



2011 BUDGET

Town of Markham

Ontario, Canada

Cover photo Canadian flag collage:

Cover images represent the four pillars of the Town of Markham's Community Sustainability Plan —

• Healthy Environment • Economic Vitality • Social Equity • Vibrant Culture



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Markham
Ontario**

For the Fiscal Year Beginning

January 1, 2010

President

Executive Director

EXECUTIVE SUMMARY

Markham is proud of its reputation as a leading municipality in Canada. Since its incorporation in 1971, Markham has become a place that attracts high-tech industries while also building vibrant communities that make it a great place to live, work and play.

We are pleased to present the 2011 Operating, Capital, Building Standards, Engineering, Planning & Design 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 that addresses the economic realities and social needs of the community with a zero percent tax increase on the municipal portion for the third consecutive year. Markham is the only municipality in Ontario to attain this achievement. Service levels are enhanced in 2011 with the construction of a new full size artificial turf soccer field and seasonal dome at the St. Robert Catholic High School as well as other projects that are underway such as the Angus Glen indoor tennis facility and the unique outdoor artificial skating rink located at the Markham Civic Centre. Vital Markham services such as fire protection, waste management and roads services continue to be maintained at 2010 levels.

With the direction from Council, Staff continued the Excellence through Efficiency and Effectiveness initiative (E3) that focuses on corporate wide business transformation and has become an integral part of the business planning process. Through E3, existing processes have been reviewed, and efficiencies have been identified that resulted in expenditure reductions and revenue enhancements which assisted Markham in achieving a 0% tax increase in 2009, 2010 and 2011.

Markham approved the following 2011 Budgets, totalling \$333.2 million:

➤ Operating	\$ 164.6 million
➤ Capital	\$ 73.1 million
➤ Building Standards	\$ 7.4 million
➤ Engineering	\$ 6.1 million
➤ Planning & Design	\$ 7.0 million
➤ Waterworks	\$ 75.0 million

Operating Budget

The following table reconciles the 2010 Approved Operating Budget (revised to exclude Building Standards, Engineering, Planning & Design and Waterworks to match 2010) to the 2011 Operating Budget from \$157,661,527 to \$164,637,871 (figures exclude prior years surplus).



REVENUES

Approved 2010 Budget Revenues	157,661,527
2011 Assessment Growth - Tax Revenue	3,991,446
New Infrastructure Projects Revenues	767,000
2011 Supplemental Property Tax Revenue	690,000
New Leases Revenue	437,000
2011 Increase in Waste Diversion Ontario Grant	400,000
2011 Increase in Investment Income	370,000
2011 Increase in Recreation User Fee (CPI only)	150,000
2011 Adjustment in Other Revenues	170,898
Total 2011 Budget Revenues (excluding prior year surplus)	<u>164,637,871</u>

EXPENDITURES

Approved 2010 Budget Expenditures	157,661,527
2011 Increase in Expenditures	5,567,344
2011 Additional Transfer to the Capital Programs	500,000
New Infrastructure Project Costs	909,000
Total 2011 Budget Expenditures (excluding prior year surplus)	<u>164,637,871</u>

At a high level, a lot of work, meetings, inputs and public consultation are considered in developing the Town's budget. The preliminary budget was developed with information from a forecast of 2011 economic pressures. All Town departments prepared business plans that were incorporated into the preliminary budget.

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

In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads each year, thereby requiring additional resources for the maintenance and replacement of these assets. These pressures increased expenditures in 2011 by \$6,976,344. Revenues were reviewed and increased by \$6,976,344 to offset the increase in expenditures resulting in a balanced budget or a 0% tax increase.

Capital Budget

The 2011 Capital Budget of \$73,116,200 includes funding from various sources.

Capital projects in the 2011 Budget include the continuation of the tree planting initiative, waste management initiatives, Rodick Road extension to Esna Park Drive, reconstruction of Main Street Markham, design phase for new South East Community Centre, design & construction of 5 new parks, reallocation of Fire Communication Centre, facility improvements at Town-owned buildings, road rehabilitation across the Town, watermain and sanitary sewer construction & replacement, design for a new 100 acre major sports park and new artificial turf sportsfield in East Markham.

As part of the 2015 Pan/Parapan American Games, Markham will host water polo and badminton events at a new 50,000 sq. ft. aquatic facility, with a 50 metre pool and a 36,000 sq. ft. field house with gymnasium.

The 2011 Capital budget includes \$4,045,941 from the Federal Gas Tax grant, which will fund the following capital projects:

- Bridge improvements
- Main Street Markham road improvements
- Asphalt resurfacing
- Energy Metering and Monitoring System

The 2011 Budget reflects the Town's commitment to maintain 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 and the Town's commitment to increase contribution to the capital program by \$500,000 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. In addition, the Town will be contributing \$250,000 to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

Building Markham's Future Together and Strategic Focus

Markham has experienced dramatic growth and change during the past decade, and the Town needs to prepare for and manage this change in the years ahead. Through the innovative award-winning Click with Markham campaign, the Town provided opportunity for residents, local businesses and other stakeholders to share their thoughts on Markham's future directions. More than 5,000 people responded, making Click with Markham one of the most successful programs of its kind in Ontario.

Based on this feedback, Council developed Markham's official strategic direction for the coming years. The Town's top six strategic priorities include:

- **Growth Management:** A Made in Markham Growth Plan that addresses the government's directive to accommodate growth in Markham and to protect existing neighbourhoods while creating new sustainable communities.



- **Transportation/Transit:** Development of a Markham Transportation Strategic Plan that will build on York Region and Metrolinx transportation & transit plans, integrate with land use, and use of pilot projects to test new and innovative transportation initiatives.
- **Environment:** Markham GreenPrint strategy that will further protect the Town's air, land, water, vegetation, wildlife and all living species and funding for a major tree planting initiative. Investments are also made for additional Stormwater Management Ponds, installing geothermal heating at the Town Civic Centre supplied by Markham District Energy, and the continuation of the Markham Trees for Tomorrow initiative.
- **Municipal Services:** Investments are made on various road resurfacing & improvement projects, maintenance and repair at municipal buildings and construction & replacement of water mains.
- **Parks, Recreation, Culture, Library Master Plan and Public Safety:** An integrated Leisure Master Plan that provides a holistic approach to parks, recreational, culture and library needs of the community.
- **Diversity:** Everyone Welcome Diversity Action Plan that identifies the strategies in achieving an even more inclusive Markham.

Looking Ahead

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

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

The new Official Plan will provide the opportunity to address future changes in the physical planning and development of Markham, and strategies to integrate with other Town initiatives for managing sustainable economic, environmental and social change. It will also provide opportunities to engage the community in considering how the Plan may be employed to guide decisions on future community planning. Council has endorsed a growth alternative to 2031 as the basis for a new Official Plan, and a new draft Plan is being prepared during 2011.

Markham Centre: Markham Centre is Markham's emerging downtown – an environmentally sustainable and transit supportive community that will be a great place to live, work, play, learn and shop. The vision for Markham Centre was established in the early 1990s and since then, staff from across the Town have been working to make that vision a reality. Staff are currently updating the secondary plan for Markham Centre:

- Current estimates: 41,000 residents and 39,000 jobs
- More than 20 buildings are complete or under development – with many more to come
- The plan includes over 50 acres of parkland and 192 acres of open space

- It is home to 1 secondary and 3 elementary schools
- Unionville GO station has been identified as “Anchor Mobility Hub” by Metrolinx
- Major residential developments in Markham Centre must follow LEED standards. LEED (Leadership in Energy and Environmental Design) is a benchmark for the design, construction and operation of high performance “green” buildings.
- Markham Centre has 11 principles and a Performance Measures Document, created by Markham staff, residents and businesses to guide development in the area.

Transportation: As a part of Council’s Building Markham’s Future Together plan, Council recognizes the importance of a successful transportation network. The Unionville GO station has been identified as a Mobility Hub in the Metrolinx plan. Created by the Ontario Provincial Government, the plan is to develop and implement an integrated multi-modal transportation plan for the Greater Toronto and Hamilton Area. Metrolinx defines a mobility hub as a major transit station area that is particularly significant given the level of transit service that is planned for it and the development potential around it. It is a place of high connectivity where different modes of transportation, from walking to high-speed rail, come together seamlessly. The Town is also working with the Region of York on High Occupancy Vehicle lanes on Regional roads which are being finalized under the Regional Transportation Study.

Environment: Continuation of the Trees for Tomorrow initiative with the goal of planting 90,000 new trees over the current Council’s 4 year term. The Town planted 130,000 new trees in the past four years which were 55,000 more trees than the goal of 75,000.

The Town is also committed to funding the Markham Environmental Sustainability Fund (MESF) each year. MESF is a Town program that funds innovative and leading environmental initiatives that contribute to the health of the natural environment. The fund provides financial resources for projects in Markham that promote environmental responsibility and enhance the protection of the Town’s natural resources.

The Town has also continued funding for the Markham Energy Conservation Office (MECO). MECO is responsible for leading, developing and implementing energy conservation programs that deliver realistic demand shedding and cost avoidance results. MECO is in line with the Provincial goals of creating a ‘culture of conservation’. MECO’s portfolio of programs is broad-based and includes initiatives that are focused on improving internal operations by implementing retrofit projects in existing facilities as well as working to ensure new facilities are built to a higher, more efficient standard.

Greenprint, Markham’s Sustainability Plan: is a community driven long term strategy that addresses environmental health, economic vitality, social well-being and cultural vibrancy for a sustainable future. The plan includes dynamic strategies to involve community members and collaborate with partners, municipalities, and other levels of government.

The Greenprint serves as an umbrella document for integrating Markham municipal planning and decision making. Other municipal plans are of a shorter duration and do not necessarily integrate decision making across all aspects of community planning.



Built on a framework of vision, priorities, strategies and indicators, the Greenprint will help Markham prepare for future challenges, both locally and globally, to ensure Markham continues to be a great place to live, work and play.

The Greenprint will build on other Town's initiatives, such as the Diversity Action Plan, the Integrated Leisure Master Plan, the Growth Management Strategy and policies, guidelines and processes underway to become a comprehensive, integrated framework that guides the Town to the desired sustainable future.

In 2010, Markham Council endorsed the Greenprint's draft recommendations in principle which underwent extensive public consultation. A final draft of the plan will be presented to Council in 2011 which will include a detailed implementation plan.

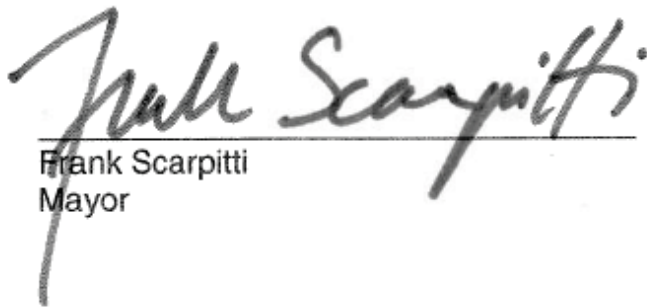
Parks, Recreation, Culture, Library Master Plan and Public Safety: Markham Council approved the Integrated Leisure Master Plan in April 2010. This 10-year plan establishes the short and long-term priorities for the Town's parks, recreation, culture, and library services and facilities. These priorities were developed based on a sustainable financial model. The implementation of this plan is being achieved through a cross organizational team that will be responsible for establishing annual work plans to address the 205 recommendations outlined.

The Community Safety Plan will be a strategic plan that will provide sustainable solutions to enhance safety in Markham. The emphasis will be to ensure that the community is part of the solution to be developed, primarily through strong partnerships within the community, including but not limited to social service and enforcement agencies, school boards, and community groups within our neighbourhoods.

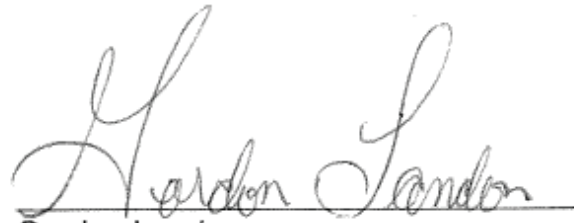
Diversity: Markham takes pride in representing the most culturally diverse community in Canada. Markham Council will establish a Committee with the objective of introducing a new premier Town-wide celebration building the bridges between the cultures of our Community. The Diversity Action Plan was approved by Council in June 2010.

Markham Portal: is envisioned as a multi-phase, multi-year effort intended to place Markham in a leadership position in providing online access to information, services and people, at anytime, from anywhere to citizens, business and the community. The different phases of this initiative include enhanced self-service, personalization, and mobility. The same technology platform will be used for employees in accessing data and information to become more efficient as well as deploy online services to users faster.

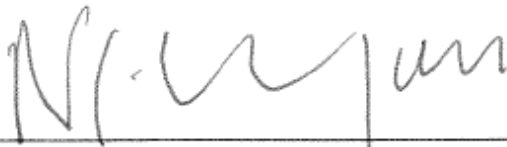
Town Council has established a clear set of priorities and actions for the next several years. On-going public participation and feed-back on the specific plans as they are developed will truly mean we are Building Markham's Future Together.



Frank Scarpitti
Mayor



Gordon Landon
Budget Chief & Regional Councillor



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

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Alternate formats available upon request.

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Markham and the North American Market

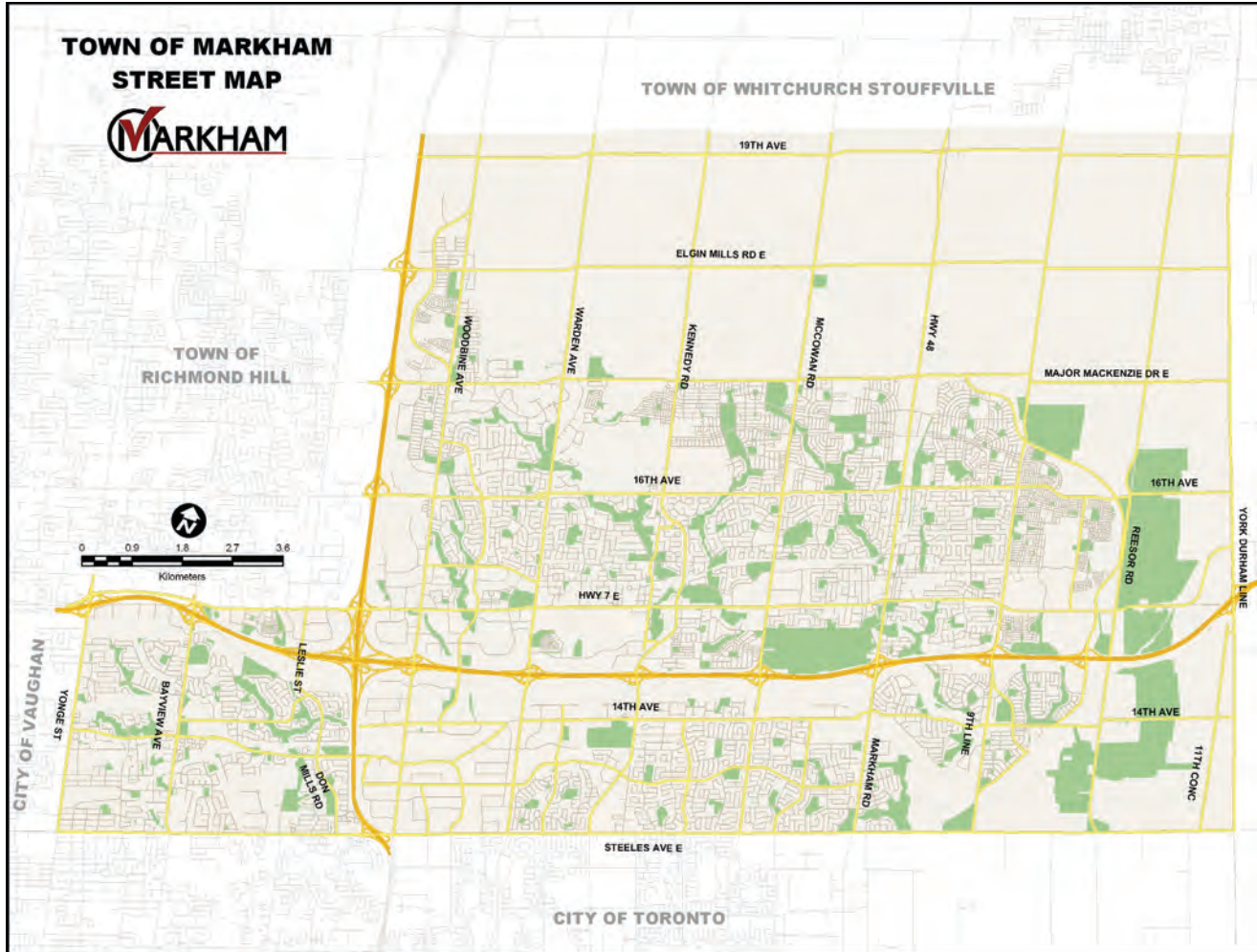


Markham and the Greater Toronto Area





2011 TOWN OF MARKHAM STREET MAP



TOWN OF MARKHAM COAT OF ARMS

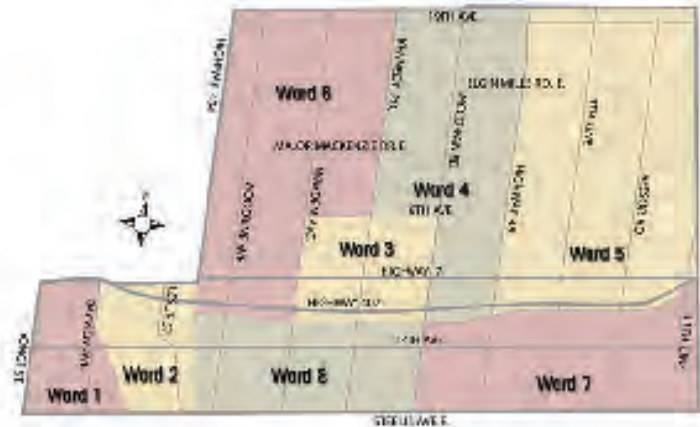


Lion	Strength
Wheat	Agricultural History
Coronet	Canadian Maple Leaf
Helmet	From Sir Markham's Coat of Arms
Horses	Early Transportation and Strength
Medallion	From Berczy Coat of Arms (First Settlers); Fleur De Lis - and the two Acorns for growth
Shield	Four Rosettes for 4 communities: Markham, Milliken,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

MAYOR & MEMBERS OF COUNCIL



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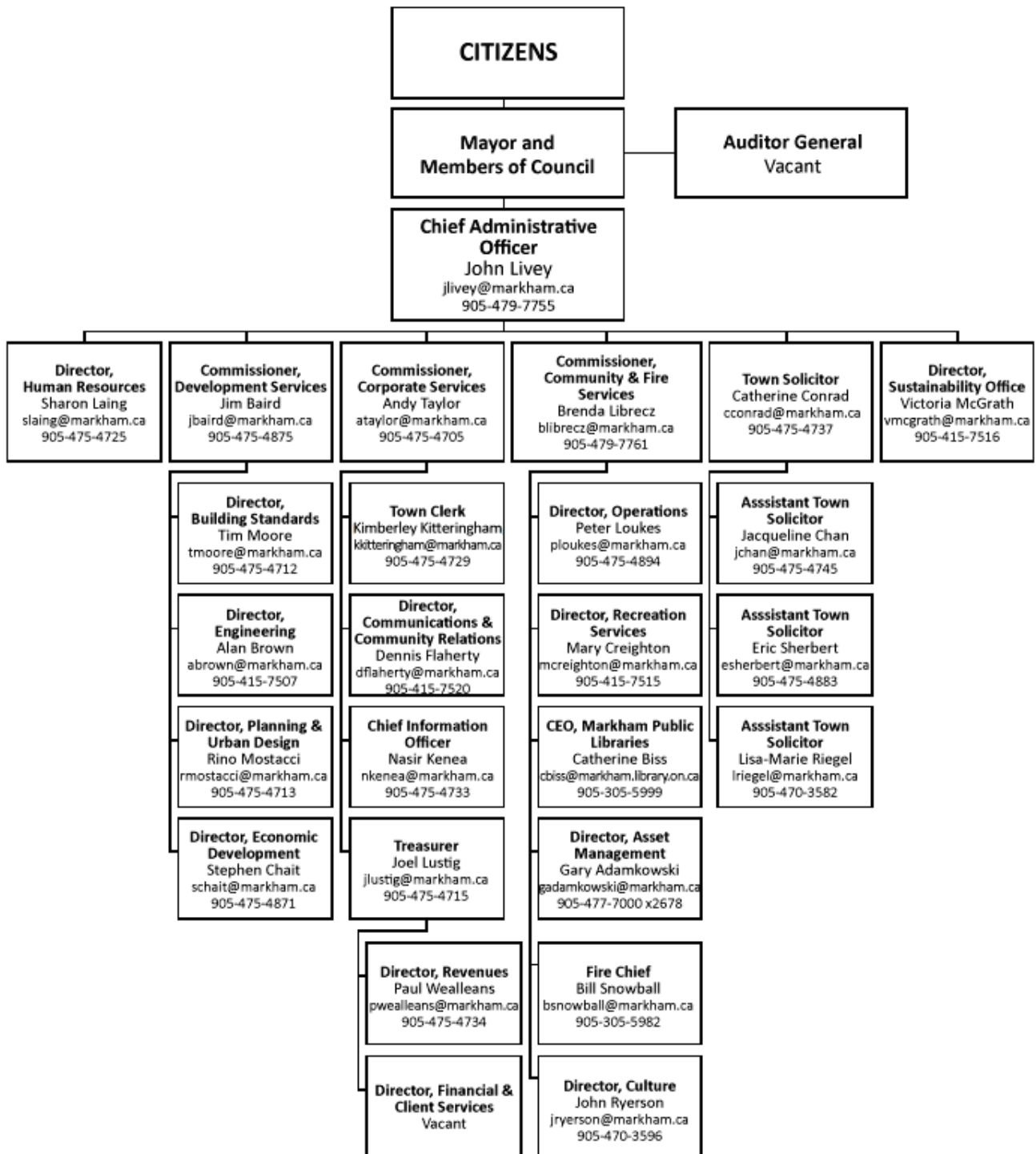


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ORGANIZATION STRUCTURE





2011 BUDGET HEAD COUNT APPROVED FULL TIME COMPLEMENT

Department / Commission	2008	2009	2010	2011
Mayor & Council*	3	3	3	3
Human Resources	17	17	17	19
Legal Services	9	9	9	9
Strategic Initiatives	4	0	0	0
Sustainability Office	0	3	3	4
CAO's Office	4	4	4	5
Total CAO, Legal, HR & Sustainability Office	34	33	33	37
Contact Centre	7	7	7	7
Communications & Community Relations	14	12	12	13
Financial Services	46	46	46	46
Information Technologies Services	33	32	32	32
Legislative Services	50	49	49	52
Commissioner's Office	3	3	3	3
Total Corporate Services	153	149	149	153
Economic Development	7	7	7	7
Engineering	38	32	32	37
Planning & Design	39	39	40	43
Commissioner's Office	11	11	10	11
Total Development Services	95	89	89	98
Arts Centres	5	6	6	6
Asset Management	8	23	23	24
Capital Works & Utilities	14	0	0	0
Fire Services	237	238	257	258
Fleet	9	9	9	9
Library	62	62	62	62
Museum	6	5	5	6
Operations & Asset Management Admin.	4	5	4	4
Operations Admin.	13	18	14	14
Parks	44	45	45	45
Recreation Services	93	91	91	94
Roads	38	34	34	34
Strategic Services	4	0	0	0
Theatre	9	9	9	9
Traffic Operations	0	0	4	4
Waste Management	4	4	5	6
Commissioner's Office	2	3	4	4
Total Community & Fire Services	552	552	572	579
Sub Total	837	826	846	870
Building Services	59	59	59	59
Waterworks	57	56	56	60
Total Corporation	953	941	961	989

* Excludes Mayor & Council Members

**The 2011 approved full-time complement of 989 represents an addition of 28 new full time staff in the Budget. Details of these positions are provided on the next page. The increase is due to the overall growth of the Town and the Town's commitment to maintain or increase service levels.

During 2010, 20 full-time staff positions were added for the opening of a new fire station.

DETAILS OF 2011 STAFF ADDITIONS

CAO, Legal, HR & Sustainability Office: 4		
Human Resources	Learning Coordinator	1
	Benefits & Pension Specialist	1
Sustainability Office	Sustainability Coordinator	1
CAO's Office	Accessibility Coordinator	1
Corporate Services: 4		
Communications & Community Relations	Events Supervisor	1
Legislative Services	Parking Control Officer	1
	By-Law Officers	2
Development Services: 9		
Engineering	Capital Engineers	4
	Transportation Technologist	1
Planning & Design	Senior Planner - Urban Design	1
	Senior Planner - Environmental	1
	Landscape Inspector	1
Commissioner's Office, Development Services	Development Technician	1
Community & Fire Services: 7		
Asset Management	Senior Manager - Right Of Way & Environmental Assets	1
Fire Services	Fire Prevention Officer	1
Museum	Visitor Services Coordinator	1
Recreation Services	Community Recreation Manager	1
	Recreation Supervisor	1
	Facility Operator	1
Waste Management	Waste Labourer	1
Waterworks: 4		
	Infrastructure Project Engineer	1
	Sanitary Sewer System Engineer	1
	Project Engineer & Coordinator	2
Total		28

HISTORY OF MARKHAM



The source from which Markham draws its name is rich in both resonance and history.

When Upper and Lower Canada were established in 1791, John Graves Simcoe was appointed the first Lieutenant-Governor of Upper Canada. Simcoe named the Township of Markham, north of the Town of York (now Toronto), after his friend, William Markham, the Archbishop of York.

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

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

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

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

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

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

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

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

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

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

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

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is over 308,000 by end of 2010. 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 2010*

*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
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Economic Overview

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

Markham, strategically located in the heart of the Greater Toronto Area, is one of the fastest growing municipalities in Ontario with more than 300,000 people. More than 400 corporate head offices and over 800 high technology and life sciences companies are located in Markham. These two sectors generate a total employment of close to 33,000, or almost a quarter of the total employment of 123,000. High quality facilities, a highly educated and diverse workforce and a pro-business environment signify the many attributes that continue to attract world-renowned corporations to Markham, including IBM Canada, AMD, American Express, Honda Canada, Motorola, Honeywell, Sun Microsystems, Johnson & Johnson and many others.

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

Markham's top 20 employers

Company	Number of Employees
IBM Canada Ltd.	8,574
AMEX	4,100
CGI Information System & Management Consultants Inc.	1,976
Markham Stouffville Hospital	1,760
AMD Technologies Inc.	1,750
TD Waterhouse Inc.	1,628
Allstate Insurance Company of Canada	662
Nielsen	662
MMM Group	650
The Linkage Group Inc.	500
Canadian Automobile Association Toronto Auto Club	466
Ceridian	450
Toshiba Canada Ltd.	450
Worley Parsons	440
Transcontinental – PLM Group	425
Homelife Bayview Realty Inc.	375
Make-up Art Cosmetics Limited (MAC)	350
Steelcase	350
Philips Electronics Ltd.	350
Town of Markham Civic Centre	337

Data source: 2009 York Region Employment Survey



High Tech Cluster

Industrial Category	Number of Companies
Computer Systems Design and Related Services	204
Computer, Computer Peripheral and Pre-Packaged Software	100
Specialized Design Services	46
Engineering Services	40
Management, Scientific and Technical Consulting Services	35
Electronic and Precision Equipment Repair and Maintenance	34
Electronic Components, Navigational and Communications	32
Companies that did not show an NAIC code (identifiable category)	26
Computer and Peripheral Equipment Manufacturing	24
Wireless Telecommunications Carriers (except Satellite)	24
Semiconductor and Other Electronic Component Manufacturing	16
Scientific Research and Development Services	15
Navigational, Measuring, Medical and Control Instruments Manufacturing	14
Other Professional, Scientific and Technical Services	14
Data Processing, Hosting, and Related Services	13
Software Publishers	12
Communications Equipment Manufacturing	11
Electrical Equipment Manufacturing	11
Other Electrical Equipment and Component Manufacturing	11
Wired Telecommunications Carriers	11
Geophysical Surveying and Mapping Services	10
Management of Companies and Enterprises	8
Audio and Video Equipment Manufacturing	5
Internet Publishing and Broadcasting	4
Manufacturing and Reproducing Magnetic and Optical Media	3
Internet Service Providers, Web Search Portals	3
Electronic Power Generation, Transmission, Distribution	2
Total	728

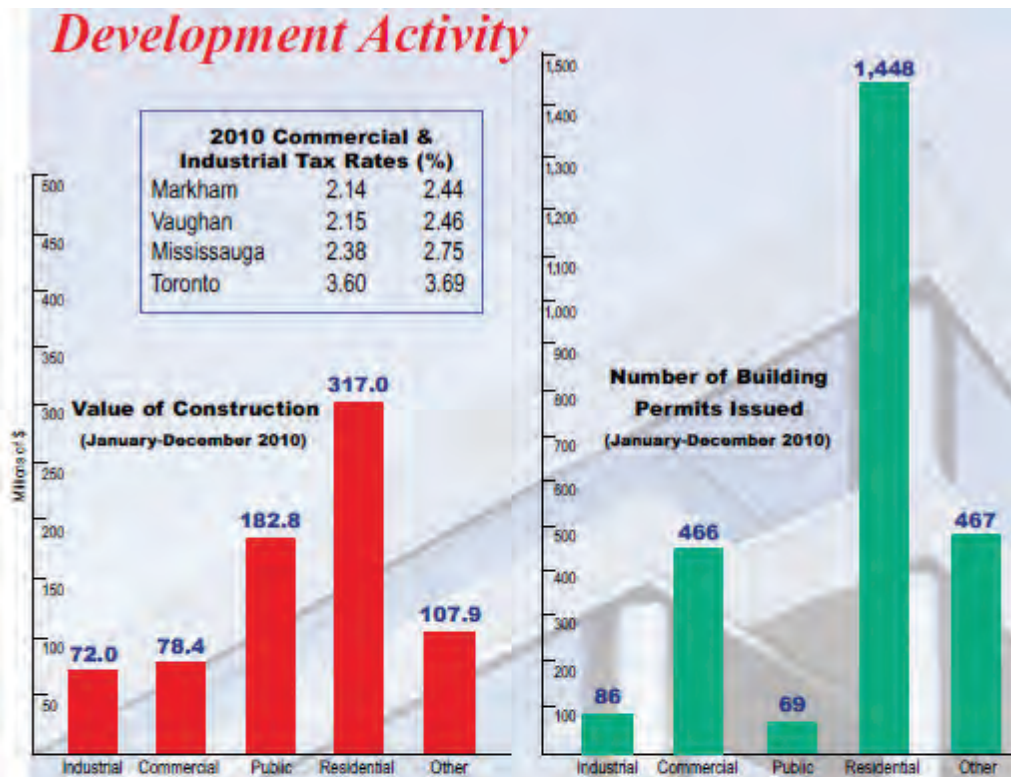
Note: Data was obtained from the 2009 York Region Business and Employment Survey, and while every effort has been made to ensure the accuracy of this information, the Regional Municipality of York and the Town of Markham can accept no responsibility for any inaccuracies, errors or omissions. Some industry 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.

Life Sciences Cluster

Industrial Category	Number of Companies
Medical and Diagnostic Laboratories	23
Medical Equipment and Supplies Manufacturing	18
Pharmaceuticals and Pharmacy Supplies Wholesaler Distributors	16
Pharmaceutical and Medicine Manufacturing	6
Companies that did not show an NAIC code (identifiable category)	6
Computer Systems Design and Related Services	5
Research and Development in the Physical, Engineering and Life Sciences	5
Management of Companies and Enterprises	3
Computer, Computer Peripheral and Pre-packaged Software Wholesaler-distributors	1
Office Administrative Services	1
Home Health Care Services	1
Total	85



Industrial/Commercial Activity



Industrial/Commercial Development

Industrial & Business Parks, 2010

Industrial available land - serviced and market ready	299 acres
Industrial available land - unserviced	919 acres
Average price per acre	\$425,000 - \$525,000
Commercial available land - serviced and market ready	142 acres
Commercial available land - unserviced	334 acres
Average price per acre	\$875,000 - \$975,000

Industrial Inventory, 2010 (Q4)

Total inventory (sq. ft.)	31,887,576
Vacancy rate - class A	5.1%
Average net rent (sq. ft.)	\$5.88

Commercial Office Inventory, 2010 (Q4)

Total inventory (sq. ft.)	1,318,233
Vacancy rate - class A	6.7%
Average net rent (sq. ft.)	\$16.01

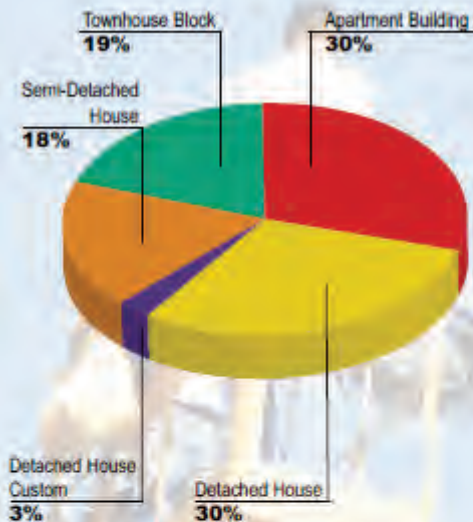
All values are in Canadian Dollars

Source: Colliers International

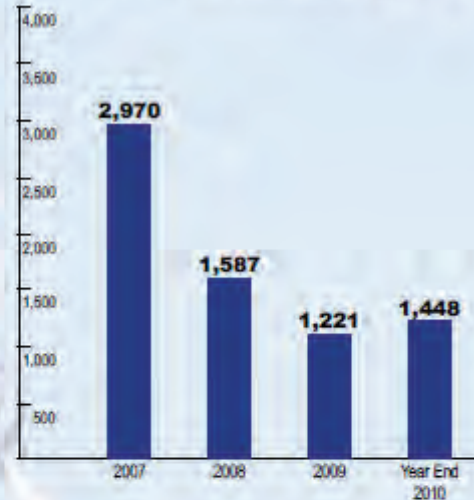
Residential Activity & Utilities

Residential Development

New Residential Units Profile
(January-December 2010)



Number of New Residential Units per Year



Average House Prices (Royal LePage Q3, 2010)

Detached Bungalow	\$500,000
Executive Detached Two-Storey	580,000
Standard Two-Storey	485,000
Standard Townhouse	380,000
Senior Executive	655,000
Standard Condominium Apartment	300,000
Luxury Condominium Apartment	380,000

Municipal Utilities

Water & Sewer Infrastructure, 2010 Rate

Water & wastewater rate per cubic metre	\$2.2129/m ³
Sewer mains	981 km
Water mains	825 km

Electricity Costs and Charges, Business Rates

50kW or Less		Greater than 50kW Demand	
Distribution rate	\$0.0091/kWh	Distribution rate	\$2.4936/kWh
Monthly fixed charge	\$30.15	Monthly fixed charge	\$85.37

Quality of Life

The award-winning Town of Markham is the largest of nine communities in York Region with a population of over 300,000, 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, Seneca College's Markham campus opened, the first post-secondary educational research and training facility in Markham.

Recreation and Culture

Total land area (sq km)	212
Number of parks	160
Trails/pathway system (km)	120
Public libraries	5
Community centres & facilities	18
Golf courses	12
Markham Theatre, Markham Museum, Varley Art Gallery	
Heritage areas – Thornhill Village, Unionville Village, Markham Village, Buttonville Village	

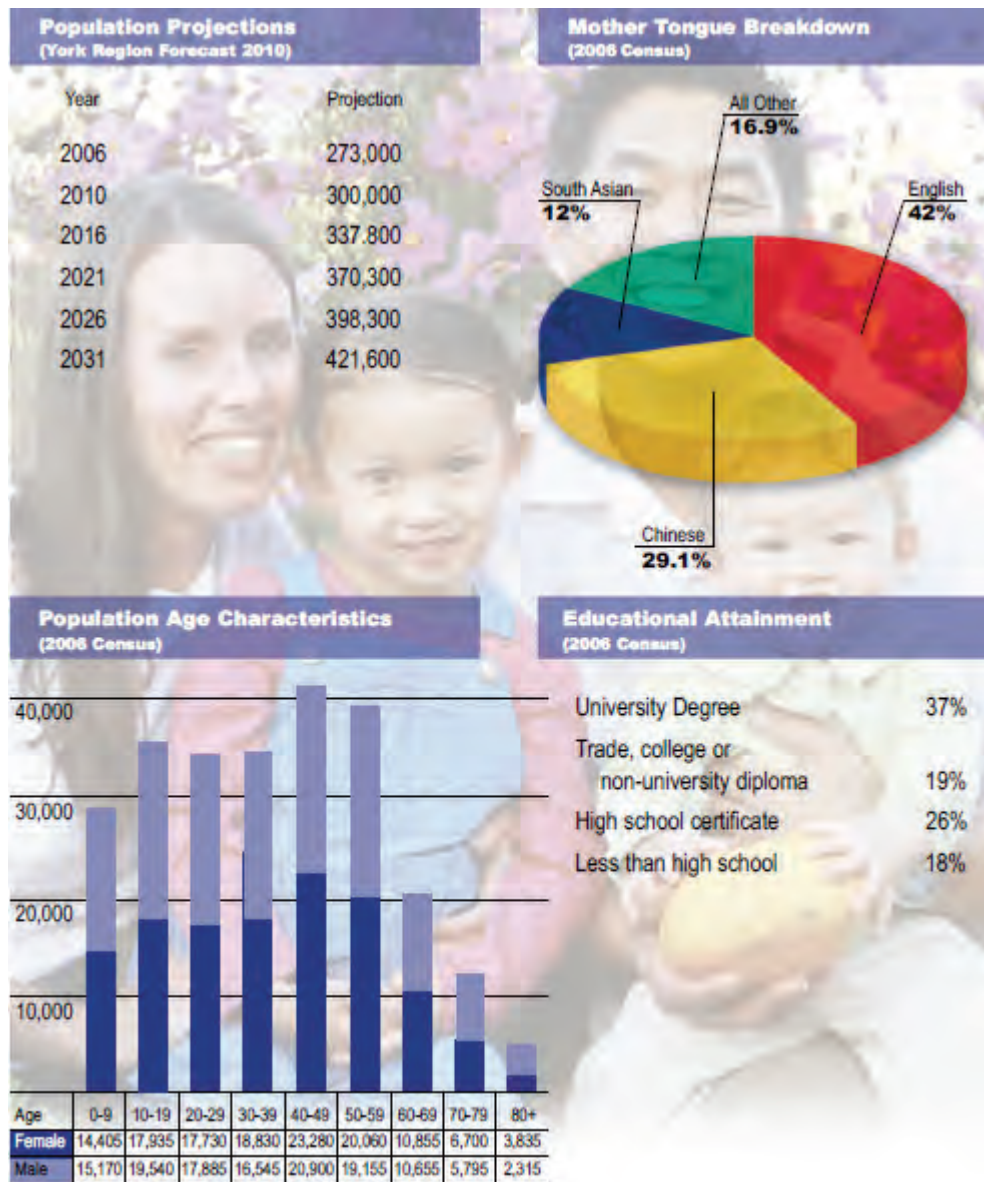
Public Health and Education

Markham Stouffville Hospital	220 beds
Shouldice Hernia Centre	89 beds
Elementary schools	70
High schools	18
Community colleges (within 1 hr drive)	8
Universities (within 1 hr drive)	6

Transportation Infrastructure & Service Providers

Roads	1,014 km
Highways (404 and 407)	32 km
Side walks	830 km
York Region Transit (YRT)/Viva	www.yorkregiontransit.com
Toronto Transit Commission (TTC)	www.toronto.ca/ttc
GO Transit	www.gotransit.com
CN Rail	www.cn.ca
407 ETR	www.407etr.com
Toronto Buttonville Municipal Airport	www.torontoairways.com

Demographic Profile



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

Labour Force Profile

Income Levels of Persons Reporting Income (2006 Census)

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

Basic Indicators (2006 Census)

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

Labour Force By Industry (2006 Census)

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

Wage Rates in Markham (2006 Census)

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

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

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

Number of New Dwelling Units in Year 2010

Single Dwellings	470
Double Dwellings	270
Row Dwellings	278
Mixed Residential	0
Apartments	430
Total	1,448

Construction Value in Year 2010

Residential	317,802,581
Mixed Residential	0
Industrial	62,974,067
Commercial	78,455,554
Institutional & Government	7,305,819,557
Other	107,874,914
Total	7,872,926,673

Year Ending December 31, 2010



STRATEGIC PLAN AND INITIATIVES

Building Markham's Future Together

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

Short-Term Goals

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

Also, in early 2009, community residents and stakeholders were invited to attend a series of introductory public meetings and discussions on each of the six strategic priorities. The goal of these meetings was to increase community understanding of the action plans and for residents and stakeholders to provide their views on important elements for Markham to consider in developing and implementing specific plans and programs. More in-depth public consultation and community research will continue throughout 2011 for each of the six strategic priorities. This process will continue until the 32 action plans are all completed.

Long-Term Goals

Looking forward, Building Markham's Future Together will help Markham to create a long term community sustainability plan: Greenprint, Markham's Sustainability Plan (Greenprint). Greenprint is a plan to help us to achieve a balance among environmental, social/cultural and economic factors. The planning process of Greenprint began in early 2009 and is a companion process to Building Markham's Future Together that will continue throughout 2011. The Greenprint will integrate many of action plans from Building Markham's Future Together.

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



GROWTH MANAGEMENT

Managing the Town's growth:

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

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

The Town's plan:

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

Status: Completed

The Town developed a 'Made in Markham' plan for sustainable community growth in response to provincial growth initiatives. The plan will protect the Town's natural and cultural heritage, as well as provide for social and economic well-being. The development of a Growth Management Strategy has been completed. The Strategy is based on an 'environment first' approach, starting with the identification and protection of a Town-wide natural heritage network. Now that the Town has a Growth Management Strategy, staff have developed a program to prepare a new Official Plan for the Town. The new Official Plan will be completed by Q4 2011.

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

Status: Underway

The Town is developing a plan to deliver the additional infrastructure and services needed to support our new communities. Where these services are not provided directly by Markham, the Town will coordinate with other levels of government and other agencies to ensure the appropriate services are delivered. Work has begun on a Master Servicing Plan and the Transportation Strategic Plan. The Integrated Leisure Master Plan (ILMP) has been completed. The ILMP has a ten year planning horizon, and through an intensive process of community engagement and consultation, the Project developed a Master Plan for Markham's future parks, recreation, cultural facilities and libraries. The ILMP process involved extensive consultation with Council, resulting in an approval of the ILMP recommendations in April 2010 - the first of



Council's strategic priorities (Building Markham's Future Together) to be completed. In addition, the Town is working on a Community Infrastructure Capacity Review to identify the overall community infrastructure (not only the Town's) needed to accommodate growth (e.g. health care services, education, etc).

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

Status: Underway

The Town is reviewing the fiscal requirements of our growth plan and is developing a financial strategy to implement it. The Town will work with all levels of government to reform legislation, develop new fiscal tools and directly provide the funding for necessary infrastructure.

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

Status: Underway.

The Town is consulting and engaging the people of Markham and other stakeholders to develop our growth plan. The Town held a number of community meetings throughout 2009 to provide an overview of the issues to be addressed in our Growth Management Strategy, and to gather input on the proposed alternatives for accommodating growth to 2031. Additional community meetings were held throughout 2010 to present various growth options to the public for their input. Further consultation on the Official Plan will be held throughout 2011.

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

TRANSPORTATION/TRANSIT



Improving transportation and transit:

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

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

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

The Town's plan:

- **Work with partners to address our transit challenges by Q4 2010 and beyond.**

Status: Underway

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

The Town has been providing input into the York Region's Transportation Plan Update and reflecting the comments from Council, residents and businesses. The Town also made submissions to Metrolinx regarding the Yonge Subway extension to Richmond Hill/Langstaff, as well as encouraged more funding from the Province for other rapid transit projects in Markham. The Town hosted a 2-day Markham Transportation Summit "Gridlock, Rapid Transit and You" in November 2008. A number of community meetings were held throughout 2009 to provide an overview of the issues to be addressed in the Master Transportation Plan. The Town, in consultation with York Region Transit, Ministry of Transportation Ontario (MTO), 407 Express Toll Route (ETR) and York Region's staff have been exploring the opportunities to make Langstaff and Markham Downtown as true transit hubs where there will be major origin and destination of many trips as well as important inter-modal hubs.

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

Status: Underway

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

- **Create transit-friendly policies in all aspects of Town planning in 2010 and beyond.**

Status: Underway

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

The Town has received a number of higher density mixed used development applications. Staff have been working with these applicants and have shown leadership in developing transit oriented development. The Cycling and Pedestrian Advisory Committee (CPAC) continues to provide valuable inputs into the promotion of active transportation as well as other measures to make personal transportation more environmentally friendly. Policies are also being developed for intensification areas to reduce the number of trips (through mixed land use), reduce auto use (parking policy, carpool lanes, proximity to alternative modes,) and encourage the use of other modes especially Active Transportation (bike lanes, continuous sidewalks). The Markham Transportation Strategic Plan (MTSP) which is currently underway will investigate a number of policy issues and will be completed in 2011.



ENVIRONMENT

Protecting the Town's environment:

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

The Town's plan:

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

Status: Underway

This includes:

- Policies to protect air, land, water, habitat and all living species
 - Initiatives underway include Rouge River Watershed Plan; Green Fleet Transition Plan; Small Streams Education Program; Salt Management Plan; Agriculture Assessment; Natural Heritage Network and Greenway Mapping
 - Completion of Storm Water Management Facility Database and Maintenance Manual – Storm Water Management (SWM) Facilities Maintenance and Retrofit
- A multi-year, multi-language education and communication strategy
 - The World Café was held February 2009 to introduce community sustainability and discussions; approximately 70 community leaders and stakeholders attended the event.
 - Two Sustainability Fair's were held: the first in October 2009 that was attended by over 100 people and provided an opportunity for the Town to receive input on the 12 Goal Areas of the Greenprint and the second in November 2010 that provided opportunities for residents to learn about local food and the Greenprint.
- Partnerships with all levels of government to endorse and support sustainability
 - Partnerships and collaborations include: York Region; Ontario Government (Ministry of Education); Metrolinx; York University (Social Sustainability Workshop); York Region District School Board; York Region Catholic School Board; Federation of Canadian Municipalities; Association of Municipalities of Ontario; Municipalities with best practices in community sustainability (i.e. Whistler, BC)



- A comprehensive Climate Action Plan
 - A report for Partners for Climate Protection milestones 1 and 2 was completed in 2009.
 - The Greenprint will meet objectives of Partners for Climate Protection milestone 3. The Climate Action Plan has been included in the Greenprint.

- **Adopt green building standards and green community standards by Q2 2011.**
Status: Underway
The Town wants to make Markham a recognized leader in environmental standards.
 - Phase 1 Report on "Leadership in Energy and Environmental Design (LEED) and Beyond - Markham Sustainable Development Standards and Guidelines" was presented to Environmental Issues and Sustainability Committee (January 2009)
 - Report presented to Environmental Issues and Sustainability Committee in November 2010 with finalization of the report in Q2 2011.

- **Develop and implement a community-wide zero waste strategy.**
Status: Underway
The Town wants Markham to adopt best practices to move towards a zero waste ecological footprint policy as a baseline and model for residents to follow.
 - Town owned facilities such as: Markham Civic Centre and 555 Miller Avenue Operations Yard, along with the Unionville Meadows Public School and Markham sponsored special events are Zero Waste

- **Prepare a Public Realm Policy and Program.**
Status: Underway
The Town wants to build on existing programs to improve all parks, streets and natural areas.
 - Implementation of Pesticide By-law and Education Plan in 2009.
 - Ongoing implementation of the Trees for Tomorrow program which has a goal to plant 90,000 trees over the four-year period of 2010 to 2014. Markham Trees for Tomorrow will adapt to meet the needs or challenges of a changing environment with the intent to protect the urban forest.
 - Community tree plantings, stewardship events and educational outreach programming will continue in 2011.

- **Develop strategies to maintain healthier, greener communities.**
Status: Underway
This includes boosting local food production, building more bike paths and walking trails, and improving the safety and security of Town neighborhoods.
 - A new farmers' market at the Stiver Mill, Unionville (July 2009)
 - Guidelines for new community gardens (Q2 2009)
 - Sustainability Fair's in 2009 and 2010 featuring local food and food security. Another Sustainability Fair will be held in 2011.
 - The Town worked with Seeds of Change for an event on community gardening in April 2011.

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

Status: Underway

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

- A triple bottom line decision making tool was incorporated into the draft Greenprint (Q2 2010). A final draft will be submitted to Council in Q2 2011 as part of the implementation plan.
- The Town has been successful in receiving funding from other levels of government. Recently, the Town was successful in receiving \$190,000 from the Ontario Power Authority Conservation Fund.



MUNICIPAL SERVICES

Excellence in municipal services:

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

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

- Service Excellence
- Service Innovation
- Service Value

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

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

The Town's plan:

- **Complete all planned service improvements.**

Status: Completed

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

- **Service Promise** – What can you expect from the service the Town is providing to you and what can you do if the Town does not meet your expectations?
- **Service Value** – Why is the service the Town provides important and valuable to you and/or the community, as a whole? Is the Town delivering service in the most effective and efficient manner?
- **Measurement** – Did the Town meet the expectations and live up to the Service Promise?
- **Service Innovation** – Provide new and creative ways of delivering municipal services. Focus on results and outcomes that demonstrate leadership and innovation in all municipal services, and communicating these results effectively to residents.

- **Completed Projects** – Roadway Winter Maintenance Service Level Review; Improved Property Standards through Beautification; Zero Waste Initiative at Civic Centre; Shopping Cart By-law; Recycling at Super Mailboxes, Sports fields and on Main Streets; After Hours call pick-up in By-laws; Water calls moved to Contact Centre

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

Status: Completed

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

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

Status: Underway

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

Operations Service Planning – Project teams are building a municipal services model for the Town Operations Department using the elements of Service Promise, Innovation, and Value. Staff are doing end-to-end process mapping to document service delivery standards to ensure consistent and measurable results. Phase 2 continues with staff completion of standard operating procedures, service levels and benchmarks.

Waterworks Service Planning – The Waterworks Department will commence service planning in Q2 2011.

PARKS, RECREATION, CULTURE & LIBRARY MASTER PLAN/PUBLIC SAFETY



Investing in the Town's quality of life:

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

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

The Town's plan:

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

Status: Completed

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

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

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

- **Create Markham's first Community Safety Plan by Q4 2011.**

Status: Starting Q1 2011

The Town needs to develop a comprehensive strategic plan that will provide sustainable solutions to enhance community safety in Markham. A Community Safety Plan benefits from strong linkages with social service and enforcement agencies, urban growth, built form, transportation, and parks, recreation, culture, library programs and facilities.

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



Celebrating the Town's diversity:

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

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

The Town's plan:

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

Status: Underway

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

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

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

Status: Underway

This will help the Town to align our services and programs with the needs of Markham residents. It will also demonstrate the Town's commitment to unity and to respecting and promoting human rights. The Town of Markham became a member of the United Nations Education, Scientific and Cultural Organization - Coalition of Municipalities Against Racism in the winter of 2009. Many Faces of Markham event was held in April 2009. The Town partnered with the York Region District School Board and proclaimed Black History Month in February 2010. The Town also proclaimed "Diversity Day" in June 2010 and an Annual Diversity Event is being planned for Q4 2011.



➤ **Enhancing Markham boards and committees.**

Status: Underway

The Town approved the establishment of a Seniors Committee in September 2009. The Town will also review the mandates of the Race Relations Committee, the Markham Advisory Committee on Accessibility, and the Mayor's Youth Task Force. The Town incorporated diversity consideration into the planning of the 2010 Municipal Election.

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

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

Status: Underway

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

➤ **Develop an effective communications plan.**

Status: Underway

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

Customer Service Training was provided to approximately 900 Town Staff in Q2 2009.

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

➤ **Engage and educate Town staff.**

Status: Underway

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

The Diversity Action Plan was approved in June 2010 with 68 recommendations that are now being implemented throughout the Town.

All Town staff will participate in Customer Service Standard training as it relates to people with a disability.



FINANCIAL POLICIES

Financial Planning Policy

Budget Process

Proposed Budget

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

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

Adoption of Budget

Upon receiving the recommendations from the General Committee, the Council will subsequently adopt by resolution such Budget, as the Town's annual Budget for the year beginning January 1. It is not uncommon for municipalities to approve the budget post January 1 of the budget year. The Town's 2011 Budget was approved on March 1, 2011.

Balanced Budget

In 2011, the Town developed a balanced budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2011 budget approval process.

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

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

Deficit Avoidance

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

Amendments to Approved Budget

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

Post Budget Reallocation

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

Reporting

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

Summary financial and budgetary reports will be presented monthly to the Council by the Senior Manager, Financial Reporting and Purchasing. Such reports will be in a format that will enable the Council to understand the budget and the financial status of the Town.

Operating Fund Balance

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

Long Range Planning

General

The Development Services Commission manages the comprehensive planning of 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 in accordance to the Life Cycle Reserve Study 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 source(s) 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.

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. In the event of a deficit, it will be funded through the Corporate Rate Stabilization Reserve, or by a one time tax rate adjustment.



BUDGETING POLICIES

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 are not consolidated but reported separately.

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

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

Fixed Assets

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

Operating Fund

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

Building Standards Fund

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

Waterworks Fund

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

BIA Fund

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

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

Trust Fund

The fund receives payments from individuals or organizations to be used solely for a specific purpose. They are set up under a trust agreement appointing the 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 2010, the Town of Markham had 8 trust funds with a total balance of \$1,755,219.

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.

Reserve and Reserve Funds

As at December 31, 2010, there were 15 Reserves and 22 Reserve Funds. Out of the total of 37 funds, 29 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, 2010 was \$210,814,106.



INVESTMENT POLICIES

OBJECTIVES

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

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

LEGALITY OF INVESTMENTS

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

Investments made by the 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.

PRESERVATION OF PRINCIPAL

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

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

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

Safety

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

Diversification

Investments shall be diversified by:

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

Federal/Provincial Government Securities

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

The following limitations apply:

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

Municipal Government Securities

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

Financial Institutions

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

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

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

MAINTENANCE OF LIQUIDITY

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

Investments are limited to an individual term of twelve years. Investments for terms in excess of one year are restricted to any of the Canadian Federal, Provincial, and Municipal Governments, the 5 largest Canadian Schedule I banks ranked by assets, and institutions guaranteed by the aforementioned.



COMPETITIVE RATE OF RETURN

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

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

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

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

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

ADMINISTRATIVE PROCEDURES

The Commissioner of Corporate Services or the Treasurer will have signing authority on all investments that require wire transfers. The Investment Manager will enter into all investment transactions on behalf of the 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:

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

Reporting

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

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

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

The interim report will include the following:

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



APPENDIX A

ELIGIBLE INVESTMENTS UNDER THE MUNICIPAL ACT

ONTARIO REGULATION 438/97

ELIGIBLE INVESTMENTS AND RELATED FINANCIAL AGREEMENTS

1. A municipality does not have the power to invest under section 418 of the Act in a security other than a security prescribed under this Regulation. O. Reg. 438/97, s. 1; O. Reg. 399/02, s. 1.
2. The following are prescribed, for the purposes of subsection 418 (1) of the Act, as securities that a municipality may invest in:
 1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,
 - i. Canada or a province or territory of Canada,
 - ii. an agency of Canada or a province or territory of Canada,
 - iii. a country other than Canada,
 - iv. a municipality in Canada including the municipality making the investment,
 - iv.1 the Ontario Strategic Infrastructure Financing Authority,
 - v. a school board or similar entity in Canada,
 - v.1 a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000,
 - v.2 the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002,
 - vi. a local board as defined in the Municipal Affairs Act (but not including a school board or a municipality) or a conservation authority established under the Conservation Authorities Act,
 - vi.1 a board of a public hospital within the meaning of the Public Hospitals Act,
 - vi.2 a non-profit housing corporation incorporated under section 13 of the Housing Development Act,
 - vi.3 a local housing corporation as defined in section 2 of the Social Housing Reform Act, 2000, or
 - vii. the Municipal Finance Authority of British Columbia.
 2. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if,
 - i. the bond, debenture or other evidence of indebtedness is secured by the assignment, to a trustee, as defined in the Trustee Act, of payments that Canada or a province or territory of Canada has agreed to make or is required to make under a federal, provincial or territorial statute, and
 - ii. the payments referred to in subparagraph i are sufficient to meet the amounts payable under the bond, debenture or other evidence of indebtedness, including the amounts payable at maturity.

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



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

- 7.2 Bonds, debentures, promissory notes or other evidence of indebtedness issued by a corporation that is incorporated under the laws of Canada or a province of Canada, the terms of which provide that the principal and interest shall be fully repaid more than one year and no later than five years after the date on which the municipality makes the investment.
 8. Negotiable promissory notes or commercial paper, other than asset-backed securities, maturing one year or less from the date of issue, if that note or commercial paper has been issued by a corporation that is incorporated under the laws of Canada or a province of Canada.
 - 8.1 Shares issued by a corporation that is incorporated under the laws of Canada or a province of Canada.
 9. Bonds, debentures, promissory notes and other evidences of indebtedness of a corporation incorporated under section 142 of the Electricity Act, 1998.
 10. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if the municipality first acquires the bond, debenture, promissory note or other evidence of indebtedness as a gift in a will and the gift is not made for a charitable purpose.
 11. Securities of a corporation, other than those described in paragraph 10, if the municipality first acquires the securities as a gift in a will and the gift is not made for a charitable purpose.
 12. Shares of a corporation if,
 - i. the corporation has a debt payable to the municipality,
 - ii. under a court order, the corporation has received protection from its creditors,
 - iii. the acquisition of the shares in lieu of the debt is authorized by the court order, and
 - iv. the treasurer of the municipality is of the opinion that the debt will be uncollectable by the municipality unless the debt is converted to shares under the court order. O. Reg. 438/97, s. 2; O. Reg. 265/02, s. 1; O. Reg. 399/02, s. 2; O. Reg. 655/05, s. 2; O. Reg. 607/06, s. 1; O. Reg. 39/07, s. 1.
- 3. (1)** A municipality shall not invest in a security under subparagraph 1 iii, v.1, v.2, vi.1, vi.2 or vi.3 or paragraph 3.1 or 4 of section 2 unless the bond, debenture, promissory note or evidence of indebtedness is rated,
- (a) Revoked: O. Reg. 265/02, s. 2 (1).
 - (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
 - (b.1) by Fitch Ratings as "AA-" or higher;
 - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
 - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 3 (1); O. Reg. 265/02, s. 2 (1); O. Reg. 399/02, s. 3 (1); O. Reg. 655/05, s. 3 (1, 2); O. Reg. 607/06, s. 2; O. Reg. 39/07, s. 2.

(2) Revoked: O. Reg. 655/05, s. 3 (3).

(2.1) A municipality shall not invest in a security under paragraph 6.1 of section 2 unless the security is rated,

- (a) by Dominion Bond Rating Service Limited as "AAA";
- (b) by Fitch Ratings as "AAA";
- (c) by Moody's Investors Services Inc. as "Aaa"; or
- (d) by Standard and Poor's as "AAA". O. Reg. 655/05, s. 3 (4).

(3) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures more than one year from the date of issue unless the security is rated,

- (a) by Dominion Bond Rating Service Limited as "AAA";
- (a.1) by Fitch Ratings as "AAA";
- (b) by Moody's Investors Services Inc. as "Aaa"; or
- (c) by Standard and Poor's as "AAA". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (2); O. Reg. 655/05, s. 3 (5).

(4) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures one year or less from the date of issue unless the security is rated,

- (a) by Dominion Bond Rating Service Limited as "R-1(high)";
- (a.1) by Fitch Ratings as "F1+";
- (b) by Moody's Investors Services Inc. as "Prime-1"; or
- (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (3); O. Reg. 655/05, s. 3 (6).

(4.1) A municipality shall not invest in a security under paragraph 7.1 of section 2 unless the security is rated,

- (a) by Dominion Bond Rating Service Limited as "A" or higher;
- (b) by Fitch Ratings as "A" or higher;
- (c) by Moody's Investors Services Inc. as "A2"; or
- (d) by Standard and Poor's as "A". O. Reg. 655/05, s. 3 (7).

(4.2) A municipality shall not invest in a security under paragraph 7.2 of section 2 unless the security is rated,

- (a) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
- (b) by Fitch Ratings as "AA-" or higher;
- (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
- (d) by Standard and Poor's as "AA-" or higher. O. Reg. 655/05, s. 3 (7).

(5) A municipality shall not invest in a security under paragraph 8 of section 2 unless the promissory note or commercial paper is rated,

- (a) by Dominion Bond Rating Service Limited as "R-1(mid)" or higher;
- (a.1) by Fitch Ratings as "F1+";



- (b) by Moody's Investors Services Inc. as "Prime-1"; or
(c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (4); O. Reg. 655/05, s. 3 (8).
- (6) If an investment made under paragraph 7 or 8 of section 2 falls below the standard required under subsection (3), (4) or (5), as the case may be, the municipality shall sell the investment within 30 days after the day the investment falls below the standard. O. Reg. 265/02, s. 2 (2).
- (7) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made and as long as it continues, the investment ranks, at a minimum, concurrently and equally in respect of payment of principal and interest with all unsecured debt of the corporation. O. Reg. 265/02, s. 2 (2).
- (8) A municipality shall not invest in a security under paragraph 9 of section 2 unless, at the time the investment is made, the total amount of the municipality's investment in debt of any corporation incorporated under section 142 of the Electricity Act, 1998 that would result after the proposed investment is made does not exceed the total amount of investment in debt, including any interest accrued on such debt, of the municipality in such a corporation that existed on the day before the day the proposed investment is to be made. O. Reg. 265/02, s. 2 (2).
- (9) Any investment made under paragraph 9 of section 2, including any refinancing, renewal or replacement thereof, may not be held for longer than a total of 10 years from the date such investment is made. O. Reg. 265/02, s. 2 (2).
- (10) Subsections (7), (8) and (9) do not prevent a municipality from holding or disposing of a security described in paragraph 9 of section 2 issued by a corporation incorporated under section 142 of the Electricity Act, 1998, if the municipality acquired the security through a transfer by-law or otherwise under that Act. O. Reg. 655/05, s. 3 (9).
- (11) A municipality shall sell an investment described in paragraph 10 or 11 of section 2 within 90 days after ownership of the investment vests in the municipality. O. Reg. 655/05, s. 3 (9).
- (12) If an investment described in subsection (1), (2.1), (4.1) or (4.2) falls below the standard required by the subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 655/05, s. 3 (9).
- 4. (1)** A municipality shall not invest more than 25 per cent of the total amount in all sinking and retirement funds in respect of debentures of the municipality, as estimated by its treasurer on the date of the investment, in short-term debt issued or guaranteed by the municipality. O. Reg. 438/97, s. 4 (1).
- (2) In this section, "short-term debt" means any debt, the terms of which provide that the principal and interest of the debt shall be fully repaid no later than 364 days after the debt is incurred. O. Reg. 438/97, s. 4 (2).

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

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

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

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

1. Only the proceeds of the sale by the City of its securities in a corporation incorporated under section 142 of the Electricity Act, 1998 are used to make the investments.
2. The investments are made in a professionally-managed fund.
3. The terms of the investments provide that,
 - i. where the investment is in debt instruments, the principal must be repaid no earlier than seven years after the date on which the City makes the investment, and
 - ii. where the investment is in shares, an amount equal to the principal amount of the investment cannot be withdrawn from the fund for at least seven years after the date on which the City makes the investment.
4. The City establishes and uses a separate reserve fund for the investments.
5. Subject to paragraph 6, the money in the reserve fund, including any returns on the investments or proceeds from their disposition, are used to pay capital costs of the City and for no other purpose.
6. The City may borrow money from the reserve fund but must repay it plus interest. O. Reg. 655/05, s. 4 (3).

- (2) The investment made under clause (1) (b) or described in subsection (1.1), as the case may be, must be made in the public sector group of funds of the Local Authority Services Limited and the CHUMS Financing Corporation with,
- (a) another municipality;
 - (b) a public hospital;
 - (c) a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000;
 - (d) the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002;
 - (e) a school board; or
 - (f) any agent of an institution listed in clauses (a) to (d). O. Reg. 265/02, s. 3; O. Reg. 655/05, s. 4 (4); O. Reg. 607/06, s. 3.
5. A municipality shall not invest in a security issued or guaranteed by a school board or similar entity unless,
- (a) the money raised by issuing the security is to be used for school purposes; and
 - (b) Revoked: O. Reg. 248/01, s. 1. O. Reg. 438/97, s. 5; O. Reg. 248/01, s. 1.
6. (1) A municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s. 6 (1).
- (2) Subsection (1) does not prevent a municipality from continuing an investment, made before this Regulation comes into force, that is expressed and payable in the currency of the United States of America or the United Kingdom. O. Reg. 438/97, s. 6 (2).
7. (1) Before a municipality invests in a security prescribed under this Regulation, the council of the municipality shall, if it has not already done so, adopt a statement of the municipality's investment policies and goals. O. Reg. 438/97, s. 7.
- (2) In preparing the statement of the municipality's investment policies and goals under subsection (1), the council of the municipality shall consider,
- (a) the municipality's risk tolerance and the preservation of its capital;
 - (b) the municipality's need for a diversified portfolio of investments; and
 - (c) obtaining legal advice and financial advice with respect to the proposed investments. O. Reg. 265/02, s. 4.
- (3) Revoked: O. Reg. 655/05, s. 5.
- (4) In preparing the statement of the municipality's investment policies and goals under subsection (1) for investments made under paragraph 9 of section 2, the council of the municipality shall consider its plans for the investment and how the proposed investment would affect the interest of municipal taxpayers. O. Reg. 265/02, s. 4.
8. (1) If a municipality has an investment in a security prescribed under this Regulation, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council, each year or more frequently as specified by the council, an investment report. O. Reg. 438/97, s. 8 (1).

- (2) The investment report referred to in subsection (1) shall contain,
- (a) a statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
 - (b) a description of the estimated proportion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;
 - (c) a statement by the treasurer as to whether or not, in his or her opinion, all investments are consistent with the investment policies and goals adopted by the municipality;
 - (d) a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
 - (e) such other information that the council may require or that, in the opinion of the treasurer, should be included. O. Reg. 438/97, s. 8 (2); O. Reg. 655/05, s. 6.
- (3) Upon disposition of any investment made under paragraph 9 of section 2, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council a report detailing the proposed use of funds realized in the disposition. O. Reg. 265/02, s. 5.

8.1 If an investment made by the municipality is, in the treasurer's opinion, not consistent with the investment policies and goals adopted by the municipality, the treasurer shall report the inconsistency to the council of the municipality within 30 days after becoming aware of it. O. Reg. 655/05, s. 7.

9. (1) Despite this Regulation, an investment by a municipality in bonds, debentures or other indebtedness of a corporation made before March 6, 1997 may be continued if the bond, debenture or other indebtedness is rated,

- (a) Revoked: O. Reg. 265/02, s. 6.
- (b) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
- (b.1) by Fitch Ratings as "AA-" or higher;
- (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
- (d) by Standard and Poor's as "AA-" or higher. O. Reg. 438/97, s. 9 (1); O. Reg. 265/02, s. 6; O. Reg. 399/02, s. 5; O. Reg. 655/05, s. 8.

(2) If the rating of an investment continued under subsection (1) falls below the standard required by that subsection, the municipality shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 438/97, s. 9 (2).



DEVELOPMENT CHARGE BORROWING POLICIES

OBJECTIVE

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

SOURCES OF BORROWING

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

Internal Borrowing

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

Term of Borrowing

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

Internal Borrowing Interest Rate

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

External Borrowing

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

ADMINISTRATION

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

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

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



INVESTMENT ALLOCATION INTEREST POLICIES

OBJECTIVE

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

INTEREST ALLOCATION

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

Development Charges Reserves

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

Interest Bearing Reserves and Reserve Funds

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

Varley Trust

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

General Portfolio

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

CAPITAL GAINS RESERVE

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

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

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

RESERVE POLICIES

2005 Reserve Study

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

- Determining the adequacy of the Town's Reserves to meet known future expenditures (Infrastructure/Capital Asset Rehabilitation/Replacements)
- Determining the adequate level for the Town's rate stabilization/contingency reserve based upon comparisons and benchmarking with other Municipalities and "best practices"
- 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.

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 55 for Future Operating Surplus)

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.



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 66) 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. Balance at the end of each fiscal year will be transferred to the Corporate Rate Stabilization Reserve.
- **Environmental Land Acquisition Reserve Fund** – a new reserve established in 2005 to provide a source of financing for the Town to acquire/protect environmentally sensitive land. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.
- **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, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.

Future Operating Surpluses

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

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

Waterworks Reserves

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

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

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

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



DEBT POLICIES

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 and fund revenues, not including Municipal electrical utilities revenues.
- Markham’s annual repayment limit for 2011 is approximately \$58.3 million.

2011 OPERATING BUDGET GUIDELINES

General Narrative and Assumptions

The 2011 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***
- ***Maintains a competitive compensation and benefits package*** for our work force.

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

It is assumed that:

- Gross Assessment Growth will be 3.33%

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

The focus of the 2011 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. Through the 2011 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.

Budget Preparation Guidelines

The 2011 Budget is budgeted at 2010 base levels except for additional funding related to:

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



Excluding the predetermined increases mentioned above, departments should complete a business case and fill out a form requesting changes to the base budget for any additional funding requirements for new initiatives, programs, growth, or service level changes. Business cases are expected to contain a 'Value Proposition', meaning that the department has to clearly identify a corresponding incremental benefit to the 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 section 391 of the Municipal Act – Fee and/or Charges bylaw will not constitute debt as defined here.

Establish the Base Level

The Base Level for the 2011 Budget will be the 2010 cost of providing all the services approved in the 2010 budget, except for one-time projects.

The 2011 Base Level Budget is set by taking the inputs approved in the 2010 budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

- **Annualized Costs** - For example, last year's budget might have included staff to start in April; this year's budget includes the full year's salary. The only annualized costs that appear in the 2011 Budget are personnel and other costs related to municipal service contracts that had price escalation midway in 2010. These costs are identified and included in the 2011 Base Budget.
- **Growth** - Allow for growth that will occur in the Town in 2011. For example, if new roads were constructed in 2010, their upkeep would be part of the 2011 growth adjustment. Requests for new growth dollars must be documented. In order to obtain new growth dollars, there must be the identification of documented productivity, technological, or personnel efficiencies on the expense side or revenue enhancements to offset the request for new growth dollars. Only the portion of the cost from the date of the growth's impact to the end of the year is included in the Budget. However, departments should indicate the full-year cost of the growth.
- **Inflation** - All departments are expected to absorb this inflation within their 2011 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 2010 levels in their 2011 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 2011 Base Budget that reflect movement through the salary grids; the negotiated CUPE and MPFFA wage settlement, as well as Cost of Living Adjustment (COLA) impact. The 2011 Base Budget from each Department includes only the 2010 full time approved complement. Financial Planning completes the 2011 Human Resources portion of the budget and sends the data to the respective budget coordinators, for confirmation regarding positions and grades of full time staff. New headcount requests must be filled out on the forms and identified the associated new revenue and cost savings. All new headcounts were reviewed and approved by Senior Management, CAO and Council.

Fringe Benefits

2011 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 2010 actual benefit costs and reflects its findings in the 2011 Budget.

Part Time Salaries

The 2011 Budget Guidelines require that all permanent part-time staff be budgeted for by person/position. 2011 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 2011 levels.

Overtime Dollars and Hours

Overtime dollars and hours will be budgeted at 2011 levels.

Rate Increases

Increases have been provided for as follows:

U.S Exchange Rate:

U.S. Exchange Rate – 1.00



Investment Income:

The forecasted 2011 interest rate of 4.1% is used for budgeting. The Financial Planning Department incorporates this rate in the development of the investment income budget.

Sales Taxes

Effective July 1, 2010, Provincial Sales Tax (PST) of Ontario was merged with the Goods and Services Tax (GST) to create a federally administered single Harmonized Sales Tax (HST) of 13%. The provincial and federal portions continue to be at 8% and 5%, respectively.

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

HST also impacts the Town's revenues from recreation programs such as ice rentals, facility rentals, fitness memberships and program registrations relating to participants aged 14 and above, as these services are now subject to HST; thereby increasing user costs by 8%.

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 is at spot rate for both Natural Gas & Hydro in 2011 and it has been reflected in the 2011 Budget. Overall the Town's utility volumes have been maintained at the 2010 level in the 2011 Budget.

User Fees and Service Charges

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

In the 2011 budget, \$400,000 in additional Waste Diversion Ontario (WDO) funding has been estimated over the 2010 Base Level budget.

Identification of Major Service Contracts

The identification of major service contracts up for renewal in 2011 is completed by Financial Planning and factored into the Budget.

Budget Administrative Guidelines

Budget Transfers

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

Forms do not have to be completed for re-allocation of dollars within a department. However, re-allocation of dollars may also be done between departments within each Commission. All transfers are tracked and recorded by the Financial Planning Department. Total 2011 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 CAO & Commissioners Committee (CCC). These provide a comparison between actual revenues and expenditures to budgeted amounts. Further regular reports are presented to the General Committee, which include a detailed analysis of variances.



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

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

Monthly Budget Reporting Content

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

Vacancies

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

Overtime

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

Year-end Projections

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

Three-Year Operating Forecast (2012 – 2014)

Though not included in this binder, a three-year operating forecast (2012 – 2014) was developed which identified future tax rate increases in the range of 4% to 5%.

2011 CAPITAL BUDGET GUIDELINES

Key Dates

May 2010	Capital Database was opened for submissions from departments which were due by the end of the August 2010
September 2010	Director's Forum (DF) reviewed the 2011 Capital Budget Submissions and provided a recommendation to the CAO, Commissioner's Committee (CCC)
November 2010	CCC & DF had a joint review of the 2011 Capital Budget
December 2010	Approval of the 2011 Capital Budget by CCC

2011 Capital Database

The Capital Database is used to input all relevant information related to each Capital project request. Departments are required to complete the following fields in the 2011 Capital Database:

- Project Information Worksheet which requires departments to provide the following information:
 - Project Manager
 - Project Type (i.e. New Asset/Expansion, Repairs/Replacements, Studies)
 - Detailed Project Description
 - Project Ranking
 - Project Cost
 - Cost of future phases, if applicable
 - Funding Sources
 - Impact on Operating Costs
 - ITS requirements
 - Link to Council priorities
- DC / Life Cycle Projects Worksheet
 - Applicable when Development Charges (DC) has been identified as a funding source for the Capital Project. Departments are required to outline and compare the 2011 capital project request against the year and costs that have been identified in the DC Background Study. An explanation is required when the year and/or costs deviate from the DC Background Study.
 - Applicable when Life Cycle Replacement and Capital Reserve Fund has been identified as a funding source for repair/replacement of assets. Departments are required to complete the worksheet which compares the 2011 capital project request against the Asset Life Cycle Reserve Study. An explanation is required when the year and/or costs deviate from the Asset Life Cycle Reserve Study.



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

General Information

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

2011 Business Plans

The 2011 Business Plans will be incorporated into the 2011 Capital and Operating Budget process.

Funding from Life Cycle Replacement & Capital Reserve

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

Special Funding

Departments are required to identify projects in the 2011 Capital Database 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.

Projects Managed by Other Departments

Information Technology Services (ITS):

Departments are required to complete a *2011 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 & 2011 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 2011.

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in 2011. Replacement vehicles required in 2011 will be consolidated into one Capital Project by Operations–Fleet.

Council Request

Council members are encouraged to identify projects that should be included in the 2011 Budget submission. These projects should be entered into the Database and identified as a Council Request.

Taxes (Provincial & Federal):

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

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

Development Charge (DC) Projects – 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:

- Water supply services, including distribution and treatment services;
- Waste water services, including sewers and treatment services;
- Storm water drainage and control services;



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

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

Projects with Zero Cost

Departments are required to budget for all projects that they propose to undertake, even those that have a zero net 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 2011 Capital Budget submissions. The funding source should be identified as 'Other' with a description of *Donation* or *Donation-In-Kind*.

Capital Improvements in Specific Areas

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

Capital Induced Operating Costs

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

Quotes

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

Endowment Reserve Funds

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

Internal Administration Fees

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

Post Budget Approval – Controlling Capital Expenditures

Under Spending

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

Over Spending

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

The level of authority for capital expenditures that exceed awarded commitments will be according to Expenditure Control Policy and as follows:

<i>Contract Overrun Value</i>	<i>Approval Required</i>
\$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



CAPITAL BUDGET CONTROL POLICY

Purpose

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

The aim of this policy is to:

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

Capital Reporting

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

Status Updates from Departments

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

Percentage of Funding Encumbered to Date

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

Requests for Reallocation, Closed Project, and New Projects

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

Reallocating Capital Funds:

Throughout the life of a capital project there may be a need to make adjustments to the project that was originally approved. These adjustments may be to the budget dollars

required or to the project scope to adequately complete the project. Reallocated funding or new funding proposed must be appropriate to the project.

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

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

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

Request for Additional Funding of an Approved Capital Project

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

The request must include:

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

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

Request to Change the Scope of an Approved Capital Project

A considerable effort is expended in assessing the capital assets of the organization and the needs of the Community in preparation for the annual capital budget. The scope of the approved project (additional works, materials or expanded mandate) may change however,



as the priorities of the organization and the Community change. Departments must forward all requests for a change in the scope of an approved project to the Treasurer for consideration.

The request must include:

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

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

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

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

Closing of Capital Projects

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

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

Capital Projects Initiated with Excess Funds

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

Capital Projects Uninitiated after Twenty Four Months

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

Requests for New Capital Projects

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



EXPENDITURE CONTROL POLICY

Policy

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

Purpose

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

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

Scope

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

Responsibility

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

Town staff whose names are approved by the appropriate Commissioner or Chief Administrative Officer will have signing authority. Those individuals responsible for approving expenditures are also responsible for the legitimacy of the expenses.

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

Definitions

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

"Blanket Order" refers to a contract between the Town and a supplier to facilitate the procurement of repetitively used goods and services for a specified term;

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

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

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

"Commitment" means an act in the form of a contract or purchase order binding the Town to a financial obligation;

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

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

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

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

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

“Finance and Administrative Committee” means the finance Standing Committee of Council;

“Goods and Services Order” (GSO) means the form used to purchase goods and services and issued by the User Department;

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

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

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

“Town” means the Corporation of the Town of Markham;

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

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

Commitments

The general level of authority to authorize awards within the Town’s approved Operating and Capital Budgets will be as follows:



Staff Member	Award Value
Employee authorized by User Department Commissioner	\$5,000 or less
Manager	\$5,001 to \$25,000
Director	\$25,001 to \$50,000
Commissioner	\$50,001 to \$100,000
CAO	\$100,001 to \$350,000
Council	Above \$350,000

All values are inclusive of taxes (exclusive of GST)

Contingencies

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

Capital Overruns

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

Staff Member	Commitment Value
Director	\$10,000 and less than 10% contract value
Commissioner	\$25,000 and less than 10% contract value
Treasurer	\$50,000 and less
CAO	\$100,000 and less
Council	Greater than \$100,000

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.

