

Markham

2012 Annual Report

Our City • Our Vision • Our Success



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The Corporation of the City of Markham's (GRI 2.1*) 2012 Annual Report has been prepared by the Office of the Chief Administrative Officer and the Corporate Services Commission.

*Markham integrates Sustainability Reporting into its annual report, using the Global Reporting Initiative (GRI) Framework. Throughout this Annual Report, you will see notations identifying information that is aligned with one of the GRI indicators, as documented on pages 51 and 52.

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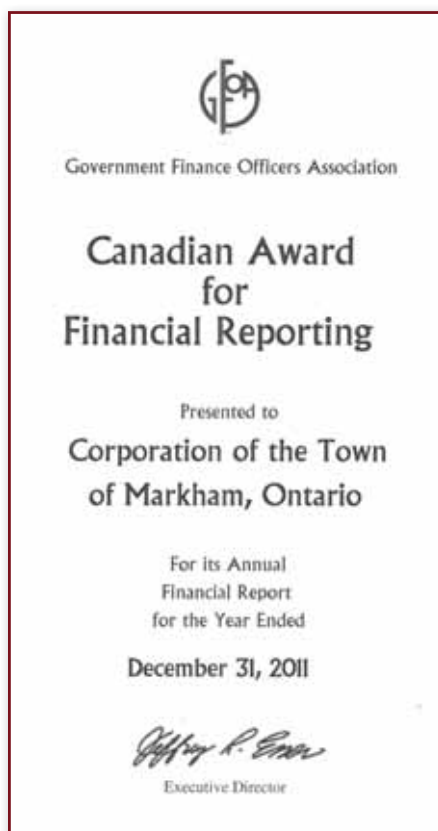
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FOUNDING PARTNER | PARTENAIRE FONDATEUR

In Markham, we use Excellence Canada's Excellence Framework for Municipalities to guide how we manage the whole organization, focusing on:

- Customer Satisfaction;
- Operational Excellence;
- Staff Engagement; and
- Financial Performance.

The Excellence journey is a long-term process that requires the commitment of all Markham staff to reach our destination and sustain our efforts.

BUILDING A SUSTAINABLE CITY

In 2008, Markham developed a new and ambitious strategy to distinguish itself as a leading municipality in Canada. Entitled **Building Markham's Future Together (BMFT)**, it established our strategic priorities. These priorities were sparked by the feedback from an innovative and award-winning, online public consultation program called Click with Markham. When combined with the operating principles of the National Quality Institute (now **Excellence Canada**) and Markham's internal excellence program (E3), our BMFT strategy not only reflected a new Public Management model, it set a solid foundation for future growth.

Since 2008, Markham has aggressively pursued the BMFT strategy. Master Plans are now in place for the following strategic priorities: **Growth; Economic Development; Transportation & Transit; Environment & Sustainability; Leisure, Recreation & Culture; Diversity; and Municipal Services.** Pages 9-21 offer details on our achievements for plans.

In addition, our E3 program (Excellence through Efficiency and Effectiveness) engaged City staff to examine how we could reduce costs, work more efficiently, be more innovative, leverage technology, and make prudent long-term investments.

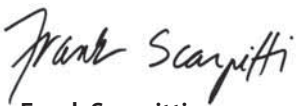
This annual report illustrates our progress and success on all fronts, based on results – results that continually improve the quality of life for our residents and provide excellent value for their tax dollars. The 2012 Annual Report highlights our BMFT accomplishments such as new and improved roads and bridges, recreation and leisure facilities, Markham Centre – Markham's emerging downtown, new and expanded services with added customer convenience, technology solutions for increased efficiency, and what they mean for local businesses, residents and the community, as a whole.

"Markham's public recreational facilities are abundant and, in the true meaning of the word, awesome."

~ National Post, March 23, 2013

With the 2012 Annual Report, Markham is presenting an integrated report on corporate sustainability for the second time (GRI 3.2). A function of Markham's ambitious efforts and learnings while developing our **Greenprint Community Sustainability Plan, Corporate Sustainability Reporting (CSR)** examines the economic, environmental and social impacts of our business practices through

the **Global Reporting Initiative (GRI)** framework. Monitoring, measuring and reporting the impact of our practices help us link activity with impact to ensure that we are building a sustainable city. Markham was the first municipality in Canada to use the GRI framework, demonstrating its leadership within municipal government management.



Frank Scarpitti
Mayor



Gordon Landon
Regional Councillor
Chair, Budget Committee



Logan Kanapathi
Councillor, Ward 7
Vice Chair, Budget Committee

Finance and Administrative Committee 2012

Chair

Frank Scarpitti, Mayor

Vice Chair

Carolina Moretti, Councillor, Ward 4

Members

Jack Heath, Deputy Mayor

Jim Jones, Regional Councillor

Gordon Landon, Regional Councillor

Joe Li, Regional Councillor

Valerie Burke, Councillor, Ward 1

Howard Shore, Councillor, Ward 2

Don Hamilton, Councillor, Ward 3

Colin Campbell, Councillor, Ward 5

Alan Ho, Councillor, Ward 6

Logan Kanapathi, Councillor, Ward 7

Alex Chiu, Councillor, Ward 8

Budget Committee 2012

Chair

Gordon Landon, Regional Councillor

Vice Chair

Logan Kanapathi, Councillor, Ward 7

Members

Frank Scarpitti, Mayor, Ex Officio

Jack Heath, Deputy Mayor, Ex Officio

Jim Jones, Regional Councillor

Joe Li, Regional Councillor

Howard Shore, Councillor, Ward 2

Don Hamilton, Councillor, Ward 3

Colin Campbell, Councillor, Ward 5

Alan Ho, Councillor, Ward 6



Mayor Frank Scarpitti's Message

MARKHAM: OUR CITY • OUR VISION • OUR SUCCESS

Investors and companies today show the same confidence in Markham as our early settlers. Even so, it would be difficult to convince William Berczy that, in 2012, the value of new construction would exceed \$1.5 billion.

Financial Performance

In 2012, Markham continued to attract attention in Ontario and Canada for its financial performance, fiscal responsibility and operational excellence. We're building our city with a strong vision and I am pleased to update you on the successes we're achieving.

Our modest residential tax increase of 1.5 per cent in 2012 was the lowest in the Greater Toronto Area (GTA). Combined with three successive years of zero tax rate increase between 2009- 2011, **our tax rates provide a significant competitive advantage.** We also hold the enviable position of maintaining a capital reserve program that ensures full replacement of the City's infrastructure for the next 25 years.

This record of financial performance is **unmatched by any large municipality in Canada**, and holds us in good stead for the future.

Economic Prosperity

Markham also offers the **lowest industrial and second lowest commercial tax rate in the GTA.** This has helped attract new businesses, industry and investment. Our "can-do" approach to supporting new economic development led to the location of the General Electric IQ Innovation Centre, Enbridge's new Training and Research Facility, establishment of the Bank of China's Canadian headquarters, and other new businesses.

Our economic development strategy, Markham 2020, is committed to enhancing our **strong local economy and prosperity.**

We are an emerging regional financial centre for the GTA, and our new downtown, Markham Centre, continues to grow as a vibrant hub of integrated parkland, retail, commercial and residential developments. Once complete, it will be home to 40,000 residents supporting **40,000 new jobs.**

Critical here, and throughout Markham, is implementation of the Markham Transportation Strategic Plan. Our commitment is to build and improve our roadways, pathways, bridges and transportation systems to move people, goods and services at best efficiency.

Ontario's Places to Grow Act calls for the City of Markham to grow by over 100,000 to 422,000 residents by 2031.

Markham is Canada's most ethnically diverse city. Our highly educated and multi-linguistic workforce and international investment appeal helps fuel our economic prosperity.

We recognize the reality of global competitiveness and necessity for global reach. We have worked with and leveraged our international business connections for new investment and job creation, including through the pursuit of two international trade missions in 2012. Our trade missions contribute to business relocation and new investment and jobs to Markham, and appreciation of our municipal leadership across the globe.

Quality of Life

The high quality of life enjoyed by our residents is another incentive to invest, live, work and play in Markham.

Our heritage districts, cultural facilities, community festivals, and parkland and green space promote high quality recreation and leisure opportunities in our neighbourhoods. Markham continues to offer the finest community facilities in Canada. Our new Cornell Community Centre and Library, completed in 2012, encompasses the **first wellness facility in Canada** located on, and integrated with, a hospital campus.

Also in 2012, the Cornell community was recognized as a top investment neighbourhood by Canadian Real Estate Wealth Magazine.

Greenprint, our Community Sustainability Plan, along with our draft Official Plan, also released in 2012, will ensure Markham's high quality of life is our hallmark for generations to come (GRI 1.1).

Our strategy is to be one of the most sustainable communities in North America, pushing for net zero energy, water, waste and emissions by 2050.

Greenprint calls for an increased tree canopy. Contributing to that goal is our Trees for Tomorrow program which, since 2007, has seen over 200,000 trees planted. (GRI EN13).

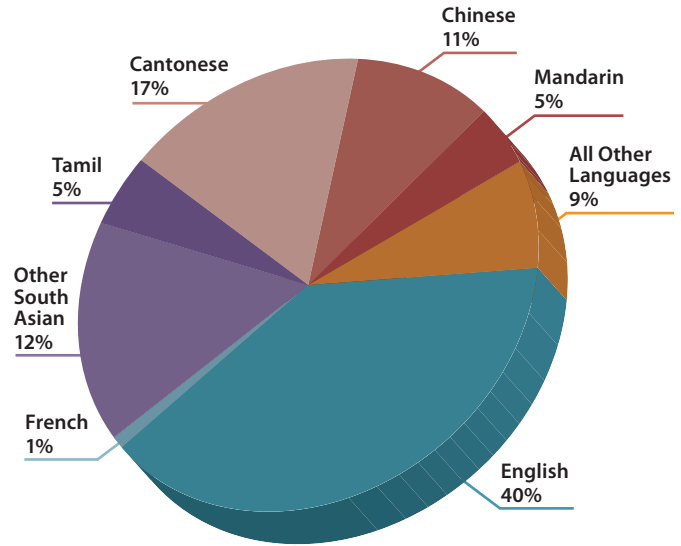
Energy sufficiency and reliability is also key. Markham chose to invest in and grow PowerStream, the second largest municipally owned electricity distributor. As Chair of PowerStream, our City's electricity provider, I am proud of their record of safe, affordable, reliable electricity distribution, winning awards for their performance and conservation programs, and reducing electricity distribution rates.



Mayor Scarpitti greets Ontario's Lieutenant Governor, the Honourable David C. Onley, at the official City Designation ceremony, July 1, 2012.

COMMUNITY PROFILE

Mother Tongue Demographic



Markham residents are also well served by our City-owned Markham District Energy Inc., as well as our aggressive energy efficiency efforts and extensive use of solar technology on City facilities. Our energy supply is more than reliable – it's innovative and sustainable.

Service Excellence

Markham's reputation for municipal service excellence continues to grow across Canada and around the world.

Our All Access Markham service commitment is to provide greater efficiency and convenience to our customers. We extended our customer counter service hours at the Civic Centre, implemented over 50 new online services through our new web technology, and launched the City's own mobile app. More recently, we were the first municipality in Canada to implement new accessibility software to transform our online service offerings so we are available to all residents of all abilities.

Markham is a multi-award winner for excellence in services, including heritage preservation, waste diversion, pavement preservation, cycling, financial reporting and more.

Our Official Plan protects our historical communities, and delivers a thriving, innovative, sustainable, culturally and economically strong city.

Community Engagement

We have dynamic action plans for all of our service areas, and **our overall strategy is called Building Markham's Future Together.**

We developed this strategy with extensive citizen input, and continually incorporate resident feedback in our plans and decisions.

I am immensely proud of the amount of resident input we receive, and I thank them for their engagement in our public consultations, feedback sessions, Council meetings and community events

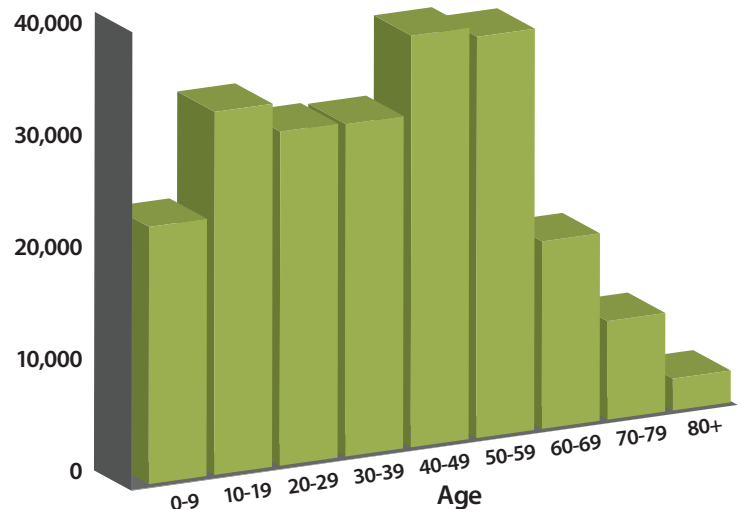
I also thank our Markham Council Members and staff for their continued commitment to build a phenomenal city for all our residents and businesses.

This is an unprecedented time of opportunity for our City, and I am proud of the successes that we have delivered: sound financial performance, economic prosperity, outstanding municipal services and a high quality of life. Our commitment is to continue to be a national and international leader in what and how we deliver, so Markham is a thriving, diverse, strong and sustainable community.

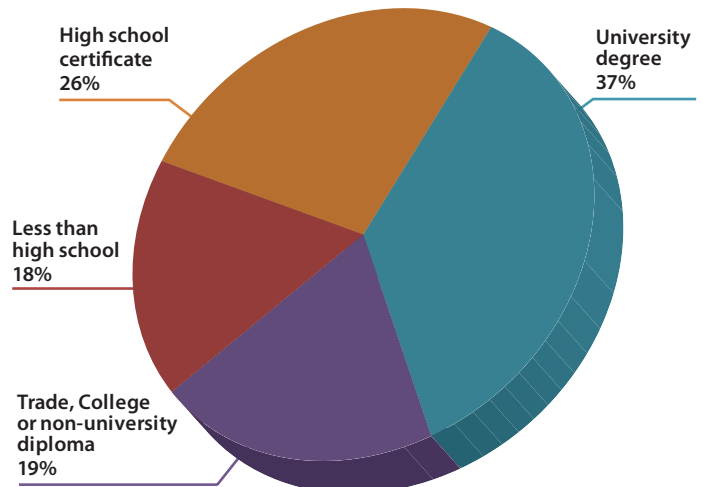
Markham - that's our vision, that's our success – enjoy our city.

Frank Scarpitti
Mayor
May 15, 2013

Population Age Characteristics



Educational Attainment



MAYOR AND MEMBERS OF COUNCIL

Front and Centre

Mayor Frank Scarpitti
905-475-4872, fscarpitti@markham.ca

Front Row

(from left to right):

Regional Councillor Joe Li
905-479-7749, joeli@markham.ca

Regional Councillor Jim Jones
905-479-7757, jjones@markham.ca

Deputy Mayor Jack Heath
905-415-7506, jheath@markham.ca

Regional Councillor Gordon Landon
905-415-7534, glandon@markham.ca

Middle Row

(from left to right):

Ward 4 Councillor Carolina Moretti
905-479-7751, cmoretti@markham.ca

Ward 1 Councillor Valerie Burke
905-479-7747, vburke@markham.ca

Ward 7 Councillor Logan Kanapathi
905-479-7748, lkanapathi@markham.ca

Ward 8 Councillor Alex Chiu
905-479-7752, achiu@markham.ca

Back Row

(from left to right):

Ward 2 Councillor Howard Shore
905-479-7756, hshore@markham.ca

Ward 5 Councillor Colin Campbell
905-479-7750, ccampbell@markham.ca

Ward 3 Councillor Don Hamilton
905-415-7549, dhamilton@markham.ca

Ward 6 Councillor Alan Ho
905-479-7758, alan.ho@markham.ca



GOVERNANCE



Council

Markham is governed by a Council, consisting of the Mayor, four Regional Councillors and eight Ward Councillors. The Mayor and Regional Councillors are elected at large; Ward Councillors are elected in specific areas (GRI 4.3).

