956	-	0.0%	(356)	-8.3%	
OFFICE FURNISHINGS & EQUIPMENT	1,046	3,866	3,866	-	0.0%	2,820	269.6%	
TRANSFERS TO RESERVES	41,000	41,000	41,000	-	0.0%	-	0.0%	
<b>Total Expenses</b>	<b>\$23,004,234</b>	<b>\$21,894,357</b>	<b>\$23,710,559</b>	<b>\$1,816,202</b>	<b>8.3%</b>	<b>\$706,325</b>	<b>3.1%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$22,673,099</b>	<b>\$21,359,357</b>	<b>\$23,148,598</b>	<b>\$1,789,241</b>	<b>8.4%</b>	<b>\$475,499</b>	<b>2.1%</b>	



# Markham Public Libraries

## Business Overview

### Mission Statement

Our higher purpose is to advance civil society and offer life-long nourishment for the mind. We strive together to: Enrich the human spirit; Inform people to make better sense of the world; Create destinations where people come together as individuals or as a community; Enhance literacy across the community; Provide a marketplace for the exchange of ideas; Champion inclusivity; Celebrate community diversity.

### Markham Public Libraries is Meeting 2006 Objectives

The Library operates within the Community & Fire Services Commission and has a direct reporting relationship with the Town of Markham Public Library Board. In 2006, it had an approved net budget of \$8,733,049 and 60 full-time employees. \$811,607 in revenue was budgeted, resulting in a net budgeted cost per household of \$93.62 in 2006.

- Service Transactions - In 2005, the Library handled over 5.3 million transactions, an increase of 40% from 2004. Service Transactions included: a) Items Circulated; b) Information Questions; c) In-Library Item Use; and d) Database Search Results. Volume of activities include: 4,006,950 items were borrowed by customers, a 52.5% increase from 2004; 483,325 Information Questions were answered; 784,750 items were used In-Library; and database searches provided results 95,883 times. In 2005, the Library had nearly 3.4 million in-person and electronic visits or a 47% increase from 2004. During the same time period (2004-2005), Markham's population increased by 1.98% and its number of households increased by 4.19%. In a context of slow but steady population growth, the extraordinary increases in library use rates during 2005 appear to indicate a pre-2005 pent-up demand for library services, as well as the popularity of the customer-focused design of the Angus Glen Library and the positive community response to its new collection. However, in 2006 YTD, aggressive growth in service transactions has continued despite the temporary closure of the Markham Village Library - YTD June 2006, borrowing is up system-wide 7% over 2005, with increases at all branches, and Angus Glen leading the way with a 25% increase.
- Program Delivery & Planning - The Library Board approved a new strategic plan for the Library in 2003. Implementation of the plan will be completed during 2006. 2006 strategic plan accomplishments in this area can be found on page 2. A new strategic plan will be developed in 2007.
- Facility Planning & Maintenance - In 2005, the Library had 119,102 sq.ft. of facility space, including the new Angus Glen Library, which opened in December 2004. Renovation and expansion of the Markham Village Library began in December 2005, with completion projected for spring 2007. Long-term facility planning moved forward through Library participation in the Parks, Recreation, Culture and Library Master Plan update process.

### Markham Public Libraries' Direction in 2007

- Develop new strategic plan facilitated by consultant.
- Complete and operationalize the renovated & expanded Markham Village Library - staffing & other growth related to expansion.
- Move Administration and Technical Services from leased location to renovated lower level of Markham Village Library.
- Plan new Cornell Library - building program, services, collection, public services.
- Extend merchandizing and consistent visual identity project to all branches.
- Introduce new Web 2.0 services - Instant Messaging information services, blogs and podcasting - for enhanced interaction with customers and customer-created content and new position Electronic Resources Strategist.
- Introduce email notification of holds.
- Upgrade ILS (Integrated Library System) to Horizon 8.1 and introduce new customer service features.
- Plan renovation of Milliken Library and Thornhill Community Library to upgrade service space to current standards.
- Expand local online content, created by staff and customers.
- Promote civic engagement through development of physical and virtual civic information channels/sites.
- Implement revised organizational structure.
- Maintain service standards re reshelving items for customer use by increasing page hours.
- Implement Information Services Review, including multi-year educational upgrading to redeploy staff to Information Services, conference attendance for staff development, new services, new roles and responsibilities.

Service(s)	Customer(s)
Access to resources for lifelong learning	Markham residents, businesses, schools, students
Circulation of materials for home and workplace use	Town of Markham staff
Free public access to Internet and digital information	Internet users, both internal and external
Information services, instruction and training	Visitors
Programs for all ages in support of literacy and learning	
Public space for meeting, gathering and study	



# Markham Public Libraries

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Launch mobile Civic Corner vehicle in each Library.		✓
2 Website Service Enhancements - Create content for civic issues webpage ("Hot Topics") and redesign and improve website.	✓	✓
3 Inform Newcomers and position MPL as the place to go.		✓
4 Engage and better serve teens, including a teen webpage.		✓
5 Improve services to businesses, including a business webpage.	✓	✓
6 Improve staff work areas at Thornhill Community and Village Libraries.		✓
7 Implement community outreach strategy.		✓
8 Complete staff roles, responsibilities and authorities/Revise job descriptions.		✓
9 Markham Village - Develop service models and train staff to implement full self-service concept at Markham Village Library and operationalize expanded branch in 2007.		✓
10 Implement new programming & room rental fee structure.	✓	
11 Implement new annual report to citizens.		✓
12 Implement balanced scorecard.		✓
13 Develop a consistent visual identity package and visual merchandizing process for improved customer experience.		✓
14 Implement online program registration.		✓
15 Implement book purchasing revenue strategy.		✓
16 Implement Internet access to heritage records - depends on IT processes.		✓
17 Improve Information Services through ongoing training, Librarians' Roundtable, Information Services Review and co-creating change process.		✓
18 Improve Workplace Environment.		✓
19 Complete staff satisfaction survey improvements, including staff values process.		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
20 Implemented online customer satisfaction survey "Counting Opinions".	✓	
21 Staffing pilot project with Small Business Enterprise Centre.	✓	
22 Borrowing Services Processes Taskforce - analyze workflows and tasks at all branches to standardize, streamline and maximize efficiencies to cope with increasing material flow at existing staffing levels.		✓
23 Outreach to under-served area (Southeast Markham).		✓
24 Installed new technology (4th self-check + 3M Smartcheck and sorter) to automate material-handling, support service standards for customer access to materials, and keep pace with increasing customer borrowing.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

- A Transfer of Computer Services staff, services and servers to IT completed.
- B Implemented new programming & room rental fee structure to align with market conditions and increase revenue.

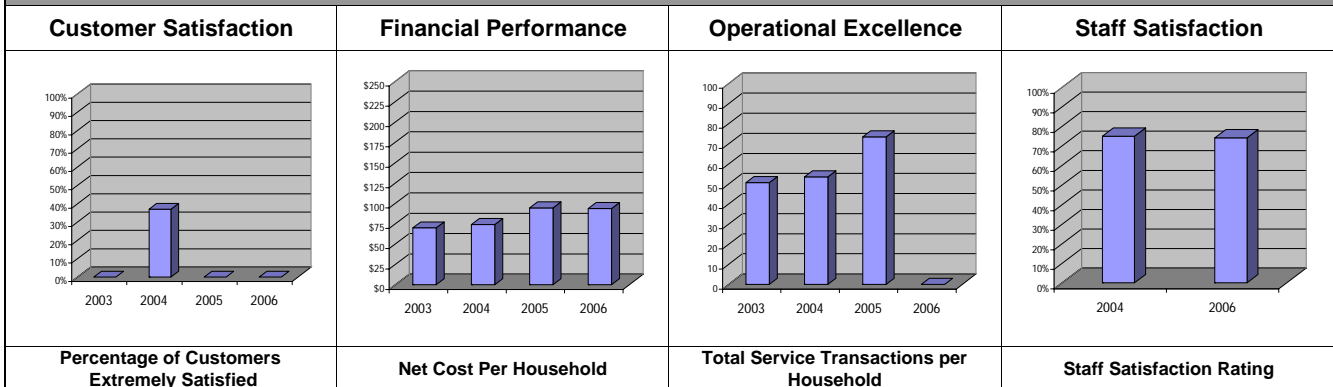
### Anticipated for the Next 12 Months

- C Online program registration.
- D Self-service technology to be installed at renovated and expanded Markham Village Library to automate material-handling for enhanced operational efficiency, support of service standards, and to keep pace with anticipated growth in material flow.
- E Transfer collection selection responsibility from staff to vendor through ARP (Automatic Release Plan) agreements - will support shift of workload from paperwork to outreach and improved proactive customer service.
- F Review of fine rates and fees for specialized services.
- G Start of payback associated with relocating Library Administration Centre from leased space to renovated lower level of Markham Village Library.



# Markham Public Libraries

## KEY PERFORMANCE INDICATORS<sup>1</sup>



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	37%	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	79%	N/A	N/A
Number of complaints	18	22	32	6
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 69.93	\$ 74.13	\$ 94.63	\$ 93.62
Gross cost per household	\$ 74.31	\$ 78.20	\$ 99.49	\$ 102.32
Gross cost per registered borrower	\$ 46.81	\$ 46.10	\$ 56.22	\$ 30.54
<b>OPERATIONAL EXCELLENCE</b>				
# of Households per FTE <sup>2</sup>	747	766	648	660
Total Service transactions per Household	51	54	74	N/A
Total Visits (in-person and electronic) per Household	30	32	46	N/A
Circulation per Household	36	37	55	28
Circulation per Circulation Staff FTE <sup>2</sup>	96,865	102,134	121,607	64,217
Information questions per Information Staff FTE <sup>2</sup>	18,702	18,897	14,108	N/A
Information questions per Household	6.8	6.7	6.6	N/A
Library Space (sq. ft.) per Household	1.3	1.7	1.6	1.6
Registered Borrowers as % of Population	59%	61%	60%	62%
Holdings per Household	8	9	9	N/A
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	1.5	1.0	0.7	N/A
Completion rate (%) for staff survey improvement	100%	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	66%	N/A	69%
Staff Satisfaction rating (from staff survey)	N/A	75%	N/A	74%
High Performance Workgroup rating (from staff survey)	N/A	76%	N/A	75%
Staff absenteeism (average # of days per employee)	7.8	7.8	9.7	4.6
Staff turnover rate	11%	6%	5%	0%

**NOTES:** <sup>1</sup> There might be discrepancies between indicators quoted in this document and that of other Library documents or comparisons due to differences in base assumptions such as population estimates, etc.

<sup>2</sup> The full-time equivalent (including full-time, part-time and other staff) was 91.1 in 2002, 92.7 in 2003, and 93.4 in 2004. The opening of the Angus Glen Library resulted in an upward spike in FTEs--in order to prevent a statistical skew, the Angus Glen FTEs are included only for the post-opening months, Nov and Dec.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Libraries

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
GRANTS AND SUBSIDIES	\$235,277	\$228,778	\$228,778	-	0.0%	(\$6,499)	-2.8%	
USER FEES & SERVICE CHARGES	449,823	495,229	540,529	45,300	9.1%	90,706	20.2%	
RENTALS	19,230	31,800	36,800	5,000	15.7%	17,570	91.4%	
SALES	42,768	45,800	51,500	5,700	12.4%	8,732	20.4%	
OTHER INCOME	25	10,000	-	(10,000)	0.0%	(25)	-100.0%	
<b>Total Revenues</b>	<b>\$747,123</b>	<b>\$811,607</b>	<b>\$857,607</b>	<b>\$46,000</b>	<b>5.7%</b>	<b>\$110,484</b>	<b>14.8%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,942,094	\$6,123,496	\$6,403,402	\$279,906	4.6%	\$461,308	7.8%	
PRINTING & OFFICE SUPPLIES	39,489	51,553	54,457	2,904	5.6%	14,968	37.9%	
OPERATING MATERIALS & SUPPLIES	2,034,854	2,051,778	2,072,784	21,006	1.0%	37,930	1.9%	
UTILITIES	46,481	91,181	102,505	11,324	12.4%	56,024	120.5%	
COMMUNICATIONS	113,175	102,843	102,843	-	0.0%	(10,332)	-9.1%	
TRAVEL EXPENSES	19,619	19,545	24,545	5,000	25.6%	4,926	25.1%	
TRAINING	22,231	18,817	18,817	-	0.0%	(3,414)	-15.4%	
CONTRACTS & SERVICE AGREEMENTS	17,481	31,600	39,933	8,333	26.4%	22,452	128.4%	
MAINT. & REPAIR-TIME/MATERIAL	72,139	133,612	157,429	23,817	17.8%	85,290	118.2%	
RENTAL/LEASE	301,857	304,378	304,378	-	0.0%	2,521	0.8%	
INSURANCE	11,963	11,963	11,963	-	0.0%	-	0.0%	
PROFESSIONAL SERVICES	46,914	40,619	54,305	13,686	33.7%	7,391	15.8%	
LICENCES, PERMITS, FEES	8,267	1,699	1,699	-	0.0%	(6,568)	-79.4%	
PROMOTION & ADVERTISING	14,597	30,254	30,254	-	0.0%	15,657	107.3%	
OTHER PURCHASED SERVICES	523,308	523,308	523,308	-	0.0%	-	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	3,378	8,010	8,010	-	0.0%	4,632	137.1%	
TRANSFER TO RESERVES	207,000	-	-	-	0.0%	(207,000)	-100.0%	
<b>Total Expenses</b>	<b>\$9,424,847</b>	<b>\$9,544,656</b>	<b>\$9,910,632</b>	<b>\$365,976</b>	<b>3.8%</b>	<b>\$485,785</b>	<b>5.2%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$8,677,724</b>	<b>\$8,733,049</b>	<b>\$9,053,025</b>	<b>\$319,976</b>	<b>3.7%</b>	<b>\$375,301</b>	<b>4.3%</b>	



# Asset Management

## Business Overview

### Mission Statement

The Asset Management Team develops and implements asset management strategic plans that address growth, risk management and sustainability. Our objective is to optimize the life cycle value and performance of assets while continuously improving service delivery and customer satisfaction. The AM Division has three key areas of responsibility. 1) Asset Management: conversion of infrastructure data, condition assessment and life cycle analysis. 2) Digital CAD and TIFF engineering drawing management and publication for staff and public. 3) Facility Management: Maintenance of 113 buildings totalling 1.6 million sq. ft. of built space.

### Asset Management is Meeting 2006 Objectives

Asset Management Division reports to the Asset Management Department in the Community & Fire Services Commission. In 2006, it had an approved net budget of \$1,346,420 and 9 full-time employees. \$266,481 in revenue was budgeted, resulting in a net budgeted cost per household of \$14.43 in 2006. The Asset Management Department is responsible for providing the following core services:

- 1) Asset Management strategic plan and Reserve Fund study input: Rehabilitation requirements & reserve funding levels defined & prepared for Finance Reserve Fund study presented to Council. Identified assets not inventoried or with missing information.
- 2) Data Conversion and Digital Data Compilation: Digitized and compiled attribute data for 40 kilometers (YTD) of new water, sanitary and storm networks. Managed digital engineering CAD and TIFF files for staff access. Sign maintenance and inventory capture using hand-held GPS.
- 3) Conduct linear infrastructure assessments: Hansen Pavement Management System installed and implemented using condition survey data obtained in 2005 to prioritize pavement rehabilitation requirements. Parking lots inventoried; condition & rehabilitation requirements to be completed. Waterworks benchmarking data compiled for National Water & Wastewater Benchmarking initiative.
- 4) Facility Management: Asset Management manages certain buildings within the current inventory of 120 facilities with the Markham Civic Centre as a key responsibility. Asset Management maintains all facility attributes, life cycle and building condition data using an Access database. Continue to comply with the latest requirements of the Safe Drinking Water Act at Cedar Grove and Victoria Square CC while addressing new sites at 7107 and 7181 Reesor Road. Completed various accommodation / space planning projects and capital improvement / replacement projects. Completed Phase One of the Building Condition Assessments and started Phase Two for 2006. Updated all Condition Assessment information into the Asset Management Life Cycle Database.
- 5) Civic Centre Corporate Customer Survey: The first Customer Survey for Civic Centre maintenance was completed with improvement areas to be discussed in 2007.
- 6) Performance Management: All Full time performance management processes completed for 2006 to date.
- 7) All Department cost centres and Capital projects meeting targeted budget amounts to date for 2006.
- 8) Corporate Accommodation Planning: Asset Management are positioned to support the Accommodation Strategic Plan being prepared by the Strategic Initiatives Department.