Operating Overruns

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

All Capital and Operating overruns must be authorized with a completed Purchase Order Adjustment Authorization Form.

Procedures

Goods and Services less than \$100

- Goods and services costing less than \$100 required in the normal course of business may be paid for from Petty Cash or by using the Corporate Procurement Card.
- All withdrawals from Petty Cash and all expenditures using Petty Cash must be authorized by the employee's next level of authority.

Goods and Services greater than \$100 and less than \$500

- Goods and Services greater than \$100 and less than \$500 required in the normal course of business may be purchased without a purchase order either through normal invoice procedures or through Corporate Procurement Cards.
- Invoices must be sent to the attention of Accounts Payable department with approval of appropriate authority before the Accounts Payable Department will pay the invoice.

Goods and Services greater than \$500

- For goods and services costing more than \$500 but less than \$5,000 required in the normal course of business, a GSO, purchase order or Corporate Procurement Card may be used, except in the case of regular predictable expenses such as rent or utilities. If a GSO is used it must be approved and forwarded to the attention of the Accounts Payable department.
- For individual goods and services costing more than \$5,000, a purchase order must be issued.
- For purchases using a blanket order, a GSO or Corporate Procurement Card will be used regardless of the amount. The method of payment will be indicated on the Blanket Order. If a GSO is used it must be prepared and sent to Accounts Payable Department at the time of placing an order.

Contingencies

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

Invoices Authorization for Payment

All invoices for expenditures less than \$5,000 must be authorized by a Supervisor/ Coordinator.

All invoices for expenditures greater than \$5,000 must have two signatures/initials (initials) as follows:

- The first initial can be any staff member within the User Department that has been authorized by the User Department Commissioner.



- For purchases less than \$100,000 the second initial must be a manager's initials.
- For purchases above \$100,000 the second initial must be a Director's initials. Initials will be written on the face of the invoice or purchase order. Accounts Payable will check to see that there are two initials, ensuring that one is the appropriate Director's/Manager's.

If a purchase order has been issued, a GSO will not be required except in the case of a blanket order. A GSO is not required for construction draws.

Invoices that do not have the correct purchase order and line item number will be returned to the Vendor for correction.

Write-Offs

Authorization to write-off outstanding amounts owing to the Town as un-collectible is as follows:

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

Miscellaneous Authorities

Accounting

Personal Expense Claims	
Staff member	Manager
Manager	Director
Director	Commissioner/next level Director
Commissioner	Chief Administrative Officer
Chief Administrative Officer	Commissioner of Corporate Services
Councillor	Councillor
Cheque requisitions	Manager/Director as per clause 7.05
Procurement Card Purchases	Next level of authority
Petty Cash Expenditures	Next level of authority

Payroll/Personnel

Time Sheets	Cost Centre Manager
Overtime	Cost Centre Manager
Vacation	Cost Centre Manager
Salary Memorandums	Director – Human Resources
Termination/Leave of Absence	Director – Human Resources

Letters of Credit – Draws, Reductions, Releases

Up to \$100,000	Manager
Up to \$350,000	Director
Up to requested value	CAO, Commissioner, Treasurer

Miscellaneous

Disposal of surplus asset	Chief Administrator Officer or Treasurer
Acquisition of computer equipment and software	Chief Information Officer

Treasurer's Authority

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

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

Barter Transactions

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

Audit

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



DONATIONS POLICY

1 POLICY

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

2 PURPOSE

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

3 SCOPE

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

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

4 RESPONSIBILITIES

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

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

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

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

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

5 DEFINITIONS

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

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

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

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

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

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

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

“Gift” see donation, these terms are interchangeable;

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

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

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

The report must include:

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

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

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

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

6 SOLICITATION

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



7 GENERAL RULES

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

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

7.03 The transfer is made without the expectation of return.

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

8 QUALIFYING DONATIONS

Donations that qualify for official tax receipts generally include:

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

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

9 NON QUALIFYING DONATIONS

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

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

9.03 When a donor requests the donee to pay for a portion of the donation and the amount paid by the donee to the donor exceeds 80% of the total value of the donation, a tax receipt will not be issued. For example a piece of land valued at \$100,000 is offered to the Town for \$85,000 with the request that the Town issue a tax receipt for the difference, \$15,000. Since the amount to be paid by the Town is in excess of 80% of the value of the land, the Town is unable to issue a tax receipt for the difference.

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

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

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

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

- company logo; or

- slogan; or

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

10 ISSUANCE OF TAX RECEIPTS

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

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

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

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

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

11 ACCOUNTING FOR DONATION OF MONEY

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

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



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

12 ACCOUNTING FOR DONATIONS OF GIFTS-IN-KIND

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

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

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

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

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

12.06 The receipt shall be in the amount of the average appraised value. The receipt shall also indicate a description of the object and the name and address of the appraiser, and shall be dated the day on which the Town received the Donation. If the two appraisals received significantly differ in appraised values, a third appraisal may be requested in an effort to clarify the true value.

13 ACCOUNTING FOR DONATIONS OF CULTURAL PROPERTY

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

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

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

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

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

14 ACCOUNTING FOR DONATIONS FOR SPECIFIC PURPOSES

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

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

15 ACCOUNTING FOR DONATIONS TO SUPPORT ORGANIZATIONS INDEPENDENT OF THE TOWN

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

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

16 ACCEPTANCE

The Treasurer or designate is the final level of acceptance for all donations requiring tax receipts to the Town of Markham. The Treasurer or designate may grant approval for



official tax receipts for money donations made through a Council approved fund raising effort, i.e. the Markham Theatre Membership Drive.

17 ASSOCIATED COSTS

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

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

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

18 FINANCIAL IMPLICATIONS

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

19 CONTROL OF RECEIPTS

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

20 REFERENCES & RELATED STATEMENTS of POLICY & PROCEDURE

The Canadian *Income Tax Act*

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

Canadian Taxation of Charities & Donations, Thomson Carswell

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

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

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

TANGIBLE CAPITAL ASSETS POLICY

Introduction

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

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

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

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

Scope

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

Purpose

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

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

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

Policy Statement

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



1. TCA Definition

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

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

1.1 Assets Exclusions

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

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

2.0 Asset Categories

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

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

3.0 Capitalization

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

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

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

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

4.0 Opening Valuations

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

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

5.0 Valuation

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

5.1 Purchased assets

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

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

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



5.2 Acquired, Constructed or Developed Assets

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

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

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

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

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

5.3 Capitalization of Interest Costs

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

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

5.4 Donated or Conveyed Assets

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

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

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

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

6.0 Capital Work in Progress

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

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

7.0 Componentization

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

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

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

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

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

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

8.0 In Service Date

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

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

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

9.0 Useful Life

Useful life is the period over which an asset is expected to be available for use by the Town. It is normally the shortest of the asset's physical, technological, commercial or legal life. Some of the factors that are considered when determining an asset's useful life are



the asset's intended use, construction type, current maintenance policies and technological changes.

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

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

10.0 Amortization/Depreciation

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

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

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

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

11.0 Disposal

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

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

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

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

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

12.0 Write Down/Write Off

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

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

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

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

A write down cannot be reversed.

13.0 Maintenance vs. Betterment

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

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

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

14.0 Capital Leases

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

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



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

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

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

15.0 Accountability

Operating departments are responsible for:

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

Finance is responsible for:

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

APPENDIX A

Glossary of Terms

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

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

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

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

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

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

Capital Lease

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

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

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



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

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

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

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

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

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

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

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

used in delivering programs. Expenses do not include debt repayments or transfers to other local governmental units in the Town's reporting entity.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

APPENDIX B

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



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

2011 BUSINESS PLANNING AND BUDGETING PROCESS

Business Planning	Operating Budget	ITS Project Planning	Capital Budget
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Target Milestone	Description of Activity		
March 4, 2010			Communicaiton of 2011 ITS Budget Process
April 12, 2010			Cut-off Date for submission of ITS Capital Submission
April 13, 2010			ITS investigation & recommendation on ITS discretionary project request (thru mid-July)
May 2010	Update/Revise BUP Template incorporating the 2010 Business Planning feedback		
May 3, 2010			Capital database open for Capital Submission
July 4, 2010		Operating database open for Operating Budget changes	
July 7, 2010	Release calendar and communicate process to Business Units. Release BUP template.		
August 8, 2010			Capital database closed for Capital Submission
September 2, 2010			Capital Budget binder to DF
September 22, 2010		Operating database closed for Operating Budget changes	
September 29, 2010	Completed BUPs submitted to Cross-Commission Team		
October 12, 2010			Final DF meeting to review capital submission and to establish ranking criteria for Non-Replacement Capital Projects
October 21, 2010	DF/CCC workshop to review 2011 BUP		
November 2010	Receive/Request feedback on the 2011 Business Planning Process		
November 23, 2010		Final DF/CCC Workshop to review 2011 Operating and Capital Budget	Final DF/CCC Workshop to review 2011 Operating and Capital Budget
December 15, 2010		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
December 20, 2010		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
January 10, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
January 31, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
February 1, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
February 7, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
February 14, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
February 15, 2011		Budget Sub-Committee Meeting	Budget Sub-Committee Meeting
February 28, 2011		General Committee - Recommended Budget to Council	General Committee - Recommended Budget to Council
February 28, 2011		Public Information Meeting	Public Information Meeting
March 1, 2011		Budget Approval by Council	Budget Approval by Council

BUP	Business Unit Profile
CCC	CAO & Commissioners Committee
DF	Directors' Forum



2011 BUDGET OVERVIEW

Budget Framework

Council meets every four years to set the Town's goals and priorities. For 2011, Council's strategic priorities continue to address the initiatives defined in the 2007 – 2010 Council term:

- Growth Management
- Transportation / Transit
- Environment
- Municipal Services
- Parks, Recreation, Culture and Library Master Plan/Public Safety
- Diversity

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

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

Budget Process

In May 2010, staff began working on the business plans for 2011 for the respective Business Units. Each business unit was required to fill out a BUP that serves as a single reference for identifying 2011 proposed objectives of each business unit, in alignment to the Corporate goals and Council priorities. With reference to BUP, each business unit proposed its 2011 unit operating budget and capital project budget that together form the Budget of the unit.

A series of presentations, highlighting the proposed 2011 BUPs and aligning the plan to Council's priorities, were made by the respective department heads to the Directors' Forum (DF). 4 workshops for Directors' Forum (DF) and Chief Administrative Officer (CAO) and Commissioners (CCC) were held in November 2010 to finalize the initiatives to be undertaken in 2011.

The Workshop recommendations were incorporated in the proposed 2011 Budget presented at the third Budget Sub-Committee meeting in January 2011, when eight members of Council that make up the Budget Committee began their deliberations. These members included Budget Chief Regional Councillor Gordon Landon, Vice Chair Councillor Logan Kanapathi, Regional Councillors Jim Jones and Joe Li and Councillors Colin Campbell, Don Hamilton, Alan Ho and Howard Shore. This Committee, along with other Council members who attended the Budget Committee meetings helped to shape the budget and report progress to the General Committee.

A total of eight Budget Sub-Committee meetings were held from December 2010 through February 2011 to discuss the 2011 Budget. On February 28, 2011 the Mayor, Councillors, Town Staff and members of the community participated in the Town's Annual Public Information Session. The Public Information Session was an opportunity for residents, business and community leaders to obtain an overview of the Town's budget process and the status of the 2011 Budget. Attendees were invited to inquire about the budget and to provide feedback at the Public Information Session. The feedback was positive and on March 1, 2011, Council approved the Operating, Capital, Waterworks, Planning & Design, Engineering, and Building Budgets.

The Council meeting was broadcasted over the Internet with a live audio feed of the presentation by Budget Chief Gord Landon, 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 2011 Budget is \$333.2M comprising of \$164.6M towards Operating, \$73.1M towards Capital, \$7.4M towards Building Standards, \$7.0M towards Planning & Design, \$6.1M towards Engineering, and \$75.0M for Waterworks.

Operating Budget

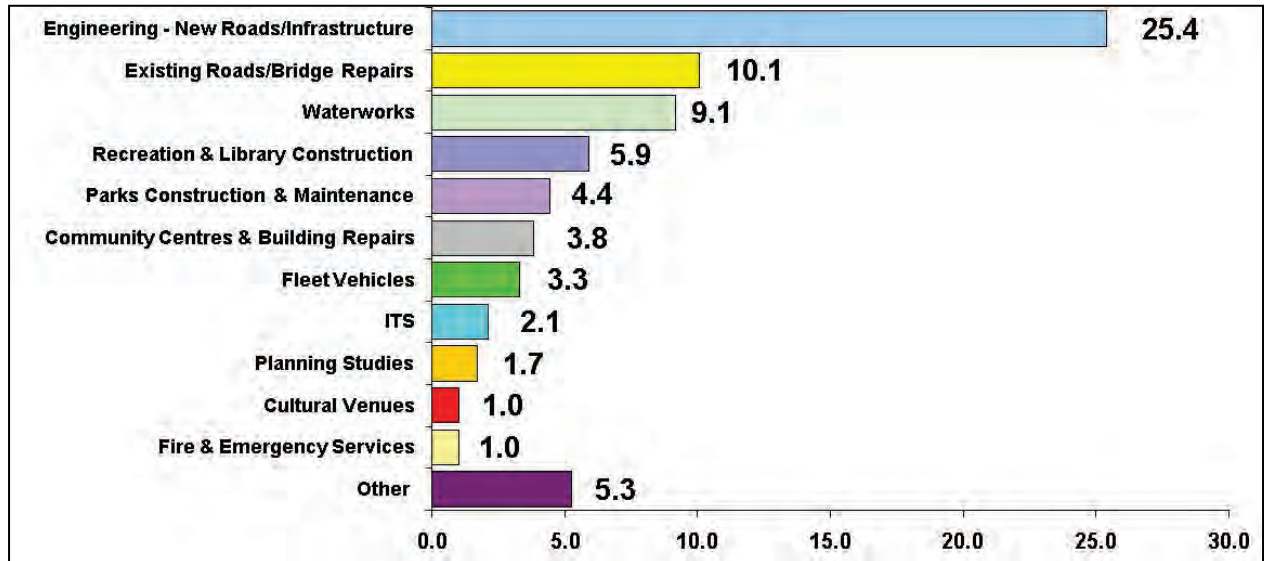
The Town of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, waste collection and winter maintenance contracts, other contract renewals, and wage settlements have resulted in increased operating expenditures. Further, the Budget Sub-Committee approved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

In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads each year, thereby requiring additional resources for the maintenance and replacement of these assets. These pressures increased expenditures in 2011 by \$6.98M. Revenues were reviewed and increased by \$6.98M to offset the increase in expenditures resulting in a balanced budget or a 0% tax increase for the third consecutive year.



Capital Budget

The breakdown of the Town of Markham's approved \$73.1M Capital Budget is shown below, by department:



The 2011 Capital Budget includes funding from various sources. The Federal Gas Tax grant funds \$4.0M for capital projects in the following areas:

- Bridge improvements
- Main Street Markham road improvements
- Asphalt resurfacing
- Energy Metering and Monitoring System

In addition, the Greater Toronto Area, with support from the Province of Ontario, was successful in the bid to host the 2015 Pan/Parapan American Games (Pan Am). Markham will host the water polo, badminton and table tennis competitions. This requires the Town to build a new 50,000 square foot aquatic facility that will include a 50 meter pool and a 36,000 square foot field house that meets the International Standards for Badminton. The field house will provide amenities such as multi-purpose meeting rooms and a gymnasium. The capital budget requirement in 2011 is \$1.6M for site preparation and internal consulting.

Other key projects approved in the 2011 Capital Budget are:

- Rodick Road Extension
- South East Community Centre - Design
- Design & Construction of New Parks
- Road Rehabilitation Programs
- Watermain Improvement Programs
- Facility Improvement Programs
- Stormwater Management Programs

The 2011 Capital Budget reflects the Town's commitment to maintain 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 and the Town's commitment to increase contribution to the capital program by \$0.5M is maintained. The Town has also continued to ramp-up the Operating budget for future expenditures related to new Community Centres, Pan Am Facility, Libraries and Fire Stations. In addition, the Town has continued to contribute to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

Waterworks Budget

Council approved the 2011 Waterworks Budget of \$75.0M. This marks an increase of \$7.7M over the 2010 Operating Budget. The increase is made up of growth related to supply/purchase of water, personnel costs and additional costs in areas such as testing, maintenance of water meters.

Planning & Design Budget

Planning is primarily funded through Planning Fees and for 2011, Council approved the Planning & Design Budget of \$7.0M. This represents an increase of \$2.1M over the 2010 Budget.

Engineering Budget

Engineering is primarily funded through Engineering Fees and for 2011, Council approved the Engineering Budget of \$6.1M. This represents an increase of \$1.0M from the 2010 Budget.

Building Standards Budget

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

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

For 2011, Council approved the Building Services Budget of \$7.4M. This represents an increase of \$0.3M from the 2010 Budget.



LONG TERM OPERATING BUDGET FORECAST

Fiscal Prudence

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

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

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

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

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

During the 2011 Budget process, a three year operating budget forecast covering the years 2012 to 2014 was prepared with projected tax rate increases in the range of 4% to 5%.

SUMMARY OF FUNDS – OVERVIEW

The Town's financial statements are made up of Operating Fund and 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.

Reserves/ Reserve Funds

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

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

There are two types of reserve funds:

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

Trust Funds

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

Accumulated Surplus

In order to comply with the regulations of the Public Sector Accounting Board reporting standards sections 1200 and 3150, the financial statements do not report on individual fund balances. Instead, the financial statements provide a Statement of Operations and Accumulated Surplus that includes transactions related to tangible capital assets. The accumulated surplus consists of individual fund surplus, reserve and reserve funds.



SUMMARY OF STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (\$000's)

	2009	2010	2011
	Actual	Actual (unaudited)	Budget
Revenues			
Taxation	\$ 110,328	\$ 112,098	\$ 115,199
User charges	93,228	108,025	112,756
Grants	7,089	6,931	5,519
Contributions from developers	92,456	54,858	-
Investment income	14,743	14,528	18,346
Tax penalties	4,756	3,334	3,375
Sales revenue - land inventory	320	-	-
Proceeds from sale of tangible capital assets	160	568	-
Deferred revenue earned	43,715	40,564	34,955
Increase/(decrease) in equity of Markham Enterprises Corporation	(2,247)	6,926	-
Interest earned on reserves and reserve funds	951	596	-
Other	7,510	6,924	4,501
TOTAL REVENUES	373,009	355,353	294,651
Expenses			
Operating			
General government	41,994	42,437	41,566
Protection to persons and property	33,637	33,969	36,938
Transportation services	36,553	27,523	28,924
Environmental services	63,089	75,144	73,222
Recreation and cultural services	41,058	40,872	42,819
Planning and development	6,796	6,393	6,930
Other	399	32	38
Write-down of tangible capital assets	-	989	-
Amortization of tangible capital assets	50,996	53,636	55,112
TOTAL EXPENSES	274,522	280,995	285,550
Dilution loss due to proportionate decrease in retained earning in Power Stream Inc.	(2,100)	-	-
ANNUAL SURPLUS	96,387	74,357	9,101
ACCUMULATED SURPLUS, BEGINNING OF YEAR	3,356,962	3,453,349	3,527,706
ACCUMULATED SURPLUS, END OF YEAR	\$ 3,453,349	\$ 3,527,706	\$ 3,536,808

The above statement includes items such as amortization, post-employment benefits, etc., as per Ontario Regulation 284/09. The 2011 balanced budget excluding these items is located on page 162 under the Operating Budget section.



2009 TO 2011 SUMMARY OF RESERVE FUNDS (\$ 000's)

	2009 Actual	2010 Actual (Unaudited)	2011 Budget
Balance as of January 1	155,989	174,855	210,814
Other Revenue	2,454	1,915	8,024
Dividend from Markham Enterprises Corporation	3,661	3,854	-
Transfers in from Operating Fund	24,959	34,750	36,291
Transfer out to Capital Fund (net of unspent)	(12,208)	(4,560)	(40,658)
Balance as of December 31	<u>174,855</u>	<u>210,814</u>	<u>214,471</u>



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 December 31, 2010, the balance in the Town's Reserves and Reserve Funds was \$210.81 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.

- **Theatre Endowment**
 - Funds capital expenditures for the Markham Theatre.
- **Theatre Capital Improvement Fund**
 - Funds the replacement of capital expenditures for the Markham Theatre.
- **Museum Endowment**
 - Funds museum-related capital projects; funded by donations from the general public & community organizations.
- **Heritage Preservation**
 - Provides funding to protect and preserve heritage buildings in the Town.
- **Markham Heritage Loans**
 - Provides interest bearing loans to property owners to allow repair, renovation or reconstruction of the property so that it presents a historical and authentic appearance.
- **Administration Lot Levies-Expense**
 - Accumulation of administration lot levies used to provide financing to support soft services such as libraries, fire halls and recreation facilities; administration lot levies no longer collected.
- **Administration Lot Levies-Interest Income**
 - See above.
- **Parks 5% Cash In Lieu**
 - Funds the acquisition of new parkland, recreation facilities and equipment.
- **Tree Replacement**
 - Funds the cost of planting, replanting, replacing & repairing boulevard trees in the Town.
- **Road Resurfacing**
 - Funds road completion in industrial subdivisions.



- **Pre-DCA Engineering Growth**
 - Used to accumulate and maintain any Pre Development Charges Act Engineering levies collected in respect of development; represents the non-growth portion of development charges.
- **Waterworks**
 - Funds to be used for the upgrade and replacement of Town water infrastructure.
- **Library Building Program**
 - Funds to be utilized for future library building projects, which are not covered by development charges.
- **Land Acquisition Reserve Fund**
 - Allows the Town to finance the purchase of strategic land acquisitions that are non-growth and that are not environmentally sensitive.
- **Life Cycle Replacement And Capital**
 - To fund asset life cycle replacements and other major capital investments in future years.
- **10% Non-DC Growth**
 - 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.
- **Gas Tax Revenue**
 - To fund eligible projects identified under the terms of agreement with federal government.
- **Environmental Sustainability**
 - Funds to be utilized for Town and community based projects and initiatives that promote environment responsibility and enhances Town's natural resources (water, air quality, soils and natural features).
- **Trees For Tomorrow**
 - Funds to be utilized to encourage tree plantings and public awareness by community groups and non-government organizations
- **Environmental Land Acquisition**
 - Funds to be utilized to acquire property identified by the Town to be environmentally sensitive
- **Development Charges**
 - Accumulates charges collected from developers according to the Development Charge Act, 1997. The reserve provides funding for eligible growth-related projects in the Town's Capital Budget.
- **WSIB**
 - Allows the Town to self-fund staff benefits previously covered by Workplace Safety Insurance Board (WSIB); funded from operating surplus in benefits accounts.



RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE

Description	Actual Balance December 31, 2009	Actual Balance December 31, 2010	2011 Budget			Estimated Balance December 31, 2011 \$
			Developer and Other Contributions \$	Transfer from Operating Funds \$	Transfer to Capital Funds \$	
<u>RESERVES</u>						
Waste Management Stabilization / Capital	27,883	27,883				27,883
Waterworks Stabilization / Capital	9,213,181	25,026,347		11,825,469	(9,435,384)	27,416,432
Corporate Rate Stabilization	15,761,333	16,003,923				16,003,923
Capital Gain Reserve	1,278,000	1,778,425				1,778,425
Insurance	769,889	1,475,361				1,475,361
Recreation & Culture Capital Replacement	-	-		369,262		369,262
Facility Ramp- Up	1,273,991	2,524,541			(157,200)	2,367,341
Long Term Disability Benefit	8,211,791	9,639,632				9,639,632
Partnership	15,612	15,612				15,612
Building Fee	540,388	90,026		(811,694)		(721,668)
Development Fee	(5,632,411)	(778,943)		(32,156)	(307,470)	(1,118,569)
Election Rebate	206,950	229,688				229,688
Election Expenses	841,642	45,168				45,168
Berczy Land Scape Feature	202,969	202,969				202,969
Firefighter's Sick Leave Benefits	5,289,900	5,417,900		41,000		5,458,900
Total Reserves	38,001,117	61,698,531	-	11,391,881	(9,900,054)	63,190,358
<u>RESERVE FUNDS</u>						
Theatre Endowment	273,382	282,601		35,000		317,601
Theatre Capital Improvement Fund	96,182	155,917				155,917
Heritage Preservation	66,549	108,625			(35,100)	73,525
Deginated Heritage Property Grant	-	90,597				90,597
Markham Heritage Loans	386,572	294,206				294,206
Museum Endowment	6,274	57,047				57,047
Library Building Program	4,001,556	4,549,197		2,177,885	(1,667,885)	5,059,197
Land Acquisition Reserve Fund	2,918,769	3,321,268				3,321,268
Life Cycle Replacement & Capital	83,864,031	94,678,676		22,686,462	(22,997,838)	94,367,300
10% Non DC Growth	3,805,527	6,775,506			(435,000)	6,340,506
Environmental Sustainability	209,085	444,918				444,918
Environmental Land Acquisition	6,221,929	7,242,601				7,242,601
Markham Trees for Tomorrow	224,851	226,749				226,749
Workplace Safety Insurance Board (WSIB)	2,741,348	2,764,490				2,764,490
Waterworks	217,562	219,397				219,397
Pre Development Charges Act Engineering Growth	13,901,520	17,895,194			(1,326,420)	16,568,774
Road Resurfacing	1,606,754	1,831,635			(250,000)	1,581,635
Parks 5% Cash in Lieu	10,923,920	427,978				427,978
Tree Replacement	5,776	5,825				5,825
Administration Lot Levies - Expenses	2,190,260	-				-
Administration Lot Levies - Interest Income	525,456	-				-
Gas Tax Revenue	2,667,066	7,743,147	8,023,752		(4,045,941)	11,720,958
Total Reserve Funds	136,854,368	149,115,574	8,023,752	24,899,347	(30,758,184)	151,280,489

Total Reserve And Reserve Funds	174,855,485	210,814,106	8,023,752	36,291,228	(40,658,238)	214,470,848
Development Charges Reserve Funds *	123,421,854	116,690,542	45,677,131	-	(33,378,650)	128,989,023
Total	298,277,339	327,504,647	53,700,883	36,291,228	(74,036,888)	343,459,870

* Town's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements. Budgeted transfer to capital is adjusted based on cash flow projections and will not balance to total approved 2011 capital funding from Developemnt Charges.

** Actual Reserve and Reserve Fund balance as at December 31, 2010 includes unspent portion of Reserves at the year end.



RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Waterworks Stabilization / Capital</u>			
Transfer from Waterworks Operating Fund net of 2010 surplus	11,825,469		Transfer to reserves in order to sustain future Waterworks replacement and rehabilitation requirements
Funding of Capital Projects		(9,435,384)	Transfer to Capital Budget on order to fund Waterworks 2011 capital projects
<u>Recreation & Culture Capital Replacement</u>			
Transfer of funds for future replacement	369,262		Transfer to reserves in order to sustain Recreation and Capital Replacement requirements
<u>Facility Ramp UP</u>			
Funding of Capital Projects		(157,200)	Transfer of funds for a number of Town facility improvement projects
<u>Building Fee</u>			
Transfer from Operating Fund	(811,694)		Transfer of Building Operating Budget based on 2011 projected performance
<u>Development Fee</u>			
Transfer from Operating Fund	(111,034)		Transfer of Planning and Engineering Operating Budget based on 2011 projected performance
Transfer from Operating Fund	78,878		Transfer to reserves in order to sustain Planning and Engineering department capital requirements
Transfer to fund Capital Projects		(307,470)	Funding of 2011 capital projects associated with Planning and Engineering department
<u>Firefighter's Sick Leave Benefits</u>			
Transfer from Operating Fund	41,000		Annual transfer to fund future payout of unused sick leave benefits upon fire fighter's termination
<u>Theatre Capital Improvement Fund</u>			
Transfer from Operating Fund	35,000		Transfer from Culture Operating Budget for future Theatre capital expenditures
<u>Heritage Preservation</u>			
Transfer to fund Capital Projects	(35,100)	-	Funding of 2011 capital projects associated with Heritage Preservation
<u>Library Building Program</u>			
Transfer from Operating Fund	510,000		Transfer from Operating Budget for future library building projects
Transfer from Operating Fund to fund library media collection	1,667,885		Transfer from Operating Fund to fund library media collection
Transfer to fund Capital Projects		(1,667,885)	Funding of 2011 library media collection

RESERVES AND RESERVE FUNDS CONTINUITY SCHEDULE EXPLANATION OF BUDGET CHANGES

Description	Transfer from Operating Funds \$	Transfer to Capital Funds \$	Details
<u>Land Acquisition Reserve Fund</u>			
Transfer from Operating Fund	500,000		Transfer from Operating Budget to fund future purchase of strategic land acquisitions
<u>Life Cycle Replacement & Capital</u>			
Transfer from Operating Fund	22,686,462		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(22,997,838)	Funding of 2011 capital projects associated to asset replacements
<u>10% Non-Development Charges Growth</u>			
Transfer to fund Capital Projects		(435,000)	Funding of 2011 capital projects associated with Non-Development Charge Growth
<u>Pre Development Charges Act Engineering Growth</u>			
Transfer to fund Capital Projects		(1,326,420)	Funding of 2011 Engineering capital projects associated with non-growth related area
<u>Road Surfacing</u>			
Transfer to fund Capital Projects		(250,000)	Funding of 2011 capital projects associated with road surfacing
<u>Gas Tax Revenue</u>			
Transfer from Other Revenue	8,023,752		Gas tax revenue received from federal government transferred funds for capital projects
Transfer to fund Capital Projects		(4,045,941)	Funding of 2010 capital projects identified as gas tax revenue eligible or for capital projects to be developer funded (generally Engineering projects)



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. The Markham Conservation Committee Trust Fund was re-named to Markham Environmental Advisory Committee Trust Fund.

Election – Candidates Surplus Funds Trust Account

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

Cemetery 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.



TRUST FUNDS CONTINUITY SCHEDULE

Statement of Financial Position

December 31, 2010 with comparative figures for 2009

	2010								Total
	Morgan Park Trust	Varley- McKay Trust	Markham Conservation Committee Trust	Elections Surplus Trust	Cemetery Trust	Thornhill Cemetery Trust	Older Adults In Action Trust	Markham History Res & Pub Trust	
Bank balance	\$ 62,276	\$ 1,308,422	\$ 11,820	\$ -	\$ 199,719	\$ 100,548	\$ 7,908	\$ 74,144	\$ 1,764,837
Payable to Varley-McKay Foundation	-	(9,618)	-	-	-	-	-	-	(9,618)
Fund balance	\$ 62,276	\$ 1,298,804	\$ 11,820	\$ -	\$ 199,719	\$ 100,548	\$ 7,908	\$ 74,144	\$ 1,755,219

Statement of Financial Activities and Fund Balances

Year ended December 31, 2010 with comparative figures for 2009

Receipts									
Interest Earned	2,554	57,168	496	2,359	7,979	-	324	3,041	73,921
Sale of plots	-	-	-	-	18,925	-	-	-	18,925
Transfer of assets from Thornhill Cemetery to Town	-	-	-	-	-	100,548	-	-	100,548
	2,554	57,168	496	2,359	26,904	100,548	324	3,041	193,394
Expenditures									
Distributable to Foundation	-	(57,168)	(380)	(111,825)	(7,979)	-	-	-	(120,184)
	-	(57,168)	(380)	(111,825)	(7,979)	-	-	-	(177,352)
Excess of receipts over expenditures and distributions:	2,554	-	116	(109,466)	18,925	100,548	324	3,041	16,042
Fund balance, beginning of year	\$ 59,722	\$ 1,298,804	\$ 11,704	\$ 109,466	\$ 180,794	\$ -	\$ 7,584	\$ 71,103	\$ 1,739,177
Fund balance, end of year	\$ 62,276	\$ 1,298,804	\$ 11,820	\$ -	\$ 199,719	\$ 100,548	\$ 7,908	\$ 74,144	\$ 1,755,219

PUBLIC INFORMATION MEETING PRESENTATION

Building Markham's Future Together



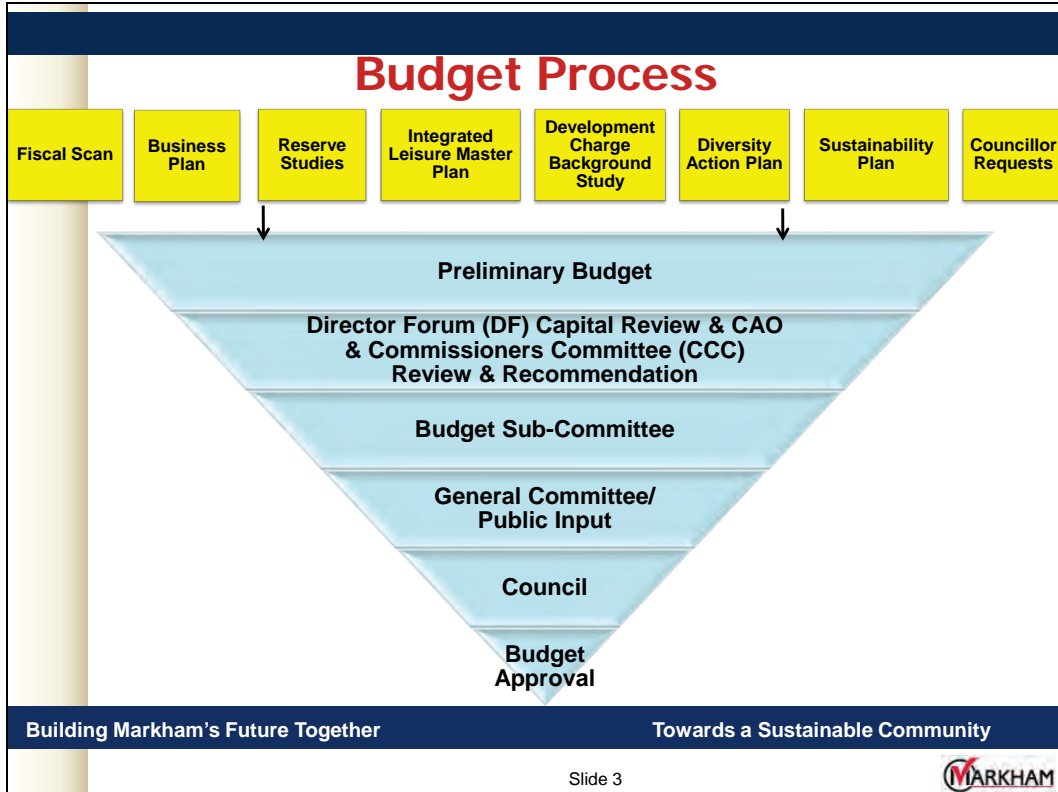
Agenda

- Welcome – Mayor
- Budget Presentation
 - Budget Process, Budget Summary & Fiscal Scan
 - 2011 Proposed Budgets
 - Capital
 - Building Services
 - Planning & Design and Engineering
 - Waterworks
 - Operating
 - Assessment and Property Taxes
 - Tax rate Comparison with Other Municipalities
 - Future Budget Challenges
 - 2011 Budget Summary Highlights
 - 2015 Pan/Parapan American Games
 - Highlights of Current Major Capital projects
- Questions & Comments

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Slide 2



2011 Budget Process

Outline below are the key steps for the 2011 Budget process

May	<ul style="list-style-type: none"> ➤ Departments developed their respective Capital Budgets.
August	<ul style="list-style-type: none"> ➤ Departments developed their respective Operating Budgets. ➤ Finance consolidated all Capital Budget requests for Directors Forum (DF) review.
September & October	<ul style="list-style-type: none"> ➤ DF Capital Budget review and prioritization meetings. <ul style="list-style-type: none"> ➤ The purpose of these sessions was to vet all capital expenditure requests from across the organization based on available funding sources and determine recommendations to CAO and Commissioners Committee (CCC). ➤ Business Unit Profile (BUP) submissions from departments. ➤ Business Unit Profile (BUP) workshop with Directors Forum and members. <ul style="list-style-type: none"> ➤ This was the presentation by each Director to the CCC of their respective BUPs. Staff were invited to listen in on this workshop via live audio webcast accessible through Checkmark. ➤ Finance review of the base Operating Budget.
November & December	<ul style="list-style-type: none"> ➤ CCC review and discussion of BUPs and the proposed Operating Budget. ➤ Final CCC review of the Operating and Capital Budgets with a recommendation to present to the Budget Sub-Committee (BSC)

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2011 Budget Process (cont'd)

Eight Budget Sub-Committee Meetings were held in 2010 & 2011:

1. December 15, 2010
2. December 20, 2010
3. January 10, 2011
4. January 31, 2011
5. February 1, 2011
6. February 7, 2011
7. February 14, 2011
8. February 15, 2011

February 28, 2011 General Committee – Recommended Budget to be presented at the Public Information Meeting

February 28, 2011 Public Information Meeting (5:00pm)

Next Steps:

March 1, 2011 Presentation of Budget to Council for approval

March 2, 2011 Media Conference (10:00am)

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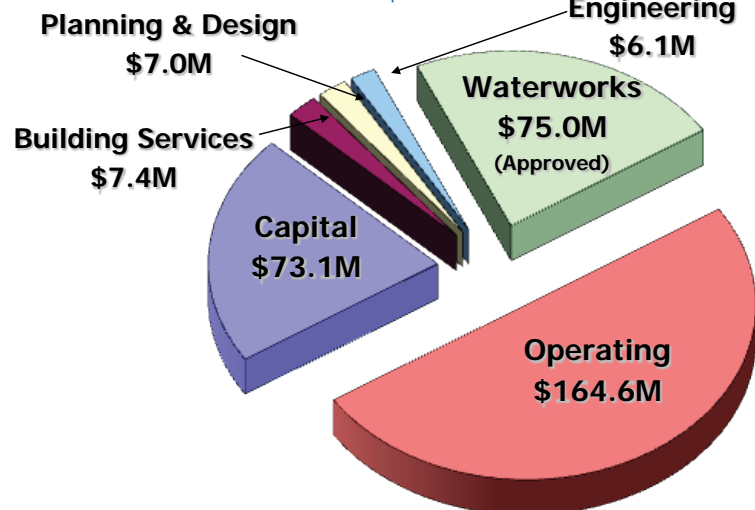
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2011 Budget Summary

Total Budget Recommended for Approval

\$333.2 Million



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Fiscal Scan

Wage Settlements

Municipal Service Contracts

Infrastructure


Growth

Provincial Legislation

Economic Trends

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Fiscal Scan

Wage Settlements

Municipal Service Contracts

Infrastructure

Growth

Provincial Legislation


Economic Trends

- Canadian Union of Public Employees (CUPE), cost of living allowance (COLA) provisions for wage settlement currently being negotiated (expired March 31, 2010)
- Markham Professional Fire Fighters Association (MPFFA) approved wage settlement at 3% per year (expires December 31, 2012)
- Full-time and part-time grid movements and annualization
- New staff requirements

Total: \$4.69M

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Fiscal Scan



- Higher utility costs due to hydro rate increase offset by adjustment to natural gas rate: \$0.39M
- Phase-in of winter maintenance requirements: \$0.22M
- Price escalations on winter maintenance contract and contract renewal: \$0.05M
- Non-personnel expenditure gapping: (\$0.28M)

Total: \$0.38M

Fiscal Scan



- Life Cycle Reserve Study was approved by Council in 2005. Reserve study has since been updated annually to adjust for new assets and other adjustments.
- The objective of the Reserve Study is to ensure that there is adequate funding for the rehabilitation and replacement of known assets for the next 25 years
- The 2010 Reserve Study Update identified sufficient funding for the next 25 years based on known assets and established work plans
- There are stormwater management related infrastructure assets currently not included in the Reserve Study. These programs will be added once assets are built and/or work plans are developed

Fiscal Scan



- \$0.78M Personnel ramp-up increase related to new facilities:
 - Cornell Fire Station (Year 3 of 8)
 - Southeast Community Centre (Year 3 of 8)
 - Pan Am Facility (Year 3 of 6)
 - Regional Sports Park (Year 1 of 6)
 - Operations Works Yard (Year 1 of 6)

- \$0.66M Increase in costs related to:
 - 1.8% increase in tonnage – waste collection
 - 39 additional km's of road – maintenance, street & catchbasin cleaning
 - 800 new street lights to power, maintain & repair
 - 10 additional hectares of Parks–park maintenance

Fiscal Scan



- \$0.50M Contribution to capital program
- \$0.38M Operating costs for Infrastructure Projects
- \$0.13M Phase-in of:
 - Operations Works Yard (Year 1 of 6)
 - Enhanced Cultural Practices (Year 5 of 6)
- (\$0.25M) Adjustments to Transfer to Land and Environmental Land Reserves

Total: \$2.20M

Fiscal Scan



- New Official Plan
 - Municipal Official Plans must be brought into conformity with Provincial Plans and the Region of York Official Plan
 - With sufficient resources, it is anticipated that work toward a new draft Official Plan will be continued in 2011 for completion in 2012
- Accessibility
 - Council approved the Accessible Customer Service Policy effective January 1, 2010 to meet the legislated requirements of the Accessible Customer Service Standard, under the Accessibility for Ontarians with Disabilities Act.
 - The goal of the Accessibility for Ontarians with Disabilities Act is to make Ontario fully accessible by 2025 and requires Markham to identify, prevent & remove barriers for people with disabilities.

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Fiscal Scan



- Safe Drinking Water Act
 - The Municipal Drinking Water License was issued to Markham on August 14, 2009. The submission of a financial plan is required within one year following the issuance of the license. Markham submitted the financial plan in 2010, and it is required every five years in order to retain the license.
- Bill 168 - Occupational Health and Safety Amendment Act (Violence and Harassment in the Workplace) 2009
 - An amendment to the Ontario Occupational Health and Safety Act came into effect on June 15, 2010. The amendment strengthens the protection of workers against violence and harassment in the workplace. Workplaces in Ontario are now required to have specific policies, programs, measures and procedures in place.

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Fiscal Scan

Wage Settlements

Municipal Service Contracts

Infrastructure

Growth

Provincial Legislation

Economic Trends

- Inflation:
 - 2.3% CPI, Canada, All Items (Jan. 10 to Jan. 11)
 - 2.9% CPI, Ontario, All Items (Jan. 10 to Jan. 11)
 - 9.0% Energy Index (Jan. 10 to Jan. 11)
 - 1.7% Construction Index (Dec. 09 to Dec. 10)
- Stock market indices (over 1 year period – Feb. 7)
 - TSX – 24.3% increase
 - Dow – 22.7% increase
- Markham housing sales are down 5.1% (Jan. 10 to Jan. 11)
- Greater Toronto Area (GTA) housing sales are down 13.0% (Jan. 10 to Jan. 11)
- Unemployment rate in Ontario is 8.1% for January 2011, a decrease of 1.1% compared to the January 2010

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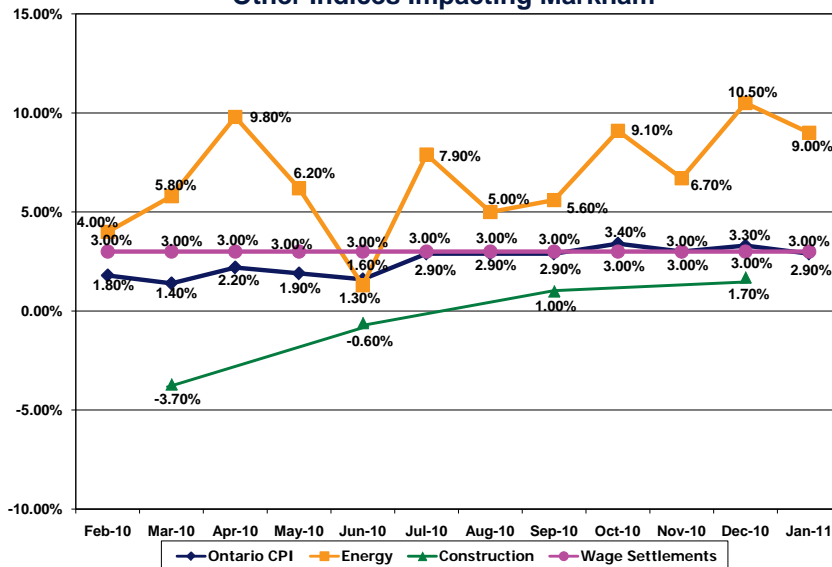
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Fiscal Scan

Other Indices Impacting Markham



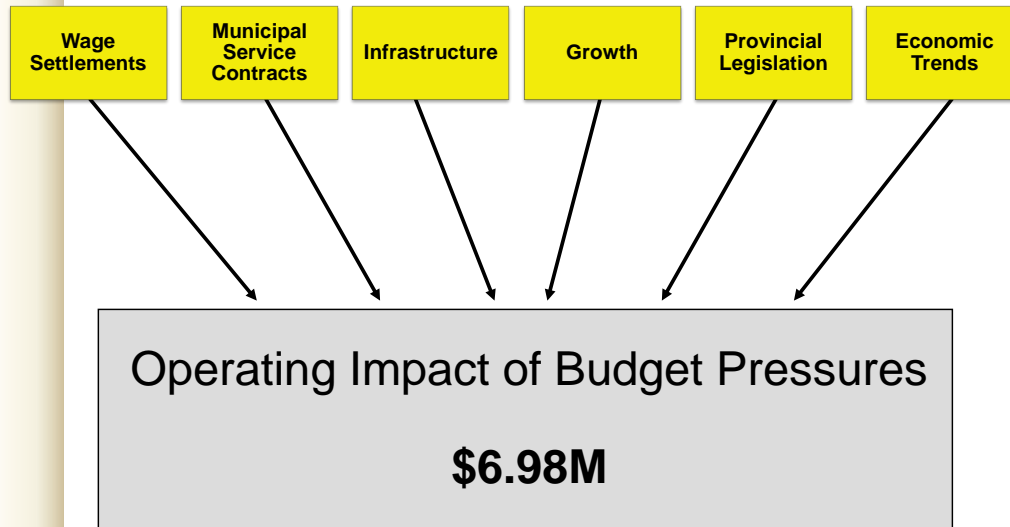
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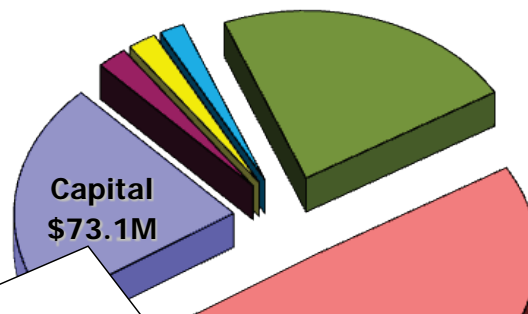


Fiscal Scan



2011 Budget Summary

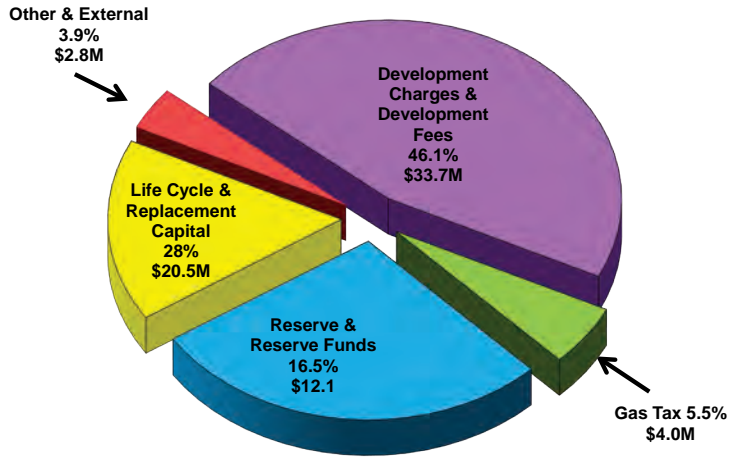
Total Budget Recommended for Approval
\$333.2 Million



➤ Expenditures incurred to purchase, construct, replace, maintain, or upgrade assets such as land, buildings, infrastructures, or machinery and equipment

2011 Capital Budget Funding Sources

Total \$73.1M (\$ in Millions)



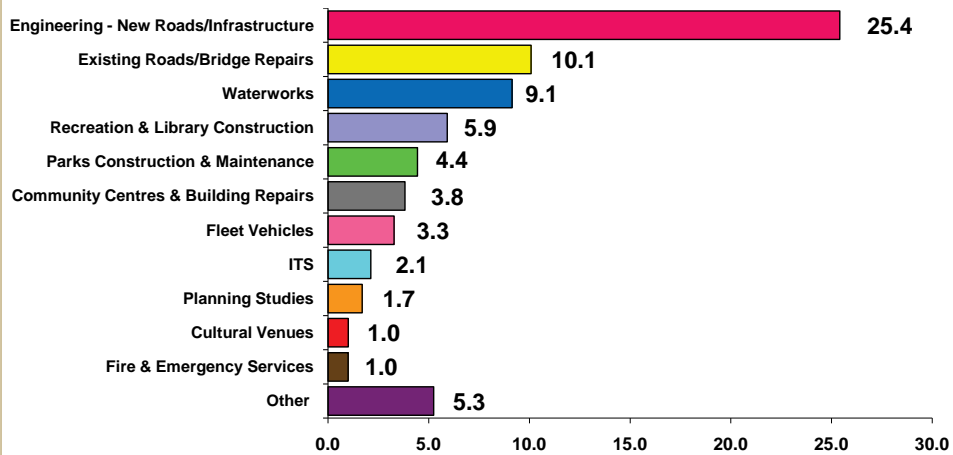
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2011 Capital Budget Expenditure Types

Total \$73.1M (\$ in Millions)



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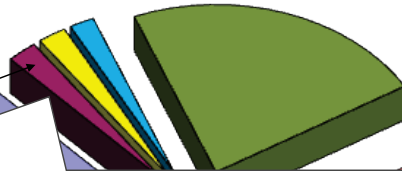
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2011 Budget Summary

Total Budget Recommended for Approval
\$333.2 Million

Building Services
\$7.4M



Self-funded (i.e. funded from Building Permits)

Development Fee By-Law was amended to include a 9.4% increase in Building fees for Building Permit Applications

A reserve has been established for Building Services:

- Year with a surplus - transfer to the reserve
- Year with a deficit - transfer from the reserve

2011 Budget Summary

Total Budget Recommended for Approval
\$333.2 Million

Planning & Design
\$7.0M

Engineering
\$6.1M



Primarily funded from Planning & Engineering Fees

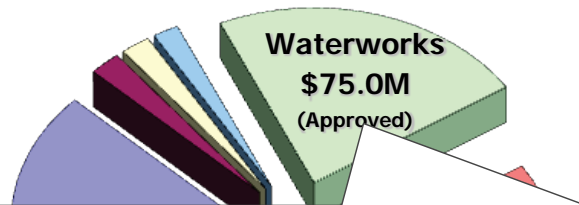
Development Fee By-Law was amended to include a 7.2% increase in Planning and Engineering fees

A reserve has been established for Planning & Design and Engineering:

- Year with a surplus - transfer to the reserve
- Year with a deficit - transfer from the reserve

2011 Budget Summary

Total Budget Recommended for Approval
\$333.2 Million

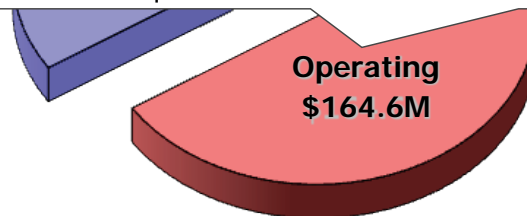


- The 2011 Water and Wastewater rate was approved on February 8, 2011
- Effective April 1, 2011, Markham's water and wastewater rate is to be increased by \$0.2035 from \$2.2129/m³ to \$2.4164/m³
- Impact to residential homeowner based on average consumption is \$60.05 in 2011

2011 Budget Summary

Total Budget Recommended for Approval
\$333.2 Million

- Expenditures incurred to account for Markham's day-to-day operations (except for Building Services, Planning & Design, Engineering, and Waterworks)
- Tax revenue is the major funding source
- Incremental Budget – All accounts at 2010 base budget levels were reviewed and reallocations and/or reductions were adjusted as required.



2011 Preliminary Operating Budget Summary

(\$ in Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2010 \$	2011 \$	Increase \$
Total Revenues	157.66	164.64	6.98
Assessment Growth (3.3%)			3.99
Revenues from Infrastructure Projects			0.77
Supplemental Property Tax Revenue			0.69
New Leases (8100 Warden and PowerStream Rooftop)			0.44
Waste Diversion Ontario Grant			0.40
Investment Income			0.37
Recreation User Fees (CPI only)			0.15
Other			0.17
Total Revenue Increase			6.98

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2011 Preliminary Operating Budget Summary

(\$ in Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2010 \$	2011 \$	Increase/ (Decrease) \$
Total Personnel	90.48	95.95	5.47
Existing Staff			3.54
Ramp-up			0.78
New Staff (full-time and part-time)			0.62
New Staff - Infrastructure Projects			0.53
Total Personnel Increase			5.47
Total Non-Personnel	67.18	68.69	1.51
Growth (Roads, Waste, Parks, Streetlights Maintenance & Streetlight Hydro and Winter Maintenance)			0.64
Transfer to Capital			0.50
Utilities			0.39
Infrastructure Projects Costs			0.38
Winter Maintenance Phase-In (Year 3 of 6)			0.22
Ramp-up for a Future Operations Work Yard (Year 1 of 6)			0.07
Non-personnel Expenditure Gapping			(0.28)
Adjustment to HST Provision for Capital Programs			(0.30)
Other			(0.11)
Total Non-Personnel Increase			1.51
Total Expenditure Increase			6.98

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2011 Preliminary Operating Budget Summary

(\$ in Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

	2010 \$	2011 \$	Increase \$
Revenues	157.66	164.64	6.98
Expenditures			
Personnel	90.48	95.95	5.47
Non-Personnel	67.18	68.69	1.51
Total Expenditures	157.66	164.64	6.98
Net Shortfall			0.00
Tax Rate Increase			0.00%

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2011 Preliminary Operating Budget Detail

(\$ in Millions)

(Excl. Planning & Design, Engineering, Building Standards and Waterworks)

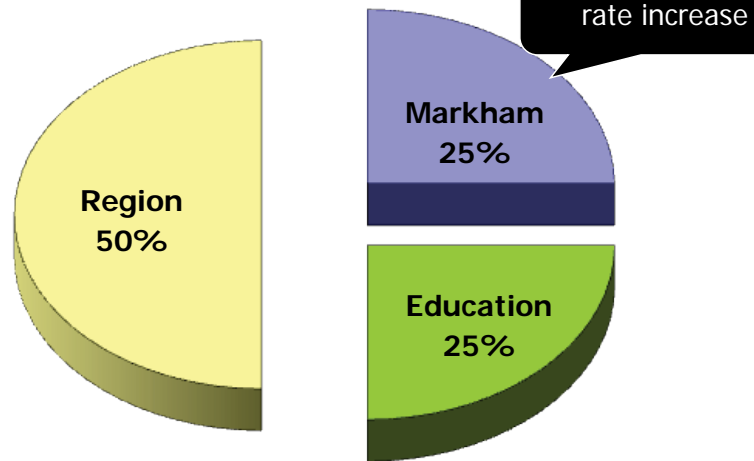
	2010 Budget	% to Total Budget	2011 Proposed Budget	% to Total Budget
Revenues				
Tax Revenues	110.5	70%	115.2	70%
User Fees & Service Charges	11.7	7%	12.2	7%
Income from Investments	9.7	6%	10.1	6%
Interest & Dividend Income -PowerStream/MEC/MDEI	8.3	5%	8.3	5%
Rentals, Licenses & Permits	7.2	5%	7.7	5%
Interest & Penalties	3.4	2%	3.4	2%
Grant & Subsidy Revenues	1.1	1%	1.5	1%
Other Revenues	5.9	4%	6.2	4%
Total Revenues	157.7	100%	164.6	100%
Expenditures				
Salaries & Benefits	90.5	57%	96.0	58%
Transfer to Reserves	15.3	10%	17.4	11%
Purchased Services	12.7	8%	13.5	8%
Waste Management	8.0	5%	8.0	5%
Transfer to Reserves -PowerStream/MEC/MDEI	8.1	5%	7.8	5%
Utilities	5.5	4%	6.0	4%
Winter Maintenance	5.2	3%	5.7	3%
Materials & Supplies	6.8	4%	5.2	3%
Insurance	2.4	2%	2.4	1%
Other Expenditures	3.4	2%	2.6	2%
Total Expenditures	157.7	100%	164.6	100%

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Assessment and Property Taxes
 Estimated 2011 Property Tax Distribution
 Residential

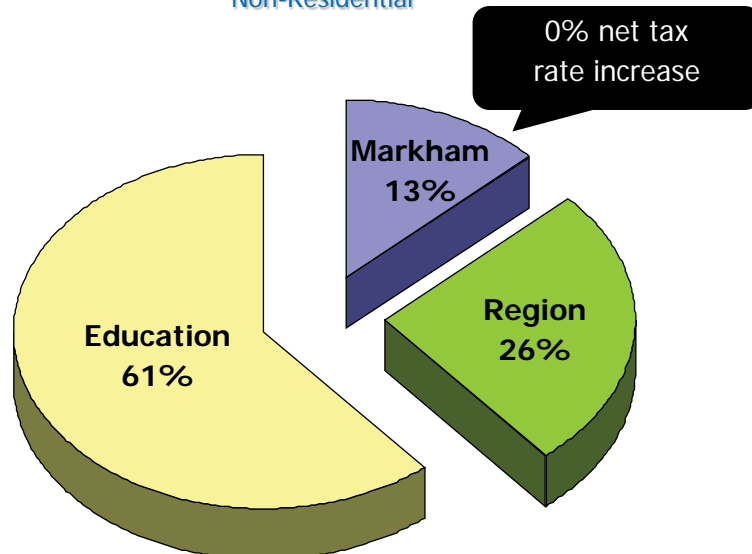


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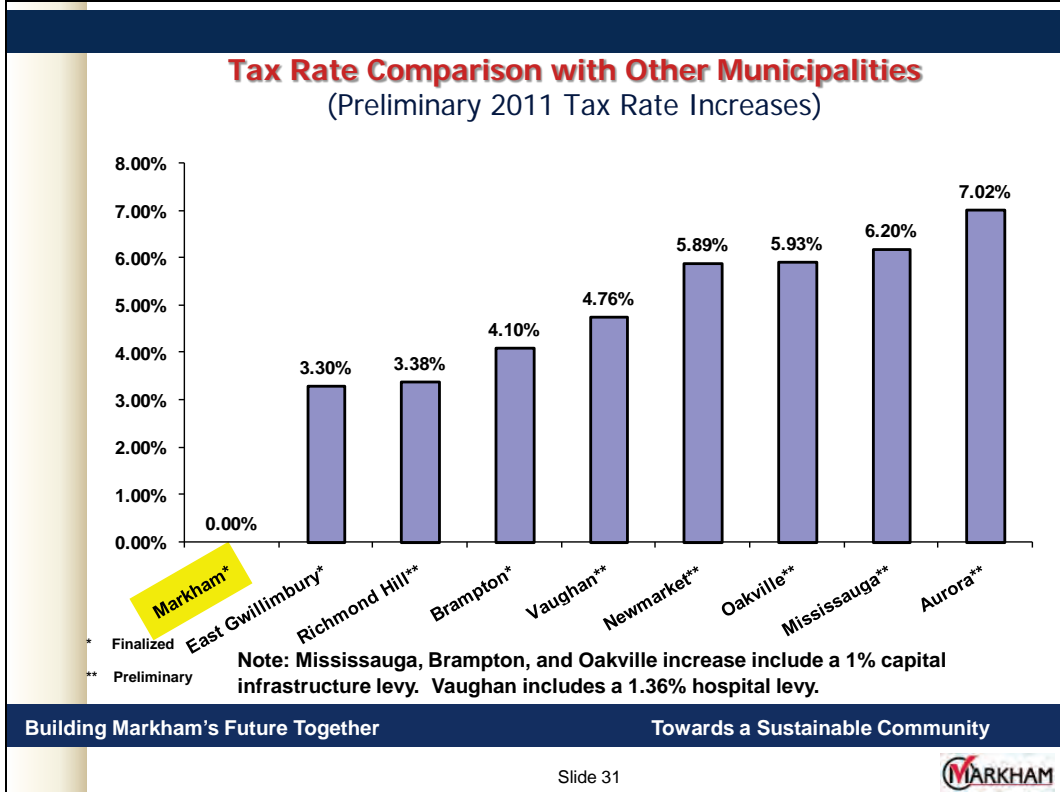
Assessment and Property Taxes
 Estimated 2011 Property Tax Distribution
 Non-Residential



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- ### Future Budget Challenges
1. Existing infrastructure repairs & replacements
 - Sufficient funding for known assets
 - Unfunded environmental infrastructure
 2. New infrastructure demands
 - Non growth portion of Town wide hard services
 - Integrated Leisure Master Plan (Non growth portion of soft services)
 - Public Works Yard
 3. Wage settlements and benefit costs
 4. Contract renewals and committed multi-year contracts
 - Inflation (est. 0% to 3%) & Escalation
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Future Budget Challenges (continued)

5. State of economic recovery

Residential Building Permit activity 2007 to 2010:

<u>Year</u>	<u># of permits</u>
2007	3,569
2008	2,355
2009	872
2010	1,517

6. Interest rate fluctuations

7. Utilities and fuel costs

8. Legislation compliance

- Accessibility for Ontarians with Disabilities Act
- Bill 168 Occupational Health and Safety Amendment Act

2011 Budget Summary Highlights

Fiscal Stewardship

- **Financial Prudence**
- **Ramp-ups**
- **Service Levels**
- **Reserve Studies**

Highlights of 2011 Proposed Capital Budget

Environment (\$ in Millions)

- Stormwater Management & Environmental Asset Program \$0.34
- Conversion to Markham District Energy (MDE) connection at the Civic Centre (Phase 3 of 3) \$0.33
- Continuation of the Trees for Tomorrow Initiative & Replacement of Trees \$0.26
- Energy Metering and Monitoring System \$0.20
- Waste Management Initiatives \$0.15



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Highlights of 2011 Proposed Capital Budget

Growth (\$ in Millions)

- South East Community Centre - Design \$4.35
(also included in Integrated Leisure Master Plan/Public Safety)
- New Parks Design & Construction \$1.40
 - Grand Cornell Park Addition - Design
 - Wismer Community Park - Design
 - Kentview Neighbourhood Park
 - Cornell Rouge East Woodlot Park - Design
 - Leitchcroft Community Park
- Growth Management Strategies \$0.68



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Highlights of 2011 Proposed Capital Budget

Transportation & Transit (\$ in Millions)

- Rodick Road extension – Final Phase Construction (14th to Esna Park) \$13.81
- Main Street, Markham – 16th Ave. to Major Mackenzie - Construction \$5.79
- Main Street, Markham – Hwy 407 to Hwy 7 - Design \$1.56
- Main Street, Markham – Hwy 7 to Church St. - Construction \$0.94
- Sidewalk & Intersection Improvement Programs \$2.56
- Bridges & Culverts Rehabilitation Program \$1.95
- Streetlight Replacement & Inspection Program \$0.92
- Traffic Control Signals & Traffic Operational Improvements \$0.87
(also included in Integrated Leisure Master Plan/Public Safety)



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Highlights of 2011 Proposed Capital Budget

Service Levels (\$ in Millions)

- Roads rehabilitation program \$6.62
- Watermain & Sanitary Sewer construction and replacement program \$4.44
- Facility improvement program at Community Centres, Libraries, Fire Stations, Cultural Venues and Civic Centre \$4.02
- Artificial Turf Field \$0.60
- Storm Sewer Rehabilitation and Inspection Program \$0.51
- Tennis Courts Resurfacing \$0.26



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Highlights of 2011 Proposed Capital Budget

Integrated Leisure Master Plan/Public Safety (\$ in Millions)

- **South East Community Centre - Design** **\$4.35**
(also included in Growth)
- **Traffic Control Signals & Traffic Operational Improvements** **\$0.87**
(also included in Transportation & Transit)
- **Fire Communication Centre** **\$0.59**
- **Play Structure & Safety Resurfacing** **\$0.22**



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Highlights of 2011 Proposed Capital Budget

Diversity (\$ in Millions)

- **Pedestrian Accessibility Improvements** **\$0.36**
- **Facility Accessibility Program** **\$0.14**
- **Language Line Service**
- **Career Bridge/Ability Edge Program**



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2015 Pan/Parapan American Games

- The Greater Toronto Area, with support from the Province of Ontario, was successful in the bid to host the 2015 Pan/Parapan American Games
- Markham will host the water polo competition, requiring Markham to build a new 50,000 square foot aquatic facility that includes a 50 meter pool
- In addition, a 36,000 square foot field house will be built and the facility is designed to meet the International Standards for Badminton to host the badminton competition. The field house will include multi-purpose/meeting rooms and a gymnasium
- Markham will also be hosting the table tennis competition

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Highlights of Current Major Capital Projects

- Thornhill Community Centre and Library – expected completion date: June 2011
- Emergency Operations Centre – expected completion date: March 2011
- Energy Retrofits – expected completion date: March 2011
- St. Robert Artificial Turf & Bubble – completed: Feb 2011, official opening March 25th, 2011
- Varley Art Gallery Expansion – expected completion date: July 2011
- East Markham Community Centre & Library – expected completion date: late 2012



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Highlights of Current Major Capital Projects

- Angus Glen Indoor Tennis Centre – expected completion date: May 2011
- Artificial Outdoor Ice Rink – expected completion date: July 2011
- Museum Collections Building – expected opening date: June 2011
- Accessibility Improvements – expected completion date: June 2011
- Cornell Fire Station – expected completion date: End of 2011, early 2012



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Questions and Comments



**THANK YOU FOR ATTENDING MARKHAM'S
PUBLIC INFORMATION MEETING**



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SUBJECT: 2011 Budget
PREPARED BY: Andrea Tang, Manager of Financial Planning

RECOMMENDATION:

- 1) That the report dated March 1, 2011 entitled, “2011 Budget” be received;
- 2) And that Council approve the 2011 Operating Budgets for Town services which totals \$164,637,871, (excluding prior year surplus/deficit) the principle components of which are detailed on Appendix 1;
- 3) And that gross operating expenditures of \$164,637,871, (excluding prior year surplus/deficit) be funded from the following sources:

	<u>2011 Budget \$</u>
<u>Revenue</u>	
Taxation Levies	113,989,993
Grants-in-lieu of Taxes	1,209,007
Grant & Subsidy Revenues	1,472,973
General Revenues (Investment Income, Fines, Permits, Interest & Penalties)	25,028,053
User Fees & Service Charges (User Fees, Rentals, Sales)	18,558,057
Other Income / Recoveries	4,379,788
Total Revenues	<u>164,637,871</u>

- 4) And that Council approve the 2011 Capital Budget that totals \$73,116,200 the funding details of which are listed in Appendix 2;
- 5) And that Council approve the 2011 Planning & Design Budget that totals \$6,964,473, (excluding prior year surplus/deficit) the principle components of which are detailed on Appendix 4;
- 6) And that Council approve the 2011 Engineering Budget that totals \$6,081,694, (excluding prior year surplus/deficit) the principle components of which are detailed on Appendix 5;
- 7) And that Council approve the 2011 Building Standards Budget that totals \$7,422,520, (excluding prior year surplus/deficit) the principle components of which are detailed on Appendix 6;
- 8) And that upon finalization of the 2010 audited financial statements, the 2011 Operating, Waterworks, Planning & Design, Engineering and Building Standards budgets be adjusted to reflect the 2010 operating results;
- 9) 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;



- 10) And that the “Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09” be received for information purposes;
- 11) And that the minutes from the February 28, 2011 Budget Public Information Meeting (Appendix 8) to be received;
- 12) And further that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval of the Town of Markham’s 2011 Budget.

BACKGROUND:

A total of eight Budget Sub-Committee meetings were held in the period from December 2010 to February 2011 to discuss, review and finalize the 2011 Operating, Capital, Planning & Design, Engineering and Building Standards budgets. The 2011 Water and Wastewater rate was approved at the February 8, 2011 Council meeting.

All Budget meetings were open to the general public, Members of Council, Commissioners, and staff. Topics discussed at the Budget Sub-Committee meetings include:

- fiscal scan including economic trends and budgetary pressures;
- a review of the Operating and Capital budgets for 2011;
- a review of the 2011 Base Operating Budget Assumptions
- a review of the Building Standards, Planning & Design and Engineering Operating Budgets;
- the Town’s asset lifecycle replacement methodology and reserve fund impacts;
- Water & Wastewater Reserve Study;
- a review of revenue streams from PowerStream, Markham Enterprises Corporation and Markham District Energy Inc.

At the December 15, 2010 Budget Sub-Committee meeting, Staff presented the preliminary 2011 operating budget with a projected tax rate increase of 3.3% along with a three year forecast (2012 – 2014). Based on direction from the Budget Sub-Committee, Staff identified options to reduce the shortfall and presented a 2.88% tax rate increase at the February 1, 2011 meeting and subsequently revised the shortfall to 1.55% for presentation at the February 15, 2011 Budget Sub-Committee meeting. Staff identified further expenditure reductions of \$1.7M resulting in a 0% tax rate increase for the third consecutive year.

On February 28, 2011, the 2011 Budget Public Information Meeting was held in the Council Chamber. Feedback from the meeting is addressed in Appendix 7.

DISCUSSION:

Operating

The following exhibit reconciles the 2010 Approved Operating Budget to the 2011 Operating Budget from \$157,661,527 to \$164,637,871 (figures exclude Planning & Design, Engineering, Building Services and Waterworks):

<u>REVENUES</u>	<u>2011 Budget \$</u>
Approved 2010 Budget Revenues	157,661,527
2011 Assessment Growth - Tax Revenue	3,991,446
New Infrastructure Projects Revenues	767,000
2011 Supplemental Property Tax Revenue	690,000
New Leases (8100 Warden and PowerStream Rooftop)	437,000
2011 Increase in Waste Diversion Ontario Grant	400,000
2011 Increase in Investment Income	370,000
2011 Increase in Recreation User Fees (CPI only)	150,000
2011 Adjustment in Other Revenues	170,898
Total 2011 Budget Revenues (excluding prior year surplus/deficit)	<u>164,637,871</u>

<u>EXPENDITURES</u>	
Approved 2010 Budget Expenditures	157,661,527
2011 Increase in Expenditures	5,567,344
2011 Additional Transfer to the Capital Programs	500,000
New Infrastructure Project Costs	909,000
Total 2011 Budget Expenditures (excluding prior year surplus/deficit)	<u>164,637,871</u>

The 2010 Operating surplus/deficit is excluded from the above figures until the Town's audited financial statements are finalized and approved by Council. Upon finalization of the 2010 audited financial statements, the 2011 Operating, Planning & Design, Engineering, Building Standards and Waterworks budgets will be adjusted to reflect the surplus/deficit, if any, in revenues and offsetting expenditures.

As a provincially designated high-growth municipality, the Town of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, winter maintenance contracts, utility costs, other contract renewals, and wage settlements 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 Cornell Fire Station, the South East Community Centre, Pan Am Facility, Regional Sports Park and Operations Work Yard. In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads each year, thereby requiring additional resources for the maintenance and replacement of these assets.

To mitigate the increased expenditures, Staff reviewed and identified the following expenditure reductions:

- \$600,000 of salary gapping and personnel adjustments



- \$300,000 adjustment to HST Provision for capital projects
- \$283,000 adjustment to the Winter Maintenance and Enhanced Cultural Practices phase-ins
- \$278,000 in non-personnel expenditure gapping
- \$250,000 adjustment in Transfer to Land and Environmental Land Reserves

As a result, the 2011 net expenditures increased by \$6,976,344 compared to 2010.

Also, the revenues were reviewed and increased by \$6,976,344 as noted on Page 3, to offset the increase in expenditures of \$6,976,344 resulting in a balanced budget or a net tax rate increase of 0%.

Capital

The proposed Capital Budget of \$73,116,200 includes funding from various sources, as outlined in Appendix 2. A complete listing of the proposed 2011 Capital budget projects is included in Appendix 3. The 2011 Capital budget includes \$4.0M from the Federal Gas Tax grant, which will fund capital projects in the following areas:

- Bridge improvements
- Main Street Markham road improvements
- Asphalt resurfacing
- Energy Metering and Monitoring System

Other significant Capital projects include the continuation of the tree planting initiative, stormwater management projects, waste management initiatives, design & construction of 5 new parks, town-wide illumination & sidewalk requests, rehabilitation of bridges & culverts, road rehabilitation across the Town, watermain and sanitary sewer construction & replacement, facility improvements at town-owned buildings, design of the South East Community Centre, artificial turf field, initial funding for the Pan/Parapan American Games Facility, final phase of construction for Rodick Road extension from 14th Avenue to Esna Park, and the continuation of the facility accessibility program.

The proposed 2011 Budget reflects the Town's commitment to maintain 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 and the Town's commitment to increase contribution to the capital program by \$500,000 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. In addition, the Town will be contributing \$250,000 to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09

BACKGROUND:

The Public Sector Accounting Board (PSAB) issued several new requirements for financial reporting that all municipalities must comply with, commencing with the 2009 reporting period. The Town's financial statements, specifically the Accumulated Surplus, now include the impact of Tangible Capital Asset (TCA) amortization, and the full accrual method of accounting.

Ontario Regulation 284/09 states that municipalities may exclude from budget, all or a portion of the estimated cost of certain expenses. Exclusion of these expenses allows for preparation & presentation of a traditionally balanced budget. Expenses eligible for exclusion from budget are:

1. Amortization;
2. Post-employment benefits; and
3. Solid waste landfill closure and post closure expenses.

Further, the Regulation states that if any of these expenses are excluded from the 2010 budget, being the first transition year under the new financial disclosure requirement, the impact of the exclusions must be reported to Council within 60 days of Council receiving the Town's audited financial statements for 2009. As such, staff presented the restated 2010 budget in compliance with the Ontario Regulation 284/09 at the November 22, 2010 General Committee meeting. The report also outlined that future budgets will be restated and included as part of the budget approval process and will be presented to Council prior to adopting the budget. Hence, the 2011 budget is restated in accordance to Ontario Regulation 284/09 as part of the 2011 budget approval process.

The Regulation requires that the report contain the following information:

1. An estimate of the change in the accumulated surplus of the Town to the end of the year resulting from the exclusion of any expenses, and
2. An analysis of the estimated impact of the exclusion of any expenses, on the future TCA funding requirements of the Town.

DISCUSSION:

The 2011 budget excludes the following expenses:

1. The budget does not include an expense for the amortization of its tangible capital assets in the sum of \$55.1M; however, the budget did include reserve contributions of \$34.9M to the Life Cycle Replacement & Capital and Waterworks reserve funds.

The Life Cycle Replacement Reserve and the Waterworks Reserve were established in 2005 & 2007 to address the funding requirements for on-going capital replacements and preventative maintenance of the Town's capital assets over its useful life. The Town does annual reserve studies to ensure there is



adequate funding in these reserve funds for the next 25 years. The last update was presented at the December 20th, 2011 Budget Sub-Committee meeting, which concluded that based on the 2010 updated reserve study, there is sufficient funds for the major replacement and rehabilitation of existing assets with known work programs for the next 25 years (2011 to 2035) save and except for some work related to flood control allowance, town-wide stream erosion control, watercourse management and stormwater asset management. These excluded programs are currently reviewed as part of a stormwater rate study. The 2011 update will be completed and presented to Council in June 2011.

2. The budget does not contain the current year's post employment benefit expenses totaling \$0.7M for employees. However, the Town has previously fully funded the post employment benefit obligations through favourable year-end surpluses;
3. All expenses related to the former Sabiston landfill site are included in the budget and are therefore not further mentioned in this report.

The 2011 budget, restated in accordance with the full accrual method of accounting and Ontario Regulation 284/09, is detailed in Exhibit 1.

Restating the budget in PSAB & Ontario Regulation 284/09 format, nets an additional budget surplus for 2011 in the amount of \$9.1M.

According to the full accrual method of accounting, the \$55.1M TCA amortization (item A) and \$0.7M Post employment Benefits (item B) would be budgeted as expenses and would decrease the projected year end surplus. Also, an estimated \$11.1M for expenditures, included in the Capital budget, that are not considered Tangible Capital Assets (item C), would be added to the operating expenses, further decreasing the annual surplus. The budget would, at this point, show a deficit projection of \$66.9M (\$55.1M + \$0.7M + \$11.1M).

The impact would be mitigated by changes to how reserve and reserve fund transfers are accounted for under the full accrual method of accounting. Operating budget transfers to reserve funds and transfers from obligatory reserve funds (such as Development Charges Reserve Funds) to fund capital, are now reflected in the statement of operations as revenues only. This change made to the 2011 budget would add estimated net revenues of \$76.0M to the projected year end surplus (\$39.8M additional revenue (item D) plus \$36.2M reduction to expenses (item E)).

The final restated budget for 2011 projects a surplus of \$9.1M (item F).

Exhibit 1

2011 CONSOLIDATED BUDGET

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

REVENUES

- Town (excl. Waterworks, Building Standards, Planning and Engineering)		\$164,637,871	
- Waterworks		\$74,973,700	
- Building standards		\$7,422,520	
- Planning & Design		\$6,964,473	
- Engineering		\$6,081,694	
Total Revenues from Operations			\$260,080,258
Non-Tangible Capital		\$11,042,456	
Tangible Capital Assets		\$62,073,744	
Total Capital - Tangible & Non-Tangible		\$73,116,200	
<i>Less: Transfer from Reserve / Reserve Funds</i>	(1)	(\$33,367,992)	
Net (new) Revenues to fund Capital			\$39,748,208 D

TOTAL REVENUES **\$299,828,466**

EXPENSES

- Town (excl. Waterworks, Building Standards, Planning and Engineering)		\$164,637,871	
- Waterworks		\$74,973,700	
- Building standards		\$7,422,520	
- Planning & Design		\$6,964,473	
- Engineering		\$6,081,694	
Total Operating Expenses		\$260,080,258	
<i>Less: Transfer to Reserve / Reserve Funds</i>	(2)	(\$36,226,559)	E
<i>Add: TCA Amortization Expenses</i>	(3)	55,111,736	A
<i>Add: Post-employment benefit Expenses</i>	(4)	\$719,100	B
Net Operating Expenses			\$279,684,535
Non-Tangible Capital		\$11,042,456	
Tangible Capital Assets		\$62,073,744	
Total Capital Expenses		\$73,116,200	
<i>Less: Tangible Capital Assets Capitalized</i>		(\$62,073,744)	
Net Capital Expenses - Not Capitalized			\$11,042,456 C

TOTAL EXPENSES **\$290,726,991**

ADJUSTED BUDGET: 2011 FULL ACCRUAL ACCOUNTING BUDGET SURPLUS / (DEFICIT) **\$9,101,475 F**

NOTES:

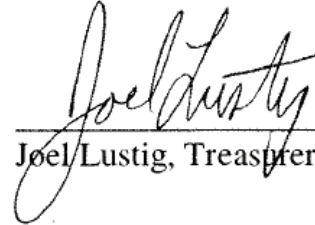
- (1) Transfer from Reserve / Reserve Funds represents transfers from reserves and/or reserve funds to fund expenditures. These are not considered revenues under the full accrual method of accounting.
- (2) Transfer to Reserve / Reserve Funds represents contributions to reserves and/or reserve funds. These are not considered expenditures under the full accrual method of accounting, but become part of the actual year end surplus (retained earnings).
- (3) *TCA Amortization Expenses* is a calculated figure. It is arrived at by adding the actual amortization expense from "in-service" assets in 2010, to the 1/2 year rule amortization expense for assets projected to be "put-into-service" in 2011.
- (4) *Post-employment benefit Expenses* is the estimated, incremental figure for 2011, provided by Momeau Sobeco in the Actuarial Valuation prepared December, 2010.