All Members of Council are elected for a four-year term and exercise their authority through the adoption of resolutions and bylaws. The key roles of Council are to: represent the public and consider the well-being and interests of the City; define the strategic priorities of Markham; determine which services the City provides and ensure they are provided in a cost-effective manner; and ensure administrative and controllership policies, practices and procedures are in place. Council members are subject to Ontario's *Municipal Act* and *Municipal Conflict of Interest Act* (GRI 4.1, 4.6).

The Mayor is Chair of Council and the Chief Executive Officer of Markham. The CEO's responsibilities include: providing leadership to the Council, promoting the City both within and outside of Markham, supporting public engagement in municipal activities, representing the City to its stakeholders and participating in activities that enhance the economic, social and environmental well-being of Markham and its residents (GRI 4.2).

Chief Administrative Officer

The Chief Administrative Officer (CAO) has overall responsibility for the City's operating departments and ensures that appropriate administrative practices and procedures are in place in order to carry out Council's decisions. In addition, Commissioners and departmental directors have responsibility for the day-to-day operations of the City. The CAO also advises the Mayor and Members of Council on matters of policy related to the civic administration of Markham.

Committees

There are two Standing Committees of Council – General Committee and Development Services Committee.

General Committee, comprised of all members of Council, considers matters related to finance and administration, fire and other protective services, community services, environment and sustainability, land, buildings, and parks. Recommendations made by General Committee are forwarded to Council for adoption.

Development Services Committee, also comprised of all Members of Council, deals with planning, economic development, and transportation issues. Recommendations made by the Development Services Committee are forwarded to Council for adoption.

In addition, there are several Advisory Committees and sub-committees, comprised of residents and one or more Council Members, which report to Council through each of the Standing Committees.

Council and Committee meetings are open to the public and can also be heard online. For audio links and meeting times, visit www.markham.ca.

Council members are available to residents and other stakeholders, facilitating open dialogue between elected officials and community members (GRI 4.15). In addition, public meetings and consultations, deputations and the City Contact Centre provide additional avenues for stakeholders to provide input and feedback to the Corporation (GRI 4.4).



SUSTAINING OUR SUCCESS

Taxpayers have come to expect more from their cities when it comes to preserving and enhancing their quality of life. They want sustainable and efficient transportation; economic prosperity and healthy job markets; diverse and high-quality recreation and leisure experiences; flexible and convenient municipal services; and good value for their tax dollars. They also want to be participants in the growth and development of their community, and take pride in where they live. In 2012, Markham continued to deliver on these expectations through the Building Markham's Future Together (BMFT) strategy, Excellence Markham and our E3 programs, which make our vision a reality.

Forward-thinking cities... (are) taking action now – focused on staying competitive, maximizing the resources at their disposal and laying the groundwork for transformation.

~ Smarter, More Competitive Cities, IBM White Paper, 2013

In this Annual Report you will learn more about our accomplishments through BMFT, our focus on seven strategic priorities, and what it means for residents. Our attention to these priorities has placed Markham ahead of the curve, in an environment that is increasingly global, competitive and citizen-centred.

In 2012, we continued our infrastructure work on new roads and bridges, bikeways, pathways and trails, to increase the efficiency of business and personal transportation and to provide expanded leisure and recreation experiences. We also completed the new community centre, library and fire and emergency station in Cornell (GRI 2.9), and began construction on the



Markham Pan Am Centre. These new facilities will add to our existing community centre and library system.

Over the past year, we continued our focus on providing easier access to services and meeting the needs of residents who are increasingly mobile, and require the convenience of 24/7 service. Markham's new All Access Markham program provides extended counter hours, over 50 online services, and a website that allows for citizen feedback and public discourse. We also recently launched a mobile app, providing access to multiple municipal services. Our social media platforms are also quickly becoming a go-to source for timely city information and to collect public feedback on our initiatives.

Our continued focus in 2012 on operational excellence, e-government and investment in new technologies has meant cost savings to taxpayers, increased efficiencies, and significant transformation in how we deliver our services. To that end, Excellence Markham represents an important undertaking by Markham Council and staff, and a multi-award-winning approach to transforming our business practices. In conjunction with our E3 program, Markham has pursued innovative approaches and continuous improvements to increase efficiencies, enhance revenue and reduce operating costs.

"The City of Markham has always been a leader in business innovation. Their new e-bidding procurement system with Biddingo Solutions was a first for a Canadian municipality and a welcome development for suppliers and the competitive bidding process."

~ Jay Yoon, President and CEO, Biddingo

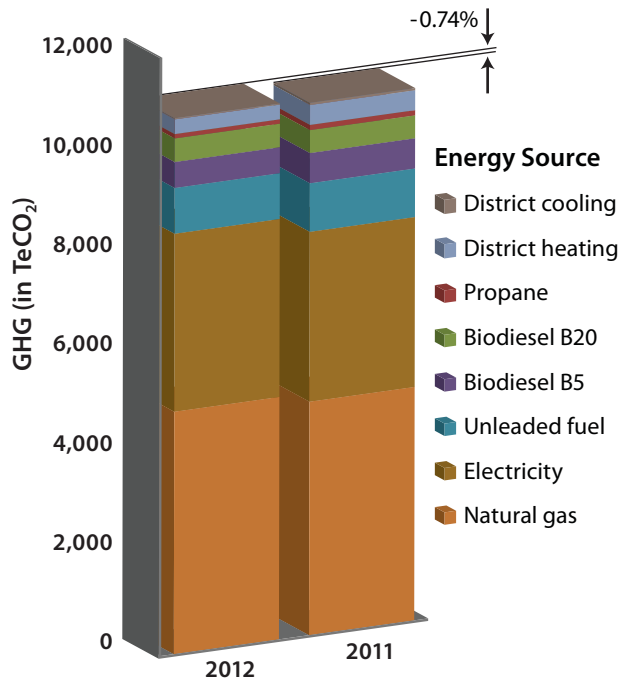
In keeping with our strong focus on community sustainability, our goal is to ensure a balanced approach to economic prosperity, enhanced environmental efforts and the vibrancy of our communities.

Strong financial performance is integral to a sustainable community. Three consecutive years of zero per cent tax rate increases and a modest tax rate increase of 1.5 per cent in 2012 have been achieved. Our cost saving initiatives have allowed us to reduce over \$12.0 million in our operational budget, and avoid approximately 12 per cent in tax rate increases.

Our local economy continues to grow through new business development and our international business dealings. In 2012, we exceeded our 2011 record for the value of new construction, breaking the \$1.0 billion mark, with an increase to \$1.5 billion. This economic growth brought over 4,000 new jobs to the City in 2012.

CORPORATE PROFILE

Corporate Greenhouse Gas Emissions (GRI EN16)



Markham also owns and operates the fastest-growing district energy company in Canada. High-efficiency operations reduce Greenhouse Gas Emissions by 18,676 tonnes, the equivalent of removing 5,300 cars from the road. Supplementing this is the largest municipal photo voltaic system in Canada, which collectively produces 1.4 megawatts of electricity and generates almost \$300,000 a year in revenue through Ontario's Feed-In-Tariff (FIT) program (GRI EN18).

Markham has been engaging staff in a staff satisfaction survey every two years since 1998; a best practice among leading municipalities. In 2012, we completed our eighth survey and our results showed solid improvement in 12 of 21 categories.

Moving forward, we will place increasing emphasis on the sustainability of our City. Our 2012 Annual Report demonstrates this effort. In 2011, we were the first municipality to implement Corporate Sustainability Reporting (CSR) through the Global Reporting Initiative (GRI) framework. In our 2012 report, we have enhanced this focus by better linking the relationship between our operational successes and CSR indicators (GRI 1.1).

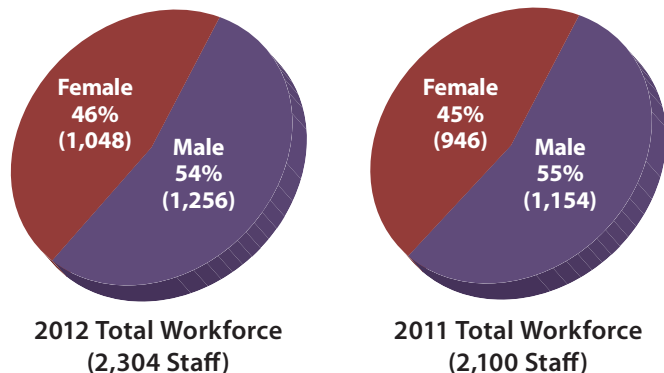
In 2012, we enjoyed many successes through our BMFT strategy and Excellence Markham. I wish to thank Markham Council Members and all Markham staff for their continued leadership and commitment to continuous improvement and excellence on behalf of our taxpayers.

Andy Taylor
Chief Administrative Officer
May 15, 2013

Markham Features (GRI 2.8)

- 212 sq. km Total Land Area
- 195 Parks
- 126 km Trails/Pathway Systems
- 7 Public Libraries
- 26 Community Centres & Facilities
- 9 Fire Stations
- 3 Cultural Facilities:
 - Flato Markham Theatre for Performing Arts
 - Markham Museum
 - Frederick Horsman Varley Art Gallery
- 4 Heritage Areas:
 - Thornhill
 - Unionville
 - Markham Village
 - Buttonville

Male to Female Staff Ratio (GRI LA1)



GROWTH

The new city of Markham Official Plan sets out a long-term vision for the continued development of Markham as a vibrant, liveable city. It provides direction to Markham Council, residents, businesses and investors about the appropriate use of land and the appropriate form of development in Markham over the next 20 years. It also provides direction on the provision of services, such as transportation, that support development.

~ Markham's Draft Official Plan, Residents Guide



Markham has been identified as a growth municipality by the Province of Ontario and is required to plan for a population of approximately 422,000 by 2031. This represents growth of more than 100,000 people over the next 20 years. Markham's Draft Official Plan has been developed to meet this challenge.

Provincial legislation, such as the *Places to Grow Act (2005)*, the *Greenbelt Act (2005)* and the *Oak Ridges Moraine Conservation Act (2001)*, provides a framework for Markham's growth and environmental management strategies. As a result, we set higher targets for intensification to manage this growth, while protecting agricultural lands, significant natural features and habitats.

Markham's growth leadership is defined through a *Made in Markham* growth plan, with a bold target of 60 per cent of new development taking place within the existing urban landscape. With this plan, which exceeds the provincial directive of a minimum of 40 per cent of new development within Markham's current urban boundary, we have made effective use of our land base and infrastructure and protected our existing



neighbourhoods, while creating new sustainable communities. In 2012, we released our new Draft Official Plan and began consulting with the public. The new Official Plan includes policies and strategies to guide future growth in Markham while protecting environmental and agricultural lands (GRI EN14).

With a strategic location along Highway 407, accessible by Go Transit and the Viva Bus Rapid Transit (BRT), our new downtown Markham Centre is poised to become a premier intensification area within the Greater Toronto Area. In addition to Markham Centre, the new Draft Official Plan identifies other important intensification areas that will be the focus of long-term growth and infrastructure investment; these include, among others, Cornell Centre, the Buttonville Airport Redevelopment, and the Langstaff Urban Growth Centre, located at Yonge Street and Highway 407.

Development charges are charges imposed by Markham and other municipalities on developers to pay for increased capital costs related to growth. Development charges provide us with a tool to help fund the infrastructure needed to serve new growth.

The last three years represented the most ambitious period of municipal infrastructure growth ever in Markham – with more than \$257.0 million in budgeted capital investment for leisure and recreation facilities, libraries, fire stations, roads, bridges and sidewalks. Markham has a tradition of ensuring that municipal facilities and structures put environmental and sustainable design first.

ECONOMIC DEVELOPMENT

"From the very beginning, Markham has been a magnet for those who wish to settle and prosper in a new world. A magnetism that continues to this day and extends to some of the biggest names in multi-commerce and industry."

- Hon. David C. Onley, Lieutenant Governor of Ontario



Markham 2020, our award-winning economic competitiveness strategy, is based on four priority economic sectors to achieve success: 1) Convergence of Information and Communications Technology and Life Sciences; 2) Information, Entertainment and Cultural Industries; 3) Professional, Scientific and Technical Services; and 4) Finance and Insurance.

Markham 2020 and our city's economic vitality are supported through many accomplishments in 2012.

We successfully organized and led the largest GTA business mission to China and the largest Canadian business mission to India in January of 2012 and again in January of 2013.

VentureLAB, a single point of entry for advancing new opportunities in technology, was identified as the second most successful Regional Innovation Centre in Ontario. The Markham Small Business Centre (MSBC) was identified by the Ontario Ministry of Economic Development, Trade and Employment as the top performing Small Business Enterprise Centre in Ontario. The MSBC is an innovative



public and private sector alliance providing a complete source of services and programs for Markham-based entrepreneurs and small businesses.

We welcomed the Canadian headquarters of the Bank of China. We also opened two new research and development facilities in Markham: the General Electric Grid IQ Innovation Centre and the Enbridge Gas Training Centre. We partnered with Enbridge to launch the successful Community Energy Retrofit Project, now offered across York Region. The Cornell community was recognized by Canadian Real Estate Wealth Magazine as a top real estate investment neighbourhood in Canada.

We launched our new Green Markham business website, which highlights and recognizes local companies that develop green technologies and promote green business practices.

Backed by a strong brand, increased trade and investment opportunities, innovation, research and development and small business support, Markham's economic competitiveness and vitality ensure a prosperous and sustainable future for our residents and businesses.

“Partnerships with our business community have been an essential component of our global economic development strategy. Our partnership with the Indo-Canada Chamber of Commerce on the India business missions demonstrated the value of this approach. Through their knowledge, expertise and broad network of contacts, we opened new doors and secured important meetings that otherwise would not have been possible.”

~ Frank Scarpitti, Mayor

TRANSPORTATION & TRANSIT

Markham's transportation infrastructure should be seen as a key element in community building. Apart from its role in knitting together the urban structure, the transportation network has an important and defining placemaking function.

~ Markham's Draft Official Plan



The Markham Transportation Strategic Plan (MTSP) is complete and fully aligned with the Metrolinx plan called *The Big Move*, a common vision for transportation across the Greater Toronto Area. The Plan is also integrated with the future Markham Centre and Yonge Street mobility hubs.

In 2012, Markham completed extensions to Rodick Road, Reesor Road, South Unionville Avenue and the Donald Cousens Parkway, and completed design work for a further extension of Birchmount Avenue. The Rodick Road extension required the installation of a bridge over the CN tracks, including intersection work, valued at \$15.0 million. We officially opened the Box Grove Collector Road, extending from Highway 407 to the Ninth Line By-pass, valued at about \$14.0 million. Work included realigning 14th Avenue, replacing the 14th Avenue culvert and improving the CPR crossing. These measures provide traffic relief, increase access to vital employment areas, ensure the efficient movement of goods and services throughout the city, and boost Markham's economic vitality.

We phased in further improvements to Main Street Markham by replacing about 800 metres of watermain and installing a storm sewer along Main Street Markham from Highway 7 to Bullock Drive. As work progressed, the City worked with the local Business Improvement Association to mitigate the effect on local businesses. We also rehabilitated the Robinson Street and John Street bridges. Through our **2012 Sidewalk Program**, we installed 11.5 kilometres of sidewalk at various locations (GRI EC8).

Markham is a leader in Transportation Demand Management (TDM). Several of our initiatives are aimed at encouraging sustainable and healthy travel options in order to reduce vehicular traffic, congestion and reliance on single occupancy vehicles. Examples of our programs include open seminars on cycling topics, bicycle valet parking at special events and festivals, as well as the planning and construction of multi-use pathways, trails and cycle tracks for active transportation. Markham also



prescribes suitable TDM measures to be included in new developments and subdivisions that are being proposed by the private sector.