### Asset Management's Direction in 2007

- Establish a streamlined process for financial tracking and Project Management.
- Define procedures and processes to the Asset Management Facilities Life Cycle System.
- Design of digital standards for new assets.
- Street light and storm outfall condition survey.
- Reserve fund study update and preparation for PSAB requirements.
- Easement tracking system.

Service(s)	Customer(s)
Asset management of public works linear infrastructure and lifecycle assessment.	Civic Centre employees / visitors
Digital CAD and TIFF file storage and publication for staff and public.	Construction and Utilities Division (Waterworks, Capital Const.)
Facility maintenance of satellite community centres, fire stations and libraries.	Fire Services
Management of Markham Civic Centre facility.	Markham Public Libraries
Corporate facility programs (i.e. Roof replacement program)	Operations Division (Roads, Parks, Fleet)
	Recreation & Culture Services



# Asset Management

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Asset Management strategic plan and Reserve Fund study input.		✓
2 Data conversion and digital data compilation.	✓	
3 Conduct linear infrastructure assessments including management of participation of National Water Benchmarking initiative and implementation of Hansen Pavement Management System.	✓	
4 Civic Centre Accommodation Strategic Plan. Project assigned to CAO's office, undertake supporting role.	✓	
5 Completion and Execution of the Satellite Recreation Centres Policy Agreement.	✓	
6 Completion of the Civic Centre Satisfaction Survey.	✓	
7 Monitor and control department cost centres and relevant capital accounts.	✓	
8 Meet the process requirements identified for the Performance Management System.	✓	

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
9 Manage & Coordinate IT projects for Operations and Asset Management.		✓
10 Complete staff satisfaction survey improvements.		✓

## Operational Improvements

### Achieved in the Past 12 Months

A Streamlined use of GPS for sign maintenance history and inventory capture.
B Efficiencies in digitizing and attribute capture for new subdivision and site plan infrastructure.
C Lifecycle analysis of pavements using condition data, performance curves and maintenance decision trees.
D Review of Asset Management Life Cycle System for improved system requirements and performance.
E Increased Service Contract monitoring to increase efficiencies.

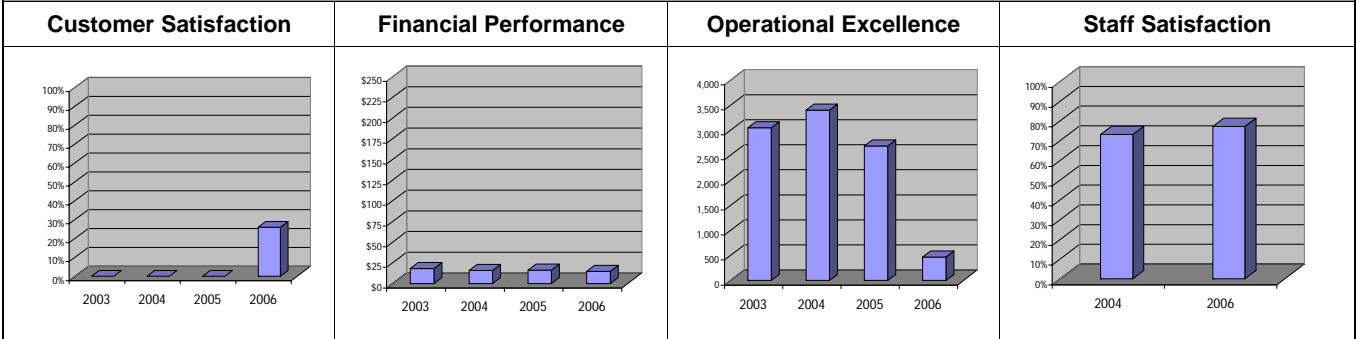
### Anticipated for the Next 12 Months

F System for easement and permit data capture and documentation.
G Increased use of handheld computing for work orders and inventory data collection.
H Automation of address point and street line maps and tables for digitizing backgrounds.
I System to capture ICI service connections and draft standards for Autocad layers for capital projects.



# Asset Management

## KEY PERFORMANCE INDICATORS



<b>Percentage of Customers Extremely Satisfied</b>	<b>Net Cost Per Household</b>	<b># of Work Orders Generated by Facility Centre</b>	<b>Staff Satisfaction Rating</b>	
--	-------------------------------	--	----------------------------------	--

	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	1
Percentage of customers extremely satisfied (service specific surveys)	N/A	N/A	N/A	26%
Percentage of customers satisfied (service specific surveys)	N/A	N/A	N/A	92%

<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 18.07	\$ 15.72	\$ 16.19	\$ 14.43
Net operating cost per gross sq.ft. of Civic Centre facility	\$ 6.56	\$ 6.68	\$ 6.74	\$ 6.74

<b>OPERATIONAL EXCELLENCE</b>				
Facility Maintenance - # of facilities maintained <sup>1</sup>	110	111	120	120
Estimated total value of public works assets (facilities/fleet/infrastructure)	N/A	N/A	\$2.7 billion	N/A
# of work orders generated by Facility Centre <sup>2</sup>	3,049	3,403	2,686	470
# of work orders generated by Hansen (excluding Waterworks)	3,650	2,106	2,608	3,484
# km of watermains and sewers digitized	50	125	74	40

<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	N/A	N/A
Average # of non-technical training sessions attended per employee	3.6	3.2	1.3	N/A
Completion rate (%) for staff survey improvement	100%	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	75%	N/A	64%
Staff Satisfaction rating (from staff survey)	N/A	73%	N/A	77%
High Performance Workgroup rating (from staff survey)	N/A	78%	N/A	78%
Staff absenteeism (average # of days per employee)	5.6	6.1	3.7	2.2
Staff turnover rate	0%	0%	0%	8%

**NOTES:**

<sup>1</sup> Number does not include 14 tennis clubhouse that have been constructed and maintained on Town property by third party tennis clubs. Number does include the Pomona Valley clubhouse owned by the Town.

<sup>2</sup> Includes work orders generated for the Civic Centre and at other facilities directly maintained by Asset Management. Lower number of work orders reflects elimination of meeting request work orders at the Civic Centre. Approx. 50 per week, 200 per month, 1,200 per half year.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Asset Management

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
RENTALS	\$100,923	\$109,081	\$118,904	\$9,823	9.0%	\$17,981	17.8%
SALES	2,228	-	-	-	0.0%	(2,228)	-100.0%
RECOVERIES & CONTRIBUTIONS	3,852	7,400	7,400	-	0.0%	3,548	92.1%
OTHER INCOME	171,263	150,000	150,000	-	0.0%	(21,263)	-12.4%
<b>Total Revenues</b>	<b>\$278,266</b>	<b>\$266,481</b>	<b>\$276,304</b>	<b>\$9,823</b>	<b>3.7%</b>	<b>(\$1,962)</b>	<b>-0.7%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$593,654	\$602,744	\$624,404	21660	3.6%	30750	5.2%
PRINTING & OFFICE SUPPLIES	109	-	-	-	0.0%	(109)	-100.0%
OPERATING MATERIALS & SUPPLIES	84,978	54,098	65,449	11351	0.0%	(19,529)	-23.0%
SMALL EQUIPMENT SUPPLIES	-	-	(97)	(97)	0.0%	(97)	0.0%
CONSTRUCTION MATERIALS	351	1,964	2,013	49	2.5%	1662	473.5%
UTILITIES	351,250	338,116	361,341	23225	6.9%	10091	2.9%
COMMUNICATIONS	2,640	2,878	3,450	572	19.9%	810	30.7%
CONTRACTS & SERVICE AGREEMENTS	428,751	418,978	517,117	98139	23.4%	88366	20.6%
MAINT. & REPAIR-TIME/MATERIAL	230,327	193,696	197,955	4259	2.2%	(32,372)	-14.1%
LICENCES, PERMITS, FEES	551	427	438	11	2.6%	(113)	-20.5%
<b>Total Expenses</b>	<b>\$1,692,611</b>	<b>\$1,612,901</b>	<b>\$1,772,070</b>	<b>\$159,169</b>	<b>9.9%</b>	<b>\$79,459</b>	<b>4.7%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,414,345</b>	<b>\$1,346,420</b>	<b>\$1,495,766</b>	<b>\$149,346</b>	<b>11.1%</b>	<b>\$81,421</b>	<b>5.8%</b>



# Utilities & Capital Works

## Business Overview

### Mission Statement

To provide technical and project management services to internal departments for new and replacement infrastructure in a cost effective, expeditious and technically sound manner.

There are 3 distinct and separate sections combined in this Business Unit Profile:

- 1) Utilities & Contracts; 2) Capital Works, Facilities; and 3) Capital Works, ROW.

### Utilities & Capital Works is Meeting 2006 Objectives

This business unit reports to the Asset Management Department in the Community & Fire Services Commission. In 2006, it had an approved net budget of \$2,669,086 (exclusive of capital) and 12 full-time employees. The net budgeted cost per household is \$28.61 in 2006.

This workgroup is responsible for providing the following core services:

- Utilities & Contracts - Maintaining streetlighting system. Recovering costs for Streetlighting Energy and Maintenance for unassumed subdivisions. Review, approval and inspection for Utility installations in assumed ROWs and MAA administration. Providing survey services to Town Departments. Work on Light Pollution Implementation Plan and Streetlighting Energy Efficiency review with MECO.
- Capital Works, Facilities - Providing project management services for the construction of new Town-owned facilities and additions and renovations of existing ones. The estimated value of projects managed in 2005 was \$9.5 million.
- Capital Works, ROW - Providing project management and technical services for municipal infrastructure projects. In 2006, this unit provided project management for: 12 water and sanitary sewer related projects; 6 bridges and culverts improvement projects; 3 intersection improvement projects; Settlers Park landfill site management project; and 3 miscellaneous project for Operations and Capital Facilities Departments.

### Utilities & Capital Works' Direction in 2007

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

- Utilities & Contracts:
  - Streetlighting-Energy Efficiency review (Standards and Materials) with MECO
  - Streetlighting- Inventory/condition analysis
  - Streetlighting-Maintenance Review with Powerstream
  - Streetlighting- Standards and approved Materials/work with Engineering to ensure they are finalized
  - Survey- Implement Total Station/Autocad for 2007 Capital Projects and document processes
  - Utilities-Review and document approval and inspection processes
- Capital Works, Facilities:
  - Issue and tender architect and construction contracts for the new Cornell Community Centre
  - Design Cornell and Cathedral Fire Stations and the Ward Building
  - Conduct Energy Audit, Condition Audit and Accessibility Audits
  - Update Accessibility Guidelines
  - Complete Markham Village Library Expansion
  - Coordinate Centennial GO Transit Parking Deck
- Capital Works, ROW:
  - Implementation of the bridges and culverts improvement program (Reesor Road, John Street, 1 Pedestrian Bridge, Detail Design for 2008 bridge/culvert construction)
  - Implementation of Watermain / Sanitary Sewer project from Waterworks Department
  - Implementation of Don Mills Ditch (Woodbine Avenue Storm System) Rehabilitation
  - Implementation of Bullock Drive / McCowan Intersection improvement associated with Centennial GO Parking Structure

Service(s)	Customer(s)
Bridges assessment	Markham residents
Capital project management, including Town facilities and municipal infrastructure (roads, water, sewers, bridges, etc.)	Departments, namely Fire & Emergency Services, Legal Services, Markham Public Libraries, Operations & Asset Management, Recreation & Culture Services, Waterworks
Contract administration	Utility Groups
Streetlighting	Surveyors
Survey	
Utility approvals	



# Utilities & Capital Works

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 ROW - Implement Phase I of Markham Main Street project (16th / Markham Intersection).		✓
2 ROW - Update and improve bridges and culvert improvement program.		✓
3 ROW - Settlers Park - design and implement aerobic landfill technology.		✓
4 Utilities- Municipal Access and Communication Pole Agreements execution and fee By-Law update as required.		✓
5 Utilities - Review of Streetlight Maintenance Contract with PowerStream 2007.		✓
6 Utilities - Survey Group training/staffing upgrades for Total Station /AutoCad.	✓	
7 Utilities-Hansen data collection for streetlighting(Not funded for 2006)-Requested for 2007.		✓
8 Utilities-Light Pollution: a) public awareness Program; b)energy conservation review for streetlighting; and c)Facilities Implementation Strategy.		✓
10 Facilities - Develop an energy conservation/sustainability strategy for Town owned buildings.		✓
11 Facilities - Complete Civic Centre Improvement Projects.		✓
12 Facilities - Complete various building audits.		✓
13 Facilities - Complete construction of major building projects.		✓
14 Complete staff satisfaction survey improvements.		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
15 Utilities-update of Tracking and billing programs for Energy/Maintenance recoveries from developers and Utility approval permits/inspections to Access program.	✓	
16 Facilities - Hiring Project Manager for East (Cornell) Community Centre.	✓	
17 ROW - Implement Phase V (Highway 7) of Markham Main Street project. <b>(On-Hold due to up-coming EA)</b>		

## Operational Improvements

### Achieved in the Past 12 Months

A Utilities-update of Tracking and Billing programs for Energy/Maintenance recoveries from developers and Utility approval permits/inspections to Access programs.
B Utilities-Cost Recovery for Administration of Streetlighting Energy and Maintenance Recoveries from Unassumed subdivisions (\$30,000/year).
C Utilities- Survey Total Station/Autocad training and implementation on Town Capital projects /reduces external consulting costs.
D Utilities- Streetlighting Energy Conservation review with MECO.
E ROW - Initiated in-house capacity to perform design project for small scale projects (such as watermains and parking lots).
F Facilities - Accessibility Guidelines drafted for Council approval by year end.

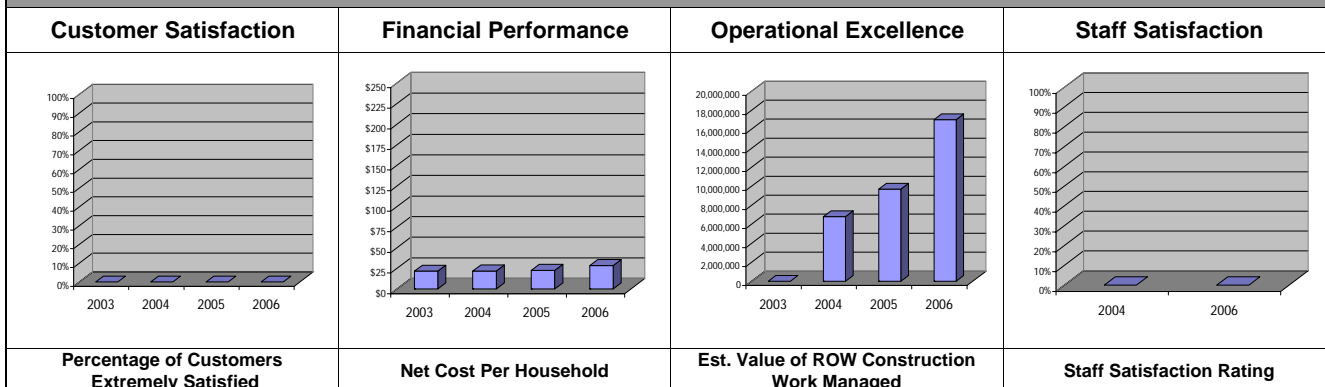
### Anticipated for the Next 12 Months

G Utilities- Streetlighting Inventory for Life Cycle review /input, Implementation of Streetlighting Energy conservation plan.
H Utilities-Survey Group and Utility Inspector to take on additional responsibilities for Capital Projects.
I ROW - Additional services from this Group required due aging of infrastructure. Will increase efficiency by integrating work with other Asset Management sections.
J ROW - Utilize in-house design capacity to provide better support to other department at a lower cost to the Town.
K ROW - Initiate detailed resource tracking for projects in order to better measure Town costs, and to identify potential for improvement.
L ROW - Issue tender at strategic times of the year to obtain optimal (best valued) construction pricing.