**RECOMMENDED
BY:**



Andy Taylor, Commissioner
Corporate Services



Joel Lustig, Treasurer

ATTACHMENTS:

- Appendix 1 – 2011 Operating Budget
- Appendix 2 – 2011 Capital Summary by Commission & Sources of Funding
- Appendix 3 – 2011 Capital and Other Programs Budget
- Appendix 4 – 2011 Planning & Design Operating Budget
- Appendix 5 – 2011 Engineering Operating Budget
- Appendix 6 – 2011 Building Standards Operating Budget
- Appendix 7 – Feedback from Budget Public Information Meeting
- Appendix 8 – Minutes from Budget Public Information Meeting

2011 BUDGET MEDIA RELEASE

MARKHAM DELIVERS ZERO TAX RATE THREE CONSECUTIVE YEARS EXPANDS MUNICIPAL INFRASTRUCTURE - NO SERVICE CUTS

Only Ontario municipality to deliver a zero tax rate increase in 2009, 2010, 2011

MARKHAM, ON - March 1, 2011 - Markham Council has approved its 2011 Budget with no tax rate increase for a third consecutive year.

Markham was the only GTA municipality to achieve a zero tax rate increase in 2009 and 2010, attributing its success to an extensive program to find operational efficiencies, and by tracking past operating costs to look for savings when planning for future costs. Council and staff continued its Excellence through Efficiency and Effectiveness program (E3) in 2010 with a continued focus on how municipal business operations and services could be improved and more cost effective. Markham's initial budget proposals suggested an increase of 2.88 per cent and then 1.55 per cent, after additional reviews. Further, work was undertaken to see how a zero tax rate increase could be achieved.

"I was pleased to have worked with Budget Chief Regional Councillor Gordon Landon and Budget Sub-Committee Vice Chair Councillor Logan Kanapathi to achieve a zero tax rate increase at the same time as services have increased to meet the needs of our expanded infrastructure programs. And, I am very proud of the way our Council and staff stepped up to the challenge for a third consecutive year to deliver this budget on behalf of taxpayers while the economy is still in recovery - an achievement unprecedented among Ontario urban municipalities," said Markham Mayor Frank Scarpitti.

Markham's 2011 budget – totalling \$333.2 million – includes \$164.6 million Operating Budget, \$73.1 million Capital Budget, \$75 million Waterworks Budget, \$7.4 million Building Services Budget, \$7 million for Planning and Design and \$6.1 million Engineering Budget. Overall, Markham receives about 25 cents of every dollar of residential property taxes collected, with the remainder divided between education (25 cents) and the Region of York (50 cents).

Budget Chief and Regional Councillor Gordon Landon said, "Markham's tax rate freeze in the last three budget years is unprecedented. We did this through a process review based on quality principles, a rigorous business planning process, and with the support of the Budget Sub-Committee. As we plan for 2012 and beyond, we will continue to use these principles to examine resources and services to achieve the best savings and services for our taxpayers. We are also monitoring the economy and investigating ways to handle the future needs for expanded services and facilities that are facing our growing community."

Budget Sub-Committee Vice Chair Councillor Logan Kanapathi said "Markham began its E3 program over three years ago when we predicted a worsening economy. As part of ongoing budget considerations, we will continue to look for ways to improve our services while looking for savings in our operations and making prudent investments for the future. This budget is good news for Markham families"

Mayor Scarpitti remarked, "The fact we are able to achieve these cost reductions and efficiencies without using reserves or reducing service levels to residents is a great testament to the power of innovation, disciplined focus on continuous improvement and quality staff who are second to none."

- 30 -

Media inquires / interviews requests: Markham Mayor Frank Scarpitti 905-415-7520 media@markham.ca

Town of Markham, 101 Town Centre Boulevard, Markham, ON L3R 9W3
Tel. 905.477.7000 www.markham.ca



MARKHAM DELIVERS ZERO TAX RATE INCREASE...../2

About Markham

Markham, a municipality of more than 300,000 residents centrally located in the Greater Toronto area, is Canada's most diverse community and home to many of Canada's leading life science and technology businesses. Recipient of a 2010 *Canada Award for Excellence – Silver* for outstanding achievements in quality, customer service, and a healthy workplace, Markham is renowned for its rich heritage, vibrant neighbourhoods and leadership on the environment and urban design.

Some of the projects and priorities funded in the 2011 budget:

Environment

- Continuing to fund the successful Trees for Tomorrow program with new tree planting in parks and replacement of trees
- New waste management initiatives
- Erosion protection, environmental asset and ongoing maintenance of stormwater management ponds
- Energy metering and monitoring system
- Conversion to Markham District Energy (MDE) connection at the Civic Centre – phase 3 of 3.

Diversity

- Ongoing facility accessibility program
- Continuing to be involved in the Career Bridge/Ability Edge program – an internship program that provides employment opportunities for foreign trained immigrants in their field of expertise
- Continuing to provide Language Line interpretive services in more than 170 languages

Transportation and Transit

- Rodick Road extension – final phase construction – 14th Avenue to Esna Park
- Main Street, Markham, 16th Avenue to Major Mackenzie (construction phase)
- Main Street, Markham, Hwy. 407 to Hwy. 7 (design phase)
- Main Street, Markham, Hwy. 7 to Parkway Avenue/Bullock Drive (construction phase)
- Sidewalk and intersection improvements
- Bridges and culverts rehabilitation program
- Continued streetlight replacements and inspection program
- Traffic control signals and traffic operational improvements

Managed Growth

- South East Community Centre (design phase)
- New parks, design and construction for: Grand Cornell Park addition, design; Wismer Community Park, design; Kentview Neighbourhood Park; Cornell Rouge East Woodlot Park, design; Leitchcroft Community Park;
- Ongoing development of guidelines and policies to support a made-in-Markham growth strategy

Integrated Leisure Master Plan/Public Safety

- South East Community Centre – (design phase as shown in Managed Growth)
- Relocation of Fire Communication Centre to enhance service
- Upgrades to play structures and safety resurfacing

Town of Markham, 101 Town Centre Boulevard, Markham, ON L3R 9W3
Tel. 905.477.7000 www.markham.ca

MARKHAM DELIVERS ZERO TAX RATE INCREASE...../3

Service Levels

- Ongoing roads rehabilitation program
- Watermain and sanitary sewer construction and replacement program
- Facility improvement program at community centres, libraries, fire stations, culture venues and the Civic Centre
- Storm sewer rehabilitation and inspection program
- Tennis courts resurfacing.

Toronto 2015 Pan/Parapan American Games

- The Greater Toronto Area, with the support of the Province of Ontario, was successful in the bid to host the 2015 Pan/Parapan American Games
- Markham was awarded the bid to host the water polo competition, with a new 50,000 sq. ft. aquatic facility planned, including a 50 metre pool. In addition, a 36,000 sq. ft. field house will accompany the centre including multi-purpose/meeting rooms and a gymnasium (to host the badminton event). Markham will also host the table tennis competition.

Highlights of Major Ongoing Capital Projects

- With the funding of \$13.2 million committed through the federal-provincial stimulus program – a partnership between the Government of Canada, the Government of Ontario and Markham – a major renovation/expansion is underway at the **Thornhill Community Centre and Library** with completion June 2011; **energy retrofits** at eight Markham-owned facilities will be completed in March, 2011; **accessibility retrofits** at 11 Markham-owned locations will be completed in June 2011 and the **Emergency Operations Centre**, a permanent, self-supporting centre with computers, mapping, telecommunications and emergency backup power provided by Markham District Energy Inc. will be completed in March 2011
- Under the Recreational Infrastructure Canada and Recreation Ontario programs, the Governments of Canada, Ontario and Markham contributed funding for an outdoor **Civic Centre artificial ice rink** – completion in July 2011; the **St. Robert Catholic High School soccer centre artificial turf and bubble** – complete, February 2011; and the **Angus Glen Community Centre indoor tennis courts and facility**, completion May, 2011
- Construction is underway on the **East Markham Community Centre and Library**, estimated cost \$74.7 million. The 130,000 square foot building includes: a 25 metre pool, 8-lane pool, teaching pool and therapeutic pool; rehearsal hall; fitness centre; multi-use and youth rooms; general library and medical library; triple gymnasium; state-of-the-art accessibility and LEED Silver features and a linkage to the Markham Stouffville Hospital and parking garage. It will provide patients, staff and community residents with access to holistic and community services to create a health and wellness campus, with an estimated completion date of late 2012-early 2013.

Markham freezes taxes for 3rd year

By Kim Zarzour
March 3, 2011

For the third straight year, the town of Markham has approved a budget with no tax increase.

Not everyone is happy with the decision reached Tuesday, with dissenting votes coming from deputy mayor Jack Heath and Ward 1 Councillor Valerie Burke.

But Mayor Frank Scarpitti's mood was jubilant at a press conference yesterday as he announced that Markham was the only GTA municipality to achieve the zero tax rate increase for three years running.

While most municipalities in York have not yet finalized their budgets — East Gwillimbury has agreed to a 3.3 per cent increase and Whitchurch-Stouffville's are going up 1.6 per cent — most are looking at increases that range from 3.82 per cent in Richmond Hill to 7 per cent in Aurora.

Toronto has approved a zero tax increase for this year as has London, but Mr. Scarpitti said Winnipeg is the only other city in Canada that can claim three years of tax freezes "and I don't think they're growing nearly as fast as Markham ... one of the fastest growing in North America."

He attributed the success to a team effort led by budget chief Gordon Landon and treasurer Joel Lustig who were able to achieve the tax freeze without dipping into reserves or cutting services to residents.

"They worked very, very hard. We have a council that's committed to rolling up its sleeves to get the work done and deal with tough issues."

Markham's 2011 budget totals \$333.2 million, including \$164.6 million operating budget, \$73.1 million for capital, \$75 million waterworks, \$7.4 million building services, \$7 million for planning and design and \$6.1 million engineering. Overall, Markham receives about 25 cents of every dollar of residential property taxes collected, with the remainder divided between education (25 cents) and the Region of York (50 cents).

Regional Councillor Landon said it was a tough process, but it was made possible with business planning and cooperation from staff. "There's not a lot of new hires," he said. "Toronto has a more difficult time because they have so many layers of bureaucracy but in Markham we're doing better because we're lean."

"I don't know if Mayor Ford can match our record, but I'm sure he's up for the challenge," added Mr. Scarpitti. But not all councillors were celebrating.

"Zero is a big accomplishment but I'm very concerned about our aging infrastructure, especially storm water and sewer infrastructure," said Ms Burke. "To refurbish storm water will cost \$40 billion and that's just Thornhill, not counting other older areas like Unionville and Markham. I know residents love zero tax increases, but I am concerned it's not sustainable, that it's going to catch up to us."

Councillor Jack Heath also voted against the budget Tuesday night, saying a 1-per-cent increase would have amounted to \$12 a year for average households. Such a small increase might avoid future shortfalls such as an anticipated above-budget cost for snow removal this year. "I'm not sure this is financially wise."

Mr. Landon said that in previous years, less was spent on snow removal. "It averages out ... The community today is still suffering and any way we can save a few dollars for them is a good thing."

Asked if the freeze is sustainable in coming years, Mr. Landon said he is hopeful. Future budget challenges include infrastructure repairs and replacements and the state of economic recovery.

Residential building permits fell from 3,569 in 2007 to a low, at the peak of the recession, of 872 in 2009. Last year, he said, there were 1,517 housing starts "which to me is an indication the economy is starting to pick up again".

the star.com

Back to Markham Mayor Scarpitti engages the people

Markham Mayor Scarpitti engages the people

May 08, 2011

John Goddard

No new taxes only partly explains the immense popularity of Markham Mayor Frank Scarpitti.

For three straight years he has maintained a property tax freeze without cutting services.

But he is also a populist, Markham's happy face. He attends everything. One moment he is cutting a ribbon at an indoor soccer field, another moment dancing with an Indian folk troupe at a film-festival announcement.

In 2006, he won office with 83 per cent of the vote. Last fall, he improved to 85 per cent. By comparison, popular Mississauga Mayor Hazel McCallion last fall took 76 per cent.

At a Chinese New Year's event in February, Scarpitti sang the pop song "Shanghai Beach" in Cantonese and spent so long posing for pictures with everybody that he missed dinner.

"Certainly there is a side to me that likes to have fun, that likes to be onstage," he says. "But to me it's all part of making people feel at home, to let people see the leadership in the community engaged in their activity."

The Scarpitti family moved to Markham from North York in 1965, when Frank was 5. He grew up to become director of the local cable TV station and in the mid-1990s hosted a weekly political show on CFMT television.

Otherwise, he has served in public office — 23 years on Markham council, including six as a regional councillor, 10 as deputy mayor and seven so far as mayor, counting a brief appointed period after Tony Roman died in office.

Over the years, Markham has evolved from rural countryside to what a town banner proclaims as "Canada's most diverse community."

More than half of its nearly 300,000 residents are said to belong to visible minorities and in a recent census people listed more than 65 cultures of origin.

Social cohesion and integration remain priorities, the mayor says.

"Right now it takes an average of 15 years for a new Canadian to feel fully integrated into Canadian society and that's way too long," he says.

During a stint as a York Region councillor, Scarpitti led an Inclusivity Action Plan that included the building of immigrant-support centres, two of which opened in Markham.



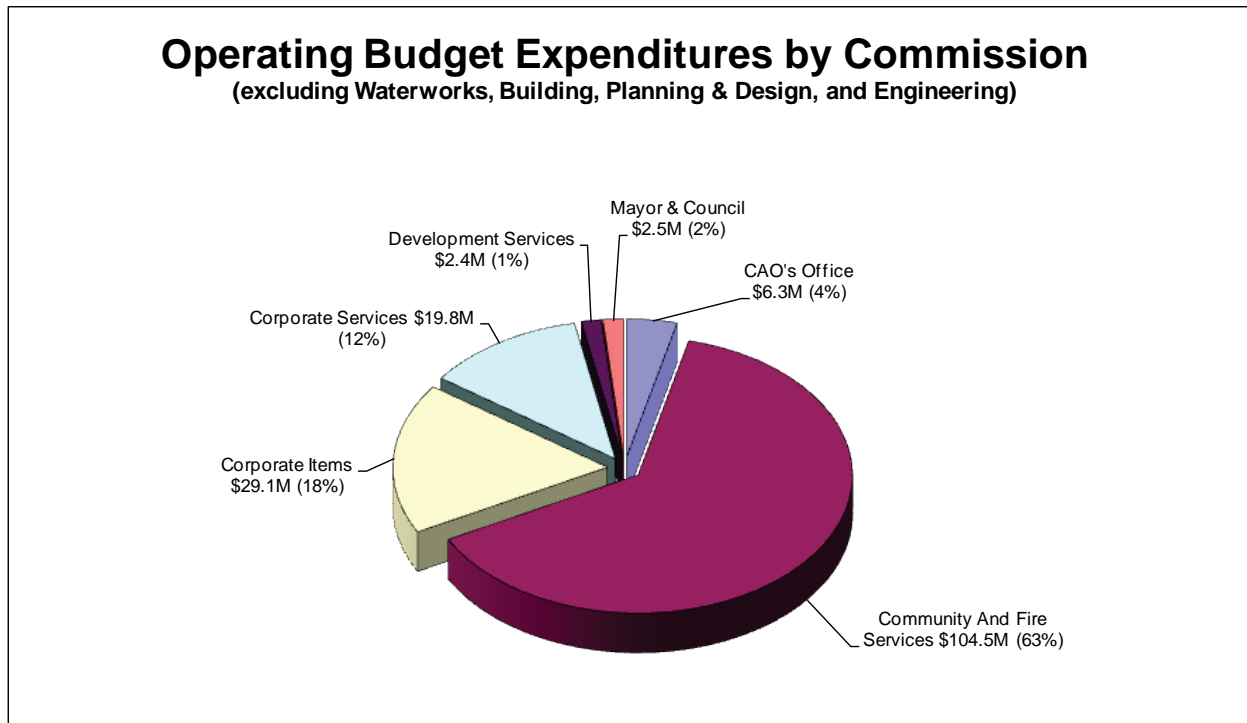
Markham, March 25, 2011—The perpetually animated Frank Scarpitti, mayor of Markham, sits perched at the edge of his desk at Markham's civic centre speaking of the town's future growth. The popular politician won 83 per cent of the vote in 2006 and 85 per cent in 2010.

John Goddard/Toronto Star

2011 OPERATING BUDGET SUMMARY

Expenditures

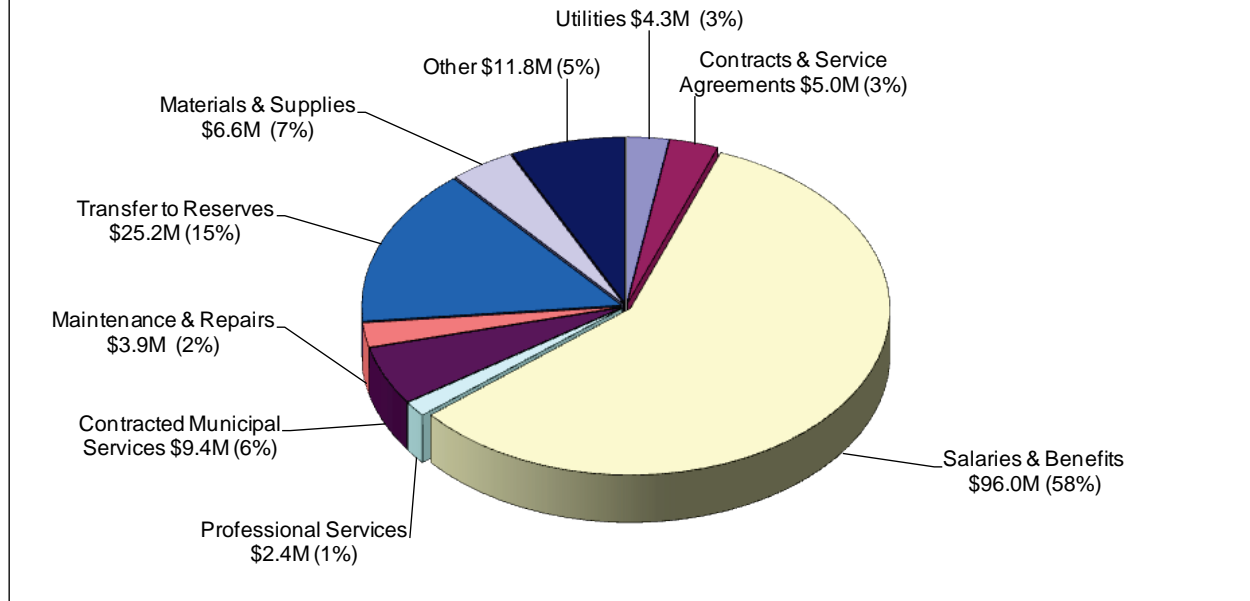
The 2011 Operating Budget for Town services totals \$164,637,871 excluding prior year surplus/deficit, Waterworks, Building Standards, Planning & Design, and Engineering. This marks an increase of \$6.98 million over the 2010 Operating Budget. Chart below shows the composition of the Operating Budget expenditures by Commission.



The Community & Fire Services Commission accounts for 63% 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 2011 Capital Budget program) represents 18% of the Budget.

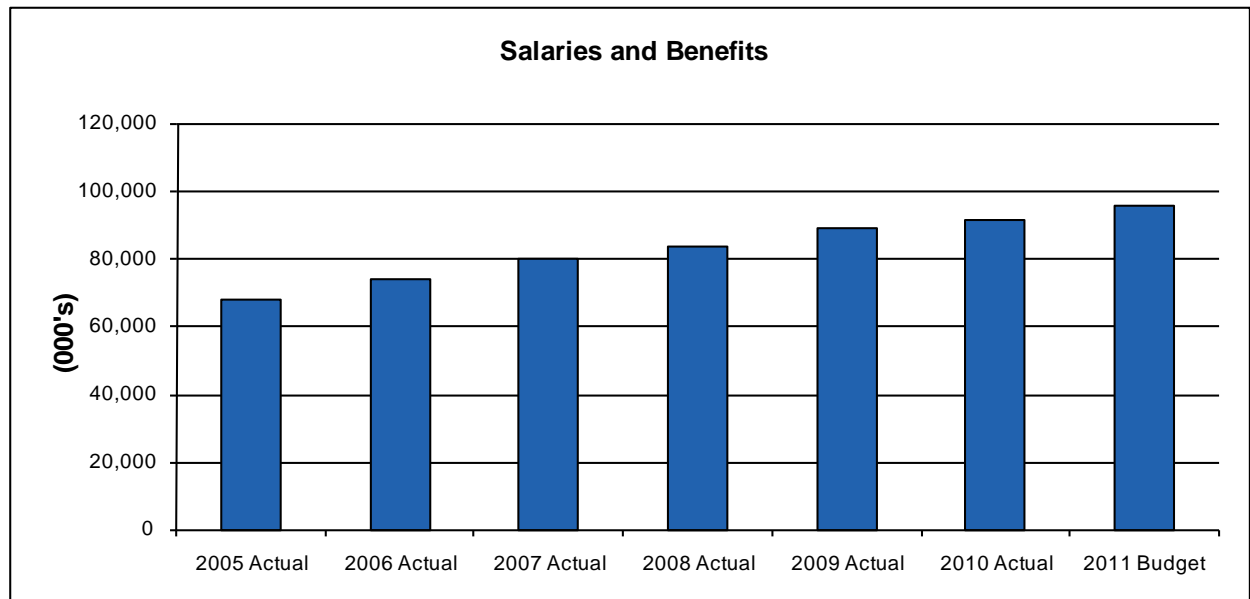
The 2011 Operating Budget expenditures can be alternatively broken down by account. The chart below indicates that 58% of budgeted expenditures are related to the salaries and benefits of Town employees. The next highest individual component is the Transfer to Reserves, which represents 15% of the total Budget. The 'Other' category, which accounts for 5% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, promotion & advertising.

Operating Budget Expenditures by Account



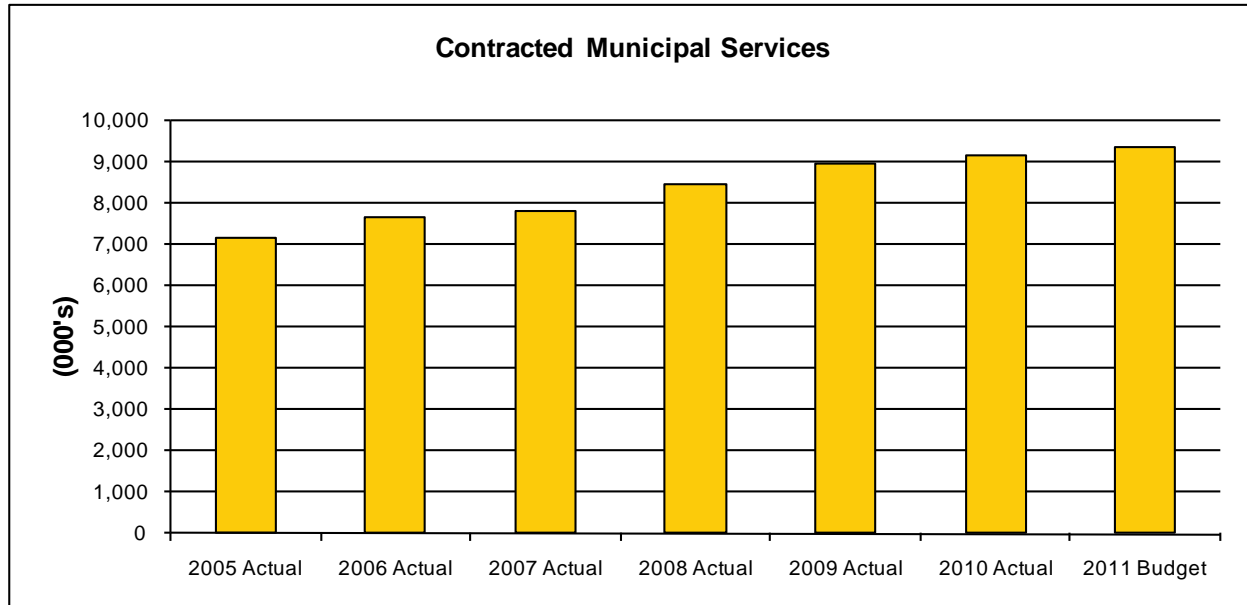
Salaries and Benefits

The salary expenditures increase year over year due to the cost of living adjustment, grid movement and negotiated union agreements.



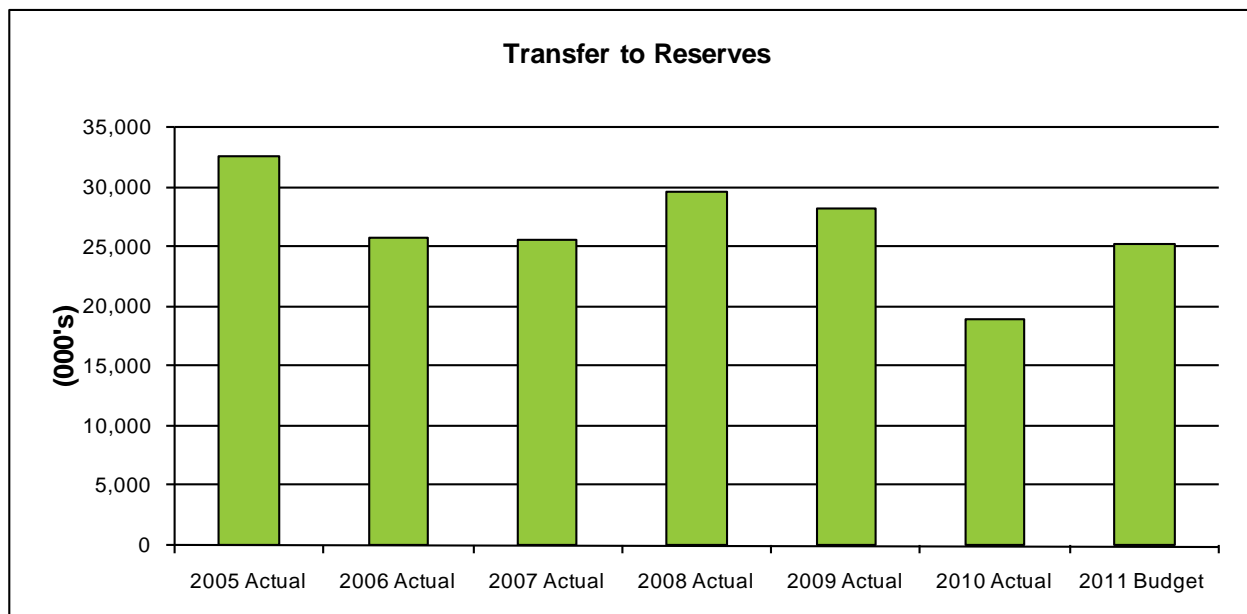
Contracted Municipal Services

The contracted municipal services show a continuous increasing trend year over year. This increase is mainly resulting from both growth and inflation of the Town's contract for third party waste collection.



Transfer to Reserves

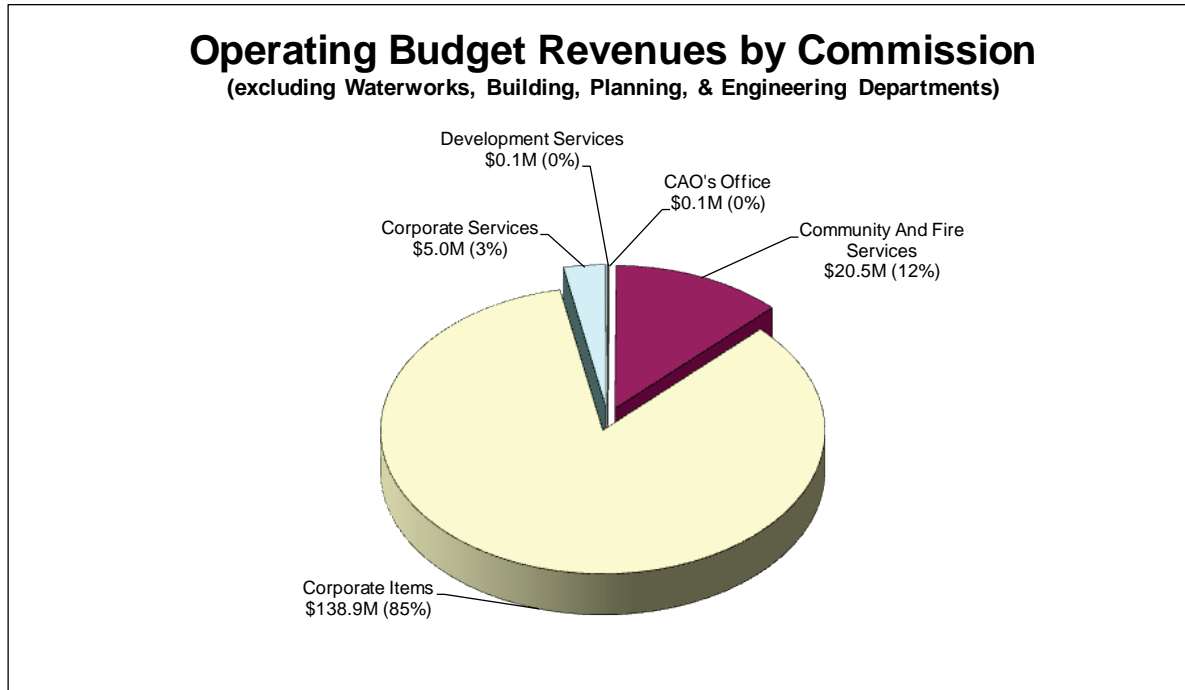
The transfer to reserves is decreased from previous years due to a lower transfer to capital projects.



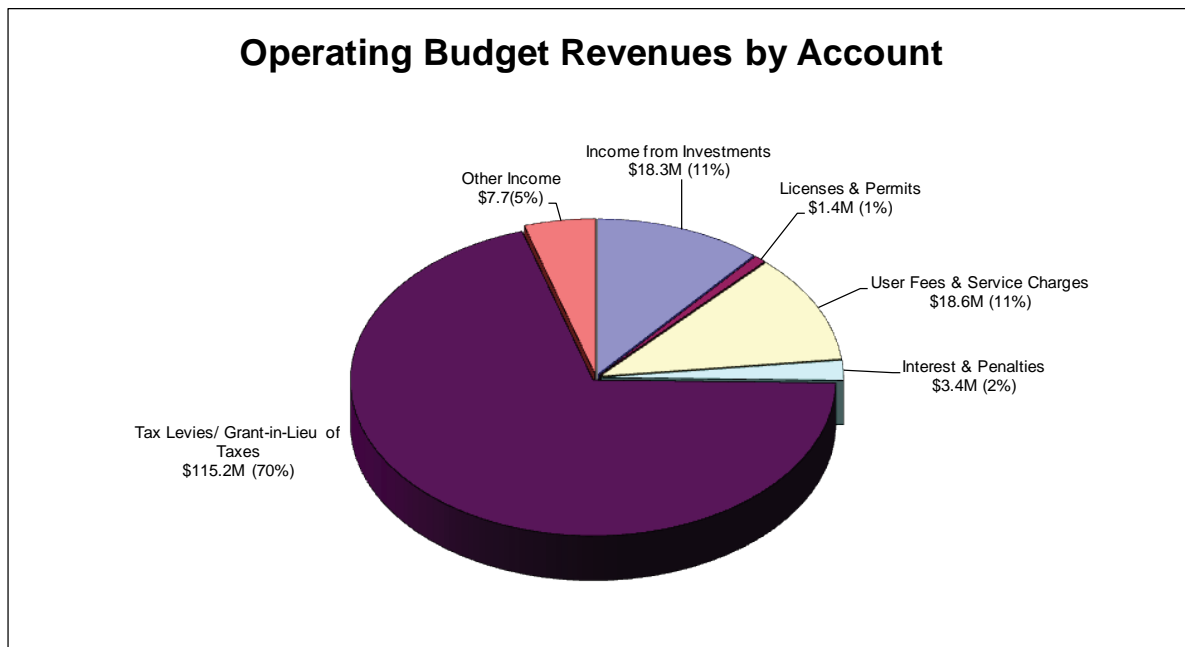


Revenues

The \$164,637,871 Operating Budget is funded mainly through revenues associated with the following Commissions: Corporate Items (85%) and Community and Fire Services (12%). Corporate Items consist largely of Taxation Revenues, Investment Income, and Interest & Penalties.



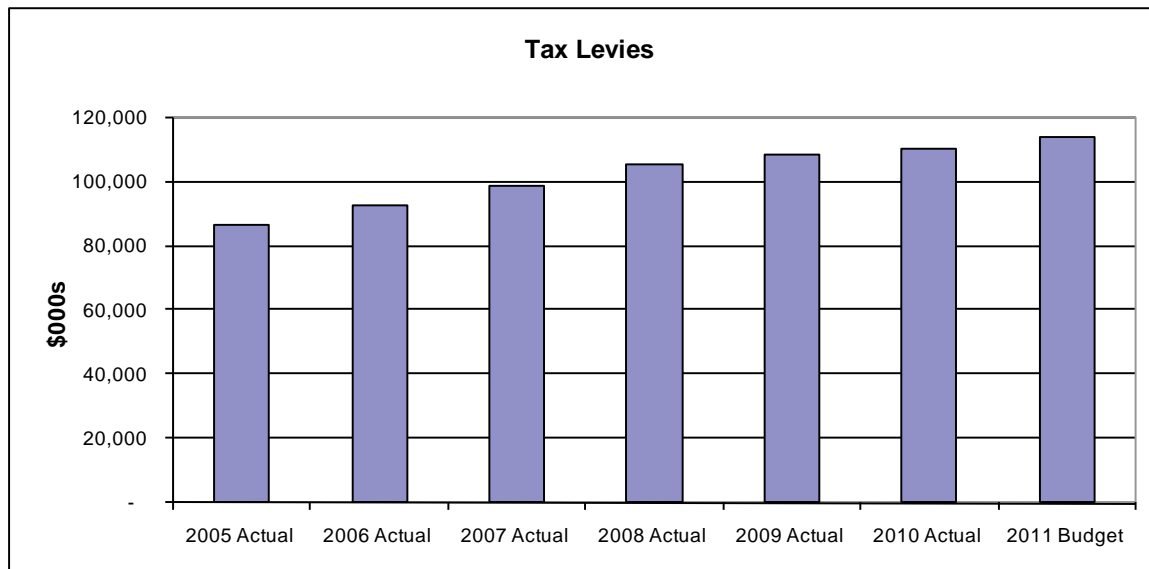
And 70% of the Operating Budget is funded through Taxation Revenues as shown in the graph below.



Major Revenue Sources

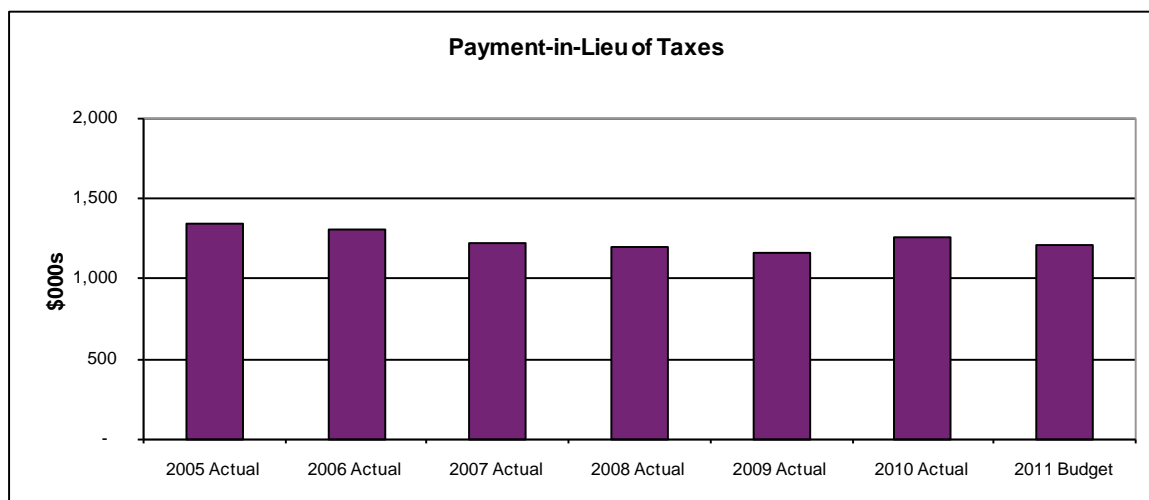
Tax Levies

Tax levies 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. Budgeted 2011 Tax Levies is at \$114.0 million, an increase of \$3.5 million from 2010. Council authorized a zero percent tax increase for 2011 for the third year in a row. The tax revenue has increased steadily in the past years due to the assessment growth in the Town. The Assessment growth is expected to be 3.3% in 2011 versus 2.0% in 2010.



Payment-in-Lieu of Taxes

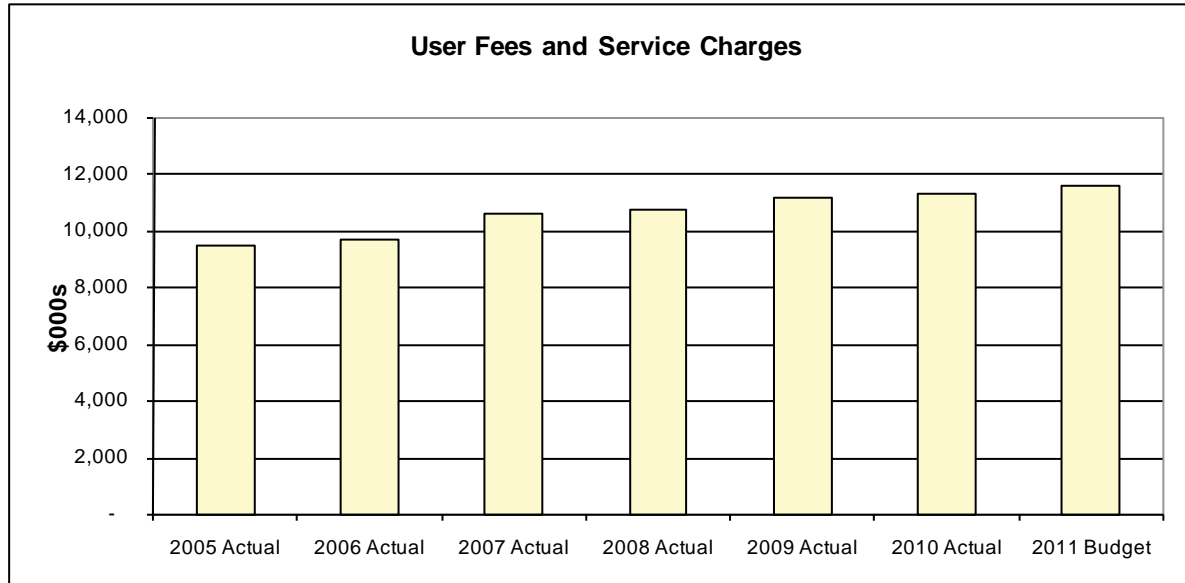
Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies. The 2011 Budget is \$1.2 million which is trending consistently with prior years.





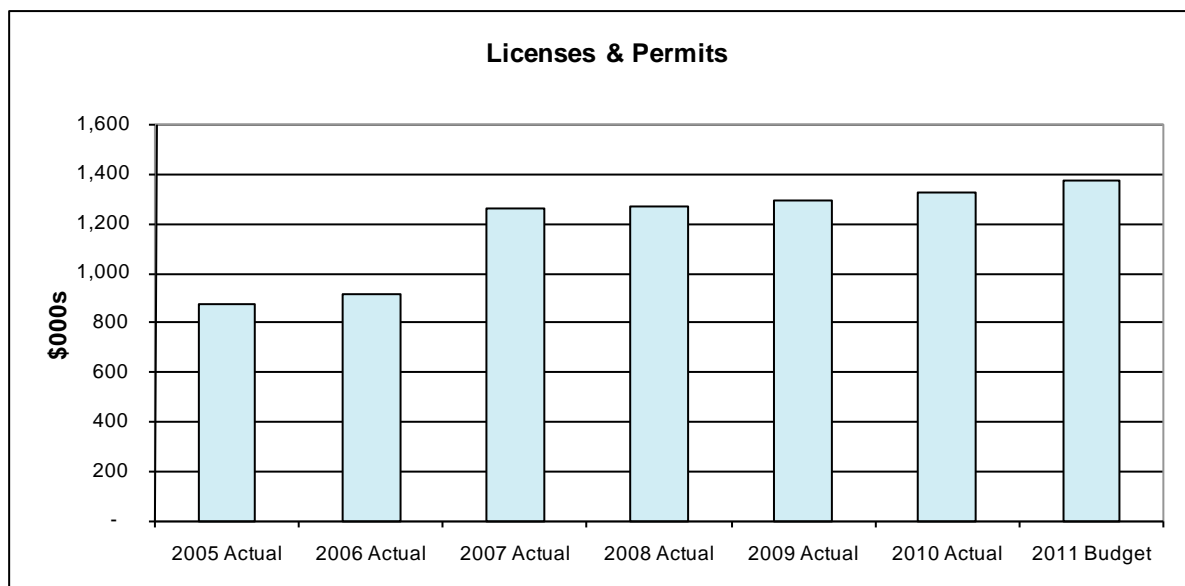
User Fees & Service Charges

User Fees and Service Charges are paid by individuals or organizations to the 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). The budget of \$11.6 million represents an increase of \$0.4 million over 2010 levels, which resulted mainly from CPI increase and growth in the Recreation Program User Fees.



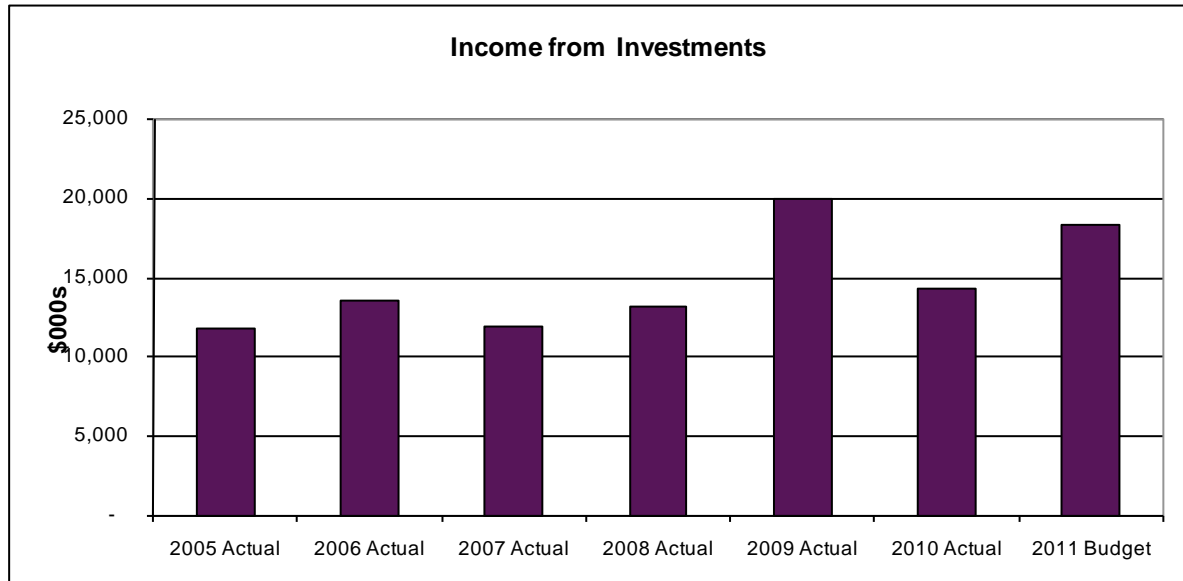
Licenses & Permits

The remaining Licenses and Permits revenue is generated by Legislative Services from the sale of business, marriage and other licenses. The 2011 Budget of \$1.4 million is relatively flat compared to 2010 levels, with a small increase related to CPI.



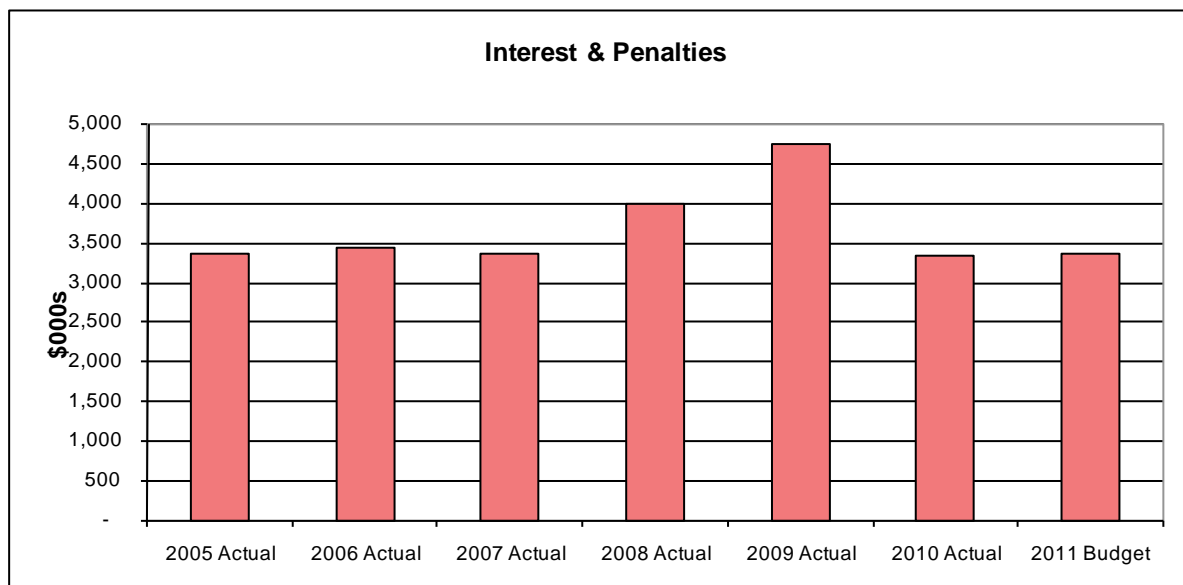
Income from Investments

The Town earns income on investments for all major Town funds and reserves. Income from Investments is at \$18.3 million, which increased by \$4.0 million from 2010 mainly due to the PowerStream hydro dividend that required transferring to the Life Cycle Reserve.



Interest & Penalties

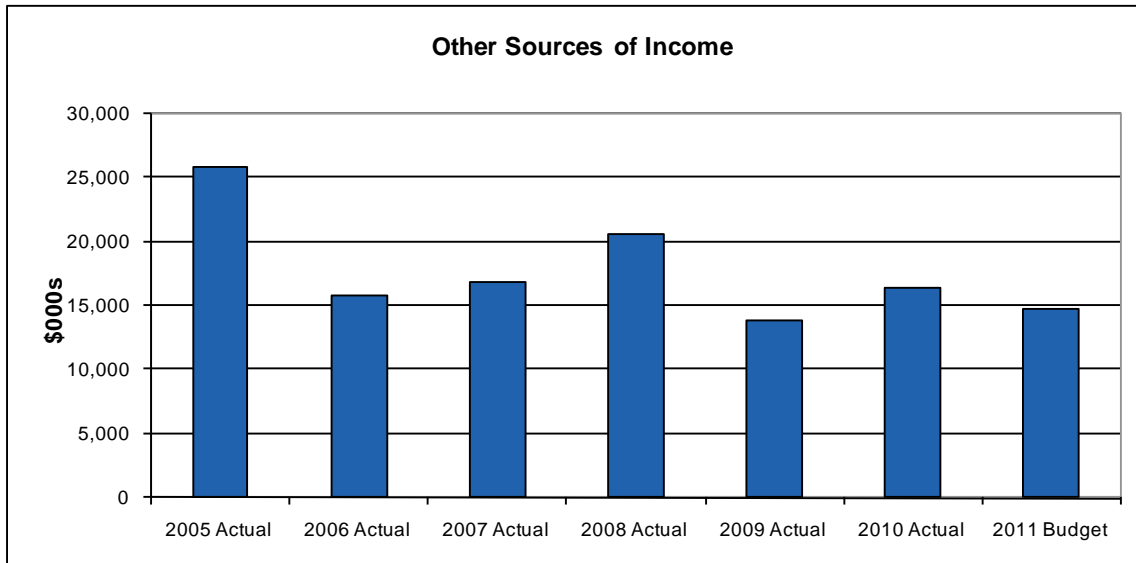
Interest and penalties for late payment of property tax bills remains at the 2010 budget level of \$3.4 million.





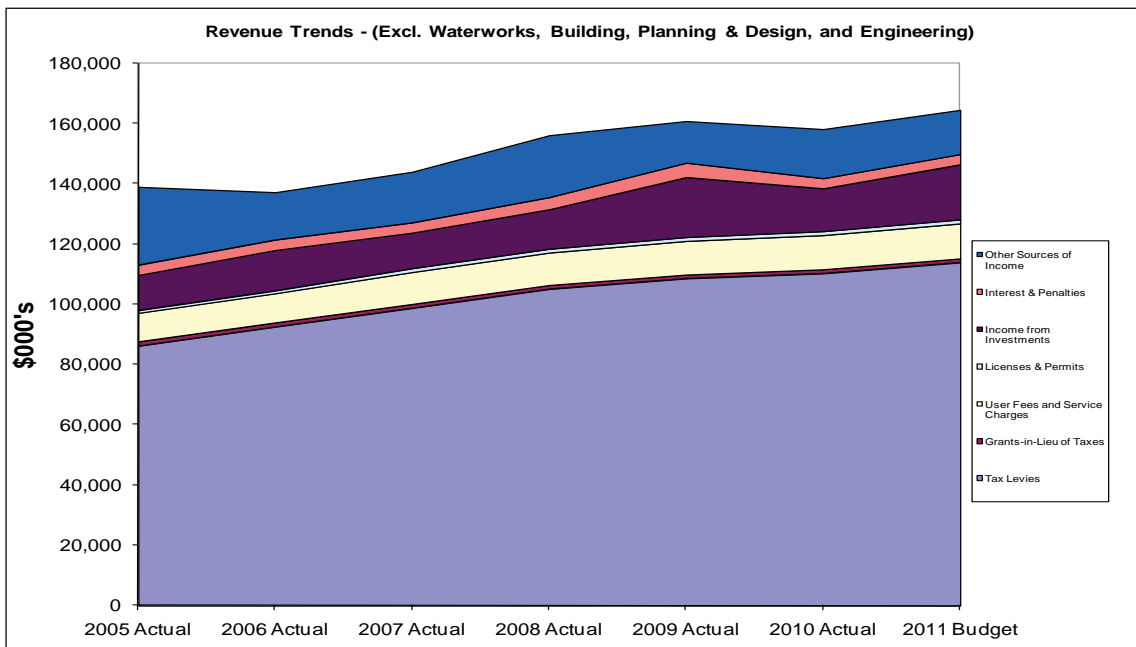
Other Income

Other Income budget of \$14.7 million has increased by \$1.5 million over the 2010 forecast. This increase is due to numerous smaller items and various recoveries.



Revenue Summary

On a consolidated basis, Town revenues are expected to grow steadily in 2011. The main reasons for the increase are related to assessment growth, Core Services revenue strategies, and other operational revenues. Revenue estimations are based on historical trending, market conditions, and consultation between departments. Revenues from Waterworks, Building, Planning & Design, and Engineering are reported separately in each department's revenues.



Highlights of the 2011 Operating Budget include:

New Assessment Growth of 3.3%

- \$4.0 million in additional tax revenues.

Service levels are enhanced

- Service level of Parks and Recreation are enhanced with the construction of a new artificial turf soccer field and seasonal dome, Angus Glen indoor tennis facility and an outdoor artificial skating rink at Markham Civic Centre. Vital services such as Fire, Waste Management and Road Services are maintained at 2010 level.

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 both the Lifecycle Reserve Study and the Water & Wastewater Reserve Study
- Continued policy of not using one-time revenues to balance operating budget.

Continuation of Council Grants

- Grants budget of \$309,950 in 2011.

Other

- Development of the Greenprint, Markham's Sustainability Plan, will play a role in public education and awareness as well as developing and promoting the local food agenda and the mitigation and adaptation measures associated with a climate change action plan.
- Continuation of the Language Line Service which is an on-demand language service that provides residents immediate access to interpretation in over 175 languages
- Continuation of the Enhanced Cultural Practice Initiative which includes installation of irrigation systems on sportsfields and purchase of the required equipment
- Accessibility Improvement Plan for Town Facilities to perform accessibility audits and retrofit upgrade programs
- Support of the CareerBridge and Ability Edge Program
 - The Career Bridge program provides a crucial bridge between the international and Canadian workplace. Career Bridge eliminates significant employment barriers often faced by qualified, experienced professionals who are eager and ready to resume their careers in Canada
 - Ability Edge is an internship program for graduates with self-declared disabilities to assist them in gaining career-building work experience.



TOWN OF MARKHAM 2011 OPERATING BUDGET

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

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2011 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenue								
TAX LEVIES	110,338,066	\$109,308,547	\$113,989,993	\$4,681,446	4.3%	\$3,651,927	3.3%	
GRANTS-IN-LIEU OF TAXES	1,259,151	\$1,209,007	\$1,209,007	-	0.0%	(50,144)	-4.0%	
GRANTS AND SUBSIDIES	1,369,036	\$1,077,534	\$1,472,973	395,439	36.7%	103,937	7.6%	
LICENCES & PERMITS	1,329,886	\$1,342,969	\$1,371,258	28,289	2.1%	41,372	3.1%	
INTEREST & PENALTIES	3,334,213	\$3,375,000	\$3,375,000	-	0.0%	40,787	1.2%	
INCOME FROM INVESTMENTS	14,208,680	\$14,252,636	\$18,346,065	4,093,429	28.7%	4,137,385	29.1%	
FINES	2,021,036	\$1,911,750	\$1,935,730	23,980	1.3%	-85,306	-4.2%	
USER FEES & SERVICE CHARGES	11,123,330	\$11,189,688	\$11,636,773	447,085	4.0%	513,443	4.6%	
RENTALS	5,700,901	\$5,864,783	\$6,356,680	491,897	8.4%	655,779	11.5%	
SALES	501,526	\$630,966	\$564,604	(66,362)	-10.5%	63,078	12.6%	
RECOVERIES & CONTRIBUTIONS	811,186	\$1,416,520	\$1,391,420	(25,100)	-1.8%	580,234	71.5%	
OTHER INCOME	3,498,934	\$2,372,847	\$2,988,368	615,521	25.9%	(510,566)	-14.6%	
Total Revenues	\$155,495,945	\$153,952,247	\$164,637,871	\$10,685,624	6.9%	\$9,141,926	5.9%	
Expenses								
SALARIES AND BENEFITS	\$91,114,936	\$90,483,554	\$95,951,000	\$5,467,446	6.0%	\$4,836,064	5.3%	
PRINTING & OFFICE SUPPLIES	484,121	597,534	\$574,325	-23,209	-3.9%	90,204	18.6%	
PURCHASES FOR RESALE	322,250	349,232	\$308,036	-41,196	-11.8%	(14,214)	-4.4%	
OPERATING MATERIALS & SUPPLIES	3,734,512	3,994,929	\$2,414,312	-1,580,617	-39.6%	-1,320,200	-35.4%	
VEHICLE SUPPLIES	1,341,062	1,645,200	\$1,563,812	-81,388	-4.9%	222,750	16.6%	
SMALL EQUIPMENT SUPPLIES	9,525	15,091	\$15,091	-	0.0%	5,566	58.4%	
BOTANICAL SUPPLIES	231,598	280,965	\$292,978	12,013	4.3%	61,380	26.5%	
CONSTRUCTION MATERIALS	1,221,682	1,406,878	\$1,430,270	23,392	1.7%	208,588	17.1%	
UTILITIES	4,011,419	4,153,873	\$4,312,375	158,502	3.8%	300,956	7.5%	
COMMUNICATIONS	1,323,331	1,360,763	\$1,378,754	17,991	1.3%	55,423	4.2%	
TRAVEL EXPENSES	249,198	399,636	\$428,186	28,550	7.1%	178,988	71.8%	
TRAINING	744,614	730,798	\$817,930	87,132	11.9%	73,316	9.8%	
CONTRACTS & SERVICE AGREEMENTS	3,949,940	4,438,374	\$5,010,589	572,215	12.9%	1,060,649	26.9%	
MAINT. & REPAIR-TIME/MATERIAL	3,621,432	3,648,566	\$3,865,355	216,789	5.9%	243,923	6.7%	
RENTAL/LEASE	631,727	699,445	\$810,316	110,871	15.9%	178,589	28.3%	
INSURANCE	2,367,918	2,367,918	\$2,367,919	1	0.0%	1	0.0%	
PROFESSIONAL SERVICES	2,647,245	2,355,309	\$2,444,094	88,785	3.8%	(203,151)	-7.7%	
LICENCES, PERMITS, FEES	523,873	563,992	\$634,809	70,817	12.6%	110,936	21.2%	
CREDIT CARD SERVICE CHARGES	226,894	174,112	\$209,813	35,701	20.5%	(17,081)	-7.5%	
PROMOTION & ADVERTISING	1,200,033	1,239,325	\$1,252,854	13,529	1.1%	52,821	4.4%	
DISCRETIONARY COMMUNICATIONS	498,971	533,883	\$533,883	0	0.0%	34,912	7.0%	
CONTRACTED MUNICIPAL SERVICES	9,147,379	9,061,734	\$9,372,894	311,160	3.4%	225,515	2.5%	
OTHER PURCHASED SERVICES	681,657	687,205	\$686,498	-707	-0.1%	4,841	0.7%	
OFFICE FURNISHINGS & EQUIPMENT	8,703	12,310	\$13,310	1,000	8.1%	4,607	52.9%	
WRITE-OFFS	646,985	433,020	\$415,141	(17,879)	-4.1%	-231,844	-35.8%	
OTHER EXPENDITURES	3,741,461	2,714,264	\$2,295,676	(418,588)	-15.4%	-1,445,785	-38.6%	
TRANSFERS TO RESERVES	18,730,414	19,604,337	\$25,237,651	5,633,314	28.7%	6,507,237	34.7%	
Total Expenses	\$153,412,880	\$153,952,247	\$164,637,871	\$10,685,624	6.9%	\$11,224,991	7.3%	
Surplus/(Deficit)	\$2,083,065	-	-	-	-	-\$2,083,065	-100.0%	

In accordance to Ontario Regulation 284/09, municipalities may exclude from budget, all or a portion of the estimate costs of amortization, post-employment benefits, solid waste, landfill closure and post closure expense to allow for preparation of a balanced budget. The Town's budgets as shown above exclude such items. Further, as per the Regulation, the impact of these excluded expenses must be reported under the new financial disclosure requirement (refer to page 107 for the restated 2011 Budget).



2011 OPERATING BUDGET SUMMARY NET CHARGE AGAINST TAX RATE

Department/Commission	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.	
	\$	\$	Approved \$	Incr.(Decr.) \$	%Change	Incr.(Decr.) \$	% Change
Administrative Costs	1,590,311	1,626,235	1,693,227	66,992	4.1%	102,916	6.5%
Mayor & Councillors	696,455	834,428	855,842	21,414	2.6%	159,387	22.9%
Total Council	2,286,766	2,460,663	2,549,069	88,406	3.6%	262,303	11.5%
CAO's Office	834,257	863,767	973,206	109,439	12.7%	138,949	16.7%
Human Resources	2,585,486	2,883,882	3,241,461	357,579	12.4%	655,975	25.4%
Legal Dept.	1,547,434	1,332,568	1,381,815	49,247	3.7%	(165,619)	-10.7%
Strategic Initiatives	0	0	0	0	0.0%	0	0.0%
Sustainability Office	612,537	429,056	539,713	110,657	25.8%	(72,824)	-11.9%
Total CAO	5,579,714	5,509,273	6,136,195	626,922	11.4%	556,481	10.0%
Commissioner's Office	487,178	509,191	448,681	(60,510)	-11.9%	(38,497)	-7.9%
Contact Centre	933,480	983,795	1,076,539	92,744	9.4%	143,059	15.3%
Communications and Community Relations	1,313,318	1,278,384	1,414,908	136,524	10.7%	101,590	7.7%
Financial Services	3,047,001	3,435,955	3,631,205	195,250	5.7%	584,204	19.2%
ITS Department	5,694,459	5,837,339	6,216,838	379,499	6.5%	522,379	9.2%
Legislative Services	1,707,095	1,876,170	2,041,622	165,452	8.8%	334,527	19.6%
Total Corporate Services	13,182,531	13,920,834	14,829,793	908,959	6.5%	1,647,262	12.5%
Commissioner's Office	892,704	1,021,486	1,011,576	(9,910)	-1.0%	118,872	13.3%
Economic Development	1,215,120	1,350,845	1,369,528	18,683	1.4%	154,408	12.7%
Total Development Services	2,107,824	2,372,331	2,381,104	8,773	0.4%	273,280	13.0%
Commissioner's Office	493,144	475,823	631,720	155,897	32.8%	138,576	28.1%
Asset Management	5,510,359	5,565,929	6,101,790	535,861	9.6%	591,431	10.7%
Culture	1,940,469	1,857,149	2,077,254	220,105	11.9%	136,785	7.0%
Fire Services	26,831,502	26,016,244	28,826,793	2,810,549	10.8%	1,995,291	7.4%
Markham Public Libraries	9,726,849	9,940,866	8,607,266	(1,333,600)	-13.4%	(1,119,583)	-11.5%
Operations	18,858,773	20,265,544	21,671,467	1,405,923	6.9%	2,812,694	14.9%
Operations & Asset Mgt -Administration	2,159,990	2,213,857	2,247,832	33,975	1.5%	87,842	4.1%
Recreation Services	5,554,189	5,641,462	6,279,904	638,442	11.3%	725,715	13.1%
Waste	7,711,623	7,785,650	7,502,438	(283,212)	-3.6%	(209,185)	-2.7%
Total Community And Fire Services	78,786,898	79,762,524	83,946,464	4,183,940	5.2%	5,159,566	6.5%
Corporate Items	(104,026,798)	(104,025,625)	(109,842,625)	(5,817,000)	5.6%	(5,815,827)	5.6%
Total Corporation (Excl. WW & Build. Std.)	(2,083,065)	0	0	0	0.0%	2,083,065	-100.0%
Planning & Design	(1,814,156)	0	0	0	0.0%	1,814,156	-100.0%
Engineering	(3,932,716)	0	0	0	0.0%	3,932,716	-100.0%
Building Standards	555,018	0	0	0	0.0%	(555,018)	-100.0%
Waterworks	(442,166)	0	0	0	0.0%	442,166	-100.0%
Total Corporation	(7,717,085)	0	0	0	0.0%	7,717,085	-100.0%



2011 OPERATING BUDGET SUMMARY - EXPENDITURES

Department/Commission	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.	
	\$	\$	Approved	Incr.(Decr.)	%Change	Incr.(Decr.)	%Change
			\$	\$		\$	
Administrative Costs	1,590,311	1,626,235	1,693,227	66,992	4.1%	102,916	6.5%
Mayor & Councillors	708,189	834,428	855,842	21,414	2.6%	147,653	20.8%
Total Council	2,298,500	2,460,663	2,549,069	88,406	3.6%	250,569	10.9%
CAO's Office	834,257	863,767	973,206	109,439	12.7%	138,949	16.7%
Human Resources	2,585,865	2,883,882	3,241,461	357,579	12.4%	655,596	25.4%
Legal Dept.	1,746,450	1,452,342	1,505,302	52,960	3.6%	(241,148)	-13.8%
Sustainability Office	637,676	429,056	539,713	110,657	25.8%	(97,963)	-15.4%
Total CAO	5,804,248	5,629,047	6,259,682	630,635	11.2%	455,434	7.8%
Commissioner's Office	487,178	509,191	448,681	(60,510)	-11.9%	(38,497)	-7.9%
Contact Centre	937,201	986,795	1,079,539	92,744	9.4%	142,338	15.2%
Communications and Community Relations	1,815,091	2,050,268	2,186,792	136,524	6.7%	371,701	20.5%
Financial Services	3,677,783	3,998,349	4,259,100	260,751	6.5%	581,317	15.8%
ITS Department	5,698,600	5,837,839	6,217,338	379,499	6.5%	518,738	9.1%
Legislative Services	5,310,465	5,372,937	5,645,658	272,721	5.1%	335,193	6.3%
Total Corporate Services	17,926,318	18,755,379	19,837,108	1,081,729	5.8%	1,910,790	10.7%
Commissioner's Office	892,704	1,021,486	1,011,576	(9,910)	-1.0%	118,872	13.3%
Economic Development	1,363,870	1,432,679	1,451,362	18,683	1.3%	87,492	6.4%
Total Development Services	2,256,574	2,454,165	2,462,938	8,773	0.4%	206,364	9.1%
Commissioner's Office	493,144	475,823	631,720	155,897	32.8%	138,576	28.1%
Asset Management	5,762,629	5,735,983	6,271,844	535,861	9.3%	509,215	8.8%
Culture	4,236,973	4,117,695	4,408,696	291,001	7.1%	171,723	4.1%
Fire Services	27,154,226	26,417,205	29,167,754	2,750,549	10.4%	2,013,528	7.4%
Markham Public Libraries	10,694,988	10,785,456	9,511,460	(1,273,996)	-11.8%	(1,183,528)	-11.1%
Operations	19,568,115	21,008,864	22,435,575	1,426,711	6.8%	2,867,460	14.7%
Operations & Asset Mgt -Administration	2,179,722	2,231,957	2,265,932	33,975	1.5%	86,210	4.0%
Recreation Services	19,178,002	19,651,428	20,997,140	1,345,712	6.8%	1,819,138	9.5%
Waste	8,643,381	8,655,660	8,787,948	132,288	1.5%	144,567	1.7%
Total Community And Fire Services	97,911,180	99,080,071	104,478,069	5,397,998	5.4%	6,566,889	6.7%
Corporate Items	27,216,060	25,572,922	29,051,005	3,478,083	13.6%	1,834,945	6.7%
Total Corporation (Excl. WW & Build. Std.)	153,412,880	153,952,247	164,637,871	10,685,624	6.9%	11,224,991	7.3%
Planning & Design	4,947,806	4,883,518	6,964,473	2,080,955	42.6%	2,016,667	40.8%
Engineering	3,397,564	3,627,472	5,047,232	1,419,760	39.1%	1,649,668	48.6%
Building Standards	6,712,173	4,431,910	6,611,800	2,179,890	49.2%	(100,373)	-1.5%
Waterworks	70,080,058	67,297,242	74,973,700	7,676,458	11.4%	4,893,642	7.0%
Total Corporation	238,550,481	234,192,389	258,235,076	24,042,687	10.3%	19,684,595	8.3%



2011 OPERATING BUDGET SUMMARY - REVENUES

Department/Commission	2010 Actual \$	2010 Budget \$	2011 Budget Approved \$	2011 Bud. vs. 2010 Bud. Incr(Decr.) \$	%Change	2011 Bud. vs. 2010 Act. Incr(Decr.) \$	%Change
Administrative Costs		0	0	0	0.0%	0	0.0%
Mayor & Councillors	11,734	0	0	0	0.0%	(11,734)	-100.0%
Total Council	11,734	0	0	0	0.0%	(11,734)	-100.0%
CAO's Office		0	0	0	0.0%	0	0.0%
Human Resources	379	0	0	0	0.0%	(379)	-100.0%
Legal Dept.	199,016	119,774	123,487	3,713	3.1%	(75,529)	-38.0%
Sustainability Office	25,139	0	0	0	0.0%	(25,139)	-100.0%
Total CAO	224,534	119,774	123,487	3,713	3.1%	(101,047)	-45.0%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Contact Centre	3,721	3,000	3,000	0	0.0%	(721)	-19.4%
Communications and Community Relations	501,773	771,884	771,884	0	0.0%	270,111	53.8%
Financial Services	630,782	562,394	627,895	65,501	11.6%	(2,887)	-0.5%
ITS Department	4,141	500	500	0	0.0%	(3,641)	-87.9%
Legislative Services	3,603,370	3,496,767	3,604,036	107,269	3.1%	666	0.0%
Total Corporate Services	4,743,787	4,834,545	5,007,315	172,770	3.6%	263,528	5.6%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Economic Development	148,750	81,834	81,834	0	0.0%	(66,916)	-45.0%
Total Development Services	148,750	81,834	81,834	0	0.0%	(66,916)	-45.0%
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Asset Management	252,270	170,054	170,054	0	0.0%	(82,216)	-32.6%
Culture	2,296,504	2,260,546	2,331,442	70,896	3.1%	34,938	1.5%
Fire Services	322,724	400,961	340,961	(60,000)	-15.0%	18,237	5.7%
Markham Public Libraries	968,139	844,590	904,194	59,604	7.1%	(63,945)	-6.6%
Operations	709,342	743,320	764,108	20,788	2.8%	54,766	7.7%
Operations & Asset Mgt -Administration	19,732	18,100	18,100	0	0.0%	(1,632)	-8.3%
Recreation Services	13,623,813	14,009,966	14,717,236	707,270	5.0%	1,093,423	8.0%
Waste	931,758	870,010	1,285,510	415,500	47.8%	353,752	38.0%
Total Community And Fire Services	19,124,282	19,317,547	20,531,605	1,214,058	6.3%	1,407,323	7.4%
Corporate Items	131,242,858	129,598,547	138,893,630	9,295,083	7.2%	7,650,772	5.8%
Total Corporation (Excl. WW & Build. Std.)	155,495,945	153,952,247	164,637,871	10,685,624	6.9%	9,141,926	5.9%
Planning & Design	6,761,962	4,883,518	6,964,473	2,080,955	42.6%	202,511	3.0%
Engineering	7,330,280	3,627,472	5,047,232	1,419,760	39.1%	(2,283,048)	-31.1%
Building Standards	6,157,155	4,431,910	6,611,800	2,179,890	49.2%	454,645	7.4%
Waterworks	70,522,224	67,297,242	74,973,700	7,676,458	11.4%	4,451,476	6.3%
Total Corporation	246,267,566	234,047,669	258,235,076	24,187,407	10.3%	11,967,510	4.9%



OPERATING BUDGET BY COMMISSION AND ACCOUNT (\$000's) (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

COMPARISON BY COMMISSION					COMPARISON BY ACCOUNT				
	2010 Budget	2011 Budget	Change Incr./((Decr.) \$ %			2010 Budget	2011 Budget	Change Incr./((Decr.) \$ %	
REVENUES *					REVENUES *				
Mayor & Council	-	-	-		Taxation Revenues	110,518	115,199	4,681	4.2
CAO's Office	120	123	3	2.5	Grant & Subsidy Revenues	1,078	1,473	395	36.6
Corporate Services	4,690	5,007	317	6.8	General Revenues	20,882	25,028	4,146	19.9
Development Services	82	82	0	0.0	User Fees and Service Charges	17,541	18,558	1,017	5.8
Community And Fire Services	19,318	20,532	1,214	6.3	Other Income	3,364	3,955	591	17.6
Corporate Items	129,598	138,894	9,296	7.2	Inter-departmental	425	425	0	0.0
Total Revenues	153,808	164,638	10,830	7.0	Total Revenues	153,808	164,638	10,830	7.0
EXPENDITURES *					EXPENDITURES *				
Mayor & Council	2,461	2,549	88	3.6	Personnel Services	90,484	95,951	5,467	6.0
CAO's Office	5,629	6,260	631	11.2	Materials & Supplies	8,290	6,599	(1,691)	(20.4)
Corporate Services	18,611	19,837	1,226	6.6	Purchased Services	32,270	34,125	1,855	5.7
Development Services	2,454	2,463	9	0.4	Capital Asset Acquisition	12	13	1	8.3
Community And Fire Services	99,080	104,478	5,398	5.4	Financial Expenses	433	415	(18)	(4.2)
Corporate Items	25,573	29,051	3,478	13.6	Other Expenditures	2,715	2,296	(419)	(15.4)
					Transfers to Own Funds	19,604	25,237	5,633	28.7
Total Expenditures	153,808	164,638	10,830	7.0	Total Expenditures	153,808	164,636	10,828	7.0

* Excludes prior years surplus/(deficit)

2011 CAPITAL BUDGET

Definition of Capital

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

- Must have an expected useful life longer than one year
- Total costs must meet or exceed \$5,000
- Must align with the Town's Corporate Goals

Public Sector Accounting Board

In June 2006, Public Sector Accounting Board (PSAB), approved revisions to section 3150 of the Public Sector Accounting Handbook – Tangible Capital Assets stating that effective January 1, 2009 all municipal governments will be required to capitalize Tangible Capital Assets (TCA) at historic cost and amortize these assets over their useful life. Public Sector Guideline 7 (PSG – 7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants provides transitional guidance on presenting information related to tangible capital assets by way of a note to the financial statements until Section 3150 – Tangible Capital Assets comes into effect on January 1, 2009.

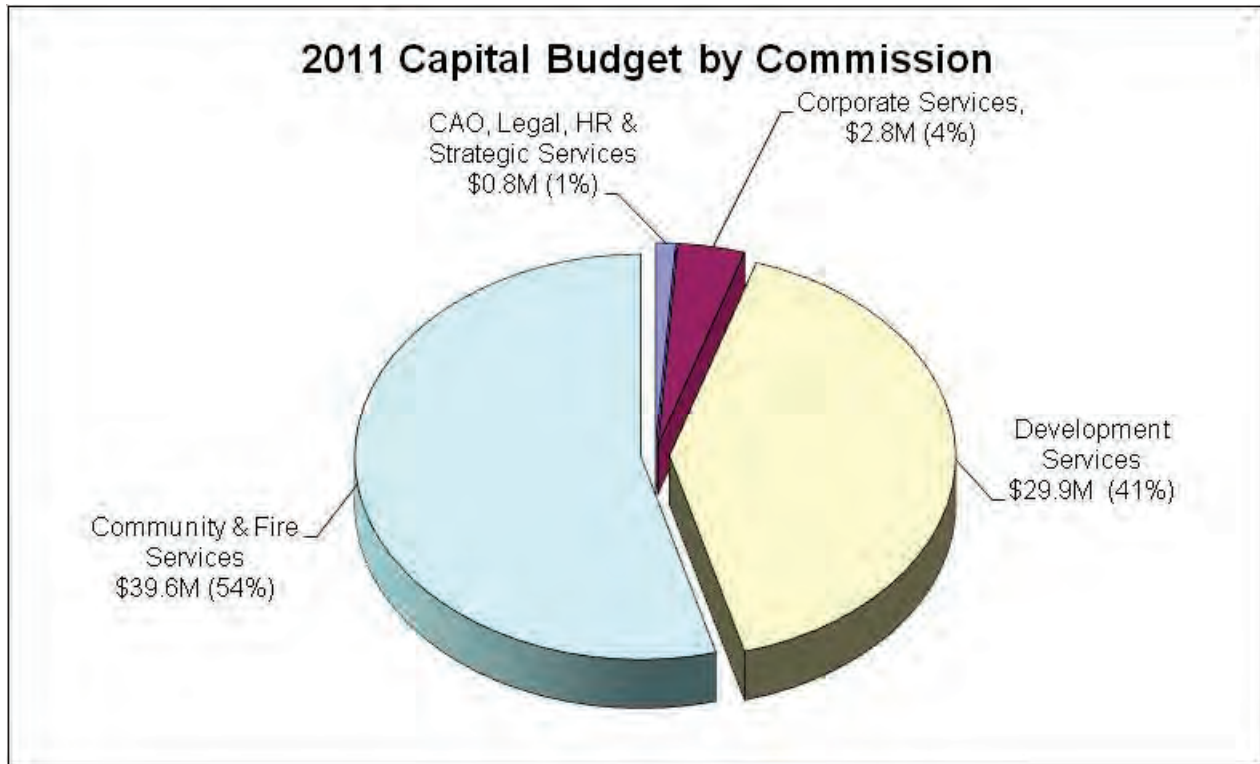
In order to be fully compliant with the above new requirements, the Town of Markham has completed the process of inventorying its assets as at December 31, 2008 and restated 2009 financial reports. The Town also restated 2010 and 2011 budgets in accordance to the Ontario Regulation 284/09. A new Tangible Capital Assets Policy is included in Budget Policies and Guideline section.

Multi-Year/Prior Year Projects

Periodically, Capital projects are phased in over several years and departments will provide a quarterly cash flow on the capital submission forms. While not included in this document, a monthly report is provided by Finance to senior staff on these cash flows as well as the capital projects' spent vs. budget for tracking purposes.

Budget Overview

The 2011 Capital Budget totals \$73,116,200 and is funded through a variety of sources. \$20,495,570 (28%) 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 \$4,764,440 decrease in Life Cycle Replacement and Capital Reserve funding from 2010 levels. Contributions from Developer Charges (DCA) and Reserves also account for large portion of the Capital Budget funding. The capital budget by commission is presented in the exhibit on the following page.



Approximately 74% of the current year Capital Budget is identified through two long-term studies: Life Cycle Reserve study & the Development Charges Background study.

The purpose of the Life Cycle Reserve study is to address the ongoing replacement and rehabilitation requirements for the aging Town assets (facilities, roads, water/sewer, etc) over a 25 year period. The 2011 & future year Capital budgets are based upon the Life Cycle Reserve study and condition assessments are performed to determine if the replacements are required. (e.g. 2011 has \$20.5M of projects funded from the Life Cycle Replacement and Capital Reserve Fund)

The Development Charges Background study has two components relating to growth: Town-Wide Hard services (e.g. relating to cost recovery for major roads, sidewalks, streetlights and storm water management), and Town-Wide Soft services (e.g. relating to cost recovery for facilities, parks development and public works).