Markham is proud to be a funding partner of Smart Commute Markham - Richmond Hill, which provides us access to Smart-Commute programs such as CarPoolZone for ride matching, preferred parking spaces for carpoolers and participation in annual events such as Carpool Week, Bike-to-Work Day, Clean Air Commute Week and Smart Commute Week. It is expected that these initiatives will promote active transportation, improve the environment and inspire residents and employees to develop a stronger community and a more prosperous and livable city.

Markham received the Bike Friendly Community Award – Bronze from the Provincial "***Share the Road Cycling Coalition***," recognizing Markham as one of Ontario's most bicycle-friendly communities, further enhancing our transportation network and a healthy lifestyle for the people of Markham. Our residents can now view the most current ***Cycling Master Plan, Pathways & Trails Master Plan, Cycling Map*** and cycling tips online on Markham's website and in our new mobile app.

All these initiatives are part of the ***Markham Transportation Strategic Plan*** - we planned it, and now we're getting it done!

Smart cities provide integrated, efficient and affordable transportation and transit choices for business and leisure use. The Markham Transportation Strategic Plan is a critical component of our corporate strategy – Building Markham's Future Together. Once fully developed, Markham Centre and its associated Mobility hub will provide highly sophisticated and integrated opportunities for pedestrian, road, rail, cycle and rapid transit travel. They will define Markham's new downtown and connect our many communities.

ENVIRONMENT & SUSTAINABILITY

A photograph showing two workers on a roof installing solar panels. The worker on the left is wearing a yellow hard hat, sunglasses, and a red safety harness. The worker on the right is wearing a white hard hat and a red safety harness. They are both focused on their task, with their hands near the panels. The solar panels are blue and arranged in a grid pattern on the roof. The background shows a clear blue sky and the edge of a building.

"With over 200,000 plantings, Trees for Tomorrow has put a sizeable down payment on the reduction of Markham's greenhouse gas emissions, and created a buffer against the Emerald Ash Borer."

*~ Mark Cullen, Canada's Best Known Gardener,
Founding Chair, Trees for Life &
Markham Resident*

Staff install photovoltaic panels on top of Markham Civic Centre.

In addition to supporting the three pillars of sustainability, Markham's Greenprint Plan also encourages our citizens, organizations and businesses to participate in creating a sustainable Markham. We are positioning Markham to reach the bold goal of net zero energy, water, waste and emissions by 2050 (GRI EN18).

Why a Net Zero Goal Helps Us Achieve Community Sustainability

Markham's goal to achieve a sustainable community is reliant on our ability to achieve net zero energy, water, waste and emissions. The Net Zero approach to resource use and management means that our core activities such as energy and water use, and the resultant waste and emissions produced, are equally offset by mitigating measures. It means Markham would need to produce more local energy; capture, reuse and recycle more water; divert 100 per cent of our waste and offset our greenhouse gas emissions through increased tree canopy and food-growing capacity. Our local and global resources are finite. A net zero approach will ensure our quality of life is preserved for future generations.

In Markham, programs such as Trees For Tomorrow; the LEED standards applied to all our municipal buildings; our District Heating and Cooling facility, installation of solar panels; our award winning waste diversion efforts; and stormwater capture systems to reuse water, all represent substantive steps we are taking towards a Net Zero community.

Markham's Net Zero Actions

A city-wide 30 per cent tree canopy and vegetation coverage goal strengthens our ecological integrity and ensures Markham's natural heritage systems are healthy and help to improve our air and water quality (GRI EN14). As Canada's leader in waste diversion (72 per cent), standing still was not an option. Instead, we launched our 10-point *Best of the Best – Markham's Roadmap to 80 per cent Diversion initiative*, positioning Markham to meet its Greenprint target of zero waste.

We are partnering with Parks Canada to develop the Rouge National Urban Park, which will be Canada's first national urban park. Together with Markham's city-wide



Greenway System, we will protect an additional 25,600 acres (GRI EN13). Implementation of park infrastructure in Bob Hunter Memorial Park (part of the future Rouge National Urban Park) has been well underway with a \$6.0 million investment in trails and natural heritage restoration by York Region. This work is coordinated by York Region, the Toronto and Region Conservation Authority and the City.

The City's new Draft Official Plan identifies a Greenway System that includes approximately 33 per cent of the City's land base.

Markham implemented the *Emerald Ash Borer Management Plan* and *Pilot Ash Tree Treatment Program*, including an online interactive tool for residents.

In addition to supporting biodiversity and conserving habitat, we are confident that these measures will help achieve the Greenprint's goal of zero greenhouse gas emissions.

Markham's jointly-owned energy services company, PowerStream, is an Ontario leader in the delivery of electricity conservation programs for homes and businesses. Their conservation programs contribute to our net zero energy goal.

Through a balanced approach to our environmental, economic and social initiatives, Markham will continue to make progress on achieving our goal of community sustainability.

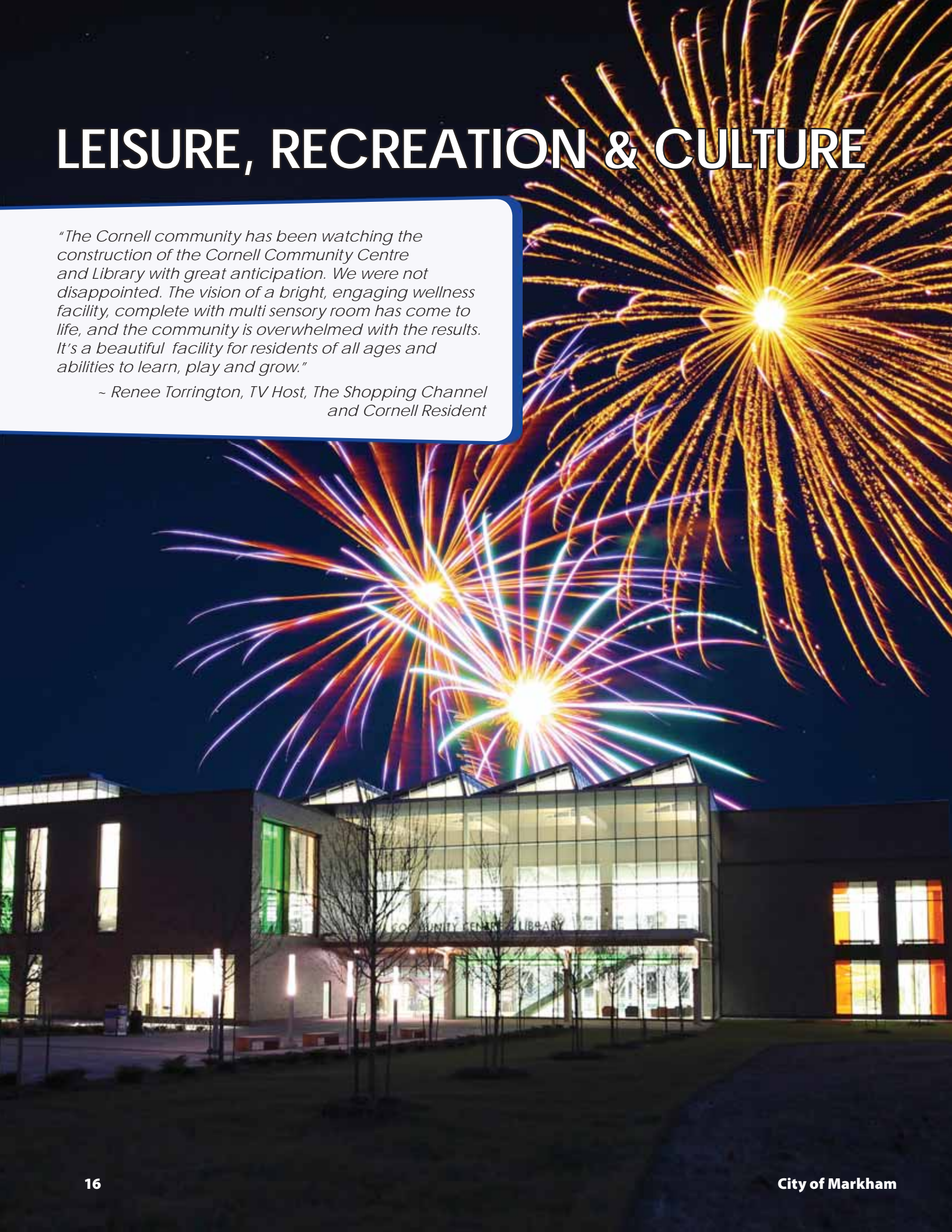


Greenprint, Markham's Community Sustainability Plan, applies the best sustainability practices, giving equal focus to social and culture well-being, economic vitality and environmental health.

LEISURE, RECREATION & CULTURE

"The Cornell community has been watching the construction of the Cornell Community Centre and Library with great anticipation. We were not disappointed. The vision of a bright, engaging wellness facility, complete with multi sensory room has come to life, and the community is overwhelmed with the results. It's a beautiful facility for residents of all ages and abilities to learn, play and grow."

- Renee Torrington, TV Host, The Shopping Channel and Cornell Resident



Enhancing our community parks, recreation, culture, and library programs and service delivery systems is one of our goals through *Building Markham's Future Together* and a vital determinant of a sustainable Markham. Our *Integrated Leisure Master Plan (ILMP)* activates this goal. It supports Markham's high-quality of life and vibrant neighbourhoods, essential elements of a socially cohesive Markham.

Markham celebrated many achievements in support of our ILMP. We completed and opened the new \$74.0 million, 156,000-square-foot Cornell Community Centre & Library with three pools, a triple gym and a rehearsal hall (GRI EC8). The LEED Silver targeted community centre includes a partnership with Markham Stouffville Hospital to promote health and wellness. The new Cornell Community Centre & Library effectively meets our ILMP objectives for the Cornell and surrounding community, and represents our progressive leisure and recreational service delivery.

We have begun construction of the Markham Pan Am Centre, which will host badminton, table tennis and water



polo during the Toronto 2015 Pan/Para Pan Am Games. After the Games, the Centre will provide a lasting legacy for the sports community.

Like the Pan Am Centre and the Cornell Community Centre & Library, the Cornell Fire Station has many sustainability features including LED lighting, waterless urinals and low-flow toilets (GRI EN18).

Markham also completed the multi-sport artificial turf field in Mount Joy, providing a modern facility for our soccer and football players and fans. We undertook extensive public consultations and commenced the design for the Southeast Markham Community Centre, Library & Park project, with groundbreaking scheduled for the fall of 2013. We also began the public consultation process for the development of the 101-acre major Sports Park on Warden Avenue at Elgin Mills Road.

The Frederick Horsman Varley Art Gallery expansion has been completed, and Markham Council approved the City's 10-year *Culture Plan* and our Public Art Vision and policies.

Implementation of our Integrated Leisure Master Plan goals, will define Markham as a destination of choice for active community living.

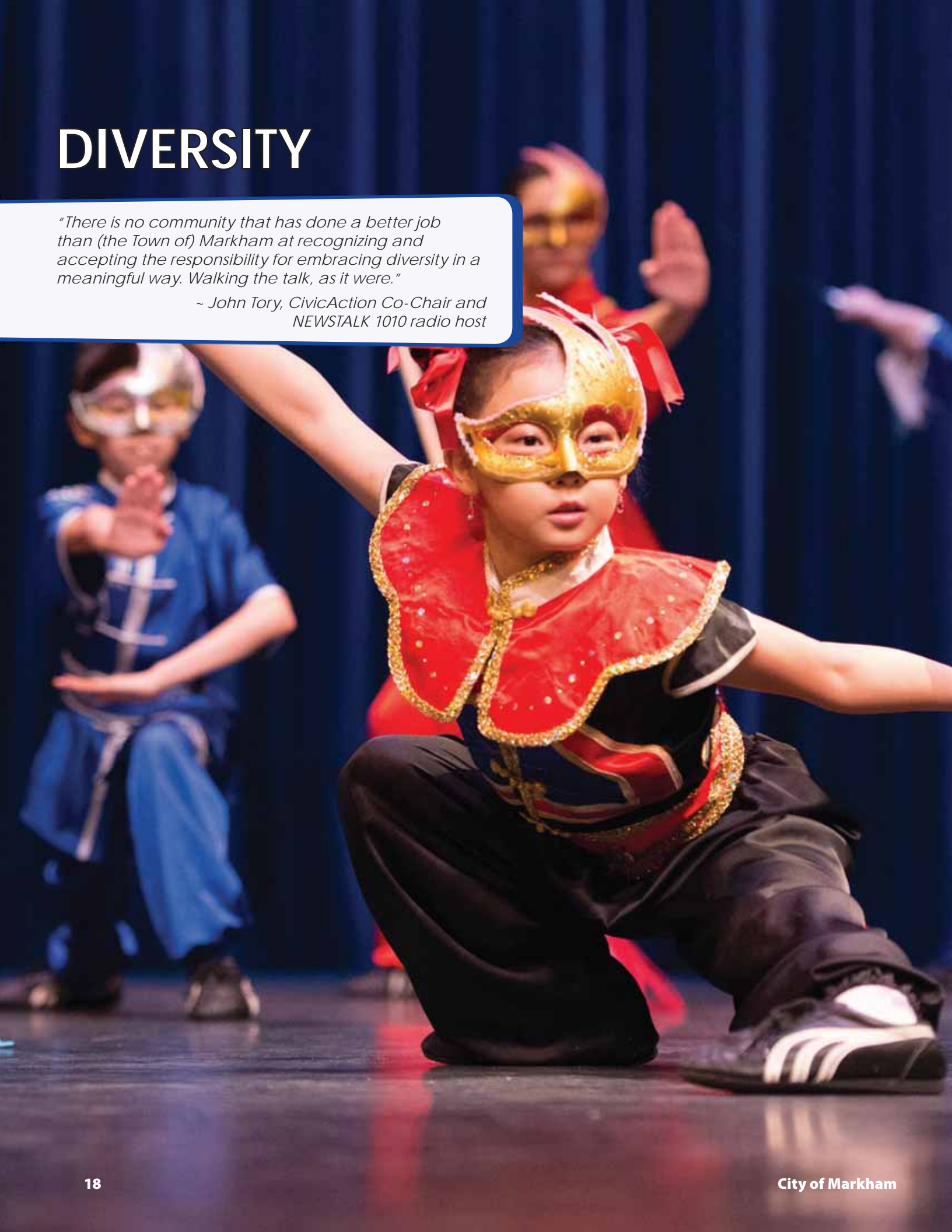


The Cornell Community Centre & Library has the largest aquatics facility (18,995 square feet) in the City of Markham. It features competitive and leisure pools, a warm water therapy tank, a water slide and a splash pad. Residents can enjoy a triple gymnasium, bleacher seating for 200 spectators, and a dedicated Rehearsal Hall. A Multi-Sensory Environment (MSE) room provides a therapeutic environment for people with autism, developmental disabilities, dementia, and brain injury.

DIVERSITY

"There is no community that has done a better job than (the Town of) Markham at recognizing and accepting the responsibility for embracing diversity in a meaningful way. Walking the talk, as it were."

*~ John Tory, CivicAction Co-Chair and
NEWSTALK 1010 radio host*



Markham is a community of communities where both diversity and cultural interaction are celebrated. It's one of our city's greatest strengths

To reflect the spirit of our growing and evolving community, Markham promotes opportunities for residents to lead fulfilling lives, engage in civic dialogue, and experience a strong sense of belonging. Our *Diversity Action Plan, Everyone Welcome* lays out the steps we are taking to achieve a more inclusive, welcoming and socially cohesive Markham where residents can thrive.

We took many of these steps in 2012.

Excellence Canada's Ontario Accessibility Award Program recognized and commended Markham for meeting and exceeding the requirements of the **Accessibility for Ontarians with Disabilities Act (2005)**. The City hired inclusion counsellors for camps to ensure campers with disabilities could participate with their peers. We also completed numerous accessibility retrofits to make sure that all residents, regardless of ability, can access our services.