# Utilities & Capital Works

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 21.70	\$ 21.73	\$ 22.62	\$ 28.61
Streetlighting costs per light standard	\$ 120.00	\$ 108.00	\$ 95.00	\$117/Est.
Amount of Utility Section Fees Collected	\$ 111,037	\$ 161,501	\$ 144,000	\$100,000/Est.
Estimated value of construction projects managed - ROW	N/A	\$6.8 million	\$9.7 million	\$17 million
Est. value of construction & renovation projects managed - Facilities	N/A	\$12.5 million	\$9.5 million	N/A
<b>OPERATIONAL EXCELLENCE</b>				
# of Committee & CAO reports authored	9	9	19	12
# of survey requests	N/A	388	384	400/Est.
# of capital right-of-way projects completed (CONSTRUCTION ONLY)	0	3	5	9
# of new Street lights	932	368	893	1000/Est.
# of utility permits issued (*revised permit tracking in 2005)	241	198	2717*	2500/Est.
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	1.5	3.3	1.0	N/A
Completion rate (%) for staff survey improvement	N/A	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	N/A	N/A	N/A
Staff Satisfaction rating (from staff survey)	N/A	N/A	N/A	N/A
High Performance Workgroup rating (from staff survey)	N/A	65%	N/A	N/A
Staff absenteeism (average # of days per employee) <sup>1</sup>	2.7	14.3	0.6	1.2
Staff turnover rate	0%	0%	9%	0%

NOTES: <sup>1</sup> 2004 figure is higher due to occurrence of extended sick leave.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Utilities & Capital Works

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
USER FEES & SERVICE CHARGES	\$89,800	\$50,000	\$50,000	-	0.0%	(\$39,800)	-44.3%	
SALES	406	2,000	2,000	-	0.0%	1,594	392.6%	
RECOVERIES & CONTRIBUTIONS	95,089	50,000	80,000	30,000	60.0%	(15,089)	-15.9%	
<b>Total Revenues</b>	<b>\$185,295</b>	<b>\$102,000</b>	<b>\$132,000</b>	<b>\$30,000</b>	<b>29.4%</b>	<b>(\$53,295)</b>	<b>-28.8%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$794,792	\$787,019	\$801,039	\$14,020	1.8%	\$6,247	0.8%	
PRINTING & OFFICE SUPPLIES	-	5,340	5,340	-	0.0%	5,340	0.0%	
OPERATING MATERIALS & SUPPLIES	6,509	2,054	2,054	-	0.0%	(4,455)	-68.4%	
TRAVEL EXPENSE	14	-	-	-	0.0%	(14)	-100.0%	
CONTRACTS & SERVICE AGREEMENTS	(56,317)	(56,317)	(56,317)	-	0.0%	-	0.0%	
MAINT. & REPAIR-TIME/MATERIAL	587,874	798,058	838,058	40,000	5.0%	250,184	42.6%	
PROFESSIONAL SERVICES	9,156	23,932	23,932	-	0.0%	14,776	161.4%	
LICENCES, PERMITS, FEES	3	-	-	-	0.0%	(3)	-100.0%	
CONTRACTED MUNICIPAL SERVICES	897,326	1,211,000	1,313,000	102,000	8.4%	415,674	46.3%	
OFFICE FURNISHING & EQUIPMENT	302	-	-	-	0.0%	(302)	-100.0%	
<b>Total Expenses</b>	<b>\$2,239,659</b>	<b>\$2,771,086</b>	<b>\$2,927,106</b>	<b>\$156,020</b>	<b>5.6%</b>	<b>\$687,447</b>	<b>30.7%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$2,054,364</b>	<b>\$2,669,086</b>	<b>\$2,795,106</b>	<b>\$126,020</b>	<b>4.7%</b>	<b>\$740,742</b>	<b>36.1%</b>	

# Operations

## Business Overview

### Mission Statement

We deliver safe, high quality, and affordable services through leadership and sensitivity to the community and the environment. We foster an atmosphere for continuous improvement through interactions with our customers and benchmarking with our colleagues to meet the demands of our growing community.

### Operations is Meeting 2006 Service Levels

The Operations Division reports to the Operations Department in the Community & Fire Services Commission. In 2006, it had an approved net budget of \$16,860,001 and 100 full-time employees. \$1,004,776 in revenue was budgeted, resulting in a net budgeted cost per household of \$169.96 in 2006.

Operations Division is responsible for providing the following core services:

- **Fleet Maintenance** - In 2005, 192 licensed units and 401 unlicensed units were maintained. In 2006, 209 licensed units and 437 unlicensed units were maintained, an overall 9% unit maintenance growth. In 2005, 2,265 Fleet work orders were processed. In 2006, an estimated 2,350 work orders will be processed, representing a potential 4% increase. In 2005, 3,803 Fleet stockroom transactions were carried out.
- **Parks Maintenance & Horticulture** - In 2006, this group maintained approximately 782 hectares of parkland and school fields (up 2.5% from 05). The current tree inventory is 284,200 an increase of 1,200 trees over 2005. Prepared 7 Adopt-a-Park projects and 9 Colour Your Corner Projects. The Horticulture section coordinated and maintained a Town-wide 2,102 unit barrel and basket program.
- **Roads Maintenance** - In 2006, the Roads group maintained 1,879 lane kilometres of road (up 6% from 05). 89.0% of paved roads were rated as 'good condition' or higher in 2006. 100% of all winter responses in 2005 met or exceeded road maintenance standards. The Roads group maintained 576 km's of sidewalk, 683 km's of storm sewer and 16,600 traffic signs in 2005. In 2005, 28 km's of road underwent rehabilitation and preservation extending pavement lifecycle.
- **Business & Technical Services** - Implemented Operations Department Re-org and associated staffing plan. Realized a 2.4% favourable 2005 variance on a 14.5M annual operating budget. Coordinated 41 Adopt-a-Park projects (up from 34 or 21% in 05) and 14 Colour Your Corner Projects (up from 5 or 180% in 05). Implemented commitment accounting. Administered Windrow Removal Program in partnership with the Contact Centre to 1,302 residents. Administered 8,667 Roads / Parks service requests. Processed 2,414 GSO/Cheque Requisitions, 3,735 AMEX transactions.

### Operations' Initiatives in 2007

<b>Environmental Focus</b>	<ul style="list-style-type: none"> <li>• Continue Implementation of Green Fleet Transition Plan</li> <li>• Implementation of New Turf Maintenance Standards</li> <li>• Implementation of 2006/2007 Salt Management Plan</li> </ul>
<b>Infrastructure Management</b>	<ul style="list-style-type: none"> <li>• Concrete Fence Replacement Program</li> <li>• New Sports Fields Review (incl. Seneca site)</li> <li>• Implementation of Public Drinking Fountains Plan</li> </ul>
<b>Organizational Excellence</b>	<ul style="list-style-type: none"> <li>• Public Works Facility, Master Plan Phase II</li> <li>• AVL (Automatic Vehicle Location) Program for Corporate Fleet</li> <li>• Staff Training &amp; Development / Succession Planning</li> <li>• Staff Satisfaction Improvement Projects</li> <li>• Customer Service Survey / Improvements</li> </ul>
<b>Fiscal Stewardship</b>	<ul style="list-style-type: none"> <li>• Reserve Fund Study Update</li> <li>• Implementation of Job Costing System / Process</li> </ul>

Service(s)	Customer(s)
Development review by Technical Services	Mayor & Members of Council
Drainage - streams, channels, stormwater mgmt, etc.	Development Services Commission
Fleet Management - repair and replacement / inventory control	Corporate Services Commission
Horticulture and forestry services	Town businesses
Parks, sports fields and facility property maintenance	Town residents
Roads - asphalt repair, winter control, traffic systems, special events	Special Events Groups/Coord.



# Operations

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Public Drinking Fountains Policy.		✓
2 Introduction of Automatic Vehicle Locators (AVL's) Pilot Project for Corporate Fleet (IT project).	✓	
3 Dog off Leash Policy and Program - Report to Council in Jan/06 - further information requested and submitted to Council in May/06.	✓	
4 Corporate Operator/Driver Permits (training/testing to operate Town vehicles and equipment).		✓
5 Completed 2005/2006 Salt Management Plan.	✓	
6 Communities In Bloom - National Competition.	✓	
7 Concrete Fence Replacement Program.		✓
8 Job Costing System (Design Complete, Implementation 2007).		✓
9 Customer Satisfaction Surveys.		✓
10 Complete staff satisfaction survey improvements.		✓
11 Implementation of Green Fleet Transition Plan (Anticipated Completion March 2007).		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
12 Turf Maintenance Standards Phase II & III.		✓
13 Public Works Facility Master Plan Phase I.	✓	
14 York Region District School Board Shared Sports Fields Agreement.	✓	
15 Tree Preservation By-Law Review.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

**Environmental Focus / Fiscal Stewardship:**

- Traffic Signal L.E.D. Conversion Program
- Implemented Anti-idling Campaign

**Organizational Excellence:**

- Operations Restructuring, Implemented District Model, Improved Customer Service, Utilization of Resources
- Job Description / Training Matrix Completed for Outside Staff

**Fiscal Stewardship:**

- Commitment Accounting
- Reserve Fund Study Updates

### Anticipated for the Next 12 Months

**Infrastructure Management :**

- Storm Sewer Data Collection & Condition Assessment

**Organizational Excellence:**

- Training Matrix for Inside Staff (Personal Development Plans & Succession Planning)
- Fleet Maintenance Staff Training Program (Web-based Manuals & Programs)
- Documented Service Standards & Key Performance Indicators

**Fiscal Stewardship:**

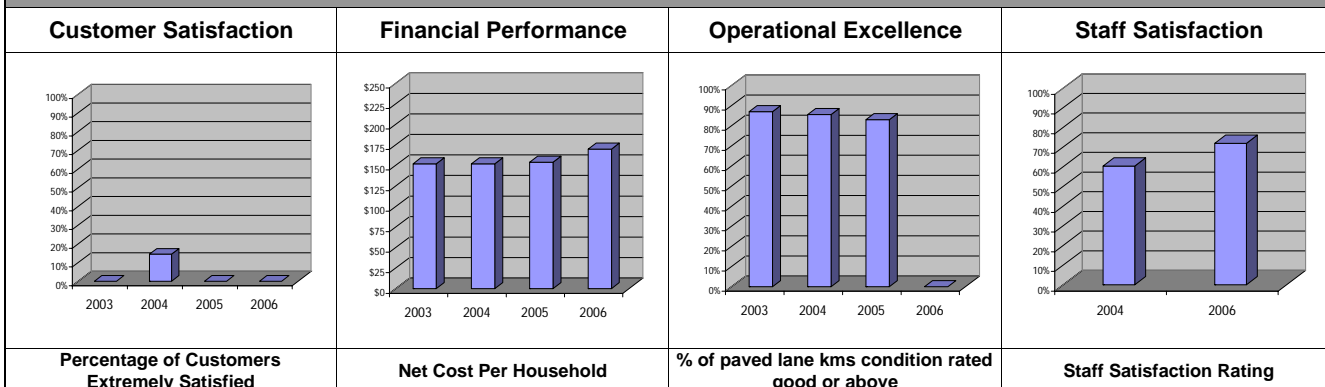
- Streamlined / Improved Financial Processes
- Job Costing System Implementation
- Reserve Fund Study Data Collection & Refinement, Continued Condition Assessments





# Operations

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	15%	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	74%	N/A	N/A
Number of work order/requests	4,332	7,835	4,468	N/A
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 151.99	\$ 152.03	\$ 154.04	\$ 169.96
Cost per hectare of parks maintained <sup>1</sup>	\$ 6,270.42	\$ 6,758.00	\$ 7,069.00	\$ 7,589.00
Cost per tree maintained	\$ 2.69	\$ 2.87	\$ 3.15	\$ 3.37
Operating cost for paved roads per lane kilometre (MPMP) <sup>2</sup>	\$ 612.20	\$ 688.75	\$ 616.82	N/A
Operating costs of road winter maintenance per lane kilometre maintained (MPMP) <sup>2</sup>	\$ 2,776.69	\$ 3,691.43	\$ 3,565.92	N/A
<b>OPERATIONAL EXCELLENCE</b>				
Hectares of park per 100,000 population	284	274	344	N/A
Parkland hectares as % of total hectares in municipality <sup>3</sup>	3.2%	3.2%	3.6%	N/A
% of paved lane kms where condition is rated good or above (MPMP) <sup>2</sup>	87%	86%	83%	N/A
% of winter responses that meet or exceed road maintenance standards (MPMP) <sup>2</sup>	100%	100%	100%	N/A
Number of work orders completed per division/mechanic	2207 / 315	2389 / 311	2,265/ 323	N/A
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	N/A	N/A
Average # of non-technical training sessions attended per employee	0.7	1.0	18.3	N/A
Completion rate (%) for staff survey improvement	100%	n/a	100%	N/A
Recognition rating (from staff survey)	N/A	57%	N/A	64%
Staff Satisfaction rating (from staff survey)	N/A	60%	N/A	72%
High Performance Workgroup rating (from staff survey)	N/A	70%	N/A	73%
Staff absenteeism (average # of days per employee)	5.5	8.7	4.3	3.8
Staff turnover rate	2%	2%	0%	3%

NOTES: <sup>1</sup> 782 hectares Parkland; increased cost due to CIB funding.  
<sup>2</sup> MPMP refers to the provincial Municipal Performance Measurement Program. Some of the 2005 data not available until May  
<sup>3</sup> Total hectares in municipality - 21,200

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Operations

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
RENTALS	\$178,853	\$130,000	\$167,000	\$37,000	28.5%	(\$11,853)	-6.6%
SALES	84,590	65,000	85,000	20,000	30.8%	410	0.5%
RECOVERIES & CONTRIBUTIONS	583,268	346,500	526,500	180,000	51.9%	(56,768)	-9.7%
OTHER INCOME	315,649	463,276	469,776	6,500	1.4%	154,127	48.8%
<b>Total Revenues</b>	<b>\$1,162,360</b>	<b>\$1,004,776</b>	<b>\$1,248,276</b>	<b>\$243,500</b>	<b>24.2%</b>	<b>\$85,916</b>	<b>7.4%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$8,694,180	\$8,902,372	\$9,096,992	\$194,620	2.2%	\$402,812	4.6%
PRINTING & OFFICE SUPPLIES	1,405	1,000	1,000	-	0.0%	(405)	-28.8%
PURCHASES FOR RESALE	3,082	-	-	-	0.0%	(3,082)	-100.0%
OPERATING MATERIALS & SUPPLIES	99,040	108,738	157,698	48,960	45.0%	58,658	59.2%
VEHICLE SUPPLIES	1,162,650	923,742	1,066,427	142,685	15.4%	(96,223)	-8.3%
SMALL EQUIPMENT SUPPLIES	14,566	13,591	13,688	97	0.7%	(878)	-6.0%
BOTANICAL SUPPLIES	354,334	357,827	361,919	4,092	1.1%	7,585	2.1%
CONSTRUCTION MATERIALS	656,481	1,033,603	1,218,083	184,480	17.8%	561,602	85.5%
INVENTORY ADJUSTMENTS	15,901	-	-	-	0.0%	(15,901)	-100.0%
UTILITIES	243,303	292,946	281,133	(11,813)	-4.0%	37,830	15.5%
COMMUNICATIONS	16,759	17,974	18,889	915	5.1%	2,130	12.7%
TRAINING	264	-	-	-	0.0%	(264)	-100.0%
CONTRACTS & SERVICE AGREEMENTS	3,432,662	3,809,184	3,993,551	184,367	4.8%	560,889	16.3%
MAINT. & REPAIR-TIME/MATERIAL	845,051	927,538	1,323,163	395,625	42.7%	478,112	56.6%
RENTAL/LEASE	231,420	261,511	299,947	38,436	14.7%	68,527	29.6%
PROFESSIONAL SERVICES	11,113	8,956	8,956	-	0.0%	(2,157)	-19.4%
LICENCES, PERMITS, FEES	236,255	248,178	271,362	23,184	9.3%	35,107	14.9%
PROMOTION & ADVERTISING	54	10,012	10,012	-	0.0%	9,958	18440.7%
OTHER PURCHASED SERVICES	(63,371)	(42,965)	(63,371)	(20,406)	47.5%	-	0.0%
OTHER EXPENDITURES	6,737	6,200	6,200	-	0.0%	(537)	-8.0%
<b>Total Expenses</b>	<b>\$15,961,886</b>	<b>\$16,880,407</b>	<b>\$18,065,649</b>	<b>\$1,185,242</b>	<b>7.0%</b>	<b>\$2,103,763</b>	<b>13.2%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$14,799,526</b>	<b>\$15,875,631</b>	<b>\$16,817,373</b>	<b>\$941,742</b>	<b>5.9%</b>	<b>\$2,017,847</b>	<b>13.6%</b>

# Waste Management

## Business Overview

### Mission Statement

To provide responsible waste management services for our community. We do this by providing efficient and effective collection services while developing and promoting innovative waste reduction programs.