The Development Charges (DC) Background study for Town-Wide Hard services was updated in 2008 which covered the period 2008-2031, and the soft services was updated in 2009 which covers the period 2009-2018. (e.g. 2011 has \$33.4M of projects funded from the DC Reserves)

The “Long Term Capital Budget Forecasts” for growth (Development Charges) and non-growth (Life Cycle Reserves) provided on page 182 and 183 are tools that departments use when determining the current year capital budget. Project submissions will vary as asset conditions are reviewed each year to determine appropriate replacement time.

The remaining 26% of the 2011 Capital budget is funded through various sources as identified in the 'Sources of Funding' section. (e.g. tax funded, provincial grants, and other reserves)

Building Markham's Future Together

The following section summarizes Capital projects beginning in 2011 as they relate to Council's long term strategic plan of Building Markham's Future Together.

GROWTH MANAGEMENT

South East Community Centre - Design

- \$4.35 million. Design of South East Community Centre.

New Parks Design and Construction

- \$1.40 million. Design of Grand Cornell Park Addition, Wismer Community Park and Cornell Rouge East Woodlot Park, design and construction of Kentview Neighbourhood Park and construction of Leitchcroft Community Park.

Growth Management Strategies

- \$0.68 million. Development of guidelines, policies and analyses to support a Markham Growth Management Strategy.

TRANSPORTATION/TRANSIT

Rodick Road Extension

- \$13.81 million. Final Phase of construction for Rodick Road extension from 14th Avenue to Esna Park.

Main Street, Markham – Construction

- \$6.73 million. Reconstruction of Main Street Markham from 16th Avenue to Major MacKenzie Drive and from Parkview Avenue and Bullock Drive.

Sidewalk and Intersection Improvement Programs

- \$2.56 million. Installation of sidewalks for safe pedestrian access and links to immediate areas as well as intersection improvements.

Bridges and Culverts Rehabilitation Program

- \$1.95 million. Rehabilitation of the Green Lane Bridge and the Reesor Road Bridge and replacement of the John Button Park Pedestrian Bridge.

Main Street, Markham Road Improvements

- \$1.56 million. Detailed design of road and bridge structure improvements on Main Street Markham from Highway 407 to Highway 7.



Replacement and Inspection of Streetlights

- \$0.92. Annual replacement and inspection to existing streetlights.

Traffic control signals, traffic operations improvements & traffic studies

- \$0.87 million. Design and construction of traffic control signals at pedestrian crossings, upgrading other crossings with countdown signals, and perform traffic count programs.

ENVIRONMENTAL

Stormwater Management and Environment Asset Program

- \$0.34 million. Pond inspection, automation of rain gauges and update of pond retrofit study.

Conversion to Markham District Energy (MDE) connection at Civic Centre (Phase 3 of 3)

- \$0.33 million. Replacement of conventional heating and cooling equipment (chillers, boilers, cooling tower, etc) with MDE supplied thermal energy.

Trees for Tomorrow Initiative (Year 4 of 4)

- \$0.26 million. Continuation of this program, which will allow for the supply, planting and maintenance (including watering) of trees in parks and open spaces in the Town to enhance current tree cover levels.

Energy Metering and Monitoring System

- \$0.20 million. Purchase and installation of an energy metering and monitoring system which allows instantaneous monitoring of energy use.

Waste Management Initiatives

- \$0.15 million. Continuation of the multi-residential organics program, community mailbox recycling, mission green at work & special events recycling that uses solar energy to compact waste.

MUNICIPAL SERVICES

Road Rehabilitation Program

- \$6.62 million. Various road resurfacing & improvement projects.

Watermain and Sanitary Sewer Construction and Replacement Program

- \$4.44 million. Replacement of watermains and sanitary sewers at various locations.

Facility Improvement Program at Community Centres, Libraries, Fire Stations, Civic Centre and Cultural Venues

- \$4.02 million. Various maintenance & upgrades at Town-owned facilities.

Artificial Turf Field

- \$0.60 million. Construction of a new artificial turf field.

Storm Sewer Rehabilitation and Inspection Program

- \$0.51 million. Ongoing storm sewer rehabilitation, inspection of sewer outfall structure and field survey of sanitary and storm invert.

Tennis Courts Resurfacing

- \$0.26 million. Repair and resurfacing of tennis courts at various locations.

PARKS, RECREATION, CULTURE & LIBRARY MASTER PLAN/PUBLIC SAFETY

South East Community Centre - Design

- \$4.35 million. Design of South East Community Centre.

Pan/Parapan American Games Facility

- \$1.57 million. Site preparation and internal consulting for Pan/Parapan American Games Facility

Traffic Control Signals & Traffic Operational Improvements

- \$0.87 million. Design and construction of traffic control signals at pedestrian crossings, upgrading other crossings with countdown signals, and perform traffic count programs.

Fire Communication Centre

- \$0.59 million. Relocation of the Fire Communication Centre to enhance services provided to the communities and to support future growth with upgraded communications equipment.

Play Structure and Safety Resurfacing

- \$0.22 million. Installation of safety surface and playground equipment at various park locations.

DIVERSITY

Pedestrian Accessibility Improvements

- \$0.36 million. Installation of accessible pedestrian signals at 10 traffic intersections.

Facility Accessibility Program

- \$0.14 million. Accessibility audit and retrofit upgrade programs at Town facilities.



2011 CAPITAL BUDGET SUMMARY BY COMMISSION

	<u>2010 Budget</u>	<u>2011 Budget</u>
Development Services		
Economic Development	\$545,400	\$346,000
Planning	\$1,064,600	\$1,698,500
Design	\$3,011,200	\$2,433,200
Engineering	<u>\$10,604,000</u>	<u>\$25,407,600</u>
	\$15,225,200	\$29,885,300
 CAO, Legal, HR & Sustainability Office		
Human Resources	\$100,000	\$88,200
Sustainability Office	\$300,000	\$200,000
CAO's Office	<u>\$61,400</u>	<u>\$530,600</u>
	\$461,400	\$818,800
 Corporate Services		
ITS	\$1,724,700	\$2,124,700
Financial Services	<u>\$1,250,900</u>	<u>\$644,500</u>
	\$2,975,600	\$2,769,200
 Community & Fire Services		
Culture	\$0	\$70,000
Museum	\$30,000	\$301,700
Theatre	\$67,000	\$589,800
Arts Centres	\$27,000	\$44,100
Recreation/Library Construction	\$6,000,000	\$5,922,000
Fire	\$1,454,500	\$999,100
Recreation Services	\$8,633,000	\$1,234,400
Operations - Roads	\$8,359,800	\$7,502,100
Operations - Parks	\$1,427,600	\$2,012,100
Operations - Traffic	\$1,010,000	\$795,600
Operations - Fleet	\$1,205,400	\$3,278,400
Facility Assets	\$14,821,800	\$2,887,800
Right-of-Way Assets	\$4,847,700	\$2,576,800
Environmental Assets	\$0	\$337,200
Waste Management	\$339,000	\$152,400
Environmental Leadership	\$100,000	\$0
Library	\$125,000	\$1,796,700
Waterworks	<u>\$10,809,500</u>	<u>\$9,142,700</u>
	\$59,257,300	\$39,642,900
 Total Capital Budget	 <u><u>\$77,919,500</u></u>	 <u><u>\$73,116,200</u></u>

2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description	Total	Funding Sources			
		Operating Budget Funded	Life Cycle	DC - Reserve	Other
Development Services					
<i>Economic Development</i>					
11001 Markham Convergence Centre	218,800	218,800			
11003 International Investment Attraction Program	76,300	76,300			
11004 Economic Alliance Program	35,600	35,600			
11007 Festival & Events Ontario 2011 Conference	15,300	15,300			
TOTAL Economic Development	346,000	346,000			
<i>Planning</i>					
11010 Greenway System Boundary Confirmation	152,600			68,670	83,930
11011 Victoria Square Heritage Conservation District Plan	30,500	30,500			
11012 Rouge Park Projects	50,000	50,000			
11013 Heritage Education	5,100				5,100
11014 New Official Plan	331,200			137,790	193,410
11017 Cornell Centre Implementation	150,000			45,000	105,000
11018 Consultant Studies	80,000			72,000	8,000
11019 Markham Centre Communications Programmed	70,000			63,000	7,000
11021 Designated Property Grant Program - Year 2 of 4	30,000				30,000
11025 Consolidated Zoning By-Law Program	50,000	50,000			
11026 Heritage Façade Improve/Sign Replacement	21,000	21,000			
11027 New Official Plan - Project Management	580,000			522,000	58,000
11028 New Official Plan - Employment Lands and Policies	81,400			73,260	8,140
11029 Growth Monitoring Program	15,800			14,220	1,580
11031 Markville/McCowan Road Key Development Area Study	50,900			45,810	5,090
TOTAL Planning	1,698,500	151,500		1,041,750	505,250
<i>Design</i>					
11020 Milliken Main Street Precinct Plan Study	100,400	10,040		90,360	
11035 Civic Mall-Interim Landscaping Civic Way	395,000	39,500		355,500	
11036 Grand Cornell Park - Design	43,600	4,360		39,240	
11037 Wismer Community Park-Parking Lots at Castlemore- Design	70,800	7,080		63,720	
11038 Kentview Neighbourhood Park in Box Grove-Design &	359,700	35,970		323,730	
11041 Cornell Rouge (Madison Homes) East Woodlot Park- Design	70,800	7,080		63,720	
11044 Leitchcroft Community Park Construction - Additional	899,200	89,920		809,280	
11045 Bayview Lanes - Deficiencies	152,600	15,260		137,340	
11050 Hwy 48 Precinct Study (16th Ave. to Major MacKenzie)	101,300	10,130		91,170	
11051 Woodbine North Community Park - Deficiencies	239,800	23,980		215,820	
TOTAL Design	2,433,200	243,320		2,189,880	
<i>Engineering</i>					
11054 Sidewalk Program-Other	211,200			158,400	52,800
11055 Sidewalk Program	2,153,800			1,615,350	538,450
11057 Intersection Improvements (East Markham CC)	197,100			197,100	
11061 Woodbine North Relief Sewer - EA & Design	113,800			113,800	
11064 Rodick Rd Construction Final Phase (14th Ave to Esna Park)	13,814,900			13,814,900	
11066 Official Plan Update	284,400			284,400	
11068 Main St. Markham - Hwy 407 to Hwy 7 (Design)	1,564,100			1,407,690	156,410
11069 Main St. Markham, 16th Ave to Major Mackenzie (PA & Construction)	5,787,600			5,208,840	578,760
11078 Birchmount Crossing at Rouge River (Design)	341,300			341,300	
11079 Main Street Markham (Hwy 7 to Parkview Ave. and Bullock Dr.)	939,400				939,400
TOTAL Engineering	25,407,600			23,141,780	2,265,820
TOTAL Development Services	29,885,300	740,820		26,373,410	2,771,070



2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description	Funding Sources				
	Total	Operating Budget Funded	Life Cycle	DC - Reserve	Other
CAO, Legal, HR, & Sustainability Office					
<i>Human Resources</i>					
11071 Pay Equity - Legal & Consulting	50,900	50,900			
11072 Safety Supplies	17,300	17,300			
11076 Diversity Competence -Training Materials	20,000	20,000			
TOTAL Human Resources	88,200	88,200			
<i>Sustainability Office</i>					
11089 Energy Metering and Monitoring	200,000				200,000
TOTAL Sustainability Office	200,000	200,000			200,000
<i>CAO's Office</i>					
11008 Markham Live/CSIO	400,600			360,540	40,060
11086 Public Opinion (BMFT) - Strategic Planning	50,000	50,000			
11087 Public Opinion (BMFT) - Public Opinion	80,000	80,000			
TOTAL CAO's Office	530,600	130,000		360,540	40,060
TOTAL CAO, Legal, HR, & Sustainability Office	818,800	418,200		360,540	240,060
Corporate Services					
<i>ITS-Contact Centre</i>					
11093 Contact Centre - Knowledge Base (D11-6)	26,500	26,500			
TOTAL ITS-Contact Centre	26,500	26,500			
<i>ITS-Other</i>					
11116 Enterprise - Asset Management Phase 2 Implementation	152,600				152,600
11118 Core - Phone System Phase 2 of 3 (O11-9)	205,600		143,600		62,000
11119 Core - Hardware Infrastructure Replacement	1,359,000		1,102,595		256,405
11122 Enterprise - Information Management Part 2 of 2(O11-7)	68,200	68,200			
11125 Finance - Cayenta Upgrade Implementation	25,400	25,400			
TOTAL ITS-Other	1,810,800	93,600	1,246,195		471,005
<i>ITS-Fire</i>					
11095 Fire - Data Recorder and Software (J11-10)	50,900		50,900		
TOTAL ITS-Fire	50,900		50,900		
<i>ITS-Asset Mgmt</i>					
11097 Asset Management - Easement Data Purchase (L11-7)	22,900	22,900			
TOTAL ITS-Asset Mgmt	22,900	22,900			
<i>ITS-Operations</i>					
11090 Operations - Plotter for SignShop (L11-3)	31,000		31,000		
TOTAL ITS-Operations	31,000		31,000		
<i>ITS-Traffic</i>					
11094 Traffic - EIB Operations (Miller) (L11-4)	26,500	26,500			
TOTAL ITS-Traffic	26,500	26,500			
<i>ITS-Legislative</i>					
11108 Clerks - Linking Photos to Parking Infraction records(J11-8)	21,800	21,800			
TOTAL ITS-Legislative	21,800	21,800			
<i>ITS-Library</i>					
11115 MPL - 3M Equipment Lifecycle Phase 3 of 3 UL (O11-4)	111,900		111,900		
11415 MPL - EnvisionwareSuiteforInternetSession Management	22,400	22,400			
TOTAL ITS-Library	134,300	22,400	111,900		
<i>Financial Services</i>					
11134 Internal Project Management	644,500		22,800	621,700	
TOTAL Financial Services	644,500		22,800	621,700	
TOTAL Corporate Services	2,769,200	213,700	1,462,795	621,700	471,005

2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description	Total	Funding Sources			
		Operating Budget Funded	Life Cycle	DC - Reserve	Other
Community & Fire Services					
<i>Culture</i>					
11171 Culture - Public Art	70,000	70,000			
TOTAL Culture	70,000	70,000			
<i>Museum</i>					
11140 Museum Exhibitions	15,000		15,000		
11141 Restoration Plan - Acadia Pullman Car	30,000		30,000		
11142 Structural Reviews / Condition Reports Museum	35,000		35,000		
11143 Historical Building and Preservation Program	98,300		98,300		
11144 Museum Artifact Restoration	30,000		30,000		
11145 Hoover House Restoration	93,400		93,400		
TOTAL Museum	301,700		301,700		
<i>Theatre</i>					
11151 Wireless Microphone System Replacement	61,100		61,100		
11153 Light Fixtures & Controller Replacement	20,600		20,600		
11155 Intercom Headset System Replacement	42,700		42,700		
11156 Theatre Grand Piano - life extension	5,400		5,400		
11157 House Speaker & Amplifier System Replacement	249,300		249,300		
11158 Audio - Control Booth Equipment Replacement	200,500		200,500		
11159 Lobby Equipment Replacement	10,200		10,200		
TOTAL Theatre	589,800		589,800		
<i>Arts Centres</i>					
11165 Art Gallery Lighting Upgrade and Sustainability	44,100		44,100		
TOTAL Arts Centres	44,100		44,100		
<i>Recreation & Library Construction</i>					
11318 South East Community Centre - Design	4,350,000			3,915,000	435,000
11416 Toronto 2015 Pan/Parapan American Games	1,572,000			1,414,800	157,200
TOTAL Recreation & Library Construction	5,922,000			5,329,800	592,200
<i>Fire & Emergency Services</i>					
11175 Fire Communications Centre FF & E	231,000				231,000
11176 Firefighter PPE for Cornell Firefighters	126,500			126,500	
11178 Firefighting Tools & Equipment Replacement	102,000		102,000		
11180 Special Response Trench/Confined Space/Rope Rescue	50,000	50,000			
11182 Fire Communication Centre	360,000			40,000	320,000
11183 Breathing Air Cylinder Replacement	15,900		15,900		
11185 Bunker Gear Replacement	113,700		113,700		
TOTAL Fire & Emergency Services	999,100	50,000	231,600	166,500	551,000



2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

<i>Project Description</i>	<i>Total</i>	<i>Funding Sources</i>		
		<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>
Recreation Services				
11190 Replacement of Recreation Fitness Equipment	105,700		105,700	
11191 Recreation Tables & Chair replacement	49,100		49,100	
11192 Recreation Program Equipment	73,200		73,200	
11193 Recreation Aquatic Equipment	71,300		71,300	
11195 Warden House - Flooring replacement	9,200		9,200	
11196 Unionville Train Station - Exterior fencing and decking	5,600		5,600	
11197 Thornhill C.C. - Skylight replacement	32,000		32,000	
11198 Thornhill C.C. - Rink board replacement - West Arena	40,000		40,000	
11199 Recreation AED program	27,500		27,500	
11201 Rouge River C.C. - Painting	9,700		9,700	
11204 Thornhill C.C. - Interior painting	63,000		63,000	
11205 Thornhill C.C. - Hall counter replacement	9,200		9,200	
11206 Angus Glen C.C. - Pool changeroom doors	40,000	40,000		
11208 Centennial C.C. - Interior painting	10,200		10,200	
11209 Armadale C.C. - Washroom partition replacement	14,200		14,200	
11213 Angus Glen C.C. - Library carpet replacement	65,000		65,000	
11214 Angus Glen C.C. - Rubber flooring replacement	212,000		212,000	
11215 Crosby Arena - Condensor replacement	65,000		65,000	
11216 Angus Glen C.C. - Arena & Pool painting	20,400		20,400	
11217 Centennial C.C. - Vapour barrier replacement	47,500		47,500	
11218 Angus Glen C.C. - Acoustical tile replacement	40,000		40,000	
11220 Recreation Thornlea Pool program - Year 3 of 5	66,100		66,100	
11222 Armadale C.C. - Ceiling tile replacement	12,200		12,200	
11225 Angus Glen C.C. - Youth Centre flooring replacement	10,000		10,000	
11228 Pingle House - Painting	8,600		8,600	
11229 Rouge River C.C. - Window replacement	22,400		22,400	
11230 R.J. Clatworthy Arena - Lift replacement	9,200		9,200	
11231 Mount Joy C.C. - Washroom counter replacement	6,100		6,100	
11233 Milliken Mills C.C. - Condensor tank replacement	25,400		25,400	
11234 Milliken Mills C.C. - Arena beam painting	18,300		18,300	
11236 Markham Village C.C. - Dressing room door replacement	11,200		11,200	
11237 Milliken Mills Dome - Hot water tank replacement	18,800		18,800	
11238 Markham Village C.C. - Roof accessories	10,200		10,200	
11239 Markham Village C.C. - Exterior caulking	6,100		6,100	
TOTAL Recreation Services	1,234,400	40,000	1,194,400	
Operations - Roads				
11276 Heritage Bench (Unionville) Upgrade Program	20,400		20,400	
11280 Retaining Walls	74,300		74,300	
11281 Railway Crossing Improvements	54,100		54,100	
11282 Upgraded Guiderail Installation	85,700		85,700	
11283 Traffic Signals Upgrades	74,700		74,700	
11284 Boulevard Repairs	54,100		54,100	
11287 Secondary Roadworks	250,000			250,000
11288 Don Mills Storm Channel	40,700		40,700	
11289 Parking Lots	230,800		230,800	
11292 Storm Sewer Inspection	103,800		103,800	
11293 Localized Repairs - Curb & Sidewalk	541,200		541,200	
11294 Entrance Feature Rehabilitation	32,500		32,500	
11295 Civic Centre Parking Lot Rehabilitation	254,000		200,000	54,000
11296 CN Railcrossing Safety Compliance - Langstaff Road	280,400	35,051		245,349
11297 Emergency Repairs	108,200		108,200	
11298 Town Owned Fence Replacement Program	115,600		115,600	
11299 Asphalt Resurfacing	5,181,600		4,032,259	1,149,341
TOTAL Operations - Roads	7,502,100	35,051	5,768,359	1,698,690



2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Funding Sources

Project Description	Total	Operating Budget Funded	Life Cycle	DC - Reserve	Other
Operations - Parks					
11255 Replacement Boulevard/Park Trees	156,100		57,025		99,075
11256 Dog Off Leash Area	40,000				40,000
11257 Court Resurfacing/Reconstruction	260,100				260,100
11258 Markham Trees for Tomorrow	105,600	105,600			
11259 TRCA 50/50 Community Projects	40,000	20,000			20,000
11261 Volunteer Ice Rink	25,000	12,925			12,075
11262 Town Park Furniture / Amenities	129,800		129,800		
11265 Artificial Turf Field	600,000			180,000	420,000
11266 Play structure & Safety Resurfacing	216,400		216,400		
11268 Crosby Park - Removal & Replacement of Outfield Fence	12,000		12,000		
11270 Sportsfield Maintenance & Reconstruction	119,000		17,979		101,021
11271 Enhanced Cultural Practices - Year 5 of 5	100,000	57,518			42,482
11272 Electrical & Cabling	84,900		24,398		60,502
11273 Paving Pathways & Facilities	108,200		108,200		
11275 Ashton Meadows Park Ball Diamond Upgrade	15,000	15,000			
TOTAL Operations - Parks	2,012,100	211,043	565,802	180,000	1,055,255
Operations - Traffic					
11305 Traffic Operational Improvements	60,000				60,000
11307 Traffic Control Signal Design & Construction	379,400	198,600			180,800
11308 Pedestrian Accessibility Improvements at Traffic Signals-Yr1	356,200	356,200			
TOTAL Operations - Traffic	795,600	554,800			240,800
Asset Mgmt - Facility Assets					
11311 Bird Deterrent Film	50,000		50,000		
11314 Corporate Security Operations & System Upgrades - Phase	239,100	239,100			
11315 Fire Facility Improvements	90,000		90,000		
11317 Civic Centre Conversion to MDE Connection - Phase 3 of 3	330,000				330,000
11319 Accessibility Audits & Retrofit Program	139,200		139,200		
11321 Building condition Audits - FTE	79,100		79,100		
11322 Roofing Replacement Projects	307,000		307,000		
11324 Roofing Maintenance and Structural Adequacy	92,100		92,100		
11325 Municipal Building Backflow Prevention -Testing & Installation	105,100		105,100		
11326 Stiver Mill - Stabilization	67,600		67,600		
11327 Other Facility Improvements	32,100		32,100		
11328 Operations Facilities Improvements	201,200		201,200		
11329 Library Facility Improvements	27,000		27,000		
11330 Civic Centre Improvements	159,400		159,400		
11331 Satellite Community Centre Improvements	118,900		118,900		
11332 Corporate Accommodations	850,000	550,000	300,000		
TOTAL Asset Mgmt - Facility Assets	2,887,800	789,100	1,768,700		330,000
Asset Mgmt - Right-of-Way Assets					
11335 Storm Sewer Pipes Rehabilitation	357,000				357,000
11336 Survey Monument Replacement	27,000		27,000		
11337 Streetlight Inspection - Update of Condition Survey	41,500		41,500		
11338 Structures Inspection	41,500		41,500		
11339 Bridge Improvement - Green Lane	1,000,000				1,000,000
11340 Bridge Improvement - Reesor Road	300,000				300,000
11341 ROW Assets - Structures Program - FTE	198,200		198,200		
11342 Replacement of John Button Park Pedestrian Bridge (P14)	214,200		214,200		
11343 Bridge and Culvert Improvement	190,700		190,700		
11347 Streetlight Pole Replacement Program	51,000		51,000		
11348 Storm Sewer Outfalls - Inspections	51,900		51,900		
11349 Sewer Invert Data Quality Assurance - Year 1 of 5	103,800		51,900		51,900
TOTAL Asset Mgmt - Right-of-way Assets	2,576,800		867,900		1,708,900
Asset Mgmt -Environmental Assets					
11351 Update of SWM Pond Retrofit Study	103,800		103,800		
11352 Environmental Assets - Storm Water Management - FTE	81,500		81,500		
11353 Storm Water Management - Pond Inspection	51,900		51,900		
11354 Automation of Rain Gauges	100,000				100,000
TOTAL Asset Mgmt -Environmental Assets	337,200		237,200		100,000



2011 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Project Description	Total	Funding Sources			
		Operating Budget Funded	Life Cycle	DC - Reserve	Other
Operations - Fleet					
11245 Corporate Fleet Replacement	2,615,200		2,615,200		
11246 New Fleet - Waterworks	8,200				8,200
11247 Corporate Fleet Refurbishing	39,400		39,400		
11248 New Fleet - Operations Growth	163,000	16,300		146,700	
11249 New Equipment - Shop Hoist	10,200	10,200			
11250 Waterworks - Fleet Replacement	159,900				159,900
11251 New Fleet - Waste Management	21,400	21,400			
11252 New Equipment- Enhanced Cultural Practices - Year 5 of 5	61,100	16,100			45,000
11254 Winter Maintenance Vehicles Purchased by Contractors	200,000			200,000	
TOTAL Operations - Fleet	3,278,400	64,000	2,654,600	346,700	213,100
Waste & Environmental Mgmt					
11360 Public Space & Special Event Recycling - Phase 5 of 5	127,200				127,200
11362 Multi-Residential Organics Program - Phase 5 of 5	25,200	25,200			
TOTAL Waste & Environmental Mgmt	152,400	25,200			127,200
Markham Public Library					
11401 Replace Library Furniture and Equipment	60,700		60,700		
11402 Replace Library Shelving	60,700		60,700		
11404 Library Collections - Video	235,800		235,800		
11405 Library Collections - Microfilm Supplies	3,300		3,300		
11406 Library Collections - Films/Record/Tapes	66,600		66,600		
11407 Library Collections - Books & Subscriptions	728,200		728,200		
11408 Library Collections - French Books	12,400		12,400		
11409 Library Collections - Multilingual Books/CD/DVD	294,000		294,000		
11420 Library Collections - Processing Supplies	335,000		335,000		
TOTAL Markham Public Library	1,796,700		1,796,700		
Waterworks					
11367 Calvert Road Lift Station Improvement Implementation	281,000				281,000
11369 Sanitary Lift Station Engineering Assessment	30,500				30,500
11372 Sanitary Trunk Sewer Zoom Inspection	65,000				65,000
11374 Water System Testing Equipment	35,600				35,600
11376 Sanitary Sewer Field Data Collection	61,100				61,100
11377 Cement Relining of Iron Watermains Program	1,407,000				1,407,000
11381 Water Meter Replacement/Upgrade Program	460,000				460,000
11382 Roof Downspout Disconnection Program	269,200				269,200
11384 Sanitary Sewer System Upgrade/Rehab Program	1,200,000				1,200,000
11387 Water System Upgrade Program	959,600				959,600
11388 Watermain Design	404,400				404,400
11389 Cathodic Protection of Iron Watermains	487,000				487,000
11390 Watermain Replacement (Elgin St/Henderson)	3,236,000				3,236,000
11391 Waterworks Enhancement at 8100 Warden	50,000				50,000
11392 Water System Hydraulic Modeling	40,700				40,700
11393 Inflow/Infiltration Reduction	155,600				155,600
TOTAL Waterworks	9,142,700				9,142,700
TOTAL Community & Fire Services	39,642,900	1,839,194	6,020,861	6,023,000	15,759,845
TOTAL 2011 CAPITAL BUDGET	73,116,200	3,011,914	17,483,656	33,378,650	19,241,980

2011 CAPITAL BUDGET SOURCES OF FUNDING

LIFE CYCLE REPLACEMENT & CAPITAL RESERVE	20,495,570
DEVELOPMENT CHARGES (DCA)	33,378,650
FEDERAL GAS TAX GRANT	4,045,941
OTHER SOURCES	
Waterworks Reserve	9,435,384
Closed Capital From Previous Years (Carry Forward)	2,082,268
Pre - DCA	1,326,420
10% Non-DC Reserve Fund	435,000
2010 Year-end Surplus	420,000
Investing in Ontario Act Grant	357,000
Development Fees	307,470
Road Resurfacing Reserve	250,000
Canadian National Rail	245,349
Ramp Up Reserve	157,200
Tennis Clubs	124,848
Heritage Reserve Fund	35,100
Toronto & Region Conservation Authority	20,000
TOTAL OTHER SOURCES	15,196,039
TOTAL CAPITAL & OTHER PROGRAMS BUDGET	73,116,200

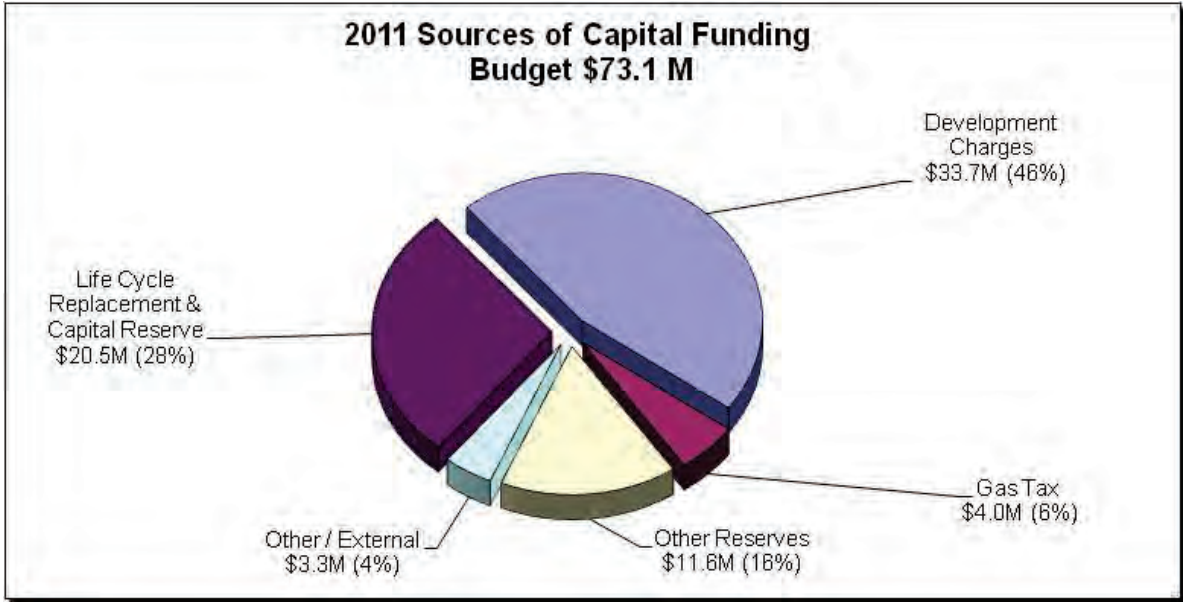


Chart "A"
Details of Other Reserves Funding Total \$11.6M

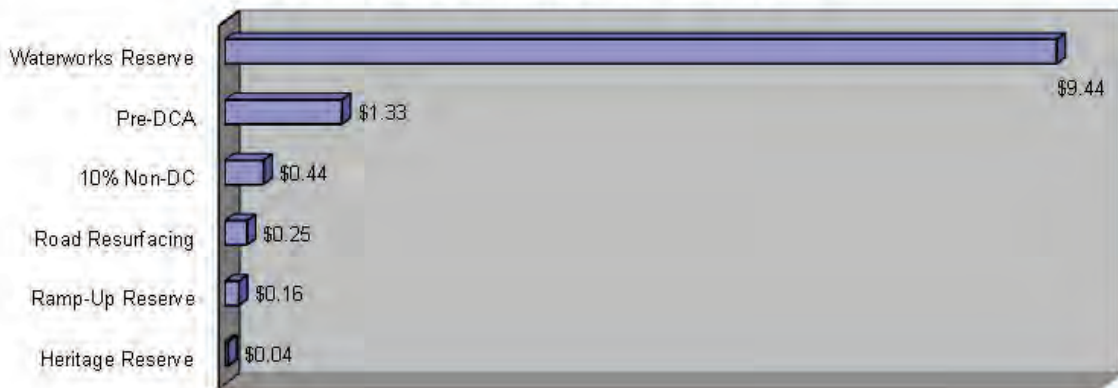
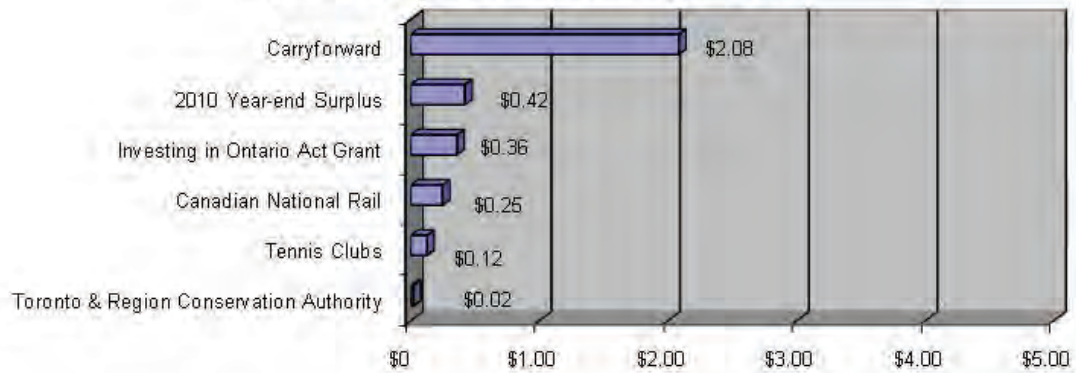


Chart "B"
Details of Other / External Funding Total \$3.3M



2011 CAPITAL INDUCED OPERATING COSTS

<u>Department/Capital Project Description</u>	<u>2011</u> <u>Operating</u> <u>Budget Impact</u>	<u>Annualized</u> <u>Operating Impact</u>	<u>Comments</u>
<u>Arts Centres</u>			
Art Gallery Lighting Upgrade and Sustainability	(7,500)	(15,000)	Energy saving
<u>Operations - Fleet</u>			
New Fleet - Operations Growth	16,250	32,500	Additional costs for fuel, vehicle parts and supplies.
New Fleet - Waste Management	(4,100)	(4,100)	Saving summer vehicle rental
	<u>12,150</u>	<u>28,400</u>	
<u>Operations - Parks</u>			
Artificial Turf Field	-	20,000	Annual operating costs starting in year2 (2012)
Enhanced Cultural Practices - Year 5 of 5	70,000	70,000	
	<u>70,000</u>	<u>152,056</u>	
<u>Operations - Traffic</u>			
Traffic Control Signal Design & Construction	3,950	3,950	
<u>Waterworks</u>			
Roof Downspout Disconnection Program	-	40,267	Annual operating costs starting in year2 (2012)
Inflow/Infiltration Reduction	-	86,744	Annual operating costs starting in year2 (2012)
	<u>-</u>	<u>127,011</u>	
<u>ITS</u>			
Asset Management - Easement Data Purchase (L11-7)	-	2,300	Annual operating costs starting in year2 (2012)
Contact Centre - Knowledge Base (D11-6)	-	4,000	Annual operating costs starting in year2 (2012)
Fire - Data Recorder and Software (J11-10)	-	2,800	Annual operating costs starting in year2 (2012)
Clerks - Linking Photos to Parking Infraction records(J11-8)	-	1,300	Annual operating costs starting in year2 (2012)
MPL - EnvisionwareSuiteforInternetSession Management (J11-6)	-	(4,500)	Annual operating costs starting in year2 (2012)
Enterprise - Asset Management Phase 2 Implementation	-	30,000	Annual operating costs starting in year2 (2012)
Core - Hardware Infrastructure (O11-8)	-	5,000	Annual operating costs starting in year2 (2012)
Enterprise - Information Management Part 2 of 2(O11-7)	-	20,000	Annual operating costs starting in year2 (2012)
	<u>-</u>	<u>60,900</u>	
Total Capital Induced Operating Costs	<u>78,600</u>	<u>357,317</u>	



Long Term Capital Budget Forecast

Growth Related Projects

Capital Infrastructure related to growth in the Town is 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 that serves and supports the new communities must grow also.

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the 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 2009.

A capital forecast based on the 2009 DC Study information is included for the period 2011 to 2016:

2011 to 2016 Capital Budget Forecast

(in thousands of constant dollars - gross cost)

Category	2011	2012	2013	2014	2015	2016	TOTAL
(A) General Government	946.7	946.7	946.7	946.7	946.7	946.7	\$5,680.2
(B) Library	3,958.4	0.0	0.0	0.0	0.0	0.0	\$3,958.4
(C) Fire Services	650.0	0.0	0.0	1,324.3	0.0	840.0	\$2,814.3
(D) Indoor Recreation	0.0	0.0	53,000.0	0.0	0.0	0.0	\$53,000.0
(E) Park Development & Facilities	11,115.9	48,547.5	14,104.4	9,358.2	20,254.0	12,667.0	\$116,047.0
(F) Public Works	1,855.4	388.4	10,489.8	793.8	164.7	338.4	\$14,030.5
TOTAL	\$18,526.4	\$49,882.6	\$78,540.9	\$12,423.0	\$21,365.4	\$14,792.1	\$195,530.4

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

Non-Growth Related Projects

In 2005, Council approved a reserve study that evaluated, among other topics, the projected repair and replacement expenditures related to the Town's aging capital infrastructure, such as building, bridges, roads and vehicles. The study identified the age of the assets, the remaining life expectancy of the assets and projected replacement costs in order to quantify the Town's future expenditures, by year. The Town thus established a reserve fund, the Life Cycle Replacement and Capital Reserve to provide a source of funding for the future repair, preventative maintenance and replacement of infrastructure. More details on this reserve are included in the Reserve Policy section.

The 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.

2011 to 2016 Capital Budget Forecast (based on 2010 Update)
(in thousands of constant dollars - gross cost)

CATEGORY	2011	2012	2013	2014	2015	2016	TOTAL
Structures (Bridges & Facilities)	1,268.8	1,005.1	1,199.3	946.5	11,011.1	1,392.9	\$16,823.8
Fire Bunker Gear	298.2	525.4	318.1	697.1	137.5	258.1	\$2,234.4
ITS	1,859.8	1,455.9	1,401.7	1,032.1	1,140.0	1,165.7	\$8,055.2
Parks	1,035.7	2,077.9	2,242.1	2,401.8	2,403.0	3,188.4	\$13,349.0
Roads	6,684.2	6,784.7	6,629.6	6,787.7	6,923.4	7,260.6	\$41,070.3
Storm Sewers & Storm Water Mgmt & Landfill	1,181.8	2,628.5	3,625.7	2,722.3	3,132.5	1,972.2	\$15,263.0
Street Lights	118.8	131.6	81.2	82.8	84.5	136.8	\$635.7
Traffic Lights	74.6	78.0	324.7	256.1	290.8	210.3	\$1,234.5
Vehicles	1,851.2	2,554.3	6,451.5	2,631.3	2,741.6	2,087.2	\$18,317.0
TOTAL	\$21,427.7	\$31,829.0	\$30,462.7	\$22,382.4	\$40,863.8	\$23,325.5	\$170,291.3



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

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 REQUESTS FOR PROJECTS OVER \$1 MILLION SUMMARY

Project Description	Total Cost	Operating Cost Impact Range		Reduction
		From	To	
Sidewalk Program	\$2,153,800	\$0	\$10,000	
Rodick Rd Construction Final Phase (14th Ave to Esna Park)	\$13,814,900	\$10,001	\$50,000	
Main St. Markham - Hwy 407 to Hwy 7 (Design)	\$1,564,100	\$0	\$10,000	
Main St. Markham, 16th Ave to Major Mackenzie (PA & Construction)	\$5,787,600	\$10,001	\$50,000	
Core - Hardware Infrastructure Replacement	\$1,359,000	\$0	\$10,000	
Corporate Fleet Replacement	\$2,615,200	\$0	\$0	Yes
Asphalt Resurfacing	\$5,181,600	\$0	\$0	Yes
South East Community Centre - Design	\$4,350,000	\$500,000	\$1,000,000	
Toronto 2015 Pan/Parapan American Games	\$1,572,000	\$100,001	Or More	
Bridge Improvement - Green Lane	\$1,000,000	\$0	\$10,000	
Cement Relining of Iron Watermains Program	\$1,407,000	\$0	\$0	Yes
Sanitary Sewer System Upgrade/Rehab Program	\$1,200,000	\$0	\$0	Yes
Watermain Replacement (Elgin St/Henderson)	\$3,236,000	\$0	\$0	Yes
Total	\$45,241,200			

Projects with a 'reduction' are an indication of cost avoidance over cost reduction.



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Sidewalk Program

Project Number 11055

Estimated Total Cost of Project

\$ 2,153,800

Commission Development Services

Department Capital Works, Engineering

Project Description

Location

Various locations within the Town

Work to be Performed

Installation of new sidewalks within the Town and Regional roads.

Reason for Work

Work is part of Engineering 5 Year Capital Program.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – 2011

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Rodick Road Construction Final Phase (14th Ave to Esna Park)

Project Number 11064

Estimated Total Cost of Project \$13,814,900

Commission Development Services

Department Capital Works, Engineering

Project Description

Location

14th Avenue to Esna Park Drive

Work to be Performed

Detailed design and construction of extension of Rodick Road including a bridge over CN Rail tracks.

Reason for Work

Work is provided to allow for an improved transportation network in a continuous north south direction from Hwy 7 to Esna Park Drive.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – 2012



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Main Street Markham – Hwy 407 to Hwy 7 (Design)

Project Number 11068

Estimated Total Cost of Project \$1,564,000

Commission Development Services

Department Capital Works, Engineering

Project Description

Location

Main Street Markham (Hwy 48) between Hwy 407 and Hwy 7.

Work to be Performed

The detailed design of this roadway expansion, including a new bridge.

Reason for Work

To provide Town residents with improved traffic movement and to construct a new bridge that is in need of replacement.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – Fall 2013

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Main Street Markham – 16th Avenue to Major MacKenzie Drive (PA & Construction)

Project Number 11069

Estimated Total Cost of Project \$ 5,787,600

Commission Development Services

Department Capital Works, Engineering

Project Description

Location

Markham Road (Hwy 48) between 16th Avenue and Major MacKenzie Drive

Work to be Performed

The detailed design of the roadway expansion will begin in 2011

Reason for Work

Work is provided to allow for an improved transportation network as stated in the approved Environmental Assessment Study for the area.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – 2013



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Core - Hardware Infrastructure Replacement

Project Number 11119

Estimated Total Cost of Project \$1,359,000

Commission Community & Fire Services

Department Information Technology Services

Project Description

Location

101 Town Centre Blvd and 8100 Warden

Work to be Performed

To replace existing inventory of IT assets as identified in the Life Cycle Reserve Study. This includes replacements of desktop/laptop computers for a 2 year period, printers, 3 firewall servers and audio and video equipment for Council Chambers and Canada Room.

Reason for Work

To replace IT assets that are at the end of their lifecycle, i.e. desktop/laptop computers, printers, 3 firewall servers and audio and video equipment for Council Chambers and Canada Room

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2011

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Corporate Fleet Replacement

Project Number 11245

Estimated Total Cost of Project

\$2,615,200

Commission Community & Fire Services

Department Operations - Fleet

Project Description

Location

Townwide

Work to be Performed

2011 Annual Fleet Replacement Program based on the Council adopted Corporate Fleet Policy Guidelines

Reason for Work

Lifecycle costing targets optimal replacement intervals (ORI) which identifies the most cost effective time period for replacement. All vehicles and equipment contained in this program have reached or surpassed the ORI.

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.

Estimated Project Completion Date – December 2011



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Asphalt Resurfacing

Project Number Projects 11299

Estimated Total Cost of Project \$5,181,600

Commission Community & Fire Services

Department Operations - Roads

Project Description

Location

Townwide

Work to be Performed

Asphalt resurfacing of roads throughout the Town utilizing a pavement management program to select rehabilitation candidates.

Reason for Work

The overall goal is to maintain an acceptable pavement condition index and user satisfaction by implementing cost effective strategies designed to extend pavement life and reduce overall maintenance costs of the road network.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – December 2011

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name South East Community Centre - Design

Project Number 11318

Estimated Total Cost of Project

\$4,350,000

Commission Community & Fire Services

Department Asset Management – Facility Assets

Project Description

Location

East of Markham Road, South of 14th Avenue - Karachi Drive

Work to be Performed

Perform project management and architectural / consulting services for the building of South East Community Centre

Reason for Work

To initiate design phase of the new community centre and library in South East Markham. This community centre is a priority as identified in the Recreation Leisure Master Plan.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – 2016



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Toronto 2015 Pan/Parapan American Games

Project Number 11416

Estimated Total Cost of Project \$1,572,000

Commission Community & Fire Services

Department Recreation & Library Construction

Project Description

Location

The facility will be located in Markham Centre. The site is still being finalized.

Work to be Performed

To provide a dedicated staff person to work and co ordinate with all internal and external clients in the development and construction of the 2015 Pan/Parapan American Games 50 metre Waterpolo Venue in the Town of Markham as approved by Council in May 2010. The project also includes work required to prepare the site for construction. Internal consulting will be required for 2011-2013

Reason for Work

The project also includes work required to prepare the site for construction.

Impact on Future Operating Budgets

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

Estimated Project Completion Date – Project is expected to be completed by July 2014.

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Bridge Improvement – Green Lane

Project Number 11339

Estimated Total Cost of Project

\$1,000,000

Commission Community & Fire Services

Department Asset Management

Project Description

Location

Green Lane - 850 metres west of Leslie Street

Work to be Performed

Rehabilitation work includes:

- removal of existing expansion joints and converting to semi-integral abutment
- replacing deck waterproofing
- resurfacing abutments and wing walls
- replacing barrier walls and upgrade guide rails

Reason for Work

- Sever deterioration of bridge deck
- Severe deterioration of concrete in abutment and wing walls
- Prevent further deterioration that may undermine the integrity of the bridge safety
- Extend the service life of bridge by another 50 years

Impact on Future Operating Budgets

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

Estimated Project Completion Date – November 2011



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Cement Relining of Iron Watermains Program

Project Number 11377

Estimated Total Cost of Project \$1,407,000

Commission Community & Fire Services

Department Waterworks

Project Description

Location

Various locations throughout the Town watermain distribution system

Work to be Performed

Ongoing program to reline unlined ductile and cast iron watermain pipes, including hydrant & valve replacements . A total of 74 km has been relined since the beginning of the program, with the remaining 6 km to be completed by 2012-2013.

Reason for Work

To prevent corrosion and restore 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.

Estimated Project Completion Date – November 2011

CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Sanitary Sewer System Upgrade & Rehabilitation Program

Project Number 11384

Estimated Total Cost of Project

\$1,200,000

Commission Community & Fire Services

Department Waterworks

Project Description

Location

Various locations throughout the Town sanitary sewer system

Work to be Performed

Structural and service condition upgrade of sanitary sewer age system, including sanitary sewer spot repairs and lateral repairs and relining;

Reason for Work

Maintain proper operating standards within the sanitary 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.

Estimated Project Completion Date – December 2011



CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION

Project Name Watermain Replacement (Elgin Street/ Henderson Avenue)

Project Number 11390

Estimated Total Cost of Project \$3,236,000

Commission Community & Fire Services

Department Waterworks

Project Description

Location

Elgin Street, from Yonge Street to Johnson Street, and Henderson Avenue, from Clark Avenue to John Street;

Work to be Performed

Replacement of existing watermains;

Reason for Work

Maintain proper operating standards within the watermain 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.

Estimated Project Completion Date – February 2012

BUILDING STANDARDS BUDGET

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, and its Operating budget funds all operations related to this department's work. Building Standards operations is part of the Operating Fund but sometimes identified separately due to its self-funding nature.

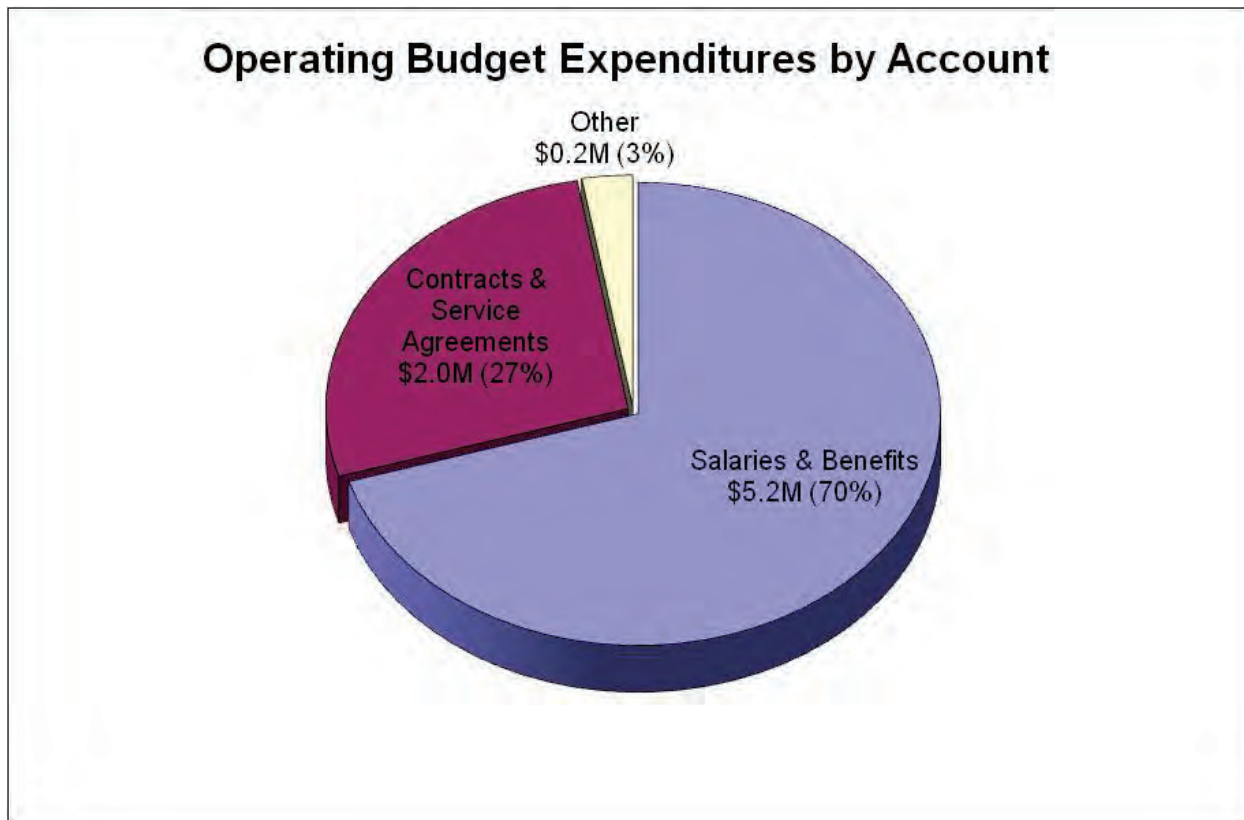
The new Building Code Statute Law Amendment Act, 2002 (Bill 124) took effect July 1, 2005. This legislation stipulates fees must not exceed the anticipated reasonable cost to administer and enforce the Act and that revenues and costs be reported separately.

Operating Budget

Expenditures

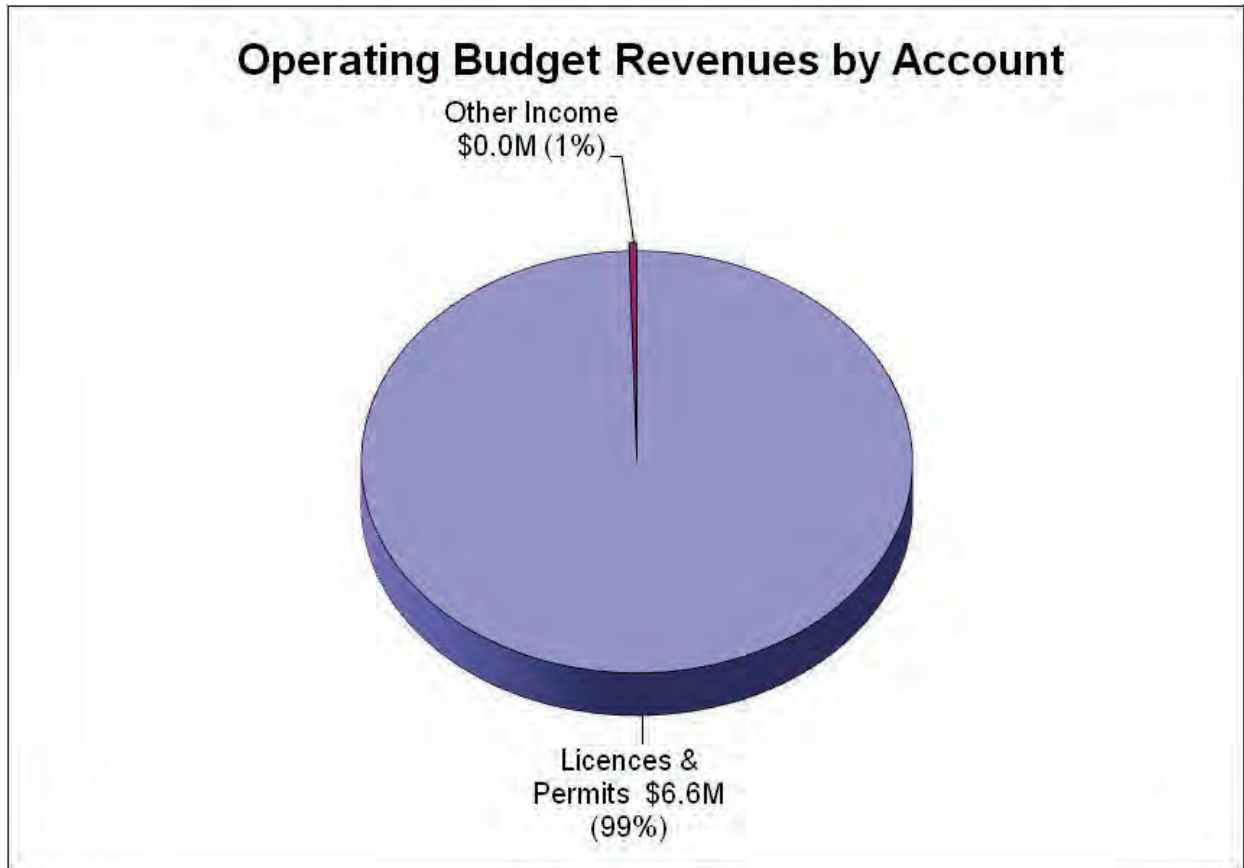
The 2011 Operating Budget for Building totals \$7,423,494. This marks an increase of \$267,550 from the 2010 Operating Budget due to an increase in expenses.

The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 70% of the Operating Budget. Contracts & Service Agreement represents indirect costs such as ITS equipment, other department's services, overhead costs and is 27% of the Operating Budget with other expenditures accounting for 3%.



Revenues

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



Capital Budget

Building Standards department had no 2011 Capital Budget requests.



BUILDING STANDARDS CONSOLIDATED 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
LICENCES & PERMITS	\$4,395,790	\$6,581,660	\$2,185,870	49.7%
USER FEES & SERVICE CHARGES	36,120	30,140	(5,980)	-16.6%
Total Revenues	\$4,431,910	\$6,611,800	\$2,179,890	49.2%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$5,072,658	\$5,236,096	\$163,438	3.2%
PRINTING & OFFICE SUPPLIES	43,708	41,500	(2,208)	-5.1%
OPERATING MATERIALS & SUPPLIES	13,604	23,500	9,896	72.7%
COMMUNICATIONS	24,593	15,800	(8,793)	-35.8%
TRAVEL EXPENSES	8,006	6,000	(2,006)	-25.1%
TRAINING	27,476	35,000	7,524	27.4%
CONTRACTS & SERVICE AGREEMENTS	1,924,579	2,018,348	93,769	4.9%
MAINT. & REPAIR-TIME/MATERIAL	235	0	(235)	-100.0%
RENTAL/LEASE	6,214	2,500	(3,714)	-59.8%
PROFESSIONAL SERVICES	5,971	16,000	10,029	168.0%
LICENCES, PERMITS, FEES	14,165	15,750	1,585	11.2%
CREDIT CARD SERVICE CHARGES	8,424	10,000	1,576	18.7%
PROMOTION & ADVERTISING	6,311	3,000	(3,311)	-52.5%
Total Expenses	\$7,155,944	\$7,423,494	\$267,550	3.7%
TRANSFERS TO RESERVES	(2,724,034)	(811,694)	1,912,340	-70.2%
Net Expenditures/ (Revenue)	-	-	-	0.0%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Licences & Permits: Increase is due to the higher number of permits expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

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

Transfers to Reserves: Adjustment to balance the department's budget to zero.

ENGINEERING BUDGET

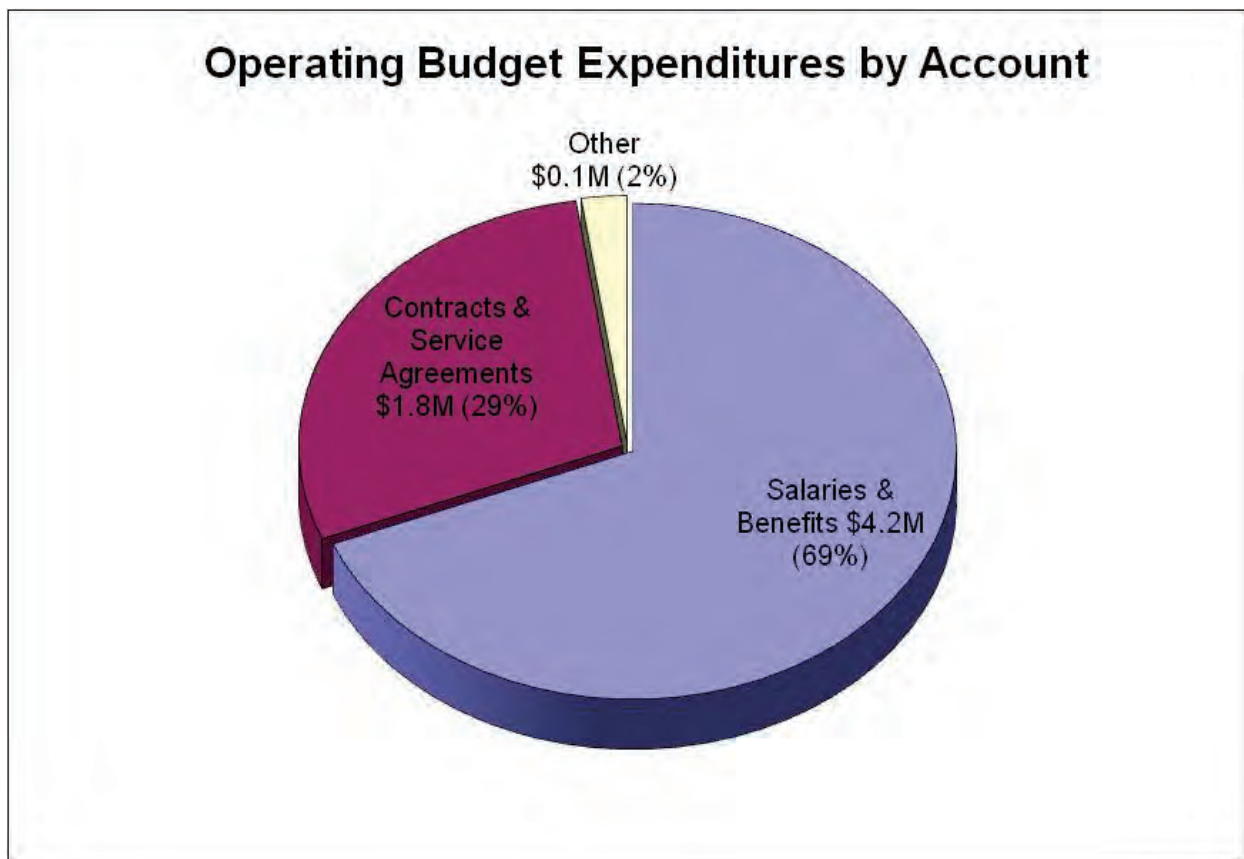
The Engineering Department responsibilities relate to planning and delivery of infrastructure, transportation, and environmental engineering. This includes: new subdivision & site plan applications, construction of storm & sanitary sewers, watermains, and roads.

Operating Budget

Expenditures

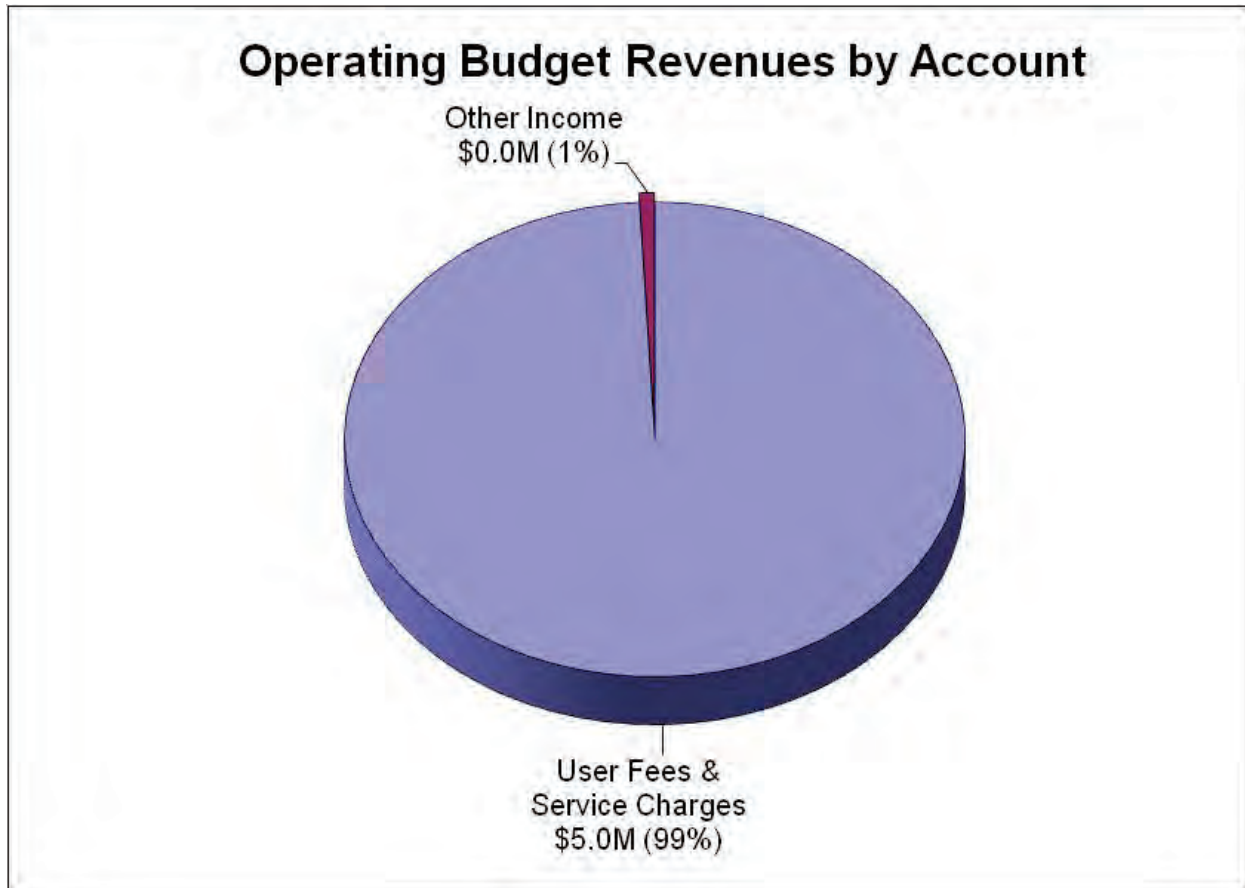
The 2011 Operating Budget for Engineering totals \$6,082,795. This marks an increase of \$924,813 from the 2010 Operating Budget due to an increase in expenses.

The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 69% of the Operating Budget. Contracts & Service Agreement represents indirect costs such as ITS equipment, other department's services, overhead costs and is 29% of the Operating Budget with other expenditures accounting for 2%.



Revenues

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



Capital Budget

The 2011 Engineering Capital Budget totals \$25,407,600 which is primarily funded from Development Charges. The capital projects include annual illumination and sidewalk programs and bridge and road construction.



ENGINEERING CONSOLIDATED 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u> <u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenue				
USER FEES & SERVICE CHARGES	\$3,589,698	\$5,007,662	\$1,417,964	39.5%
SALES	500	1,000	500	0.0%
RECOVERIES & CONTRIBUTIONS	37,274	38,570	1,296	3.5%
Total Revenues	\$3,627,472	\$5,047,232	\$1,419,760	39.1%
Expenses				
SALARIES AND BENEFITS	\$3,281,577	\$4,191,107	\$909,530	27.7%
PRINTING & OFFICE SUPPLIES	12,000	31,000	19,000	158.3%
OPERATING MATERIALS & SUPPLIES	18,000	18,000	-	0.0%
COMMUNICATIONS	13,500	14,000	500	3.7%
TRAVEL EXPENSES	13,000	13,000	-	0.0%
TRAINING	15,000	16,000	1,000	6.7%
CONTRACTS & SERVICE AGREEMENTS	1,764,773	1,753,232	(11,541)	-0.7%
MAINT. & REPAIR-TIME/MATERIAL	2,956	2,956	-	0.0%
PROFESSIONAL SERVICES	25,000	25,000	-	0.0%
LICENCES, PERMITS, FEES	12,176	18,500	6,324	51.9%
Total Expenses	\$5,157,982	\$6,082,795	\$924,813	17.9%
TRANSFERS TO RESERVES	(1,530,510)	(1,035,563)	494,947	-32.3%
Net Expenditures/ (Revenue)	-	-	-	0.0%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased construction charges expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Transfers to Reserves: Adjustment to balance the department's budget to zero.

PLANNING & DESIGN BUDGET

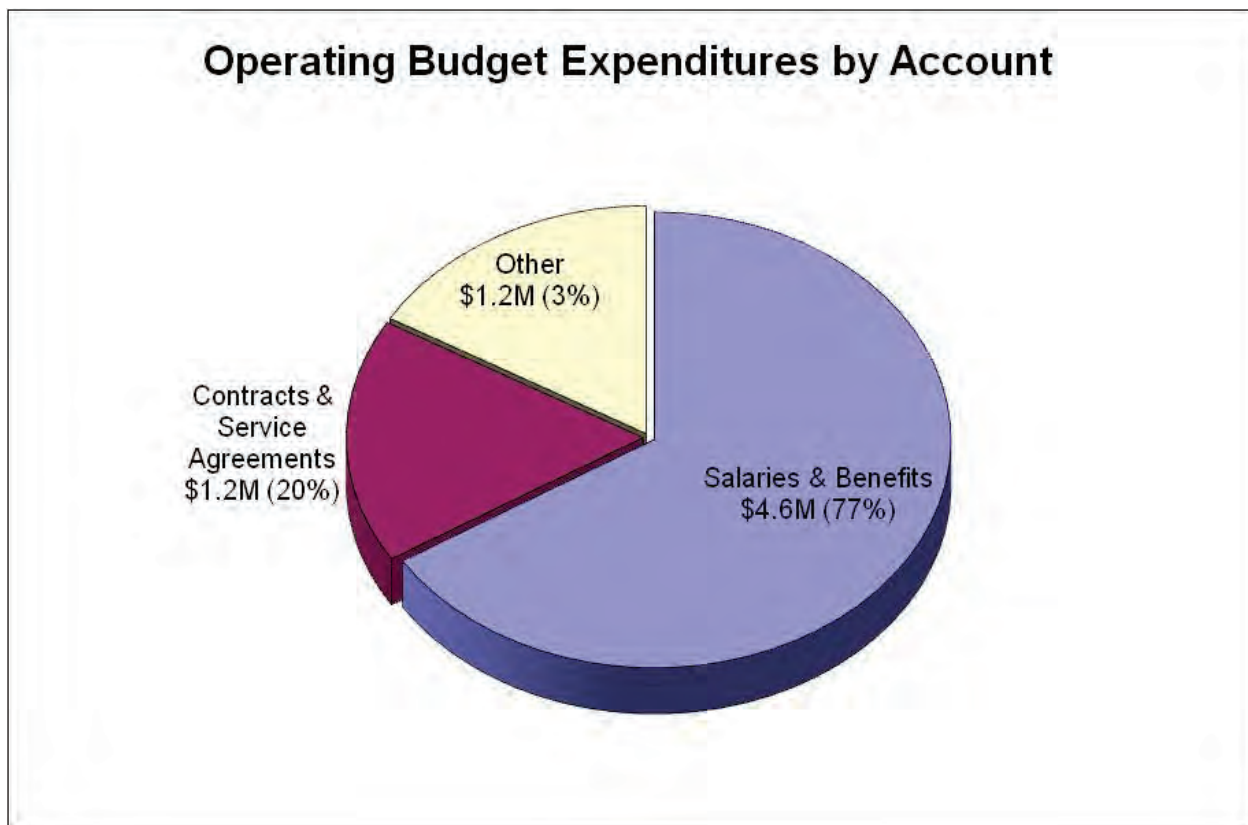
The Planning & Design Department responsibilities relate to long range strategic planning and current development control, formulation of plans, policies, regulations, and guidelines on land use, development, urban design, and growth management; processing and evaluation of development applications; data collection, analysis, research and monitoring on land use, planning policy and growth related matters; digital mapping related functions; community outreach, liaison and information.

Operating Budget

Expenditures

The 2011 Operating Budget for Planning & Design totals \$6,964,473. This marks an increase of \$2,080,955 from the 2010 Operating Budget due to an increase in user fees.

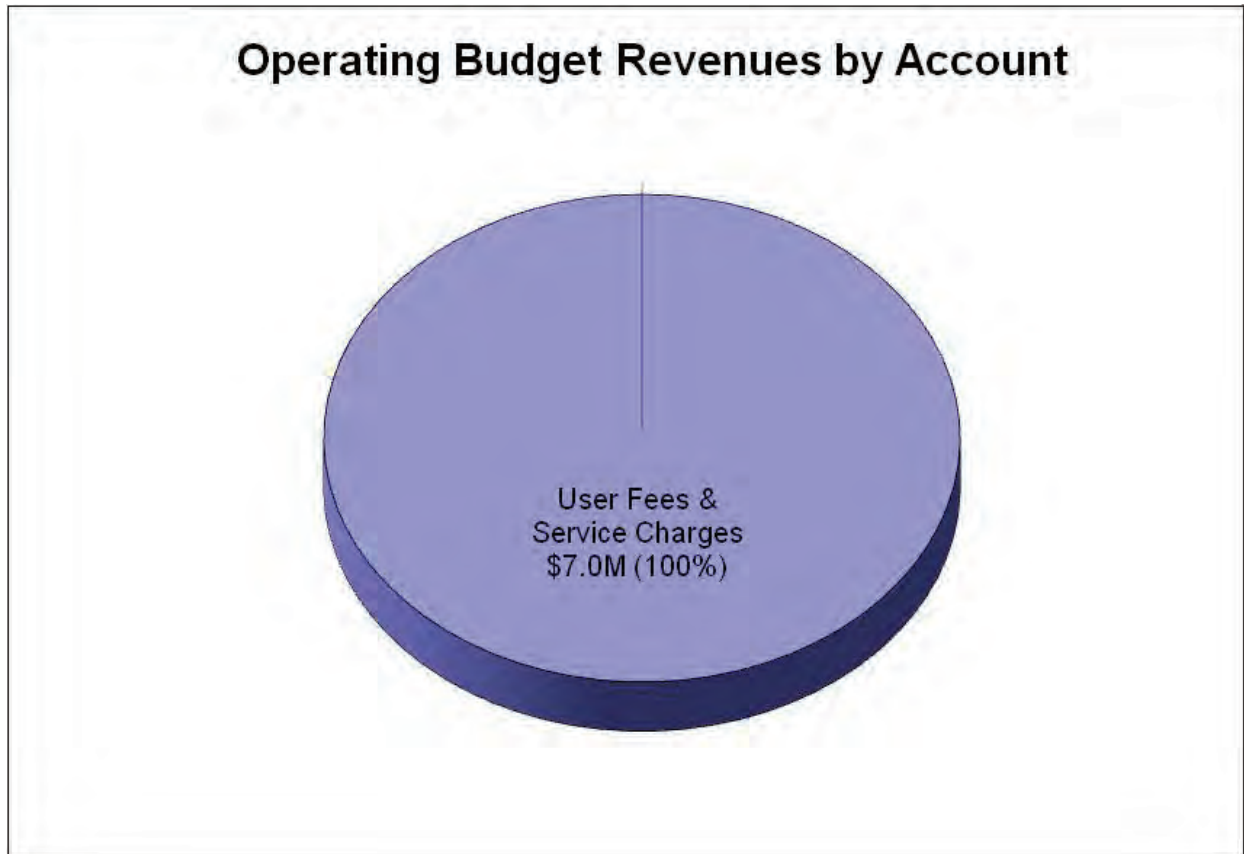
The figure below indicates that the major portion of budgeted expenditures is Salaries and Benefits, which accounts for 77% of the Operating Budget. Contracts & Service Agreement represents indirect costs such as ITS equipment, other department's services, overhead costs and is 20% of the Operating Budget with other expenditures accounting for 3%.





Revenues

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



Capital Budget

The 2011 Planning Capital Budget totals \$1,698,500 which is primarily funded from Development Charges. The capital projects include Official Plan preparation projects, annual advisory and improvement programs, and development area studies.

The 2011 Design Capital Budget totals \$2,433,200 which is primarily funded from Development Charges. The capital projects include new parks and precinct plan studies.



PLANNING & DESIGN CONSOLIDATED 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u> <u>\$ Incr./((Decr.)</u>	<u>% Change</u>
Revenue				
USER FEES & SERVICE CHARGES	\$4,873,518	\$6,964,473	\$2,090,955	42.9%
RECOVERIES & CONTRIBUTIONS	10,000	0	(10,000)	-100.0%
Total Revenues	\$4,883,518	\$6,964,473	\$2,080,955	42.6%
Expenses				
SALARIES AND BENEFITS	\$3,583,140	\$4,602,024	\$1,018,884	28.4%
PRINTING & OFFICE SUPPLIES	43,092	43,092	-	0.0%
OPERATING MATERIALS & SUPPLIES	6,803	6,803	-	0.0%
COMMUNICATIONS	9,369	9,369	-	0.0%
TRAVEL EXPENSES	17,869	17,869	-	0.0%
TRAINING	7,281	7,281	-	0.0%
CONTRACTS & SERVICE AGREEMENTS	954,442	1,208,697	254,255	26.6%
RENTAL/LEASE	3,000	3,000	-	0.0%
PROFESSIONAL SERVICES	38,748	38,748	-	0.0%
LICENCES, PERMITS, FEES	22,995	22,995	-	0.0%
CREDIT CARD SERVICE CHARGES	1,823	1,823	-	0.0%
PROMOTION & ADVERTISING	4,365	4,365	-	0.0%
OTHER EXPENDITURES	(5,000)	(5,000)	-	0.0%
TRANSFERS TO RESERVES	195,591	1,003,407	807,816	413.0%
Total Expenses	\$4,883,518	\$6,964,473	\$2,080,955	42.6%
Net Expenditures/ (Revenue)	-	-	-	0.0%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased number of applications expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

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

Transfers to Reserves: Adjustment to balance the department's budget to zero.

WATERWORKS BUDGET

Operations relating to water and sanitary sewer are identified separately due to its self-funding nature. User fees from water billings are the main source of funding for the Waterworks Budget.

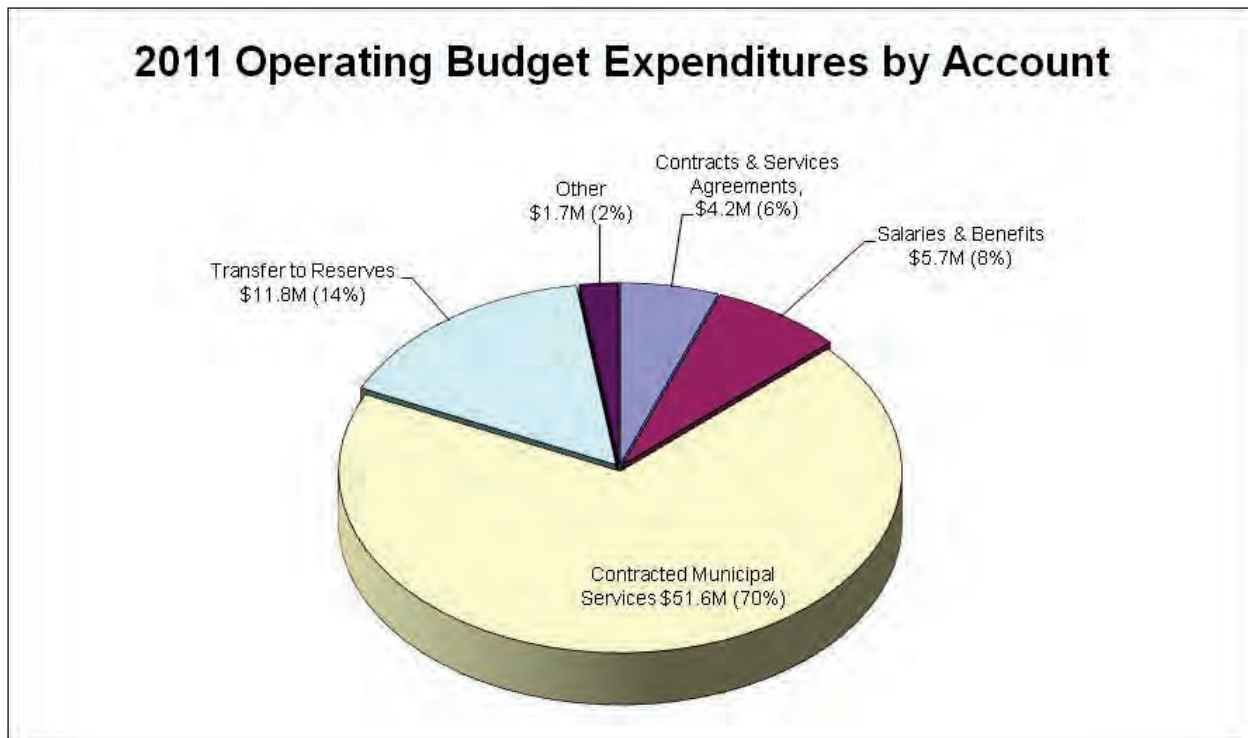
In 2007, the Town of Markham implemented a Water & Wastewater Reserve Study to address the ongoing replacement and rehabilitation requirements for the aging water and sewer systems. The study made recommendations to the level of Water & Wastewater Infrastructure Surcharge to charge in order to sustain projected replacement and rehabilitation costs over the next 25 years.