Markham's universal design principles are used in the planning of parks and play areas where designs are based on the needs of the broadest possible audience

Markham presented the forum ***Straight Talk - Diversity in the Media***, hosted by CivicAction Co-Chair and Newstalk 1010 radio host John Tory. The public forum involved high-profile personalities from various media channels and academia, and it provided an open, transparent and candid exchange of ideas about how the media portrays diversity.

Markham has leveraged more than 90 staff volunteer interpreters, a language line and a Contact Centre with multilingual staff to ensure customer service/access for



residents. Our Markham Public Libraries have more than 90,000 multilingual print and audio visual items, which is 11 per cent of its total collection.

The Mayor's Youth Task Force hosted the first annual Markham Expo, a celebratory fusion of food, music, sports and art, all powered by youth.

We have promoted our theatre programs to new immigrants; have delivered information sessions to help our community understand our summer recruitment process and partnered with our two Welcome Centres for Immigrant Services in order to deliver employment workshops for newcomers.

Markham supported establishing the **South Asian Community Festival** as a community event and welcomed the appearance of Bollywood stars Anil Kapoor on Main Street Unionville and Shreya Ghoshal at the Markham Theatre. We celebrated the official location of Sun Yat-Sen Avenue, and also hosted the World's Longest Chinese Dancing Dragon which was recognized and recorded by Guinness World Records officials.

As a member municipality in the **United Nations Education and Scientific Organization's (UNESCO) Canadian Coalition of Municipalities against Racism and Discrimination (CCMARD)** initiative, Markham contributed to the CCMARD Tool kit of best practices and celebrated its 13th year of Many Faces of Markham, the flagship event to commemorate the International Day for the Elimination of Racial Discrimination.

An inclusive and welcoming community is the lifeblood of our vibrant and sustainable city. Markham Council and staff strongly believe that diversity and inclusion should be fostered, nurtured and practised; inclusion is the common thread that defines our vision, goals and actions.



Our leadership in diversity and our status as the most ethnically diverse community in Canada prompted *Diversity Magazine* to choose Markham for the official launch of its inaugural issue.

MUNICIPAL SERVICES

Markham delivers a broad range of award-winning municipal services recognized by Excellence Canada for quality. Our commitment to service excellence extends through our one-stop Contact Centre, convenient counter services, community centres and libraries, our online services, industry leading waste management and drinking water programs, and reliable fire and emergency services.



Markham's continuous improvement program and attention to customer service underscores all aspects of our operations – from our front counters to our front lines. Through our *All Access Markham* program, we extended the counter hours for the Customer Contact Centre and the Tax Counter. We also expanded our suite of online services, and a new mobile app for the convenience of an increasingly mobile community, 24/7. Digital applications continue to drive efficiency in our resident and business transactions, and our advanced web technology supports business transformation goals.

Markham was the first municipality to adopt the call centre model in 2003. In 2012, the Contact Centre continued this tradition of customer satisfaction and call centre excellence, an achievement that includes over 182,000 calls answered, of which 72 per cent of the calls were answered within the first 30 seconds, surpassing the service level target of 70 per cent, with 86 per cent of all calls resolved in the first instance (GRI PR5).

The City implemented the **first Municipal Electronic Procurement** in Ontario through the online bidding supplier Biddingo, automating the bid submission process for potential suppliers and streamlining the procurement cycle.

Markham also completed phase one of the *Library Customer Service Revolution* project, including the development of the *Customer Service Promise and Standards for Customer Service* (GRI PR5).

The City of Markham operates and maintains an extensive infrastructure of roads, storm water management systems, parks, community centres, libraries, bicycle trails and drinking water delivery systems. We are dedicated to achieving the highest quality standards in the maintenance of our road, bridge, sidewalk and drainage infrastructure.

We continually improve training and embrace new technologies to ensure the safe, efficient and convenient movement of people and goods across the City on the local transit, roadway, sidewalk and trail networks.

New efficiency measures and new technology are deployed each year to improve services and decrease costs. Our innovative pavement preservation strategy, developed in conjunction with the University of Waterloo, continues to provide \$1.0 million in annual savings. **The Boulevard Maintenance Task Force**, established in 2011,



reviewed City boulevard maintenance with the goal of improving aesthetics and weed control as part of a wider **Keep Markham Beautiful** program. In 2012, the Task Force completed a number of steps, including the re-allocation of trim routes and staff. This resulted in an 11 per cent increase in service level standards for boulevard grass cutting, achieving 92 per cent in the first year of the enhanced program.

As well, a new Keep Markham Beautiful bylaw was enacted to ensure the aesthetics of our neighborhood boulevards were preserved and enhanced. The new bylaw requires property owners to maintain the boulevard areas abutting their private properties, reducing maintenance costs for the City.

Markham's Fire and Emergency Services focused on service excellence in 2012, with continued emphasis on community safety and protection, and public education across our diverse community. Public fire safety videos were offered in five languages and fire evacuation training was offered through every library branch in the City. In addition, Markham's first-on-scene response times improved related to two important call types: fire and medical.

Every year we update our *Capital Life Cycle Repair and Replacement Reserve* and *Water/Wastewater Reserve Studies* so critical community assets can be maintained for the enjoyment and use of our residents in the years to come.

Markham's continuous improvement process, using the principles of Excellence Canada, has resulted in efficiencies and cost savings in our operations, innovative ways to improve our services and financial performance.

Markham's Community Infrastructure - 2012 Facts and Figures

- 7.8 million community centre visitors
- 4.6 million library items borrowed by residents
- 91,757 program registrations
- 14,585 new library customers registered
- 984 km of roads maintained
- 743 km of storm sewers, 20,000 catch basins and 70 stormwater management ponds managed



PLANNING FOR OUR FUTURE TODAY

The City of Markham continues to differentiate itself from other municipalities with its winning record. It has maintained the lowest tax rate increases in the Greater Toronto Area (GTA) for five years, while continuing to make significant new infrastructure investments, foster economic prosperity and manage population growth.

"The fact that for more than a decade Markham has received both the GFOA's Award for Excellence in Financial Reporting and its Award for Distinguished Budget Presentation is clear evidence of Markham's commitment to the highest standards of financial transparency and accountability."
~ Stephen Gauthier, Director, Technical Services, Government Financial Officers Association

Markham is now a community of choice for starting and expanding businesses, creating a sustainable base of high-value jobs, and attracting and retaining a skilled workforce. Maintaining the trend of low tax rates, while expanding and improving services, means we face tough choices to ensure prudent fiscal management. Our performance in 2012 was recognized by the C.D. Howe Institute, which named the City as one of the top three municipalities in Canada for fiscal responsibility and transparency. We also earned the Government Financial Officers Award for both Financial Reporting and Distinguished Budget Presentation.

Markham distinguishes itself from other municipalities with its capital reserve program. Our ongoing annual investment and prudent capital spending ensure full replacement of the City's infrastructure for the next 25 years.

Markham succeeded in taking advantage of capital funding partnerships with the federal and provincial governments to improve existing leisure and recreation facilities. With a total 2012 annual capital budget of \$106.8 million (GRI EC8), we completed accessibility and energy efficiency retrofits, constructed new facilities such as the Angus Glen indoor tennis courts and the Markham Civic Centre outdoor skating rink, and are undertaking new development with the Markham Pan Am Centre.

All of these factors make Markham an attractive destination for businesses, and for families who want to live, work and play in a vibrant and high quality community.

Better Customer Service, More Taxpayer Value

As Canada's high-tech capital, Markham continues to invest in and use advanced technology to improve customer

service. Through our new Web Portal platform we are now offering over 50 online services, 24 hours a day. This means increased convenience for our customers and better efficiency for the City.

In May 2013, we implemented new mobile applications in order to expand service channels and choices, and to better meet the needs of our mobile society.

At the City of Markham, we are always seeking ways to improve service and to meet or exceed the expectations of our customers.

Our service focus and diligent fiscal management combine to ensure Markham taxpayers receive high value for their tax dollars, today, and in the future.

Budget

Each year the business units produce business plans that present their accomplishments of the previous year, and detail their growth requirements and new initiatives for the coming year. Out of this process, the budget is prepared to ensure it aligns with and supports the goals and strategic priorities of the Corporation.

The Budget Committee, which consists of Members of Council, supported by senior staff, encourages input and feedback from stakeholders and uses a management-by-facts approach to ensure taxpayers are receiving value for money.

Budget guidelines and priorities are set early in the process and budget requests are submitted to the Commissioners and CAO for rigorous review, resulting in a budget recommendation for the Budget Committee and Council.

Financial Statements

The accompanying Consolidated Financial Statements and all other information included in this report are the responsibility of the management of the City of Markham. Included with the Financial Statements is a report prepared by our external auditor, KPMG LLP.

The auditor has presented an independent opinion that the accompanying Consolidated Financial Statements present fairly, in all material respects, the financial position and operations of Markham.

Markham prepares its financial statements in compliance with the accounting recommendations set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Board's (PSAB) Handbook. It requires Markham's financial statements to provide an accounting of the full nature and extent of the financial affairs and resources for which Markham is responsible.

On a yearly basis, all Ontario municipalities are required to provide the Ministry of Municipal Affairs and Housing with

performance measurement information, and to report the results of their performance to taxpayers by September 30. The goals of the program are to improve performance, strengthen accountability to taxpayers, stimulate productivity and creativity, and improve budget processes. Markham's required measures are included in this report.

Financial Highlights

Markham has conformed to PSAB's accounting standards PS 1100, PS 1200 and PS 3150 since 2009. Under the above accounting standards, the consolidated statement of financial position reflects tangible capital assets as non-financial assets and the residual difference between Markham's assets and debts is reflected as accumulated surplus.

In 2012, Markham Enterprises Corporation (MEC) prepared their first annual financial statements, in accordance with International Financial Reporting Standards (IFRS), as required by the Accounting Standards Board of Canada for government business enterprise.

The adoption of IFRS requires retrospective application of the new accounting framework to January 1, 2011, the date of transition. As a result, the amounts reported by MEC for its December 31, 2011, year end and the opening balance sheet as at the date of transition have been restated. The adjustments to the City's financial statements due to IFRS are provided in note 18.

I would like to thank Joel Lustig, City Treasurer, and Judy Rigby, Senior Manager, Financial Planning and Reporting, for the impressive efforts our team made to put in place the financial reporting systems that enabled our external auditors to verify Markham's financial statements in a timely manner.

Reporting for Tangible Capital Assets

Tangible capital assets represent a significant investment for Markham and related information is vital for stewardship, accountability and the development of asset management plans. Assets are valued at their historic cost on the date of purchase or construction and are amortized over useful lives.

The residual net book value of these assets represents the value of assets available to serve future generations. The net book value of tangible capital assets at the end of year was \$3,444.1 million (2011 – \$3,297.2 million).

Accumulated Surplus

The accumulated surplus at the year end was \$3,858.4 million (2011 – \$3,694.9 million) which includes Markham's equity interest in Markham Enterprises Corporation \$229.9 million (2011 – \$215.1 million). The following is a summary of the operating surplus and Reserves/Reserve Funds and Deferred Revenue.

Operating Surplus

Revenue from current year's operations was \$425.0 million (2011 - \$400.7 million) while current operating expenses totalled \$261.5 million (2011 - \$250.8 million). Markham's revenues have gone up by \$24.3 million when compared

with previous year mainly due to total increase in developers contribution and deferred revenue earned from \$168.1 million in 2011 to \$187.4 million in current year. Markham's 2012 year end surplus/(deficit) from operations excluding contributions from developers, revenues relating to tangible capital assets and equity in Markham Enterprises Corporation was \$0.3 million (2011 – (\$0.2 million)).

Reserves/Reserve Funds and Deferred Revenue

As at December 31, 2012, the Reserves/Reserve Funds totalled \$216.1 million (2011 - \$214.4 million) and Deferred Revenue was \$151.2 million (2011 - \$133.0 million). The Reserves/Reserve Funds have been established to fund future operating and capital expenditures, future liabilities, special projects and corporate rate stabilization and working capital requirements.

For the past 11 years, our Annual Report has won the Government Finance Officers Association Award for Financial Reporting. We are proud of this accomplishment because it acknowledges our financial data and narrative explanations go well beyond minimum requirements of Generally Accepted Accounting Principles.



Trinela Cane
Commissioner, Corporate Services
May 15, 2013

Finance Senior Management Team

Front Row, left to right:

Judy Rigby, Senior Manager, Financial Planning and Reporting
Andrea Tang, Manager, Financial Planning

Middle Row, left to right:

Joel Lustig, Treasurer
Kishor Soneji, Senior Accountant
Alex Moore, Senior Manager, Purchasing and Accounts Payable
Trinela Cane, Commissioner, Corporate Services

Back Row, left to right:

Mark Visser, Senior Manager, Financial Strategy and Investments
Paul Wealleans, Director, Revenues



2012 FINANCIAL REPORT AND STATISTICS

Reserves/Reserve Funds and Deferred Revenue Balances

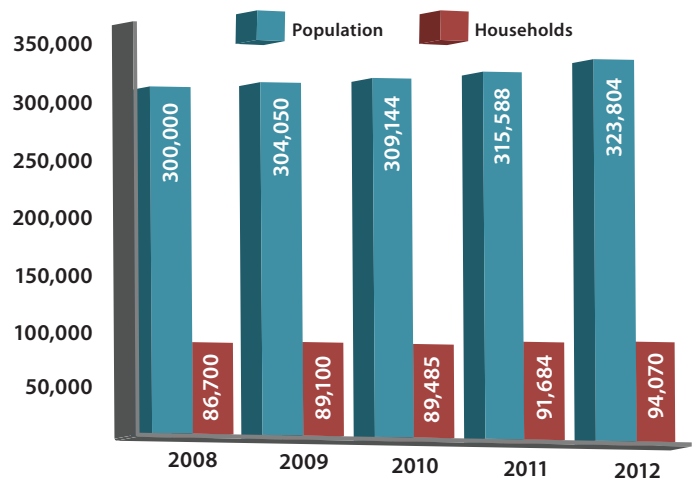
(All dollar amounts are in \$000)



Reserves and Reserve Funds are an allocation of accumulated surplus that is established by Council for a specific purpose. These Funds help the City meet projected capital expenditure needs in upcoming years. **Deferred revenue** represents user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed. In the last five years from 2008 to 2012, Markham's Reserves/Reserve Funds and Deferred Revenue balance has increased by 25.6%.

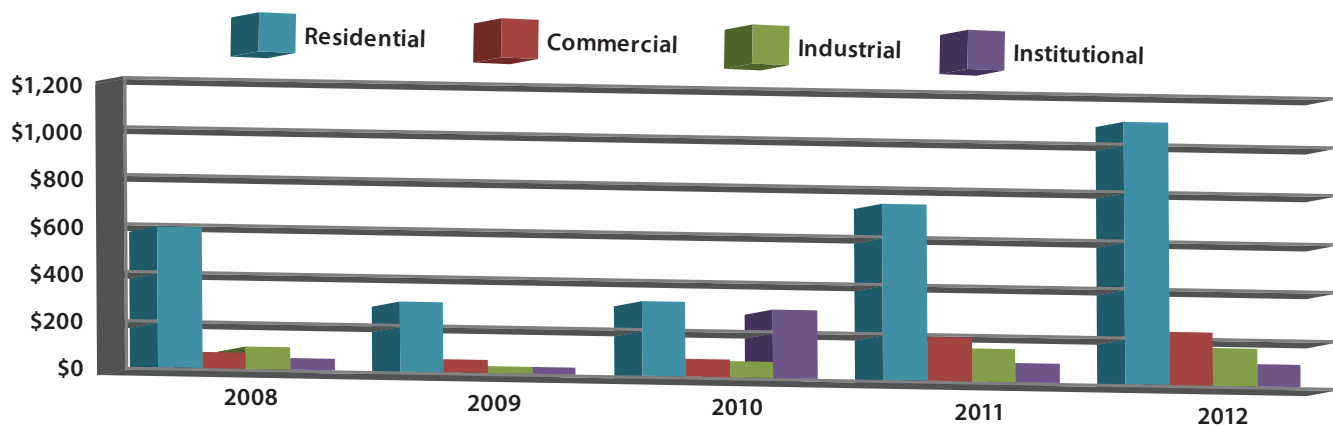
Number of Households and Population

The number of household and population data has been provided by the Office of the CAO for York Region, Long Range Planning Branch based on Statistics Canada data and Canada Mortgage Housing Corporation information. In the last five years from 2008 to 2012, Markham's population increased by 7.9% and the number of households increased by 8.5% respectively. Our population is expected to grow to 370,000 by 2021.