### Waste Management is Meeting 2006 Service Levels

Waste Management reports to the Operations Department in the Community & Fire Services Commission. In 2006, it had an approved net budget of \$6,485,628 and 4 full-time staff. \$571,109 of revenue has been budgeted, resulting in a net budgeted cost per household of \$69.52. The major objective for 2006 was the implementation of Mission Green to Markham's multi-residential residents and the expansion of Mission Green@Work to all Town facilities.

- Waste Collection - Services provided to 74,629 households in 2006, an increase of 1,573 from 2005. Continued to administer the collection contract, respond to customer requests, and establish and enforce policies and by-laws related to waste.
- Recycling Collection - Services provided to 74,629 households in 2006, 4 year-round recycling depots, and special events. The waste diversion rate is 68% in 2006, an increase from 52% in 2005. In 2006, Mission Green was introduced to high-rise multi-residential residents in the form of an expanded recycling program which matches the single family blue box program. For its Home Composting Program, Waste Management sold about 300 home composters through its recycling depots.
- Public Education and Program Planning - Proactive program and policy planning are key to the Town's success in waste diversion. In 2006, completed one collection calendar, distributed 2 newsletters, attended 7 fairs and festivals and made 12 presentations to schools and community groups.

### Waste Management's Initiatives in 2007

- Achieve 70% waste diversion with addition of multi-residential expanded recycling
- Continue to expand Mission Green @ Work to all Town facilities
- Manage a pilot litter recycling program at Community Mail Boxes
- Implement Shopping Cart By-Law
- Pilot project: to test clear garbage bags and a "litter lid" for blue boxes
- Continue Special Events recycling and organics program
- Expand education and awareness with development of E-newsletter
- Implement an inventory control system for all items sold by the Department
- Study recycling in parks

Service(s)	Customer(s)
Collection services: garbage, recycling, yard waste, organics and special events collection services; Recycling depot management Waste Management Inspections and Enforcement	Markham residents Markham businesses
Monthly scrap metal / large appliance collection	School and community groups
Public Education Program-development of newsletters, brochures, fact sheets, web page, video, Environment Book on waste management	Developers
Blue Box, home composter, and green bin distribution	Development Services Commission
Site Plan & Development Agreement review	



# Waste Management

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Implement a Litter Prevention Strategy with focus on Community Mailbox recycling pilot.		✓
2 Develop a waste management strategy for Markham Centre (ongoing - initial phase complete).	✓	
3 Implement Expanded Recycling to apartment and condominiums.		✓
4 Expand Mission Green @ Work to all Town facilities (multi-year - completed 5 facilities in 2006).		✓
5 Continue 3-Stream education program to all residents.		✓
6 Complete staff satisfaction survey improvements.		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
7 Introduce new Shopping Cart By-Law to prevent abandonment of shopping carts on public/private property.		✓
8 Expand partnership with Goodwill Industries to east end of Town.		✓
9 Research project to study effectiveness of clear garbage bags on increased diversion.		✓
10 Research project to study effectiveness of blue box lid on controlling litter.		✓
11 Special Event recycling - ongoing.		✓

## Operational Improvements

### Achieved in the Past 12 Months

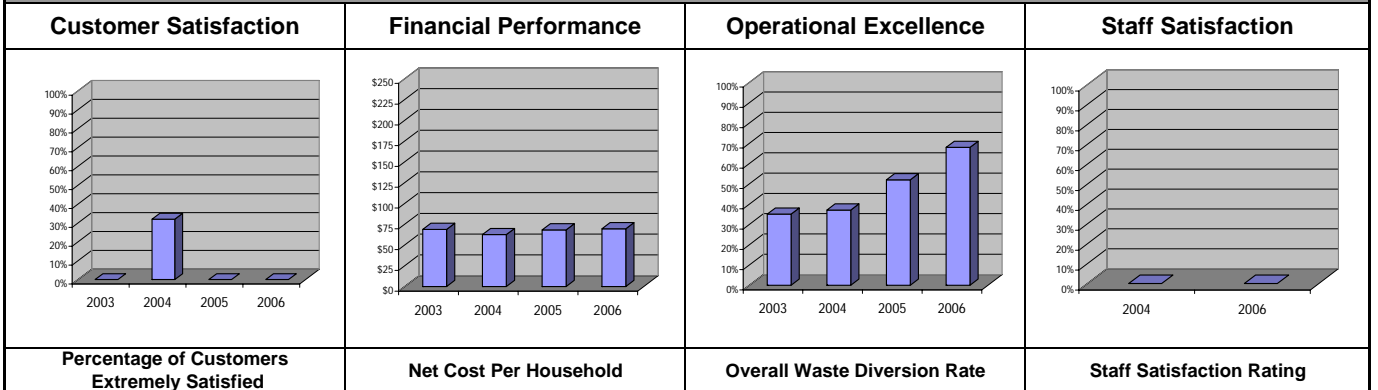
A Waste diversion rate increased from 52% in 2005 to 68% in 2006.
B Additional 304 tonnes of reusable items diverted from landfill to June 2006 at no cost to Town due to new partnership with Goodwill Industries.
C Online resident address search tool was launched.
D Mission Green @ Work expanded to Old Thornhill Library, Heinzman House, Art Gallery, Warden House, 20 Water Street.
E Completed study and planning phase of 3-Stream Phase 3 - Multi-residential recycling.
F Tested organics collection at 3 special events (Ribfest, Markham festival, Unionville festival).

### Anticipated for the Next 12 Months

G Achieve 70% waste diversion with addition of multi-residential expanded recycling.
H Litter significantly reduced at 35 Canada Post Community Mailboxes.
I Marketable recyclables/organics collected from 2 major festivals.
J 645 additional tonnes of material recycled from multi-residential high-rise buildings.
K Mission Green @ Work expanded to all Town facilities.
L Pilot project to study clear garbage bags and blue box lids will be started.

# Waste Management

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	32%	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	70%	N/A	N/A
Number of service requests	4,037	1,621	5,587	2,988
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 68.67	\$ 62.48	\$ 68.09	\$ 69.52
Operating cost for waste collection per tonne (MPMP) <sup>1</sup>	\$ 57.03	\$ 57.35	\$ 80.37	N/A
Operating cost for waste diversion per tonne (MPMP) <sup>1</sup>	\$ 142.80	\$ 135.71	\$ 102.88	N/A
Average cost for waste management - integrated (MPMP) <sup>1</sup>	\$ 88.95	\$ 86.40	\$ 93.86	N/A
<b>OPERATIONAL EXCELLENCE</b>				
Overall waste diversion rate (MPMP) <sup>1</sup>	35.1%	37.1%	52.0%	68.0%
# of waste pick-ups per week	67,050	70,050	73,056	74,629
# visits to recycling depots per year	31,719	43,507	44,232	32,264
# of recycling pickups per week	67,245	70,050	73,056	74,629
# of white goods pickups per month	477	125	648	602
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	1.3	2.8	16.5	N/A
Completion rate (%) for staff survey improvement	100%	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	N/A	N/A	N/A
Staff Satisfaction rating (from staff survey)	N/A	N/A	N/A	N/A
High Performance Workgroup rating (from staff survey)	N/A	N/A	N/A	N/A
Staff absenteeism (average # of days per employee)	2.8	3.3	2.5	2.4
Staff turnover rate	0%	0%	0%	0%

NOTES: <sup>1</sup> MPMP refers to the provincial Municipal Performance Measurement Program.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Waste

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b><u>Revenue</u></b>							
GRANTS AND SUBSIDIES	\$430,335	\$457,609	\$357,609	(\$100,000)	-21.9%	(\$72,726)	-16.9%
USER FEES & SERVICE CHARGES	40,929	50,000	50,000	-	0.0%	9,071	22.2%
SALES	94,864	63,500	118,500	55,000	86.6%	23,636	24.9%
OTHER INCOME	-	-	30,000	30,000	0.0%	30,000	0.0%
<b>Total Revenues</b>	<b>\$566,128</b>	<b>\$571,109</b>	<b>\$556,109</b>	<b>(\$15,000)</b>	<b>-2.6%</b>	<b>(\$10,019)</b>	<b>-1.8%</b>
<b><u>Expenses</u></b>							
SALARIES AND BENEFITS	\$459,097	\$428,911	\$457,902	\$28,991	6.8%	(\$1,195)	-0.3%
PRINTING & OFFICE SUPPLIES	20,565	17,476	17,476	-	0.0%	(3,089)	-15.0%
PURCHASES FOR RESALE	122,092	38,835	93,835	55,000	141.6%	(28,257)	-23.1%
OPERATING MATERIALS & SUPPLIES	5,993	2,622	2,622	-	0.0%	(3,371)	-56.2%
UTILITIES	2,043	1,864	1,758	(106)	-5.7%	(285)	-14.0%
COMMUNICATIONS	1,055	1,805	2,305	500	27.7%	1,250	118.5%
TRAVEL EXPENSES	488	-	-	-	0.0%	(488)	-100.0%
TRAINING	141	-	-	-	0.0%	(141)	-100.0%
MAINT. & REPAIR-TIME/MATERIAL	3,529	3,635	3,635	-	0.0%	106	3.0%
RENTAL/LEASE	2,112	981	981	-	0.0%	(1,131)	-53.6%
PROFESSIONAL SERVICES	29,483	26,214	26,214	-	0.0%	(3,269)	-11.1%
LICENCES, PERMITS, FEES	1,853	-	-	-	0.0%	(1,853)	-100.0%
CREDIT CARD SERVICES CHARGES	-	-	1,737	1,737	0.0%	1,737	0.0%
PROMOTION & ADVERTISING	122,532	107,219	107,219	-	0.0%	(15,313)	-12.5%
CONTRACTED MUNICIPAL SERVICES	6,758,305	6,427,175	7,081,389	654,214	10.2%	323,084	4.8%
<b>Total Expenses</b>	<b>\$7,529,288</b>	<b>\$7,056,737</b>	<b>\$7,797,073</b>	<b>\$740,336</b>	<b>10.5%</b>	<b>\$267,785</b>	<b>3.6%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$6,963,160</b>	<b>\$6,485,628</b>	<b>\$7,240,964</b>	<b>\$755,336</b>	<b>11.6%</b>	<b>\$277,804</b>	<b>4.0%</b>



# Waterworks

## Business Overview

### Mission Statement

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

### Waterworks is Meeting 2006 Objectives

Waterworks is a division of the Operations Department in the Community & Fire Services Commission. In 2006, it had an approved balanced budget of \$48.6 million and 52 full-time employees. Expenditures are fully funded from the sale of water to municipal users and the average cost per household in 2006 was \$650.71. Waterworks is independently funded through water fees and it is the general corporate practice to segregate the operating budget numbers from other departments.

- Operations & Maintenance - The O&M Section has improved the service level standard for sanitary sewer maintenance from a 10 year cycle to a 5-7 year cycle. Significant improvements that will be implemented by year end to enhance service capabilities and service levels include: 1) Major equipment purchases, including sewer flusher truck and sewer inspection camera; 2) Valve and fire hydrant maintenance in the water system; 3) Emergency Preparedness of the systems; 4) Completed staffing plan and reorganization of staff into work groups based on job function; and 5) cross-training of Operators.
- Training Section - Improved training for Waterworks Operators that is fully compliant with regulation changes, meeting training and certification requirements and successful in the removal of 'grandparented' certifications.
- System Engineering - System Engineering has purchased and developed (by year end) a water distribution system hydraulic model. The water quality component will be completed in 2007. Assessments were completed for the following projects with implementation starting in 2007: 1) A modeling tool for the sanitary collection system; 2) A water quality record management system; and 3) A pilot district management area (DMA) system. A specialized consultant has been hired to assist and develop best practices. A pilot project initiated in 2006 will result in a system wide implementation strategy in 2007. A needs assessment for a SCADA system with wireless data acquisition is currently underway with component testing and development of a Waterworks SCADA strategy planned for 2007.
- Information Management System - This section enables the work of other sections by managing the customer service program in the areas of call response, call dispatch, and work order generation, tracking, and reporting. Other key functions include: 1) Support/ facilitate best practices, systems and technology requirements; 2) Provide budget preparation and financial tracking support; 3) Provide quality management system information base; and 4) Generate reports for other divisions.
- Infrastructure Section - This section looks after the planning, administration and management of the Waterworks capital budget and the infrastructure service life and lifecycle. Major programs and projects include: 1) Completed \$2.62M watermain renewal and rehabilitation; 2) \$1.3M sanitary sewer and lateral rehabilitation program ongoing and scheduled to be completed Spring 2007; 3) 5.9 km. Milliken sanitary trunk sewer inspection with zoom camera completed; 4) Pilot project for the installation of District Metering Areas (DMA) is in progress; and 5) Pilot project for the installation of Automated Meter Reading (AMR) is underway.
- Other Initiatives - Work undertaken in 2006 include: 1) Preparation for SDWA Quality Management System (QMS); 2) Hansen upgrades; 3) Needs assessment for Data Acquisition, Repository and Tracking Strategy (DARTS); 4) Mobile Work Management pilot; 5) Hansen Activity and Problem Codes management; 6) Condition assessment of sanitary sewer and water distribution system infrastructure; and 7) Improvements to the Woodbine Avenue sanitary sewer siphons.

### Waterworks' Direction in 2007

- Operations & Maintenance - 1) Increase service levels for sanitary sewer maintenance; 2) Improve service levels for water system maintenance; and 3) Complete Operating Plan and Emergency Preparedness Plan.
- Training Section - Implement training model Phase 2 and 3.
- System Engineering - 1) Implement a water quality record management system; 2) Increase water system service levels, including development and calibration of Town wide water system model, completion of DMA Pilot testing project, and implementation of Water Trax system; 3) Increase sanitary sewer system service levels, including development of sanitary system hydraulic model; 4) Increase water and sanitary service levels through SCADA system needs assessment & strategic planning; and 5) Cross-connection source investigation and development of risk categories.
- Information Management System - 1) Develop and implement Data Quality Assurance (DQA) strategy; 2) Complete review of Mobile Work Management System (MWMS) prototype deployment; 3) GIS link to CCTV inspection video; 4) Expand use of GPS for asset tracking; 5) Implement Data Acquisition, Repository and Tracking Strategy (DARTS); and 6) Hansen version 8 acquisition.
- Infrastructure Section - 1) Develop a 2-year detailed capital water and wastewater infrastructure replacement and rehabilitation plan; and 2) infrastructure life span, lifecycle cost and replacement cost forecast, including capital funding and reserves analysis for rate setting.