Operating Budget

Expenditures

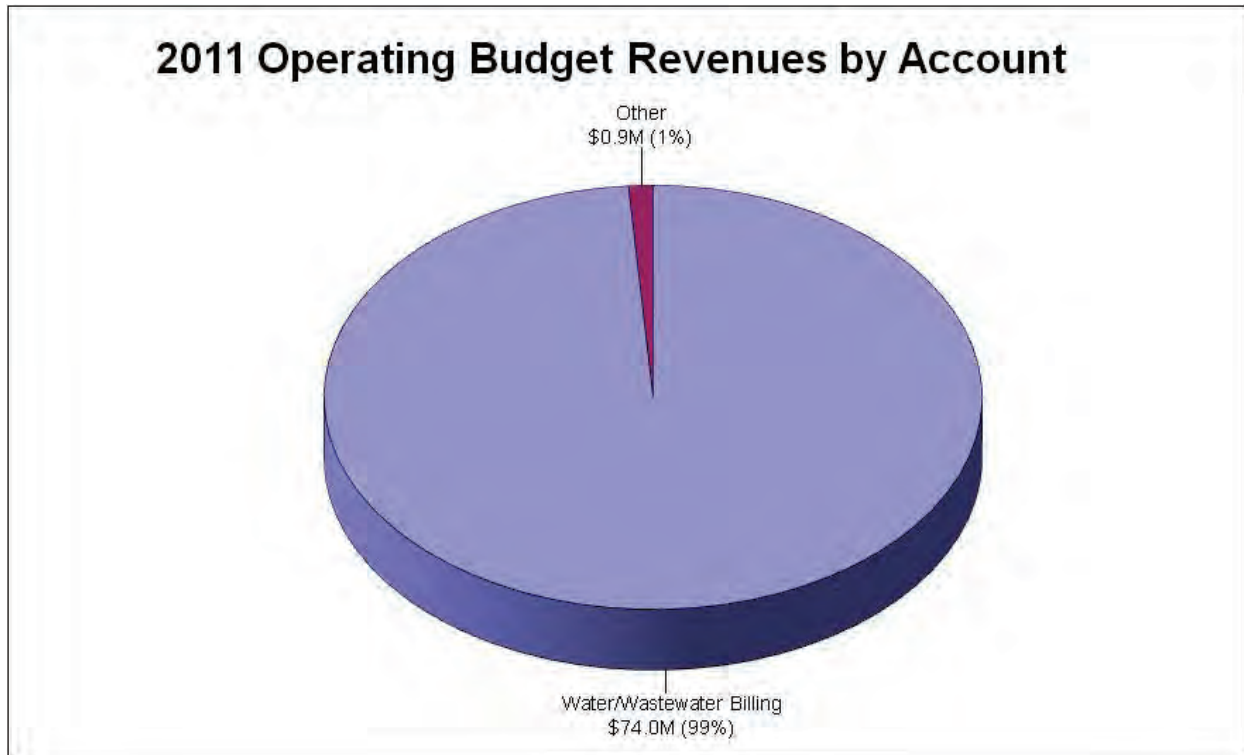
The 2011 Operating Budget for Waterworks totals \$74,973,700 (excluding prior year's surplus). This marks an increase of \$7.7 million over the 2010 Operating Budget.

The figure below indicates that the major portion of budgeted expenditures is Contracted Municipal Services, which is for the purchase of water from the Region of York. Transfer to Reserves, which accounts for 14% of the Operating Budget, represents transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements. Contract & Service Agreements, which accounts for 6% of the Operating Budget, includes items such as inspection & cleaning of the sewer line, maintenance & repair of the water & sewer system, water sampling & testing, installation & maintenance of meters, and water/wastewater reading & billing.



Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to the figure below. The Town's water/wastewater rates have increased by 9.2% from the previous year's level primarily as a result of the wholesale water rate increase from the Region of York effective April 1, 2011 (6.1% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (3.1% impact).



Capital Budget

The 2011 Waterworks Capital Budget totals \$9,142,700 which is fully funded from the Waterworks reserve. The capital projects include annual programs for watermain construction/replacement, relining of watermain, water meter replacement, and upgrades to water and sewer system. The Waterworks reserve also funds capital projects managed by other departments (such as ITS and Fleet). The 2011 capital budget includes funding from Waterworks reserve in the amount of \$9,435,384.



WATERWORKS CONSOLIDATED 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
BILLINGS	\$66,802,769	\$74,025,700	\$7,222,931	10.8%
USER FEES & SERVICE CHARGES	345,973	530,000	184,027	53.2%
SALES	116,000	148,000	32,000	27.6%
RECOVERIES & CONTRIBUTIONS	32,500	270,000	237,500	730.8%
Total Revenues	\$67,297,242	\$74,973,700	\$7,676,458	11.4%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$5,251,297	\$5,662,613	\$411,316	7.8%
PRINTING & OFFICE SUPPLIES	29,092	29,092	0	0.0%
OPERATING MATERIALS & SUPPLIES	104,761	119,761	15,000	14.3%
CONSTRUCTION MATERIALS	467,895	522,126	54,231	11.6%
UTILITIES	35,805	35,805	0	0.0%
COMMUNICATIONS	46,691	56,331	9,640	20.6%
TRAVEL EXPENSES	44,500	49,500	5,000	11.2%
TRAINING	56,130	56,130	0	0.0%
CONTRACTS & SERVICE AGREEMENTS	4,600,922	4,233,550	(367,372)	-8.0%
MAINT. & REPAIR-TIME/MATERIAL	360,307	368,507	8,200	2.3%
RENTAL/LEASE	5,099	5,099	0	0.0%
PROFESSIONAL SERVICES	113,034	113,034	0	0.0%
LICENCES, PERMITS, FEES	24,760	24,760	0	0.0%
PROMOTION & ADVERTISING	3,000	3,000	0	0.0%
CONTRACTED MUNICIPAL SERVICES	46,406,905	51,552,416	5,145,511	11.1%
OTHER PURCHASED SERVICES	227,213	227,893	680	0.3%
WRITE-OFFS	88,614	88,614	0	0.0%
TRANSFERS TO RESERVES	9,431,217	11,825,469	2,394,252	25.4%
Total Expenses	\$67,297,242	\$74,973,700	\$7,676,458	11.4%
Net Expenditures/ (Revenue)	-	-	-	0.0%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Billings: Increase water sales due to water rate increase and volume adjustments

User Fees & Service Charges: Increase in water meter installation fees based on projected new development activities in 2011

Recoveries & Contributions: Increase in recoveries for Water Service to Developers as a result of anticipated increase in development activity

Salaries & Benefits: Increase due to the addition of 4 staff, annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Construction Materials: Increased purchases of new water meters due to growth

Contracts Service Agreements: Reduced billing administration charge based on new contract negotiations and adjustments to construction expenditures based on prior years actual expenditures

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

Transfers to Reserves: Increased transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements as per the Waterworks Reserve Study



BUSINESS PLAN INTRODUCTION

The following section details each Business Unit of the 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 of each Commission and its operating budget are followed by the business planning and budgeting information of its business units.

Business Unit Profiles (BUPs) provide a single reference for identifying each business unit's 2011 proposed objectives in alignment to the Corporate goals and Council priorities. By centralizing this information, the profiles have become a useful tool for measuring the progress towards the Town's mission, goals and objectives. During the Town's Business Planning Process, each business unit presents its BUP to senior management, identifying its planned objectives for the upcoming year. As planning documents, not all objectives included in the BUPs will be approved through the 2011 budget process. Each BUP tracks five years of Key Performance Indicators (KPI's) in addition to the current mid year data. The KPI data trends support the request of the objectives and help estimate the required resources during the Business Planning Process.

The BUP provides a summary of information on such matters as:

- 2009 Business Plan Objective/Outcomes
- Key performance indicators
- 2010 Cross Commission Projects
- 2010 Business Plan Objectives

One of the key elements of the BUP 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 attention during the budget planning process.

BUPs are an annual exercise for all business units. Unless specified otherwise, the 2011 objectives are targeted for completion in the same year and the implementation of these objectives will be affected by resource and funding allocation.

As part of our commitment to continuous improvement and excellence, the style and content of the profiles have evolved over the last few years as we have become more adept at aligning business unit objectives to corporate goals and Council priorities, developing insightful KPIs, and articulating business objectives. The BUPs are accessible to Town staff through the Town's intranet site, and to the public on the Town's internet site as part of this annual budget binder.

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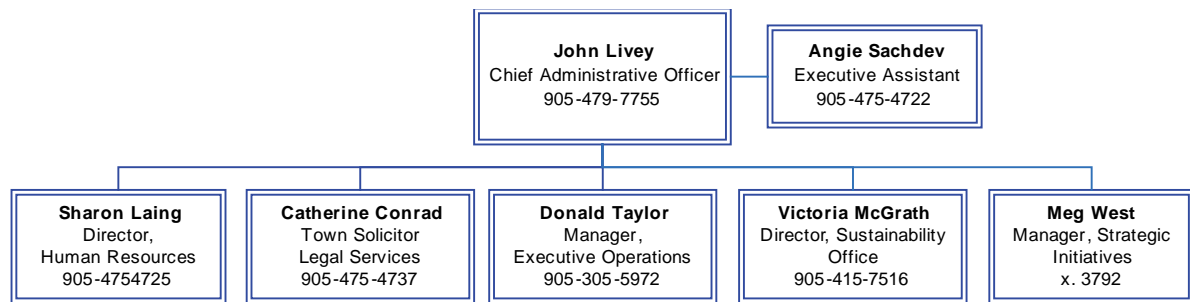
MAYOR AND COUNCIL 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenue								
RECOVERIES AND CONTRIBUTIONS	\$11,734	\$0	\$0	\$0	-	(\$11,734)	-100.0%	
Expenses								
SALARIES AND BENEFITS	\$2,121,654	\$2,234,850	\$2,325,256	\$90,406	4.0%	\$203,602	9.6%	
PRINTING & OFFICE SUPPLIES	22,148	23,441	23,441	0	0.0%	1,293	5.8%	
OPERATING MATERIALS & SUPPLIES	24,976	11,900	11,900	0	0.0%	(13,076)	-52.4%	
VEHICLE SUPPLIES	4,840	1,000	3,200	2,200	220.0%	(1,640)	-33.9%	
COMMUNICATIONS	785	17,070	14,870	(2,200)	-12.9%	14,085	1794.3%	
TRAVEL EXPENSES	41,217	92,395	92,395	0	0.0%	51,178	124.2%	
TRAINING	381	5,594	5,594	0	0.0%	5,213	1368.2%	
MAINT. & REPAIR-TIME/MATERIAL	131	7,230	7,230	0	0.0%	7,099	5419.1%	
RENTAL/LEASE	14,307	14,229	14,229	0	0.0%	(78)	-0.5%	
PROFESSIONAL SERVICES	0	6,589	6,589	0	0.0%	6,589		
LICENCES, PERMITS, FEES	5,534	2,585	2,585	0	0.0%	(2,949)	-53.3%	
PROMOTION & ADVERTISING	62,527	43,630	41,630	(2,000)	-4.6%	(20,897)	-33.4%	
MISCELLANEOUS EXPENSES	0	150	150	0	0.0%	150	0.0%	
Total Expenses	\$2,298,500	\$2,460,663	\$2,549,069	\$88,406	3.6%	\$250,569	10.9%	
Net Expenditures/(Revenues)	\$2,286,766	\$2,460,663	\$2,549,069	\$88,406	3.6%	\$250,569	10.9%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

CHIEF ADMINISTRATIVE OFFICER (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 989 and approximately 1300 part time/seasonal staff 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 management of a \$333.2 million dollar budget, overseeing municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services, and Development Services, as well as the Directors of Human Resources, Sustainability Office, Legal Services, the Manager Strategic Initiatives and the Manager Executive Operations.

The CAO & Commissioners' Committee (CCC) supports the management of the Town's operations and is comprised of the CAO's direct reports. 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
- Sustainability Office

Legal Services

Reporting to the Chief Administrative Officer, the Legal Services Department provides a full range of legal advice and support to Council, its committees and Town staff. As a municipal corporation, the Town is subject to all laws of the Federal and Provincial governments.

The primary functions and duties of the Legal Services Department include:

- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Ontario Municipal Board hearings
- 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/agreements
- Negotiation, preparation, review and registration of documents required for the acquisition and sale of real property



- Drafting and review of by-laws
- Provision of legal advice and direction to all municipal departments
- Meetings with other government agencies, 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, including representation of the Licensing Manager at Licensing hearings

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

Sustainability Office

The Markham Sustainability Office champions sustainability throughout the organization and in the community, including the Green Print Community Sustainability Plan.

A sustainable community has four interconnected dimensions:

- Healthy environment
- Economic vitality
- Social equity, and
- Vibrant culture

These are often called the four pillars of sustainability. In a sustainable community, decisions are made that will improve all four interconnected dimensions.

The Green Print will provide a comprehensive, strategic and overarching plan under which other initiatives, processes and programs would be coordinated, integrated and informed and will engage community members in an ongoing dialogue on the sustainable future of Markham.



CAO, LEGAL, HR & SUSTAINABILITY OFFICE

2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
Revenues								
USER FEES & SERVICE CHARGES	\$199,016	\$119,774	\$123,487	\$3,713	3.1%	(\$75,529)	-38.0%	
RECOVERIES & CONTRIBUTIONS	25,139	0	0	0	0.0%	(25,139)	-100.0%	
OTHER REVENUE	379	0	0	0	0.0%	(379)	-100.0%	
Total Revenues	\$224,534	\$119,774	\$123,487	\$3,713	3.1%	(\$101,047)	-45.0%	
Expenses								
SALARIES AND BENEFITS	\$4,324,331	\$4,269,865	\$4,777,500	\$507,635	11.9%	\$453,169	10.5%	
PRINTING & OFFICE SUPPLIES	24,001	30,153	30,153	0	0.0%	6,152	25.6%	
OPERATING MATERIALS & SUPPLIES	52,853	73,656	73,656	0	0.0%	20,803	39.4%	
COMMUNICATIONS	11,761	9,612	9,612	0	0.0%	(2,149)	-18.3%	
TRAVEL EXPENSES	32,953	42,842	65,842	23,000	53.7%	32,889	99.8%	
TRAINING	208,334	285,250	346,988	61,738	21.6%	138,654	66.6%	
CONTRACTS & SERVICE AGREEMENTS	44,096	65,762	55,762	(10,000)	-15.2%	11,666	26.5%	
RENTAL/LEASE	5,377	6,944	6,944	0	0.0%	1,567	29.1%	
PROFESSIONAL SERVICES	818,005	503,789	534,051	30,262	6.0%	(283,954)	-34.7%	
LICENCES, PERMITS, FEES	47,351	61,534	66,534	5,000	8.1%	19,183	40.5%	
PROMOTION & ADVERTISING	231,363	262,640	262,640	0	0.0%	31,277	13.5%	
OTHER EXPENDITURES	3,823	17,000	30,000	13,000	76.5%	26,177	684.7%	
Total Expenses	\$5,804,248	\$5,629,047	\$6,259,682	\$630,635	11.2%	\$455,434	7.8%	
Net Expenditures/(Revenues)	\$5,579,714	\$5,509,273	\$6,136,195	\$626,922	11.4%	\$556,481	10.0%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Training: Increase in budget for Health and Safety Training.

Other Expenditures: Increase in budget due to the Diversity Annual Program.

Professional Services: Increase in budget due to the Wellness Program and Consulting Fees for Work Issues (i.e. workplace discrimination).



LEGAL SERVICES BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	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.	Success in 85% of cases in defense of the Town's position or settlement of matters in accordance with instructions. Number of appeals/litigation matters commenced continues to increase. Files opened in the first six months of 2010 are trending to one and a half times the five year average.	OT	✓	
2	Real property matters - The Department acts for the Town in negotiating and completing acquisitions, disposition and leases to ensure that the interests of the Town are well represented and protected and to ensure that Town policy is complied with.	Successful completion of transactions authorized by Council, ensuring protection of the Town's interests.	OT	✓	
3	Legal representation and provision of strategic and practical advice and services to the Town, including Council, Committee and staff, on a wide variety of legal issues and policy matters.	Protection of Town's interests while facilitating, in a timely way, the plans and programs of operating departments.	OT	✓	
4	Development Agreements - preparation and registration of all subdivision, site plan, heritage conservation easement and other agreements to facilitate residential, commercial, industrial, institutional and heritage development within the Town.	Timely preparation, execution and registration of all agreements necessary to protect the interests of the Town and facilitate development approvals of the Town.	OT	✓	
5	Markham Enterprises Corporation - provision of strategic and practical advice to the Shareholder, Board of Directors, staff of MEC and its subsidiary Markham District Energy Inc.	Timely and practical advice delivered to ensure the corporation's interests are protected.	OT	✓	
6	Preparation of a client survey in 2010 as a follow up to the 2008 client survey	Identify areas for improved customer service	DL		✓
7	Staff Satisfaction Improvement project - improved space planning for Real Property Section and main office	Furniture to be re-aligned in Real Property Section, and office added for Assistant Town Solicitor in main office	OT		✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

LEGAL SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed				1			1 every 2 years
# of informal customer satisfaction surveys completed							
overall satisfaction (%)				73%			80%
% extremely/very satisfied				59%			35%
% of requests responded to in a timely fashion	86%	88%	84%	80%			
FINANCIAL PERFORMANCE							
Net cost per household	\$ 8.41	\$ 11.29	\$ 10.62	\$ 10.90	\$ 11.58	\$ 8.00	
Lawyer to population ratio (Avg 1:48,000)	1:66,853	1:69,450	1:71,250	1:74,544	1:75,750	1:77,038	
Outside Counsel fees paid	\$100,156	\$69,128	\$318,713	\$302,151	\$291,085	\$314,263	\$250,000
OPERATIONAL EXCELLENCE							
Favourable decisions as a % of decisions rendered	95%	94%	95%	86%		85%	95%
# of subdivision agreements registered	18	14	29	23	1	2	
# of site plan agreements prepared	102	62	65	53	52	21	
# of other development agreements prepared	27	23	53	27	32	42	
# of files opened	410	401	468	440	413	213	
# of acquisitions by expropriation			1	1	1	-	
% average increase in purchase price due to expropriation (cumulative)						313%	
% average increase in purchase price due to expropriation including pending settlements						256%	
Average time (months) to acquire by expropriation			13	10	10		
Average time (months) to acquire by negotiation				12	12	5	
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		85%		61%		68%	75%
Recognition rating (from staff survey)		77%		29%		57%	65%
Staff Satisfaction rating (from staff survey)		87%		76%		77%	80%
Completion rate for performance management	100%	100%	100%	100%	100%		100%
Average Corporate learning hours per full-time employee	6.6	5.1	6.7	7.4	6.0	6.0	20.0
Staff absenteeism (average # of days per employee)	0.4	1.9	4.9	4.4	4.9	1.3	8.4
Staff turnover rate	0%	14%	0%	29%	0%	7%	7.5%
KPI SUMMARY							
<p>Average time to acquire by expropriation based on time to acquire possession, not finalize compensation. To date, only 1 expropriation has been completed since 2003, all others (3) have been completed by s. 30 offers which is quasi voluntary. Two are nearing settlement of compensation. Time to finalize compensation can take years and is not taken into account in these KPI's. Targets have not been set for acquisitions by expropriation or negotiation. We are slowly developing the data on expropriation and when sufficient data is available, targets (and criteria for selecting expropriation or negotiation) will be set.</p>							



LEGAL SERVICES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

			Priorities								
			Council					Operational			
#	Objective	Requires Additional Resources?	Outcomes	Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Subdivision/Site Plan Agreement Reform			✓			✓			✓	
2											
Business Unit Objectives											
1	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.		Success in defense of the Town's position or settlement of matters in accordance with instructions.				✓				
2	Real property matters - The Department acts for the Town in negotiating and completing acquisitions, disposition and leases to ensure that the interests of the Town are well represented and protected and to ensure that Town policy is complied with.		Successful completion of transactions authorized by Council, ensuring protection of the Town's interests.				✓				
3	Legal representation and provision of strategic and practical advice and services to the Town, including Council, Committee and staff, on a wide variety of legal issues and policy matters.		Protection of Town's interests while facilitating, in a timely way, the plans and programs of operating departments.				✓				
4	Development Agreements - preparation and registration of all subdivision, site plan, heritage conservation easement and other agreements to facilitate residential, commercial, industrial, institutional and heritage development within the Town.		Timely preparation, execution and registration of all agreements necessary to protect the interests of the Town and facilitate development approvals of the Town.				✓				
5	Markham Enterprises Corporation - provision of strategic and practical advice to the Shareholder, Board of Directors, staff of MEC and its subsidiary Markham District Energy Inc.		Timely and practical advice delivered to ensure the corporation's interests are protected				✓				
6	Preparation of a client survey as a follow-up to the 2008 survey		Identify areas for improved customer service				✓				
7											
8											
9											

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



LEGAL SERVICES 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenues							
USER FEES & SERVICE CHARGES	\$199,016	\$119,774	\$123,487	\$3,713	3.1%	(\$75,529)	-38.0%
RECOVERIES & CONTRIBUTIONS	0	0	0	0	0.0%	0	0.0%
Total Revenues	\$199,016	\$119,774	\$123,487	\$3,713	3.1%	(\$75,529)	-38.0%
Expenses							
SALARIES AND BENEFITS	\$1,032,469	\$1,104,052	\$1,157,012	\$52,960	4.8%	\$124,543	12.1%
PRINTING & OFFICE SUPPLIES	3,746	6,320	6,320	0	0.0%	2,574	68.7%
OPERATING MATERIALS & SUPPLIES	10,258	9,261	9,261	0	0.0%	(997)	-9.7%
COMMUNICATIONS	3,207	1,117	1,117	0	0.0%	(2,090)	-65.2%
TRAVEL EXPENSES	3,456	4,325	4,325	0	0.0%	869	25.1%
TRAINING	1,307	1,189	1,189	0	0.0%	(118)	-9.0%
CONTRACTS & SERVICE AGREEMENT	(43,853)	(43,853)	(43,853)	0	0.0%	0	0.0%
RENTAL/LEASE	1,759	1,520	1,520	0	0.0%	(239)	-13.6%
PROFESSIONAL SERVICES	699,722	325,189	325,189	0	0.0%	(374,533)	-53.5%
LICENCES, PERMITS, FEES	34,379	43,222	43,222	0	0.0%	8,843	25.7%
Total Expenditures	\$1,746,450	\$1,452,342	\$1,505,302	\$52,960	3.6%	(\$241,148)	-13.8%
Net Expenditures/(Revenues)	\$1,547,434	\$1,332,568	\$1,381,815	\$49,247	3.7%	(\$165,619)	-10.7%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



HUMAN RESOURCES BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Diversity (primary)	Diversity Action Plan developed, approved, published and launched including 8 community consultations, the establishment of tools such as a diversity intranet site and recruitment tips for interviewing internationally trained candidates. The design and delivery of 3 pilots of the Diversity competence training.	OT	✓	✓
2	Town wide review of Administrative Services (primary)*	The original objective of completing a review of the delivery of administrative services across the organization with a view to identifying opportunities for increased efficiency and effectiveness was deferred.	DL		✓
3	Attendance Management - policy and program development	An Attendance Management policy was developed and communicated on the HR intranet site; Hours of Work and Overtime policy was developed and approved. Vacation policy was developed and approved. Employment Standards Act Posting policy was developed and communicated on the HR intranet site. A Flexible Work Arrangements policy has been drafted and is under review. A Leave of Absence policy has been drafted and is under review. Revisions to the absence report forms have been drafted and are under review.	OT		✓
4	Introduction of Learning Management System - Markham Learn Centre	Launched a Learning Management System to support talent management, legislative compliance, emergency response redeployment strategies, increased measurement capacity and electronic means of registering, approving and tracking employee learning activities.	OT		✓
5	CUPE Inside, Outside, MPFFA Collective Bargaining and Library CUPE	Commenced negotiations of renewal collective agreements in each case.	OT		✓
6	Health and Safety - continuous program improvement	Trained a small group of supervisors to incorporate "Safety Talks" into their weekly employee communication. Updated accident investigation reports and are exploring electronic reporting with ITS. Reviewed and updated Joint Occupational Health and Safety Committee accident investigation protocols. Introduced a Joint Health and Safety Committee at 8100 Warden. Developed and delivered Due Diligence training for approximately 30% of the Performance Manager population. Developed and delivered Asbestos training for Fire, Engineering and Building Inspection. Developed a set of specific safe operating procedures for priority jobs in Waterworks, Recreation and Municipal Inspection. Implemented regular Health and Safety updates and education to the Director's Forum. Delivered focused training related to Contractor Safety compliance delivered to select Project Managers.	OT		✓
7	Town Staff Satisfaction Survey	HR assumed responsibility for the corporate bi-annual survey. Conducted the bi-annual staff satisfaction survey achieving a participation rate of 85%.	OT		✓
8	NQI- On line Learning Modules	In a continued effort to champion the Town's NQI journey, HR partnered with the National Quality Institute and introduced Quality & Healthy Workplace modules for Performance Managers followed by the development of in-house modules for staff.	OT		✓
9	Pay and Benefit administrative systems review	Created and launched a new segment to the HR intranet site related to Job Evaluation including definitions, processes and an inventory of forms. Documented guiding principles and protocols related to Part Time rates of pay, reclassification of jobs, payroll documentation deadlines. Process mapped the Service Award program Full Time and Part Time.	OT		✓
10	Staff Satisfaction Improvement Project -Process Mapping and Communication	Process mapping and documentation efforts were continued for the purpose of increasing consistency of practice and improving effective communication within the HR department. Introduced bi-weekly divisional team meetings and a template for updates to the Director flowing through to the CAO and have solidified the use of project management methodology such as work plans and project charters.	OT		✓
11	Pregnancy & Parental Leave Income Supplement Program	The program was developed, approved and introduced to staff on applicable leave. In addition income supplement was provided to 5 staff.	OT		✓
12	Staffing Policies/Tools	Updated the Recruitment policy for communication on the HR intranet site by year end. Developed background check forms and developed a variety of logs (search firm, stakeholder referral and sourcing logs). Purchased new exit interview technology in support of enhanced reporting capability for introduction in 2011. Hiring of Relatives policy was developed through a fulsome consultation process and subsequently approved. Implementation will occur in November 2010. Drafted CUPE recruitment guidelines and Temporary and Part Time employment guidelines.	OT		✓
13	Telework pilot	Developed and implemented a comprehensive Telework pilot policy, program and supporting documents with a full communication on the HR intranet site. 2 information sessions and 5 training sessions were held in support of the pilot launch. The first pilot had 34 participants and the second pilot is slated for January 2011.	OT		✓

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
14	Firefighter Recruitment	Firefighter recruitment program completed for new Cathedral Fire Station incorporating a methodology that supports the organization's diversity initiative (including partnerships with York Region Police and Emergency Services).	OT		✓
15	Bill 168 Implementation	Respect in the Workplace policy developed and Performance Managers are currently participating in information workshops. Phase II of implementation will include information workshops for all employees and will commence in November 2010. Job Hazard Analysis has been completed for approximately 75% of jobs with 100% completion anticipated by year end. The corresponding comprehensive Hazard Identification reports by job classification are being developed and will be completed and distributed to the relevant department(s) by June 2011.	OT		✓
16	Code of Ethics	Developed and completed a draft policy through an extensive consultation process. The policy will be presented to CCC by year end.	OT		✓
17	Summer Student Recruitment - enhancements	A number of process and transparency improvements were implemented including increased use of technology, introduction of an Operations lottery, enhanced outreach and improved internal/external communications and education.	OT		✓

Notes:

Town wide review of Administrative Services (primary)* - This objective was deferred as a result of other priorities.

Objective Status: OT= On Target, ADJ= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



HUMAN RESOURCES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed (see below 1)				1			1 every 2 years
overall satisfaction (%)				94%			80%
Human Resources Customer Service Survey (% extremely/very satisfied)				19%			35%
Human Resources Customer Service Survey (% very satisfied/satisfied)				94%			90%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 20.85	\$ 24.77	\$ 24.24	\$ 22.30	\$ 24.46	\$ 11.21	
Average training cost per FTE (see below 2)			\$ 574.00	\$ 525.00	\$ 136.82	\$ 86.43	
% of inactive staff processed through bi-weekly payroll (see below 3)					1.50%	4.00%	0%
Recruitment cost to fill an external vacancy (excludes 150's)		\$ 3,153.00	\$ 4,825.00	\$ 5,688.00	\$ 6,622.00	\$ 1,431.00	
OPERATIONAL EXCELLENCE							
Total hours of training delivery held per year			812	835	1,135	407	
Ratio of HR staff per total employee population	1 to 119	1 to 160	1 to 114	1 to 114	1 to 114	1 to 117	1 to 100
Time to fill a vacancy (in weeks) (see below 4)	12.9	9.9	9.4	13	12.2	10.3	10
# of Arbitrations	3	0	0	1	0	0	
# of Grievances	12	21	25	14	6	9	
All Injury Rate (Fire department pilot)					16.63%	7.65%	0.00%
Number of recruitments conducted (full recruitment)	157	156	137	118	117	118	
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		72%		63%		63%	75%
Recognition rating (from staff survey)		61%		63%		54%	65%
Staff Satisfaction rating (from staff survey)		70%		82%		62%	80%
Completion rate for performance management	83%	100%	93%	100%	88%		100%
Average Corporate learning hours per full-time employee	31.0	47.3	9.8	16.0	11.1	2.7	20.0
Staff absenteeism (average # of days per employee)	4.0	6.1	1.3	12.9	3.0	1.5	5.0
Staff turnover rate	0%	8%	0%	14%	0%	7%	7.5%
KPI SUMMARY							
1 - Bi-annual HR Customer Satisfaction survey will be conducted by year end.							
2 - based on actual training cost divided by Town FTE count.							
3 - % of inactive staff processed through bi-weekly payroll 2% represents 40 inactive records, 4% reflects 80 inactive records							
4- Reflects an average of both internal and external recruitment activity.							

HUMAN RESOURCES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/	Public Safety	Diversity	Alignment to NQI

Cross Commission Projects

1	Diversity - The implementation of the priority items as identified for 2011 completion in the Diversity Action Plan and approved by Council, including the delivery of Diversity Competence training.	✓	The creation of work plans, evaluation mechanisms and implementation of 2011 recommendations as identified in the Diversity Action Plan including the roll out of training to all full time employees.							✓	✓	✓
2	Introduce a Talent Management framework which allows for the identification, development and retention of identified talent against the Corporate requirements.		Phase I - Identification of the Corporate requirements for continued success. Once complete the identification of talent requirements.							✓	✓	✓
3	Modernize HR Technology to gain efficiencies and effectiveness		In partnership with Finance and ITS exploration and identification of an enhanced HRIS/Payroll technology solution.								✓	✓
4	NQI PEP IV Journey - Focus Area - Recognition		Implementation of a recognition survey to identify 2012 refinements to the recognition program.							✓	✓	✓

Business Unit Objectives

1	Completion of the Telework Pilot Program		Development of options and recommendations arising from the first pilot and the implementation of the second pilot phase of the program during Q1 and Q2 of 2011.								✓	✓
2	Fire Recruit - The successful recruitment of firefighters for the Cornell Fire Station utilizing innovative partnerships and outreach methods.		The completion of a firefighter recruitment for the new Cornell Fire station.							✓	✓	
3	Pay Equity - The continued development, negotiation and approval of legislatively required maintenance pay equity plans for CUPE, MPFFA, non-union and library employees.	✓	The posting of negotiated (as required) plans for all employee groups.									
4	Health and Safety - The continued journey on the road to zero workplace injuries and illnesses.	✓	The completion of scheduled H&S Training including: Young / New / Transferred & Returning Workers, Work at Heights, Fall Arrest, confined spaces, Excavation & Trenching, Mobile Equipment, Vehicle Safety, Traffic Control/ Pedestrian Awareness, Electrical & Lock Tag Verify, Hot Work, Chemical Safety, Machine Guarding & Safety, First Aid, CPR and AED. Ongoing Designated Substance Assessment. Ongoing Violence Assessment. Management of contractor safety. Confined Space Inventory. Hazard Control including Safe Work Instructions and Signage. Job Hazard Analysis.									✓
5	Summer student program improvement		Introduction of the use of social media and tracking of results during 2011.							✓	✓	✓
6	Recruitment advertising re-branding - An updated branding of the organization related to recruitment advertising.		An updated positioning of employment advertisements to better align Markham's current business strategy with potential candidates.							✓	✓	
7	Collective Bargaining		Completion of outstanding sets of negotiations.								✓	
8	Staff Satisfaction Project		Increased work life balance and celebration of successes.							✓	✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



HUMAN RESOURCES 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
USER FEES & SERVICE CHARGES	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
OTHER REVENUE	379	0	0	0	0.0%	(379)	-100.0%
Total Revenues	\$379	\$0	\$0	\$0	0.0%	(\$379)	-100.0%
Expenses							
SALARIES AND BENEFITS	\$1,958,470	\$2,021,070	\$2,255,649	\$234,579	11.6%	\$297,179	15.2%
PRINTING & OFFICE SUPPLIES	13,550	14,985	14,985	0	0.0%	1,435	10.6%
OPERATING MATERIALS & SUPPLIES	25,850	61,190	61,190	0	0.0%	35,340	136.7%
COMMUNICATIONS	5,326	5,057	5,057	0	0.0%	(269)	-5.1%
TRAVEL EXPENSES	4,118	15,204	28,204	13,000	85.5%	24,086	584.9%
TRAINING	199,240	261,971	323,709	61,738	23.6%	124,469	62.5%
CONTRACTS SERVICES AGREEMENT	18,797	29,615	29,615	0	0.0%	10,818	57.6%
RENTAL/LEASE	3,353	4,551	4,551	0	0.0%	1,198	35.7%
PROFESSIONAL SERVICES	118,283	178,600	208,862	30,262	16.9%	90,579	76.6%
LICENCES, PERMITS, FEES	5,304	11,999	16,999	5,000	41.7%	11,695	220.5%
PROMOTION & ADVERTISING	231,363	262,640	262,640	0	0.0%	31,277	13.5%
MISCELLANEOUS EXPENSES	2,211	17,000	30,000	13,000	76.5%	27,789	1256.9%
Total Expenses	\$2,585,865	\$2,883,882	\$3,241,461	\$357,579	12.4%	\$655,596	25.4%
Net Expenditures/(Revenues)	\$2,585,486	\$2,883,882	\$3,241,461	\$357,579	12.4%	\$655,975	25.4%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Training: Increase in budget for Health and Safety Training.

Professional Services: Increase in budget due to the Wellness Program and Consulting Fees for Work Issues (i.e. workplace discrimination).

Other Expenditures: Increase in budget due to the Diversity Annual Program.

SUSTAINABILITY OFFICE – BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Complete Greenprint Community Sustainability Plan	Delivered "Draft for Consultation" Greenprint which was endorsed by Council June 14, 2010. Process included three Greenprint Steering Committee Meetings, two presentations to General Committee, Markham staff meetings; and a "Draft for Consultation" launch at the Unionville Festival.	AD	✓	
2	Engage internal and external stakeholders.	Conducted 22 internal/staff stakeholder sessions with managers and directors from multiple departments as well as conducted two stakeholder engagement sessions for participants from other levels of government, non-governmental organizations, and the business community where the Greenprint was discussed. In addition Sustainability Office staff presented the Greenprint at 30 external public events including Milliken Children's Festival, the Unionville Festival and the Markham and Unionville Jazz Festivals. Presented Greenprint to Cornell, Markham Centre, and Milliken Advisory Groups.	OT	✓	✓
3	Ensure projects from all commissions align with Greenprint	Greenprint priorities appear within the Integrated Leisure Master Plan, the Strategic Transportation Plan, and the Diversity Action Plan. A sustainability item is included under the Environment section of Growth Management Strategy. The priorities are being discussed as part of the new Official Plan and the Master Servicing plans.	COM	✓	✓
4	Share expertise with staff related to on-going projects.	Assisted other departments in the development or review of on-going projects including the Fire Station 99 project development, GHG modelling comparing intensification options, LEED review for Markham Museum expansion, Markham Energy Conservation Office support for Markham Enterprise Corporation, Highway 7/404 Golf Driving range sustainability review, review transportation strategic plan. Created "kitchen table" workbook for community engagement.	OT		✓
5	Employ technology to engage the public	Social media achievements: Twitter@SO Markham - 317 tweets, 131 followers, 132 following; Facebook Markham's Greenprint page - 84 likes, 74 posts; Facebook Markham's Greenprint groups - 248 friends, >50 posts; Facebook Power Pledge Campaign - 13 095 999 impressions, 173 221 social impressions, 2 358 clicks	OT		✓
6	Develop Greenprint website within PORTAL	PORTAL release delayed to 2011 - ongoing coordination with Information Technology Services (ITS)	AD	✓	✓
7	Share experiences related to developing the Greenprint with outside organizations.	The Sustainability Office has been contacted and provided information to other local governments' sustainability staff including the Town of New Market, the City of Mississauga, and the Region of Peel.	OT		✓
8	Oversee renewable energy projects.	Civic Centre photovoltaic system installed and construction to commence on 8100 Warden PV array. Coordinating Powerstream's PV roof top lease program. Initiated discussion on Town supported Co-op program.	AD		✓
9	Support Powerstream conservation and demand management programs.	Participated in "Learn to Conserve Workshops." Supported development of Community Conservation Office in Civic centre.	OT		✓
10	Develop external funding sources.	Successfully submitted funding applications to FCM for \$4 000 000 loan and \$400 000 grant for East Markham Community Centre and Library, and secured contracts with the Ontario Power authority for the Civic Centre's 9.6kW solar PV microFIT system and 8100 Warden's 250kW solar PV FIT system. Supported development of roof top leases with Powerstream for 1 726kW of PV capacity.	COM		✓
11	Develop community gardens and farmers' markets.	Assisted with the development of the Legacy Organic Garden, including accessing MESF monies, assisted Seeds of Change group with school community Garden	OT		✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted
Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity
Operational Priorities: NQI PEP Level 3, Innovation



SUSTAINABILITY OFFICE - KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed (external)							1 every 2 years
# of informal customer satisfaction surveys completed (internal)							1 every 2 years
overall satisfaction (%)							80%
% extremely/very satisfied							35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ -	\$ -	\$ -	\$ 8.39	\$ 7.78	\$ 2.81	
Annual savings generated by MECO (procurement, conservation and demand management)			\$131,699	\$369,897	\$217,154	\$82,634	\$ 217,385
Revenue generated by MECO (FIT, rebates, incentives)					0 (solar PV project) 2010 adjusted, \$60,000 ERIIP	\$0	\$ 188,000
\$ generated from grant/partnership funding						\$4 000 000 FCM Loan \$400 000 FCM Grant	\$ 1,500,000
OPERATIONAL EXCELLENCE							
Green Print community sustainability plan completed						1 Draft for Consultation Plan	1 Adopted Plan
# of local food opportunities					1	Supported 1 Farmers Market	2 Local Food Opportunities
# of outreach and inreach activities/programs/initiatives (# of people attending)					"Learn to Conserve" - 203 participants	>1250 participants	1,250
# of kWh of electricity, m3 of gas saved corporately (converted to tonnes of eCO2 emissions reduced)						RFP under development for energy metering and monitoring system	Set PCP targets and tracking technology deployed at Civic Centre and Angus Glen CC&L
# of kWh of electricity, m3 of gas saved in community - i.e., through community based programs delivered by MECO and other external partners (converted to tonnes of eCO2 emissions reduced)						Developing relationships with utility providers to acquire energy use information	Set PCP targets and tracking capabilities.
# of renewable energy projects implemented at corporate facilities and corresponding reduction in GHGs (i.e., solar PV, solar thermal, geothermal, etc.)						9.6 kW Civic Center PV array installed	1 976kW worth of rooftop leases and installed PV arrays
# of relationships established with agencies and organizations that fund, operate, or deliver cultural or social services in Markham that are aligned with Greenprint priorities and strategies.						-	3
# of external groups seeking sustainability expertise (speaking engagements, meetings, cold calls)						1	5
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)						71%	75%
Recognition rating (from staff survey)						63%	65%
Staff Satisfaction rating (from staff survey)						83%	80%
Completion rate for performance management					67%		100%
Average Corporate learning hours per full-time employee					3.5	0.4	20.0
Staff absenteeism (average # of days per employee)					2.2	2.2	8.4
Staff turnover rate					33%	0%	7.5%

KPI SUMMARY

Note: i. FCM Loan and Grant Application was completed after June 30, 2010 - no money has been received to date, and; ii. The Sustainability Office will actively engage York Region United Way, York Region Health Services, YMCA of Greater Toronto, and York Region Community Foundation

SUSTAINABILITY OFFICE – BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)											
				Priorities							
				Council					Operational		
#	Objective	Requires Additional Resources?	Outcomes	Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
				Cross Commission Projects							
1	Complete Greenprint Community Sustainability Plan (Primary)	✓	Council endorsed/finalized Greenprint Sustainability Plan June 2011		✓						
2	Create Sustainability Office website in PORTAL (Secondary)		Functional Sustainability Office webpage within PORTAL environment Q1							✓	
3	Help shape Integrated Leisure Master Plan Implementation (Secondary)		Influence 2011 projects resulting from ILMP					✓			
4	Diversity (Secondary)		Align Diversity and Greenprint recommendations						✓		
5	Municipal Services (Secondary)		Align Master Servicing Plan with Greenprint priorities and strategies.				✓				
6	Official Plan (Secondary)		Greenprint priorities and strategies are reinforced through Official Plan structure and policies	✓							
7	Culture Master Plan (Secondary)		Greenprint priorities and strategies are built into projects developed out of Culture Master Plan					✓			
8	Accessibility Plan (Secondary)		Support Accessibility projects.						✓		
9	Master Transportation Servicing (Secondary)		Align Strategic Transportation Plan with Greenprint priorities and strategies.		✓						
10	Master Servicing Plan (Secondary)		Align Master Servicing Plan with Greenprint		✓						
11	Climate Action Plan (Primary)(E3)		Complete Climate Action Plan and create baseline and metrics			✓					
12	MECO - Corporate Energy Plan (Primary)		Completed Corporate Energy Plan			✓					
Business Unit Objectives											
1	To engage internal and external stakeholders.		Greenprint message delivered to 1250 people through engagement sessions.	✓	✓	✓	✓	✓	✓		
2	Share expertise with staff, stakeholders and other levels of government and NGO's in order to include Greenprint recommendations in on-going projects.		Greenprint implementation through a minimum of 20 new projects developed by staff or external organizations as part of their work plans.	✓	✓	✓	✓	✓	✓		
3	Develop external funding sources.		Get grant funding for prototypical neighbourhood regeneration plan and for local food projects	✓	✓	✓	✓	✓			
4	Develop community local food strategy and policies		Local food section in Official Plans including chickens in backyards	✓	✓	✓	✓	✓	✓		
5	Share experiences related to developing the Greenprint and exchange ideas and best practices with other local governments.		A best practices sharing session hosted by Sustainability Office for local governments	✓	✓	✓	✓	✓	✓		
6	Formally launch council endorsed Greenprint Plan		Greenprint Launch Lunch May 6, 2011		✓						
7	Create a climate change plan and a prototypical neighbourhood regeneration plan.		A climate change plan and a prototypical neighbourhood regeneration plan, created in collaboration with all commissions, that demonstrate the actions to be taken to meet the challenges of climate change, resource scarcity, and demographic change, within a constrained financial environment.	✓	✓	✓	✓	✓	✓	✓	✓
8	Improve upon 2010 staff satisfaction survey results through NQI philosophy around visible leadership and staff engagement		Work with ITS (Information Technology Services) to get the hardware and software solutions needed for work being performed in the Sustainability Office							✓	
9	Measure Town staff's level of understanding and alignment Greenprint priorities and strategies.		Conduct a survey that will measure Town staff's knowledge and understanding of the Greenprint priorities and strategies							✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



SUSTAINABILITY OFFICE 2011 OPERATING BUDGET

<u>Description</u>	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2011 Bud.</u>		<u>2011 Bud. Vs. 2011 Act.</u>		
				<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	<u>\$ Incr./(Decr.)</u>	<u>% Change</u>	
Revenues								
RECOVERIES & CONTRIBUTIONS	\$25,139	\$0	\$0	\$0	0.0%	(\$25,139)	-100.0%	
OTHER REVENUES	0	0	0	0	0.0%	0	0.0%	
Total Revenues	\$25,139	\$0	\$0	\$0	0.0%	(\$25,139)	-100.0%	
Expenses								
SALARIES AND BENEFITS	\$612,664	\$424,385	\$535,042	\$110,657	26.1%	(\$77,622)	-12.7%	
PRINTING & OFFICE SUPPLIES	883	995	995	0	0.0%	112	12.7%	
OPERATING MATERIALS & SUPPLIES	15,853	0	0	0	0.0%	(15,853)	-100.0%	
COMMUNICATIONS	13	500	500	0	0.0%	487	3746.2%	
TRAVEL EXPENSES	6,629	1,976	1,976	0	0.0%	(4,653)	-70.2%	
TRAINING	1,182	1,200	1,200	0	0.0%	18	1.5%	
LICENCES, PERMITS, FEES	452	0	0	0	0.0%	(452)	-100.0%	
Total Expenditures	\$637,676	\$429,056	\$539,713	\$110,657	25.8%	(\$97,963)	-15.4%	
Net Expenditures/(Revenues)	\$612,537	\$429,056	\$539,713	\$110,657	25.8%	(\$72,824)	-11.9%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids; and one new headcount.



CAO'S OFFICE – COMMISSION SUPPORT 2011 OPERATING BUDGET

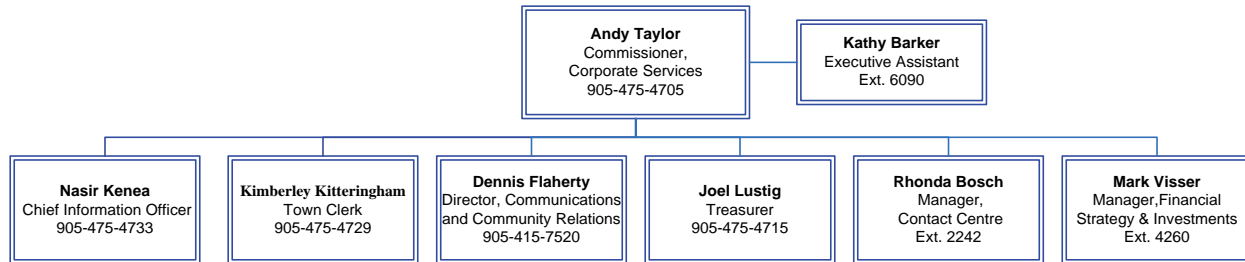
Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses								
SALARIES AND BENEFITS	\$720,728	\$720,358	\$829,797	\$109,439	15.2%	\$109,069	15.1%	
PRINTING & OFFICE SUPPLIES	5,822	7,853	7,853	0	0.0%	2,031	34.9%	
OPERATING MATERIALS & SUPPLIES	892	3,205	3,205	0	0.0%	2,313	259.3%	
COMMUNICATIONS	3,215	2,938	2,938	0	0.0%	(277)	-8.6%	
TRAVEL EXPENSES	18,750	21,337	21,337	0	0.0%	2,587	13.8%	
TRAINING	6,605	20,890	20,890	0	0.0%	14,285	216.3%	
CONTRACTS SERVICES AGREEMENT	69,152	80,000	80,000	0	0.0%	10,848	15.7%	
RENTAL/LEASE	265	873	873	0	0.0%	608	229.4%	
LICENCES, PERMITS, FEES	8,828	6,313	6,313	0	0.0%	(2,515)	-28.5%	
Total Expenses	\$834,257	\$863,767	\$973,206	\$109,439	12.7%	\$138,949	16.7%	
Net Expenditures/(Revenues)	\$834,257	\$863,767	\$973,206	\$109,439	12.7%	\$138,949	16.7%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



CORPORATE SERVICES



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

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

- Legislative Services
- Financial Services
- Information Technology Services
- Communications and Community Relations
- Contact Centre

Currently, there are 153 full time employees who are responsible for the day-to-day operations of the various divisions and departments.

Legislative Services

Legislative Services Department staff are familiar faces to many Markham residents and businesses; whether attending a public meeting, renewing a business licence or addressing neighbourhood parking issues. The Legislative Services Department is responsible for a broad range of statutory duties associated with the municipal clerk, as well as regulatory and enforcement services and programs focused on public safety and compliance.

The Department liaises between Council, staff and the public to produce Council and committee meeting notices, agendas, minutes and retains records of the same. Responses to requests for information held by the municipality, organization and administration of municipal elections; registration of deaths and marriages are also undertaken by the Department.

The Department's staff provides corporate support and customer services such as mail and print services, records management and sale of plots for public cemeteries.

By-law Enforcement & Licensing Staff provide frontline field services to Markham residents and businesses. Using their community relations and regulatory compliance skills, Enforcement Staff maintain community standards in areas such as land use, property maintenance, signage, animals & wildlife and mobile & business licensing.

Parking Control is also a responsibility of staff, with school zones and accessible parking enforcement being key service areas. The Department's By-Law Enforcement and Licensing Division works closely with residents and businesses to educate and ensure compliance with licensing, property standards and parking regulations. By-law enforcement and licensing officers address issues related to such things as pesticide use, noise control, taxi and limousine industries and control of disabled parking spaces.

Financial Services

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

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

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 and communication technologies. The Department is comprised of three divisions, namely:

- Technology (Network Infrastructure, Desktop, Telecommunication, and Audio Visual support)
- Client Delivery (Service Desk, Project Delivery and Support)
- Applications and GIS (Support Business Applications & Web, Data Management, GIS Services and Support)



Communications and Community Relations

Communications and Community relations leads and manages Markham's public and staff communications through Markham's website and intranet, printed and digital publications, advertising and media relations. In addition, the department provides special event support for Markham's corporate events, administrative support to community events, and manages Markham's corporate sponsorship program, and community partnership and stakeholder relationships. Department staff develop and implement communications plans to support key Markham strategies, programs and initiatives; write, design and produce print and electronic materials; provide issues and crisis management support, and manage Markham's branding.

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, Waterworks, and Parking.

In addition to the telephone support function for each of the noted operating departments, the Contact Centre is responsible for registration processing, tender disbursements, parking permits, animal and business licensing, white goods management, email communications 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.



CORPORATE SERVICES COMMISSION 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
LICENCES & PERMITS	\$1,329,791	\$1,342,969	\$1,371,258	\$28,289	2.1%	\$41,467	3.1%	
INCOME FROM INVESTMENTS	7,979	5,800	13,800	8,000	137.9%	5,821	73.0%	
FINES	1,989,036	1,908,750	1,932,730	23,980	1.3%	(56,306)	-2.8%	
USER FEES & SERVICE CHARGES	1,041,857	917,533	1,033,034	115,501	12.6%	(8,823)	-0.8%	
RENTALS	49,878	62,157	62,157	0	0.0%	12,279	24.6%	
SALES	35,854	12,031	41,531	29,500	245.2%	5,677	15.8%	
RECOVERIES & CONTRIBUTIONS	69,008	528,805	496,305	(32,500)	-6.1%	427,297	619.2%	
OTHER INCOME	100,384	162,000	162,000	0	0.0%	61,616	61.4%	
INTERDEPARTMENTAL RECOVERIES	0	(105,500)	(105,500)	0	0.0%	(105,500)	0.0%	
Total Revenues	\$4,623,787	\$4,834,545	\$5,007,315	\$172,770	3.6%	\$383,528	8.3%	
Expenses								
SALARIES AND BENEFITS	\$13,707,892	\$14,309,636	\$15,129,845	\$820,209	5.7%	\$1,421,953	10.4%	
PRINTING & OFFICE SUPPLIES	158,424	226,966	197,466	(29,500)	-13.0%	39,042	24.6%	
PURCHASES FOR RESALE	57,600	67,200	67,200	0	0.0%	9,600	16.7%	
OPERATING MATERIALS & SUPPLIES	(36,469)	20,567	27,067	6,500	31.6%	63,536	-174.2%	
INVENTORY ADJUSTMENTS	0	0	0	0	0.0%	0	0.0%	
COMMUNICATIONS	938,023	914,766	919,239	4,473	0.5%	(18,784)	-2.0%	
TRAVEL EXPENSES	20,311	36,458	36,958	500	1.4%	16,647	82.0%	
TRAINING	52,133	144,220	147,720	3,500	2.4%	95,587	183.4%	
CONTRACTS & SERVICE AGREEMENTS	1,656,081	1,506,443	1,762,690	256,247	17.0%	106,609	6.4%	
MAINT. & REPAIR-TIME/MATERIAL	64,881	85,928	92,928	7,000	8.1%	28,047	43.2%	
RENTAL/LEASE	119,786	116,245	131,045	14,800	12.7%	11,259	9.4%	
PROFESSIONAL SERVICES	377,596	428,086	425,086	(3,000)	-0.7%	47,490	12.6%	
LICENCES, PERMITS, FEES	93,284	136,550	138,550	2,000	1.5%	45,266	48.5%	
CREDIT CARD SERVICE CHARGES	15,721	20,196	20,196	0	0.0%	4,475	28.5%	
PROMOTION & ADVERTISING	198,580	195,085	198,085	3,000	1.5%	(495)	-0.2%	
KEY COMMUNICATION PROGRAMS	376,701	533,883	533,883	0	0.0%	157,182	41.7%	
DISCRETIONARY COMMUNICATION	0	0	0	0	0.0%	0	0.0%	
OTHER PURCHASED SERVICES	2,580	3,550	3,550	0	0.0%	970	37.6%	
OFFICE FURNISHINGS & EQUIPMENT	0	3,000	4,000	1,000	33.3%	4,000	0.0%	
WRITE-OFFS	0	100	100	0	0.0%	100	0.0%	
OTHER EXPENDITURES	3,194	6,500	1,500	(5,000)	-76.9%	(1,694)	-53.0%	
Total Expenses	\$17,806,318	\$18,755,379	\$19,837,108	\$1,081,729	5.8%	\$2,030,790	11.4%	
Net Expenditures/(Revenues)	\$13,182,531	\$13,920,834	\$14,829,793	\$908,959	6.5%	\$1,647,262	12.5%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Licences & Permits: Increase is due to inflation and new development locations.

User Fees & Service Charges: Increase is due to inflation and right sizing the budget with actuals.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment, movement of staff along the Town's Salary Grids and new headcounts.

Contracts Services Agreement & Professional Services: Increase is due to computer maintenance and hosting costs, and ADP payroll processing costs.



LEGISLATIVE SERVICES BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
2010 Cross Commission Projects					
1	Establishment of information management guidelines, records categorization, and record retention procedures, governance and meta data. Project will result in more consistent and secure access, use, retention and disposition practices, recognizing information as a key corporate asset. Legislative Services and Information Technology departments are co-leads in this initiative.	Extensive inventory of corporate records completed in Q4 via internal survey; Consultant retained in Q4 to review and advise on records retention and information management governance policies.	OT	✓	✓
2	Supporting the CAO's Office in the implementation of regulations made under the Accessibility for Ontarians with Disabilities Act.	Provided on-going guidance on the development & implementation of corporate policies & on the corporate impact of new legislation (including providing comments on the Town's comments on the 5 Accessibility Standards).	OT	✓	
3	Departmental support for "portal" business transformation initiative.	Internal staff roles regarding the portal project were identified and applicable staff were trained on same in Q2-Q3; Content was reviewed and migrated to new environment (Q4); staff are continuing to look at realigning business operations to reflect an online business environment associated with the "portal" project.	OT	✓	✓
Business Unit Objectives					
1	Effectively manage all aspects of the Clerk's responsibilities related to the 2010 municipal election in accordance with statutory and operational timeframes.	Implementation of comprehensive project plan. All activities occur throughout 2010 & 2011 in accordance with timeframes set by legislation or operational requirements; Key objectives: proper legislative & administrative conduct of the election; use of new technology relative to on-line & in-person voting; & removal of physical & language barriers.	OT	✓	✓
2	Participate in the development and delivery of the orientation program for the 2010 - 2014 Council.	Development of orientation materials, delivery of orientation information to the 2010 - 2014 Council by Q4 & Q1 of 2011.	OT	✓	✓
3	Continued development of governance-related elements of the Town's Information Management Strategy.	Combined with Objective #1.	DEL	✓	✓
4	Development of an enhanced program of corporate privacy.	Delivery of privacy training & privacy consultation/assessment throughout 2010 (Department Heads Forum; Corporate Services Senior Mgt Team); consulted on privacy implications of portal (Q1-Q4)	OT	✓	✓
5	Implement site improvements to the Town's cemeteries, where applicable and as budget permits.	Minor site improvements were made; the Town acquired a new cemetery in 2010 (Q2) necessitating a review of the Town's entire cemetery operations. This will occur in 2011.	AD	✓	
6	Support the recruitment of citizen advisory committee members and the delivery of an enhanced volunteer program.	A report will be prepared General Committee related to citizen advisory committee appointments for consideration by 2010-2014 Council by Q4 (this will include a recruitment & interview strategy).	OT	✓	
7	Consideration of consolidated business licensing by-laws.	Ongoing work in support of a consolidated Licencing By-law throughout 2010. Includes stationary, mobile (includes taxi) & personal services by-laws. Targeting completion 4Q- 2011	AD	✓	✓
8	Development of a mediation and/or conflict resolution model for by-law and regulatory disputes.	Partial completion due to workload, project completion 2Q- 2011	DL	✓	✓
9	Development of corporate policies/protocols related to flag raisings and proclamations.	Protocols/policies to be considered by General Committee in Q4.	OT	✓	
10	Council review of Needs Assessment for the Establishment of a Satellite Animal Care Facility within Markham boundaries and direction on future strategy/ options	Objective adjusted - staff plan to retain an external consultant in 2011 to review the Town's long term service delivery options.	AD	✓	
11	By-law services and animal services customer surveys.	Objective timing adjusted due to workload; surveys to be conducted in Q2, 2011.	DL	✓	✓
12	Implementation of Markham taxi industry regulatory changes.	Combined with Objective #10.	DEL	✓	✓
13	In-field issuance of By-law & Licencing Orders and Notices, using wireless deployed in 2009	40% of Orders & Notices will be issued "on-the-spot" in 2010. Required technology installation delayed until 2011. Targeted completion now 2011.	AD	✓	✓

LEGISLATIVE SERVICES BUSINESS PLAN OUTCOMES (CONTINUED)

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
14	Undertake two "Area of Land Use Transition" special enforcement initiatives	Undertook special enforcement initiative in Hwy.7 and McPhillips area and within the Rural Area of Markham.	COM	✓	
15	Initiate a governance review of the Town's local boards and advisory committees. Includes development of a revised appointment policy.	Combined with Objective # 9.	DEL	✓	
16	Develop requirements for a corporate on-line room and resource booking system.	Implement on-line room & resource booking system with introduction of Microsoft Office 07. Awaiting implementation of the required technical enhancements.	AD	✓	✓
17	Evaluate the feasibility of engaging external mediation and/or conflict resolution resources in order to encourage citizens to resolve disputes without dependency on By-law Enforcement.	Combined with Objective #11.	DEL		
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



LEGISLATIVE SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	1	0	1	0	1 every 2 years
Overall satisfaction (%) (formal survey)	n/a	n/a	81%	n/a	100%	n/a	80%
% extremely/very satisfied (formal survey)	n/a	n/a	22%	n/a	100%	n/a	35%
# of informal satisfaction surveys completed	0	3	2	1	n/a	*4	n/a
Overall satisfaction (%) (informal survey)	n/a	n/a	n/a	96%	n/a		90%
% extremely/very satisfied (informal survey)	n/a	n/a	n/a	91%	n/a		90%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 15.39	\$ 15.66	\$ 14.01	\$ 16.95	\$ 15.16	\$ 2.58	\$ 15.00
OPERATIONAL EXCELLENCE							
% of Parking Tickets Paid On-Line			20%	25%	21%	26.61%	23%
% of Staff Reports Received on Time for Council/Standing Comm. Agendas			50%	50%	50%	64.0%	80%
# of Civil Marriage Ceremonies Performed			359	381	470	190	375
# of Formal MFIPPA Requests Received	51	40	41	26	37	20	n/a
# of Privacy Complaints Received			2	0	0	0	0
Average # of Daily Property Standards Inspections per Officer			8	9	24	27	30
% of Property Standards Complaints Resolved without Legal Action			98%	98%	99%	100.0%	100.0%
Average # of Unscheduled In-Field Vehicle Inspections per Officer per Month			45	50	60	50	50
Average # of On-Site Business Inspections per Officer per Month			100	110	130	135	130
% of Business Licences Renewed by Renewal Date			40%	45%	70%	77%	80.0%
% of First Attendance Appearances Going to Trial			11%	10%	12%	11%	10%
% of Non-Parking Charges that Proceed to Trial	6%	8%	7%	8%	10%	8%	6%
% of Quashed /Withdrawn Non-Parking Charges (Quality Control)	n/a	3%	3%	3%	5%	6%	3%
Total # of File Boxes Sent to Storage From Business Units Annually	720	1,126	1,015	1,031	787	297	800
Annual File/Box Retrieval Rate (on-site and off-site)	1,995	2,237	2,118	2,192	2,346	914	2,400
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	78%	n/a	61%	n/a	50%	75%
Recognition rating (from staff survey)	n/a	78%	n/a	48%	n/a	34%	65%
Staff Satisfaction rating (from staff survey)	n/a	73%	n/a	78%	n/a	59%	80%
Completion rate for performance management	64%	40%	98%	74%	94%	n/a	100%
Average Corporate learning hours per full-time employee	15.5	13.7	17.1	11.0	3.8	**1.4	20.0
Staff absenteeism (average # of days per employee)	6.3	3.3	5.4	4.5	6.8	3.7	< 8.4
Staff turnover rate	0%	5%	7%	12%	11%	0%	< 7.5%
KPI SUMMARY							
*4 - Legislative Services will be conducting several surveys of voters, temporary election officials & candidates relative to different facets of the 2010 Municipal Election (this will be done in November/December 2010).							
**1.4 - a significant amount of the technical training taken by By-law Officers is conducted externally; The % of business licence renewals received on time has continued to improve.							
The average # of daily property inspections per Officer has continued to increase since 2007.							
The % of business licence renewals received on time has continued to improve.							

LEGISLATIVE SERVICES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)											
#	Objective	Requires Additional Resources?	Outcomes	Priorities						Alignment to NQI	Innovation
				Council							
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library/Master Plan/ Public Safety	Diversity		
Cross Commission Projects											
1	Corporate Objectives		Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan Greenprint and the new Council term priorities	✓	✓	✓	✓	✓	✓	✓	
2	Departmental support for "portal" business transformation initiative.		Realign business operations to reflect an online business environment associated with the "portal" project.				✓		✓		
3	Information Management - Multi-phased, corporate project intended to enhance the management of information management (soft and hard formats).		Specific objectives & outcomes outlined in Business Unit Objectives (2009, 2010). Project will result in more consistent and secure access, use, retention and disposition practices, recognizing information as a key corporate asset. Legislative Services and Information Technology departments are co-leads in this initiative.	✓		✓	✓		✓	✓	
4	Supporting the CAO's Office in the implementation of regulations made under the Accessibility for Ontarians with Disabilities Act.		Provide guidance on the development and implementation of corporate policies & on the corporate impact of new legislation.				✓		✓		
5	Modification of Second Suite Registry in Amanda.		This will enable all Enforcement Staff within the Town to access 2nd Suite information in field avoiding duplication of efforts & will facilitate implement integrated investigation protocol between By-laws, Fire & Building Services. 4Q- 2011				✓		✓		
6	Collaborate with Building and Fire Services on a Report to Council and Draft By-law to recover costs associated with the investigation and remediation of Grow Ops and illegal drug labs (Q2).		Report targeted for Q2.			✓	✓		✓		
7	Collaborate with Building and Fire Services on a Report to Council and By-law to prohibit the excessive fortification of houses and buildings in Markham (Q3).		By-law will serve as an additional tool for enforcement purposes. Report targeted for Q3.				✓		✓		
8	Collaborate with Operations on the establishment of a Parks Ambassador Program (Q2).		Partnership with York Regional Police to establish volunteer resident participation in the observation & reporting of park usage issues. Report to Council & Program implementation by Q2.			✓	✓		✓	✓	
Business Unit Objectives											
1	Effectively manage all aspects of the Clerk's responsibilities related to the 2010 municipal election in accordance with statutory and operational timeframes.		Conduct post-election activities relative to candidate campaign forms, supply inventories, surveying, etc.				✓		✓	✓	
2	Development of an enhanced program of corporate privacy.		Delivery of privacy training & privacy consultation/assessment throughout 2011; further development of privacy protocols relative to the portal.				✓		✓		
3	Review of cemetery operations (i.e. fees, services levels, site improvements) (Q3).		An in-depth review of cemetery operations will occur in 2011.				✓				
4	Support the recruitment of Citizen Advisory Committee members (Q1) & introduce best practices in volunteer management practices (enhanced volunteer website, orientation, etc.) (Q4).		Utilize technology to streamline the recruitment process & further develop a volunteer management framework.				✓		✓		
6	Development of a mediation &/or conflict resolution model for by-law and regulatory disputes.		Implement by end of Q2 for neighbour disputes to divert issues from courts, etc.				✓		✓		
7	Review of Needs Assessment for the Establishment of a Satellite Animal Care Facility within Markham boundaries and direction on future strategy/options.		Undertake Consultant Study Q2- Animal Services Committee Review Q3- Council Report Q4.			✓	✓		✓	✓	
8	Conduct 2 formal surveys: 1 of By-law Services & 1 of Animal Services customers (Q2).		Undertake two separate surveys of each service area in 2011 for comparative purposes.			✓	✓		✓		
9	Prepare presentation & business plan (subject to Council direction after the presentation) on the implementation on an Administrative Fine Program in Markham (Q3).		The implementation target is Q4/ 1st Q 2012. The Program would result in the diversion of Parking Ticket matters from the Provincial Court to an Administrative Hearing process that is conducted solely by the Town. Program business case will identify required resources, technology/ equipment needs and offsetting revenues	✓			✓			✓	



LEGISLATIVE SERVICES BUSINESS PLAN OBJECTIVES (CONTINUED)

			Priorities						
			Council				Operational		
10	Establishment of a "2011 Workload Management Calendar" for By-law, Licensing & Parking in Q1.	The internal calendar will identify peak workload periods & will permit inter-unit resource transfers/secondments to better address service demands throughout the calendar year.				✓		✓	
11	Maintain current services levels and improve efficiency & effectiveness via a request for additional staff resources to be considered through the budget process.	Parking Officer - conversion of contract position (budge impact of - \$4,077); 2 By-law Enforcement Officers - conversion of contracts (budget impact of \$20,212); Parking Control Clerk - conversion of part-time position (budget impact of \$20,706); By-law Enforcement Officer (Environmental) - conversion of 6 month contract (budget impact of \$9,009)		✓	✓			✓	
13	Continue to implement Departmental action items resulting from 2010 Staff Satisfaction survey.	Conduct an interim Staff Satisfaction Survey obtain staff feedback on workload & recognition and reward (Q3).						✓	
14	Review Council's Procedural By-law in Q1.	To improve the conduct of Council/Standing Committee meetings; ensure meeting rules are easy to understand, etc.				✓		✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



LEGISLATIVE SERVICES 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
LICENCES & PERMITS	\$1,329,791	\$1,342,969	\$1,371,258	\$28,289	2.1%	\$41,467	3.1%	
INCOME FROM INVESTMENTS	7,979	5,800	13,800	8,000	137.9%	5,821	73.0%	
FINES	1,989,036	1,908,750	1,932,730	23,980	1.3%	(56,306)	-2.8%	
USER FEES & SERVICE CHARGES	166,965	157,960	157,960	0	0.0%	(9,005)	-5.4%	
RENTALS	49,878	62,157	62,157	0	0.0%	12,279	24.6%	
SALES	31,713	11,531	41,031	29,500	255.8%	9,318	29.4%	
RECOVERIES & CONTRIBUTIONS	28,008	7,600	25,100	17,500	230.3%	(2,908)	-10.4%	
OTHER INCOME	0	0	0	0	0.0%	0	0.0%	
Total Revenues	\$3,603,370	\$3,496,767	\$3,604,036	\$107,269	3.1%	\$666	0.0%	
Expenses								
SALARIES AND BENEFITS	\$4,064,808	\$4,074,977	\$4,318,625	\$243,648	6.0%	\$253,817	6.2%	
PRINTING & OFFICE SUPPLIES	36,591	98,175	68,675	(29,500)	-30.0%	32,084	87.7%	
PURCHASES FOR RESALE	57,600	67,200	67,200	0	0.0%	9,600	16.7%	
OPERATING MATERIALS & SUPPLIES	58,565	32,298	38,798	6,500	20.1%	(19,767)	-33.8%	
COMMUNICATIONS	311,759	295,373	299,846	4,473	1.5%	(11,913)	-3.8%	
TRAVEL EXPENSES	3,084	10,875	10,875	0	0.0%	7,791	252.6%	
TRAINING	10,947	30,500	30,500	0	0.0%	19,553	178.6%	
CONTRACTS & SERVICE AGREEMENTS	508,393	488,950	516,750	27,800	5.7%	8,357	1.6%	
MAINT. & REPAIR-TIME/MATERIAL	35,998	38,870	45,870	7,000	18.0%	9,872	27.4%	
RENTAL/LEASE	108,959	103,845	118,645	14,800	14.3%	9,686	8.9%	
PROFESSIONAL SERVICES	90,204	100,524	100,524	0	0.0%	10,320	11.4%	
LICENCES, PERMITS, FEES	16,378	10,200	12,200	2,000	19.6%	(4,178)	-25.5%	
CREDIT CARD SERVICE CHARGES	1,455	9,000	9,000	0	0.0%	7,545	518.6%	
OTHER PURCHASED SERVICES	2,550	2,650	2,650	0	0.0%	100	3.9%	
OFFICE FURNISHINGS & EQUIPMENT	0	3,000	4,000	1,000	33.3%	4,000	0.0%	
OTHER EXPENDITURES	3,174	6,500	1,500	(5,000)	-76.9%	(1,674)	-52.7%	
Total Expenses	\$5,310,465	\$5,372,937	\$5,645,658	\$272,721	5.1%	\$335,193	6.3%	
Net Expenditures/(Revenues)	\$1,707,095	\$1,876,170	\$2,041,622	\$165,452	8.8%	\$334,527	19.6%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Revenue: Increase is due to inflation and right sizing the budget based on actuals.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids, and new headcounts.



FINANCE BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Actual Outcomes	Status	Priorities	
				Council	Operational
2010 Cross Commission Projects					
1	Review of Purchasing Procedures - negotiations vs. tendering	A formalized process will be presented to Treasurer's Group before the end of 2010 and to Director's Forum & CCC and then to GC by Q2 of 2011. However, during the first half of 2010 Finance in conjunction with Community & Fire Services staff negotiated renewals of both the Waste Collection, Grader & Loader Snow Removal and the Street Lighting Maintenance, Repair & Relamping contracts resulting in both financial benefits and service enhancements.	OT	✓	✓
2	Implementation of Auditor General (AG) Recommendations	The AG completed 4 audits namely Procurement Audit, Centennial Audit, Attendance Management and Contract Management in Operations. The role of the Finance department is to coordinate the status updates to Council on all audits and implement the Procurement Audit recommendations. The AG reports included 24 Finance recommendations, of which 22 have been implemented and the remaining 2 will be implemented by the end of November. Finance will continue to update CCC periodically, as requested.	OT	✓	✓
3	Integrated Leisure Master Plan	Work with various departments to provide financial analysis of the proposed Integrated Leisure Master Plan. Finalized report and presentation outlining financial impact of plan in Q2. Borrowing requirements until 2031 were included in the Recreation presentation & report to Council in Q2 of 2010	COM	✓	
4	Business Planning and the Budget Process Improvements	The budget process was reviewed and approved by Directors Forum, subsequently, a one page summary of 2011 Business Planning and Budgeting process was sent to all Directors. The 2011 Capital Budget process will include a review and presentation by Directors to the Budget Sub-committee.	COM	✓	
5	Portal	Implement Finance Dept. aspects of new Corporate Portal Project, as required throughout 2010. Completed required work to ensure Financial forms were identified and converted for migration to the Portal.	COM	✓	
Business Unit Objectives					
1	Implement the expanded phase of Cashiering (POS) Roll out to Libraries.	Expanded the final phase of POS rolled out in 2009 to include Libraries. Expected POS Library Implementation 2010 Q3. The library rollout has been postponed due to implementation delays with the Symphony (Library software) upgrade. Libraries will be rolled out in 2011.	DL	✓	✓
2	Accounts Payable - Automation	This project has become a larger corporate initiative called Information Management Program. However the requirement gathering phase of the AP automation will be completed by end of Q4 2010. In Q1 2011 a consultant will be retained to define functional and technical requirements for an Enterprise Document Management System. Later in 2011 an RFP will be issued for the purchase of the document management system. The estimated implementation of the AP automation is 2012.	AD	✓	✓
3	Publish 2009 Financial Statements Fully Compliant with Tangible Capital Asset (PSAB) Requirements	The 2009 financial statements were completed in July and the Annual Report was available for distribution in September.	COM	✓	
4	Harmonized Sales Tax - System Implementation	Financial systems & Class have been updated to reflect the HST changes and specific accounts have been created in the General Ledger to enable the capture of HST.	COM	✓	
5	Harmonized Sales Tax - Annualized Budget Impacts	The Operating and Capital budgets are being monitored on a continual basis in order to assess the impact of HST. Directions have been provided to departments on the treatment of HST on their 2011 projects and Finance will make necessary amendments to impacted line items in the 2011 Operating Budgets.	COM	✓	
6	Growth Management Fiscal Impact Analysis	Undertake and complete a detailed analysis of fiscal impacts of development intensification levels. To be completed in 2010 Q2. Incorporated into the May Development Services presentation to Council where by Council approved the Town's preferred growth option of 60% intensification.	COM	✓	
7	Client Survey	A Survey on the of responsibility of purchasing trends from an environmental perspective will be completed by Q4 of 2010.	OT		
8	Develop & Implement Sustainable Purchasing Practices (Green Purchasing Guide)	Develop a educational document identifying Sustainable Purchasing Practices for future purchases. A preliminary status update was provided to CCC, discussions were held with all user departments and the guide is currently being developed. To be completed by Q4 of 2010	OT	✓	✓
9	Tangible Capital Asset - Phase 2	Finalize policies and on-going processes, prepare for audit of opening balances, financial statements (2009 and restatement of 2008), GL restructuring, Asset Register. To be completed by Q2 of 2010 The 2009 Audit was successfully completed including the restatement of the 2008 Town Financial statements	COM	✓	
10	Implementation of Job Costing System as part of an Enterprise Asset Management Solution	This project has been rolled into a larger Enterprise Asset Management project. A tender for the Enterprise Asset Management software is expected to be release in Q4 of 2010 and awarded & implemented in 2011. The project is being led by ITS.	AD	✓	
11	Implementation of Asset Register System as part of an Enterprise Asset Management Solution	This project has been rolled into a larger Enterprise Asset Management project. A tender for the Enterprise Asset Management software is expected to be released in Q4 of 2010 and awarded & implemented in 2011. The project is being led by ITS.	AD	✓	✓
12	Implement EZ Labour Module Townwide	Implement the final phase of EZ Labour rollout. EZ Labour rolled out to part-time staff in Recreation, Culture, ITS and By-Law Departments. Future rollout to other areas in the corporation to be investigated in 2011.	AD	✓	✓
13	Corporate Customer Service Strategy (Customer Service Counter Amalgamation with Contact Centre)	Investigate the Cash Management counter amalgamation with Contact Centre to create improved customer service. This project has become a component of a larger corporate initiative called Corporate Customer Service Strategy and is being led by the Contact Centre. The Contact Centre to develop a strategy by 2011 Q3.	AD	✓	
14	Waterworks Financial Plan	Complete Water/Waste Water Reserve review to confirm compliance with SDWA legislation. Waterworks financial plan completed and approved by Council for submission to the Province	COM	✓	
15	Mississauga - Web-based TXM	Prepare for the TXM Web based linkage to the Town Portal. Estimated to be in place by 2010 but delays by Mississauga likely to make it 2011. Web based link to be done in 2011 for implementation in 2012.	DL	✓	
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master

Operational Priorities: NQ1 PEP Level 3, Innovation

FINANCE KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	1	0	1	1 every 2 years
Overall satisfaction (%) (formal survey)	n/a	n/a	n/a	58%	n/a		80%
% extremely/very satisfied (formal survey)	n/a	n/a	n/a	22%	n/a		35%
# of informal satisfaction surveys completed	0	0	1	1	1	0	1
Overall satisfaction (%) (informal survey)	n/a	n/a	n/a	59%	n/a	n/a	75%
% extremely/very satisfied (informal survey)	n/a	n/a	n/a	14%	n/a	n/a	25%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 30.58	\$ 32.46	\$ 34.24	\$ 35.05	\$ 35.43	\$ 14.83	< \$39.00
Average cost per invoice processed	\$ 5.45	\$ 5.70	\$ 5.87	\$ 8.25	\$ 9.52	\$ 9.45	\$ 9.00
Average cost per procurement card transaction	\$ 1.64	\$ 1.58	\$ 1.51	\$ 1.38	\$ 1.53	\$ 1.53	\$ 1.30
% of tax bills collected	95%	95%	96%	96%	93%	95%	95%
OPERATIONAL EXCELLENCE							
% of payroll payments sent out on time and controlled error free	98%	99%	99%	99%	99%	99%	99%
% of generated P/O's compliant with Purchasing by-laws				96%	98%	97%	99%
Cost Savings as a result of purchasing activities	\$ 442,000	\$ 485,000	\$ 262,000	\$ 911,000	\$ 582,340	\$ 322,550	\$ 500,000
# of Purchase Orders actioned per FT position	124	176	207	225	260	136	< 300
# of Accounts Payable documents actioned per FT position	10,256	9,810	9,702	6,783	6,359	2,825	< 6,875
% of Letters of Credit processed within 5 days	45%	53%	56%	66%	74%	85%	95%
% of Credit Agreement responded to within 8 weeks					67%	N/A	80%
# of Preauthorized Tax Payments	18,757	20,446	22,027	23,091	24,061	24,209	28,500
% of Tax & Water inquiries responded to within 24 hours				100%	100%	100%	100%
% of return on Investment greater than benchmark	0.84%	0.33%	0.23%	1.67%	3.50%	3.20%	0.50%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	73%	n/a	66%	n/a	61%	75%
Recognition rating (from staff survey)	n/a	62%	n/a	52%	n/a	51%	65%
Staff Satisfaction rating (from staff survey)	n/a	70%	n/a	75%	n/a	66%	80%
Completion rate for performance management	77%	94%	100.0	88%	91%	n/a	100%
Average Corporate learning hours per full-time employee	5.3	20.4	6.9	7.0	6.2	2.7	20.0
Staff absenteeism (average # of days per employee)	2.7	3.1	4.2	4.7	4.2	2.1	< 8.4
Staff turnover rate	3.0%	6.0%	8.0%	8.0%	5.0%	8.0%	< 7.5%
KPI SUMMARY							
<p>The 2010 Financial Services "Net cost per household" is trending to come in below target.</p> <p>The Revenue Division- Pre-authorized tax payment (PTP) accounts: the current target represents approximately 35% of all residential accounts, the 2010 figure (24,209) represents approximately 29.2% of all residential accounts which is a 2.7% increase over the 2005 figure.</p> <p>Development Finance- % of Letters of Credit processed within 5 days; the 11% increase over 2009 is mainly due to process & resource improvements within the department - % of Credit Agreement responded to within 8 weeks; no letters of credit were processed during the first half of 2010.</p> <p>The Cost Savings as a result of purchasing activities, is on track to achieve the annual target.</p> <p>Investment Benchmark = 50% of the 3 month Banker's Acceptance (B.A.) rate + 50% of the 5 year Bank of Canada Bond rate. For the first six months of 2010 the calculated investment benchmark was 1.15%, therefore the return on investment was approximately 4.35%.</p>							



FINANCE KEY BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Corporate Objectives		Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan, Greenprint and the new Council term priorities	✓	✓	✓	✓	✓	✓	✓	✓
2	Portal - E Procurement		Investigate methodologies to transition procurement functions online, including electronic bid submissions, contract extensions and to align with the portal implementation. Report to be completed by Q4 of 2011 with format & timelines prior to implementation.				✓				✓
3	Portal - Online Payments		Continue to work with IT on the Portal implementation by completing a financial analysis of the online payment options to ensure financial payments are migrated to the Portal. Finance will support IT as required throughout				✓			✓	✓
4	Sustainable Purchasing Practices Guide (Previously Green Purchasing Guide)	✓	Following the development of the Sustainable Purchasing Practice Guide, a program will be developed with the following key deliverables; educational awareness on the environmental impact of purchases, training of staff on sustainable purchasing practices, a process to continuously monitor purchasing requirements & a process to update the guide with new environmental information on an ongoing basis. This objective is dependent on the approval of a contract position within Purchasing.			✓					✓
5	Supplier Roundtable		Establish a supplier roundtable made up of staff and suppliers to discuss and review purchasing best practices and philosophies in the procurement of goods & services. Analysis to be complete by Q2 and implementation in Q3.				✓				✓
6	Implementation of Auditor General Recommendations		The Finance Department has two roles within this project; implement the Finance recommendations and coordinate the updates to CCC of all recommendations made by the Town's Auditor General (AG). Finance will continue to update CCC semi-annually.							✓	
7	Review of Purchasing Procedures - negotiations vs. tendering		A formalized process will be presented to Director's Forum & CCC and then to GC by Q2 of 2011.				✓				✓
8	Assessment of Human Resources and Finance business processes and system requirements	✓	Conduct an end to end review of the current business processes and applications currently in use to manage/support the Financial & Employee Management systems. Completion by Q4 2011. This project requires a capital budget of \$50,900				✓			✓	
9	Creation of a Corporate Customer Service Strategy		Work with the Contact Centre (lead dept) to develop a strategy by Q3 of 2011.				✓			✓	
Business Unit Objectives											
1	ASDC Bylaw Updates		Work with external consultant and Engineering to update 3 current ASDC by-laws (9, 42B-6 & 42B-8) and possibly institute a new by-law for the Yonge Street intensification area. Completion Q2 of 2011	✓						✓	
2	Implementation of Job Costing System as part of an Enterprise Asset Management Solution		Work with ITS to manage contract to ensure a successful implementation of software system. Completion by Q4 of 2011				✓			✓	
3	Borrowing Requirements		Continue to track Town's borrowing requirements & investigate low cost funding sources, liaise with York Region to debenture for larger projects, if required. Ongoing Objective	✓						✓	
4	Information Management Program (AP Automation)		Work with the investigation team to assist in development of an RFP that will include an AP automation component. To be completed by 2012				✓			✓	
5	Fiscal Impact - Langstaff Centre		Work with the Region, Vaughan & Richmond Hill to deliver a fiscal impact analysis of the proposed Langstaff development. To be completed by Q4 of 2011							✓	
6	Cayenta Upgrade	✓	The upgrade to Cayenta 7.5 will simplify the P/O creation process, streamline the batch invoice approval process and allow for integration with cashiering POS system. Implementation is anticipated to be completed by June 2011, dependent upon the timing of the actual procurement of this module. This project requires a capital budget of \$25,400.							✓	
7	Review Financial Policies		Review and update as required the Financial policies including the Expenditure Control Policy. This project will align with the Corporate Policy Framework project and ensure stakeholder involvement during the policy review process. Completion Q4 of 2011.							✓	
8	Current Value Assessment (CVA) - Year 3 of the 4 year Phase in		Analysis done by Q1 of 2011 and implementation of non-residential accounts by Q3 of 2011.							✓	
9	Increase Procurement Card (AMEX) Usage Townwide		Develop a strategy to increase Amex usage (as a best practice) as identified in the 2009 AG report. Strategy to be developed by Q2 of 2011.							✓	

FINANCE KEY BUSINESS PLAN OBJECTIVES (CONTINUED)

#	Objective	Requires Additional Resources?	Outcomes	Priorities									
				Council						Operational			
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation		
10	Standardization of contract award contingency percentage		Analyse contract awards and develop a standard contingency percentage that will be formalized by Q2 of 2011 and included in the 2012 Capital Budget									✓	
11	E-Post		Investigate opportunities to reduce postage requirements within the Finance Department. Completion by Q2 of 2011.									✓	✓
12	Continue to implement Departmental action items resulting from the 2010 Staff Satisfaction survey		Report on the impact of the 2010 Finance workload pilot project									✓	
13	Cashier Position	✓	Converting a part time position into full time positions to maintain client service levels. The operating budget incremental impact of this position is approximately \$20,000 with funding available from powerstream.									✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



FINANCE 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
USER FEES & SERVICE CHARGES	\$530,398	\$395,689	\$461,190	\$65,501	16.6%	(\$69,208)	-13.0%
RECOVERIES & CONTRIBUTIONS	0	4,705	4,705	0	0.0%	4,705	0.0%
OTHER INCOME	100,384	162,000	162,000	0	0.0%	61,616	61.4%
Total Revenues	\$630,782	\$562,394	\$627,895	\$65,501	11.6%	(\$2,887)	-0.5%
Expenses							
SALARIES AND BENEFITS	\$3,948,760	\$4,140,670	\$4,365,474	\$224,804	5.4%	\$416,714	10.6%
PRINTING & OFFICE SUPPLIES	86,352	92,262	92,262	0	0.0%	5,910	6.8%
OPERATING MATERIALS & SUPPLIES	(116,945)	(32,021)	(32,021)	0	0.0%	84,924	-72.6%
INVENTORY ADJUSTMENTS	0	0	0	0	0.0%	0	0.0%
COMMUNICATIONS	3,783	3,867	3,867	0	0.0%	84	2.2%
TRAVEL EXPENSES	4,926	3,844	3,844	0	0.0%	(1,082)	-22.0%
TRAINING	4,955	24,390	24,390	0	0.0%	19,435	392.2%
CONTRACTS & SERVICE AGREEMENTS	(440,055)	(511,127)	(475,180)	35,947	-7.0%	(35,125)	8.0%
MAINT. & REPAIR-TIME/MATERIAL	1,080	3,519	3,519	0	0.0%	2,439	225.8%
RENTAL/LEASE	8,017	8,640	8,640	0	0.0%	623	7.8%
PROFESSIONAL SERVICES	102,462	142,359	142,359	0	0.0%	39,897	38.9%
LICENCES, PERMITS, FEES	60,344	111,437	111,437	0	0.0%	51,093	84.7%
CREDIT CARD SERVICE CHARGES	14,104	10,409	10,409	0	0.0%	(3,695)	-26.2%
WRITE-OFFS	0	100	100	0	0.0%	100	0.0%
Total Expenses	\$3,677,783	\$3,998,349	\$4,259,100	\$260,751	6.5%	\$581,317	15.8%
Net Expenditures/(Revenues)	\$3,047,001	\$3,435,955	\$3,631,205	\$195,250	5.7%	\$584,204	19.2%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to inflation and right sizing the budget based on actual for the new tax accounts and certificates.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Contracts Services Agreement: Increase is due to the ADP payroll processing costs.