Value of Construction

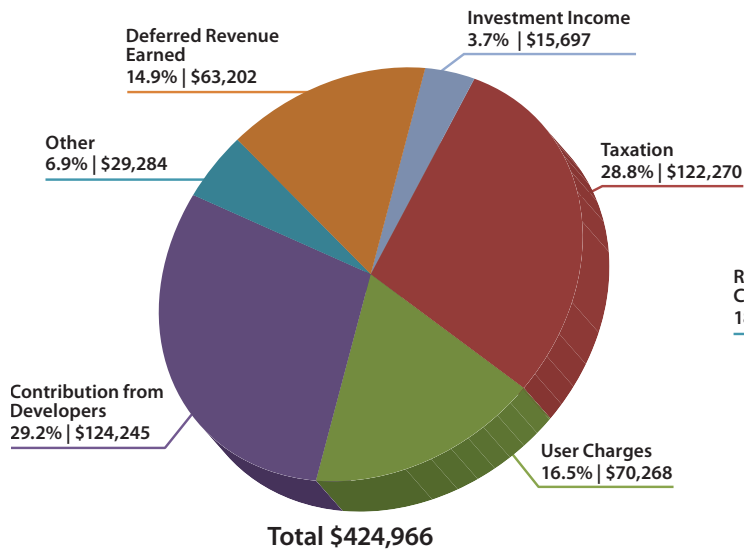
(All dollar amounts are in millions)



The **construction value being reported** is the estimated dollar value of all the building permits for new buildings and building additions issued in a calendar year. The dollar value is calculated following a fixed mathematical formula and is determined by the new area in square metres x the multiplier on the Toronto Area Chief Building Officials Committee (TACBOC) Construction Value Standard. The TACBOC Construction Value Standard, first produced for Toronto area municipalities in 1997 and now widely used across the GTA, is a table of average building construction costs in the GTA, and is sourced from several published construction costing guides.

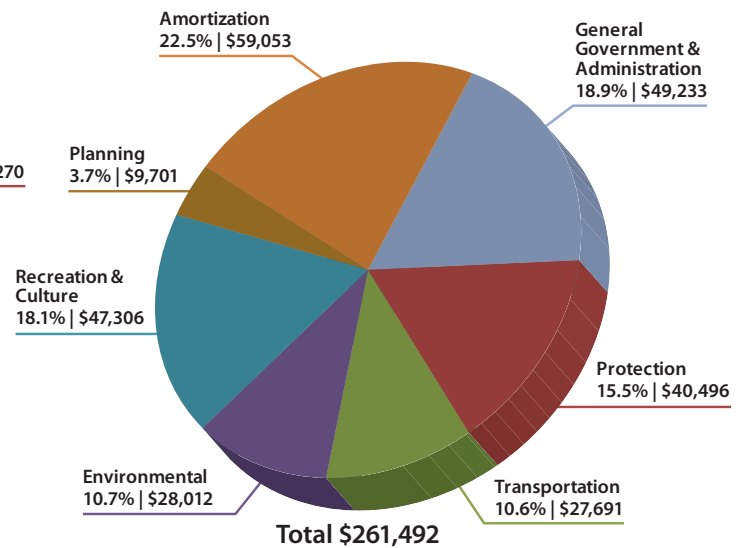
2012 Revenues

(All dollar amounts are in \$000)



2012 Expenses

(All dollar amounts are in \$000)



The City's Revenues and Expenses are broken down by distinguishable activity or group of activities (GRI EC1). These segments are considered appropriate for governments who are reporting financial information by type of service. The City's Revenues increased by 6.0% and Expenses increased by 4.3% when compared to 2011.

AWARDS & RECOGNITION IN 2012 (GRI 2.10)

Finance Recognition (C.D. Howe Institute)

Canadian Award for Financial Reporting and Distinguished Budget Presentation (Government Finance Officers Association)

Community Conservation Award, Markham was recognized by the Ontario Power Authority, Association of Municipalities Ontario and Electric Distributors Association for its leadership in municipal energy conservation

PowerStream, an energy services company jointly-owned by Markham, was named a **Silver Award Recipient for Excellence, Innovation, and Wellness**, an award based on Excellence Canada's Progressive Excellence Program®. The award acknowledges the company's outstanding performance, leadership and commitment to excellence in areas such as innovation, quality, leadership, customer experience, workplace wellness and a Healthy Workplace®, as well as being a socially, environmentally and economically responsible corporate citizen.

PowerStream was named solar industry "**Developer of the Year**" by the Canadian Solar Industries Association (CanSIA), a national trade association that represents approximately 650 solar energy companies in Canada.

A 100 per cent compliance rating on Markham's Quality Management from the Ministry of the Environment for Markham's drinking water

Ontario Waste Minimization Award, Gold Level (nine received to date)

2012 Ontario Association of Art Galleries Design Award (Kai Chan Catalogue)

2012 MarCom Platinum Award (Employee Publication: 2011 Accomplishments & 2012 Priorities)

2012 Applause! Award (Firefighter Cadet Program)

2012 Creative Excellence Award (Firefighter Recruitment Campaign)

FINANCIAL POLICIES

Council has approved a number of financial policies to govern the preparation of the annual operating and capital budgets and handling of Markham's day-to-day financial operations. The purpose of these policies is to maintain strong fiscal stewardship, ensuring that Markham taxpayers are getting value for their money. Significant Markham financial policies are as follows:

Basis of Accounting

Markham recognizes sources of revenue and expenditures on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and expenditures when they are incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.

Reserves/Reserve Funds Policy

The first phase of a comprehensive Reserves/Reserve Funds Study was approved by Council in 2004. Markham's discretionary Reserves/Reserve Funds were consolidated and grouped into two main categories: Working Funds/Stabilization Reserves and Capital Reserves. The second phase, approved by Council in March 2005, established targets for stabilization reserves based on best practices and capital reserves based on a review of life cycle replacement requirements for major Markham facilities and infrastructure. In addition, the policy prioritized the distribution of annual operating budget surpluses to various reserves and determined the allocation of revenues from various hydro companies owned by Markham.

Use of One-time Revenues

For most local governments, revenue is recurring and sustainable, funding ongoing operating expenditures year after year. However, some types of revenue may occur only once, or intermittently. Markham's policy on this revenue is to use it to fund one-time expenditures. Unallocated one-time revenue is transferred as a component of the annual operating surplus, in accordance with the Reserves/Reserve Funds Policy.

Use of Assessment Growth

Markham will transfer up to 25 per cent of tax revenue from the net annualized growth in assessment to the Life Cycle Replacement and Capital Reserve Fund to maintain and refurbish our existing infrastructure.

Use of Prior Year's Surplus/Deficit

Markham has in place a number of policies to minimize operating deficits, but should they occur, Markham maintains the flexibility to utilize funds from the Corporate Rate Stabilization Reserve. Markham has eliminated its dependence on balancing its budget by using the prior year's surplus. Surpluses are transferred in accordance with Markham's Reserves/Reserve Funds Policy.

Capital Budget Control Policy

The policy sets out guidelines for reporting to Council regarding the closing of capital projects, reallocation of capital funds and requests for new capital projects.

Investment Policy

The policy provides a framework from which to make investment decisions within acceptable risk levels. Markham strives for the maximum utilization of its cash resources within statutory limitations and the basic need to protect and preserve capital.

Investment Interest Policy

The policy provides a framework for the recording and allocation methods of Investment Interest Income. A Capital Gains reserve has been set up to reduce year-to-year fluctuations in the Investment Interest budget.

Development Charges Credit Policy

The policy sets out guidelines for applications for administration and issuance of development charge credits to developers. This is implemented through formal agreements with Markham.

Payment Acceptance Policy

The policy provides direction on the forms of payment accepted by the organization, both in person and online payment methods including credit card and debit card payments.

INDEPENDENT AUDITORS' REPORT



KPMG LLP
Chartered Accountants
Yonge Corporate Centre
4100 Yonge Street Suite 200
Toronto ON M2P 2H3
Canada

Telephone (416) 228-7000
Fax (416) 228-7123
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers
of the Corporation of the City of Markham

We have audited the accompanying consolidated financial statements of the Corporation of the City of Markham (the "City"), which comprise the consolidated statement of financial position as at December 31, 2012, the consolidated statement of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the City's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation of the City of Markham as at December 31, 2012, and its consolidated results of operations and accumulated surplus, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

April 30, 2013
Toronto, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2012

(All dollar amounts are in \$000)

	2012	2011
		(Restated Note 18)
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	\$ 370,550	\$ 363,848
Taxes receivable (Note 7)	39,150	31,918
Unbilled user charges	9,870	8,802
Accounts receivable (Note 17)	55,633	53,691
Investment in Markham Enterprises Corporation (Note 18)	229,949	215,132
Other current assets	3,067	4,123
	708,219	677,514
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	107,616	113,432
Deferred revenue (Note 10)	151,227	133,024
Employee future benefits liabilities (Note 12)	26,205	23,879
Long-term liabilities (Note 6)	11,181	11,599
	296,229	281,934
NET FINANCIAL ASSETS	\$ 411,990	\$ 395,580
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	3,444,052	3,297,188
Inventories of supplies	1,212	972
Inventories of Land - Heritage Estates	109	109
Prepaid expenses	1,002	1,042
	\$ 3,446,375	\$ 3,299,311
Lease obligations (Note 15)		
Contingency (Note 16)		
ACCUMULATED SURPLUS (Note 14)	\$ 3,858,365	\$ 3,694,891

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

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended December 31, 2012
(All dollar amounts are in \$000)

	2012 Budget (Unaudited Note 1)	2012 Actual	2011 Actual (Restated Note 18)
REVENUES			
Taxation	\$ 121,077	\$ 122,270	\$ 119,934
User charges (Note 11)	65,057	70,268	64,309
Grants	1,529	3,063	8,750
Contributions from developers	-	124,245	85,367
Investment income	13,760	15,697	15,822
Tax penalties	3,375	3,506	3,724
Gain on sale of tangible capital assets	-	1	138
Deferred revenue earned	49,103	63,202	82,760
Equity pick up from Markham Enterprises Corporation (Note 18)	-	9,977	6,347
Interest earned on reserves and reserve funds	-	1,406	1,186
Other	8,274	11,331	12,411
Total Revenues	262,175	424,966	400,748
EXPENSES			
General government	39,382	49,186	49,535
Protection to persons and property	40,192	40,496	37,378
Transportation services	25,105	27,691	27,966
Environmental services	22,463	28,012	27,083
Recreation and cultural services	44,047	47,306	46,460
Planning and development services	5,312	9,701	6,750
Other	38	47	41
Write-down of tangible capital assets	-	-	331
Amortization of tangible capital assets	56,977	59,053	55,246
Total Expenses	233,516	261,492	250,790
ANNUAL SURPLUS	28,659	163,474	149,958
ACCUMULATED SURPLUS, BEGINNING OF YEAR	3,694,891	3,694,891	3,544,933
ACCUMULATED SURPLUS, END OF YEAR (Note 14)	\$ 3,723,550	\$ 3,858,365	\$ 3,694,891

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

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year ended December 31, 2012
 (All dollar amounts are in \$000)

	2012 Budget (Unaudited Note 1)	2012 Actual	2011 Actual (Restated Note 18)
ANNUAL SURPLUS	\$ 28,659	\$ 16,347	\$ 149,958
Acquisition of tangible capital assets	(89,482)	(273,564)	(170,500)
Amortization of tangible capital assets	56,977	59,053	55,246
Change in capital work in progress	-	60,916	(24,728)
Disposal/write-down of land and land improvements	-	6,731	331
	(3,846)	16,610	10,307
Acquisition of inventories of supplies	-	(1,212)	(972)
Prepaid expenses	-	(1,002)	(1,042)
Consumption of inventories of supplies	-	972	1,067
Use of prepaid expenses	-	1,042	404
CHANGE IN NET FINANCIAL ASSETS	(3,846)	16,410	9,764
NET FINANCIAL ASSETS, BEGINNING OF YEAR	395,580	395,580	385,816
NET FINANCIAL ASSETS, END OF YEAR	\$ 391,734	\$ 411,990	\$ 395,580

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2012
(All dollar amounts are in \$000)

	2012	2011
		(Restated Note 18)
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Annual surplus	\$ 163,474	\$ 149,958
Amortization of tangible capital assets	59,053	55,246
Developers contribution of tangible capital assets	(124,245)	(85,367)
Change in employee future benefits liabilities	2,326	6,123
Taxes receivable	(7,232)	7,223
Accounts receivable	(1,942)	(2,469)
Unbilled user charges	(1,068)	(838)
Other current assets	1,056	521
Accounts payable and accrued liabilities	(5,817)	31,331
Long-term liabilities	(418)	(401)
Deferred revenue	18,203	(14,718)
Inventories of supplies	(240)	95
Prepaid expenses	40	(638)
Net Change in Cash from Operating Activities	103,190	146,066
CAPITAL ACTIVITIES		
Gain on sale of tangible capital assets	1	138
Acquisition of tangible capital assets net of developers contribution	(81,671)	(109,668)
Net Change in Cash used in Capital Activities	(81,670)	(109,530)
INVESTING ACTIVITIES		
Dividend from Markham Enterprises Corporation	4,786	3,445
Change in equity of Markham Enterprises Corporation	(19,604)	(11,685)
Net Change in Cash used in Investing Activities	(14,818)	(8,240)
Net Change in Cash and Cash Equivalents	6,702	28,296
OPENING CASH AND CASH EQUIVALENTS	363,848	335,552
CLOSING CASH AND CASH EQUIVALENTS	\$ 370,550	\$ 363,848
SUPPLEMENTARY INFORMATION:		
Interest paid	\$ 469	\$ 235
Interest received	\$ 6,917	\$ 5,055

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2012

(All dollar amounts are in \$000)

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of The City of Markham (the City) are prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). Significant accounting policies adopted by the City are as follows:

Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of their financial affairs and resources, to the City, and which are owned or controlled by the City, including the following:

- City of Markham Public Library Board
- Old Markham Village Business Improvement Area
- Unionville Business Improvement Area

Inter-entity transactions and balances are eliminated on consolidation.

Investment in Markham Enterprises Corporation

Markham Enterprises Corporation (MEC) and its subsidiaries are accounted for on a modified equity basis, consistent with the generally accepted accounting principles as recommended by PSAB for government business enterprises. Under the modified equity basis of accounting, the business enterprise's accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of MEC in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from MEC are reflected as reductions in the investment asset account.

Accounting for Region and School Board Transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Regional Municipality of York (the Region) and the York Region District School Boards (School Boards) are not reflected in the municipal fund balances of these financial statements.

Trust Funds

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the "Trust Funds Statement of Financial Position" and the "Trust Funds Statement of Operations and Fund Balances."

Basis Of Accounting

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenue. Expenses are the cost of goods and services acquired in the period whether or not payment has been made or invoices received.

Government Transfers

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing that the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Deferred Revenue

Funds received for specific purposes are accounted for as deferred revenue until the City discharges the obligation, which led to receipt of the funds.