Service(s)	Customer(s)
Water distribution system operations Wastewater collection system operations Respond to customer needs Development review and support	<u>Primary</u> • Town businesses • Town residents <u>Secondary</u> • Development Services Commission

# Waterworks

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Increase service level standard for inspection and maintenance of sanitary sewers and pumping stations.	✓	
2 Emergency Planning - Improve emergency preparedness and operational control and a Waterworks specific plan.		✓
3 Enhance training for Waterworks Operators.	✓	
4 Research & Identify Training Records Management Software & Staff Profiling.		✓
5 Public Awareness Projects: 1) Research & Identify Water/Wastewater Public Awareness Program; and Water Watch newsletter - Spring & Fall issues.		✓
6 Development of tracking system database for Sanitary Sewer By-law compliance and of Cross-Connection Control/Backflow Prevention tracking database initiated and development of project delivery plans.		✓
7 Needs assessment and purchase of Water quality records management system.		✓
8 Development of SMA/DMA pilot project plan, hiring of instrumentation engineer, hiring of expert consultant, project planning, initial implementation.		✓
9 Sanitary sewer system hydraulic model assessment and purchase.		✓
10 "C" Factor testing for water distribution system hydraulic model calibration.		✓
11 SCADA system needs assessment initiated.		✓
12 Water Quality reports (annual customer report & MOE report submission).	✓	
13 SDWA Quality Management System Implementation (standardized functional charts layout for all WW groups).		✓
14 Benchmarking Water & Wastewater system.		✓
15 Waterworks intranet.	✓	
16 Acquire Hansen Advanced Inventory module.	✓	
17 DARTS (current and future data requirements, database inventory, and initial assessment).		✓
18 MWMS (set up ITS test environment; development of Hansen and ABOUTTIME software interfaces; procurement of prototype mobile PC devices; testing and implementation; testing and implementation).		✓
19 CCTV inspection / Hansen integration.		✓
20 Improve Woodbine Avenue sanitary sewer siphons to improve maintenance capabilities.		✓
21 9th Line water and sewer improvements. Detailed design undertaken in conjunction with Regional Road design project.		✓
22 Capital Annual Programs to be completed on schedule.		✓
23 Sewer system condition rating - Infrastructure Analyst Engineer hired. Work initiated.		✓
24 Automated Meter Reading (AMR) - vendor and technology assessment started. Business plan required.		✓
25 Implement 3rd year of the three-year staffing program and reorganization.	✓	
26 Complete staff satisfaction survey improvements.		✓
27 Functional charts for all Waterworks sections completed up to third layer.	✓	

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
28 Develop Program, Hazard Assessment and Entry Permits required for compliance with new regulations.		✓
29 14th Ave Go Rail grade separation.		✓
30 Enterprise Dr storm sewer Pumping Station operation.	✓	
31 Pandemic flu planning.	✓	
32 Odour control program initiated with ROY - ongoing coordination with ROY.	✓	
33 Development of training model blueprint (Phases I-VI).	✓	
34 Thornhill sewer assessment undertaken following August 19 storm.	✓	
35 AMR - agreement with PowerStream on smart metering initiative & pilot project initiated.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

- A Operations & Maintenance - 1) Review and updating of all O&M activity codes used in Hansen and on timesheets to provide more consistent recording of O&M activities and streamlining of Mobile Work Management data capture; and 2) Reorganization of O&M staff completed.
- B Information Management System - 1) Functional charts completed for the three layers of activities; and 2) Waterworks SLA drafts developed for most departments, awaiting approval.
- C System Engineering - New development review process mapping completed, to be approved.

### Anticipated for the Next 12 Months

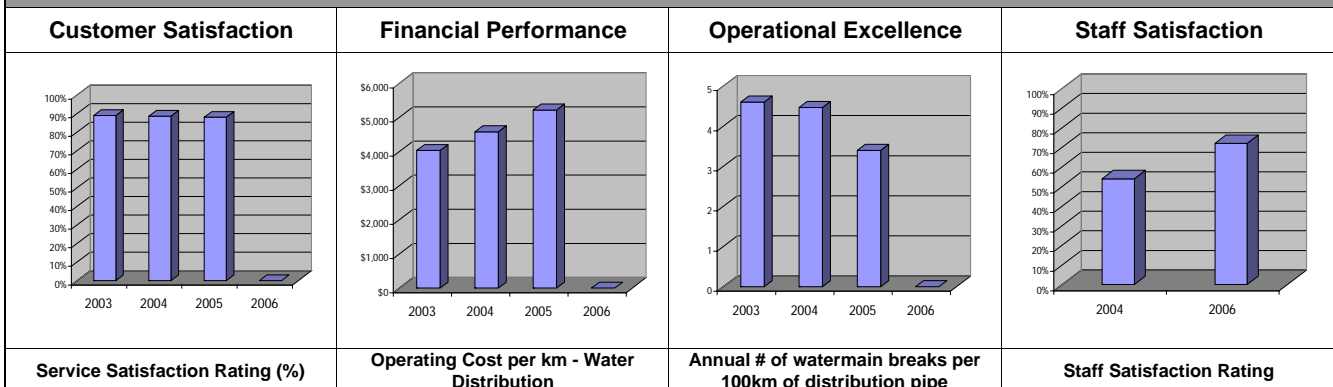
- D Operations & Maintenance - Encroachment permit process mapping.
- E Training - Training Model data collection Phase II(b).
- F Information Management System - 1) QMS implementation; and 2) Development and Implementation of Data Quality Assurance Policy.
- G Infrastructure - 1) Initiate infrastructure renewal planning process and full cost assessment and recovery; 2) Undertake a Reserve and rate structure study; and 3) Complete description of functions on functional charts.





# Waterworks

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 ACTUAL @ JUN 30
<b>CUSTOMER SATISFACTION</b>				
Service Satisfaction Rating (%)	89%	89%	88%	N/A
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
# of sewer backup complaints per 100km of mainline (MPMP) <sup>1</sup>	1.19	0.74	0.27	N/A
<b>FINANCIAL PERFORMANCE</b>				
Operating cost per km - water distribution system (MPMP) <sup>1</sup>	\$ 4,031.04	\$ 4,578.37	\$ 5,218.12	N/A
Operating cost per km - wastewater collection system (MPMP) <sup>1</sup>	\$ 1,946.69	\$ 2,040.27	\$ 2,237.71	N/A
<b>OPERATIONAL EXCELLENCE</b>				
Annual # of watermain breaks per 100km of distribution pipe (MPMP) <sup>1</sup>	4.6	4.5	3.4	N/A
# of households per FTE	2,124	1,770	1,522	1,400
# of reportable water quality samples as % of all samples taken	0.07%	0.10%	0.36%	0.12%
Cubic metres of water consumed annually	31.3 million	30.4 million	33.3 million	15.7 million
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	0.03	0.80	1.00	N/A
Completion rate (%) for staff survey improvement	87%	N/A	95%	N/A
Recognition rating (from staff survey)	N/A	49%	N/A	65%
Staff Satisfaction rating (from staff survey)	N/A	54%	N/A	72%
High Performance Workgroup rating (from staff survey)	N/A	68%	N/A	74%
Staff absenteeism (average # of days per employee)	6.5	4.5	3.6	2.4
Staff turnover rate	3%	3%	0%	0%

NOTES: <sup>1</sup> MPMP refers to the provincial Municipal Performance Measurement Program. 2005 MPMP numbers to be finalized in May, 2006.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Waterworks Consolidated

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
TAX LEVIES	\$86,420	-	-	-	0.0%	(\$86,420)	-100.0%	
FINES/ BILLINGS	45,907,803	46,239,542	49,754,522	3,514,980	7.6%	3,846,719	8.4%	
USER FEES & SERVICE CHARGES	573,905	607,585	262,940	(344,645)	-56.7%	(310,965)	-54.2%	
SALES	169,293	126,000	126,000	-	0.0%	(43,293)	-25.6%	
RECOVERIES & CONTRIBUTIONS	1,852	3,000	3,000	-	0.0%	1,148	62.0%	
OTHER INCOME	2,293	-	-	-	0.0%	(2,293)	-100.0%	
TRANSFERS FROM RESERVES	2,083,445	-	-	-	100.0%	(2,083,445)	-100.0%	
<b>Total Revenues</b>	<b>\$48,825,011</b>	<b>\$46,976,127</b>	<b>\$50,146,462</b>	<b>\$3,170,335</b>	<b>6.7%</b>	<b>\$1,321,451</b>	<b>2.7%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$3,891,589	\$4,243,998	\$4,663,199	\$419,201	9.9%	\$771,610	19.8%	
PRINTING & OFFICE SUPPLIES	33,816	40,946	41,970	1,024	2.5%	8,154	24.1%	
OPERATING MATERIALS & SUPPLIES	107,479	98,500	101,562	3,062	3.1%	(5,917)	-5.5%	
CONSTRUCTION MATERIALS	563,410	622,885	523,060	(99,825)	-16.0%	(40,350)	-7.2%	
INVENTORY ADJUSTMENTS	54,780	-	-	-	0.0%	(54,780)	-100.0%	
UTILITIES	28,627	29,961	29,915	(46)	-0.2%	1,288	4.5%	
COMMUNICATIONS	38,707	38,174	39,128	954	2.5%	421	1.1%	
TRAVEL EXPENSES	25,590	32,956	41,500	8,544	25.9%	15,910	62.2%	
TRAINING	39,687	40,000	52,250	12,250	30.6%	12,563	31.7%	
CONTRACTS & SERVICE AGREEMENTS	3,300,676	3,567,376	4,063,360	495,984	13.9%	762,684	23.1%	
MAINT. & REPAIR-TIME/MATERIAL	192,335	226,528	247,229	20,701	9.1%	54,894	28.5%	
RENTAL/LEASE	8,990	4,854	34,975	30,121	620.5%	25,985	289.0%	
PROFESSIONAL SERVICES	69,424	171,174	168,034	(3,140)	-1.8%	98,610	142.0%	
LICENCES, PERMITS, FEES	17,214	2,913	16,600	13,687	469.9%	(614)	-3.6%	
PROMOTION & ADVERTISING	1,750	8,000	8,000	-	0.0%	6,250		
CONTRACTED MUNICIPAL SERVICES	31,950,796	33,018,085	35,107,669	2,089,584	6.3%	3,156,873	9.9%	
OTHER PURCHASED SERVICES	176,301	135,521	249,358	113,837	84.0%	73,057	41.4%	
WRITE-OFFS	70,628	-	-	-	0.0%	(70,628)	-100.0%	
TRANSFERS TO RESERVES	6,777,702	4,694,256	4,758,653	64,397	1.4%	(2,019,049)	-29.8%	
<b>Total Expenses</b>	<b>\$47,349,501</b>	<b>\$46,976,127</b>	<b>\$50,146,462</b>	<b>\$3,170,335</b>	<b>6.7%</b>	<b>\$2,796,961</b>	<b>5.9%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>(\$1,475,510)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>\$1,475,510</b>	<b>-100.0%</b>	

# Recreation

## Business Overview

### Mission Statement

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

### Recreation is Meeting 2006 Objectives

Recreation reports to the Recreation & Culture Services Department in the Community & Fire Services Commission. In 2006, it had an approved budget of \$17,017,187 in expenditures and \$12,545,958 in revenues, resulting in a net budget of \$4,471,229 and 86 full-time employees. The net budgeted cost per household in 2006 was \$47.93.

Recreation is responsible for providing the following core services:

- **Program Delivery** - In 2006, registrations in the areas of aquatics, aerobic classes, general programs and camps totalled 73,744. Even with the closure of the Centennial Community Centre for renovation this year, registrations have increased 24% over the past 4 years. During the same period of time the number of classes in these areas increased from 7,586 in 2003 to 10,069 in 2006. The average fill rate for all programs increased slightly to 80%. Memberships in the areas of fitness and senior club are 2,458 and 2,168 respectively.
- **Community Centre Operations** - Recreation looks after 17 facilities, totalling 846,455 sq.ft. of space. There were 3.0 sq.ft. of community centre space per capita, compared to 2.9 in 2005. Rentals are comprised of three major areas: ice, soccer and halls, accounting for \$4,567,953 in revenues in 2005. Facility construction projects undertaken this year included: Phase 2 of Thornhill expansion (21,507 sq.ft.) at a cost of \$4,682,709; Centennial Community Centre expansion (50,580 sq.ft.) at a cost of \$11,918,000; Thornhill Lower Floor Feasibility Study; and 46 capital repairs and replacement projects totalling \$1.7 million were approved in 2006.
- **Planning & Community Development** - Planning activities in 2006 included the update the ice policy, the development of facility operating agreements for seniors centres, and conducted an organizational review. Activities in the area of community development included: Continued to develop Sports Council and applied for Trillium grant; Develop youth, older adults and active living strategies; Coordinate Milliken Mills Children Festival; Conducted an organizational review; and accommodated 250 participants in its financial assistance programs to improve access to recreation opportunities.

### Recreation's Direction in 2007

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

#### Program Delivery

1) Promote financial assistance program; 2) Conduct fitness and aquatics customer satisfaction surveys; 3) Implement Youth, Adult Services, and Active Living Strategies; 4) Manage sports policy development with Sports Council; 5) Implement "Try It" week in June; 6) Design Club Development Training program for sport organizations and volunteers; 7) Operationalize Parks, Recreation, Culture & Library Master Plan upon Council approval; 8) Review program duplication with Libraries; 9) Develop Special Needs service delivery model; 10) Relocate and coordinate Milliken Children's Festival; 11) Expand core program to meet growth needs; and 12) Expand Living School program.

#### Community Centre Operations

1) Operationalize Centennial expansion; 2) Refresh Reserve Study; 3) Develop a 3-year capital forecast; 4) Streamline hall rate structure; 5) Implement a 3P agreement for golf operations at Rouge River; 6) Coordinate development of a MOU with bocce association; 7) Install public art in two facilities; 8) Assist in Pandemic Flu continuity planning; 9) Support CIB and Environmental Management Plan initiatives; 10) Reduce the deficiency lists for Thornhill Community Centre expansion.

Initiatives subject to funding include: 1) 46 R&R capital projects totalling \$1.7 million; 2) Implement Phase 1 of organizational review (2 staff positions); 3) Phase in part-time wage recommendations; 4) IT request to replace PCs that display activity schedules at community centres; 5) Thornhill C.C. lower floor design and parking lot improvements; 6) Seniors Centre feasibility study; 7) Centennial C.C. annualization and staffing; 8) Sports Council coordinator contract; and 9) CSIO Project subject to Council direction.