INFORMATION TECHNOLOGY SERVICES

BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
2010 Cross Commission Projects					
1	Joint Portal project - implementation	Phase 1 - New & enhanced user experience and services to residents and businesses through the internet. It includes content migration, training/knowledge transfer, and the setup of new base infrastructure with some online services. Phase 1 implementation to be completed by year end, operational readiness and preliminary planning for Phase 2 started.	ADJ	✓	✓
2	IT Infrastructure Priorities & Service Levels - Telecommunication and Network	- Replacement of selected satellite sites with enhance network bandwidth for improved internal connectivity, and faster internet connection. Procurement completed, and WAN connection of upto ten sites targeted for 2010, internet connection almost complete. - Telecommunication infrastructure – replacement of the currently old PBX system with Voice Over Internet Protocol (VoIP) technology. Preparation of an RFP in progress with procurement planned for 2010.	ADJ	✓	✓
3	IT Infrastructure Priorities & Service Levels - Computer replacement	- Implementation of Office 2007 as the prerequisite to the desktop/laptop replacement and new O/S completed. - First phase replacement of current desktops/ workstations with new ones, and migration to new operating system. Work by consultant to provide specifications and larger profiling completed. Procurement through the Province award process in progress.	OT	✓	✓
4	IT Infrastructure Priorities & Service Levels - Wireless Communication including AVL	Implement the infrastructure required to provide Town staff with the ability to use an enhanced and functionally rich radio communication capability along with Automated Vehicle Location services. Licenses and preliminary approval obtained from Industry Canada, RFP requirement specifications in progress, propagation testing and contract negotiation for tower to be completed by end of 2010.	AD	✓	✓
5	Implementation Information Management Program (Phase 2)	Establishment of information management guidelines, records categorization and retention procedures, governance and meta data in collaboration with Legislative Services. Records inventory in progress, RFP award and work on the rest of the scope to be started before the end of 2010.	AD	✓	✓
Business Unit Objectives					
1	2010 Municipal election	Provision of services to support and manage technology requirements for the 2010 election.	OT	✓	
2	Plan and Execute the 2010 ITS customer satisfaction survey	Undertake the 2010 formal customer satisfaction survey and identify areas for improvement. Survey completed and areas for focus to be identified in 2010.	COM	✓	✓
3	Implementation of data integration tool	Application was installed and configured, work has started to migrate some of the current processes to the new framework in 2010.	OT	✓	✓
4	Policy Review	Improvements of internal ITS processes in the area of customer service, policy review and PM methodologies. Partial review of IT policies conducted, and others to be completed by end of 2010.	AD	✓	✓
5	Security review	Undertake network audit of the IT infrastructure including penetration testing in to internal network by end of 2010.	AD	✓	✓
6	Working from home (telework) - pilot and monitoring	Pilot of working for home for all functional areas, continue to measure operational impact and/or benefits and adjust accordingly. First phase to be completed by end of 2010.	OT	✓	✓
7	Printer strategy	Understand current requirements and determine the strategy to meet printing requirements for the future. Selection of consultant in progress, report to be finalized by end of 2010.	AD	✓	
8	Update some of the topographic datasets	Selected topographic datasets to be updated based on 2009 Orthophotography, to be completed by end of second quarter.	COM	✓	
9	Enhancing public facing mapping	Existing mapping functions for internal and external users to be replaced by a new technology that integrates with our back end GIS system. All technical verification and testing finalized, work to be completed by end of 2010.	OT	✓	
10	Establish Service Level Agreements	Establish service level agreements with Operations and Building Standards Depts.	AD	✓	✓
11	Implementation of capital and non-capital IT projects	Implement council approved technology projects, as well as non-capital projects, for business units.	OT	✓	✓
12	Green IT initiative	Implement energy conservation requirements in technology solution, transfer fax usage to email etc. Pilot project completed; rollout to be planned and executed.	AD	✓	✓
13	Disaster recovery plan	Establish a disaster recovery plan that identifies critical services, system and data duplication as well as recovery including testing. Priority change - deferred to future year.	AD	✓	✓
14	System upgrades and maintenance	Perform multiple Scheduled upgrades to business applications, network systems (Class HST, ACR, ACT, MLC). Upgrades for Class, ACT, ACR and Symphony completed.	COM	✓	✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



INFORMATION TECHNOLOGY SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	0	1	0	1	1 every 2 years
Overall satisfaction (%) (formal survey)	n/a	n/a	n/a	75%	n/a	86%	80%
% extremely/very satisfied (formal survey)	n/a	n/a	n/a	68%	n/a	54%	35%
# of informal satisfaction surveys completed	12	12	12	12	12	6	12
Average customer satisfaction % - very satisfied	53%	67%	62%	70%	60%	64%	75%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 41.65	\$ 45.19	\$ 44.13	\$ 49.70	\$ 51.93	\$ 25.54	\$ 55.00
% of ITS operating budget vs. Town budgeted expenses (excl Water)	3.09%	3.41%	3.36%	3.47%	3.60%	3.50%	<5%
OPERATIONAL EXCELLENCE							
Business continuity service achievement (%)	99.70%	99.93%	99.94%	99.82%	99.92%	99.99%	99.95%
% Call abandonment at Service Desk	17%	12%	11%	13%	14%	15%	7%
Average number of answered calls by Service Desk/month	871	895	937	1,036	1,015	1065	n/a
% of Calls resolved at Service Desk	n/a	43%	40%	37%	37%	48%	50%
% of incidents resolved within severity-based set targets	n/a	n/a	n/a	n/a	78%	72%	85%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	78%	n/a	69%	n/a	69%	75%
Recognition rating (from staff survey)	n/a	72%	n/a	65%	n/a	60%	65%
Staff Satisfaction rating (from staff survey)	n/a	79%	n/a	78%	n/a	78%	80%
Completion rate for performance management	76%	96%	100%	76%	93%	n/a	100%
Average Corporate learning hours per full-time employee	4.8	18.6	11.3	5.6	7.2	1.8	20.0
Staff absenteeism (average # of days per employee)	7.5	4.7	5.6	5.6	3.9	1.6	< 8.4
Staff turnover rate	12.0%	11.0%	7.0%	11.0%	11.0%	0.0%	< 7.5%
KPI SUMMARY							
<p>Year To Date average calls/month at the service desk have increased by 5% as compared to 2008/09 and by 14% as compared to 2006/07. Notwithstanding this, however, most of the operational KPIs continue to remain at or near target levels and in-line with previous years. The first call resolution KPI has in fact seen an improvement of 11% from 2009 to Year To Date 2010 by and large due to the expanding role and expertise of the Service Desk. High call abandonment percentage and decrease in severity-based incident resolution as compared to 2009 are reflective of the workload as an outcome of increased dependence on technology for business operation.</p> <p>The overall customer satisfaction rate has improved by 11% as compared to 2008, although the % of Extremely Satisfied customers has decreased during the same period by 14% - with both being above the corporate target. The implementation of Service Catalogue / SLAs and an overall focus on customer service has helped in providing a more systematic approach to our service offerings.</p> <p>The departmental staff satisfaction has remained consistent at around 70% between 2008 and 2010, however, there is continued focus in addressing workload issues by engaging staff to play a leadership role in this process.</p> <p>ITS will continue to strive for enhanced customer service through measurement of operational KPIs and by working closely with our stakeholders.</p>							

INFORMATION TECHNOLOGY SERVICES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)			Priorities								
#	Objective	Requires Additional Resources?	Outcomes	Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Corporate Objectives		Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan, Greenprint and the new Council term priorities	✓	✓	✓	✓	✓	✓	✓	✓
2	Joint Portal project - implementation	✓	The next phase of portal implementation will focus on Single-Sign-On, more self-service including online payment, in addition to defining employee portal requirements, resourcing, and managing the operational environment etc. The final scope of the next phase will follow a review of the road map, that includes prioritization and establishing timelines in consultation with stake holders in early 2011.				✓			✓	✓
3	Telecommunication infrastructure enhancement	✓	Telecommunication infrastructure – replacement of the currently old PBX system with Voice Over Internet Protocol (VoIP) technology. This project was initiated in 2010, and capital budget of \$220K requested for 2011. Implementation to be started early 2011, and will be phased in.				✓			✓	✓
4	User computer hardware replacement	✓	Town wide desktops/ laptop / tablet replacement including a new operating system. Capital budget of \$1.326 mil requested for 2011 and rollout to be started early 2011.				✓			✓	✓
5	Network connectivity upgrade	✓	Implementation of WAN connectivity at all Town sites - enhanced network bandwidth for improved performance and internet connection. This is a continuation of the project that was initiated in 2010 by connecting to some site, and will continue to be rolled out to other sites until end of 2011.				✓			✓	✓
6	Implementation of Wireless Communication including AVL	✓	Implement the infrastructure required to provide Town staff with the ability to use an enhanced and functionally rich radio communication capability along with Automated Vehicle Location services. This is a continuation of 2010 activity with focus on implementation and making the infrastructure operational in 2011.				✓			✓	✓
7	Information Management Program Implementation Phase 2 continued	✓	Completion of the information management work initiated in 2010, in the areas of record classifications, establishing a functioning governance structure, defining associated business processes, data standards, policies etc. in collaboration with Legislative Services. Define functional requirements for an Enterprise Document Management System. Capital budget of \$68k requested for 2011 to procure a document management system.				✓			✓	✓
8	Enterprise Asset Management Implementation - Phase 1	✓	Procure an Enterprise Asset Management solution and implement Phase 1 deliverables consisting of Facility Management, PSAB and Job Costing functions. Capital budget of \$152K requested for 2011.				✓			✓	✓
9	Assessment of HR and Finance business processes and system requirements	✓	Conduct an end to end review of the current business processes and applications in use at the Town to manage/support the Financial Management and Employee Management functions and make suitable recommendations with the intent to provide an integrated enterprise solution. Capital budget of \$50K requested for 2011 to complete the assessment.				✓			✓	✓
Business Unit Objectives											
1	IT operational review and enhancements		Improvements of internal ITS processes in the area of customer service, policy review and PM methodologies - continuation of 2010 objective as part of continuous improvement				✓			✓	✓
2	Security review - implementation		Initiate the implementation of the results of network audit of the IT infrastructure including penetration testing in to internal network with focus on areas that do not require funding.				✓			✓	✓
3	Printer strategy		Implementation recommendations made as part of 2010 effort to establish a blue print on printing / copying needs across the organization.				✓			✓	✓
4	Enhancing public facing mapping		As a continuation of 2010 project, investigate and implement the opportunity to leverage Google maps or Bing maps services as appropriate in order to enhance the external and internal mapping interfaces by end of 2011.				✓			✓	✓
5	Establish Service Level Agreements		Establish service level agreements with Legislative Services, Finance, Corporate Communications and Community Relations by end of 2011.				✓			✓	✓
6	Implementation of other capital and non-capital technology projects	✓	Implement council approved technology projects, as well as non-capital projects, for business units.				✓			✓	✓
7	Green IT initiative		Implement energy conservation requirements in technology solution; collaboration with Sustainability Office on similar initiatives.				✓			✓	✓
8	Staff satisfaction survey result improvements		Focus on workload issues through the engagement of staff and implement recommendations by 2011.				✓			✓	
10	Wireless network extension (WiMax)		Investigate opportunities to provide mobile access to the Town's data network using WiMax solutions by end of Sept. 2011.				✓			✓	✓
11	Corporate Business Intelligence Process & Tools - Assessment		Explore the feasibility of an enterprise business intelligence tools by defining an approach, reviewing analytical tools and functions, possibility to integrate with GIS, data warehousing etc.				✓			✓	✓
12	Customer satisfaction survey result improvements		Following analysis of the 2010 survey results, identify areas for improvement and how they can be addressed; execute plan in 2011.				✓			✓	
13	Infrastructure Support Position	✓	In light of the continued reliance on technology for business operation through already completed, in progress, and upcoming major technology projects in the coming years across the corporation. There is an operational impact of approximately \$94,000 to existing internal resources - thus the request for additional resource for 2011.				✓			✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



INFORMATION TECHNOLOGY SERVICES

2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenues								
SALES	\$4,141	\$500	\$500	\$0	0.0%	(\$3,641)	-87.9%	
Total Revenues	\$4,141	\$500	\$500	\$0	0.0%	(\$3,641)	-87.9%	
Expenses								
SALARIES AND BENEFITS	\$3,344,852	\$3,480,056	\$3,667,055	\$186,999	5.4%	\$322,203	9.6%	
PRINTING & OFFICE SUPPLIES	12,174	14,199	14,199	0	0.0%	2,025	16.6%	
OPERATING MATERIALS & SUPPLIES	7,753	10,902	10,902	0	0.0%	3,149	40.6%	
COMMUNICATIONS	617,126	607,208	607,208	0	0.0%	(9,918)	-1.6%	
TRAVEL EXPENSES	4,589	8,196	8,196	0	0.0%	3,607	78.6%	
TRAINING	31,988	65,000	65,000	0	0.0%	33,012	103.2%	
CONTRACTS & SERVICE AGREEMENTS	1,546,520	1,528,620	1,721,120	192,500	12.6%	174,600	11.3%	
MAINT. & REPAIR-TIME/MATERIAL	27,803	43,539	43,539	0	0.0%	15,736	56.6%	
RENTAL/LEASE	1,621	2,341	2,341	0	0.0%	720	44.4%	
PROFESSIONAL SERVICES	102,060	75,739	75,739	0	0.0%	(26,321)	-25.8%	
LICENCES, PERMITS, FEES	2,114	2,039	2,039	0	0.0%	(75)	-3.5%	
Total Expenses	\$5,698,600	\$5,837,839	\$6,217,338	\$379,499	6.5%	\$518,738	9.1%	
Net Expenditures/(Revenues)	\$5,694,459	\$5,837,339	\$6,216,838	\$379,499	6.5%	\$522,379	9.2%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Contracts Services Agreement: Increase is due to computer maintenance and hosting costs.

COMMUNICATIONS AND COMMUNITY RELATIONS

BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
2010 Cross Commission Projects					
1	Portal - Ensure successful transition of website to new portal by July 1, 2010	Content accurate, timely, relevant. Improved navigation and overall branding consistency. Reduced redundancies. Enhanced interactivity. Clear governance protocols in place and followed. Content migration delayed due to delays in technical readiness of the portal site. Migration and training n schedule to achieve new launch date of January 2011.	AD	✓	✓
2	Corporate priorities supported effectively	Key corporate objectives achieved with C&CR support: i) BMFT priorities: Delivered all BMFT support products and services to support business unit activities throughout 2010 ii) Supported NQI communications through achievement of PEP III iii) 2010 Elections: developed and executed all communications support products and services iv) Sustainability: Provided vendor analysis and guidance on draft Greenprint plan, sustainability fair and communications products v) Accessibility/Diversity: Provided support on success of accessibility training and diversity action	COM	✓	✓
3	Generate sponsorship funding	Sponsorship agency generates \$300,000 net. Agency engaged September 1, 2010. Agency projects approximately \$300,000 in committed sponsorships by December 31, 2010.	AD	✓	✓
Business Unit Objectives					
1	Improve workload balance through appropriate adjustments in staff responsibilities	External resources used cost-effectively to provide specialized support where appropriate; Healthy Workplace work/life balance achieved. Ability Edge contracts engaged in 2009 and continued in 2010 to offset research workload. Summer student engaged May - August 2010 to offset events workload. Coop Student engaged January - May 2010 to offset design projects workload. Coop student engaged October 2010 to offset research workload. Two additional full time resources requested for events and research components of department. Staff trained on other department functions to redistribute workload.	OT		✓
2	Markham Life - Increase advertising revenue	Refine advertising strategy from 2009 to improve advertising opportunities and lower net costs of Markham Life. Brought advertising sales and magazine design responsibilities in-house, May 2010 with subsequent decrease in costs and increase in revenue. i) 2009 cost per household - \$2.96 ii) 2010 cost per household - \$.35	OT		✓
3	Markham Life - Refine Production management	Implementing strategy to improve CLASS data submission and proofing process, to improve production efficiencies and content accuracy. Class data entry issues identified and resolved - March 2010. Class technical software issues were also identified and resolved in March 2010 with decrease in entry errors.	OT		✓
4	Develop & implement Special Events Policy including service cost recovery	Working with Operations to identify on-going support requirements. Initial draft of policy developed, needs further refinement (part of Operations' Service Level project.) Delivery April 2011	AD		✓
5	Develop a policy regarding public use of the Civic Centre	Clerks Department and C&CR work on policy delayed by absence of Community Relations Manager in February 2010 and advent of Public Realm initiative. Work resumes in February 2011 with new manager and work of Public Realm. Delivery of policy in conjunction with Public Realm initiative October 2011.	AD		✓
6	Further develop Community Relations function - including new manager role filled.	Strengthened relationships with key partners and community organizations to serve mutual interests more effectively. E.G. YRMG; BIA's; Tourism Toronto; Community Social Foundations and NFP's; Service Clubs. i) Partnered with MBT Mayor's address and respective publications ii) Strengthened relationship with community organizations and community leaders through initiatives such as Markham Miracle and Torch Relay and Candlelight Vigil for Pakistan. iii) Worked with BIA workshop to help strengthen BIA relationships iv) New manager role filled by January 2011	OT		✓
7	Enhance Website to Portal Environment: - Add web-based services for 24/7 access as appropriate - Purge outdated, redundant web content - Improve navigation - Increase video content	This is on-going activity. 2010 introduction of Portal will provide significant opportunities for improved navigation, access to new services and increased interactive content. C& CR support services on content migration and training matched portal technical schedule for launch. New launch date January 2011. Migration on schedule.	AD		✓
8	Develop Client Education Product for 2010 release defining Communications roles and processes	Cross-organizational understanding of timelines required to execute projects; budget requirements; protocols and processes to be followed and approvals required. i) Improved overall C&CR workload management through client consultation on processes. June - July 2010 ii) Communications Advisor position and role enhanced and aligned by Commission. May 2010 iii) CR Advisors worked with Commission business leads on 2010 business planning and priorities, and work processes and procedures to "biscast" communications requirements. August - October 2010 iv) Final Product on Communications Services and Products available for Commission business leads August 2011	AD		✓
9	Document & improve processes for all key business unit responsibilities (Special Events; Media Relations; Design; Website/Intranet; Publications; Client support)	This work is on-going. Key activities have been mapped. Others in process. Work to be finalized with full resource compliment August 2011.	OT		✓
10	Increase facility advertising revenue	Develop advertising sales strategy to actively increase facility revenue and package with ML ad sales. Rinkboard and backlit sales increased from \$17,000 in 2009 to \$43,000 in 2010 by combining advertising packages with Markham Life.	OT		✓



COMMUNICATIONS AND COMMUNITY RELATIONS BUSINESS PLAN OUTCOMES (CONTINUED)

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
11	Continue to refine photo archiving system	System rolled out across the organization and being used to more effectively manage and use corporate photography. Photo archive system complete and available to businesses July 2010.	COM		✓
12	Develop process for annual qualification of creative suppliers	An RFP to build a roster of qualified creative suppliers (writers, designers, photographers, etc.) will be issued in the 2nd half of '09. Supplier roster increased across design, photography and printing in conjunction with Purchasing. Supplier roster made available to other business clients. January 2011	OT	✓	✓
13	Develop issues management and executive briefing program	Briefings/issues documents are currently developed on an as-needed basis. Database of information for broader dissemination to be incorporated in Portal in 2010. Framework for Issues Management file completed. Issues database to be developed in 2011 and completed by June 2011.	AD	✓	✓
14	Improve Quality processes and measurements	Process maps developed for key business unit activities. Eclipse project tracking system implemented. Measurable KPI's have been developed and tracking initiated. Multi-year project. Process mapping completed in conjunction with business clients in August 2011.	OT	✓	✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

COMMUNICATIONS AND COMMUNITY RELATIONS

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed *	0	0	0	0	0	1	1 every 2 years
Overall satisfaction (%) (formal survey)	n/a	n/a	n/a	n/a	n/a		80%
% extremely/very satisfied (formal survey)	n/a	n/a	n/a	n/a	n/a		35%
# of informal satisfaction event & communications surveys	0	0	0	0	77	15	75
Overall satisfaction (%) (informal survey)	n/a	n/a	n/a	n/a	97%	92%	90%
% of special event surveys very/extremely satisfied	n/a	n/a	n/a	n/a	90%	91%	85%
% communications customer satisfaction surveys very/extremely satisfied	n/a	n/a	n/a	n/a	94%	93%	85%
FINANCIAL PERFORMANCE							
Net cost per household (2010 = Budget Figure)	\$ 12.47	\$ 13.37	\$ 14.00	\$ 16.03	\$ 13.36	\$ 5.09	\$ 10.00
Net cost of Markham Life per household** (see note)	\$ 1.34	\$ 1.71	\$ 1.77	\$ 1.63	\$ 2.96	\$ 0.35	zero
Revenue from sponsorships/advertising sales	\$ 218,522	\$ 188,793	\$ 200,513	\$176,776	\$263,505	\$ 204,110	\$ 500,000
OPERATIONAL EXCELLENCE							
% of projects meeting agreed upon deliverables *** (see note)					92%	100%	85%
% of projects completed on time and on budget						88%	90%
# of Design Projects Completed in-house				346	343	404	
# of media releases				95	92	65	as req'd
Average # of local media impressions per media release.							New Performance Indicator to begin in 2011
# of media inquiries				103	68	80	as req'd
% of media inquiries addressed within 24 hours							New Performance Indicator to begin in 2011
# of media events				51	31	31	as req'd
Average # of media stories per media event.							New Performance Indicator to
# Community events Supported				188	168	100	as req'd
Average public attendance per community event							New Performance Indicator to begin in 2011
# of Mark of Excellence (MOE)				2	11	4	12
Average # of staff reads of MOE per issue (intranet tracking & employee survey)							New Performance Indicator to begin in 2011
# of Town e-news				105	83	64	as req'd
Average # of staff reads of E-News (staff survey)							New Performance Indicator to begin in 2011
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	63%	n/a	47%	n/a	49%	75%
Recognition rating (from staff survey)	n/a	35%	n/a	29%	n/a	37%	65%
Staff Satisfaction rating (from staff survey)	n/a	61%	n/a	67%	n/a	57%	80%
Completion rate for performance management	75%	75%	67%	67%	67%	n/a	100%
Average Corporate learning hours per full-time employee ****	16.8	80.5	60.7	11.9	2.4	1.4	20.0
Staff absenteeism (average # of days per employee)	2.0	20.0	4.5	9.9	1.2	4.4	8.4
Staff turnover rate	0%	50%	0%	27%	0%	22%	7.5%
KPI SUMMARY							
* Formal Customer Satisfaction survey to be completed by December 2010 through R. Dominico							
** The higher per household costs in 2009 resulted from lower than anticipated revenues and higher than anticipated expenses attributed to the summer and fall issues of Markham Life. Cost reduction and revenue enhancement strategies put in place in 2010 resulted in significantly higher revenues and lower costs bringing the magazine towards a cost neutral position.							
*** Informal client satisfaction surveys were first implemented in 2009. This KPI represents responses to client surveys that indicated they were either satisfied or very satisfied. In 2010 client satisfaction surveys and event follow-up surveys were a challenge to administer due to staff shortages with specific responsibility for this function. Number provided is an extrapolation of data based on a 3 month reporting period.							
**** Training and Development hours also include those training hours through external suppliers to enhance the technical skills of in-house staff working on graphic design, web management, and digital / social media.							
***** Staff will be surveyed again in early 2011 to determine any changes in satisfaction levels in key areas							



COMMUNICATIONS AND COMMUNITY RELATIONS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation

Cross Commission Projects

1	Provide communications support to corporate priorities, master plans and action plans, The Greenprint, new Council priorities, NQI		Key corporate objectives achieved with C&CR communications support to: New Council priorities, The Greenprint, NQI level IV achievement and "Town-to-City" branding and campaign	✓	✓	✓	✓	✓	✓	✓	✓
2	Portal- provide communications and operational support to portal Phase II.		Ensure accurate content, appropriate brand approach, improved content approach and style for internal communications: On-going from January - July 2011	✓	✓	✓	✓	✓	✓	✓	✓
3	Reposition Community Relations function to support public engagement activities related to corporate priorities		Fill existing manager position with skills and competencies to effectively support corporate community engagement priorities: February, 2011	✓	✓	✓	✓	✓	✓	✓	✓
4	Develop updated policy on public use of Civic Centre and other municipal facilities		Deliver policy on public use of municipal facilities consistent with outcomes of Culture Plan and Public Realm initiatives - October, 2011.	✓	✓	✓	✓	✓	✓	✓	✓
5	Support Corporate achievement of NQI Level IV		Develop and implement communications strategy; coordinate tactics to support corporate <i>Sustaining Excellence</i> program: On-going from October 2010 - December 2011				✓			✓	✓
6	Markham Life - Refine production management, increase advertising sales, enhance consumer use		i) Effective use of internal resources and external vendors - January 2011 ii) Strategy for increased sales revenue to achieve revenue neutral program - Feb. 2011 iii) customer satisfaction and preferences survey: April 2011 iv) Realigned editorial strategy based on customer survey results -	✓	✓	✓	✓	✓	✓	✓	✓
7	Develop Corporate and Public Events service delivery and cost recovery model		In conjunction with Operations, identify and analyse service costs and appropriate cost model: December 2010 for implementation in 2011	✓	✓	✓	✓	✓	✓	✓	✓

Business Unit Objectives

1	Generate increased sponsorship funding		Manage sponsorship agency and internal sponsorship programs to generate net \$500,000(new): January - December 2011 (contingent on 2010 performance and vendor contract renewal)				✓	✓		✓	✓
2	Improve workload balance to achieve Staff Satisfaction Action Plan objectives	✓	Streamline core service offerings, realign responsibilities, use external vendors, <i>Ability Edge</i> program and summer student opportunities, increase staff compliment to meet client demands on core programs - April 2011	✓	✓	✓	✓	✓	✓	✓	✓
3	Develop Corporate <i>Social Media Policy</i>		Inventory current use, examine best practices, learn from other municipal jurisdictions, implement effective Markham model: April 2011				✓		✓	✓	✓
4	Develop Executive <i>Issue Management Briefing File</i>		Inventory and compile issues, develop process for digital access: June 2011				✓			✓	✓
5	Develop C&CR Process and Service Guide for internal clients		Develop process map, outline procedures, establish service agreements: August 2011	✓	✓	✓	✓	✓	✓	✓	✓
6	Conduct Communications Audit of all current internal communications tools including use of <i>Survey Monkey</i>		Phase out ineffective tools; develop and implement new tools as required; integrate online related results into Phase II of Portal (Intranet): August 2011							✓	✓
7	Refine client satisfaction survey methodology, quality processes and measurements		Implement online client survey response on project delivery and completion : April 2011	✓	✓	✓	✓	✓	✓	✓	✓
8	Event Supervisor Position	✓	Event related workload has increased by approximately 80% since 2009 creating the need for a position to support the current staff within the Community Relations section. The operating budget impact of this position is approximately \$87,000.	✓	✓	✓	✓	✓	✓	✓	✓

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



COMMUNICATIONS AND COMMUNITY RELATIONS

2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Inc./.(Decr.)</u>	<u>% Change</u>	<u>\$ Inc./.(Decr.)</u>	<u>% Change</u>	
Revenues								
USER FEES & SERVICES CHARGES	\$340,773	\$360,884	\$410,884	\$50,000	13.9%	\$70,111	20.6%	
RECOVERIES & CONTRIBUTIONS	41,000	516,500	466,500	(50,000)	-9.7%	425,500	1037.8%	
INTERDEPARTMENTAL RECOVERIES	0	(105,500)	(105,500)	0	0.0%	(105,500)	0.0%	
Total Revenues	\$381,773	\$771,884	\$771,884	\$0	0.0%	\$390,111	102.2%	
Expenses								
SALARIES AND BENEFITS	\$951,322	\$1,154,379	\$1,290,903	\$136,524	11.8%	\$339,581	35.7%	
PRINTING & OFFICE SUPPLIES	18,032	14,193	14,193	0	0.0%	(3,839)	-21.3%	
OPERATING MATERIALS & SUPPLIES	13,977	9,388	9,388	0	0.0%	(4,589)	-32.8%	
COMMUNICATIONS	4,797	7,153	7,153	0	0.0%	2,356	49.1%	
TRAVEL EXPENSES	2,767	3,779	3,779	0	0.0%	1,012	36.6%	
TRAINING	4,143	21,000	21,000	0	0.0%	16,857	406.9%	
RENTAL/LEASE	29	0	0	0	0.0%	(29)	-100.0%	
PROFESSIONAL SERVICES	82,870	109,464	106,464	(3,000)	-2.7%	23,594	28.5%	
LICENCES, PERMITS, FEES	600	1,529	1,529	0	0.0%	929	154.8%	
CONTRACTS SERVICES AGREEMENTS	41,223	0	0	0	0.0%	(41,223)	-100.0%	
PROMOTION & ADVERTISING	198,580	194,600	197,600	3,000	1.5%	(980)	-0.5%	
KEY COMMUNICATION PROGRAMS	376,701	533,883	533,883	0	0.0%	157,182	41.7%	
DISCRETIONARY COMMUNICATIONS	0	0	0	0	0.0%	0	0.0%	
OTHER PURCHASED SERVICES	50	900	900	0	0.0%	850	1700.0%	
Total Expenses	\$1,695,091	\$2,050,268	\$2,186,792	\$136,524	6.7%	\$491,701	29.0%	
Net Expenditures/(Revenues)	\$1,313,318	\$1,278,384	\$1,414,908	\$136,524	10.7%	\$101,590	7.7%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids, and one new headcount.



CONTACT CENTRE BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Municipal Service Planning - Creation of a Corporate Customer Service Strategy	The Customer Service Strategy Project Charter and proposal has been completed and vetted through the Project Champions next steps is to get agreement from CCC and DF to move forward with initiative	AD	✓	✓
2	Municipal Service Planning - Enhance customer service relationship management with the Operations Dept.	<p>Projects Completed:</p> <ul style="list-style-type: none"> - New Process for internal staff requesting signs - form must be completed and sent to CC to be tracked in ACR - no further calls directly to operations to make request - ACR upgrade - new functionality that allows Council Assistants to log Citizen complaints directly in the software and track progress to completion and follow up with customer - Complete Windrows administration process has migrated to the CC - savings to Operations Admin of 2.5 days work - New training program for the new Council on ACR to understand the benefits of tracking through software and not calling directly to Operations' Supervisors 	COM	✓	✓
3	Emergency Planning - Identify Contact Centre requirements for EOC backup site at 8100 Warden	Current vision of the ECO does not include a Contact Centre back up site at 8100 Warden.	DEL	✓	
4	Portal - Assist with on-line service delivery to enhance customer accessibility to Town services	Completed the design, documentation, workflow and usage scenarios around the ACR/Portal integration project. Ready to go live with the Portal Launch in Dec 2010.	COM		✓
5	Continue to investigate the amalgamation of C.C., Licensing and Cash Management Counters	Amalgamated counter strategy has now rolled into the overall corporate Customer Service Strategy. The goal is to develop a Customer Service vision from Town staff by 2010 Q4 and develop a strategy and implementation plan in 2011.	AD	✓	✓
6	Acquire wireless headsets to drive efficiencies in customer service delivery (Parksmart)	Wireless headsets were acquired in the fall. A standalone computer was set up for the ParkSmart software and now CSRs can log parking exceptions directly into the ParkSmart. The previous process was to open a workorder in ACR that was later re-opened in ParkSmart. This new process has saved approximately 70hrs annually.	COM	✓	✓
7	Process mapping activities within Corporate Services Commission to drive efficiencies.	<p>Completed the following process maps:</p> <ul style="list-style-type: none"> - Business Licensing Renewal Process - new process designed to save 100 hrs annually - Graffiti Process - Now a Graffiti Case Tye exists in ACR to track the number of complaints to the different areas with a notification to York Regional Police - Windrows Process - Redesigned as the front-end transitioned to CC - Mayor's Office - All Administrative processes mapped - Markham Life beginning to end process - including the entry of the program in Class, proofing, printing and distribution - activities identified for improvement - Process mapped 7 service request types that will be part of the ACR/Portal integration project 	COM		✓
8	Identify a better means of tracking Paid Parking Permits	Creation of one form used for the complete calendar year and for all permitted areas in Markham. This efficiency saves a great deal of paper, easier to find the person in the binder and consistent record keeping of permits.	COM		
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

CONTACT CENTRE KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	0	1	0	1 every 2 years
Overall satisfaction (%) (formal survey)	n/a	n/a	n/a	n/a	94.0%		80%
% extremely/very satisfied (formal survey)	n/a	n/a	n/a	n/a	69%		35%
# of informal satisfaction surveys completed	0	0	0	0	0	0%	1
Overall satisfaction (%) (informal survey)	n/a	n/a	n/a	n/a	n/a		n/a
% extremely/very satisfied (informal survey)	n/a	n/a	n/a	n/a	n/a		n/a
% of ACR Case Follow Up For Customer Satisfaction	n/a	n/a	10%	4%	6%	9%	10%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 7.79	\$ 8.37	\$ 8.18	\$ 8.46	\$ 8.67	\$ 4.20	\$ 8.50
Average Cost per Call (excluding switchboard)	\$ 2.41	\$ 2.81	\$ 3.00	\$ 3.18	\$ 3.39	\$ 3.47	<\$5.00
OPERATIONAL EXCELLENCE							
% of calls answered in 30 seconds - excluding switchboard	72.0%	70.0%	70.0%	71.1%	70.00%	70.40%	70.0%
% of emails replied to in 24 hours	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%
% of Abandoned Calls - including switchboard	2.1%	2.0%	2.1%	2.1%	2.5%	2.0%	<5.0%
% of phone calls answered within 3 rings			99.5%	99.6%	99.8%	99.8%	95%
number of Recreation Registrations	110,228	113,299	111,602	126,483	128,468	69,763	n/a
total calls volume	247,372	239,392	225,951	228,252	222,309	106,592	n/a
total emails received	1,653	2,383	3,832	7,098	11,327	7,744	n/a
number of people served at counter	10,754	11,201	12,209	16,698	19,153	7,776	n/a
Language line interpretations					54	21	n/a
Internal Contact Centre staff language interpretations					617	344	n/a
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	80%	n/a	74%	n/a	79%	75%
Recognition rating (from staff survey)	n/a	70%	n/a	72%	n/a	80%	65%
Staff Satisfaction rating (from staff survey)	n/a	78%	n/a	76%	n/a	87%	80%
Completion rate for performance management	67%	86%	100%	83%	100%	n/a	100%
Average Corporate learning hours per full-time employee	30.0	41.1	38.1	16.3	45.5	2.8	20.0
Staff absenteeism (average # of days per employee)	13.1	5.4	12.1	7.7	9.3	5.0	< 8.4
Staff turnover rate	0.0%	0.0%	0.0%	40.0%	25.0%	0.0%	< 7.5%
KPI SUMMARY							
<p>Overall, the Contact Centre phone stats have remained stable. The area of customer service that has experience tremendous growth the second year in a row is in email communication. The Contact Centre responded to more than 7744 emails and this represents an increase of 54% over the same period in 2008. 99% of email were responded to within 24 business hours.</p> <p>The area that we have achieved 'world class' status in was in our Staff Satisfaction results. Much work was done over the last three years engaging staff in decision making, process improvements to drive organizational efficiencies and dealing with job control challenges.</p>							



CONTACT CENTRE BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)											
#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Corporate Objectives		Ongoing support/leadership of key corporate objectives, primarily National Quality Institute PEP Level 4, Integrated Leisure Master Plan, Growth Management/Official Plan, Diversity Action Plan, Greenprint and the new Council term priorities	✓	✓	✓	✓	✓	✓	✓	
2	Portal - Assist with 2nd phase of Project		Will work with the Portal Steering Committee to identify and implement additional on-line services			✓	✓		✓	✓	
3	Creation of a Corporate Customer Service Strategy		Work with departments to develop a strategy by Q3				✓	✓	✓	✓	
4	Municipal Service Planning - Enhance Customer Relationships by creating an ACR training program for all 2010 elected officials.		Training to be conducted in early Q1 with elected officials to address the benefits of logging concerns in ACR and tracking the progress of the issue through the system. Alleviate direct calls from Councillors to Operations' Supervisors.			✓	✓		✓	✓	
5	New 4 Day Waste Collection Program - Assisting the Waste Department in education citizens transitioning to new schedule.		Providing timely information to residents, logging and tracking concerns. Providing feedback to Waste Department to minimize impact on residents. Reporting to be provided on a weekly basis to Waste to identify key challenges and trending.			✓	✓		✓		
Business Unit Objectives											
1	Implementation of a Knowledgebase.	✓	By summer 2011 the knowledgebase will be implemented with 50% of supporting departmental information. End of year 100% of all departmental information will be searched on-line for quick responses to citizens. Goal to become a paperless environment. 2011 IT budget request of \$26,000 for project.			✓	✓		✓	✓	
2	Process mapping activities to drive efficiencies		Continue identifying processes that need to be process mapped and reviewed for improved effectiveness. - Ez Labour end-to-end activities - Map all front counter activities in Contact Centre				✓	✓	✓	✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



CONTACT CENTRE 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
USER FEES & SERVICE CHARGES	\$3,721	\$3,000	\$3,000	\$0	0.0%	(\$721)	-19.4%	
Total Revenues	\$3,721	\$3,000	\$3,000	\$0	0.0%	(\$721)	-19.4%	
Expenses								
SALARIES AND BENEFITS	\$929,117	\$974,945	\$1,063,689	\$88,744	9.1%	\$134,572	14.5%	
PRINTING & OFFICE SUPPLIES	4,257	6,875	6,875	0	0.0%	2,618	61.5%	
COMMUNICATIONS	4	0	0	0	0.0%	(4)	-100.0%	
TRAVEL EXPENSES	256	200	700	500	250.0%	444	173.4%	
TRAINING	100	709	4,209	3,500	493.7%	4,109	0.0%	
RENTAL/LEASE	1,160	1,419	1,419	0	0.0%	259	22.3%	
LICENCES, PERMITS, FEES	2,145	1,860	1,860	0	0.0%	(285)	-13.3%	
CREDIT CARD SERVICE CHARGES	162	787	787	0	0.0%	625	385.8%	
Total Expenses	\$937,201	\$986,795	\$1,079,539	\$92,744	9.4%	\$142,338	15.2%	
Net Expenditures/(Revenues)	\$933,480	\$983,795	\$1,076,539	\$92,744	9.4%	\$143,059	15.3%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



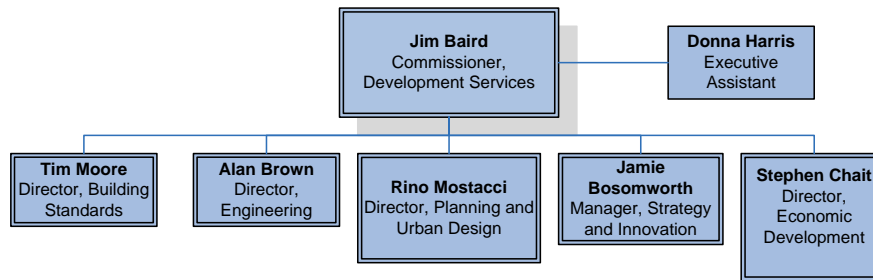
CORPORATE SERVICES COMMISSIONER'S OFFICE 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenues							
OTHER INCOME		\$0	\$0	\$0	0.0%	\$0	0.0%
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Expenses							
SALARIES AND BENEFITS	\$469,033	\$484,609	\$424,099	(\$60,510)	-12.5%	(\$44,934)	-9.6%
PRINTING & OFFICE SUPPLIES	1,018	1,262	1,262	0	0.0%	244	0.0%
OPERATING MATERIALS & SUPPLIES	181	0	0	0	0.0%	(181)	-100.0%
COMMUNICATIONS	554	1,165	1,165	0	0.0%	611	110.3%
TRAVEL EXPENSES	4,689	9,564	9,564	0	0.0%	4,875	104.0%
TRAINING	0	2,621	2,621	0	0.0%	2,621	0.0%
LICENCES, PERMITS, FEES	11,703	9,485	9,485	0	0.0%	(2,218)	-19.0%
PROMOTION & ADVERTISING	0	485	485	0	0.0%	485	0.0%
Total Expenses	\$487,178	\$509,191	\$448,681	(\$60,510)	-11.9%	(\$38,497)	-7.9%
Net Expenditures/(Revenues)	\$487,178	\$509,191	\$448,681	(\$60,510)	-11.9%	(\$38,497)	-7.9%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Decrease is due to compensation recovery from Development Charges not previously budgeted in 2010.

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
- Engineering
- Planning and Urban Design
- Economic Development

Currently, there are 157 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:

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



Engineering

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

- Development and Transportation
- Inspection
- Infrastructure and Capital Projects

Development and Transportation

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

- New subdivisions applications
- Site plan applications
- Transportation planning proposals
- Storm water management proposals
- Municipal servicing and infrastructure design and construction
- Travel Demand Management

Inspection

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

- Storm and sanitary sewer construction
- Water main construction
- Road construction
- Grading
- Service connection
- Utilities
- Reduction and/or release of engineering-related securities
- Pool inspection

Infrastructure and Capital Projects

This area is responsible for major infrastructure and capital projects undertaken by the 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.

Planning & Urban Design

This department creates civic pride through excellence in community planning and development. The Planning and Urban Design department activities relate to long range strategic planning and current development control; formulation of plans, policies, regulations and guidelines on land use, development, urban design and growth management; processing and evaluation of development applications; data collection,

analysis, research and monitoring on land use, planning policy and growth related matters; digital mapping related functions; community outreach, liaison and information. This department is currently the lead department for the town in managing a new Official Plan meeting the requirements of Provincial policies.

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



DEVELOPMENT SERVICES COMMISSION 2011 OPERATING BUDGET

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

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
<u>Revenue</u>								
GRANTS AND SUBSIDIES	\$133,000	\$60,500	\$60,500	\$0	0.0%	(\$72,500)	-54.5%	
USER FEES & SERVICE CHARGES	7,250	10,500	10,500	0	0.0%	3,250	44.8%	
RECOVERIES & CONTRIBUTIONS	8,500	10,834	10,834	0	0.0%	2,334	27.5%	
Total Revenues	\$148,750	\$81,834	\$81,834	\$0	0.0%	(\$66,916)	-45.0%	
<u>Expenses</u>								
SALARIES AND BENEFITS	\$1,612,017	\$1,719,754	\$1,748,527	\$28,773	1.7%	\$136,510	8.5%	
PRINTING & OFFICE SUPPLIES	13,683	18,776	18,776	0	0.0%	5,093	37.2%	
OPERATING MATERIALS & SUPPLIES	3,506	6,097	6,097	0	0.0%	2,591	73.9%	
COMMUNICATIONS	4,686	4,369	4,369	0	0.0%	(317)	-6.8%	
TRAVEL EXPENSES	33,975	62,919	62,919	0	0.0%	28,944	85.2%	
TRAINING	2,364	16,491	16,491	0	0.0%	14,127	597.6%	
CONTRACTS & SERVICE AGREEMENTS	300,000	340,000	320,000	(20,000)	-5.9%	20,000	6.7%	
RENTAL/LEASE	6,695	9,676	9,676	0	0.0%	2,981	44.5%	
PROFESSIONAL SERVICES	0	8,460	8,460	0	0.0%	8,460	0.0%	
LICENCES, PERMITS, FEES	8,984	5,325	5,325	0	0.0%	(3,659)	-40.7%	
CREDIT CARD SERVICE CHARGES	0	321	321	0	0.0%	321	0.0%	
PROMOTION & ADVERTISING	270,664	271,557	271,577	20	0.0%	913	0.3%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	400	0	0.0%	400	0.0%	
OTHER EXPENDITURES	0	(10,000)	(10,000)	0	0.0%	(10,000)	0.0%	
Total Expenses	\$2,256,574	\$2,454,145	\$2,462,938	\$8,793	0.4%	\$206,364	9.1%	
Net Expenditures/ (Revenue)	\$2,107,824	\$2,372,311	\$2,381,104	\$8,793	0.4%	\$273,280	13.0%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

No significant changes.

BUILDING STANDARDS BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Portal Implementation	Updating and migration of building standards website content in progress. OPAL public information registry and customer online permit information portal completed and ready for implementation	OT		✓
2	Fee model refinement	Permit fee revenue from Town projects will be incorporated into the Building Standards operating budget beginning in 2011. This accounting mechanism will in effect offset up to 10% of annual indirect costs.	COM		✓
3	Renovate Building Counter	Modifications to provide an accessible permit counter have been designed and tendered.	OT		✓
4	Deploy new mobile devices for inspectors	Inspection tablets scheduled to be issued to Building Standards Inspectors as part of the first rollout. Tendering of the devices is subject to IT timelines and other priorities.	DL		✓
5	Prepare for digital submissions via portal	Portal implementation was delayed somewhat. The development of online applications will be examined in 2011, following the portal implementation.	AD		✓
Notes:					

Objective Status: OT= On Target, ADJ= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



BUILDING STANDARDS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005	2006	2007	2008	2009	2010	TARGET
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	JUNE 30	
# of formal customer satisfaction surveys completed					1		1 every 2 years
Informal survey cards issued to clients					0		500/yr
overall satisfaction (%)					70%		80%
% extremely/very satisfied					52%		35%
Clients indicating satisfaction or better							75%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 31.78	\$ -	\$ -	\$ -	\$ -		note 1.
Total Revenue from Building Permits Issued					\$ 5,469,998.88	\$ 2,362,866.87	note 2.
Cost of Permit & Inspection Services per \$1,000 of construction value (MPMP)							
Expenditures as a % of Revenue							100%
OPERATIONAL EXCELLENCE							
Median Permit Processing Time - Housing (MPMP)	n/a			74	80	54	10 days
Median Permit Processing Time - Small Buildings (MPMP)	n/a			60	62	45	15 days
Median Permit Processing Time - Large Buildings (MPMP)	n/a			56	67	66	20 days
Median Permit Processing Time - Complex Buildings (MPMP)	n/a			43	68	88	30 days
Total number of Permits issued	6,116	4,194	3,868	3,841	2,407	1,212	
Complete Applications as a % of total							50%
Zoning Enquiries responded to in writing in 5 days or less							90%
Property compliance letters responded to in writing in 5 days or less							90%
Community and industry engagement meetings, seminars or presentations							25hrs
Inactive Applications (Dormant - No activity for 12 months) as a % of total							10%
Total number of inspections conducted	87,095	78,751	57,103	69,729	40,222	17,920	
% of Successful Prosecutions					86	67	note 3.
Inspections conducted within 48 hours						98	98%
Mandatory Inspection completion rate							90%
Open Building Permits inspected at least once in past year							85%
Marijuana Grow-Ops remediated within 6 months							80%
Technical, Regulatory & Safety Training Hours per FTE							40 hrs
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		76%		72%		69%	75%
Recognition rating (from staff survey)		65%		59%		55%	65%
Staff Satisfaction rating (from staff survey)		75%				79%	80%
Completion rate for performance management	100%	100%	73%	98%	92%	n/a	100%
Average Corporate learning hours per full-time employee	0.4	2.2	1.3	7.1	4.4	0.1	20.0
Staff absenteeism (average # of days per employee)	3.9	2.0	3.4	6.1	4.8	2.6	8.4
Staff turnover rate	0%	4%	9%	0%	4%	4%	7.5%
KPI SUMMARY							
<p>Note 1: Cost per household no longer used as a measure of building standards financial performance. A provincial financial performance measure (building permit and inspection costs per \$1,000 of construction value) has been established beginning 2011 and will be reported here beginning next year.</p> <p>Note 2: Building permit revenues were \$4.4 million to end September and substantially ahead of 2010 budget. Year end projection is now \$5.5 million.</p> <p>Note 3: Few prosecution court proceedings were concluded in this cycle. % is not representative of long term results.</p>							

BUILDING STANDARDS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/	Public Safety	Diversity	Alignment to NQI
Cross Commission Projects											
1	In collaboration with Planning and Fire Services, the City of Toronto, and the Ministry of Municipal Affairs and Housing, consultation and support for provincial initiatives in the areas of energy efficiency, accessibility and mid-rise construction alternatives, in support of Markham's Greenprint.		Building code changes currently in development in these areas are adopted and applied beginning 2012.	✓		✓	✓			✓	✓
2	In collaboration with Legal, Legislative and Fire Services, develop a Report to Council and By-law providing for recovery of costs associated with grow operations and illegal drug labs		A Town By-law that provides for cost recovery by York Regional Police, Markham Hydro and Town Departments to offset response and remediation costs associated with illegal grow operations and clandestine drug laboratories. Report in Q2.			✓	✓			✓	
3	In collaboration with Legal, Legislative and Fire Services, develop a Report to Council and By-law prohibiting fortification of buildings		A Town By-law that prohibits fortification of buildings in circumstances where it may impede police response to illegal activity. Report in Q2.			✓	✓			✓	
4	Modify established Building Excellence Award Program to promote the Town's sustainability and energy efficiency objectives		Revised homebuilder award program that requires achievement in energy efficiency and sustainable construction in addition to building code compliance. Criteria by Q1.	✓		✓				✓	✓
Business Unit Objectives											
1	Review \$450 million of construction proposals, process and issue 2,500 building permits , and complete 45,000 compliance inspections according to the technical and performance requirements set out in the <i>Building Code Act</i>		Maintenance of class leading service levels and technical proficiency in building standards enforcement	✓			✓			✓	
2	Collaboration with the Ontario Ministry of Labour Occupational Health and Safety Branch, City of Ottawa and City of London on an information sharing and construction site safety pilot program		A targeted OHS training program for inspectors will be developed and delivered by MOL. Improved relations with provincial partners in addressing construction site safety issues. (Q2)				✓			✓	✓
3	Refine Permit Fees and Charges		A revised building permit fee structure which reduces barriers to green energy projects and reallocates other fees. (Q1)			✓	✓				
4	Preparation and training for 2012 building code	✓	Staff are fully trained and prepared to implement the comprehensive amendments to the building code which come into force January 1, 2012	✓		✓	✓				
5	Alternative Solutions Support Package		Forms and a procedure will be developed which facilitates efficient application, review and approval of innovative design solutions where appropriate. (Q1)			✓	✓			✓	✓
6	Reduce open inspection files and improve final inspection routines		A final inspection program for dormant files will be developed to reduce open inspection files by 50% by the end of 2011				✓			✓	
7	Develop and implement occupancy permit procedures for houses		An occupancy inspection and permit process for new houses will be communicated to industry and ready for rollout on or before January 1, 2012				✓			✓	
8	Develop and implement online applications at the counter and through the portal		Facilities for applicants to input application form information at the counter, to eliminate hand completed paper forms. Ability to receive online applications for defined application types such as plumbing repair and certified house plan repeats. (Q4)			✓	✓			✓	✓
9	Implement mobile computing for inspectors		Inspectors may conduct all inspection record keeping and office functions through a reliable mobile device compatible with Amanda version 5 and fully integrated with office systems. (IT timeline)				✓			✓	✓
10	Develop a more functional space plan for building standards counter operations		More organized working environment which improves staff satisfaction and addresses current operational needs. (Q2)				✓			✓	
11	Improve building permit review efficiency and align process to revised provincial regulations		80% success rate by year end in responding to complete applications within provincial timelines. Revisions to building by-law and application processes.				✓			✓	
12	Provincial Performance Measures (MPMP) data collection		2011 data tracked according to provincial criteria and available for first year reporting in 2012				✓			✓	
13	Enforcement Order Documents		Revised Order templates and clearer (multi-lingual) instructions to owners about the requirements to comply with Orders, to improve compliance efficiency and improve counter interactions. (Q1)				✓		✓		

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



BUILDING STANDARDS 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenue							
LICENCES & PERMITS	\$6,096,973	\$4,395,790	\$6,581,660	\$2,185,870	49.7%	\$484,687	7.9%
USER FEES & SERVICE CHARGES	60,182	36,120	30,140	(5,980)	-16.6%	(30,042)	-49.9%
Total Revenues	\$6,157,155	\$4,431,910	\$6,611,800	\$2,179,890	49.2%	\$454,645	7.4%
Expenses							
SALARIES AND BENEFITS	\$4,662,035	\$5,072,658	\$5,236,096	\$163,438	3.2%	\$574,061	12.3%
PRINTING & OFFICE SUPPLIES	30,191	43,708	0	(43,708)	-100.0%	(30,191)	-100.0%
OPERATING MATERIALS & SUPPLIES	7,320	13,604	0	(13,604)	-100.0%	(7,320)	-100.0%
COMMUNICATIONS	5,530	24,593	0	(24,593)	-100.0%	(5,530)	-100.0%
TRAVEL EXPENSES	15,269	8,006	0	(8,006)	-100.0%	(15,269)	-100.0%
TRAINING	5,406	27,476	0	(27,476)	-100.0%	(5,406)	-100.0%
CONTRACTS & SERVICE AGREEMENTS	1,924,079	1,924,579	2,018,348	93,769	4.9%	94,269	4.9%
MAINT. & REPAIR-TIME/MATERIAL	0	235	0	(235)	-100.0%	0	0.0%
RENTAL/LEASE	1,522	6,214	0	(6,214)	-100.0%	(1,522)	-100.0%
PROFESSIONAL SERVICES	36,554	5,971	0	(5,971)	-100.0%	(36,554)	-100.0%
LICENCES, PERMITS, FEES	24,733	14,165	0	(14,165)	-100.0%	(24,733)	-100.0%
CREDIT CARD SERVICE CHARGES	2,583	8,424	0	(8,424)	-100.0%	(2,583)	-100.0%
PROMOTION & ADVERTISING	0	6,311	0	(6,311)	-100.0%	0	0.0%
TRANSFERS TO RESERVES	0	(2,724,034)	(811,694)	1,912,340	-70.2%	(811,694)	0.0%
Total Expenses	\$6,715,222	\$4,431,910	\$6,442,750	\$2,010,840	45.4%	(\$272,472)	-4.1%
Net Expenditures/ (Revenue)	\$558,067	\$0	(\$169,050)	(\$169,050)	0.0%	(\$727,117)	-130.3%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Licences & Permits: Increase is due to the increased number of permits expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

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

Transfer to Reserves: Adjustment to balance the department's budget to zero.

ENGINEERING BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	E3 Initiatives	<ul style="list-style-type: none"> Environmental engineering consolidated into Asset Management on August 10 Capital delivery consolidated into Engineering on July 10 	COM		✓
2	Growth Management Strategy a) Complete servicing study based on growth scenarios b) Develop Official Plan policies c) Input into Langstaff and Markham Centre OP/ Secondary Plan	<ul style="list-style-type: none"> Advanced, and to be completed by year end, 2010 Input to 2011 OP process Transportation study completed and servicing studies to be completed by developers' consultants 	OT	✓	
3	BMFT Priority on Transportation	<ul style="list-style-type: none"> Regular updates to steering committee on transportation and servicing status 	OT	✓	
4	Transportation a) Metrolinx b) Regional Transportation and Servicing Study c) Markham Transportation Strategic Plan	a) Ongoing - project prioritization to be completed by year end b) Completed and presented to Council in Q1 c) To be completed in early 2011, based on Growth Management Strategy endorsed option	OT	✓	
5	Make It Happen Task Force - Implementation	<ul style="list-style-type: none"> Ongoing discussions with development industry on best practices Subdivision Agreement template completed and implemented by Q4 Site plan review process established Master Letter of Credit process established AMANDA – see "AMANDA 5" section KPI and timelines – preliminary timelines established as part of the development approval process (DAP) 	OT	✓	✓
6	Development <ul style="list-style-type: none"> Implement AMANDA 5 	<ul style="list-style-type: none"> Engineering review and approval process flowchart developed. Testing and implementation by ITS to be completed by year end. Site plan and subdivision processes mapped and being implemented into Amanda TEST platform Procedures manual for site plan and subdivision processes completed 	OT		✓
7	Capital a) Capital Program <ul style="list-style-type: none"> Implement 2010 Capital Program b) Monitor Regional roads, sewers and watermain EA's and design project and update Council as required c) Hydro undergrounding	a) 75% of Engineering projects committed, 80% of Asset Management/Waterworks Capital projects committed. Some project timelines adjusted due to transfer of large volume of Asset Management projects. b) updated Council as required - e.g. Donald Cousens Parkway, Highway 7 widening, Woodbine Bypass, PD6 Watermain, YDSS-South East Collector c) Feasibility study completed but cost estimates need resolution	OT	✓	
8	Transportation a) Travel Demand Management (TDM) <ul style="list-style-type: none"> Advance external and internal programs Work with Smart Commute to increase service and participation levels Advance corporate programs b) Parking Strategy <ul style="list-style-type: none"> Council approval of Parking Strategy and implementation of Business Plan c) Cycling, Pathway and Trails Master Plan <ul style="list-style-type: none"> Implement Cycling and Pathway Master Plan 	a) <ul style="list-style-type: none"> Participated in programs designed to promote TDM and Transportation Management Association (TMA) TMA participation requirement included in 3 development applications Guidelines for the preparation of TDM plan in progress b) <ul style="list-style-type: none"> Final draft parking strategy and business plan were received by Council in May 2010 c) <ul style="list-style-type: none"> Master Plans were approved in June Finalized 5 year capital plan Transferred implementation to Operations Department 	OT	✓	
9	Environmental a) Implement Stormwater Management (SWM) Strategy	<ul style="list-style-type: none"> Ongoing projects such as the Flood Emergency Response Plan, Don Mills Channel, Berczy Creek, town-wide erosion control implementation, SWM guidelines, Low Impact Development guidelines 	OT	✓	✓
Notes:					

Objective Status: OT= On Target, ADJ= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



ENGINEERING KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGE T
# of formal customer satisfaction surveys completed (Development Engineering)	n/a	1				1 planned	1 every 2 years
# of informal satisfaction surveys completed							
Percentage of customers extremely satisfied (Citizen/service surveys)	n/a	n/a	80%				80%
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	n/a	59%				35%
Percentage of customers extremely satisfied (Developers surveys)		32%					
Percentage of customers satisfied (Developers surveys)		64%					
FINANCIAL PERFORMANCE							
Net cost per household	\$ 21.04	\$ -	\$ -	\$ -	\$ -	\$ (5.17)	
Development Revenue/Expenditure Ratio		1.5	1.2	1.0	0.6	3.0	1.0
Engineering Capital Revenue/Expenditure Ratio		0.5	0.5	0.8	0.9	0.9	1.0
Asset Management/Waterworks Revenue/Expenditure Ratio						New Function- No Data	1.0
OPERATIONAL EXCELLENCE							
% of Planning applications processed in an agreed upon time frame	-	-	-	-	-	60%	80%
% of Engineering submissions processed in service level time frame	-	-	-	-	-	60%	80%
% of Site Plan and Subdivision Agreements processed in agreed upon time frame	-	-	-	-	-	95%	80%
% of ACR cases completed within service level time frame	-	-	-	-	-	95%	80%
% of Capital programs committed						75%	
• Capital - Engineering							
• Capital - Asset Management & Operations	60%	65%	75%	60%	65%	80%	70%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	75%	n/a	63%	n/a	59%	75%
Recognition rating (from staff survey)	n/a	63%	n/a	53%	n/a	49%	65%
Staff Satisfaction rating (from staff survey)	n/a	73%	n/a	78%	n/a	67%	80%
Completion rate for performance management	n/a	93%	100%	100%	90%	n/a	100%
Average Corporate learning hours per full-time employee	0.9	13.6	24.4	16.5	11.4	1.1	20.0
Staff absenteeism (average # of days per employee)	1.7	3.8	3.6	2.4	2.2	3.2	8.4
Staff turnover rate	3%	13%	3%	18%	14%	7%	7.5%
KPI SUMMARY							
<p>Highlights of 2010:</p> <p>a) Percentage of planning and engineering submission review meeting service level timeframe dropped due to higher workload and staff vacancies after June 2010 (not reflected in above KPI). Currently, Engineering Department has 5 vacancies that are being filled.</p> <p>b) Due to Regional Development Charge increase, about 30 subdivision agreements (not including development agreements, construction agreements or site plan agreements) were completed in July, August and September. The additional workload was absorbed by significant amount of staff overtime.</p> <p>The Key focus in 2011 will be to:</p> <p>a) Address the Staff Satisfaction Survey issues, namely: work load, stress, compensation, administrative support</p> <p>b) Bring department to full staff complement and harness the benefits of the departmental reorganization to meet if not exceed the KPI</p>							

ENGINEERING BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)										
#	Objective	Requires Additional Resources?	Outcomes	Priorities						
				Council						Operational
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI
Cross Commission Projects										
1	Official Pan Update	✓	Provide input into preparation of new Official Plan on transportation, servicing and environmental policies and directions	✓	✓	✓	✓			✓
2	Project Management	✓	Provide input into corporate team regarding Capital delivery	✓						✓
3	Development Review Process continuous improvement	✓	Coordinate with other departments and external approval authorities to streamline development review and approval processes	✓						✓
Business Unit Objectives										
1	Staff Satisfaction Survey improvement and harness departmental reorganization	✓	Address workload, stress, compensation, space planning and administrative support							✓
2	Official Plan Update	✓	Complete detailed transportation, servicing and environmental studies and policies	✓	✓	✓	✓			✓
3	Building Markham's Future Together Strategic Initiatives		Implement recommendations and provide monthly updates to CCC related to transportation and servicing		✓		✓			
4	<u>Transportation</u> a) Metrolinx b) Provincial Evaluation of Langstaff/Richmond Hill Centre Mobility Hub c) Transit/Transportation Initiatives d) Travel Demand Management (TDM) e) Parking Strategy f) Pathways	✓	<ul style="list-style-type: none"> Update prioritization list and funding Update Council on ARUP study and Town response to Regional and Provincial Studies Update Council on various transit initiatives (Subway, 407 Transitway, Hwy 7 BRT, etc); Markham Transportation Strategic Plan Draft TDM plan guidelines prepared and adopted as part of Transportation Strategic Plan and Official Plan; Draft recommendations for a revised 'Employer Sponsored Transit Discount' program 	✓	✓					
5	<u>Capital</u> a) Implement 2011 Capital Program b) Continue Implementation of Auditor's recommendations	✓	a) 70% committed by year end, Reconcile 2010 carryover by January 31, 2011 b) Finalize Auditor's recommendation by Q1				✓			✓
6	<u>Inspection</u> a) Implement capital contract administration proposal subject to approval of CCC b) Building/Grading appeals for site plan residential entered into AMANDA c) Plot Plan – scan into archives d) Assumption – Historical data to be entered back to 2000 e) Services connections – redo documentation and enter historical data	✓	<ul style="list-style-type: none"> Review revenue opportunities Staff advancement and retention Planned activities completed 				✓			✓

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



ENGINEERING 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenue								
USER FEES & SERVICE CHARGES	\$7,295,569	\$3,589,698	\$5,007,662	\$1,417,964	39.5%	(\$2,287,907)	-31.4%	
SALES	200	500	1,000	500	100.0%	800	400.0%	
RECOVERIES & CONTRIBUTIONS	34,511	37,274	38,570	1,296	3.5%	4,059	11.8%	
Total Revenues	\$7,330,280	\$3,627,472	\$5,047,232	\$1,419,760	39.1%	(\$2,283,048)	-31.1%	
Expenses								
SALARIES AND BENEFITS	\$3,065,736	\$3,281,577	\$4,191,107	\$909,530	27.7%	\$1,125,371	36.7%	
PRINTING & OFFICE SUPPLIES	16,619	12,000	31,000	19,000	158.3%	14,381	86.5%	
OPERATING MATERIALS & SUPPLIES	18,857	18,000	18,000	0	0.0%	(857)	-4.5%	
COMMUNICATIONS	10,428	13,500	14,000	500	3.7%	3,572	34.3%	
TRAVEL EXPENSES	6,187	13,000	13,000	0	0.0%	6,813	110.1%	
TRAINING	13,975	15,000	16,000	1,000	6.7%	2,025	14.5%	
CONTRACTS & SERVICE AGREEMENTS	1,778,044	1,764,773	1,753,232	(11,541)	-0.7%	(24,812)	-1.4%	
MAINT. & REPAIR-TIME/MATERIAL	0	2,956	2,956	0	0.0%	2,956	0.0%	
PROFESSIONAL SERVICES	2,142	25,000	25,000	0	0.0%	22,858	1067.1%	
LICENCES, PERMITS, FEES	16,086	12,176	18,500	6,324	51.9%	2,414	15.0%	
TRANSFERS TO RESERVES	(995,358)	(1,530,510)	(1,035,563)	494,947	-32.3%	(40,205)	4.0%	
Total Expenses	\$3,932,716	\$3,627,472	\$5,047,232	\$1,419,760	39.1%	\$1,114,516	28.3%	
Net Expenditures/ (Revenue)	(\$3,397,564)	\$0	\$0	\$0	0.0%	\$3,397,564	-100.0%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased construction charges expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Transfer to Reserves: Adjustment to balance the department's budget to zero.

PLANNING AND URBAN DESIGN BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Growth Management Strategy - including all component studies and programs (eg. Intensification Guidelines, Financial models, transportation analysis, Community Infrastructure Capacity Review, Employment Land Budget, Environmental Policy Review & Consolidation, Agricultural lands review and a Comprehensive Consultation Program, etc.)	A preferred Growth Alternative was endorsed by Council in April 2010. A number of related initiatives including the Employment Lands Strategy Phase 1, the Environmental Policy Review and Consolidation, the Agriculture Assessment, the Housing Stock Analysis and a Framework for Intensification were completed. Several other related initiatives were in progress and will be completed during 2011. Initial work was undertaken in 2010 in support of preparing a new Official Plan.	COM	✓	
2	Markham Centre - Complete amendment to Secondary Plan, including Council adoption	Metrolinx/Mobility Hub/Markham Live/Pan Am Pool continue to be reviewed for development prior to preparation of a secondary plan. Markham Centre built form guidelines endorsed and new growth targets/transportation update presented to Development Services Committee.	AD	✓	
3	Langstaff - finalize any outstanding work on Secondary Plan. Resolve appeals to OMB, as may be necessary	Secondary Plan has been adopted and is with Region for approval.	COM	✓	
4	2010 urban Design Awards	Awards Ceremony Nov. 8 2010 at Hilton	OT		✓
5	Complete Heritage District Studies (Buttonville HCD)	Final plan going to public in November, Council adoption in Dec or Jan	OT		✓
6	Complete North Yonge Corridor Study	Langstaff Gateway and Yonge Steeles focus resulted in North Yonge corridor study deferred to 2011	AD	✓	
7	Continue and complete policy and study work underway (Sustainable Development Standards & Guidelines, Built Form for Intensification Guidelines, Yonge/Steeles Corridor Study, Markham Road Focal Point, North Markham Rd. Secondary Plan)	Sustainable Guidelines will go to Council in Fall 2010, Built Form Study completed stake holders interviews will go to Council in Fall 2010, Markham Road Focal Point Study delayed due to decision on SEMCC site finalization; North Markham road study delayed due to completion of EA and area wide	AD	✓	
8	Operate Heritage Financial Programs	Administered Designated Grant program, Façade Improvement program and Heritage Property Tax Reduction program	OT		✓
9	Implement Strategies from Threatened Heritage Bldgs Study (i.e. Heritage Property Standards By-law)	Presentation to Council - Jan 2011 on options	DL		✓
10	Phase 2 of Markham Village Interpretive Program	Adjusted due to EA study being delayed	DL		✓
11	Trees for tomorrow	Study completed and received by DSC. Streetscape Plan approved by Council	COM	✓	
12	Yonge Steeles Corridor	Yonge Steeles Corridor Study completed and endorsed by DSC. Liberty World on Yonge approved by Council and OMB. Public meeting on Secondary Plan in 2011.	OT		✓
13	Processed development applications from submission through to approval and final inspection	Approved 285 development applications from 421 applications submitted. Numerous complex, high density projects.	COM		✓
14	Processed design, tender documents and construction of town parks	Started design of \$16.5 million of parks and completed and transferred to Operations for maintenance 10.66 ha of parks	COM		✓
15	Participate in numerous town committees (Integrated Leisure Master Plan, Rouge Park Master Planning and Trails Planning, Project Planning, Trees for tomorrow, Land and Capital Assets, Executive Infrastructure, etc.)	Committees are on-going	OT		✓
16	Affordable Housing Strategy,	Underway, Reporting out in New Year	AD	✓	
Unplanned Projects					
17	Additional Studies and work required as part of the adoption of the Growth Management Plan (Employment Intensification Study and Greenhouse Gas Analysis)	The Employment study will be reported to Council in 2011 and the gas analysis will be reporting out in November	OT	✓	
18	Assisted in 3 RINC projects (Civic Centre Skating Rink and Angus Glen Tennis Centre as project champions, and St Roberts Soccer Bubble as active participant for design)	All RINC projects are on time for completion in 2011	OT	✓	
18	Assisted with design of Town owned facilities (East Markham CC, Thornhill CC, Varley Art Gallery)	Design has been completed as projects have started construction	COM	✓	
19	Process 27 subdivision agreements in 2 months	27 agreements where completed by Staff	COM	✓	
20	Involved in Markham Live	Site Optimization Study to be completed by end of year	OT	✓	
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



PLANNING AND URBAN DESIGN KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed		1					1 every 2 years
# of informal customer satisfaction surveys completed							
Percentage of customers extremely satisfied (Citizen/service surveys)	n/a	n/a	15%				35%
Percentage of customers satisfied (Citizen/service specific surveys)	n/a	n/a	74%				80%
Percentage of customers extremely satisfied (Developers surveys)		32%					35%
Percentage of customers satisfied (Developers surveys)		64%					80%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 0.97	-	-	-	-	\$ (2.96)	
Average cost per application circulated (including indirect costs)	\$ 4,688.10	\$ 7,324.85	\$ 8,638.44	\$ 10,629.94	\$ 6,311.98	\$ 6,952.54	
OPERATIONAL EXCELLENCE							
Number of applications circulated	564	549	450	232	285	310	
% of applications processed in agreed upon time frames					74.2%	69.2%	80%
% of preliminary reports to DSC within 6-8 weeks of receipt of a complete application			27%	46%	52%	38%	80%
% of park construction projects completed in agreed upon time frames				91%	90%	90%	90%
% of park construction projects completed within budget				100%	90%	90%	90%
% of studies completed within budget					92%	88%	90%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)		74%		65%		54%	75%
Recognition rating (from staff survey)		66%		46%		41%	65%
Staff Satisfaction rating (from staff survey)		71%		78%		53%	80%
Completion rate for performance management	87%	100%	92%	100%	90%		100%
Average Corporate learning hours per full-time employee	7.3	8.3	4.4	20.7	8.7	4.3	20.0
Staff absenteeism (average # of days per employee)	1.7	1.9	4.4	3.7	3.6	1.6	8.4
Staff turnover rate	6%	6%	10%	6%	0%	6%	7.5%
KPI SUMMARY							
<p>The Department experienced a significant drop in staff satisfaction scores in the 2010 survey. This was primarily a function of workload and staffing. The Operational Excellence KPI's indicate that our performance has not suffered but this has often been at the expense of work life balance and staff satisfaction. By the end of June of this year we have already circulated 310 applications, more then the total of the previous year. Many of these were complex high density applications. When projected through to December of this year this will bring us back to the high activity levels experienced in 2005 and 2006. Senior Staff is taking measures to address the primary issue of workload by getting permission to fill vacancies that had been deferred due to 2008/09 revenue shortfalls, and bring staffing back up to target levels. New Senior Development Manager position has been created and recruitment is underway for Director vacancy. Process management initiatives are expected to allow better tracking of application processing timeframes in 2011. A customer satisfaction survey is to be undertaken in 2011. Steps are being taken to provide sufficient administration support.</p>							

PLANNING AND URBAN DESIGN BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan, Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	New Official Plan process Continue and advance the preparation of a new Markham Official Plan, as directed by Council in 2010, incorporating the growth alternative to 2031 endorsed by Council in 2010, integrating with other BMFT initiatives, and in conformity with the Regional and Provincial policy context.	✓	Work leading up to the completion of a draft Official Plan in 2012	✓	✓	✓		✓			
2	Provide response and implementation recommendations for Green Print from all Divisions within Department (Development Planning, Design, Heritage, Policy)		Completion of Green Print implementation recommendations.	✓	✓	✓	✓				✓
3	Complete a Markham Centre Secondary Plan update by end of year including a Markham Live/Mobility Hub elements.		Draft Secondary Plan presented to DSC by year end	✓	✓						✓
4	Implementation of Streetscape Manual		Use of Standards in design and construction of Landscape Drawings								✓
5	Markham Centre East Precinct Plan (Markham Live) and implementation strategy	✓	Approved Precinct Plan	✓	✓						✓
Business Unit Objectives											
1	Complete Town wide UD Guidelines	✓	New Pamphlets								✓
2	Complete sustainable landscape practice manual		Use of Standards in design and construction of Landscape Drawings			✓					✓
3	Complete various studies throughout Town (Milliken/Kennedy/Steeles Plan, North Yonge Corridor Study, Highway 48 Secondary Plan, Cornell Centre Urban Design Study, Yonge Steeles Corridor Secondary Plan, Markham Centre Secondary Plan, Markham Centre Public Realm and Streetscape Plan)	✓	Studies approved by end of year	✓	✓	✓		✓			✓
4	Process development applications from submission through to approval and final inspection	✓	Process the approval of over 300 applications	✓							✓
5	Process design, tender documents and construction of town parks		Initiate design of \$4.0 million worth of Parks and complete 14 hectares of Parks	✓				✓			
6	Precinct Plan and Development Approvals for Shoppes on Steeles		Work towards completion of Precinct Plan and Development Approvals	✓	✓						
7	Zoning and Land Use Study for John Street/Green Lane industrial area	✓	Complete Study	✓							✓
8	Reinstate positions held back due to lack of revenue and schedule Department wide activities to address Staff Satisfaction survey		Improved staff satisfaction survey results								✓

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



PLANNING & URBAN DESIGN 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenue								
USER FEES & SERVICE CHARGES	\$6,761,962	\$4,873,518	\$6,964,473	\$2,090,955	42.9%	\$202,511	3.0%	
RECOVERIES & CONTRIBUTIONS	0	10,000	0	(10,000)	-100.0%	0	0.0%	
Total Revenues	\$6,761,962	\$4,883,518	\$6,964,473	\$2,080,955	42.6%	\$202,511	3.0%	
Expenses								
SALARIES AND BENEFITS	\$3,730,673	\$3,583,140	\$4,602,024	\$1,018,884	28.4%	\$871,351	23.4%	
PRINTING & OFFICE SUPPLIES	30,191	43,092	43,092	0	0.0%	12,901	42.7%	
OPERATING MATERIALS & SUPPLIES	7,320	6,803	6,803	0	0.0%	(517)	-7.1%	
COMMUNICATIONS	5,530	9,369	9,369	0	0.0%	3,839	69.4%	
TRAVEL EXPENSES	15,269	17,869	17,869	0	0.0%	2,600	17.0%	
TRAINING	5,406	7,281	7,281	0	0.0%	1,875	34.7%	
CONTRACTS & SERVICE AGREEMENTS	892,434	954,442	1,208,697	254,255	26.6%	316,263	35.4%	
RENTAL/LEASE	1,522	3,000	3,000	0	0.0%	1,478	97.1%	
PROFESSIONAL SERVICES	36,554	38,748	38,748	0	0.0%	2,194	6.0%	
LICENCES, PERMITS, FEES	24,733	22,995	22,995	0	0.0%	(1,738)	-7.0%	
CREDIT CARD SERVICE CHARGES	2,583	1,823	1,823	0	0.0%	(760)	-29.4%	
PROMOTION & ADVERTISING	0	4,365	4,365	0	0.0%	4,365	0.0%	
OTHER EXPENDITURES	0	(5,000)	(5,000)	0	0.0%	(5,000)	0.0%	
TRANSFERS TO RESERVES	195,591	195,591	1,003,407	807,816	413.0%	807,816	413.0%	
Total Expenses	\$4,947,806	\$4,883,518	\$6,964,473	\$2,080,955	42.6%	\$2,016,667	40.8%	
Net Expenditures/ (Revenue)	(\$1,814,156)	\$0	\$0	\$0	0.0%	\$1,814,156	-100.0%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to the increased number of applications expected in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

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

Transfer to Reserves: Adjustment to balance the department's budget to zero.