Taxation and Related Revenues

Property tax billings are prepared by the City based on assessment rolls compiled by the Municipal Property Assessment Corporation (MPAC). Tax rates are established annually by City Council, incorporating amounts to be raised for local services and amounts that the City is required to collect on behalf of the Region and School Boards for education purposes. Realty taxes are billed based on the assessment rolls provided by MPAC.

A normal part of the assessment process is the issuance of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City determines the taxes applicable and issues supplementary tax bills. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the impact shared with the Region and School Boards as appropriate.

The City is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Employee Future Benefits

The City accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, as a defined benefit plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the City's employment. Other employee future benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high quality debt instruments with cash flows that match the timing and amount of expected benefit payments. Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Unamortized actuarial gains/losses for event-triggered liabilities, such as those determined as claims related to Workers Safety and Insurance Board (WSIB) are amortized over the average expected period during which the benefits will be paid. The cost of plan amendments is accounted for in the period they are adopted. Management, on approval from City Council, has set aside funds specifically for the financing of future costs.

Investment Income

Investment income is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue and/or obligatory reserve funds balance.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(a) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings and building improvements	40
Equipment	5 - 20
Furniture and fixtures	10 - 15
Infrastructure	10 - 100
Library furniture and fixtures	10
Library media collection	7
Parks and pathways	10 - 60
Vehicles	7 - 9
Waterworks equipment	9
Waterworks infrastructure	15 - 100
Waterworks vehicles	7

Amortization is prorated to six months in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(b) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Tangible capital assets conveyed from developers are recorded at the estimated engineering value at time of registration.

(c) Works of Art and Cultural and Historic Assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(d) Interest Capitalization

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(e) Inventories of Supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenditures during the period. Actual results could differ from these estimates.

Budget Figures

The approved operating and capital budgets for 2012 are reflected on the Consolidated Statement of Operations and Accumulated Surplus and on the Consolidated Statement of Change in Net Financial Assets, both of which are unaudited. The Capital budget is on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current year actual amounts.

Segment Disclosure

The City adopted PSAB Standard 2700 for Segment Disclosures. A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of the segments used and presented financial information in segmented format in Note 8.

2. OPERATIONS OF SCHOOL BOARDS AND THE REGION OF YORK

Further to Note 1, requisitions were made by the Region and School Boards requiring the City to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized as follows:

			2012	2011
	School Boards	Region	Total	Total
Taxation	\$ 187,538	\$ 224,004	\$ 411,542	\$ 397,669
Payment in lieu of taxes	260	1,054	1,314	1,207
Supplementary taxes	5,927	6,794	12,721	23,063
Amount requisitioned and transferred	\$ 193,725	\$ 231,852	\$ 425,577	\$ 421,939

3. TRUST FUNDS

Trust funds administered by the City for the benefit of others amounting to \$2,255 (2011 - \$2,221) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations and Accumulated Surplus." The trust funds have been reported separately on the "Trust Funds Statement of Financial Position" and "Trust Funds Statement of Financial Activities and Fund Balances."

4. CASH AND CASH EQUIVALENTS

	2012	2011
Cash	\$ 100,267	\$ 137,607
Investments	270,283	226,241
	\$ 370,550	\$ 363,848

Investments consist of authorized investments pursuant to the provisions of the Municipal Act and include short-term instruments of various financial institutions, government bonds, and Treasury Bills. Investments, which are reported at cost for money market and face value for bonds, had a market value of \$297,197 (2011 - \$240,658) at the end of the year. For the year 2012, the average rate of return earned was 4.14% (2011 - 4.54%). Cash balance includes investments in the amount of \$12,988 (2011 - \$989) which has a maturity date of less than three months.

5. PENSION AGREEMENTS

The City makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of credited service and average earnings. Employees contribute between 8.3% and 13.9% of their salary and the City matches the employee contribution.

Total OMERS contributions amounted to \$17,206 in 2012 (2011 - \$14,766) of which \$8,603 (2011 - \$7,383) represented the City's portion.

Since OMERS is a multi-employer pension plan, the City does not recognize any share of pension plan deficit \$9,924,000 (2011 - \$9,627,000) based on fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

6. LONG TERM LIABILITIES

On July 1, 2010, the City received a loan of \$12,000 from Canada Mortgage Housing Corporation (CMHC) through the Region. As a lower tier municipality the City does not have the ability to borrow long-term funds, and as such the borrowing was done through the Region. The loan received was used to fund the purchase of the Markham District Energy Birchmount plant. The plant was subsequently leased back to Markham District Energy (MDE), a 100% subsidiary of MEC.

The loan of \$12,000 is to be amortized over a period of 20 years, at an interest rate of 4.04%. An annual payment to the Region of \$886 consists of principal and interest. The first payment was made July 1, 2011.

7. TAXES RECEIVABLE

The balance in taxes receivable, including penalties and interest, is comprised of the following:

	2012	2011
Current year	\$ 24,093	\$ 19,434
Arrears previous years	16,058	13,485
	40,151	32,919
Less: Allowance for uncollectible taxes	(1,001)	(1,001)
Tax Receivable	\$ 39,150	\$ 31,918

MPAC continues to refine the property assessment based on values updated to 2008 in the City and across the Province. These values were used by the City to compute the 2009 to 2012 property tax bills. In 2012, MPAC re-assessed all properties in Ontario and these values will be used as the basis for 2013 to 2016 property tax bills. However, the property tax revenue and tax receivables of the City are subject to measurement uncertainty as a number of submitted appeals have yet to be heard. As a result, there are remaining outstanding tax appeals retroactive to 1998, some of which have not yet been finalized. This additional financial uncertainty continues the need for the allowance established for tax appeals in the amount of \$1,001 (2011 - \$1,001). The provision is required due to a number of different types of tax adjustments, including frozen assessment listing (FAL) appeals, new construction retroactive appeals, and commercial vacancy rebates. Any supplementary billings adjustments made necessary by the determination of such changes will be recognized in the fiscal year they occur and the effect shared with the Region and School Boards as appropriate.

As part of its 2004 budget, the Ontario Government implemented new provisions through Bill 83 that permitted Ontario municipalities to expand capping provisions for the multi – residential, commercial and industrial classes beginning with the 2005 tax year. The Region adopted these new tax provisions and the effect is to limit annual assessment related tax increases to 10% over the previous year tax level or 5% of previous year full Current Value Assessment (CVA) taxes. The effect of these policies is to move properties to full CVA taxes sooner. The adjustments caused by this legislation may also impact the amounts of rebates which the area municipalities must issue to certain charitable organizations and the interest and penalties the area municipalities can collect on arrears of taxes where it is subsequently determined that such amounts have been overstated. The Region continues to enforce these provisions.

This program is administered by the Region on behalf of the area municipalities, and therefore, there is no impact on the “Consolidated Statement of Operations and Accumulated Surplus.”

8. SEGMENTED INFORMATION

The City is a diverse municipal government that provides a wide range of services to its citizens. For management reporting purposes, the City's operations and activities are organized functionally based on services provided.

The segmented information with a brief description of the service area is as follows:

General Government:

General government service area includes the Office of Mayor and Members of Council, Chief Administrative Officer, Auditor General, Human Resources, Legal, Sustainability Office, Legislative Services, Financial Services, Corporate Communications and Community Engagement, and Information Technology Services. The departments are responsible for general governance and corporate management.

Protection to Persons and Property:

Protection service area includes Fire and Emergency Services and Building Standards. The departments are responsible to perform fire prevention and protection, fire alarm, building services and other auxiliary services.

Transportation Services:

Transportation service area includes Roads, Parking Control and Asset Management. The departments are responsible for road maintenance, hard top and loose top maintenance, winter patrol, salt, sanding, snow removal, street lighting and administration of parking.

Environmental Services:

Environmental service area includes Waterworks and Waste Management. The departments are responsible for the administration of the sanitary and storm sewer system, distribution of water, and the administration of garbage collection and garbage recycling.

Recreation and Cultural Services:

The recreation and cultural service area includes Parks, Recreation services, Culture services and Public Libraries. The departments are responsible for providing and facilitating the development and maintenance of high quality parks, recreation services and cultural services, and administration of libraries.

Planning and Development:

Planning and development service area includes Planning and Urban Design and Engineering. The departments are responsible for administration of land use plans and policies for sustainable development of the City.

Other:

The department is responsible for administration of cemetery maintenance and morgues.

8. Segmented Information continued

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Recreation and Cultural Services	Planning and Development Services	Other	Consolidated	
								2012	2011 (Restated Note 18)
REVENUES	\$	\$	\$	\$	\$	\$	\$	\$	\$
Taxation, grants in lieu, assessments	547,430	-	-	2	415	-	-	547,847	541,873
Collection for other authorities	(425,577)	-	-	-	-	-	-	(425,577)	(421,939)
Taxation for City purposes	121,853	-	-	2	415	-	-	122,270	119,934
User charges	1,985	13,528	9,407	21,937	17,384	5,982	44	70,268	64,309
Grants	27	-	130	986	1,807	113	-	3,063	8,750
Contribution from developers	124,245	-	-	-	-	-	-	124,245	85,367
Investment income	15,697	-	-	-	-	-	-	15,697	15,822
Tax penalties	3,506	-	-	-	-	-	-	3,506	3,724
Gain on sale of tangible assets	1	-	-	-	-	-	-	1	138
Deferred revenue earned	63,202	-	-	-	-	-	-	63,202	82,760
Equity pick up from Markham Enterprises Corporation	9,977	-	-	-	-	-	-	9,977	6,347
Interest earned on reserves and reserve funds	1,406	-	-	-	-	-	-	1,406	1,186
Other	5,744	1,001	395	1,261	2,794	137	-	11,331	12,411
Total	347,643	14,529	9,932	24,186	22,400	6,232	44	424,966	400,748
EXPENSES									
Salaries, wages and employee benefits	23,997	38,317	11,899	7,264	32,222	6,412	-	120,111	113,858
Operating materials and supplies	15,833	1,097	3,439	5,392	8,952	2,549	47	37,309	30,981
Contracted services	9,796	1,011	12,259	15,042	5,542	148	-	43,798	48,660
Rents and financial expenses	(1,155)	51	94	314	590	592	-	486	1,479
External transfers to others	256	-	-	-	-	-	-	256	235
Long term debt charges	459	20	-	-	-	-	-	479	-
Amortization of tangible capital assets (including write down)	59,053	-	-	-	-	-	-	59,053	55,577
Total Expenses	108,239	40,496	27,691	28,012	47,306	9,701	47	261,492	250,790
Annual Surplus / (Deficit)	239,404	(25,967)	(17,759)	(3,826)	(24,906)	(3,469)	(3)	163,474	149,958

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include financial obligations to outside organizations and individuals as a result of transactions and events on or before the end of the accounting period. They are the result of contracts, agreements and legislation in force at the end of the accounting period that require Markham to pay for goods and services acquired or provided prior to the accounting date. A breakdown of the accounts payable and accrued liabilities is as follows:

	2012	2011
Trade accounts payable	\$ 45,907	\$ 43,961
Payable to other governments	45,174	55,183
Payroll liabilities	3,279	2,909
Accrued liabilities	13,256	11,379
	\$ 107,616	\$ 113,432

10. DEFERRED REVENUE

Deferred revenue represents user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed. The following is the current status of the deferred revenues:

	2012	2011
<i>OBLIGATORY RESERVE FUNDS</i>		
Development charges	\$ 122,886	\$ 111,921
Parkland	5,059	(166)
Other	9,400	8,861
Deferred revenue - general	13,882	12,408
	\$ 151,227	\$ 133,024

11. USER CHARGES

	2012	2011
Water and sewer billings to ratepayers	\$ 81,489	\$ 73,461
Region of York requisitions	(59,552)	(53,718)
City Share	21,937	19,743
Building permits	12,264	13,524
Parking violations	1,858	1,909
Facility rentals	6,344	6,106
Recreational programs	8,157	7,745
Parks construction and maintenance	235	304
Cultural services	2,231	2,010
Engineering fees	4,802	2,916
Planning processing fees	4,514	3,927
Compliance letters/certificates	206	205
Other user charges	7,720	5,920
	\$ 70,268	\$ 64,309

12. EMPLOYEE FUTURE BENEFITS LIABILITIES

	2012	2011
Vacation pay – City	\$ 2,982	\$ 2,852
Vacation pay – Library	132	115
Post-retirement benefits	10,319	9,380
Vested sick leave benefits	6,045	5,565
Long term disability	5,138	4,633
Workplace Safety & Insurance Board	1,589	1,334
	\$ 26,205	\$ 23,879

Workplace Safety and Insurance Obligations (WSIB)

Effective January 1, 1999, the Corporation of the City of Markham became a Schedule II employer under the Workplace Safety and Insurance Act and follows a policy of self insurance for all its employees. The City remits payments to the WSIB as required to fund disability payments. The estimated future liability relating to WSIB amounted to \$1,589 (2011 – \$1,334) and was determined by an actuarial valuation updated December 2012. A Workplace Safety and Insurance Reserve Fund, funded by annual contributions from the Operating Fund, has been established to protect against any unknown future liability.

The City also maintains an insurance policy, which protects the Corporation against single claims in excess of \$1,000.

Vested Sick Leave Benefits

Under the sick leave benefit plan, which is available only to the City's Firefighters, employees can accumulate unused sick leave and may become entitled to a cash payment when they leave the City's employment. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to approximately \$6,045 (2011 - \$5,565). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation.

Post Retirement Benefits

Post-retirement benefits are health and dental benefits that the City pays on behalf of its current and retired employees. The City recognizes these post-retirement costs as they are earned during the employee's tenure of service. The benefit liability at December 31, 2012 is \$10,319 (2011 - \$9,380). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation.

Long Term Disability (LTD)

The City provides long term disability benefits to eligible employees. At the year end, the accrued liability of \$5,138 (2011 - \$4,633) represents the actuarial valuation of benefits to be paid on the history of claims with employees. The City has established a long term disability reserve to reduce future impact of these obligations. The year end balance of this reserve was \$12,784 (2011 - \$11,154). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation updated December 2012.

Information about the City's defined benefit plans is as follows:

	WSIB	Vested Sick Leave	Post Retirement Benefits	LTD	2012	2011
Accrued benefit liability, beginning of year	\$ 1,334	\$ 5,565	\$ 9,380	\$ 4,633	\$ 20,912	\$ 15,276
Service cost	170	295	541	895	1,901	5,782
Interest cost	177	333	687	192	1,389	1,171
Benefit payments	(385)	(138)	(410)	(582)	(1,515)	(1,481)
Amortization of actuarial loss (gain)	293	(10)	121	-	404	164
Accrued benefit liability, end of year	\$ 1,589	\$ 6,045	\$ 10,319	\$ 5,138	\$ 23,091	\$ 20,912

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the more significant assumptions made:

	WSIB	Vested Sick Leave	Post Retirement Benefits	LTD
Expected inflation rate	0.00%	N/A	N/A	N/A
Expected level of salary increases	3.00%	3.00%	N/A	N/A
Interest discount rate	4.75%	4.25%	4.25%	4.00%

13. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated amortization				Net Book Value	
	Balance as at Jan. 1, 2012	Additions	Disposals	Balance as at Dec. 31, 2012	Balance as at Jan. 1, 2012	Additions	Disposals	Balance as at Dec. 31, 2012	Balance as at Dec. 31, 2012	Balance as at Dec. 31, 2011
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and land improvements	1,609,137	52,300	(6,731)	1,654,706	-	-	-	-	1,654,706	1,609,137
Buildings and building improvements	185,220	74,274	-	259,494	71,472	5,468	-	76,940	182,554	113,748
Equipment	22,042	4,613	(2,781)	23,874	9,823	2,397	(2,781)	9,439	14,435	12,219
Furniture & fixtures	6,781	652	(30)	7,403	2,201	517	(30)	2,688	4,715	4,580
Infrastructure	1,051,175	98,242	(3,527)	1,145,890	315,025	29,066	(3,527)	340,564	805,326	736,150
Library furniture & fixtures	2,771	513	(74)	3,210	1,465	289	(74)	1,680	1,530	1,306
Library media collection	12,138	3,632	(1,811)	13,959	6,500	1,656	(1,811)	6,345	7,614	5,638
Parks and pathways	58,205	5,798	(918)	63,085	23,036	3,638	(918)	25,756	37,329	35,169
Vehicles	12,566	2,930	(3,485)	12,011	8,491	1,280	(3,485)	6,286	5,725	4,075
Waterworks equipment	935	213	(1)	1,147	286	113	(1)	398	749	649
Waterworks infrastructure	927,925	30,364	(271)	958,018	240,559	14,484	(271)	254,772	703,246	687,366
Waterworks vehicles	1,292	33	(142)	1,183	582	145	(142)	585	598	710
Total	3,890,187	273,564	(19,771)	4,143,980	679,440	59,053	(13,040)	725,453	3,418,527	3,210,747
Capital work in progress	86,441	(60,916)	-	25,525	-	-	-	-	25,525	86,441
Grand Total	3,976,628	212,648	(19,771)	4,169,505	679,440	59,053	(13,040)	725,453	3,444,052	3,297,188

a) Capital work in progress

Assets under construction having a value of \$25,525 (2011 - \$86,441) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$123,670 (2011 - \$83,980) comprised of land in the amount of \$44,503 (2011 - \$43,916), roads infrastructure in the amount of \$55,714 (2011 - \$29,769) and water and wastewater infrastructure in the amount of \$23,453 (2011 - \$10,295).

c) Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

d) Works of Art and Historical Treasures

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

e) Land and land improvement adjustment

Included in disposals of land and land improvements is an amount of \$5,210 to adjust for previously recorded duplicated additions and \$703 of premature recognition of land ownership.

14. ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surplus and reserves and reserve funds, as follows:

	2012	2011
		(Restated Note 18)
City operating fund surplus including library and business improvement areas before year-end accounting accruals	\$ 2,773	\$ 2,061
Year-end accounting adjustments	(2,454)	(2,289)
Operating surplus (deficit)	\$ 319	\$ (228)
Equity in Markham Enterprises Corporation	229,949	215,132
Invested in tangible capital assets and other	3,412,006	3,265,580
	\$ 3,642,274	\$ 3,480,484

RESERVES SET ASIDE FOR SPECIFIC PURPOSES BY COUNCIL:

Berczy landscape feature	203	203
Building fee	12,018	6,823
Capital gains	3,457	3,133
Corporate rate stabilization	17,100	16,419
Development fee	(149)	(1,751)
Election expenses	618	318
Election rebate	140	(104)
Facility ramp up	7,876	5,495
Firefighters sick leave benefits	6,045	5,565
Insurance	2,696	1,967
Long term disability benefit	12,784	11,154
Partnership	16	16
Waste management	28	28
Waterworks	34,098	31,118
Total reserves	\$ 96,930	\$ 80,384

RESERVE FUNDS SET ASIDE FOR SPECIFIC PURPOSES BY COUNCIL:

Cemetery operations	107	101
Environmental land acquisition	7,848	7,759
Environmental sustainability fund	243	291
Heritage	449	477
Land acquisition	3,915	4,019
Library infrastructure	5,704	5,122
Life cycle replacement & capital	80,383	96,243
Museum	59	58
Non-DC growth	16,803	16,435
Theatre	582	489
Trees for Tomorrow program	232	230
Workplace Safety & Insurance Board	2,836	2,799
Total reserve funds	\$ 119,161	\$ 134,023

Total	\$ 3,858,365	\$ 3,694,891
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15. LEASE OBLIGATIONS

As at December 31, 2012, the City is committed to minimum annual operating lease payments for premises and equipment, as follows:

2013	\$	540
2014		180
2015		4
2016		4
2017		4
Total	\$	732

16. CONTINGENCY

Unsettled Legal Claims and Potential Other Claims

The City has been named as the defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable at this time and, accordingly, no provision has been made in these financial statements for any liability that may result.

17. ACCOUNTS RECEIVABLE – POWERSTREAM INTEREST

Included in Accounts Receivable is \$7,584 (2011 - \$7,584) being interest at 5.58% per annum due for the period October 2006 to September 2008 on promissory notes issued by PowerStream. City Council has approved the deferral of this payment and future quarterly interest payments due up to September 2008 for a period of 5 years from September 2008. The City will receive full repayment of the accumulated interest due on October 31, 2013.

The City receives from PowerStream secondary interest on the deferred interest payments from April 2007 up to October 2013.

18. INVESTMENT IN MARKHAM ENTERPRISES CORPORATION

The City of Markham incorporated corporations under the laws of the Province of Ontario. Markham Enterprises Corporation (Previously Markham Energy Corporation) is wholly owned by the City of Markham. Markham Enterprises Corporation owns 100% of Markham District Energy Inc. and 34.185% (2011 – 34.185%) of PowerStream Inc.

In accordance with the June 1, 2004 shareholders' agreement, Markham Enterprises Corporation exercised its option to purchase from treasury, an additional 2% of all the issued and outstanding shares after giving effect to the exercise of such an option. An additional 35,0877 common shares were purchased in 2005 for cash consideration of \$6,800. On January 1, 2009, the shareholders of PowerStream Inc. and Barrie Hydro Distribution Inc., agreed to amalgamate PowerStream and Barrie Hydro Distribution Inc. The amalgamated corporation retained the PowerStream Inc. corporate name and issued shares to its shareholders namely – Vaughan Holdings Inc., Markham Enterprises Corporation and Barrie Hydro Holdings Inc. Upon amalgamation the shares held by Markham Enterprises Corporation will be 34.185% of the shares issued by PowerStream Inc. At year end, of the total 100,000 common shares issued by PowerStream Inc., 34,185 common shares were registered under Markham Enterprises Corporation.

On November 23, 2010 a Subscription Agreement was signed between PowerStream and its Shareholders for new Class A common shares for the purposes of the Shareholders providing equity for the Corporation's solar business. As a result of the subscription agreement the articles of incorporation and shareholder agreements was amended which have been re-signed in November 2010. The maximum amount of Class A common shares that are available under the subscription agreement is 100,000.

Of the total 55,195 (2011 – 7,955) Class A common shares issued 25,011 (2011 - 3,604) Class A Common Shares are registered under Vaughan Holdings Inc. (wholly owned by the City of Vaughan), 18,869 (2011 - 2,720) Class A Common Shares are registered under Markham Enterprises Corporation (wholly owned by the City of Markham) and 11,315 (2011 – 1,631) Class A common shares are registered under Barrie Hydro Holdings Inc. (wholly owned by the City of Barrie).

The Shareholder's Agreement, consistent with the original intent of the shareholders, provides the City of Markham, through its wholly owned subsidiary Markham Enterprises Corporation (MEC), with "substantive participating rights" that establish joint control with the City of Vaughan, through its wholly owned subsidiary Vaughan Holdings Inc., over the strategic operating, investing and financing policies of PowerStream.

First time adoption of International Financial Reporting Standards (IFRS)

Markham Enterprises Corporation (MEC) which is 100% subsidiary of City of Markham and its subsidiary corporation Markham District Energy (MDE) and associate corporation PowerStream, adopted IFRS on January 1, 2012.

The adoption of IFRS requires retrospective application of the new accounting framework to January 1, 2011, the date of transition. As a result, the amounts reported by MEC for its December 31, 2011 year end and the opening balance sheet as at the date of transition have been restated.

In preparing its opening IFRS consolidated balance sheet, MEC has adjusted amounts reported previously in its financial statements prepared in accordance with Canadian GAAP. IFRS 1 requires an entity to explain how the transition from its previous GAAP to IFRS affected its reported financial position, financial performance and cash flows by providing reconciliations of shareholders' equity, comprehensive income and cash flows for prior periods.

Accordingly, MEC prepared their first annual financial statements in accordance with IFRS and IFRS 1 First-time Adoption of International Financial Reporting Standards (IFRS 1) has been applied. The adjustments in the City's financials due to IFRS are provided as per below:

As at and for the year ended December 31, 2011, unless otherwise stated	Balance, previously reported	IFRS adjustments to opening accumulated surplus as at Jan. 1, 2011	IFRS adjustment to 2011 surplus	Balance, restated
Investment in Markham Enterprises Corporation	\$ 199,578	\$ 17,227	(\$1,673)	\$ 215,132
Equity pick up from Markham Enterprises Corporation	8,020	-	(1,673)	6,347
Accumulated surplus, January 1, 2011	\$ 3,527,706	\$ 17,227	-	\$ 3,544,933

The following consolidated financial statements of Markham Enterprises Corporation include the financial information of its subsidiaries Markham District Energy Inc., and PowerStream Inc. for the period from January 1, 2012 to December 31, 2012 and January 1, 2011 to December 31, 2011 under IFRS.

	2012	2011
ASSETS		(Restated Note 18)
Current	\$ 85,515	\$ 79,924
Capital	397,332	354,943
Goodwill	14,543	14,543
Other	20,647	19,102
Total Assets	\$ 518,037	\$ 468,512
LIABILITIES		
Current	70,810	80,054
Other	90,743	52,928
Long term	126,535	120,398
Total Liabilities	\$ 288,088	253,380
SHAREHOLDERS' EQUITY		
Common shares	82,524	\$ 72,897
Promissory notes payable	79,164	79,164
Retained earnings and contributed surplus	68,261	63,071
Total Shareholders' Equity	\$ 229,949	215,132
Total Liabilities and Shareholders' Equity	\$ 518,037	\$ 468,512
RESULTS OF OPERATIONS		
Revenues	\$ 349,566	\$ 326,912
Operating expenses	339,589	320,565
NET INCOME	\$ 9,977	\$ 6,347
Equity pick up in Markham Enterprises Corporation	9,977	\$ 6,347
Increase in share capital	9,627	5,337
Dividend paid to City of Markham	(4,786)	(3,445)
Adjustments due to IFRS	-	17,227
CHANGE IN EQUITY IN MARKHAM ENTERPRISES CORPORATION	\$ 14,818	\$ 25,466

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

INDEPENDENT AUDITORS' REPORT



KPMG LLP
Chartered Accountants
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Canada

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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers
of The Corporation of the City of Markham

We have audited the accompanying financial statements of the Trust Funds of The Corporation of the City of Markham, which comprise the statement of financial position as at December 31, 2012, the statement of financial activities and fund balances for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Funds of The Corporation of the City of Markham as at December 31, 2012, and its statement of financial activities and fund balances for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

April 30, 2013
Toronto, Canada

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TRUST FUNDS

STATEMENT OF FINANCIAL POSITION December 31, 2012 with comparative figures for 2011	Morgan Park Trust	Varley- McKay Trust	Markham Conservation Committee Trust	Cemetery Trust	Older Adults In Action Trust	Markham History Research & Publication Trust	Total 2012	Total 2011
Cash	\$67,429	\$1,303,251	\$10,805	\$789,011	\$8,562	\$80,281	\$2,259,339	\$2,234,240
Payable to Varley-McKay Foundation	-	(4,447)	-	-	-	-	(4,447)	(13,316)
Fund balance	\$67,429	\$1,298,804	\$10,805	\$789,011	\$8,562	\$80,281	2,254,892	\$2,220,924

STATEMENT OF OPERATIONS AND FUND BALANCES

Year ended December 31, 2012
with comparative figures for 2011

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

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

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The Trust Funds financial statements of The Corporation of The City of Markham are the representation of management prepared in accordance with accounting principles set out below.

Basis of Accounting

(a) Revenue Recognition

Receipts, other than interest and letters of credit receipts, are reported on receipt. Interest income and letters of credit receipts are recorded on the accrual basis of accounting.

(b) The accrual basis of accounting recognizes expenditures as they are incurred and measurable as a result of receipts of goods or services and the creation of legal obligation to pay.

2. TRUST FUNDS

Morgan Park Trust

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.

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. Interest 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 and 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. This trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee and the Markham District Historical Society and the Museum Advisory Board.

FIVE-YEAR REVIEW (UNAUDITED)

(All dollar amounts are in \$000)

	2012	2011	2010	2009	2008
OPERATIONS		(Restated)			
Expenses by Function					
General government	\$ 49,186	\$ 49,535	\$ 42,437	\$ 41,994	\$ 35,190
Protection to persons and property	40,496	37,378	33,969	33,637	32,874
Transportation services	27,691	27,966	27,523	36,553	25,193
Environmental services	28,012	27,083	25,867	21,210	20,003
Recreation and cultural services	47,306	46,460	40,872	41,058	41,525
Planning and development services	9,701	6,750	6,393	6,796	13,144
Other	47	41	32	399	597
Write-down of tangible capital assets	-	331	989	-	-
Amortization of tangible capital assets	59,053	55,246	53,636	50,996	47,863
	\$ 261,492	\$ 250,790	\$ 231,718	\$ 232,643	\$ 216,389
Revenues by Source					
Taxation (includes supplementary & payments in lieu)	\$ 122,270	\$ 119,934	\$ 112,098	\$ 110,328	\$ 106,856
Fees and service charges	70,268	64,309	58,748	51,349	47,048
Grants/Subsidies - federal and provincial	3,063	8,750	6,931	7,089	21,216
Contribution from developers	124,245	85,367	54,858	92,456	141,319
Investment income	15,697	15,822	14,528	14,743	13,190
Deferred revenue earned	63,202	82,760	40,564	43,715	23,389
Equity pick up in Markham Enterprises Corporation	9,977	6,347	6,926	(2,247)	7,464
Other revenue	16,244	17,459	11,422	13,699	13,506
	\$ 424,966	\$ 400,748	\$ 306,075	\$ 331,130	\$ 373,988
Surplus					
Surplus for the year	163,474	\$ 149,958	\$ 74,357	\$ 96,387	\$ 157,599
Surplus, beginning of year	3,694,891	3,544,933	3,453,349	3,356,962	3,197,583
Surplus, end of year	\$ 3,858,365	\$ 3,694,891	\$ 3,527,706	\$ 3,453,349	\$ 3,355,182
<i>Reference: consolidated statement of operations and accumulated surplus</i>					
RESERVES/RESERVE FUNDS AND DEFERRED REVENUE					
Reserves	\$ 96,930	\$ 80,384	\$ 61,699	\$ 38,002	\$ 42,950
Reserve funds - discretionary only	119,161	134,023	120,992	104,817	83,910
Deferred revenue	151,227	133,024	147,742	143,059	\$ 165,609
	\$ 367,318	\$ 347,431	\$ 330,433	\$ 285,878	\$ 292,469

FIVE-YEAR REVIEW (UNAUDITED)

(All dollar amounts are in \$000)