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



# Recreation

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Operationalize Phase 2 Thornhill CC expansion, totalling 21,507 sq.ft. at a capital cost of \$4.7 million.	✓	
2 Finalize facility operating agreement for the senior centres.	✓	
3 Coordinate Milliken Mills Children Festival and host Youth Week (Markham Idol, Amazing Race, Media Conference & Charity fundraiser.	✓	
4 Revise fitness centre hours and lowered the age restriction.	✓	
5 Host Tony Roman Memorial Hockey Tournament - 2,400 participants.	✓	
6 Complete Phase 1 of the Part-time Wage Review with Human Resources i.e. slotted positions, standardized titles and JDs.	✓	
7 Complete 3-year planning documents for Youth and Senior Services and 5-year Active Living Strategy.	✓	
8 Sports Council - Made submission for Trillium Grant and received \$121,500 over a two-year period.	✓	
9 Construction of Centennial Centre expansion, totalling 50,500 sq.ft. at a capital cost of \$11.9 million.		✓
10 Conduct a feasibility study for Thornhill Lower Floor / Library Services Restoration.	✓	
11 Assist Asset Management in the updating the lifecycle inventory for facilities.		✓
12 Marketing Efforts - Developed new fitness brochure, display unit for recreation programs, joint display with bike trails, and marketing program for Active Living Strategy.	✓	
13 Conduct an organizational review for the Recreation services.		✓
14 Host to over 5 million visitors collectively at the 17 recreation facilities.	✓	
15 Take part in volunteer recruitment in partnership with local high schools.	✓	
16 Receive the Bell True Sport Award.	✓	
17 Complete initial performance management reviews for all staff with final review scheduled for November.		✓
18 Complete staff satisfaction survey improvements	✓	
19 Expand programs to meet growth needs.	✓	
20 Receive approval for 46 capital R&R projects totalling 1.7M	✓	

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
21 Assist Strategic Services with the Canadian Sports Institute of Ontario feasibility study and Cornell Community Centre program / parking requirements.		✓
22 Assist Asset Management in parking studies at the Centennial, Thornhill, and Cornell community centres.	✓	
23 Assist Strategic Services in re-branding the brochure cover to promote Active Living Strategy.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

A Revised and streamlined the budget process internally.
B Clarified roles and responsibilities by implementing facility agreements with the senior centres.
C Streamlined and stabilized funding stream by implementing standardized fee increases indexed to the CPI (Consumer Price Index).
D Held a Managers Planning Retreat to review and adjust annual priorities.
E Supported internal communication by holding deaprtmental wide meeting to review Corporate and Commisison priorities.
F Improved risk management by implementing a Third Party Insurance coverage for all rentals.
G Additional parking was provided at the Angus Glen Community Centre to improve customer relations.

### Anticipated for the Next 12 Months




# Recreation

## KEY PERFORMANCE INDICATORS

Customer Satisfaction	Financial Performance	Operational Excellence	Staff Satisfaction
Percentage of Customers Extremely Satisfied	Net Cost Per Household	Average Fill Rate for All Programs	Staff Satisfaction Rating

	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	2	2	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	24%	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	73%	N/A	N/A
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 21.26	\$ 35.45	\$ 41.05	\$ 47.93
Revenue as % of total Recreation expenditures (actual)	83%	75%	75%	74%
Revenue as % of total non-tax Town revenues	22%	21%	22%	21%
Net cost of recreation per capita	\$ 6.10	\$ 9.85	\$ 11.21	\$ 12.88
<b>OPERATIONAL EXCELLENCE</b>				
Average fill rate for all programs	78%	77%	77%	80%
Sq.ft. of community centre space per capita	2.8	3.1	2.9	3.0
Annual # of all direct program registrations <sup>1</sup>	58,843	67,276	74,309	73,744
Annual # of all direct program classes <sup>1</sup>	7,586	7,628	9,915	10,069
# of fitness memberships at year end	2,138	1,825	1,962	2,458
<b>STAFF SATISFACTION</b>				
Completion rate for performance management*	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee*	1.1	0.7	2.5	N/A
Completion rate (%) for staff survey improvement	100%	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	65%	N/A	66%
Staff Satisfaction rating (from staff survey)	N/A	74%	N/A	74%
High Performance Workgroup rating (from staff survey)	N/A	77%	N/A	77%
Staff absenteeism (average # of days per employee)	3.4	2.9	2.7	0.9
Staff turnover rate	4%	8%	1%	2%

**NOTES:** <sup>1</sup> This measure does not include recreational swim and skate programs. In 2006, Centennial Community Centre was closed for renovation. This impacted program registrations and fitness membership numbers.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Recreation Services

Description	2006 Actuals	2006 Budget	2007 Budget	2007 Bud. vs. 2006 Bud.		2007 Bud. Vs. 2006 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>							
GRANTS AND SUBSIDIES	\$62,765	\$41,000	\$41,000	-	0.0%	(\$21,765)	-34.7%
USER FEES & SERVICE CHARGES	6,597,250	6,859,914	7,254,478	394,564	5.8%	657,228	10.0%
RENTALS	4,750,603	4,855,331	4,969,594	114,263	2.4%	218,991	4.6%
SALES	144,450	173,430	158,662	(14,768)	-8.5%	14,212	9.8%
RECOVERIES & CONTRIBUTIONS	523,308	523,308	523,308	-	0.0%	-	0.0%
OTHER INCOME	143,576	92,975	96,900	3,925	4.2%	(46,676)	-32.5%
<b>Total Revenues</b>	<b>\$12,221,952</b>	<b>\$12,545,958</b>	<b>\$13,043,942</b>	<b>\$497,984</b>	<b>4.0%</b>	<b>\$821,990</b>	<b>6.7%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$10,488,901	\$10,769,151	\$11,552,464	\$783,313	7.3%	\$1,063,563	10.1%
PRINTING & OFFICE SUPPLIES	77,380	98,186	106,430	8,244	8.4%	29,050	37.5%
PURCHASES FOR RESALE	59,587	71,244	69,287	(1,957)	-2.7%	9,700	16.3%
OPERATING MATERIALS & SUPPLIES	815,339	851,363	883,977	32,614	3.8%	68,638	8.4%
VEHICLE SUPPLIES	24,218	33,680	33,680	-	0.0%	9,462	39.1%
UTILITIES	2,680,344	2,646,347	3,131,588	485,241	18.3%	451,244	16.8%
COMMUNICATIONS	69,444	103,515	103,377	(138)	-0.1%	33,933	48.9%
TRAVEL EXPENSES	9,265	5,550	5,775	225	4.1%	(3,490)	-37.7%
TRAINING	98,512	114,661	118,798	4,137	3.6%	20,286	20.6%
CONTRACTS & SERVICE AGREEMENTS	838,371	846,159	951,557	105,398	12.5%	113,186	13.5%
MAINT. & REPAIR-TIME/MATERIAL	904,241	686,265	737,976	51,711	7.5%	(166,265)	-18.4%
RENTAL/LEASE	190,015	190,340	192,184	1,844	1.0%	2,169	1.1%
INSURANCE	-	1,299	1,299	-	0.0%	1,299	0.0%
PROFESSIONAL SERVICES	56,420	63,600	63,600	-	0.0%	7,180	12.7%
LICENCES, PERMITS, FEES	39,252	77,578	61,416	(16,162)	-20.8%	22,164	56.5%
CREDIT CARD SERVICE CHARGES	-	-	143,653	143,653	0.0%	143,653	0.0%
PROMOTION & ADVERTISING	-	1,471	1,471	-	0.0%	1,471	0.0%
CONTRACTED MUNICIPAL SERVICES	4,500	5,600	5,600	-	0.0%	1,100	24.4%
OTHER PURCHASED SERVICES	243	4,000	4,707	707	17.7%	4,464	1837.0%
WRITE-OFFS	312	-	-	-	0.0%	(312)	-100.0%
OTHER EXPENDITURES	59,768	44,200	46,200	2,000	4.5%	(13,568)	-22.7%
TRANSFERS TO RESERVES	362,217	397,431	392,076	(5,355)	-1.3%	29,859	8.2%
<b>Total Expenses</b>	<b>\$16,778,329</b>	<b>\$17,011,640</b>	<b>\$18,607,115</b>	<b>\$1,595,475</b>	<b>9.4%</b>	<b>\$1,828,786</b>	<b>10.9%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$4,556,377</b>	<b>\$4,465,682</b>	<b>\$5,563,173</b>	<b>\$1,097,491</b>	<b>24.6%</b>	<b>\$1,006,796</b>	<b>22.1%</b>



# Culture

## Business Overview

### Mission Statement

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

### Culture is Meeting 2006 Objectives

Culture reports to the Recreation & Culture Services Department in the Community & Fire Services Commission. It is made up of three distinct operations, namely Markham Museum, Markham Theatre, and the Varley Art Gallery, and is supported by its respective advisory board, appointed by Council. In 2006, they had a combined approved net budget of \$1,289,962 and 19 full-time employees. \$2,037,531 was budgeted in revenue, resulting in a net actual cost per household of \$13.83 in 2006. Total attendance for the cultural venues to date in 2006 is 112,577.

Culture is responsible for providing the following core services:

- Exhibits/Collection Development - In 2006, there was a total of 37,725 items in the combined collection held by the Gallery and Museum. The insured value of the collection increased to \$6.54 million. The total number of in-house exhibitions was 26, of which 16 were curated in-house and 10 were touring exhibitions.
- Program Delivery - The Theatre has experienced an 87% fill rate (year to date) for its professional programs. The fill rate for Theatre drama camps was 98%, compared to 65% in 2005. The number of memberships for the Museum and Art Gallery accounted for a combined total of 395 year-to-date.
- Rentals & Special Events - Volunteer support for special events and other operations in the Museum and Gallery totalled 8,775 hours in 2005.
- Planning & Development - 2006 activities included: Phase 1 of Museum Master Plan; MOU agreement for the Art Gallery governance; collection policy development for Museum and Art Gallery; development of a two-year exhibition schedule; and drafted MOU for Museum governance.
- Facility Operations - 2006 activities included: RFP to retain architect for Ward Building; Submitted heritage grant for Ward Building reconstruction; Developed a design and tender document for McKay Gardens; and completed 9 Capital repairs and replacement projects totalling \$677,000.

### Culture's Direction in 2007

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

All - 1) Assist Strategic Services in hosting Mayor's Dinner for the Arts; 2) Submit various grant applications, eg. MAP, OAC, etc., subject to Council approval; 3) Complete the CRM system implementation; 4) In cooperation with the Region, work on a cultural mapping inventory project; and 5) Support Communities in Bloom with Art Echo project, subject to Council approval.

Art Gallery - 1) Celebrate Gallery's 10th Anniversary; 2) Publish Varley book; 3) Organize 2008 symposium with National Portrait Gallery; 4) Complete McKay Gardens restoration and fundraising project; 5) Host 9 exhibits and develop 2008-2009 exhibition schedule; 6) Launch national tour "Varley Portraits" and complete Casson & Tahedl tour; 7) Assist Knowledge Community initiatives; 8) Review copyright process with AGO; and 9) Assist Development Services and Public Art Committee in displaying art in public places.

Museum - 1) Complete governance review; 2) Complete incorporation application for the Foundation; 3) Develop detailed drawings of Ward Building; 4) Complete Collections Management System implementation for Gallery and Museum; 5) Conduct customer satisfaction survey for programs and special events; 6) Host 5 exhibits and develop 2008-2009 schedule; 7) Revise collection development and copyright policies; 8) Seek approval for Slovak Canadian National Council's proposal; 9) Implement "Winter Carnival" event; and 10) Review relocation of the sundial.

Theatre - 1) Develop 25th anniversary plan; 2) Re-design the website; 3) Increase cultural programming in PES; 4) Expand speaker series; 5) Execute 2007-2008 season; and 6) Undertake feasibility study for Theatre / Royal Conservatory expansion plan.

Initiatives subject to funding include:

- 1) Implement Master Plan Initiatives - a) Ward Building; and b) new Collections Coordinator; 2) Develop 3rd volume of Markham History Book; 3) 24 Culture repair and replacement projects; 4) Implement corporate part-time wage review recommendations; and 5) Preliminary re-org - New General Manager of Culture.

Service(s)	Customer(s)
Exhibits Gallery and Museum - Education / Collections development and management Programs Rentals Special events Facility Operation	<u>Generally</u> • Markham and York Region residents, school boards, local and regional businesses <u>Museum and Gallery</u> • Tourists, donors <u>Museum</u> • Other historical institutions, researchers <u>Gallery</u> • Art-related institutions, artists



# Culture

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Completed governance review for the Art Gallery with Council approval of a Memorandum of Understanding (MOU). Conduct a governance review for the Museum and develop a draft MOU agreement for Council approval.	✓	✓
2 Receive approval to proceed with the McKay garden and fundraising campaign.	✓	
3 Conduct customer satisfaction survey geared at Museum special events.		✓
4 Commence the implementation of Phase 2 of the Collection Management system for Museum and Art Gallery.		✓
5 Implement POS (Point-of-Sale) for the Museum Reception Centre	✓	
6 Move the Ward Building initiative forward by submitting a Heritage Grant application worth over \$1 million, assist in the development of an RFP to select an architect, and interview and select a project architect.	✓	✓
7 Receive Council approval for Memorandum of Understanding (MOU) for the Art Gallery.	✓	
8 Develop the Art Gallery 10th Anniversary plans for 2007.		✓
9 Deliver 16 exhibits and develop 6 publications in 2006.		✓
10 Complete Phase 1 of the Part-time Wage Review with Human Resources.	✓	
11 Submitted 19 grant applications and received 6 favourable responses to date, totalling \$138,159.	✓	
12 Assisted Strategic Services in hosting Mayor's Dinner for the Arts.	✓	
13 Support cross-departmental initiatives: Innovation Week in Markham hosted by Knowledge Community committee; and Communities in Bloom.	✓	
14 Redesign Theatre sponsorship package.	✓	
15 Commence the development of the 3rd volume of the Markham History Book		✓
16 Develop a Lease Agreement with the Historical Society in the use of the Little Train.	✓	
17 Receive approval for 9 capital projects totalling \$677,700.	✓	
18 Complete staff satisfaction survey improvements	✓	

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
19 Commence the implementation of CRM application with IT and Strategic Services.		✓
20 Host gala fundraiser at the Theatre.		✓
21 Implement a Speaker Series at the Theatre.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

- A Updated and improved clarity of Museum and Art Gallery Collection Management policies.
- B Obtained delegated authority for Museum operations in terms of collection management.
- C Clarified the roles and responsibilities between Board functions and the Town.
- D Obtained user-friendly domain names for the three cultural venues, therefore, enhancing marketing efforts.
- E Developed electronic collection management system by moving away from the more laborious paper-based system.

### Anticipated for the Next 12 Months

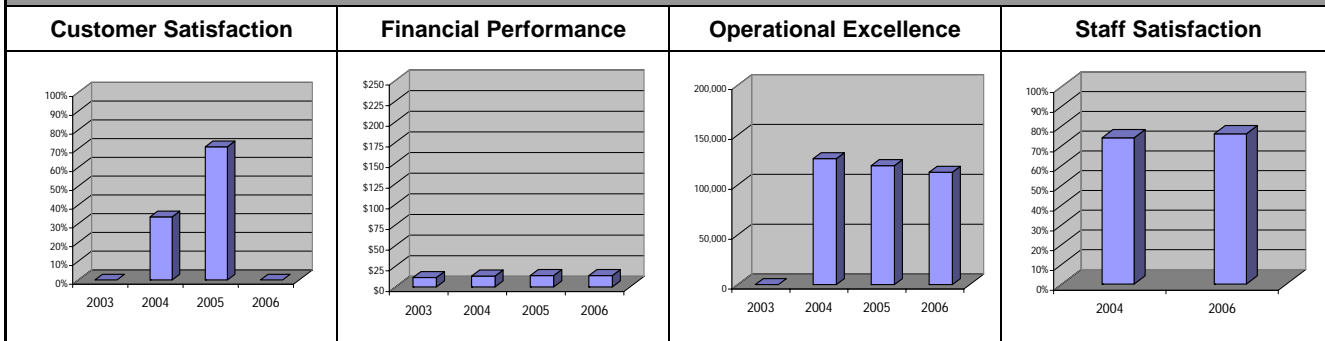
- F Clarify and create consistent data collection for identified key performance indicators.
- G Implement an organizational structure review in the Recreation & Culture Services department.
- H Examine green building / energy conservation technologies related to the Ward Building.
- I Review collection development and copyright policies.