ECONOMIC DEVELOPMENT BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	To be regarded as a 'top 3 location in Canada for ICT/Life Sciences convergence businesses'	Established Markham Convergence Centre as the newest medical device commercialization facility in Canada	OT	✓	✓
2	Build Markham -- The Creative City	Established year-round entrepreneurship and commercialization training program for Markham cultural business owners in collaboration with Markham Arts Council. Completed Cultural mapping initiative in collaboration with Culture Dept.	OT	✓	✓
3	Markham to be Canadian HQ of 5 "Fortune 500" banks, investment firms or insurers	Attracted Seneca College Centre for Financial Services, and established "Canadian Institute for Criminal Financial Analysis" in Markham. TD Bank relocated regional HQ to Markham.	OT	✓	✓
4	Markham to be recognized internationally as a leading sustainable community	Contributed to completion of "GreenPrint", and successfully attracted 2 new solar energy firms to locate in Markham. Participated in investment attraction missions in California and Utah with Region of York.	OT	✓	✓
5	Foreign direct investment to generate >100 jobs per year in Markham	Achieved in excess of 280 new high-tech jobs (AMD 130, Huawei 150). Convened 3 international business events, and hosted 10 foreign delegations.	OT	✓	✓
6	Markham to be regarded as one of the top cities in Canada to locate a knowledge based business	Markham's competitive position as "Canada's High-Tech Capital" continues to prevail among industry experts, based on size of clusters, and award-winning economic strategy	OT	✓	✓
7	Markham to be home to most talented labour force in Canada	Markham Small Business Centre acknowledged as best in Ontario by Province, new partnerships fostered with post-secondary institutions (York U, Seneca, George Brown, and IITAC)	OT	✓	✓
8	Add to Markham's competitiveness as a superior business location	Contributed to formulation of Employment Lands Strategy. Assisted in the reorganization and consolidation of key business support groups: YORKbio, ISCM, and NCMD	OT	✓	✓

Notes:

In the second half of the year the Department re-allocated its resources to address the start-up requirements of the Markham Convergence Centre, as well as the Portal Project (requiring unplanned time to cull and migrate web pages). This has required staff at all levels to contribute a significant number of unpaid weekly overtime hours to address scheduled non-MCC events and marketing activities, and a deferral of several non-priority business objectives to 2011 (subject to availability of resources).

Objective Status: OT= On Target, ADJ= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



ECONOMIC DEVELOPMENT KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed				2	0	0	1 every 2 years
# of informal customer satisfaction surveys completed				15	22	12	after every event
overall satisfaction (%) -- formal survey				83%			80%
% extremely/very satisfied -- formal survey				80%			35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 8.35	\$ 7.90	\$ 8.76	\$ 13.21	\$ 11.66	\$ 6.57	
External grants and sponsorship funds attracted	\$ 400,000.00	\$ 105,000.00	\$ 90,000.00	\$ 81,834.00	\$ 103,850.00		
OPERATIONAL EXCELLENCE							
Percent variance in annual budgetary expenditures	5.71%	6.41%	2.24%	1.90%	2.20%		5.00%
Number of Marketing awards won	n/a	2	2	4	3		2
% of annual economic strategy objectives achieved/completed	n/a	n/a	n/a	n/a	70.00%		80.00%
% growth in number of High Tech Firms in Markham	n/a	n/a	8.00%	-2.00%	-14.00%		5.00%
% growth of High Tech employment (number of jobs)	n/a	n/a	25.00%	0.00%	-7.00%		5.00%
% growth in number of Life Science Firms in Markham			0.00%	-3.00%	0.00%		5.00%
% growth of Life Science employment (number of jobs)			-14.00%	6.00%	10.00%		5.00%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	n/a	80%	n/a	75%	n/a	71%	75%
Recognition rating (from staff survey)	n/a	70%	n/a	73%		71%	65%
Staff Satisfaction rating (from staff survey)	n/a	75%	n/a	94%		83%	80%
Completion rate for performance management	100%	100%	100%	100%	100%	n/a	100%
Average Corporate learning hours per full-time employee	16.4	7.1	1.8	3.5	11.0	2.9	20.0
Staff absenteeism (average # of days per employee)	1.4	1.5	9.0	1.9	1.7	1.0	8.4
Staff turnover rate	0%	25%	20%	0%	0%	0%	7.5%
KPI SUMMARY							
<p>The Department is highly regarded by its clients and partners. Post-event surveys are regularly conducted, and are used by staff to identify opportunities for improvement. In 2011 Economic Development will conduct 3 customer surveys (MCC, MSBEC, and realtors). The Department will conduct an internal review of the 10-year Economic Strategy and re-assess the business objectives in alignment with available resources and prevailing market conditions. The Town's economic base is exhibiting weakness due to the global recession and dependence of technology firms on global markets (the USA in particular). The absence of growth, but only modest losses and high levels of customer approval, suggests that the Town's economic strategy is having a positive influence. Regardless, the Department will conduct a review of the strategy in 2011 to fine-tune it and to align annual business objectives with available resources. Staff engagement is generally high (zero turnover, 94% satisfaction). The Department is currently focused on identifying remedies to address high workload and need for more and better collaboration and information sharing. Draft solutions will be shared at staff meetings in November.</p>							

ECONOMIC DEVELOPMENT BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)											
#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Employment land intensification strategy		Collaborate with Policy Planning and Sustainability Office to identify land capacity, and required tactics and resources necessary to achieve employment growth targets	✓						✓	
2	City branding strategy	✓	Led by Corporate Communications. Establish city status in 2011 and implement branding over two year span.	✓						✓	
3	Cultural Master Plan		Led by Culture Department. Achieve business community awareness of Markham's cultural assets and strategies.				✓	✓		✓	
Business Unit Objectives											
1	Increase market awareness and optimize operation of Markham Convergence Centre	✓	Achieve 85% occupancy and 60% target market awareness	✓						✓	
2	Complete integration of ISCM and YORKbiotech into new Regional Innovation Centre		Complete staffing and governance implementation	✓						✓	
3	Advance FDI results by conducting investment attraction missions to India and Israel		Attract 2 Israeli and/or Indian life science firms to locate within MCC	✓						✓	
4	Launch new Markham Youth-Tech entrepreneurship program		Establish industry advisory committee and hold launch event	✓					✓	✓	
5	Provide improved strategic and facilitation services to BIAs in Markham	✓	Engage staff member as BIA Liaison person	✓			✓			✓	
6	Build Markham -- The Creative City		Provide support and content for 3 cultural industry commercialization events to be led by Markham Arts Council	✓				✓		✓	
7	Markham to be Canadian HQ of 5 "Fortune 500" banks, investment firms or insurers		Provide marketing support for 4 financial services sector events in GTA to be hosted by Seneca College or Canadian Institute of Criminal Financial Analysis	✓						✓	
8	Markham to be recognized internationally as a leading sustainable community		Participate in 2 investment attraction missions targeted at environmental industry sectors to be organized by Region of York	✓		✓				✓	
9	Markham to be regarded as one of top cities in Canada to locate a knowledge based business		Compete for international recognition as a "Smart City"	✓						✓	
10	Markham to be home to most talented labour force in Canada		Support York University, Seneca College, Region of York, and York Simcoe Labour Adjustment Board in targeted sector projects							✓	
11	Add to Markham's competitiveness as a superior business location		Complete on-line inventory of vacant or marketable employment lands. Advance plans for redevelopment and intensification for 2 major existing private landholdings.	✓						✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



ECONOMIC DEVELOPMENT 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenue								
GRANTS AND SUBSIDIES	\$133,000	\$60,500	\$60,500	\$0	0.0%	(\$72,500)	-54.5%	
USER FEES & SERVICE CHARGES	7,250	10,500	10,500	0	0.0%	3,250	44.8%	
RECOVERIES & CONTRIBUTIONS	8,500	10,834	10,834	0	0.0%	2,334	27.5%	
Total Revenues	\$148,750	\$81,834	\$81,834	\$0	0.0%	(\$66,916)	-45.0%	
Expenses								
SALARIES AND BENEFITS	\$736,990	\$740,967	\$779,650	\$38,683	5.2%	\$42,660	5.8%	
PRINTING & OFFICE SUPPLIES	13,543	18,776	18,776	0	0.0%	5,233	38.6%	
OPERATING MATERIALS & SUPPLIES	3,322	5,454	5,454	0	0.0%	2,132	64.2%	
COMMUNICATIONS	3,650	3,301	3,301	0	0.0%	(349)	-9.6%	
TRAVEL EXPENSES	26,550	41,001	41,001	0	0.0%	14,451	54.4%	
TRAINING	1,575	6,311	6,311	0	0.0%	4,736	300.7%	
CONTRACTS SERVICES AGREEMENT	300,000	340,000	340,000	0	0.0%	40,000	13.3%	
RENTAL/LEASE	526	938	938	0	0.0%	412	78.3%	
LICENCES, PERMITS, FEES	7,050	4,354	4,354	0	0.0%	(2,696)	-38.2%	
PROMOTION & ADVERTISING	270,664	271,577	271,577	0	0.0%	913	0.3%	
Total Expenses	\$1,363,870	\$1,432,679	\$1,471,362	\$38,683	2.7%	\$107,492	7.9%	
Net Expenditures/ (Revenue)	\$1,215,120	\$1,350,845	\$1,389,528	\$38,683	2.9%	\$174,408	14.4%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

No significant changes.



DEVELOPMENT SERVICES COMMISSIONER'S OFFICE 2011 OPERATING BUDGET

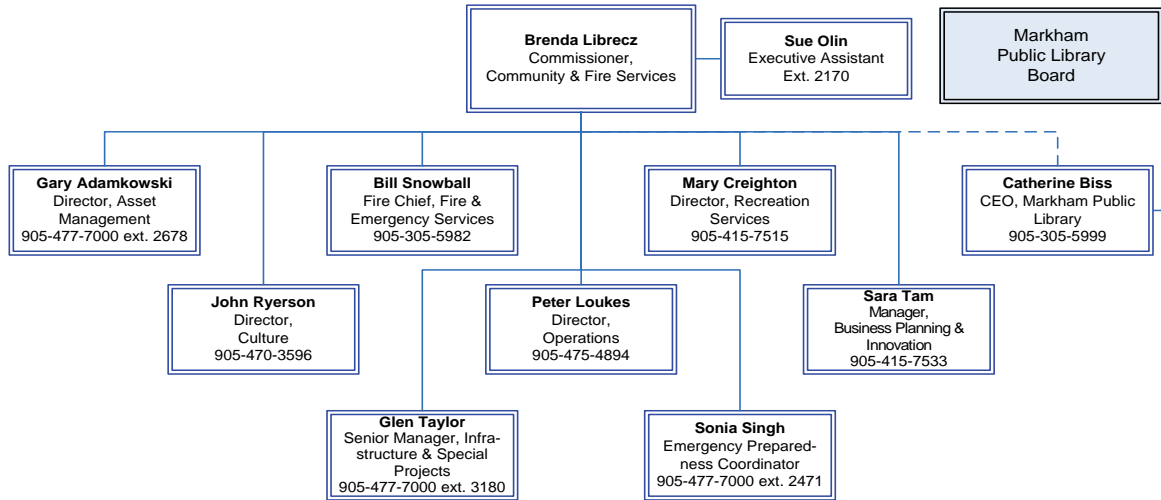
<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	
Revenue								
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Expenses								
SALARIES AND BENEFITS	\$875,027	\$978,787	\$968,877	(\$9,910)	-1.0%	\$93,850	10.7%	
PRINTING & OFFICE SUPPLIES	140	0	0	0	0.0%	(140)	-100.0%	
OPERATING MATERIALS & SUPPLIES	184	643	643	0	0.0%	459	249.5%	
COMMUNICATIONS	1,036	1,068	1,068	0	0.0%	32	3.1%	
TRAVEL EXPENSES	7,425	21,918	21,918	0	0.0%	14,493	195.2%	
TRAINING	789	10,180	10,180	0	0.0%	9,391	1190.2%	
RENTAL/LEASE	6,169	8,738	8,738	0	0.0%	2,569	41.6%	
PROFESSIONAL SERVICES	0	8,460	8,460	0	0.0%	8,460	0.0%	
LICENCES, PERMITS, FEES	1,934	971	971	0	0.0%	(963)	-49.8%	
CREDIT CARD SERVICE CHARGES	0	321	321	0	0.0%	321	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	0	400	400	0	0.0%	400	0.0%	
OTHER EXPENSES	0	(10,000)	(10,000)	0	0.0%	(10,000)	0.0%	
Total Expenses	\$892,704	\$1,021,486	\$1,011,576	(\$9,910)	-1.0%	\$118,872	13.3%	
Net Expenditures/ (Revenue)	\$892,704	\$1,021,486	\$1,011,576	(\$9,910)	-1.0%	\$118,872	13.3%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

No significant changes.



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. It is accomplished through the delivery of services provided by the nine business units that report to the six departments in the Commission.

The Business Units that comprise the six departments in the Community & Fire Services Commission are summarized below:

Department	Business Unit
Asset Management	1. Facility Assets
	2. Right-of-Way & Environmental Assets
Culture	3. Culture
Fire & Emergency Services	4. Fire & Emergency Services
Markham Public Library	5. Markham Public Library
Operations	6. Operations Division (Roads/Parks/Fleet)
	7. Waste & Environmental Management
	8. Waterworks
Recreation Services	9. Recreation Services

Additionally, the Commissioner’s Office has responsibilities in the areas of overall coordination, at a Commission-level, of business planning and strategic activities, emergency preparedness for the overall organization, and special initiatives such as the Pan Am Games and the coordination of the seven Infrastructure Stimulus Fund (ISF) and Recreation Infrastructure Canada (RIInC) funded infrastructure projects that totalled more than \$21 million.

In 2011, the Commission had an approved full-time complement, including Waterworks, of 639 employees.

Our commitment to continuous improvement has resulted in changes to the departmental structure in Asset Management, Fire & Emergency Services, Markham Public Library, Operations Department, and Recreation Services. These changes were made as part of the corporate Excellence through Effectiveness and Efficiency Project (E3). Since 2008, it is estimated that this Commission has generated approximately \$5 million in savings, revenues, and cost avoidance.

The commitment and dedication of our staff are recognized externally as their programs and practices have garnered numerous awards for the Town of Markham. Some of the recent highlights include:

1. **2009 Full Scope Accreditation for Drinking Water Quality Management System** – Markham was one of first five municipalities to be accredited by the Province of Ontario
2. **2009 and 2010 Gold Youth Friendly Community Awards** by Play Works Partnership- Recreation Dept.
3. **2009 Minister Award for Innovation** by the Ministry of Culture, Province of Ontario - It was awarded to the Markham Public Library for its Customer Centred Classification (C3) system
4. **2009 Best Exhibition in Canada** by Canadian Art Magazine for *The Automatiste Revolution: Montreal 1941-1960* at the Varley Gallery
5. **2009 Peter J. Marshall Certificate of Merit Award** by Association of Municipalities of Ontario – It was awarded for Zero Waste at Public Events
6. **2010 Top Honours for Urban Forestry Management** (Grandview Park Woodlot Restoration) by Communities in Bloom
7. **2010 Paul McGaw Memorial Conservation Award** by North American Plant Society
8. **2010 Ontario Waste Minimization Platinum Award** by the Recycling Council of Ontario
9. **2010 Unique Waste Programs Gold Award** by Recycling Council of Ontario - Markham was the first municipality to have won two awards in one year and the only municipality to have received a Platinum Award previously, in 2007
10. **2010 P.J. Marshall Award for Innovation** by Association of Municipalities of Ontario – It was awarded for the C3 system at the Markham Public Library

Some Commission Facts

- Number of fleet vehicles maintained in 2009: 800
- Number of facilities maintained in 2009: 165 buildings
- Total library items borrowed in 2009: 5.4 million
- Town-maintained parks: 819 ha
- Number of sportsfield hours booked in 2009: 64,176
- Town-maintained roads: 1,978 km
- Number of households receiving curbside collection services for garbage, recycling, organics and yard waste: 87,672
- Number of emergency incident response from Fire Department in 2009: 7,666
- Number of all direct recreation program registrations in 2009: 81,271
- Number of annual visits at recreation facilities in 2009: 7.0 million
- Size of municipal art gallery and museum collection in 2009: 49,074 items
- Average attendance at municipal theatre's professional programs in 2009: 69%
- Cubic metres of water consumed in 2009: 31.1 million



11. **2010 Silver Award for Integrated Quality and Healthy Workplace** by the National Quality Institute – This is an organization-wide award to which this Commission has made its contribution.

Departments will be undertaking initiatives that align to the following four **2011 Commission Priorities**:



A brief summary for each department is provided below.

Asset Management

The Asset Management Department is made up of the ***Facility Assets*** and ***Right of Way & Environmental Assets*** business units.

Notable Initiative ~ New East Markham Community Centre & Library

The ***Facility Assets*** business unit provides project management services to all internal departments for major building repairs, replacements, expansions and construction. Examples include construction of the new East Markham Community Centre and Library (\$75.7M) and expansion of the Varley Art Gallery (\$2.5M). This business unit also has direct responsibility for the operation of the Civic Centre and 8100 Warden Ave as well as the maintenance of 30 Town facilities, such as smaller community centres, libraries, fire stations, heritage sites, Civic Centre and town owned homes. In addition, Facility Assets provides corporate-level maintenance services to approximately 64 other Town buildings including Recreation Services, Operations and Culture facilities. These efforts are designed to achieve safe, functional, user-friendly, comfortable, and energy efficient use of these facilities.

Notable Initiative ~ Bridge Rehabilitation and Stormwater Flood Control and Remediation

The ***Right-of-Way & Environmental Assets*** business unit is responsible for providing technical assistance and advice to internal departments to achieve the most effective engineering solutions for new and replacement municipal infrastructure. Services are provided in the areas of: Capital Works – Right-of-way, Utilities and Contracts, Business Systems Improvement and Environmental Assets.

- 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. , Bridges and Culverts rehabilitation, Stormsewers, Roads, etc.).
- Utilities and Contracts administers and coordinates utility approvals within existing rights of ways and provides survey services to various internal departments as well as maintaining the street lighting system.
- Business Systems Improvement completes conversion of new development water and sewer data into Corporate GIS layers and databases as well as organizes digital engineering drawings for staff access. This section also manages the Town's closed landfill including the operation of the gas collection system and monitoring methane and leachate levels.
- The Environmental Assets manages the Town's environmental assets including storm sewer and overland drainage systems, stormwater management facilities, and watercourse features related to flood control, erosion control and natural environment management.

Culture

Notable Initiative ~ Cultural Planning & Mapping

The Culture Department is responsible for overseeing the cultural development of the community and in managing the direction and operations of the three municipal cultural venues in Markham. In 2010, the department took over responsibility for developing the public art program for Markham. In 2010/11, the Culture department commenced a 10-year culture plan process called "Building a Creative Markham". Public consultations will be continuing into 2011.

- Museum - The 25-acre Museum site offers exhibits, public and school programming, and research in genealogy and archives of Markham. In 2010, the Museum is completing an exhibition and collection storage building. This is the first building to meet international climate and security standards for our museum at LEED gold standard. The building will open mid 2011. The Museum has a reputation for leadership in its strategy and connects history to contemporary visitors in settlement, industry and environment.
- Theatre - The Markham Theatre offers rental and a professional season of performing arts for residents, the GTA, and schools. 2009/10 was the Theatre's 25th anniversary. The 525 seat theatre has state-of-the-art equipment and a strong reputation for service both front and backstage. More recently, the theatre has



moved beyond its walls to deliver programming for the Olympic Torch and Milliken Children's Festival.

- Gallery - 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, lectures, and family activities. In Fall 2010, the gallery commenced construction of an addition with the financial support of \$1.4 million donation from Mr. Wallace Joyce. The gallery has established a reputation for producing high quality exhibitions that have toured across Canada. The current exhibition Kai Chan retrospective will tour across Canada in 2011.

Fire & Emergency Services

Notable Initiative ~ New Cornell Fire Station

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 eight fire stations and an administrative office.

Markham Public Library

Notable Initiative ~ C3 – Customer Centred Classification

Markham Public Library is responsible for the delivery of library services through six branches and its website. Administratively, it reports to the Town of Markham Public Library Board, and has a dotted-line reporting relationship with the Commissioner of Community & Fire Services. The Library's mission is to "enrich lives and empower people by providing a spectrum of resources and services that delight our diverse community". MPL services are focused on lifelong learning, literacy skills, and inclusive community-building. It is one of the most innovative and most efficiently operated public libraries in Canada. Library innovations include the award-winning C3 - Customer Centred Classification system, the Learning Place business model for library programs, and its leading position in the implementation of RFID-based self-service technology in public libraries.

Operations

The Operations Department is made up of three business units - Operations, Waste & Environmental Management, and Waterworks.

Notable Initiative ~ Operations Roads & Parks Service Planning Project

The ***Operations*** business unit is responsible for the maintenance of roads and parks in the Town of Markham, supported by fleet, traffic operations 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 800 vehicles and equipment units, which are used to maintain parks and streets, respond to fire emergencies, and assist all municipal operations.

Notable Initiative ~ Zero Waste

The **Waste & Environmental Management** business unit is responsible for managing the curbside pickup of household recyclables, garbage, organic waste, and yard waste and in 2010, a broader environmental focus was incorporated into its mandate. Other services include the operation of recycling depots, large appliances / metal pickup, special recycling programs, policy development, and public education programming. Mission Green is one of its key initiatives to introduce three stream waste collection into the community, with a target to divert 75% of household garbage from landfills.

Notable Initiative ~ Drinking Water Quality Management System

The **Waterworks** business unit is responsible for the provision of safe drinking water for domestic and commercial use throughout Markham. This responsibility includes the maintenance and repair of watermains up to the property line as well as the water meters inside the house. This group is also responsible for the maintenance and repair of sanitary sewers and all appurtenances up to the property line. Another important service is the regular sampling of the water distribution system to ensure the quality of water for human consumption.

Recreation Services

Notable Initiative ~ Community-focused Departmental Structure

The Recreation Services Department advocates for the creation of sense of community, belonging and enjoyment, while delivering 25% of total Town of Markham revenue annually through user fees and rentals.

The Department is committed to improving the quality of life for Markham residents through provision of quality leisure programming and comfortable and well maintained community facilities. The Department combines a direct service delivery approach in provision of recreational, aquatic, fitness and lifestyle programming for individuals of all ages with ongoing community develop work with minor sport organizations, community groups, not-for-profit organizations and other key stakeholders. As well, through the four major community centres and 17 satellite facilities, thousands of hours are permitted annually to various community based organizations.

The Recreation Services Department extends beyond the walls of the Town owned and operated facilities. The Department will respond through the creative use of space and deliver services in schools, parks, and where the need arises.



COMMUNITY & FIRE SERVICES 2011 OPERATING BUDGET (EXCLUDING WATERWORKS)

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
GRANTS AND SUBSIDIES	\$1,236,036	\$1,017,034	\$1,412,473	\$395,439	38.9%	\$176,437	14.3%
FINES	32,000	3,000	3,000	0	0.0%	(29,000)	-90.6%
USER FEES & SERVICE CHARGES	10,173,620	10,146,881	10,469,752	322,871	3.2%	296,132	2.9%
RENTALS	5,603,819	5,728,374	6,220,271	491,897	8.6%	616,452	11.0%
SALES	465,672	618,935	523,073	(95,862)	-15.5%	57,401	12.3%
RECOVERIES & CONTRIBUTIONS	696,805	876,881	884,281	7,400	0.8%	187,476	26.9%
OTHER INCOME	383,952	395,734	488,047	92,313	23.3%	104,095	27.1%
INTERDEPARTMENTAL RECOVERIES	532,378	530,708	530,708	0	0.0%	(1,670)	-0.3%
Total Revenues	\$19,124,282	\$19,317,547	\$20,531,605	\$1,214,058	6.3%	\$1,407,323	7.4%
Expenses							
SALARIES AND BENEFITS	\$63,044,664	\$62,586,212	\$67,659,260	\$5,073,048	8.1%	\$4,614,596	7.3%
PRINTING & OFFICE SUPPLIES	265,776	298,198	304,489	6,291	2.1%	38,713	14.6%
PURCHASES FOR RESALE	264,650	282,032	240,836	(41,196)	-14.6%	(23,814)	-9.0%
OPERATING MATERIALS & SUPPLIES	3,689,084	3,882,709	2,295,592	(1,587,117)	-40.9%	(1,393,492)	-37.8%
VEHICLE SUPPLIES	1,336,222	1,644,200	1,560,612	(83,588)	-5.1%	224,390	16.8%
SMALL EQUIPMENT SUPPLIES	9,525	15,091	15,091	0	0.0%	5,566	58.4%
BOTANICAL SUPPLIES	231,598	280,965	292,978	12,013	4.3%	61,380	26.5%
CONSTRUCTION MATERIALS	1,221,682	1,406,878	1,430,270	23,392	1.7%	208,588	17.1%
UTILITIES	3,999,313	4,121,704	4,494,909	373,205	9.1%	495,596	12.4%
COMMUNICATIONS	368,076	414,946	430,664	15,718	3.8%	62,588	17.0%
TRAVEL EXPENSES	120,742	165,022	170,072	5,050	3.1%	49,330	40.9%
TRAINING	213,905	279,243	301,137	21,894	7.8%	87,232	40.8%
CONTRACTS & SERVICE AGREEMENTS	6,529,279	7,215,352	7,986,183	770,831	10.7%	1,456,904	22.3%
MAINT. & REPAIR-TIME/MATERIAL	3,554,808	3,527,435	3,765,197	237,762	6.7%	210,389	5.9%
RENTAL/LEASE	485,562	552,351	648,422	96,071	17.4%	162,860	33.5%
INSURANCE	11,963	13,262	13,263	1	0.0%	1,300	10.9%
PROFESSIONAL SERVICES	1,434,277	1,364,268	1,425,791	61,523	4.5%	(8,486)	-0.6%
LICENCES, PERMITS, FEES	354,187	342,378	406,195	63,817	18.6%	52,008	14.7%
CREDIT CARD SERVICE CHARGES	211,173	153,595	189,296	35,701	23.2%	(21,877)	-10.4%
PROMOTION & ADVERTISING	395,426	434,684	445,213	10,529	2.4%	49,787	12.6%
CONTRACTED MUNICIPAL SERVICES	9,147,379	9,061,734	9,372,894	311,160	3.4%	225,515	2.5%
OTHER PURCHASED SERVICES	462,766	467,344	466,637	(707)	-0.2%	3,871	0.8%
OFFICE FURNISHINGS & EQUIPMENT	8,703	8,910	8,910	0	0.0%	207	2.4%
WRITE-OFFS	3	0	0	0	0.0%	(3)	-100.0%
OTHER EXPENDITURES	87,572	105,400	98,000	(7,400)	-7.0%	10,428	11.9%
TRANSFERS TO RESERVES	462,845	456,158	456,158	0	0.0%	(6,687)	-1.4%
Total Expenses	\$97,911,180	\$99,080,071	\$104,478,069	\$5,397,998	5.4%	\$6,566,889	6.7%
Net Expenditures/(Revenues)	\$78,786,898	\$79,762,524	\$83,946,464	\$4,183,940	5.2%	\$5,159,566	6.5%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Utilities: Increase due to projected higher volumes and price of gas and hydro.

Contracts & Service Agreements: Increase due to growth in roads and parks and escalation in Town contracts such as winter maintenance

Maint. & Repair - Time/Material: Increase due to the annual assumption of new streetlights for maintenance and increased maintenance of aging buildings and equipment

Rental/Lease - Due to growth in roads and requirement for additional rental of road equipments

Professional Services – Increase in culture program development and consulting

License, Permits, Fees - Contract escalations in Operations

Contracted Municipal Services: Increase in hydro rates for streetlight hydro

FACILITY ASSETS BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Space Planning (Primary)	Review space planning need and implement a multi year implementation strategy. Have the framework of a proposed strategy developed for peer review by Q3.	OT	✓	✓
2	Accessibility (AODA) (Secondary)	Complete upgrades to 8100 Warden, Milne Park, Markham Train Station and Victoria Square Park washrooms by the end of Q2, 2011. Implement the construction of \$3.2M of accessibility retrofits throughout Q1-4 2010. Aim to spend 90% of the funding by the end of Q4.	OT	✓	
3	Business Planning and Budgeting (Secondary)	Complete an analysis of F/A life cycle budgeting process by end of Q2, so that the budget request is more aligned with business planning and the available funding.	COM	✓	✓
4	Stimulus Projects - Accessibility, Energy, etc. (Primary)	Start construction in Early Q1. Be at least 85% complete by budget by the end of Q4.	OT	✓	✓
5	Stimulus Project - Emergency Planning (Secondary)	Support Lead Department in construction of the EOC at 8100 Warden	OT	✓	
6	Building Markham's Future Together (BMFT) Municipal Services Project - Process mapping, SOPs (Secondary)	As described in work plan finalized by Lead Department - Lead Department Operations - Jeff Mc Mann and Daphne Ross	OT	✓	✓
7	Implementation of Auditor General Recommendations (Secondary)	100% Implementation of recommendations as they relate to this department. New Pre-Qualification process, Implemented Eclipse Software.	OT	✓	✓
8	Cathedral Fire Station (F/S 93)	Completed construction by Q3	OT	✓	✓
9	Cornell Fire Station (F/S 99)	Complete design in Q3. Tender by the end of Q4. PO established. MDEI will service.	OT	✓	
10	Public Washrooms (Markham and Unionville)	Construct Markham washrooms by the end of Q4.	DL	✓	
11	East Markham Community Centre & Library Construction	15% of the project constructed by the end of 2010	OT	✓	
12	Varley Art Gallery Expansion	Start late Q3 and end Q3, 2011 - needed to replace architect and significant change to design	AD	✓	
13	Museum Collections Building construction	Project substantially complete by the end of Q3 2010	OT	✓	
14	Facility Maintenance for Civic Centre; 8100 Warden and Markham Village Library	Continue uninterrupted municipal services in these facilities	OT	✓	✓
15	Eclipse Standardization	By the end of Q1, eclipse was used exclusively for all financial and schedule tracking, as well as note taking	COM	✓	✓
16	Stiver Mill	Stabilize the building structure and complete the environmental remediation by the end of Q4, 2010. Complete electrical recommendations by the end of Q2, 2011.	OT	✓	
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



FACILITY ASSETS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGE T
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed ¹	0	1	0	0	1	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	0	-
Overall satisfaction (%) ¹	N/A	92%	N/A	N/A	67%	N/A	80%
% extremely/very satisfied ¹	N/A	26%	N/A	N/A	40%	N/A	35%
Post project completion surveys completed ²	N/A	N/A	N/A	N/A	N/A	N/A	100%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 18.00	\$ 18.52	\$ 14.83	\$ 19.30	\$ 21.01	\$ 10.54	within budget
Net operating cost per gross sq.ft. of Civic Centre facility (172,515sf) and 8100 Warden Ave (85,000 sq effective 2009)	\$ 6.74	\$ 7.05	\$ 6.96	\$ 7.03	\$ 8.87	\$ 4.51	\$ 6.79
Est. value of construction & renovation projects managed - Facilities	\$9.5 M	\$8 M	\$11.5 M	\$84.4 M	\$88.6m	\$107.6m	N/A
% of projects completed on budget ²	N/A	N/A	N/A	N/A	N/A	100%	100%
OPERATIONAL EXCELLENCE							
Facility Maintenance - # of facilities maintained	120	141	161	162	165	167	N/A
# of facility work orders generated	2,686	650	549	480	972	506	N/A
% of facility work orders completed within 24 hours ²	N/A	N/A	N/A	N/A	92%	86%	95%
SF of facilities managed by Civic Centre coordinator	N/A	N/A	172,515	257,515	325,015	325,015	N/A
SF of facilities managed by Maintenance Coordinator	207,592	223,000	223,000	262,674	217,000	278,300	N/A
Completion rate of capital projects (% of planned budget spent) ^{2,3}	N/A	N/A	N/A	N/A	N/A	65%	N/A
% of projects with an environmental focus ²	N/A	N/A	N/A	N/A	N/A	69%	100%
# of capital projects undertaken and managed per staff ³	N/A	N/A	N/A	N/A	N/A	9	5
STAFF ENGAGEMENT¹							
Healthy Workplace Environment Index (from staff survey)	N/A	78%	N/A	70%	N/A	78%	75%
Recognition rating (from staff survey)	N/A	64%	N/A	63%	N/A	67%	65%
Staff Satisfaction rating (from staff survey)	N/A	77%	N/A	82%	N/A	84%	80%
Completion rate for performance management	100%	100%	100%	100%	96%	N/A	100%
Average Corporate learning hours per full-time employee	27.0	47.3	30.8	18.4	14.2	6.8	20.0
Staff absenteeism (average # of days per employee)	4.6	10.6	5.3	5.1	9.8	4.4	<8.4
Staff turnover rate	0%	0%	5%	10%	5%	5%	<7.5%

KPI SUMMARY

Note: ¹ Data is generated for the Asset Management Department and not for each of the two business units making up the department.

² New KPI developed as part of the 2010 Business Planning Process in 2009.

³ Based on the aggregate of all open projects to include multi-year projects.

A number of new KPIs were developed and approved by CCC last year. Vacancies in the department and the work on departmental reorganization have resulted in limited progress on the collection and management of those new indicators. A new 2011 objective has been put into place as a result.

FACILITY ASSETS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)									
#	Objective	Requires Additional Resources?	Outcomes	Priorities					
				Council					Operational
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity
Cross Commission Projects									
1	Stimulus Project - Emergency Planning (Secondary)		Provide support as required to project team led by Fire Services for Q1, 2011 completion	✓			✓		✓
2	Stimulus Project - Thornhill Community Centre & Library Renovation (Secondary)		Provide support as required to project team led by Recreation Services	✓			✓	✓	
3	Corporate Building Security Strategy (Primary)	✓	Lead corporate team to develop corporate strategy	✓			✓		
4	Space Planning (Primary)		Coordinate corporate moves as planned on time and on budget	✓			✓		
5	Stimulus Projects - Accessibility and Energy Projects (Primary)		Stimulus projects to be completed by Q1, 2011.	✓	✓	✓		✓	✓
6	Support PAN AM bid projects (Secondary)		Provide support as required to corporate team				✓		
7	Continue with construction of East Markham Community Centre (Integrated Leisure Master Plan - ILMP)		Continuation of construction in 2011. Completion in Q4 of 2012.	✓	✓	✓	✓	✓	
8	New South East Community Centre and Library - Engage A/E firm and commence design process (ILMP)	✓	Work with Recreation Services and Markham Public Library to establish scope, budget and schedule	✓			✓	✓	
9	Milliken Mills Community Centre & Library Expansion - Engage A/E Firm and commence design process (ILMP)	✓	Work with Recreation Services and Markham Public Library to establish scope, budget and schedule	✓			✓	✓	
10	Stiver Mill (Secondary)		Complete electrical recommendations by the end of Q2, 2011. Provide support to Culture for ongoing "Visioning".				✓		
11	Implement FMS software (user/secondary)	✓	Assist IT in tender/acquisition for software in Q1. Start implementation of software product. Expected completion for Q3 in 2012.	✓					✓
Business Unit Objectives									
1	Implement Centre of Excellence structure and address resource requirements (E3)	✓	Complete conversion process and commence recruitment when Council approves budget by Q2, 2011	✓			✓		✓
3	Streamline (progress and design) reporting and approval processes		Process documented. Efficiency and effectiveness improvements identified/made.					✓	
4	Improve process for financial tracking support		Process documented. Efficiency and effectiveness improvements identified/made.					✓	
5	Address Staff Satisfaction results		Improvements identified and implemented					✓	
6	Complete construction of Varley Art Gallery addition		Completion of project by Q3, 2011	✓			✓	✓	
7	Complete Fire Station 99		Tender award in Q4 of 2010. Construction completion in Q4 of 2011.	✓			✓		
8	Complete 2010 Life Cycle Projects	✓	Completion of projects by Q2, 2011				✓		
9	Complete 2011 Life Cycle Projects	✓	Completion of projects by Q3, 2012				✓		
10	Improve the tracking and management of key performance Indicators used to support business planning		Process for data tracking and management documented and reviewed; Data for new KPIs will be collected for 2012 BUP					✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner
S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



RIGHT OF WAY ASSETS BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Building Markham's Future Together (BMFT) Growth Management Strategy (Secondary)	Provided strategic environmental inputs into strategy	OT	✓	
2	BMFT's Municipal Services Project	Provided inputs to workplan prepared by Operations	OT	✓	✓
3	Implementation of Auditor General Recommendations (Secondary)	100% Implementation of recommendations as they relate to this department	OT	✓	✓
4	Complete one (1) internal customer surveys	Satisfaction Survey for Survey Section to be circulated in Q3 for comments by Internal customers , completion by Q4.	OT		✓
Utility & Contracts:					
5	Implement Streetlight Life Cycle Program	Negotiated extension of 2009 unit prices; 90 poles to be replaced; 2011 Life cycle update completed	OT	✓	✓
6	Provide Survey services to internal and external customers	2010 Road reconstruction program underway; Surveys completed, such as Thornhill Community Centre, 8100 Warden Berm Proposal	OT	✓	✓
7	Provide permitting and inspection services to external customers	2,000 permit requests processed as at August; Contract utility staff in place; Municipal Access Agreement fee structure approved and will be executed by Q3	OT	✓	✓
8	Provide streetlight services to meet public complaint/requests and continue to manage contracts/energy billing	Ongoing budget management, including forecasting underway; Implemented new accident cost recovery system; 2011 Award Report underway; Implemented Eclipse for financial tracking.	OT	✓	✓
Business Systems:					
9	Provide Right-of-Way assets drawings & data to internal and external customers	Drawing library updated; Requests addressed; Quality Assurance of data underway	OT	✓	
10	Compile data, maintenance history and digitize Right-of-Way assets into Corporate GIS layers and databases	Right-of-way infrastructure data compiled and added into GIS layers and into databases. GIS layer for Parks provided as source for Web application. Storm water assets (ponds and erosion sites) added.	OT	✓	✓
11	Manage annual programs (lifecycle reserve update, condition assessment, capital budget requests, databases update)	Reserve study / lifecycle update completed for bridges, culverts, pavements, storm ponds, street lights, storm sewer and landfill at Settler's Park. Park structures and outfalls surveyed.	OT	✓	✓
12	Document data maintenance process and standards for pipe system	Business process documented	COM	✓	✓
13	Monitor and maintain gas collection system at the former Sabiston Landfill	Operations manual completed; Regular inspection and monitoring of methane levels	OT	✓	✓
Environmental Assets:					
14	Finalize, communicate, document, and implement the new Department's reorganization as a Centre of Excellence (E3-67)	ROW & Environmental Assets Division re-organization completed as of August	COM	✓	✓
15	Provide Environmental reviews and approval services to Engineering Department	Development application environmental reports reviewed and approvals provided in a timely manner	OT	✓	✓
16	Project manage a variety of Environmental Projects	Manage projects, such as West Thornhill Flood Remediation EA Study, Flood Emergency Response Plan, Pomona Mills Creek	OT	✓	✓
17	Fine tune the storm and sanitary sewer model for West Thornhill Area	Stormwater model and Sanitary Sewer model fine-tuned	OT	✓	✓
18	Fine tune the storm and sanitary sewer model for West Thornhill Area	Stormwater model and Sanitary Sewer model fine-tuned	OT	✓	✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

RIGHT OF WAY ASSETS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	1	0	0	1	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	1	0
Overall satisfaction (%)	N/A	92%	92%	N/A	66%	67%	80%
% extremely/very satisfied	N/A	26%	N/A	N/A	38%	40%	35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 30.51	\$ 28.08	\$ 25.33	\$ 27.13	\$ 26.08	\$ 13.77	\$ 28.00
Streetlighting Cost per Light Standard	\$ 95.00	\$ 100.00	\$ 103.00	\$ 115.00	\$ 111.00	\$ 61.00	\$ 109.00
Amount of Utility Fees Collected	\$ 145,000	\$ 184,000	\$ 160,000	\$ 167,000	\$ 119,480	\$ 51,390	\$ 102,000
OPERATIONAL EXCELLENCE							
# km of watermains and sewers digitized / staff	59	46	26	28	36	10	22
# of survey requests processed /staff	128	126	131	140	156	75	140
# of new streetlights assumed by AM/year	893	696	977	855	600	122	est. 700
# of utility permits issued and inspected/staff/year	1,086	1,040	1,152	1,423	1,348	535	1,400
Cost of assessment study per asset assessed - Structures ²	\$ 341	\$ 287	\$ 345	\$ 447	\$ 537	\$ 443	\$ 450
% of assets (Structures) assessed per year ²	30%	45%	46%	25%	11%	25%	25%
# of staff hours required (to manage Structures program) per program ²	N/A	N/A	N/A	1,756	763	900	1,500
% of programs developed/implemented versus # of assets that require programming ²	25%	25%	25%	75%	75%	50%	75%
STAFF ENGAGEMENT¹							
Healthy Workplace Environment Index (from staff survey)	N/A	78%	N/A	70%	N/A	78%	75%
Recognition rating (from staff survey)	N/A	64%	N/A	63%	N/A	67%	65%
Staff Satisfaction rating (from staff survey)	N/A	77%	N/A	82%	N/A	84%	80%
Completion rate for performance management	100%	100%	100%	100%	96%	N/A	100%
Average Corporate learning hours per full-time employee	27.0	47.3	30.8	18.4	14.2	6.8	20.0
Staff absenteeism (average # of days per employee)	4.6	10.6	10.6	5.1	9.8	4.4	<8.4
Staff turnover rate	0.0%	0.0%	5.0%	10.0%	5.0%	5.0%	<7.5%
KPI SUMMARY							
Note: ¹ Data were generated for the Asset Management Department and not for each of the two business units making up the department							
² New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.							



RIGHT OF WAY ASSETS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)											
				Priorities							
				Council					Operational		
#	Objective	Requires Additional Resources?	Outcomes	Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
				Cross Commission Projects							
1	Support corporate initiatives: greenprint, Growth Management Strategy, Official Plan update, Portal, Project Management Office, Inflow & Infiltration Study (Secondary))		As described in work plan finalized by Lead Department.	✓		✓	✓	✓	✓	✓	
2	BMFT's Municipal Services Project - Process mapping, SOPs (Secondary)		As described in work plan finalized by Lead Department	✓			✓			✓	
Business Unit Objectives											
Utility & Contracts:											
1	Implement Streetlight Life Cycle Program		Implement Inspection Program and pole replacement program by Q3 for input into 2012 life cycle update				✓			✓	
2	Provide survey services to internal and external customers		Services delivered within agreed upon timeframe				✓			✓	
Business Systems:											
3	Develop Outfall Structures database		Database developed to support life cycle reserve update by Q1, 2011	✓			✓				
4	Manage annual programs (lifecycle reserve update, condition assessment, capital budget requests, databases update)	✓	Life cycle reserve update supported; Contributed to rehab programs; Condition assessments completed	✓			✓				
5	Monitor and maintain gas collection system at the former Sabiston Landfill		System managed; Feasibility of installing a leachate collection system and implementation of pilot aerobic program completed	✓		✓	✓			✓	✓
6	Develop and Implement Pavement Management System		Collaborated with Operations Dept. to develop a pavement management system to evaluate condition of roads, predict future level of service and determine yearly road rehabilitation program by Q3, 2012	✓	✓		✓				✓
Environmental Assets:											
7	Review and approval of environmental studies related to development applications		Studies reviewed to support development applications	✓		✓	✓				✓
8	Manage a variety of Environmental Projects and studies	✓	Projects completed, such as Don Mills Channel EA, Bruce/Robinson Creek EA, SWM pond retrofit update	✓		✓	✓				
9	Develop, update, and maintain Town-wide sanitary & storm sewer models		Sanitary and storm sewer models maintained using the InfoWorks program	✓		✓	✓				✓
10	Develop and maintain Town-wide environmental database programs		Staff trained; Support life cycle reserve updates			✓	✓				✓
11	Implement Flood Remediation Program for West Thornhill		Program implemented by Q4	✓		✓	✓				✓
12	Update environmental guidelines, standards, policies, and programs		Guideline and engineering standards updated; water quality monitoring program established	✓		✓	✓				✓
13	Improve process for financial tracking support		Eclipse software implemented				✓				

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound

ASSET MANAGEMENT 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenues							
GRANTS & SUBSIDIES	\$2,155	\$0	\$0	\$0	0.0%	(\$2,155)	-100.0%
USER FEES & SERVICE CHARGES	108,473	64,000	64,000	0	0.0%	(44,473)	-41.0%
RENTALS	92,358	68,654	68,654	0	0.0%	(23,704)	-25.7%
SALES	8,014	0	0	0	0.0%	(8,014)	-100.0%
RECOVERIES & CONTRIBUTIONS	32,200	30,000	30,000	0	0.0%	(2,200)	-6.8%
OTHER INCOME	0	0	0	0	0.0%	0	0.0%
INTERDEPARTMENTAL RECOVERIES	9,070	7,400	7,400	0	0.0%	(1,670)	-18.4%
Total Revenues	\$252,270	\$170,054	\$170,054	\$0	0.0%	(\$82,216)	-32.6%
Expenses							
SALARIES AND BENEFITS	\$1,838,126	\$1,797,450	\$2,023,317	\$225,867	12.6%	\$185,191	10.1%
OPERATING MATERIALS & SUPPLIES	103,727	116,051	97,129	(18,922)	-16.3%	(6,598)	-6.4%
SMALL EQUIPMENT SUPPLIES	0	(97)	(97)	0	0.0%	(97)	0.0%
CONSTRUCTION MATERIALS	916	2,028	2,028	0	0.0%	1,112	121.4%
UTILITIES	449,221	553,953	516,631	(37,322)	-6.7%	67,410	15.0%
TRAINING	2,413	0	0	0	0.0%	0	0.0%
COMMUNICATIONS	5,401	4,230	4,730	500	11.8%	(671)	-12.4%
CONTRACTS & SERVICE AGREEMENTS	528,865	611,399	619,382	7,983	1.3%	90,517	17.1%
MAINT. & REPAIR-TIME/MATERIAL	1,286,861	1,233,433	1,311,488	78,055	6.3%	24,627	1.9%
PROFESSIONAL SERVICES	0	11,640	11,640	0	0.0%	11,640	0.0%
LICENCES, PERMITS, FEES	224	1,000	500	(500)	-50.0%	276	123.2%
CONTRACTED MUNICIPAL SERVICES	1,546,875	1,394,000	1,674,200	280,200	20.1%	127,325	8.2%
TRANSFERS FROM OWN FUNDS	0	10,896	10,896	0	0.0%	10,896	0.0%
Total Expenses	\$5,762,629	\$5,735,983	\$6,271,844	\$535,861	9.3%	\$509,215	8.8%
Net Expenditures/(Revenues)	\$5,510,359	\$5,565,929	\$6,101,790	\$535,861	9.6%	\$591,431	10.7%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries and Benefits - Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids

Maintenance & Repair – Time/Material: Increase due to the annual assumption of new streetlights for maintenance and increased maintenance of aging buildings and equipment.

Contracted Municipal Services – Increase in hydro rates for streetlight hydro



CULTURE BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Sponsorship (Identification of Requirements, Development of Corporate Strategy)	As described in work plan finalized by Lead Department. Consultant hired September 2010.	DL		✓
2	Building Markham's Future Together (BMFT)'s Diversity Action Plan (Secondary)	As described in work plan finalized by Lead Department.	COM	✓	✓
3	BMFT's Integrated Leisure Master Plan development (Contributing Department)	Plan approved by Council on April 13, 2010	COM	✓	✓
4	BMFT's Integrated Leisure Master Plan recommendation on Cultural Plan: Undertake a cultural policy and strategy for Markham that will position Markham to be a creative city, which supports the Economic Development Strategic Implementation project (Primary)	Joint creative city strategy with Economic Development and Sustainability. Develop Cultural Policy for Markham. Formalize internal policy documentation. Develop Public Art program. Develop social capital measures in the Culture Plan. Plan process approved June 13, 2010 by Council.	OT	✓	✓
5	Varley, Museum, Theatre: Initiate Strategic Planning process for all three venues	Board & Management process to align goals and priorities to achieve multi-year sustainability. Communicate and understand the culture department objectives and increase staff awareness and communication of department's future. Museum plan deferred to 2012.	AD	✓	✓
6	Varley, Museum, Theatre: Implement workplan as a result of staff satisfaction survey	Develop plan to target specific improvement area as selected by the Culture Department and increase communications through meetings.	COM		✓
7	Varley Art Gallery: Production of 2009/10 Tour into USA; Approved/funded construction of Gallery expansion; Build reputation for innovative/integrative programming reflective of Markham's diversity; increase capacity of Board to increase revenue for growth (E3)	Funding for 2009/10 USA tour and publications established; Gallery expansion completed and opened; increased grant and sponsorship opportunities. Globe and Mail and the Toronto Star called it the number one exhibition in 2009.	COM	✓	✓
8	Increase capacity to deliver on major events	Complete museum expansion, museum hosted the Governor General's Horse Guard Event, the theatre hosted their 25th Anniversary. Museum expansion will be completed late 2010 with occupancy in mid 2011.	AD	✓	✓
9	Develop and incorporate a community engagement approach into service planning and service delivery	Approach adapted for use in the department. ACT software in use. Support for community engagement project underway.	AD	✓	✓
10	Develop Public Art Policy for Markham	Public Art Policy approved by Council. Target December 2010.	AD	✓	✓
11	NEW - Evaluate Stiver Mill Community Proposal	Project charter developed. Proposal evaluated and reported back to Council in Q1, 2011.	OT	✓	

Notes:

Museum construction completing in 2010 and it is under budget in terms of capital expenditure. Varley Gallery construction was delayed and is a challenge to exhibition planning. Tender for the Varley Gallery construction was received in October and on budget. The Museum strategic plan work has been deferred to post expansion completion.

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

CULTURE KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	2	1	0	1	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	0	1
overall satisfaction (%)	94%	90%	83%	86%	0%	0%	80%
% extremely/very satisfied	71%	80%	19%	86%	0%	0%	35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 13.79	\$ 16.08	\$ 14.46	\$ 15.85	\$ 17.55	\$ 9.37	\$ 14.50
Net cost per capita ¹	\$ 3.93	\$ 4.60	\$ 4.15	\$ 4.57	\$ 5.04	\$ 2.68	\$ 5.00
Revenue as % of total gross Culture expenditures	64%	57%	62%	57%	52%	46%	60%
Revenue as % of total non-tax Town revenues	4.2%	3.9%	4.5%	4.3%	4.0%	1.7%	4.0%
Total expenditure per attendee	\$ 29.20	\$ 17.98	\$ 19.30	\$ 21.56	\$ 27.37	\$ 23.03	\$ 20.00
Net operating cost per square foot of facility space	\$ 9.53	\$ 9.76	\$ 8.97	\$ 11.08	\$ 12.40	\$ 6.71	\$ 9.00
Rental revenue as % of total Culture Revenue ¹	N/A	N/A	N/A	N/A	28.0%	39.0%	15.0%
OPERATIONAL EXCELLENCE							
# of visits at cultural venues per capita ¹	N/A	N/A	N/A	N/A	0.5	0.3	1.0
Active Culture Membership as % of Total Population ¹	N/A	N/A	N/A	N/A	0.1%	0.1%	100.0%
Total Volunteer Hours (Art Gallery & Museum & Theatre) ¹	N/A	N/A	N/A	N/A	12,250	4,795	12,000
# of Annual Participants in Education and Outreach Programs ¹	N/A	N/A	N/A	N/A	14,413	5,407	14,000
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	76%	N/A	64%	N/A	71%	75%
Recognition rating (from staff survey)	N/A	62%	N/A	52%	N/A	73%	65%
Staff Satisfaction rating (from staff survey)	N/A	76%	N/A	84%	N/A	76%	80%
Completion rate for performance management	68%	100%	94%	81%	30%	N/A	100%
Average Corporate learning hours per full-time employee	3.9	16.1	14.8	3.2	8.0	2.9	20.0
Staff absenteeism (average # of days per employee)	3.1	2.9	2.4	4.6	3.3	1.3	<8.4
Staff turnover rate	0.0%	0.0%	0.0%	12.0%	5.0%	0.0%	<7.5%
KPI SUMMARY							
<p>Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.</p> <p>All of the Operational Excellence indicators were developed through last year's business planning process and approved by CCC. Data collection for those indicators started last year. We launched our Culture Plan Survey and developed surveys for the summer camps. This survey information will be reported on in the fourth quarter of 2010. The square footage will be adjusted for the 2010 final numbers to include the new Museum Collection Building. Staff turnover will stabilize in 2010 as the hiring for full time staff has been completed. Although we are showing a 30% completion rate for performance management, we will have all reviews completed in October. The objective in 2011 is to review the Culture KPI's to line up with the Culture strategic planning process.</p>							



CULTURE BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities					
				Council					Operational
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity

Cross Commission Projects

1	Implementation of Integrated Leisure Master Plan (Contributing Department)	✓	The Culture Department will further explore the recommendations that were a result of the community engagements through the ILMP process.	✓			✓	✓		✓	✓
2	EZ Labour Process Management (Contributing Department)		The Culture department will continue to work on staff training and implementation of Ez Labour. We will work with Payroll and Human Resource to continue to develop policies and procedures around staff hiring and payroll management.	✓			✓	✓		✓	✓
3	Records Management (Contributing Department)		The Culture Department will work with the Clerk's Department to continue the process of creating an inventory and creation of new retention policies for the department.	✓			✓	✓		✓	✓
4	Establish a Public Art Program (Lead Department)	✓	Work with Urban Design to develop a Public Art Policy, supporting procedures, and program for the municipality.	✓			✓	✓	✓	✓	✓
5	Evaluate Stiver Mill Community Proposal (Lead Department)		Project charter developed. Proposal evaluated and reported back to Council in Q1, 2011.				✓			✓	
6	Support corporate initiatives: greenprint, Official Plan update, Diversity Action Plan, Portal (Contributing Department)		As described in work plan finalized by Lead Department.	✓			✓	✓	✓	✓	

Business Unit Objectives

1	BMFT's Integrated Leisure Master Plan recommendation on Cultural Plan - Develop a plan that will become the blueprint for the Culture Department for the next 10 years	✓	"To enhance and promote cultural activity and expression in order to share diverse experiences and strengthen Markham's cultural community." The draft plan will be completed by spring 2011.	✓		✓	✓	✓	✓	✓	✓
2	Strategic Planning - Markham Theatre and Varley Art Gallery (CFS-2001)	✓	The Markham Theatre and Varley Art Gallery will work to develop Strategic Plans for their venues to provide direction for their business and relationships over the next 5 years.	✓			✓	✓	✓	✓	
3	Expansion - Markham Museum Collection Building: Moving collections and opening exhibition by mid 2011.	✓	The building contains storage vaults for all archival and textile materials and space for all fine artifacts. It will also have Curatorial workspace.	✓			✓	✓		✓	✓
4	Expansion - Varley Art Gallery	✓	The Varley Art Gallery will begin construction on their new gallery space. This space will allow them to display their permanent collection year round. Construction should be completed by end of 2011 with an opening in spring of 2012.	✓			✓	✓		✓	✓
5	Strengthen Business Unit Profile effectiveness and align KPIs to service planning		Measures are more effective and provide for interim assessment. Service Planning objectives established.	✓			✓			✓	
6	NQI improvement plan pertaining to workload, recognition, and process		Staff skills for time management needs to be improved. Core recognition program and annual communication plan established.							✓	
7	Board Development		Undertake plan to define roles and expectations with all Culture Boards.				✓			✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound

CULTURE 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
GRANTS AND SUBSIDIES	161,717	92,000	120,000	28,000	30.4%	(41,717)	-25.8%	
USER FEES & SERVICE CHARGES	1,672,342	1,612,374	1,676,034	63,660	3.9%	3,692	0.2%	
RENTALS	269,739	294,374	319,144	24,770	8.4%	49,405	18.3%	
SALES	106,335	115,850	104,264	(11,586)	-10.0%	(2,071)	-1.9%	
RECOVERIES & CONTRIBUTIONS	16,581	68,500	35,000	(33,500)	-48.9%	18,419	111.1%	
OTHER INCOME	69,790	77,000	77,000	0	0.0%	7,210	10.3%	
Total Revenues	2,296,504	2,260,098	2,331,442	71,344	3.2%	34,938	1.5%	
Expenses								
SALARIES AND BENEFITS	2,597,837	2,463,075	2,621,978	158,903	6.5%	24,141	0.9%	
PRINTING & OFFICE SUPPLIES	54,541	65,490	74,990	9,500	14.5%	20,449	37.5%	
PURCHASES FOR RESALE	39,369	45,000	45,000	0	0.0%	5,631	14.3%	
OPERATING MATERIALS & SUPPLIES	151,439	230,570	211,296	(19,274)	-8.4%	59,857	39.5%	
VEHICLE SUPPLIES	0	500	500	0	0.0%	500	0.0%	
SMALL EQUIPMENT SUPPLIES	74	1,500	1,500	0	0.0%	1,426	1927.0%	
UTILITIES	178,888	187,624	193,326	5,702	3.0%	14,438	8.1%	
COMMUNICATIONS	44,081	52,467	56,527	4,060	7.7%	12,446	28.2%	
TRAVEL EXPENSES	18,127	19,305	19,305	0	0.0%	1,178	6.5%	
TRAINING	3,184	12,083	12,083	0	0.0%	8,899	279.5%	
CONTRACTS & SERVICE AGREEMENTS	132,873	119,535	120,620	1,085	0.9%	(12,253)	-9.2%	
MAINT. & REPAIR-TIME/MATERIAL	77,470	77,551	108,440	30,889	39.8%	30,970	40.0%	
RENTAL/LEASE	14,641	15,424	17,424	2,000	13.0%	2,783	19.0%	
PROFESSIONAL SERVICES	573,885	478,237	534,763	56,526	11.8%	(39,122)	-6.8%	
LICENCES, PERMITS, FEES	39,641	23,175	54,285	31,110	134.2%	14,644	36.9%	
CREDIT CARD SERVICE CHARGES	(11,644)	(18,441)	(18,441)	0	0.0%	(6,797)	58.4%	
PROMOTION & ADVERTISING	263,854	291,228	301,728	10,500	3.6%	37,874	14.4%	
OTHER PURCHASED SERVICES	11,501	15,372	15,372	0	0.0%	3,871	33.7%	
WRITE-OFFS	4	0	0	0	0.0%	(4)	-100.0%	
OTHER EXPENDITURES	4,418	3,000	3,000	0	0.0%	(1,418)	-32.1%	
TRANSFERS TO RESERVES	42,790	35,000	35,000	0	0.0%	(7,790)	-18.2%	
Total Expenses	4,236,973	4,117,695	4,408,696	291,001	7.1%	171,723	4.1%	
Net Expenditures/(Revenues)	1,940,469	1,857,597	2,077,254	219,657	11.8%	136,785	7.0%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase in projected program and ticket revenues in 2011.

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Professional Services – Increase in program development and consulting



FIRE & EMERGENCY SERVICES BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Complete Retrofit 8100 Warden Ave. facility to accommodate Emergency Operating Centre to support Emergency Planning Project (Stimulus/RInC funded)	Complete design, issue award tender and commence construction	OT	✓	✓
2	Fire Services Master Plan	RFP issued, tender awarded to vendor to facilitate completion of plan	OT	✓	✓
3	Building Markham's Future Together (BMFT)'s Municipal Services - Process mapping, SOPs (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
4	Support Implementation of AVL as part of Implementation of Wireless Communication Project (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
5	Improve Staff recognition rating	Rating improved. Staff understand their role in recognition.	OT	✓	✓
6	Complete all existing unfinished capital budget projects for current year	Purchase miscellaneous fire equipment, haz-mat training. Will improve future budgets. This will provide real data for better planning for future budgets.	OT	✓	✓
7	Cornell Fire Station	Complete design & award tender.	OT	✓	✓
8	Implementation of care maintenance of personal protective equipment program to meet new NFPA 1851 revised standards (annual program)	Third party established for annual inspection and testing of bunker gear. Improve safety and provide budget direction for future.	OT	✓	✓
9	Fire Prevention & suppression recruitment and training with anticipated Fire Station opening in 2010, includes promotion of Captains	Sufficient staffing for Cathedral Fire Station and address existing vacancies	COM	✓	✓
10	Roll out upgraded Amanda 5 software for all files in the Fire Prevention Division	Increased efficiency for all Fire Prevention Officers by accessing live information off-site	OT	✓	✓
11	Order and purchase pumpers for Cathedral and Cornell fire stations	Delivered in Q3 & Q4.	COM	✓	✓
12	Review processes and practices to generate continuous improvement opportunities, eg. E3 projects, NQI	Opportunities identified, implemented, and storyboards completed	OT	✓	✓
13	Fire/Waterworks Training Centre Study - Terms of Reference	Training centre for Fire/Waterworks Departments. Draft & issue RFP in Q4.	AD	✓	✓
14	Continue to implement Auditor General's attendance management recommendations	Possible reductions of overtime costs	OT	✓	✓
15	Provide tools, equipment and training for special response, hazmat	Commence with Q4 training.	OT		✓

Notes:

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



FIRE & EMERGENCY SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)

	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	1	1	6	13	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	7	0
overall satisfaction (%)	N/A	100%	91%	70%	N/A	N/A	80%
% extremely/very satisfied	N/A	100%	29%	50%	N/A	N/A	35%
MFES School Program total schools involved ¹	N/A	N/A	N/A	32	70	71	70
MFES School Program school visits ¹	N/A	N/A	N/A	N/A	200	280	280
FINANCIAL PERFORMANCE							
Net cost per household	\$ 225.19	\$ 243.05	\$ 252.86	\$ 236.32	\$ 237.71	\$ 112.46	\$ 235.00
Net cost per capita ¹	\$ 64.14	\$ 69.50	\$ 72.64	\$ 68.14	\$ 68.25	\$ 32.16	\$ 68.00
Average monthly maintenance cost per heavy truck vehicle	\$ 1,668.00	\$ 1,580.00	\$ 1,614.00	\$ 1,887.00	\$ 1,977.00	\$ 2,999.00	\$ 1,500.00
Average monthly vehicle down time (in hours)	\$ 39.00	\$ 20.00	\$ 18.00	\$ 27.00	\$ 20.00	\$ 28.00	\$ 18.00
Operating cost per \$1,000 of assessed value (MPMP)	\$ 0.73	\$ 0.71	\$ 0.66	\$ 0.69	\$ 0.66	\$ 0.31	\$ 0.69
OPERATIONAL EXCELLENCE							
% # of fires contained to room of origin ¹	N/A	N/A	N/A	6%	N/A	N/A	100%
# of inspections per inspector ¹	N/A	N/A	495	406	300	179	>2009
Total # of emergency incidents	7,452	7,162	7,649	7,592	7,666	3,150	<2009
# of Vehicle activity per emergency incident	2	2	2	2	2	2	2
# of accidental fire deaths	0	0	2	0	1	0	0
# of plans reviewed per examiner ¹	487	707	679	260	295	142	370
# of inspection violations ¹	3,003	2,723	3,466	2,842	2,105	1,251	>2009
# of technical training hours per firefighter ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	73%	N/A	65%	N/A	62%	75%
Recognition rating (from staff survey)	N/A	65%	N/A	36%	N/A	49%	65%
Staff Satisfaction rating (from staff survey)	N/A	75%	N/A	85%	N/A	72%	80%
Completion rate for performance management	100%	100%	100%	100%	91%	N/A	100%
Average Corporate learning hours per full-time employee	2.6	2.2	2.1	1.6	1.4	0.2	20.0
Staff absenteeism (average # of days per employee)	9.8	6.6	7.9	8.4	7.1	4.2	<8.4
Staff turnover rate	0.0%	0.0%	1.0%	2.0%	3.0%	1.0%	<7.5%

KPI SUMMARY

Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.



FIRE & EMERGENCY SERVICES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

			Priorities								
			Council					Operational			
#	Objective	Requires Additional Resources?	Outcomes								
			Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation	
Cross Commission Projects											
1	2011 Firefighter Recruitment with Human Resources (Lead Department)		Firefighters offered employment to fill Cornell Station & vacancies.	✓			✓		✓	✓	✓
2	Improve site-plan approval of subdivision process by aligning services with Planning Department (Lead Department)		Improve community fire safety	✓	✓		✓			✓	✓
3	Support Emergency Planning (Contributing Department)		As described in work plan finalized by Emergency Preparedness Coordinator	✓		✓	✓			✓	✓
4	Complete Retrofit of 8100 Warden Ave. facility to accommodate Emergency Operating Centre to support Emergency Planning Project (Stimulus funded)		Permanent Emergency Operating Centre at 8100 Warden Avenue in Q1, 2011	✓		✓	✓	✓	✓	✓	✓
5	Support Implementation of AVL as part of Implementation of Wireless Communication Project (Secondary)		As described in work plan finalized by Lead Department	✓			✓			✓	✓
6	Modification of Second Suite Registry in Amanda (contributing Department)		Work with Building Standards and By-law Enforcement workgroups to implement a system that will avoid duplication	✓			✓	✓		✓	✓
7	Collaborate with Building Standards and Legislative Services on a report and by-law to Council to: 1) recover costs associated with the investigation and remediation of Grow Ops and illegal drug labs; and 2) prohibit the excessive fortification of houses and buildings in Markham (contributing Department)		1) Report targeted for Q2 2) By-law will serve as additional tool for enforcement purposes. Report targeted for Q3	✓			✓	✓		✓	✓
8	Support corporate initiatives: greenprint, Official Plan update, Diversity Action Plan, Portal, Community Engagement, Municipal Services (Contributing Department)		As described in work plan finalized by Lead Department.	✓			✓	✓	✓	✓	
Business Unit Objectives											
1	Fire Services Master Plan		Plan completed that sets strategic direction for the next 5 to 10 years & presented and adopted by Council Q2	✓		✓	✓	✓	✓	✓	✓
2	Improve staff recognition rating		Rating improved to 65%				✓		✓	✓	✓
3	Public Education Programs: 1) Healthcare Facilities - Add quarterly training/education for local facilities to compliance requirement; 2) Industrial Commercial - Develop training program; 3) Secondary School Lab Safety Program - Implement program; and 4) On-line Safety Program		1) Support recent legislation/litigation and coroner recommendations and protect vulnerable population; 2) Prepare syllabus for 2012 delivery; 3) Improve fire safety awareness and fire prevention procedures developed and implemented; and 4) web-based safety videos developed to educate the public	✓			✓	✓		✓	✓
4	Complete all existing unfinished capital budget projects for current year		Capital budget expended/committed. Projects completed/initiated.	✓			✓	✓		✓	✓

FIRE & EMERGENCY SERVICES BUSINESS PLAN OBJECTIVES (CONTINUED)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
5	Complete staff award reports in 1st qtr. 2011 in accordance with Purchasing by-law.		Blanket purchase orders to improve financial management	✓			✓			✓	✓
6	Fire Prevention Recruitment & training with anticipated Cornell Station opening in 2011. Complete promotional Captains process and training.		Maintain community based Fire Prevention, Public Education model. Maintain established staffing levels.	✓			✓		✓	✓	✓
7	Fire Prevention Records Mgmt.	✓	Scan site plans, fire safety plan, legal issues, basement apt., info and history into 8,000 property files on Amanda system for referral by MFES staff on site. Career Bridge Intern contracted.	✓			✓			✓	✓
8	Order and purchase life cycle apparatus replacements		Pumper delivered by Q4 and aerial Q2 of 2012	✓			✓			✓	✓
9	Review processes and practices to generate continuous improvement opportunities, eg. E3 projects, NQI		Opportunities identified, implemented, and storyboards completed	✓			✓			✓	✓
10	Fire/Waterworks Training Centre Study		Corporate training centre for Fire/Waterworks Departments. Study completed, report presented Q3	✓			✓			✓	✓
11	Complete staff award reports in 1st qtr. 2011 in accordance with Purchasing by-law.		Blanket purchase orders to improve financial management	✓							✓
12	Tools and equipment, maintenance and training for special response	✓	Confined space, trench, rope rescue qualifications completed	✓			✓			✓	✓

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



FIRE & EMERGENCY SERVICES 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenues							
FINES	32,000	3,000	3,000	0	0.0%	(29,000)	-90.6%
USER FEES & SERVICE CHARGES	34,312	90,000	30,000	(60,000)	-66.7%	(4,312)	-12.6%
SALES	(385)	2,000	2,000	0	0.0%	2,385	-619.5%
RECOVERIES & CONTRIBUTIONS	196,622	280,961	280,961	0	0.0%	84,339	42.9%
OTHER INCOME	60,175	25,000	25,000	0	0.0%	(35,175)	-58.5%
Total Revenues	322,724	400,961	340,961	(60,000)	-15.0%	18,237	5.7%
Expenses							
SALARIES AND BENEFITS	26,266,807	25,498,720	28,214,020	2,715,300	10.6%	1,947,213	7.4%
PRINTING & OFFICE SUPPLIES	38,367	35,109	35,109	0	0.0%	(3,258)	-8.5%
PURCHASES FOR RESALE	812	3,883	3,883	0	0.0%	3,071	378.2%
OPERATING MATERIALS & SUPPLIES	272,128	289,963	349,963	60,000	20.7%	77,835	28.6%
VEHICLE SUPPLIES	0	2,913	2,913	0	0.0%	2,913	0.0%
UTILITIES	189,545	194,418	197,867	3,449	1.8%	8,322	4.4%
COMMUNICATIONS	76,674	79,027	79,027	0	0.0%	2,353	3.1%
TRAVEL EXPENSES	25,989	35,067	35,067	0	0.0%	9,078	34.9%
TRAINING	21,046	38,000	38,000	0	0.0%	16,954	80.6%
CONTRACTS & SERVICE AGREEMENTS	25,433	21,830	21,830	0	0.0%	(3,603)	-14.2%
MAINT. & REPAIR-TIME/MATERIAL	106,021	97,000	127,000	30,000	30.9%	20,979	19.8%
RENTAL/LEASE	3,088	3,297	3,297	0	0.0%	209	6.8%
PROFESSIONAL SERVICES	81,798	71,078	12,878	(58,200)	-81.9%	(68,920)	-84.3%
LICENCES, PERMITS, FEES	4,841	5,000	5,000	0	0.0%	159	3.3%
OFFICE FURNISHINGS & EQUIPMENT	677	900	900	0	0.0%	223	32.9%
WRITE-OFFS	0	0	0	0	0.0%	0	0.0%
TRANSFERS TO RESERVES	41,000	41,000	41,000	0	0.0%	0	0.0%
Total Expenses	27,154,226	26,417,205	29,167,754	2,750,549	10.4%	2,013,528	7.4%
Net Expenditures/(Revenues)	26,831,502	26,016,244	28,826,793	2,810,549	10.8%	1,995,291	7.4%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Services Charges: Decrease due to loss of dispatch fees

Salaries and Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Operating Materials and Supplies – Growth related increase in training & uniform replacement.

Professional Services – Decrease in base hospital expenses.

MARKHAM PUBLIC LIBRARY BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Reports to Council report improvements (Secondary)	Supporting Project Implementation	OT		✓
2	Building Markham's Future Together (BMFT)'s Integrated Leisure Master Plan (Primary)	Approval by Council	COM	✓	
3	Accessibility (AODA) (Secondary)	Supporting Project Implementation	OT	✓	
4	Diversity (Secondary)	Supporting Project Implementation	OT	✓	✓
5	IT Infrastructure (Secondary)	Supporting Project Implementation	OT		✓
6	Portal (Secondary)	Supporting Project Implementation	DL	✓	✓
7	Sponsorship (Secondary)	Supporting Project Implementation	OT		✓
8	BMFT's Municipal Services Project (Secondary)	Supporting Project Implementation	OT	✓	✓
9	Service Desk Replacement - to support mobile proactive Customer Service	Improved survey scores re offer to assist & welcome	OT	✓	✓
10	Implementation of wayfinding & signage improvements - to enhance self-service	Improved survey scores re ease of finding information	AD	✓	✓
11	Develop and implement merchandizing standards - to enhance self-service	Improved collection turnover; % of sf allocated to merchandizing	AD	✓	✓
12	Book Sale Project - Review booksale processes & pricing	Increased booksale revenue	COM	✓	✓
13	Improve Statistical Reporting & Analysis - for improved Board & other reporting	Improved staff efficiency in statistical reporting - # work hours reduced	AD	✓	✓
14	C3 Development Project - Phase 2 - Product Development & marketing plan	Potential Revenue; timing depends on completion of patent process	AD	✓	✓
15	C3 - Phase 3 - Implementation System-Wide to keep pace with growth	C3 implemented in all branches; improve productivity; cost containment	OT	✓	✓
16	The Right Programs Project - Expand the Learning Place	Increased # of programs; increased program participants; increased program revenue	OT	✓	✓
17	Information Services Processes Review - complete implementation	Improved processes; Increased # of projects, outreach, etc.	COM	✓	✓
18	Interlibrary Loan - implement efficiency recommendations	Improved processes; reduced staff-hours needed for Interlibrary Loan service	AD	✓	✓
19	Volunteer Project Implement new strategies for adult volunteers & homebound service	Reduce staff workload related to volunteer management; contain costs	COM	✓	✓
20	East Markham Opening Day Collection - Conduct RFP to select a vendor; begin working with vendor to build the Collection	Vendor selected; contract signed; work commenced	OT	✓	
21	Thornhill Community Library Expansion & Renovation	Improved customer satisfaction and usage, with increased associated revenues	OT	✓	✓
22	Milliken Mills Library Expansion & Renovation (Design) - based on 09 feasibility study	Design for expansion & renovation (construction-ready drawings) completed	AD	✓	
23	Material Flow Process Improvement (system level) - implement improved processes based on Symphony ILS options and functionality	Improved processes; quicker turnaround of returned materials; quicker holds fulfillment rate; improved collection turnover	AD	✓	✓
24	Expand self-service technology	Increased circulation per FTE	OT	✓	✓
25	Telephone Service Project	Customer satisfaction improved	AD	✓	✓
26	Improvements to online fine payment - contingent on portal project phase 2	Improved processes; cost containment; customer satisfaction	AD	✓	✓
27	Staff Training - Develop training for core competencies re customer service	Customer satisfaction improved	AD	✓	✓
28	Partnerships Review - value & benefits to MPL	Increased # partnered programs; potential revenue opportunities	AD	✓	✓

Notes:

Adjustments as noted are due to greater than anticipated commitment of staff resources to other organizational projects (e.g. portal), bandwidth constraints, and staff leaves of absence.