# Culture

## KEY PERFORMANCE INDICATORS



Percentage of Customers Extremely Satisfied	Net Cost Per Household	Total Attendance for All Venues	Staff Satisfaction Rating
---	------------------------	---------------------------------	---------------------------

CUSTOMER SATISFACTION	2003	2004	2005	2006
	ACTUAL	ACTUAL	ACTUAL	BUDGET / YTD
# of customer satisfaction surveys completed	-	1	2	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	34%	71%	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	78%	94%	N/A

FINANCIAL PERFORMANCE				
Net cost per household	\$ 11.35	\$ 13.12	\$ 13.79	\$ 13.83
Revenue as % of total gross Culture expenditures	67%	63%	64%	61%
Revenue as % of total Town revenues	4%	4%	4%	3%
Total expenditure per attendee	N/A	\$26.20	N/A	\$29.56
Net operating cost per square foot of facility space	\$ 7.90	\$ 9.43	\$ 9.53	\$ 9.76

OPERATIONAL EXCELLENCE				
Total attendance for all cultural venues	N/A	126,263	119,210	112,577
Insured value of collection (Museum & Art Gallery)	\$1.99 M	\$2.07 M	\$6.11 M	\$6.54 M
# of memberships (Museum & Art Gallery)	357	396	513	395
Total Items in Collection (Art Gallery & Museum)	N/A	37,643	37,690	37,725
# of in-house exhibitions (Art Gallery & Museum)	9	14	14	16
# of incoming touring exhibitions (Art Gallery & Museum)	2	10	9	10
Total Volunteer Hours (Art Gallery & Museum)	7,255	8,059	8,775	N/A
% of attendance at professional programs (Theatre)	89%	82%	94%	87%
Average fill rate for Theatre drama camps	100%	62%	65%	98%

STAFF SATISFACTION				
Completion rate for performance management*	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	0.8	2.0	8.9	N/A
Completion rate (%) for staff survey improvement	100%	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	65%	N/A	62%
Staff Satisfaction rating (from staff survey)	N/A	74%	N/A	76%
High Performance Workgroup rating (from staff survey)	N/A	77%	N/A	76%
Staff absenteeism (average # of days per employee)	2.2	6.5	2.3	0.7
Staff turnover rate	0%	5%	0%	5%

NOTES:

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Culture

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
GRANTS AND SUBSIDIES	\$65,144	\$53,000	\$51,000	(\$2,000)	-3.8%	(\$14,144)	-21.7%	
USER FEES & SERVICE CHARGES	1,402,549	1,462,052	1,592,253	130,201	8.9%	189,704	13.5%	
RENTALS	272,472	281,659	286,898	5,239	1.9%	14,426	5.3%	
SALES	102,083	161,320	170,201	8,881	5.5%	68,118	66.7%	
RECOVERIES & CONTRIBUTIONS	81,406	52,500	41,500	(11,000)	-21.0%	(39,906)	-49.0%	
OTHER INCOME	79,433	27,000	57,000	30,000	111.1%	(22,433)	-28.2%	
<b>Total Revenues</b>	<b>\$2,003,087</b>	<b>\$2,037,531</b>	<b>\$2,198,852</b>	<b>\$161,321</b>	<b>7.9%</b>	<b>\$195,765</b>	<b>9.8%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,967,226	\$1,840,942	\$1,912,675	\$71,733	3.9%	(\$54,551)	-2.8%	
PRINTING & OFFICE SUPPLIES	48,816	55,100	61,800	6,700	12.2%	12,984	26.6%	
PURCHASES FOR RESALE	41,431	43,000	44,000	1,000	2.3%	2,569	6.2%	
OPERATING MATERIALS & SUPPLIES	270,451	179,727	210,248	30,521	17.0%	(60,203)	-22.3%	
VEHICLE SUPPLIES	282	250	250	-	0.0%	(32)	-11.3%	
SMALL EQUIPMENT SUPPLIES	6	700	700	-	0.0%	694	11566.7%	
UTILITIES	190,346	197,334	196,174	(1,160)	-0.6%	5,828	3.1%	
COMMUNICATIONS	48,872	45,917	50,536	4,619	10.1%	1,664	3.4%	
TRAVEL EXPENSES	11,347	11,276	11,383	107	0.9%	36	0.3%	
TRAINING	5,851	4,965	6,165	1,200	24.2%	314	5.4%	
CONTRACTS & SERVICE AGREEMENTS	105,156	110,453	125,859	15,406	13.9%	20,703	19.7%	
MAINT. & REPAIR-TIME/MATERIAL	74,994	60,397	68,551	8,154	13.5%	(6,443)	-8.6%	
RENTAL/LEASE	16,408	14,741	12,284	(2,457)	-16.7%	(4,124)	-25.1%	
PROFESSIONAL SERVICES	399,956	456,750	468,250	11,500	2.5%	68,294	17.1%	
LICENCES, PERMITS, FEES	14,737	28,905	17,205	(11,700)	-40.5%	2,468	16.7%	
CREDIT CARD SERVICE CHARGES	-	-	(10,321)	(10,321)	0.0%	(10,321)	0.0%	
PROMOTION & ADVERTISING	256,711	231,336	248,200	16,864	7.3%	(8,511)	-3.3%	
OTHER PURCHASED SERVICES	7,251	12,700	9,872	(2,828)	-22.3%	2,621	36.1%	
WRITE-OFFS	(20)	-	-	-	0.0%	20	-100.0%	
OTHER EXPENDITURES	1,064	3,000	3,000	-	0.0%	1,936	182.0%	
TRANSFERS TO RESERVES	42,182	30,000	30,000	-	0.0%	(12,182)	-28.9%	
<b>Total Expenses</b>	<b>\$3,503,067</b>	<b>\$3,327,493</b>	<b>\$3,466,831</b>	<b>\$139,338</b>	<b>4.2%</b>	<b>(\$36,236)</b>	<b>-1.0%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,499,980</b>	<b>\$1,289,962</b>	<b>\$1,267,979</b>	<b>(\$21,983)</b>	<b>-1.7%</b>	<b>(\$232,001)</b>	<b>-15.5%</b>	



# Strategic Services

## Business Overview

### Mission Statement

Leading, developing, and delivering business planning, environmental leadership, marketing and partnerships, and special initiatives to strategically position the Community & Fire Services Commission and the Town of Markham.

### Strategic Services is Meeting 2006 Objectives

Strategic Services is a department of the Community & Fire Services Commission. In 2006, it had approved net budgeted expenditures of \$868,453 and 11 full-time employees. Revenue is estimated at \$573,166 (including \$400,000 in unallocated revenues), resulting in a net budgeted cost per household of \$9.31 in 2006.

Strategic Services is responsible for providing the following core services:

- Environmental Leadership - This portfolio leads, researches, supports and develops strategic environmental initiatives such as Clean Air Initiatives, West Nile Virus management, anti-idling, and a presence on the Markham website. The Markham Energy Conservation Office is now fully operational and is committed to delivering conservation and demand management (CDM) programs.

- Community Partnerships, Marketing and Special Events - This portfolio generates 100% of the gross revenue/impact for Strategic Services including revenue from sponsorships, advertising sales and partnerships. The net cost per recreation guide produced has decreased for the third consecutive year. Support for corporate print projects increased to approximately 280 this year. Special event support increased to 200 internal and external clients, compared to 180 in 2005. Lastly, 207 sportsfields were permitted this year resulting in a modest growth in revenue in this component. Special initiatives for 2006 included the Communities in Bloom program.

- Strategic Planning & Special Initiatives - Strategic Services facilitates the completion of 10 annual Business Unit Profiles for the Commission and organizes the annual planning workshop for the Commission since 2003. Special initiatives for 2006 included the Communities in Bloom program, the Parks, Recreation, Culture & Library Master Plan and strategic support for projects such as the Canadian Sport Institute of Ontario and Markham Stouffville Hospital Wellness Centre partnership.

### Strategic Services' Direction in 2007

In addition to maintaining the current core service focus, it is anticipated that the following projects will continue to be priorities:

- 1) Complete pesticide policy process and implement environmentally focused initiatives;
- 2) Receive Council approval on the Recreation, Culture, and Library Facilities Master Plan;
- 3) Implement business planning initiatives in the areas of Commission Planning Session, Business Unit Profiles and departmental work plans;
- 4) Continue to implement MECO's programs, including energy saving opportunities for Town-owned assets;
- 5) Assess overall revenue strategies and continue to grow partnership and advertising revenues;
- 6) Complete environmental management plan development and commence implementation;
- 7) Complete strategic partnership projects in the areas of the Canadian Sports Institute of Ontario and Markham Stouffville Hospital;
- 8) Lead the Communities in Bloom initiative;
- 9) Complete a mini organizational review.

Service(s)	Customer(s)
Policy and Program Development; Business Planning	Business Community
Environmental Leadership; Innovative Practices	Community & Fire Services Departments
Marketing; Partnership Development; Special Events	Council & CAO
Special & Strategic Initiatives (incl. Sportsfields)	Other Commissions
	Residents and External Stakeholders
	Service Level Agreement Signatories



# Strategic Services

## 2006 PROGRESS REPORT

### 2006 BUSINESS PLAN OBJECTIVES / ACCOMPLISHMENTS

	Completed	To be Completed by Year End
1 Position and facilitate the draft Parks, Recreation, Culture and Library master plan for approval.		✓
2 Facilitate green roof initiatives, including Green Roof policy development for community facilities, Green Roof/solar demonstration project, and Green Roof symposium.		✓
3 Mount Green Fleet Transition Plan on website to monitor fleet.	✓	
4 Administer the Markham Environmental Sustainability Fund annually.		✓
5 Host GTA Environmental Managers meeting	✓	
6 Organize and facilitate a 2-day planning session for the Commission, including leadership training on Day 1.	✓	
7 Implement 2007 corporate business planning process, including new enhancements, and facilitate completion of Business Unit Profiles in the Commission.		✓
8 Develop a Commission roll-up of 2006 departmental work plans and create new communication opportunities.	✓	
9 Coordinate and facilitate the documentation of 40 critical services in the Commission for the Pandemic Influenza Response Program.	✓	
10 Continue to roll-out the 6 MECO programs to meet the demand shedding and cost reduction targets. Implement energy savings projects at selected Town facilities that will be tracked and measured in order that the results can be reported on.		✓
11 Coordinate the execution of the 2006 Communities in Bloom program.	✓	
12 Create a web environment for Recreational Guide advertising prospects.	✓	
13 Provide "one-stop" centralized special event logistical support to all internal and external event organizers.		✓
14 Negotiate a 3 year interior naming opportunity with Cachet Dental with gross revenue of \$60,000.	✓	
15 Organize and execute Mayor's Dinner for the Arts.	✓	
16 Identify and work on staff satisfaction survey improvement projects.		✓

### 2006 ADDITIONAL OBJECTIVES

	Completed	To be Completed by Year End
17 Collaborated on external presentations for the Commissioners, namely Disaster Forum and Canadian Urban Institute.	✓	
18 Provided strategic support for the CSIO project and the MSH Campus Partnership project.		✓
19 Provide research & expertise to the design plans of Markham Centre.	✓	

## Operational Improvements

### Achieved in the Past 12 Months

A Developed Green Roof policy to ensure all Town facilities are considered for installations.
B Worked in conjunction with Operations to create Green Fleet website to publicly monitor ongoing benefits/savings/progress.
C Enhanced staff communication on Commission direction by creating a new Commission publication, "2006 Departmental Work Plan".
D Supported staff capability and reduced cost by facilitated Day 2 of the Commission Planning Session internally.
E Launched e-mail marketing campaigns to increase revenue stream.
F Streamlined sportsfields & Milne Park application processes.
G Improved tracking and archiving of all Communities in Bloom activities and data.

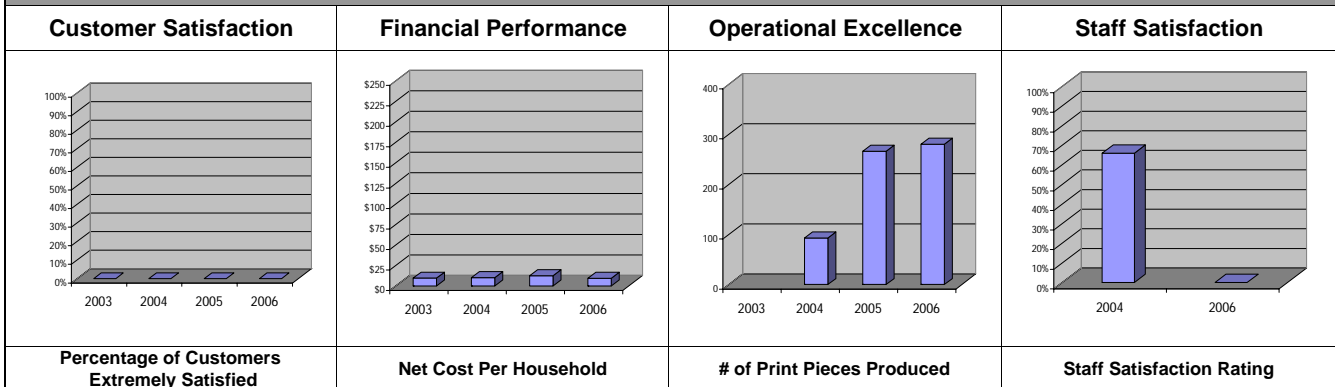
### Anticipated for the Next 12 Months

H Undertake an organizational review of the department.
I Full implementation of online purchasing to advertisers and e-mail marketing and web presence.



# Strategic Services

## KEY PERFORMANCE INDICATORS



	2003 ACTUAL	2004 ACTUAL	2005 ACTUAL	2006 BUDGET / YTD
<b>CUSTOMER SATISFACTION</b>				
# of customer satisfaction surveys completed	-	-	-	-
Percentage of customers extremely satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
Percentage of customers satisfied (Citizen/service specific surveys)	N/A	N/A	N/A	N/A
Willingness to use Business Planning & Innovation service for BUPs	N/A	N/A	4.7 out of 5	N/A
Overall Participant Satisfaction with Commission Planning Session	78%	74%	79%	83%
<b>FINANCIAL PERFORMANCE</b>				
Net cost per household	\$ 9.55	\$ 10.16	\$ 12.37	\$ 9.31
Net cost of Recreation Guide per copy produced	\$ 1.59	\$ 1.56	\$ 0.82	\$ 0.59
Gross revenue impact/influence of Strategic Services <sup>1</sup>	\$ 334,100	\$ 316,861	\$ 351,954	\$ 499,717
Sportsfield and Milne Park permitting revenue	\$ 272,574	\$ 300,440	\$ 358,455	\$ 360,000
<b>OPERATIONAL EXCELLENCE</b>				
# of special events registered <sup>2</sup>	233	275	180	200
# of environmental initiatives implemented	4	3	4	5
# of games registered (Sportsfield)	38,791	39,113	38,722	39,266
# of MECO events	N/A	N/A	N/A	5
# of print pieces produced	N/A	93	266	280
Annual Commission plan developed/updated	1	1	1	1
Communities in Bloom - # of Performance Targets Met or Exceeded <sup>3</sup>	N/A	N/A	7 out of 9	5 out of 9
<b>STAFF SATISFACTION</b>				
Completion rate for performance management	100%	100%	100%	N/A
Average # of non-technical training sessions attended per employee	1.9	2.6	1.3	N/A
Completion rate (%) for staff survey improvement	N/A	N/A	100%	N/A
Recognition rating (from staff survey)	N/A	68%	N/A	N/A
Staff Satisfaction rating (from staff survey)	N/A	66%	N/A	N/A
High Performance Workgroup rating (from staff survey)	N/A	60%	N/A	N/A
Staff absenteeism (average # of days per employee)	1.4	4.8	1.1	1.0
Staff turnover rate	0%	22%	10%	9%

**NOTES:**  
<sup>1</sup> The methodology for this measure changed in 2006.  
<sup>2</sup> The criteria requiring an event to be registered by this department was changed and streamlined in 2005.  
<sup>3</sup> The measure in 2006 is incomplete until the results from the CIB Judges are received in September.