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



MARKHAM PUBLIC LIBRARY KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
CUSTOMER SATISFACTION							
# of formal customer satisfaction surveys completed	0	0	0	0	0	0	-
overall satisfaction (%)	N/A	N/A	90%	N/A	N/A	N/A	80%
% extremely/very satisfied	N/A	N/A	39%	N/A	N/A	N/A	35%
# of informal customer satisfaction surveys completed (Counting Opinions)	0	873	1,671	1,932	1,643	783	2,000
Counting Opinions - % of customers extremely satisfied	N/A	39%	39%	41%	42%	44%	45%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 90.37	\$ 86.51	\$ 83.16	\$ 85.41	\$ 89.48	\$ 46.12	\$ 90.00
Net cost per capita ¹	\$ 25.74	\$ 24.74	\$ 23.89	\$ 24.63	\$ 25.69	\$ 13.19	\$ 24.00
Net cost per registered borrower ¹	\$ 42.78	\$ 40.19	\$ 38.90	\$ 39.39	\$ 39.06	\$ 20.05	\$ 40.00
Operating costs for library services per use (MPMP) ¹	\$ 0.77	\$ 0.73	\$ 0.72	\$ 0.66	\$ 0.78	N/A	\$ 0.65
OPERATIONAL EXCELLENCE							
Population per Staff FTE	2,372	2,482	2,393	2,380	2,420	2,461	2,500
Total Service transactions per Capita (MPMP)	20.1	20.6	20.6	23.1	29.0	16.7	30.0
Total Visits (in-person and electronic) per Capita	12.7	13.1	13.0	13.6	15.4	7.9	20.0
Circulation per Capita	15.0	15.2	14.5	16.5	17.7	8.0	18.0
Circulation per Circulation Staff FTE	121,607	130,093	126,241	148,388	161,889	74,386	170,000
Information questions per Information Staff FTE	14,108	14,440	19,712	20,376	19,317	12,546	20,000
Information questions per Capita	1.8	1.8	2.5	2.8	2.6	1.7	3.0
Library Space (sq. ft.) per Capita	0.45	0.42	0.45	0.43	0.42	0.41	0.60
Registered Borrowers as % of Population	60%	62%	62%	63%	63%	65%	65%
Holdings per Capita	2.43	2.50	2.58	2.46	2.34	2.44	3.00
Average Library Learning Hours per Full-time Employee ¹	N/A	N/A	6.0	9.8	4.4	11.4	10.0
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	75%	N/A	65%	N/A	63%	75%
Recognition rating (from staff survey)	N/A	69%	N/A	53%	N/A	54%	65%
Staff Satisfaction rating (from staff survey)	N/A	74%	N/A	74%	N/A	71%	80%
Completion rate for performance management	73%	74%	61%	95%	100%	N/A	100%
Average Corporate learning hours per full-time employee	N/A	29.5	10.1	6.9	11.8	13.2	20.0
Staff absenteeism (average # of days per employee)	7.4	8.4	12.2	11.5	7.5	4.7	<8.4
Staff turnover rate	7.0%	2.0%	5.0%	3.0%	3.0%	2.0%	<7.5%
KPI SUMMARY							
Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.							
Regarding Customer Satisfaction Surveys, the Library's approach to measuring customer satisfaction is based on Counting Opinions, an online survey tool, rather than on formal customer satisfaction surveys. Counting Opinions provides a continuous real-time stream of customer satisfaction data regarding all aspects of library services.							
Regarding Operating costs for library services per use (MPMP), due to a change in methodology, the 2009 figure is not comparable with previous years. Had the methodology not changed, this KPI for 2009 would be 0.64 and it would have supported the downward trend shown over the previous four years.							
As anticipated, the closure of the Thornhill Community Library for renovation, from February 13th onwards, has placed some negative pressures on YTD operational KPIs.							

MARKHAM PUBLIC LIBRARY BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation

Cross Commission Projects

1	Support BMFT projects: greenprint, Diversity Action Plan, Municipal Services, Integrated Leisure Master Plan Implementation and Community Engagement (Secondary)		Supporting Project implementation				✓		✓	✓	✓	
2	Accessibility (AODA) (Secondary)		Supporting Project implementation					✓		✓		
3	IT Infrastructure (Secondary)		Supporting Project implementation				✓				✓	✓
4	Portal (Secondary)		Supporting Project implementation				✓					
5	Sponsorship (Secondary)		Supporting Project implementation									✓

Business Unit Objectives

1	Expand Service Hours, as per Library Board direction	✓	Service hours expanded; improved Customer Satisfaction with service hours				✓					
2	Re-open renovated Thornhill Community Library with additional resources to keep pace with projected increases in service transactions	✓	Thornhill Community Library re-opened as per project schedule; additional staff resources hired and trained; Improved Cust Satisfaction				✓	✓	✓			
3	Improve management of business intelligence and strategy implementation - Coordinator	✓	Improved Board reports & turnaround time, efficiencies in data management				✓	✓	✓	✓	✓	
4	East Markham Library - 1) support construction process; 2) develop Markham Stouffville Hospital partnership; and 3) implement opening day collection	✓	1) Construction process on time and on budget; 2) Operation and Maintenance Agreement signed; and 3) Collection planned, procured, and processed				✓	✓	✓			✓
5	Expand self-service technology - install automated check-in & sorting at AG and UL	✓	# of self-service options; turnaround time increased, increased material flow per FTE				✓	✓		✓	✓	
6	Library Building Security Improvements	✓	Legislative compliance (Bill 168)				✓					
7	Milliken Mills Library Expansion - Design	✓	Construction-ready drawings completed				✓	✓	✓			
8	Thornhill Library Collection Development	✓	Collection updated to 75% < 7 years old				✓	✓	✓			
9	Service Desk Replacement - to support mobile proactive customer service	✓	Improved customer survey scores re proactive service				✓	✓		✓	✓	
10	C3 Implementation to keep pace with growth - Angus Glen & Milliken		Improved customer satisfaction, collection turnover rates; cost containment					✓	✓			✓
11	C3 Product Development - implement C3 Business & Marketing Plan (BMP)		C3 BMP; vendor/partner secured (contingent on market)				✓	✓				✓
12	Expand Learning Place programs for all ages		Increased # programs, registrants, revenue				✓	✓	✓	✓	✓	✓
13	Implement efficiencies associated with Integrated Library System upgrade (Symphony)		Email notification; faster turnaround & holds fulfillment rate; improved collection turnover				✓	✓		✓	✓	
14	Online payment of fines and fees (eCommerce module)	✓	Improved processes; cost containment; customer satisfaction; increased revenue				✓	✓		✓	✓	
15	Develop training, orientation, professional development, change management, recruitment to improve customer service		Training plans implemented. ILG recruitment and orientation processes developed.				✓	✓	✓	✓		
16	Wayfinding & Signage improvements - to enhance self-service	✓	Signage implemented at all branches; improved customer satisfaction re ease of				✓	✓		✓	✓	
17	Implement merchandizing standards - to enhance self-service	✓	Collection turnover increased; % of sf allocated to merchandizing				✓	✓		✓	✓	
18	Expand virtual materials and usage	✓	Increased # of digital resources, # downloads, # database search results				✓	✓		✓	✓	
19	Marketing & Branding		Marketing plan approved and implemented				✓	✓	✓	✓		
20	Southeast Library Planning		Feasibility Study & Concept Plan completed				✓	✓	✓			

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



MARKHAM PUBLIC LIBRARY 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
GRANTS AND SUBSIDIES	\$236,522	\$228,778	\$228,778	\$0	0.0%	(\$7,744)	-3.3%	
USER FEES & SERVICE CHARGES	591,349	534,569	588,643	54,074	10.1%	(2,706)	-0.5%	
RENTALS	44,843	35,575	38,745	3,170	8.9%	(6,098)	-13.6%	
SALES	95,312	45,668	48,028	2,360	5.2%	(47,284)	-49.6%	
OTHER INCOME	113	0	0	0	0.0%	(113)	-100.0%	
Total Revenues	\$968,139	\$844,590	\$904,194	\$59,604	7.1%	(\$63,945)	-6.6%	
Expenses								
SALARIES AND BENEFITS	\$7,164,884	\$7,290,454	\$7,659,428	\$368,974	5.1%	\$494,544	6.9%	
PRINTING & OFFICE SUPPLIES	47,924	49,012	49,012	0	0.0%	1,088	2.3%	
OPERATING MATERIALS & SUPPLIES	2,257,487	2,208,952	560,462	(1,648,490)	-74.6%	(1,697,025)	-75.2%	
UTILITIES	115,261	112,881	113,401	520	0.5%	(1,860)	-1.6%	
COMMUNICATIONS	97,832	105,042	104,542	(500)	-0.5%	6,710	6.9%	
TRAVEL EXPENSES	34,531	33,720	36,720	3,000	8.9%	2,189	6.3%	
TRAINING	18,949	18,817	18,817	0	0.0%	(132)	-0.7%	
CONTRACTS & SERVICE AGREEMENTS	89,107	105,612	97,612	(8,000)	-7.6%	8,505	9.5%	
MAINT. & REPAIR-TIME/MATERIAL	217,141	220,145	223,645	3,500	1.6%	6,504	3.0%	
RENTAL/LEASE	10,763	8,728	9,728	1,000	11.5%	(1,035)	-9.6%	
INSURANCE	11,963	11,963	11,963	0	0.0%	0	0.0%	
PROFESSIONAL SERVICES	52,431	49,418	51,418	2,000	4.0%	(1,013)	-1.9%	
LICENCES, PERMITS, FEES	10,146	9,140	9,140	0	0.0%	(1,006)	-9.9%	
CREDIT CARD SERVICE CHARGES	4,689	0	4,000	4,000	0.0%	(689)	-14.7%	
PROMOTION & ADVERTISING	30,546	30,254	30,254	0	0.0%	(292)	-1.0%	
OTHER PURCHASED SERVICES	523,308	523,308	523,308	0	0.0%	0	0.0%	
OFFICE FURNISHINGS & EQUIPMENT	8,026	8,010	8,010	0	0.0%	(16)	-0.2%	
WRITE-OFFS				0	0.0%	0	0.0%	
Total Expenses	\$10,694,988	\$10,785,456	\$9,511,460	(\$1,273,996)	-11.8%	(\$1,183,528)	-11.1%	
Net Expenditures/(Revenues)	\$9,726,849	\$9,940,866	\$8,607,266	(\$1,333,600)	-13.4%	(\$1,119,583)	-11.5%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase is due to increased user fees and service charges through the re-opening of the renovated Thornhill Library.

Salaries & Benefits: Increase is due to increased part-time personnel for the re-opening of the renovated Thornhill Library and annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Operating Material & Supplies: Decrease is due to the transfer of library books and materials from the Operating Budget to the Capital Budget.

OPERATIONS BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Public Works Master Plan (Primary)	<ul style="list-style-type: none"> Identify/confirm candidate sites to meet both interim and long term needs by Sept 2010 Prepare site rehabilitation strategy and financial model for existing Public Works yards and present to CCC in Q3, 2010 	AD	✓	✓
2	Implement Auditor General Recommendations - Attendance Management (Secondary)	By April 1st, develop and implement improved procedure to complete and process daily time sheets - improve tracking/authorization of overtime, tracking sick leave and lieu time.	COM	✓	✓
3	Implement Service Planning Project - Phase 2 to support Building Markham's Future Together (BMFT) Municipal Services Project	<ul style="list-style-type: none"> Complete high-level process mapping for each functional activity by Dec 31, 2010 Complete review of Phase 1 recommendations by Mar 2010 Implement new deployment strategy to best deliver services consistently across the Town - Hort & Turf maint by May 1/10 and winter operations by Oct. 1/10 	OT	✓	✓
4	Support Implementation of Automatic Vehicle Locators as part of Implementation of Wireless Communication Project by ITS	<ul style="list-style-type: none"> Complete contract administration for select winter operations equipment for 2009/2010 winter season by April 2010. Approved by Council in Sept 2010. Use AVL technology to measure idling emissions thru 2009/2010 winter season and implement anti-idling policies based on results by Nov 2010. Implemented in Waterworks vehicles. Will implement in winter maintenance vehicles in 2011. 	AD	✓	✓
5	St. Roberts S.S. sports field (Stimulus/RInC project)	<ul style="list-style-type: none"> Complete detailed design, construction drawings and tender documents by Jan 1/10 Complete construction of artificial turf field and seasonal bubble structure by Dec 31/10 	OT	✓	✓
6	Trees for tomorrow	Met and exceeded target numbers prior to Nov 2010	COM	✓	
7	Pipes' Group	<ul style="list-style-type: none"> Restructuring of Operations and Waterworks Divisions to consolidate areas of responsibility for storm and sanitary sewers by Dec 2010 Complete storm sewer condition assessments and prepare multi-year repair/rehabilitation work plan by Sept 2010 	DL	✓	✓
8	Summer Recruitment & Town Policy on hiring of relatives	Work with HR to develop comprehensive policy on hiring of relatives prior to Jan 2010. Implement new policy through full time and summer recruitment program - Jan to Mar 2010.	COM		✓
9	Turf Maintenance Standards	<ul style="list-style-type: none"> By May 1st, 2010, complete equipment procurement and hire additional staff required for implementation of year 4 of 5. Complete Capital project for new irrigation system installation by Oct 2010. 	OT	✓	✓
10	New - Public Realm	Project team set up and project plan developed	OT	✓	✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation



OPERATIONS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	0	2	1	1 every 2 years
# of informal customer satisfaction surveys completed	1	0	1	1	0	0	1
overall satisfaction (%)	N/A	N/A	79%	N/A	66%	63%	80%
% extremely/very satisfied	N/A	N/A	33%	N/A	44%	31%	35%
% Customers indicated 'Timely Response' received	73%	N/A	N/A	92%	N/A	N/A	85%
% Customers indicated 'Satisfactory Resolution' received	75%	N/A	N/A	83%	N/A	N/A	85%
% Customers indicated 'Satisfactory Level of Service' received	74%	N/A	N/A	82%	N/A	N/A	85%
Number of ACR work orders/requests (Parks and Roads)	8,573	8,304	10,128	11,902	10,362	8,652	N/A
FINANCIAL PERFORMANCE							
Net cost per household	\$ 154.04	\$ 158.65	\$ 188.25	\$ 206.62	\$ 198.80	\$ 93.93	N/A
Cost per hectare of parks maintained	\$ 7,069	\$ 6,756	\$ 6,637	\$ 7,688	\$ 7,786	N/A	N/A
Cost per tree maintained	\$ 3.15	\$ 3.08	\$ 3.13	\$3.62	\$3.85	N/A	N/A
Total costs for paved roads per lane kilometre (MPMP - new 2009)	N/A	N/A	N/A	N/A	\$ 15,038	N/A	N/A
Operating costs of road winter maintenance per lane kilometre maintained (MPMP)	\$ 3,565.92	\$ 2,385.26	\$ 3,968.97	\$ 5,500.78	\$ 5,545.07	N/A	N/A
Average annual operating cost per licensed unit in Fleet under 10,000 lb GVW	N/A	N/A	N/A	N/A	\$ 3,500	\$ 3,300	N/A
OPERATIONAL EXCELLENCE							
Hectares of park per 1,000 persons (MPMP)	2.80	2.73	2.92	3.50	3.40	3.40	N/A
Parkland hectares as % of total hectares in municipality	3.6%	3.6%	3.8%	3.8%	4.0%	4.0%	N/A
% of paved lane kms where condition is rated good or above (MPMP)	83%	60%	77%	76%	87%	N/A	85%
% of winter responses that meet or exceed road maintenance standards (MPMP)	100%	100%	99%	100%	100%	N/A	100%
Completion rate of capital projects (% of planned budget spent)	N/A	N/A	N/A	N/A	72%	63%	100%
Licensed fleet availability (in service rate in %)	N/A	N/A	N/A	N/A	99.7%	99.8%	90%
% of fleet utilizing hybrid technology (light duty vehicles under 10,000 lb GVW) (new)	N/A	N/A	N/A	N/A	15.8%	16.4%	N/A
Met mowing standard of 12 – 14 days	N/A	N/A	N/A	N/A	81%	N/A	100%
Availability of sportfields for public use (in service rate in %)	N/A	N/A	N/A	N/A	91%	92%	100%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	73%	N/A	59%	N/A	60%	75%
Recognition rating (from staff survey)	N/A	64%	N/A	50%	N/A	50%	65%
Staff Satisfaction rating (from staff survey)	N/A	72%	N/A	71%	N/A	70%	80%
Completion rate for performance management	90%	97%	100%	95%	98%	N/A	100%
Average Corporate learning hours per full-time employee ¹	21.5	41.9	43.2	10.4	11.1	4.5	20.0
Staff absenteeism (average # of days per employee)	7.5	7.5	N/A	10.4	7.8	5.6	<8.4
Staff turnover rate	5.0%	3.0%	3.0%	11.0%	3.0%	0.0%	<7.5%
KPI SUMMARY							
NOTE: ¹ Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste Management and Waterworks. A separate figure for this business unit was not available.							

OPERATIONS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)										
#	Objective	Requires Additional Resources?	Outcomes	Priorities						
				Council					Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI
Cross Commission Projects										
FOR THE FUTURE										
1	Review of the acceptance for maintenance/assumption process with Development Services (Primary)	✓	Standards and process of acceptance for maintenance and assumption on new development reviewed, improved, and implemented	✓			✓		✓	
2	New Official Plan Process - work with Development Services in the preparation of a new Markham Official Plan integrating BFMT initiatives, specifically Municipal Services (Secondary)		Work leading up to the completion of a draft Official Plan in 2012	✓	✓	✓		✓		
3	Public Works Master Plan (Primary)	✓	Plan developed, including land acquisition, environmental assessment, and preliminary design approved	✓			✓		✓	✓
4	Environmental Initiatives, including BMFT's greenprint (Secondary)		2011 target achieved for Trees for Tomorrow; Submit Urban Forestry (Ufore) report in Q1, 2011; Work with Sustainability Office to develop greenprint implementation plan			✓				✓
FOR OUR COMMUNITY										
5	Community Relations Support (Primary)	✓	Define roles & responsibilities (internal and external) and staffing support with Communications & Community Relations				✓		✓	
6	Community Engagement (Secondary) - Partnership with Legislative Services and YRP to establish volunteer resident participation in the observation and reporting of park usage issues.		Complete a pilot Ambassador Program in the neighbourhood identified by the Community Engagement Team by Q3			✓	✓		✓	✓
7	Public Realm		Complete demonstration projects and policies and standards manual by Q4, 2011				✓			✓
FOR THE ORGANIZATION										
8	Analysis of pilot AVL technology implementation (Primary)		2010 Pilot program evaluated; Performance indicators developed; Implementation plan developed (dependent on completion of ITS Communication Strategy)				✓		✓	✓
9	Portal Project		Support implementation by Lead Department				✓		✓	✓
Business Unit Objectives										
FOR THE FUTURE										
1	Re-alignment of Operations Division		Complete Division re-alignment for presentation to CCC in Q1, 2011				✓		✓	✓
FOR OUR COMMUNITY										
2	Accessibility Improvements	✓	Implement Pedestrian Accessibility Improvement at Traffic Signals Program (to be phased in over 6 years). Legislated requirement of AODA.				✓		✓	
3	Implement Auditor General Recommendations for contract administration		Recommendations for use of contract summary worksheet implemented.				✓		✓	✓



OPERATIONS BUSINESS PLAN OBJECTIVES (CONTINUED)

				Priorities								
#	Objective	Requires Additional Resources?	Outcomes	Council						Operational		
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation	
4	Implement Service Planning to support BMFT's Municipal Services Project and integrate continuous improvement into daily business practices	✓	Implement recommendations to meet legislative requirements; Hold 2 workshops with Council in 2011; Develop Standard Operating Procedures, Process Mapping, and Staff Engagement in reviewing activities for consistency in town-wide service delivery. Continue to align initiatives with NQI and E3.	✓			✓				✓	✓
5	Develop and Implement Pavement Management		Collaborate with Asset Management to develop a Pavement Management System to evaluate the condition of roads, predict future levels of service, and determine yearly road rehabilitation program by Q3, 2012.	✓	✓		✓					✓
6	Implementation of Year 5 (of 5) Enhanced Cultural Practices Program	✓	Standards and service improved; Working Supervisor to lead enhanced cultural practices team				✓				✓	
FOR OUR STAFF												
7	People Plan		Hold monthly supervisor meetings; Improve all communication boards by Q2, 2011; Improve skill development opportunities by year end								✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



OPERATIONS 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenues								
RENTALS	\$206,499	\$172,000	\$172,000	\$0	0.0%	(\$34,499)	-16.7%	
SALES	81,553	126,000	86,000	(40,000)	-31.7%	4,447	5.5%	
RECOVERIES & CONTRIBUTIONS	416,047	435,320	437,220	1,900	0.4%	21,173	5.1%	
OTHER INCOME	5,243	10,000	68,888	58,888	588.9%	63,645	1213.9%	
Total Revenues	\$709,342	\$743,320	\$764,108	\$20,788	2.8%	\$54,766	7.7%	
Expenses								
SALARIES AND BENEFITS	\$9,338,071	\$9,630,800	\$10,040,804	\$410,004	4.3%	\$702,733	7.5%	
PRINTING & OFFICE SUPPLIES	1,081	1,500	1,500	0	0.0%	419	38.8%	
OPERATING MATERIALS & SUPPLIES	101,744	89,845	89,845	0	0.0%	(11,899)	-11.7%	
VEHICLE SUPPLIES	1,316,403	1,608,097	1,525,019	(83,078)	-5.2%	208,616	15.8%	
SMALL EQUIPMENT SUPPLIES	9,451	13,688	13,688	0	0.0%	4,237	44.8%	
BOTANICAL SUPPLIES	231,598	280,965	292,978	12,013	4.3%	61,380	26.5%	
CONSTRUCTION MATERIALS	1,210,407	1,379,990	1,403,382	23,392	1.7%	192,975	15.9%	
UTILITIES	235,663	247,764	256,464	8,700	3.5%	20,801	8.8%	
COMMUNICATIONS	26,304	41,602	52,602	11,000	26.4%	26,298	100.0%	
TRAINING	4,118	4,000	4,000	0	0.0%	(118)	-2.9%	
CONTRACTS & SERVICE AGREEMENTS	5,060,795	5,506,040	6,361,174	855,134	15.5%	1,300,379	25.7%	
MAINT. & REPAIR-TIME/MATERIAL	999,578	1,129,585	1,146,239	16,654	1.5%	146,661	14.7%	
RENTAL/LEASE	259,404	315,387	416,137	100,750	31.9%	156,733	60.4%	
PROFESSIONAL SERVICES	626,041	624,181	668,878	44,697	7.2%	42,837	6.8%	
LICENCES, PERMITS, FEES	219,200	206,966	234,411	27,445	13.3%	15,211	6.9%	
PROMOTION & ADVERTISING	300	497	497	0	0.0%	197	65.7%	
OTHER PURCHASED SERVICES	(72,043)	(72,043)	(72,043)	0	0.0%	0	0.0%	
Total Expenses	\$19,568,115	\$21,008,864	\$22,435,575	\$1,426,711	6.8%	\$2,867,460	14.7%	
Net Expenditures/(Revenues)	\$18,858,773	\$20,265,544	\$21,671,467	\$1,405,923	6.9%	\$2,812,694	14.9%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Other Income: Increase is due to the increase in projected sportsfield revenues for 2011.

Salaries & Benefits: Increase is due to increased part-time personnel as a result of growth in roads and parks and annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Contracts & Service Agreements: Increase due to growth in roads and parks and escalation in Town contracts such as winter maintenance.

Rental/Lease: Increase due to growth in roads and the requirement for additional rental of equipments



WASTE MANAGEMENT BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Building Markham's Future Together (BMFT) Municipal Services Project - Process mapping, SOPs, focus on Operations, development of model (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
2	BMFT's greenprint: Community Sustainability Plan (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
3	Increase Diversion: expand Mission Green to all Community Centres (E3-64) and BIA's; expand organics collection to high-rise apartments and condos	Increase overall waste diversion rate (MPMP)	OT	✓	✓
4	Continue litter prevention program (ie Community Mailbox recycling)	Number of events serviced (MPMP) and new containers placed at Supermail boxes	OT	✓	
5	Expand recycling/organics collection (Zero Waste) at special events	Increase number of events serviced (MPMP)	OT	✓	
6	Investigate re-use network to meet current and future needs, including pursuing York Region funding for a future community re-use centre, new processing opportunities for electronics/televisions, and continue partnership with Goodwill	Overall Waste diversion rate (MPMP) Service level increase	OT	✓	✓
7	Initiate collection contract renewal process	Reduce cost and increase service levels for waste management	COM	✓	✓
8	Continue implementing Zero Waste policies; Standardize collection containers to increase recognition and program participation; Improved Web presence	Average cost for waste management - integrated (MPMP) and overall waste diversion rate (MPMP)	OT		✓
9	Implement departmental organizational review (E3-58) to integrate environmental services in Operations Department (E3-59) and use technology to increase efficiency	Average cost for waste management - integrated (MPMP) and overall waste diversion rate (MPMP). Departmental organizational review implemented	OT	✓	✓
10	Establish 'Facilities Environmental Team'	Deliver environmental programs efficiently and effectively within Commission/improve best practises and communications	OT	✓	✓
11	Undertake key environmental projects and policy development as per 3 year workplan ie. Water bottle issue; Tracking Fleet GHGs	Address Commission goals; BMFT's greenprint objectives	OT	✓	
12	Administer Markham Environmental Sustainability Fund	Promote environmental initiatives within the Community and Corporation and leverage funding and volunteers to extend Town resources	OT	✓	✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

WASTE MANAGEMENT KEY PERFORMANCE INDICATORS

Waste and Environmental Management

KEY PERFORMANCE INDICATORS (KPIs)

CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	0	0	0	1 every 2 years
# of informal customer satisfaction surveys completed	2	2	3	1	4	5	2
overall satisfaction (%): Result for collection schedule survey	N/A	N/A	86%	N/A	93%	88%	80%
% extremely/very satisfied	N/A	N/A	N/A	N/A	N/A	N/A	35%
# of service requests (ACR - Cases)	8,239	4,975	4,519	3,754	3,418	1,156	N/A
Overall Satisfaction with depot services (%) ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FINANCIAL PERFORMANCE							
Net cost per household	\$ 68.09	\$ 74.64	\$ 72.54	\$ 68.16	\$ 70.18	\$ 38.73	N/A
Operating cost for waste collection per tonne (MPMP) ²	\$ 32.22	\$ 27.57	\$ 26.27	\$ 26.56	\$ 44.26	N/A	N/A
Operating cost for waste diversion per tonne (MPMP) ²	\$ 102.88	\$ 96.35	\$ 98.35	\$ 107.86	\$ 112.43	N/A	N/A
Average cost for waste management - integrated (MPMP) ²	\$ 93.86	\$ 94.66	\$ 95.35	\$ 102.03	\$ 124.06	N/A	N/A
External Grants and Sponsorship funds attracted	\$ 662,844	\$ 440,949	\$ 536,621	\$ 550,000	\$ 650,000	\$ 768,457	N/A
OPERATIONAL EXCELLENCE							
Overall waste diversion rate (MPMP)	52%	70%	70%	73%	73%	73%	75%
# visits to recycling depots per year	44,232	69,988	100,340	114,876	120,192	53,970	N/A
# of white goods appointments per month	648	627	461	370	377	275	N/A
# of curbside collections per year	13,296,192	15,522,832	11,282,958	11,282,950	15,254,928	N/A	N/A
# of special events supplied recycling service ¹	50	56	65	68	70	25	N/A
# of by-law notices issued ¹	N/A	N/A	1,550	1,758	638	259	N/A
# of community presentations made	40	40	20	26	24	13	N/A
# of Waste Management Inspections	N/A	N/A	50	66	68	35	N/A
% of Contracted collection services provided on schedule ¹	N/A	N/A	N/A	N/A	N/A	99%	100%
# of development agreements commented in AMANDA ¹	45	110	180	193	195	91	N/A
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	75%
Recognition rating (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	65%
Staff Satisfaction rating (from staff survey) ³	N/A	N/A	N/A	N/A	N/A	N/A	80%
Completion rate for performance management	N/A	N/A	N/A	N/A	83%	N/A	100%
Average Corporate learning hours per full-time employee ⁴	N/A	41.3	37.3	3.5	11.1	3.5	20.0
Staff absenteeism (average # of days per employee)	6.5	5.5	12.2	43.0	0.7	0.5	<8.4
Staff turnover rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	<7.5%

KPI SUMMARY

Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.

² The methodology for the calculation of the "Operating cost for waste collection per tonne", "Operating cost for waste diversion per tonne", and "Average cost for waste management - integrated" were changed in 2009 to respond to Public Sector Accounting Board (PSAB) requirements. Due to the change in methodology, the 2009 figures are not comparable with previous years.

³ The business unit was too small for specific data to be generated from the Staff Satisfaction Survey to populate the first three KPIs in the Staff Engagement section.

⁴ Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste Management and Waterworks. A separate figure for this business unit was not available.



WASTE MANAGEMENT KEY PERFORMANCE INDICATORS

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation

Cross Commission Projects

1	Review BMFT's greenprint and develop programs and policies for implementation in the Commission (Primary)		Address Commission goals; Programs and policies developed / implemented			✓					✓	✓
2	Support corporate initiatives: Official Plan update, Diversity Action Plan, Portal, Records Management (Secondary)		As described in work plan finalized by Lead Department.	✓			✓	✓	✓		✓	

Business Unit Objectives

1	Adjust or improve program to increase diversion to meet 75% diversion target		Increase overall waste diversion rate (MPMP); Improvements examined or implemented, such as clear bags for garbage, ban curbside collection of organics, etc.			✓					✓	✓
2	Implement Depot Study recommendations and develop plan for additional depot in partnership with Region		Overall Waste diversion rate (MPMP); Service level increase	✓		✓	✓					
3	Implement Collection Enhancements such as 4-day collection, Side Door Collection Program, use of GPS, etc.		Reduce cost and improve customer service	✓			✓				✓	✓
4	Continue to improve and expand Community outreach education - improved web presence; utilizing social media; portal; e-news; report cards; other measures		Increase overall waste diversion rate (MPMP)				✓				✓	✓
5	Increase Zero Waste initiatives and policies		Average cost for waste management - integrated (MPMP) and overall waste diversion rate (MPMP)				✓					✓
6	Implement new processing opportunities to reduce costs - polystyrene densification and on-site composting technologies		Operating costs reduced				✓					✓
7	Finalize and implement sustainability practices - water bottle policy, paper policy		Address Commission goals; BMFT and Green Print objectives				✓					✓
8	Water conservation initiatives - launch Water Wagon, rain barrel distribution, education programs to increase awareness of Markham's tap water	✓	Align with Provincial legislation									

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



WASTE MANAGEMENT 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. vs. 2010 Act.	
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
Revenues							
GRANTS AND SUBSIDIES	\$776,908	\$651,695	\$1,051,695	\$400,000	61.4%	\$274,787	35.4%
USER FEES & SERVICE CHARGES	21,299	26,807	26,807	0	0.0%	5,508	25.9%
SALES	64,831	160,274	150,774	(9,500)	-5.9%	85,943	132.6%
OTHER INCOME	2,536	31,234	56,234	25,000	80.0%	53,698	2117.4%
Total Revenues	\$865,574	\$870,010	\$1,285,510	\$415,500	47.8%	\$419,936	48.5%
Expenses							
SALARIES AND BENEFITS	\$732,214	\$686,577	\$749,131	\$62,554	9.1%	\$16,917	2.3%
PRINTING & OFFICE SUPPLIES	6,221	17,476	17,476	0	0.0%	11,255	180.9%
PURCHASES FOR RESALE	95,082	161,535	157,135	(4,400)	-2.7%	62,053	65.3%
OPERATING MATERIALS & SUPPLIES	29,828	2,622	41,516	38,894	1483.4%	11,688	39.2%
UTILITIES	3,600	2,910	3,290	380	13.1%	(310)	-8.6%
COMMUNICATIONS	1,260	1,320	1,720	400	30.3%	460	36.5%
TRAVEL EXPENSES	0	0	0	0	0.0%	0	0.0%
TRAINING	21	0	0	0	0.0%	(21)	-100.0%
MAINT. & REPAIR-TIME/MATERIAL	1,841	3,635	7,135	3,500	96.3%	5,294	287.6%
RENTAL/LEASE	593	981	981	0	0.0%	388	65.4%
PROFESSIONAL SERVICES	11,961	16,214	16,214	0	0.0%	4,253	35.6%
CREDIT CARD SERVICES CHARGES	2,851	1,737	1,737	0	0.0%	(1,114)	-39.1%
PROMOTION & ADVERTISING	103,458	102,219	102,219	0	0.0%	(1,239)	-1.2%
CONTRACTED MUNICIPAL SERVICES	7,588,267	7,658,434	7,689,394	30,960	0.4%	101,127	1.3%
Total Expenses	\$8,577,197	\$8,655,660	\$8,787,948	\$132,288	1.5%	\$210,751	2.5%
Net Expenditures/(Revenues)	\$7,711,623	\$7,785,650	\$7,502,438	(\$283,212)	-3.6%	(\$209,185)	-2.7%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Grants and Subsidies: Increase is due to additional funding projected to be received from outside organizations.

Salaries & Benefits: Increase is due to the addition of a Waste Labourer, annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



WATERWORKS BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes					
#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Building Markham's Future Together (BMFT) Municipal Services Project - Process mapping, SOPs, focus on Operations, development of model (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
2	Support Implementation of AVL as part of Implementation of Wireless Communication Project (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
3	Implementation of Auditor General Recommendations (Secondary)	100% Implementation of recommendations as they relate to this department	OT	✓	✓
4	Ensure competent, knowledgeable, and certified Waterworks Operators	Certify 80% of Waterworks Operators, to meet system level requirements	OT	✓	✓
5	Complete annual programs and projects	Completion 80% dollar value of Capital programs and projects on schedule and budget	OT	✓	
6	Maintain new Municipal Drinking Water License	Develop and obtain approval of the Financial Plan	COM	✓	✓
7	Promote Waterworks business responsibilities to all stakeholders	Promote Waterworks - Education/Awareness/Services. Develop awareness/information packages	DL	✓	✓
8	Enhance functional capabilities of Mobile Work Management System	O & M operational efficiency improved, e.g. real-time work order and customer request information processing, GPS tracking and navigation, and anti-theft security for tablet PC's	OT	✓	✓
9	Automation Provision of drinking water system data and control capability	Establish a Waterworks portion of SCADA (details to follow by SE)	OT	✓	✓
10	Identify and complete all Waterworks SOP's, WI's and Process Mappings from functional structure charts to meet NQI PEP and DWQMS objectives	Complete all Waterworks SOP's and WI from functional structure	OT	✓	✓
11	Identify Service Level Agreements to support the Municipal Drinking Water License	Complete Service Levels Agreements with other departments, specifically Engineering, ITS, and Asset Management	AD	✓	✓
12	Assessment of combining storm and sanitary operations	Improve customer service and efficiency for the operations and maintenance of storm and sanitary sewers	DL	✓	✓
13	Staff satisfaction improvements (all sections)	Address staff satisfaction survey results by defining critical survey results and define solution	OT	✓	✓
14	Phase 3 of O&M move to 8100 Warden	To complete the move of WW O&M section to 8100 Warden with the setting up of a secured compound for parking and outdoor materials storage	OT		✓
Notes:					

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

WATERWORKS KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	0	0	0	1 every 2 years
overall satisfaction (%)	N/A	N/A	N/A	N/A	N/A	N/A	80%
% extremely/very satisfied	N/A	N/A	N/A	N/A	N/A	N/A	35%
Service Satisfaction Rating (%) from informal survey	88%	91%	82%	73%	65%	73%	80%
Water Quality Complaints per 1,000 people served (NBI) showing Markham / Canada-wide average	0.2 / 1.40	0.2 / 1.10	0.2 / 0.60	0.2 / 0.70	N/A	N/A	0.20
Water Pressure Complaints per 1,000 people served (NBI) showing Markham / Canada-wide average	0.49 / 0.51	0.63 / 0.45	0.67 / 0.44	0.66 / 0.44	N/A	N/A	0.45
FINANCIAL PERFORMANCE							
Operating cost per km - water distribution system (MPMP)	\$ 9,675	\$ 11,051	\$ 11,597	\$ 12,517	\$ 9,190	N/A	\$ 9,190
Operating cost per km - wastewater collection system (MPMP)	\$ 4,381	\$ 3,637	\$ 4,820	\$ 4,614	\$ 3,225	N/A	\$ 3,225
OPERATIONAL EXCELLENCE							
Annual # of watermain breaks per 100km of distribution pipe (MPMP)	3.4	2.6	4.3	2.9	3.3	1.8	2.5
# of households per FTE	1,522	1,435	1,412	1,591	1,611	1,573	1,435
Reportable adverse water quality samples as % of all samples taken (MPMP)	0.06%	0.05%	0.17%	0.14%	0.19%	0.18%	0.10%
Work order & Service requests issued	45,027	55,810	74,239	45,733	45,031	23,613	45,382
% Work orders & Service requests completed per service levels ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Completion rate on approved capital projects ¹	61%	67%	69%	69%	67%	59%	80%
# of sewer backups per 100km of mainline (MPMP)	0.27	0.90	0.45	1.23	3.15	N/A	N/A
Average Waterworks-specific training hours per full-time employee ¹	67	79	75	81	79	66	75
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	74%	N/A	52%	N/A	61%	75%
Recognition rating (from staff survey)	N/A	65%	N/A	48%	N/A	54%	65%
Staff Satisfaction rating (from staff survey)	N/A	72%	N/A	69%	N/A	71%	80%
Completion rate for performance management	N/A	N/A	N/A	N/A	98%	N/A	100%
Average Corporate learning hours per full-time employee ²	0.0	6.4	21.1	14.4	11.1	5.2	20.0
Staff absenteeism (average # of days per employee)	6.4	6.8	8.3	8.8	10.1	5.3	<8.4
Staff turnover rate	N/A	0.0%	0.0%	0.0%	6.0%	2.0%	<7.5%
KPI SUMMARY							
<p>Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.</p> <p>² Average Corporate Learning Hours per Full-time Employee in 2009 was a combined number for Operations Division, Waste Management and Waterworks. A separate figure for this business unit was not available.</p> <p>MPMP data for any given year is calculated in April of the following year.</p> <p>NBI data, in the Customer Satisfaction section, for any given year is calculated in October/November of the following year and Canada-wide comparisons are published the year after that.</p>							



WATERWORKS BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

#	Objective	Requires Additional Resources?	Outcomes	Priorities							
				Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation

Cross Commission Projects

1	Environmental Sustainability, including greenprint and Mission Green	✓	Implement supporting activities such as Automated Vehicle Locator, water conservation, mobile work; Water management plan in place			✓	✓			✓	✓
2	Meter Reading & Billing Plan (Primary)	✓	Complete Report for Council consideration				✓			✓	
3	Service Level Agreement as a component of Service Planning (Primary)	✓	Signe agreements, such as Engineering, Finance, HR, Asset Management	✓			✓			✓	
4	HR & Waterworks Training Section training records coordination (Primary)	✓	Add 2010 Waterworks training records into Markham Learn Centre; develop process				✓			✓	
5	Sustainable water and waste water rate (Primary)	✓	Develop rate model with public input; obtain approval of 2012 water and wastewater rate	✓		✓	✓			✓	
6	Support corporate initiatives: Official Plan update, Portal, Records Management (Secondary)		As described in work plan finalized by Lead Department.	✓			✓	✓	✓	✓	

Business Unit Objectives

1	Standardize Customer Satisfaction Survey for activities covered by door-hangers and for paid services	✓	Develop remedial continuous improvement process; develop performance reporting				✓			✓	
2	Mobile Work Management System	✓	Cover all work order activities; track assets; monitored system for improvement	✓		✓	✓			✓	✓
3	Automatic Meter Reading/ Advance Metering Infrastructure Implementation	✓	Complete technology evaluation; develop business case	✓			✓			✓	✓
4	Condition assessment & deterioration model	✓	Complete physical condition assessment of metallic mains; Complete framework for water and wastewater deterioration model	✓			✓			✓	
5	Complete implementation of Water SOPs & Work Instructions & Intelix		Implemented SOPs and Work Instructions and store procedures in Intelix				✓			✓	✓
6	Analyze and plan to develop all Wastewater related SOPs, Work Instructions and Process Maps	✓	Analyze scope of all wastewater related processes to support documentation in 2012				✓			✓	
7	Application for reclassification of Water Distribution System license once the DMA and SCADA are implemented		Complete Town's Water Distribution System reclassification application				✓				
8	Implement service levels for PM activities Water & Wastewater	✓	Establish plan for implementing service levels for all critical preventive maintenance activities				✓			✓	
9	Establishment & Development of Waterworks SCADA Operating Room	✓	Approve and resource SCADA Operations Room				✓			✓	
10	Inflow & Infiltration Reduction - Town-wide Downspout Disconnection Program	✓	Complete year 1 (2011) of 6-year program based on severity			✓	✓			✓	
11	Water Audit to quantify water use. Inter-departmental resources required for metering (to reduce losses & encourage conservation)	✓	Quantify water use Town wide.			✓	✓	✓		✓	
12	Regulatory compliance: backflow prevention next phase started, effluent sampling program	✓	Develop strategy for waste water effluent sampling program				✓	✓		✓	
13	Training Model Phase 4: Continuous Improvement completion	✓	Adjust program to meet departmental needs	✓						✓	✓
14	Develop specialized training programs for Waterworks	✓	Develop training for DWQMS Emergency Management testing & training and on-the-job training program for O&M staff	✓						✓	
15	Develop Training Centre feasibility study for Waterworks and Fire (Secondary)	✓	Waterworks & Fire to jointly develop list of training needs list; Fire to create RFP for feasibility study	✓						✓	

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



WATERWORKS 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./.(Decr.)	% Change	\$ Incr./.(Decr.)	% Change
Revenues							
TAXES - OTHER CHARGES	\$85,843	\$0	\$0	\$0	0.0%	(\$85,843)	-100.0%
FINES/BILLINGS	67,856,254	66,802,769	74,025,700	7,222,931	10.8%	6,169,446	9.1%
USER FEES & SERVICE CHARGES	440,477	345,973	530,000	184,027	53.2%	89,523	20.3%
SALES	297,406	116,000	148,000	32,000	27.6%	(149,406)	-50.2%
RECOVERIES & CONTRIBUTIONS	846,515	32,500	270,000	237,500	730.8%	(576,515)	-68.1%
OTHER REVENUE	4,118	0	0	0	0.0%	(4,118)	-100.0%
TRANSFERS FROM RESERVES	991,611	0	0	0	0.0%	(991,611)	-100.0%
Total Revenues	\$70,522,224	\$67,297,242	\$74,973,700	\$7,676,458	11.4%	\$4,451,476	6.3%
Expenses							
SALARIES AND BENEFITS	\$4,942,816	\$5,251,297	\$5,662,613	\$411,316	7.8%	\$719,797	14.6%
PRINTING & OFFICE SUPPLIES	27,433	29,092	29,092	0	0.0%	1,659	6.0%
OPERATING MATERIALS & SUPPLIES	108,828	104,761	119,761	15,000	14.3%	10,933	10.0%
CONSTRUCTION MATERIALS	410,943	467,895	522,126	54,231	11.6%	111,183	27.1%
INVENTORY ADJUSTMENTS	0	0	0	0	0.0%	0	0.0%
UTILITIES	30,984	35,805	35,805	0	0.0%	4,821	15.6%
COMMUNICATIONS	34,183	46,691	56,331	9,640	20.6%	22,148	64.8%
TRAVEL EXPENSES	25,425	44,500	49,500	5,000	11.2%	24,075	94.7%
TRAINING	53,389	56,130	56,130	0	0.0%	2,741	5.1%
CONTRACTS & SERVICE AGREEMENTS	4,138,621	4,600,922	4,233,550	(367,372)	-8.0%	94,929	2.3%
MAINT. & REPAIR-TIME/MATERIAL	248,218	360,307	368,507	8,200	2.3%	120,289	48.5%
RENTAL/LEASE	2,277	5,099	5,099	0	0.0%	2,822	123.9%
PROFESSIONAL SERVICES	82,221	113,034	113,034	0	0.0%	30,813	37.5%
LICENCES, PERMITS, FEES	24,703	24,760	24,760	0	0.0%	57	0.2%
PROMOTION & ADVERTISING	0	3,000	3,000	0	0.0%	3,000	0.0%
CONTRACTED MUNICIPAL SERVICES	49,277,013	46,406,905	51,552,416	5,145,511	11.1%	2,275,403	4.6%
OTHER PURCHASED SERVICES	227,213	227,213	227,893	680	0.3%	680	0.3%
WRITE-OFFS	22,963	88,614	88,614	0	0.0%	65,651	285.9%
TRANSFERS TO RESERVES	10,422,828	9,431,217	11,825,469	2,394,252	25.4%	1,402,641	13.5%
Total Expenses	\$70,080,058	\$67,297,242	\$74,973,700	\$7,676,458	11.4%	\$4,893,642	7.0%
Net Expenditures/(Revenues)	(\$442,166)	\$0	\$0	\$0	0.0%	\$442,166	-100.0%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Billings: Increase water sales due to water rate increase and volume adjustments

User Fees & Service Charges: Increase in water meter installation fees based on projected increase in new developments for 2011

Recoveries & Contributions: Increase in recoveries for Water Service to Developers as a result of anticipated increase in development activity

Salaries & Benefits: Increase due to the addition of 4 staff, annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Construction Materials: Increased purchases of new water meters due to growth

Contracts Service Agreements: Reduced billing administration charge based on new contract negotiations and reduced construction expenditures based on prior years averages

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

Transfer to Reserves: Increased transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements as per the Waterworks Reserve Study



RECREATION SERVICES BUSINESS PLAN OUTCOMES

2010 Business Plan Objectives/Outcomes

#	Objective	Outcomes	Status	Priorities	
				Council	Operational
1	Building Markham's Future Together (BMFT) Municipal Services Project - Process mapping, SOPs (Secondary)	As described in work plan finalized by Lead Department	AD	✓	✓
2	Provide input into BMFT's Growth Management Strategy and contribute to completion of Integrated Leisure Master Plan (ILMP) (Secondary)	As described in work plan finalized by Lead Department; ILMP approved by Council in April	COM		
3	New - Coordinate implementation of ILMP (Primary)	Coordinating team set up and implementation approach developed	OT	✓	✓
4	Sponsorship (Identification of Requirements, Development of Corporate Strategy) (Secondary)	As described in work plan finalized by Lead Department	OT		✓
5	BMFT's Diversity Action Plan (Secondary)	As described in work plan finalized by Lead Department	OT	✓	✓
6	Portal (Secondary)	Supporting Project Implementation	DL	✓	✓
7	Recreation Reorganization - Complete a thorough and comprehensive review of the organizational structure of Recreation Services, involving staff in the development of a new organizational delivery model	A new organizational model will be developed and supported by CCC. The model will be implemented in 2010.	AD	✓	✓
8	Stimulus/RInC Funded Projects - a variety of projects impacting delivery of Recreation Services have been approved for funding with timelines attached	All projects will be completed on time and on budget.	OT	✓	✓
9	Identification and Capitalization of Departmental Synergies - all processes, service delivery systems, facilities and program and facility development will be examined and identified	Staff lead project work teams will explore various synergies and identify future cost savings initiatives with fiscal savings identified for next budget cycle.	DL		✓
10	East Markham Community Centre - ongoing development of the East Markham Community Centre	Community, including key stakeholder groups will be continuously involved and further steps will be taken to achieve an overall project completion in 2011, 2012.	OT	✓	
11	Develop a Pricing & Subsidy Strategy for Council approval that will balance fiscal stewardship with community need utilizing a detailed process mapping approach	Strategy is developed and approved by CCC and Council. Strategy will establish acceptable cost recovery ratios. KPI's will be formalized and endorsed by all staff.	DL	✓	✓
12	Develop and incorporate a community engagement approach into service planning and service delivery (ILMP)	Approach tested and incorporated into service delivery	AD	✓	✓

Notes:

Objective Status: OT= On Target, AD= Adjusted, DL= Delayed, COM= Completed, DEL= Deleted

Council Priorities: Growth Management;; Transportation/Transit; Environment; Municipal Services; Parks, Recreation, Culture & Library Master Plan/Public Safety; Diversity

Operational Priorities: NQI PEP Level 3, Innovation

RECREATION SERVICES KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)							
CUSTOMER SATISFACTION	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ACTUAL	2009 ACTUAL	2010 JUNE 30	TARGET
# of formal customer satisfaction surveys completed	0	0	0	3	1	0	1 every 2 years
# of informal customer satisfaction surveys completed	0	0	0	0	0	0	0
overall satisfaction (%)	N/A	N/A	84%	79%	87%	NA	80%
% extremely/very satisfied	N/A	N/A	24%	71%	NA	NA	35%
FINANCIAL PERFORMANCE							
Net cost per household	\$ 41.05	\$ 48.84	\$ 50.46	\$ 52.17	\$ 49.71	\$ 15.30	N/A
Net cost of recreation per capita	\$ 11.21	\$ 16.40	\$ 13.33	\$ 18.80	\$ 14.27	\$ 4.37	\$ 18.00
Revenue as % of total gross Recreation operating expenditures	75%	73%	73%	70%	72%	80%	70%
Revenue as % of total non-tax Town revenues	22%	24%	25%	25%	27%	13%	15%
OPERATIONAL EXCELLENCE							
# of annual visits at recreation facilities ¹	N/A	5,662,447	5,763,326	6,214,641	6,958,725	3,650,000	6,749,303
Average fill rate for all programs	77%	81%	87%	87%	85%	82%	80%
Average fill rate in all facilities (***) ¹	NA	NA	NA	NA	NA	NA	80%
Sq.ft. of community centre space per capita	2.9	3.2	3.1	3.1	3.1	3.1	3.5
Annual # of all direct program registrations	74,309	80,409	78,281	82,750	81,271	38,789	90,000
Annual # of all direct program classes	9,915	9,829	9,805	9,900	9,856	3,979	N/A
# of fitness memberships at year end	1,962	3,049	3,735	3,599	3,651	NA	4,000
Completion rate on approved capital projects ¹	82%	82%	86%	82%	86%	NA	95%
STAFF ENGAGEMENT							
Healthy Workplace Environment Index (from staff survey)	N/A	77%	N/A	66%	NA	63%	75%
Recognition rating (from staff survey)	N/A	6600%	N/A	54%	NA	56%	65%
Staff Satisfaction rating (from staff survey)	N/A	74%	N/A	80%	NA	72%	80%
Completion rate for performance management	70%	100%	100%	99%	90%	NA	100%
Average Corporate learning hours per full-time employee	9.5	14.5	18.6	13.7	12.6	0.3	20.0
Staff absenteeism (average # of days per employee)	4.8	2.8	6.1	6.8	5.6	3.4	<8.4
Staff turnover rate	9.0%	4.0%	0.0%	5.0%	2.0%	2.0%	<7.5%

KPI SUMMARY

Note: ¹ New KPI developed as part of the 2010 Business Planning Process in 2009 and data from prior years may not be available.

The Recreation Services Department is committed to providing safe and accessible facilities and services for residents of Markham that will enhance quality of life, while creating a strong sense of community. As a result of this commitment, we would like to highlight the following:

- The department restructure has been approved and we are implementing the changes. We have identified that as part of our evolution into this new structure, which allows us to respond better to community needs, we need to include a comprehensive review of our Key Performance Indicators to ensure they provide staff with the necessary information to make good business decisions within their work units.
- We have committed to ensuring that each function within our department will have 2 to 3 KPI's that are discussed on a regular basis and form the basis from which we make programming/operational decisions.
- ***Average fill rate in all facilities indicator: We continue not to report on this KPI due to the fact that staff are not clear as to the intent of this KPI and have not to date determined how to calculate the number. This will be included in our review in 2011.



RECREATION SERVICES BUSINESS PLAN OBJECTIVES

2011 Business Plan Objectives (S.M.A.R.T)

			Priorities								
#	Objective	Requires Additional Resources?	Outcomes	Council						Operational	
				Growth Management	Transportation/Transit	Environment	Municipal Services	Parks, Recreation, Culture & Library Master Plan/ Public Safety	Diversity	Alignment to NQI	Innovation
Cross Commission Projects											
1	Pricing Strategy - Develop a comprehensive pricing strategy, including pricing philosophies, financial accessibility and subsidy, pricing elasticity and fee increase methodology (Primary)	✓	A consultant will be hired to assist with the process. A pricing strategy will be presented to Council by the end of 2011.	✓			✓	✓	✓	✓	✓
2	Integrated Leisure Master Plan Implementation (Primary)		Implementation plans for all recommendations for the next five years will be developed by the end of 2011	✓		✓	✓	✓	✓	✓	
3	Community Engagement Framework Finalized and Pilot Project on Neighbourhood Plan Completed (Primary)	✓	Framework approved by organization; Implementation plan developed, including training and communication; Milliken Pilot completed and evaluated	✓			✓	✓	✓	✓	
4	Pan Am Projects (Primary)		Project plan developed to meet target completion timelines and budget				✓				
5	Support corporate initiatives: Official Plan update, Diversity Action Plan, Portal, Records Management (Secondary)		As described in work plan finalized by Lead Department.	✓			✓	✓	✓	✓	
Business Unit Objectives											
1	Complete Recreation Reorganization - Focus on customer service, increased efficiencies, and development of a culture of recognition	✓	All positions filled; Individualized training plan for each full time supervisory staff; Departmental recognition program developed	✓			✓	✓	✓	✓	✓
2	Operationalize all Stimulus/RInC funded Recreation infrastructure projects	✓	Projects completed by Q1, 2011; All staff in place to operationalize new/renovated facilities; Preliminary financial targets realized or exceeded				✓	✓			✓
3	Key Performance Indicators Development and Improvement		Each function of the department will have 2 to 3 KPIs; All supervisory staff able to discuss KPI results				✓			✓	
4	East Markham Community Centre Operating Plan (staffing, program and service delivery, strategic relationships)		Operational plan is completed	✓			✓				
5	Departmental Marketing & Communication Improvement to Enhance Staff Collaboration and Service Delivery		New communication tools will be developed and utilized by all departmental staff							✓	✓
6	Identification and Capitalization of Departmental Synergies - all processes, service delivery systems, facilities and program and facility development will be examined and identified		Staff lead project work teams will explore various synergies and identify future cost savings initiatives with fiscal savings identified for next budget cycle.							✓	✓
7	Environmental and Energy Conservation Leadership in Recreation Facilities		Facility energy retrofits completed and monitored for effectiveness; Staff will research new initiatives	✓			✓				✓

Alignment to NQI: The National Quality Institute (NQI) framework contains six drivers, namely Leadership, Planning and Financial Management, Customer Focus, People Engagement, Process Management, and Supplier and Partner Focus.

S.M.A.R.T = Specific, Measurable, Attainable, Realistic, Time-bound



RECREATION SERVICES 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
Revenues								
PROVINCIAL GRANTS & SUBSIDIES	\$58,734	\$44,561	\$12,000	(\$32,561)	-73.1%	(\$46,734)	-79.6%	
USER FEES & SERVICE CHARGES	7,679,566	7,819,131	8,084,268	265,137	3.4%	404,702	5.3%	
RENTALS	4,990,380	5,157,323	5,621,728	464,405	9.0%	631,348	12.7%	
SALES	103,808	165,143	128,007	(37,136)	-22.5%	24,199	23.3%	
RECOVERIES & CONTRIBUTIONS	21,356	48,000	87,000	39,000	81.3%	65,644	307.4%	
OTHER REVENUE	246,661	252,500	260,925	8,425	3.3%	14,264	5.8%	
INTERDEPARTMENTAL RECOVERIES	523,308	523,308	523,308	0	0.0%	0	0.0%	
Total Revenues	\$13,623,813	\$14,009,966	\$14,717,236	\$707,270	5.0%	\$1,093,423	8.0%	
Expenses								
SALARIES AND BENEFITS	\$12,721,562	\$12,941,739	\$13,875,919	\$934,180	7.2%	\$1,154,357	9.1%	
PRINTING & OFFICE SUPPLIES	68,079	91,137	87,928	(3,209)	-3.5%	19,849	29.2%	
PURCHASES FOR RESALE	63,203	71,614	34,818	(36,796)	-51.4%	(28,385)	-44.9%	
OPERATING MATERIALS & SUPPLIES	722,104	853,684	885,753	32,069	3.8%	163,649	22.7%	
VEHICLE SUPPLIES	19,819	32,690	32,180	(510)	-1.6%	12,361	62.4%	
UTILITIES	2,796,245	2,788,196	3,179,972	391,776	14.1%	383,727	13.7%	
COMMUNICATIONS	70,955	81,070	81,828	758	0.9%	10,873	15.3%	
TRAVEL EXPENSES	5,626	6,125	8,175	2,050	33.5%	2,549	45.3%	
TRAINING	113,556	132,578	129,472	(3,106)	-2.3%	15,916	14.0%	
CONTRACTS & SERVICE AGREEMENTS	743,830	902,327	827,956	(74,371)	-8.2%	84,126	11.3%	
MAINT. & REPAIR-TIME/MATERIAL	858,215	759,006	834,170	75,164	9.9%	(24,045)	-2.8%	
RENTAL/LEASE	177,093	190,534	182,855	(7,679)	-4.0%	5,762	3.3%	
INSURANCE	0	1,299	1,300	1	0.1%	1,300	0.0%	
PROFESSIONAL SERVICES	87,481	93,500	93,300	(200)	-0.2%	5,819	6.7%	
LICENCES, PERMITS, FEES	49,056	59,190	64,952	5,762	9.7%	15,896	32.4%	
CREDIT CARD SERVICE CHARGES	215,277	170,299	202,000	31,701	18.6%	(13,277)	-6.2%	
PROMOTION & ADVERTISING	(4,119)	971	1,000	29	3.0%	5,119	-124.3%	
CONTRACTED MUNICIPAL SERVICES	12,237	9,300	9,300	0	0.0%	(2,937)	-24.0%	
OTHER PURCHASED SERVICES	0	707	0	(707)	-100.0%	0	0.0%	
WRITE-OFFS	(1)	0	0	0	0.0%	1	-100.0%	
OTHER EXPENDITURES	78,729	96,200	95,000	(1,200)	-1.2%	16,271	20.7%	
TRANSFERS TO RESERVES	379,055	369,262	369,262	0	0.0%	(9,793)	-2.6%	
Total Expenses	\$19,178,002	\$19,651,428	\$20,997,140	\$1,345,712	6.8%	\$1,819,138	9.5%	
Net Expenditures/(Revenues)	\$5,554,189	\$5,641,462	\$6,279,904	\$638,442	11.3%	\$725,715	13.1%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

User Fees & Service Charges: Increase due to resulting CPI price increases.

Rentals: Increase rental volumes due to new facilities

Salaries & Benefits: Increase is due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.

Contracts and Service Agreements – Reduction in outside contracted services for programs

Maintenance & Repair-Time/Material – Increase maintenance and repair due to aging facilities

Utilities: Increase due to projected higher volumes and price of gas and hydro.



OPERATIONS AND ASSET MANAGEMENT ADMIN

2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. Vs. 2010 Act.</u>		
				<u>\$ Incr./Decr.)</u>	<u>% Change</u>	<u>\$ Incr./Decr.)</u>	<u>% Change</u>	
Revenues								
SALES	\$6,204	\$4,000	\$4,000	\$0	0.0%	(\$2,204)	-35.5%	
RECOVERIES & CONTRIBUTIONS	12,793	14,100	14,100	0	0.0%	1,307	10.2%	
OTHER REVENUE	735	0	0	0	0.0%	(735)	-100.0%	
Total Revenues	\$19,732	\$18,100	\$18,100	\$0	0.0%	(\$1,632)	-8.3%	
Expenses								
SALARIES AND BENEFITS	\$1,890,065	\$1,833,550	\$1,918,119	\$84,569	4.6%	\$28,054	1.5%	
PRINTING & OFFICE SUPPLIES	40,911	36,140	36,140	0	0.0%	(4,771)	-11.7%	
OPERATING MATERIALS & SUPPLIES	50,429	90,145	57,251	(32,894)	-36.5%	6,822	13.5%	
CONSTRUCTION MATERIALS	10,359	24,860	24,860	0	0.0%	14,501	140.0%	
UTILITIES	30,890	33,958	33,958	0	0.0%	3,068	9.9%	
COMMUNICATIONS	44,937	49,438	48,938	(500)	-1.0%	4,001	8.9%	
TRAVEL EXPENSES	27,093	53,738	53,738	0	0.0%	26,645	98.3%	
TRAINING	47,410	58,524	58,524	0	0.0%	11,114	23.4%	
CONTRACTS SERVICES AGREEMENTS	(26,748)	(26,515)	(37,515)	(11,000)	41.5%	(10,767)	40.3%	
MAINT. & REPAIR - TIME & MATERIAL	7,681	7,080	7,080	0	0.0%	(601)	-7.8%	
RENTAL/LEASE	19,980	18,000	18,000	0	0.0%	(1,980)	-9.9%	
PROFESSIONAL SERVICES	0	0	0	0	0.0%	0	0.0%	
LICENCES, PERMITS, FEES	30,903	37,324	37,324	0	0.0%	6,421	20.8%	
PROMOTION & ADVERTISING	1,387	9,515	9,515	0	0.0%	8,128	586.0%	
OTHER EXPENDITURES	4,425	6,200	0	(6,200)	-100.0%	(4,425)	-100.0%	
Total Expenses	\$2,179,722	\$2,231,957	\$2,265,932	\$33,975	1.5%	\$86,210	4.0%	
Net Expenditures/(Revenues)	\$2,159,990	\$2,213,857	\$2,247,832	\$33,975	1.5%	\$87,842	4.1%	

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase due to annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



COMMUNITY & FIRE SERVICES COMMISSIONER'S OFFICE 2011 OPERATING BUDGET

<u>Description</u>	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>		<u>2011 Bud. vs. 2010 Act.</u>	
				<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
Revenues							
OTHER INCOME	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total Revenues	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Expenses							
SALARIES AND BENEFITS	\$495,274	\$443,847	\$556,544	\$112,697	25.4%	\$61,270	12.4%
PRINTING & OFFICE SUPPLIES	8,652	2,334	2,334	0	0.0%	(6,318)	-73.0%
OPERATING MATERIALS & SUPPLIES	198	877	2,377	1,500	171.0%	2,179	1100.5%
COMMUNICATIONS	632	750	750	0	0.0%	118	18.7%
TRAVEL EXPENSES	9,376	17,067	17,067	0	0.0%	7,691	82.0%
TRAINING	3,208	15,241	40,241	25,000	164.0%	37,033	1154.4%
CONTRACTS & SERVICE AGREEMENTS	(24,876)	(24,876)	(24,876)	0	0.0%	0	0.0%
PROFESSIONAL SERVICES	680	20,000	36,700	16,700	83.5%	36,020	5297.1%
LICENCES, PERMITS, FEES	0	583	583	0	0.0%	583	0.0%
Total Expenses	\$493,144	\$475,823	\$631,720	\$155,897	32.8%	\$138,576	28.1%
Net Expenditures/(Revenues)	\$493,144	\$475,823	\$631,720	\$155,897	32.8%	\$138,576	28.1%

Changes in the 2011 Budget from the 2010 Budget over \$50,000:

Salaries & Benefits: Increase is due to the transfer of staff from other departments in the commission along with annualization of cost of living adjustment and movement of staff along the Town's Salary Grids.



CORPORATE ITEMS 2011 OPERATING BUDGET

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2010 Bud.		2011 Bud. Vs. 2010 Act.		
				\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
Revenues								
TAX LEVIES	\$110,338,066	\$109,308,547	\$113,989,993	\$4,681,446	4.3%	\$3,651,927	3.3%	
GRANTS-IN-LIEU OF TAXES	1,259,151	1,209,007	1,209,007	0	0.0%	(50,144)	-4.0%	
GRANTS & SUBSIDIES	0	0	0	0	0.0%	0	0.0%	
INTEREST & PENALTIES	3,334,213	3,375,000	3,375,000	0	0.0%	40,787	1.2%	
INCOME FROM INVESTMENTS	14,019,895	14,246,836	18,332,265	4,085,429	28.7%	4,312,370	30.8%	
USER FEES & SERVICE CHARGES	5,682	(5,000)	0	5,000	0.0%	(5,682)	-100.0%	
RENTALS	47,204	74,252	74,252	0	0.0%	27,048	57.3%	
OTHER INCOME	2,238,647	1,389,905	1,913,113	523,208	37.6%	(325,534)	-14.5%	
TRANSFER FROM SURPLUS/DEFICIT	0	0	0	0	0.0%	0	0.0%	
Total Revenues	\$131,242,858	\$129,598,547	\$138,893,630	\$9,295,083	7.2%	\$7,650,772	5.8%	
Expenses								
SALARIES AND BENEFITS	\$5,976,351	\$5,363,237	\$4,310,612	(\$1,052,625)	-19.6%	(\$1,665,739)	-27.9%	
PRINTING & OFFICE SUPPLIES	89	0	0	0	0.0%	(89)	-100.0%	
UTILITIES	12,106	32,169	(182,534)	(214,703)	-667.4%	(194,640)	-1607.8%	
CONTRACTS SERVICE AGREEMENTS	0	(4,689,183)	(5,114,046)	(424,863)	9.1%	(5,114,046)	0.0%	
MAINT.& REPAIR - TIME & MATERIAL	0	27,973	0	(27,973)	0.0%	0	0.0%	
INSURANCE	1,650,483	2,354,656	2,354,656	0	0.0%	704,173	42.7%	
PROFESSIONAL SERVICES	17,367	44,117	44,117	0	0.0%	26,750	154.0%	
LICENCES, PERMITS, FEES	14,533	15,620	15,620	0	0.0%	1,087	7.5%	
PROMOTION & ADVERTISING	41,473	31,709	33,709	2,000	6.3%	(7,764)	-18.7%	
OTHER PURCHASED SERVICES	216,311	216,311	216,311	0	0.0%	0	0.0%	
WRITE-OFFS	458,982	432,920	415,041	(17,879)	-4.1%	(43,941)	-9.6%	
OTHER EXPENDITURES	828,293	2,595,214	2,176,026	(419,188)	-16.2%	1,347,733	162.7%	
TRANSFERS TO RESERVES	18,000,072	19,148,179	24,781,493	5,633,314	29.4%	6,781,421	37.7%	
Total Expenses	\$27,216,060	\$25,572,922	\$29,051,005	\$3,478,083	13.6%	\$1,834,945	6.7%	
Net Expenditures/(Revenues)	(\$104,026,798)	(\$104,025,625)	(\$109,842,625)	(\$5,817,000)	5.6%	(\$5,815,827)	5.6%	



CORPORATION CONSOLIDATED 2011 OPERATING BUDGET (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, AND ENGINEERING)

Description	2010 Actual	2010 Budget	2011 Budget	2011 Bud. vs. 2011 Bud.		2011 Bud. Vs. 2010 Act.	
				\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
Revenue							
TAX LEVIES	\$110,338,066	\$109,308,547	\$113,989,993	\$4,681,446	4.3%	\$3,651,927	3.3%
GRANTS-IN-LIEU OF TAXES	1,259,151	1,209,007	1,209,007	0	0.0%	(50,144)	-4.0%
GRANTS AND SUBSIDIES	1,369,036	1,077,534	1,472,973	395,439	36.7%	103,937	7.6%
LICENCES & PERMITS	1,329,886	1,342,969	1,371,258	28,289	2.1%	41,372	3.1%
INTEREST & PENALTIES	3,334,213	3,375,000	3,375,000	0	0.0%	40,787	1.2%
INCOME FROM INVESTMENTS	14,208,680	14,252,636	18,346,065	4,093,429	28.7%	4,137,385	29.1%
FINES	2,021,036	1,911,750	1,935,730	23,980	1.3%	(85,306)	-4.2%
USER FEES & SERVICE CHARGES	11,123,330	11,189,688	11,636,773	447,085	4.0%	513,443	4.6%
RENTALS	5,700,901	5,864,783	6,356,680	491,897	8.4%	655,779	11.5%
SALES	501,526	630,966	564,604	(66,362)	-10.5%	63,078	12.6%
RECOVERIES & CONTRIBUTIONS	811,186	1,416,520	1,391,420	(25,100)	-1.8%	580,234	71.5%
OTHER INCOME	3,498,934	2,372,847	2,988,368	615,521	25.9%	(510,566)	-14.6%
Total Revenues	\$155,495,945	\$153,952,247	\$164,637,871	\$10,685,624	6.9%	\$9,141,926	5.9%
Expenses							
SALARIES AND BENEFITS	\$91,114,936	\$90,483,554	\$95,951,000	\$5,467,446	6.0%	\$4,836,064	5.3%
PRINTING & OFFICE SUPPLIES	484,121	597,534	574,325	(23,209)	-3.9%	90,204	18.6%
PURCHASES FOR RESALE	322,250	349,232	308,036	(41,196)	-11.8%	(14,214)	-4.4%
OPERATING MATERIALS & SUPPLIES	3,734,512	3,994,929	2,414,312	(1,580,617)	-39.6%	(1,320,200)	-35.4%
VEHICLE SUPPLIES	1,341,062	1,645,200	1,563,812	(81,388)	-4.9%	222,750	16.6%
SMALL EQUIPMENT SUPPLIES	9,525	15,091	15,091	0	0.0%	5,566	58.4%
BOTANICAL SUPPLIES	231,598	280,965	292,978	12,013	4.3%	61,380	26.5%
CONSTRUCTION MATERIALS	1,221,682	1,406,878	1,430,270	23,392	1.7%	208,588	17.1%
UTILITIES	4,011,419	4,153,873	4,312,375	158,502	3.8%	300,956	7.5%
COMMUNICATIONS	1,323,331	1,360,763	1,378,754	17,991	1.3%	55,423	4.2%
TRAVEL EXPENSES	249,198	399,636	428,186	28,550	7.1%	178,988	71.8%
TRAINING	744,614	730,798	817,930	87,132	11.9%	73,316	9.8%
CONTRACTS & SERVICE AGREEMENTS	3,949,940	4,438,374	5,010,589	572,215	12.9%	1,060,649	26.9%
MAINT. & REPAIR-TIME/MATERIAL	3,621,432	3,648,566	3,865,355	216,789	5.9%	243,923	6.7%
RENTAL/LEASE	631,727	699,445	810,316	110,871	15.9%	178,589	28.3%
INSURANCE	2,367,918	2,367,918	2,367,919	1	0.0%	1	0.0%
PROFESSIONAL SERVICES	2,647,245	2,355,309	2,444,094	88,785	3.8%	(203,151)	-7.7%
LICENCES, PERMITS, FEES	523,873	563,992	634,809	70,817	12.6%	110,936	21.2%
CREDIT CARD SERVICE CHARGES	226,894	174,112	209,813	35,701	20.5%	(17,081)	-7.5%
PROMOTION & ADVERTISING	1,200,033	1,239,325	1,252,854	13,529	1.1%	52,821	4.4%
DISCRETIONARY COMMUNICATIONS	498,971	533,883	533,883	0	0.0%	34,912	7.0%
CONTRACTED MUNICIPAL SERVICES	9,147,379	9,061,734	9,372,894	311,160	3.4%	225,515	2.5%
OTHER PURCHASED SERVICES	681,657	687,205	686,498	(707)	-0.1%	4,841	0.7%
OFFICE FURNISHINGS & EQUIPMENT	8,703	12,310	13,310	1,000	8.1%	4,607	52.9%
WRITE-OFFS	646,985	433,020	415,141	(17,879)	-4.1%	(231,844)	-35.8%
OTHER EXPENDITURES	3,741,461	2,714,264	2,295,676	(418,588)	-15.4%	(1,445,785)	-38.6%
TRANSFERS TO RESERVES	18,730,414	19,604,337	25,237,651	5,633,314	28.7%	6,507,237	34.7%
Total Expenses	\$153,412,880	\$153,952,247	\$164,637,871	\$10,685,624	6.9%	\$11,224,991	7.3%
Surplus/(Deficit)	\$2,083,065	\$0	\$0	\$0		(\$2,083,065)	-100.0%

ACRONYMS

BIA	A Business Improvement Area (BIA) is an association of business people within a specified district, who join together with official approval of the 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
COLA	Cost of Living Adjustment
CPI	Consumer Price Index – A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e. economic inflation)
CUPE	Canadian Union of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
DBRS	Dominion Bond Rating Service
DCA	Development Charges Act – Provides guidelines on funding of identified growth related projects in the Town from developers.
DF	Director's Forum
GAAP	Generally Accepted Accounting Principles – Uniform minimum standards for financial accounting a recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
GFOA	Government Finance Officers Association of the United States and Canada
GST	Goods and Services Tax – Federal Government Levy on all purchases of goods and services, which is currently 5%.
HST	Harmonized Sales Tax (13%) which, effective July 1, 2010 is a merging of the GST (5%) and the PST (8%).
ISCM	Innovation Synergy Centre in Markham
ITS	Information Technology Services
KPI	Key Performance Indicators (Performance Measures)
LEED	Leadership in Energy and Environmental Design



L.I.A.	Local Improvement Act. The Act defines the roles of Municipal and Regional Governments in undertaking, administrating and managing requests by property owners for extending water, sanitary sewer services or the building of a noise wall.
MEC	See Markham Enterprises Corporation in glossary of terms
MECO	See Markham Energy Conservation Office in glossary of terms
MESF	Markham Environmental Sustainability Fund
MPFFA	Markham Professional Firefighter's Association – An association of Firefighter's formed for protecting the rights of its members in their workplace environment.
MTO	The Ontario Ministry of Transport
NCMDD	National Centre for Medical Devices Development
NQI	National Quality Institute. NQI provides organizational leaders with strategic business frameworks, services and tools that support ongoing performance improvement in quality and healthy workplace environments, using NQI's innovative Roadmap to Excellence. The Roadmap guides Canadian organizations through leadership participation, base-line reviews, related training and organizational certification.
NRC	National Research Council
OMERS	Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the Town's full-time employees. Employees and employers normally make equal contributions to the plan.
PEP	Progressive Excellence Program. The Progressive Excellence program gives companies a roadmap to implement NQI criteria into the organization.
PSAB	Public Sector Accounting Board. The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information. The 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%.
SWM	Storm Water Management

TIF	Tax Increment Financing
TRCA	Toronto and Region Conservation Authority is an organization that prepares and delivers programs for the management of the renewable natural resources within its watersheds.
WDO	Waste Diversion Ontario is a non-crown corporation created under the Waste Diversion Act (WDA) on June 27, 2002. It was established to develop, implement and operate waste diversion programs for a wide range of materials. The Minister of the Environment has designated Blue Box Waste, Used Tires, Used Oil Material, Waste Electrical and Electronic Equipment and Municipal Hazardous or Special Waste under the WDA.
YRDSB	York Region District School Board



GLOSSARY OF TERMS

Accrual Basis	A method of accounting that recognizes revenue as they are earned and expenditure when they are incurred rather than waiting until cash is exchanged.												
Accumulated Depreciation	The total amount recorded, during a specified period of time, to reduce the value of a long-term tangible asset.												
Assessment	<p>The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arms length, open market sale between a willing buyer and willing seller.</p> <p>The date used to determine current value is as follows:</p> <table><thead><tr><th><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, 2005</td><td>June 2003</td></tr><tr><td>2006, 2007, 2008</td><td>June 2005</td></tr></tbody></table>	<u>Tax Year</u>	<u>Base Year</u>	1998, 1999, 2000	June 1996	2001, 2002	June 1999	2003	June 2001	2004, 2005	June 2003	2006, 2007, 2008	June 2005
<u>Tax Year</u>	<u>Base Year</u>												
1998, 1999, 2000	June 1996												
2001, 2002	June 1999												
2003	June 2001												
2004, 2005	June 2003												
2006, 2007, 2008	June 2005												
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.
Gas Tax Rebate	This is the funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions: economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water and reduced greenhouse gas emissions
Grants in Lieu	Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies.
Infrastructure	The system of public works in the 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	General Ledger account code
Markham Enterprise 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.
Markham Energy Conservation Office	MECO was established in 2005, with funding support from the Town of Markham and PowerStream and is responsible for leading, developing and implementing energy conservation programs that deliver realistic demand shedding and cost avoidance results and are in line with the Provincial goals of creating a 'culture of conservation'.
Municipal Act	<p>Sections referenced:</p> <p>Section 326 of the Municipal Act, 2001 allows a municipality to enact a by-law to impose a special service charge to raise the cost of providing a water system. Such bylaw has to identify the service, determine the costs and designate the area where the charge would apply.</p> <p>Section 391 of the Municipal Act, 2001 allows a municipality to pass a by-law to impose a fee for capital costs related to sewage or water services on a class of persons that will receive a benefit from such services. Unlike a local improvement charge or special service charge, a fee imposed pursuant to section 391 does not have to be based on frontage or assessed value. This provision would enable the Town to impose a fixed charge on each of the lots in question.</p>
New Urbanism	New Urbanism community planning creates more attractive, efficient and liveable neighbourhoods. These neighbourhoods are comprised of a compact built form, designed to promote pedestrian activity and social interaction. They have a mix of residential, commercial and community uses and activities. Special attention is paid to creating quality streetscapes, public buildings and spaces, and protecting the public realm.
Non-routine Capital Expenditures	Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.
Operating Budget	The budget that provides the various departments with funding for their annual recurring operating costs (e.g. salaries, materials and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.

Reserve	An allocation of accumulated net revenue that is established by Council for a particular purpose. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Interest earned on the invested earnings is reported as operating fund earnings and not accumulated in the reserve.
Reserve Fund	An allocation of accumulated net revenue, similar to a reserve. It differs from a reserve in that reserve fund assets are segregated and restricted to meet a specific purpose. There are two types of reserve funds. Obligatory reserve funds are required under provincial statute, while discretionary reserve funds are created by Council for a specified future use.
Section 391	Part of the Municipal Act, it authorizes the Council of a local municipality to pass by-laws imposing fees or charges on any class of persons for services or activities provided or done by or on behalf of the municipality.
Surplus	The excess of actual revenue over operating expenditures incurred during a budget period. Surpluses at the end of each year must be applied to the following year's operating budget to reduce reliance on the tax levy, unless they are allocated to a reserve by a Council bylaw.
Supplementary Taxes	Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).
Tax Rate	A percentage rate that is used to determine the property tax levy to be paid by a particular taxpayer within the 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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