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Strategic Services

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
USER FEES & SERVICE CHARGES	\$173,593	\$173,166	\$164,100	(\$9,066)	-5.2%	(\$9,493)	-5.5%
RECOVERIES & CONTRIBUTIONS	187,244	-	-	-		(187,244)	-100.0%
OTHER INCOME	40,000	400,000	23,000	(377,000)	0.0%	(17,000)	-42.5%
<b>Total Revenues</b>	<b>\$400,837</b>	<b>\$573,166</b>	<b>\$187,100</b>	<b>(\$386,066)</b>	<b>-67.4%</b>	<b>(\$213,737)</b>	<b>-53.3%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$1,322,134	\$1,137,225	\$1,158,608	\$21,383	1.9%	(\$163,526)	-12.4%
PRINTING & OFFICE SUPPLIES	16,006	11,000	11,000	-	0.0%	(5,006)	-31.3%
OPERATING MATERIALS & SUPPLIES	110,149	22,500	11,359	(11,141)	-49.5%	(98,790)	-89.7%
COMMUNICATIONS	5,431	2,830	2,830	-	0.0%	(2,601)	-47.9%
TRAVEL EXPENSES	9,492	4,888	3,888	(1,000)	-20.5%	(5,604)	-59.0%
TRAINING	2,474	4,417	4,417	-	0.0%	1,943	78.5%
PROFESSIONAL SERVICES	53,873	-	-	-	0.0%	(53,873)	-100.0%
LICENCES, PERMITS, FEES	2,070	-	-	-	0.0%	(2,070)	-100.0%
PROMOTION & ADVERTISING	246,007	254,259	241,245	(13,014)	-5.1%	(4,762)	-1.9%
OTHER PURCHASED SERVICES	4,029	4,500	4,500	-	0.0%	471	11.7%
OTHER EXPENDITURES	7,373	-	-	-	0.0%	(7,373)	-100.0%
<b>Total Expenses</b>	<b>\$1,779,038</b>	<b>\$1,441,619</b>	<b>\$1,437,847</b>	<b>(\$3,772)</b>	<b>-0.3%</b>	<b>(\$341,191)</b>	<b>-19.2%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$1,378,201</b>	<b>\$868,453</b>	<b>\$1,250,747</b>	<b>\$382,294</b>	<b>44.0%</b>	<b>(\$127,454)</b>	<b>-9.2%</b>

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Operations &amp; Asset Management

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<b>Revenue</b>								
OTHER INCOME	-	-	-	-	0.0%	-	0.0%	
<b>Total Revenues</b>	-	-	-	-	<b>0.0%</b>	-	<b>0.0%</b>	
<b>Expenses</b>								
SALARIES AND BENEFITS	\$388,273	\$380,210	\$387,150	\$6,940	1.8%	(\$1,123)	-0.3%	
PRINTING & OFFICE SUPPLIES	41,109	44,513	55,586	11,073	24.9%	14,477	35.2%	
OPERATING MATERIALS & SUPPLIES	3,785	5,638	6,138	500	8.9%	2,353	62.2%	
COMMUNICATIONS	64,318	39,116	61,263	22,147	56.6%	(3,055)	-4.7%	
TRAVEL EXPENSES	31,475	35,759	36,708	949	2.7%	5,233	16.6%	
TRAINING	42,805	38,853	39,724	871	2.2%	(3,081)	-7.2%	
CONTRACTS & SERVICE AGREEMENTS	(38,707)	(38,707)	(38,707)	-	0.0%	-	0.0%	
RENTAL/LEASE	4,682	-	-	-	0.0%	(4,682)	-100.0%	
LICENCES, PERMITS, FEES	12,423	15,534	15,922	388	2.5%	3,499	28.2%	
PROMOTION & ADVERTISING	-	6,408	6,408	-	0.0%	6,408	0.0%	
<b>Total Expenses</b>	<b>\$550,163</b>	<b>\$527,324</b>	<b>\$570,192</b>	<b>\$42,868</b>	<b>8.1%</b>	<b>\$20,029</b>	<b>3.6%</b>	
<b>Net Expenditures/ (Revenue)</b>	<b>\$550,163</b>	<b>\$527,324</b>	<b>\$570,192</b>	<b>\$42,868</b>	<b>8.1%</b>	<b>\$20,029</b>	<b>3.6%</b>	

**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Community &amp; Fire Services Commissioner's Office - Commission Support (799-999)

<u>Description</u>	<u>2006 Actuals</u>	<u>2006 Budget</u>	<u>2007 Budget</u>	<u>2007 Bud. vs. 2006 Bud.</u>		<u>2007 Bud. Vs. 2006 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenue</b>							
OTHER INCOME	-	\$262,000	\$200,000	(\$62,000)	-23.7%	\$200,000	0.0%
<b>Total Revenues</b>	-	<b>\$262,000</b>	<b>\$200,000</b>	<b>(\$62,000)</b>	<b>-23.7%</b>	<b>\$200,000</b>	<b>0.0%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$279,028	\$106,112	\$287,705	\$181,593	171.1%	\$8,677	3.1%
PRINTING & OFFICE SUPPLIES	2,208	-	-	-	0.0%	(2,208)	-100.0%
OPERATING MATERIALS & SUPPLIES	171	777	777	-	0.0%	606	354.4%
VEHICLE SUPPLIES	-	1,748	1,748	-	0.0%	1,748	0.0%
COMMUNICATIONS	375	971	971	-	0.0%	596	158.9%
TRAVEL EXPENSES	21,081	3,014	3,014	-	0.0%	(18,067)	-85.7%
TRAINING	8,528	485	485	-	0.0%	(8,043)	-94.3%
CONTRACTS & SERVICE AGREEMENTS	(19,967)	(19,967)	(19,967)	-	0.0%	-	0.0%
PROFESSIONAL SERVICES	98,376	-	-	-	0.0%	(98,376)	-100.0%
LICENCES, PERMITS, FEES	365	583	583	-	0.0%	218	59.7%
<b>Total Expenses</b>	<b>\$390,165</b>	<b>\$93,723</b>	<b>\$275,316</b>	<b>\$181,593</b>	<b>193.8%</b>	<b>(\$114,849)</b>	<b>-29.4%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>\$390,165</b>	<b>(\$168,277)</b>	<b>\$75,316</b>	<b>\$243,593</b>	<b>-144.8%</b>	<b>(\$314,849)</b>	<b>-80.7%</b>



**TOWN OF MARKHAM - 2007 OPERATING BUDGET**

Corporation Consolidated (excluding Waterworks & Building Standards)

Description	2006 Actuals	2006 Budget	2007 Budget*	2007 Bud. vs. 2006 Bud.		2007 Bud. Vs. 2006 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenue</b>							
TAX LEVIES	\$92,626,614	\$92,349,313	\$98,739,015	\$6,389,702	6.9%	\$6,112,401	6.6%
GRANTS-IN-LIEU OF TAXES	1,308,529	1,268,845	1,268,845	-	0.0%	(39,684)	-3.0%
GRANTS AND SUBSIDIES	892,122	840,831	738,831	(102,000)	-12.1%	(153,291)	-17.2%
LICENCES & PERMITS	919,133	958,000	1,171,500	213,500	22.3%	252,367	27.5%
INTEREST & PENALTIES	3,436,395	3,375,000	3,375,000	-	0.0%	(61,395)	-1.8%
INCOME FROM INVESTMENTS	18,961,891	11,671,836	11,673,636	1,800	0.0%	(7,288,255)	-38.4%
FINES	1,798,387	1,457,925	1,930,675	472,750	32.4%	132,288	7.4%
USER FEES & SERVICE CHARGES	18,967,488	18,698,161	21,349,581	2,651,420	14.2%	2,382,093	12.6%
RENTALS	5,377,584	5,469,371	5,635,696	166,325	3.0%	258,112	4.8%
SALES	489,211	523,050	604,113	81,063	15.5%	114,902	23.5%
RECOVERIES & CONTRIBUTIONS	1,714,991	1,285,347	1,535,308	249,961	19.4%	(179,683)	-10.5%
OTHER INCOME	3,843,368	4,696,743	3,397,168	(1,299,575)	-27.7%	(446,200)	-11.6%
TRANSFERS FROM RESERVES	1,586,918	-	-	-	0.0%	(1,586,918)	-100.0%
<b>Total Revenues</b>	<b>\$151,922,631</b>	<b>\$142,594,422</b>	<b>\$151,419,368</b>	<b>\$8,824,946</b>	<b>6.2%</b>	<b>(\$503,263)</b>	<b>-0.3%</b>
<b>Expenses</b>							
SALARIES AND BENEFITS	\$81,030,371	\$81,381,412	\$87,106,105	\$5,724,693	7.0%	\$6,075,734	7.5%
PRINTING & OFFICE SUPPLIES	591,400	666,294	713,566	47,272	7.1%	122,166	20.7%
PURCHASES FOR RESALE	304,623	216,962	273,405	56,443	26.0%	(31,218)	-10.2%
OPERATING MATERIALS & SUPPLIES	3,948,416	3,630,783	3,863,484	232,701	6.4%	(84,932)	-2.2%
VEHICLE SUPPLIES	1,189,038	963,333	1,106,018	142,685	14.8%	(83,020)	-7.0%
SMALL EQUIPMENT SUPPLIES	14,572	14,291	14,291	-	0.0%	(281)	-1.9%
BOTANICAL SUPPLIES	354,334	357,827	361,919	4,092	1.1%	7,585	2.1%
CONSTRUCTION MATERIALS	656,832	1,035,567	1,220,096	184,529	17.8%	563,264	85.8%
INVENTORY ADJUSTMENTS	17,175	-	-	-	0.0%	(17,175)	-100.0%
UTILITIES	3,693,131	3,774,211	4,253,830	479,619	12.7%	560,699	15.2%
COMMUNICATIONS	1,308,495	1,309,850	1,314,224	4,374	0.3%	5,729	0.4%
TRAVEL EXPENSES	349,003	390,125	410,369	20,244	5.2%	61,366	17.6%
TRAINING	580,061	701,533	720,016	18,483	2.6%	139,955	24.1%
CONTRACTS & SERVICE AGREEMENTS	3,750,299	3,964,092	4,404,590	440,498	11.1%	654,291	17.4%
MAINT. & REPAIR-TIME/MATERIAL	2,933,480	2,976,083	3,508,117	532,034	17.9%	574,637	19.6%
RENTAL/LEASE	931,797	986,479	1,002,099	15,620	1.6%	70,302	7.5%
INSURANCE	1,875,133	1,424,613	1,665,789	241,176	16.9%	(209,344)	-11.2%
PROFESSIONAL SERVICES	1,856,083	2,140,080	2,149,108	9,028	0.4%	293,025	15.8%
LICENCES, PERMITS, FEES	532,316	611,915	613,442	1,527	0.2%	81,126	15.2%
CREDIT CARD SERVICE CHARGES	163,083	143,595	163,024	19,429	13.5%	(59)	0.0%
PROMOTION & ADVERTISING	1,467,300	1,507,659	1,530,509	22,850	1.5%	63,209	4.3%
CONTRACTED MUNICIPAL SERVICES	7,660,131	7,643,775	8,399,989	756,214	9.9%	739,858	9.7%
OTHER PURCHASED SERVICES	728,530	813,304	709,911	(103,393)	-12.7%	(18,619)	-2.6%
OFFICE FURNISHINGS & EQUIPMENT	6,102	17,276	17,276	-	0.0%	11,174	183.1%
WRITE-OFFS	589,832	500,600	500,600	-	0.0%	(89,232)	-15.1%
OTHER EXPENDITURES	1,524,692	2,080,992	1,677,400	(403,592)	-19.4%	152,708	10.0%
TRANSFERS TO RESERVES	31,716,308	23,341,771	23,720,191	378,420	1.6%	(7,996,117)	-25.2%
<b>Total Expenses</b>	<b>\$149,772,537</b>	<b>\$142,594,422</b>	<b>\$151,419,368</b>	<b>\$8,824,946</b>	<b>6.2%</b>	<b>\$1,646,831</b>	<b>1.1%</b>
<b>Net Expenditures/ (Revenue)</b>	<b>(\$2,150,094)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$2,150,094</b>	<b>-100.0%</b>

\* Excludes prior year's surplus



## 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 Town, in a self-help program aimed at stimulating business.
BUPE	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 Town.
CCC	CAO & Commissioners' Committee
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 Town from developers.
DHF	Department Head Forum
GST	Goods and Services Tax – Federal Government Levy on all purchases of goods and services, which is currently 7%.
ISCM	Innovation Synergy Centre in Markham
ITS	Information Technology Services
KPI	Key Performance Indicators (Performance Measures)
L.I.A.	Local Improvement Act. The Act defines the roles of Municipal and Regional Governments in undertaking, administering and managing requests by property owners for extending water, sanitary sewer services or the building of a noise wall.
MEC	See Markham Enterprises Corporation
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.
NRC	National Research Council

OMERS	Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the Town's full-time employees. Employees and employers normally make equal contributions to the plan.
PSAB	Public Sector Accounting Board. The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information. The Town of Markham adheres to PSAB's Public Sector Standards for Municipal Financial Reporting.
PST	Provincial Services Tax –Provincial Government Levy on all purchases of goods and services, which is currently 8%.
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.
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="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left; padding-right: 40px;"><u>Tax Year</u></th> <th><u>Base Year</u></th> </tr> </thead> <tbody> <tr> <td>1998, 1999, 2000</td> <td>June 1996</td> </tr> <tr> <td>2001, 2002</td> <td>June 1999</td> </tr> <tr> <td>2003</td> <td>June 2001</td> </tr> <tr> <td>2004</td> <td>June 2003</td> </tr> <tr> <td>2005</td> <td>June 2003</td> </tr> <tr> <td>2006</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	June 2003	2005	June 2003	2006	June 2005
<u>Tax Year</u>	<u>Base Year</u>														
1998, 1999, 2000	June 1996														
2001, 2002	June 1999														
2003	June 2001														
2004	June 2003														
2005	June 2003														
2006	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 Town.														
Capital Budget	The budget that provides for the funding of the Town's expenditures on capital assets, i.e. assets which provide benefits to the Town over several years.														
Capital Assets	Represents assets like Land, Building, Machinery etc whose benefits last several years.														

Capital Receipts	Receipt of funds specifically for the creation of a Trust account.
Capital Expenditure	Money's spent for replacement, renovation or maintenance of fixed assets the benefits of which could spread over several years.
Capital Projects	Projects whose value is more than \$5,000 with benefits of expenditure lasting several years.
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.
Grants in Lieu	Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies.
Infrastructure	The system of public works in the Town, consisting of immovable physical assets, that delivers an essential public service (e.g. road network, water and sewer systems, and lighting).
Levy	The amount of property tax, in dollars, which is paid by the Town's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.
Line Item	Is a General Ledger account code
Markham Enterprises Corporation	A wholly owned subsidiary of the Town 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.

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 Town to impose a fixed charge on each of the lots in question.</p>
New Urbanism	<p>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.</p>
Non-Routine Capital Expenditures	<p>Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.</p>
Operating Budget	<p>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.</p>
Reserve	<p>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.</p>
Reserve Fund	<p>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.</p>
Surplus	<p>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.</p>

Supplementary  
Taxes

Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).

Tax Rate

A percentage rate that is used to determine the property tax levy to be paid by a particular taxpayer within the Town. The rate for a property depends on its tax class, which in turn depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Tax rates are established by a Council bylaw.

User Fees &  
Service Charges

Fees paid by individuals or organizations to the Town for the use of Town facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees).





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