	2012	2011	2010	2009	2008
NET FINANCIAL ASSETS		(Restated)			
Financial Assets					
Cash and cash equivalents	\$ 370,550	\$ 363,848	\$ 335,552	\$ 339,230	\$ 339,566
Taxes receivable	39,150	31,918	39,141	44,130	37,670
Unbilled user charges	9,870	8,802	7,964	7,118	5,930
Accounts receivable	55,633	53,691	51,222	28,679	26,732
Investment in Markham Enterprises Corporation	229,949	215,132	189,665	185,760	193,768
Other current assets	3,067	4,123	4,644	4,853	5,494
Total financial assets	\$ 708,219	\$ 677,514	\$ 628,188	\$ 609,770	\$ 609,160
Financial Liabilities					
Accounts payable and accrued liabilities	\$ 107,616	\$ 113,432	\$ 82,101	\$ 75,732	\$ 65,368
Deferred revenue	151,227	133,024	147,742	143,059	165,609
Employee future benefits liabilities	26,205	23,879	17,756	16,662	15,522
Long term liabilities	11,181	11,599	12,000	-	-
Total financial liabilities	\$ 296,229	\$ 281,934	\$ 259,599	\$ 235,453	\$ 246,499
NET FINANCIAL ASSETS	\$ 411,990	\$ 395,580	\$ 368,589	\$ 374,317	\$ 362,661
NET LONG TERM DEBT					
Net Long-term Liabilities - City of Markham purposes	\$ 11,181	\$ 11,599	\$ 12,000	\$ 0	\$ 0
Annual debt limit prescribed by province	\$ 65,013	\$ 58,347	\$ 53,862	\$ 52,975	\$ 48,762
Per capita	\$ 0.03	\$ 0.04	\$ 0.04	\$ 0.00	\$ 0.00
Percentage of taxable assessment	0.0226%	0.0252%	0.0282%	0.0000%	0.0000%
Annual charges for net long-term liabilities					
Principal and interest - City of Markham purposes	\$ 886	\$ 886	\$ 886	\$ 0	\$ 0
As a percentage of operating fund expenses	0.34%	0.35%	0.38%	0.00%	0.00%
Per capita	\$ 0.003	\$ 0.003	\$ 0.003	\$ 0.00	\$ 0.00
Consolidated Expenses by Object					
Salaries, wages and employee benefits	\$ 120,111	\$ 113,858	\$ 104,066	\$ 104,089	\$ 95,378
Operating materials and supplies	37,309	30,981	29,490	32,032	28,377
Contracted services	43,798	48,660	42,072	44,312	43,557
Rents and financial expenses	965	1,479	1,237	990	1,000
External transfers to others	256	235	228	224	214
Tangible capital assets	-	-	-	-	-
Write-down of tangible capital assets	-	331	989	-	-
Amortization - tangible capital assets	59,053	55,246	53,636	50,996	47,863
Total expenses by object	\$ 261,492	\$ 250,790	\$ 231,718	\$ 232,643	\$ 216,389

FIVE-YEAR REVIEW (UNAUDITED)

(All dollar amounts are in \$000)

	2012	2011	2010	2009	2008
TAXABLE ASSESSMENT					
Residential, multi-residential and farm	\$40,455,022	\$37,750,995	\$34,833,624	\$32,725,870	\$30,416,481
Commercial - all classes	7,806,727	7,161,784	6,491,769	5,662,287	5,174,149
Industrial - all classes	1,206,825	1,147,875	1,133,147	1,088,515	985,494
Pipeline & managed forests	55,533	53,189	51,170	47,902	47,828
	\$49,524,106	\$46,113,843	\$42,509,710	\$39,524,574	\$36,623,952
Commercial, industrial and business as a percentage of taxable assessment	18.20 %	18.02 %	17.94 %	17.08 %	16.82 %
PROPERTY TAXATION					
Tax Rates/Mill Rates (Note 1)					
	%	%	%	%	%
Residential - City of Markham	0.231600	0.237560	0.245313	0.256940	0.270413
Region of York	0.452889	0.463520	0.477021	0.500081	0.515464
School Boards (public and separate)	0.221000	0.231000	0.241000	0.252000	0.264000
	0.905489	0.932080	0.963334	1.009021	1.049877
Multi-residential - City of Markham	0.231600	0.237560	0.245313	0.256940	0.270413
Region of York	0.452889	0.463520	0.477021	0.500081	0.515464
School Boards (public and separate)	0.221000	0.231000	0.241000	0.252000	0.264000
	0.905489	0.932080	0.963334	1.009021	1.049877
Commercial - full rate - City of Markham	0.258740	0.271550	0.289470	0.310127	0.326389
Region of York	0.505968	0.529850	0.562885	0.603598	0.622165
School Boards (public and separate)	1.129617	1.204043	1.289313	1.385926	1.492897
	1.894325	2.005443	2.141668	2.299651	2.441451
Commercial - vacant units, excess land percentage of full rate	70	70	70	70	70
Industrial - full rate - City of Markham	0.303950	0.316070	0.333013	0.352959	0.371467
Region of York	0.594372	0.616713	0.647556	0.686961	0.708093
School Boards (public and separate)	1.301035	1.375265	1.459012	1.552479	1.656911
	2.199357	2.308048	2.439581	2.592399	2.736471
Industrial - vacant units, excess land - percentage of full rate	65	65	65	65	65
Taxes Levied					
City of Markham	\$122,270	\$119,934	\$112,098	\$110,328	\$106,856
Region of York	231,852	226,370	211,312	207,957	197,530
School Boards (public and separate)	193,725	195,569	181,789	177,411	172,284
	\$547,847	\$541,873	\$505,199	\$495,696	\$476,670
Total Tax Arrears (Taxes Receivable)					
Per capita	\$39,150	\$31,918	\$39,141	\$44,130	\$37,670
Percentage of current levy	\$120.91	\$101.14	\$126.61	\$145.14	\$125.57
	7.15 %	5.89 %	7.75 %	8.90 %	7.90 %

Notes:

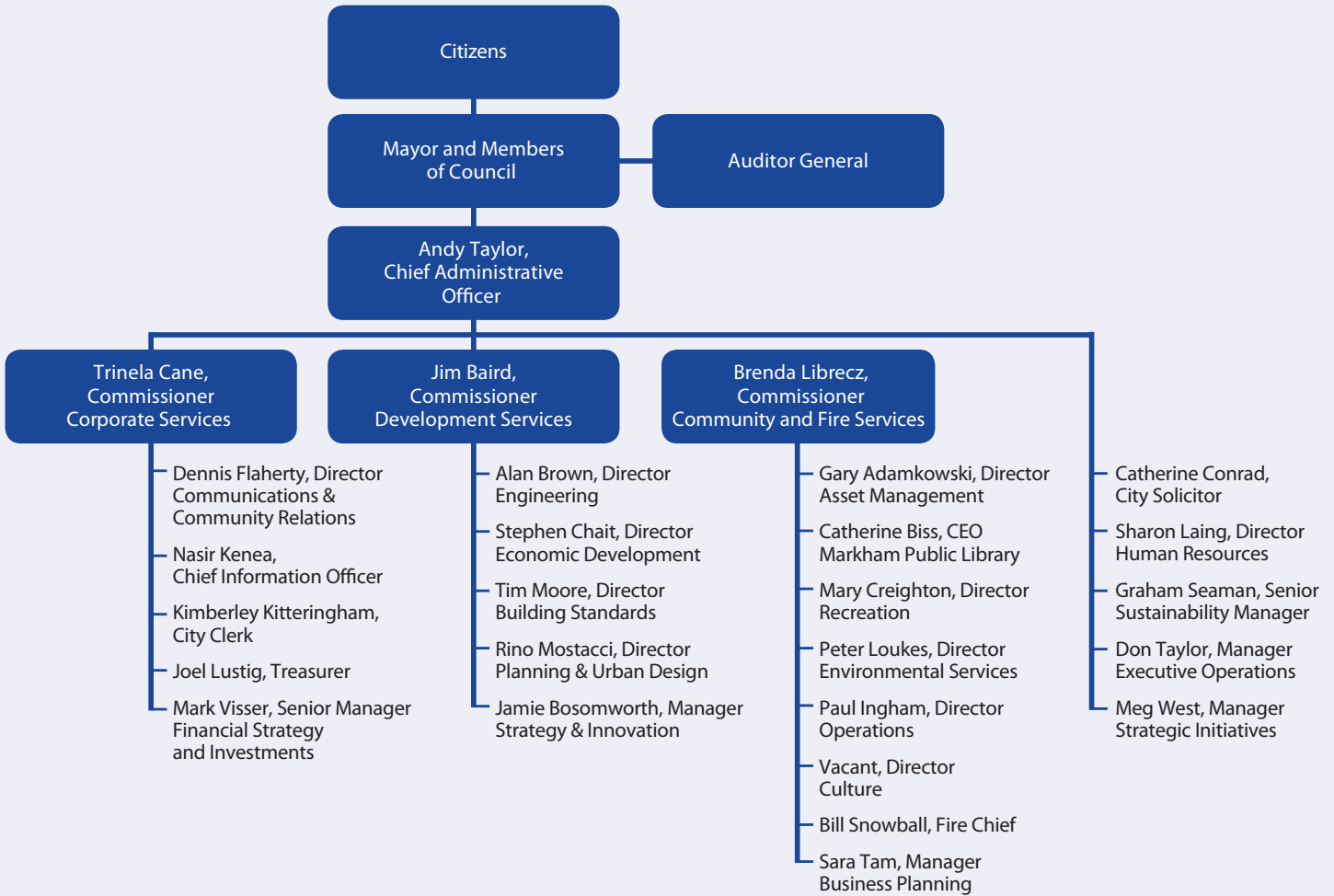
(1) Average Residential Tax Bill for 2012 was based on Current Value Assessment \$458,000

PERFORMANCE MEASURES REPORT CARD (UNAUDITED)

Year ended December 31, 2012

<i>Measure</i>	2012	2011
Local Government		
Operating costs for governance and corporate management as a percentage of total municipal operating costs	9.50%	8.70%
Fire		
Operating costs for fire services per \$1,000 of assessment	\$0.72	\$0.68
Roads		
Operating costs for paved (hard top) roads per lane kilometre	\$6,885.74	\$7,181.41
Operating costs for bridges and culverts per square metre of surface area	\$14.06	\$28.90
Operating costs for winter control maintenance of roadways per lane kilometre maintained in winter	\$2,280.27	\$3,953.60
Percentage of paved lane kilometres where the condition is rated as good to very good	87.10%	93.00%
Percentage of winter events where the response met or exceeded locally determined road maintenance standards	100.00%	100.00%
Wastewater (Sewage)		
Operating costs for collection/conveyance of wastewater per kilometre of wastewater main	\$1,775.11	\$1,037.49
Operating costs for the treatment and disposal of wastewater per mega litre	\$964.11	\$775.02
Operating costs for collection/conveyance, treatment and disposal of wastewater per mega litre (Integrated)	\$1,006.48	\$799.94
Number of wastewater main backups per 100 kilometres of wastewater main in the year	2.039	2.428
Percentage of wastewater estimated to have by-passed treatment	N/A	N/A
Water		
Operating costs for the treatment of drinking water per mega litre	\$1,047.67	\$1,121.10
Operating costs for the distribution/transmission of drinking water per kilometre of water distribution transmission pipe	\$5,622.92	\$5,490.85
Operating costs for the treatment and distribution/transmission of drinking water per mega litre (Integrated)	\$1,205.43	\$1,271.74
Number of water main breaks per 100 kilometres of water distribution pipe in a year	3.08	3.66
Weighted number of days when a boil water advisory issued by the Medical Officer of Health, applicable to a municipal water supply	0.000	0.000
Solid Waste Management (Garbage)		
Operating costs for solid waste collection per tonne	\$23.73	\$22.66
Operating costs for solid waste disposal per tonne	-	-
Operating costs for solid waste diversion (recycling) per tonne	\$109.82	\$96.22
Average operating costs for solid waste management per tonne – Integrated	\$102.40	\$94.09
Number of days per year when a Ministry of Environment compliance order for remediation concerning an air or groundwater standard was in effect for a municipally owned Solid Waste Management facility	0.00	0.00
Total number of solid waste management facilities owned by Municipality	0.00	0.00
Number of complaints received in a year concerning the collection of garbage and recycled materials per 1,000 households	1.29	0.92
Percentage of residential solid waste diverted for recycling	71.60%	71.10%
Parks and Recreation		
Operating costs for parks per person	\$30.06	\$28.24
Operating costs for recreation programs per person	\$21.87	\$25.21
Operating costs for recreation facilities per person	\$54.09	\$58.96
Operating costs for recreation programs and recreation facilities per person	\$75.96	\$84.17
Hectares of open space per 1,000 persons (municipally owned)	3.63	3.51
Total kilometres of trails per 1,000 persons	0.439	0.437
Total hours for special events	1,019,850	1,023,100
Total hours for registered programs	101,714	83,959
Total hours for drop-in programs	32,524	32,107
Total hours for permitted programs	4,286,618	4,192,730
Total participant hours	4,420,856	4,308,796
Total participant hours for recreation programs (registered, drop-in and permitted programs) per 1,000 persons	13,653	13,653
Square metres of indoor recreation facilities (municipally owned)	113,050	96,136
Square metres of outdoor recreation facility space with controlled access and electrical or mechanical functions (municipally owned)	22,955	21,751
Total square metres recreation facility space (municipally owned)	136,005	117,887
Square metres of indoor recreation facilities per 1,000 persons (municipally owned)	349.131	304.625
Square metres of outdoor recreation facility space with controlled access per 1,000 persons (municipally owned)	70.892	68.922
Library Services		
Operating costs for library services per person	\$35.15	\$35.61
Operating costs for library services per use	\$0.84	\$0.84
Total library uses for municipality only	13,477,942	13,338,658
Total population	323,804	315,588
Library uses per person	41.624	42.266
Electronic library uses as a percentage of total library uses	40.90%	44.20%
Non-electronic library uses as a percentage of total library uses	59.10%	55.80%
Land-Use Planning		
Percentage of new residential units located within settlement areas	100.00%	100.00%
Percentage of land designated for agricultural purposes which was not re-designated for other uses during the reporting year	100.00%	100.00%
Percentage of land designated for agricultural purposes which was not re-designated for other uses relative to the base year of 2000	88.00%	88.00%

ORGANIZATIONAL STRUCTURE (GRI 2.3)



GLOBAL REPORTING INITIATIVE (GRI)

HOW MARKHAM USES GRI

For the second year in a row, Markham has integrated Sustainability Reporting into its annual report, using the Global Reporting Initiative (GRI) Framework. In 2011, the first year using GRI, we relied on indicator data that was readily available (GRI 3.5). For this year, we have included more focused messages about what the indicators mean to the overall management of our City, and we self-declare this to be a level C report. We have also included GRI data for our two subsidiary businesses; wholly-owned Markham District Energy Inc. (MDEI) and partially-owned PowerStream Inc (GRI 3.6).

In our 2012 Annual Report, we are presenting the fully reported indicators for 2011, including refined labour data, and the Electrical Utility guidelines being applied to both PowerStream and MDEI (GRI 3.11). Audiences include our residents, businesses, municipal peers, other levels of Government and members of the broader public sector, as well as Markham Council and Staff (GRI 3.5). Going forward Markham plans to monitor and report on our corporate water and materials data, in addition to the current indicators and to review all data for opportunities to improve performance (GRI 3.7).

Markham continues to receive just over \$8.0 million from the Federal Gas Tax for sustainable infrastructure. Approximately half this money is invested in MDEI as equity, to support its growth. Provincial capital funding decreased in 2012 due to the expected completion of several infrastructure stimulus programs in 2011, resulting in an expected 34 per cent reduction in upper level Government funding (GRI EC4).

Analysis of our energy and greenhouse gas (GHG) emissions data shows that we've successfully kept our GHGs in check, in fact, reduced slightly, while adding two new facilities. Targeted conservation efforts for our largest emitting assets – our facilities – have resulted in a reduction in natural gas and electricity consumption of 4 per cent each (GRI EN16).

Through our quality initiative, Excellence Markham, we conduct a staff satisfaction survey every other year and business unit customer surveys as requested. In 2012, our Information Technology Services department, the Markham Convergence Centre and the Engineering Department (Development Services) surveyed their stakeholders. Results were analyzed and action plans to address deficiencies have been developed (GRI PR5).

This is our first year reporting Electrical Utility (EU) indicators for MDEI and PowerStream. PowerStream delivers a broad array of electricity conservation and demand management programs for their residential, commercial/institutional and industrial customers. MDEI delivers thermal heating and cooling energy much more efficiently from central plants to their district energy customers, and they work closely with those customers to consider energy conservation during design, construction and on-going operation of their buildings (GRI EU7). Both companies have comprehensive health and safety programs in place for employees and contractors (GRI EU16), in addition PowerStream and MDEI have contingency and disaster/emergency management plans and training to ensure continuity of service (GRI EU21).

2012 Electrical Utility Indicators

INDICATOR	DESCRIPTION	POWERSTREAM	MDEI
EU1	Installed capacity, broken down by primary energy source and by regulatory regime	5.4MW of solar photovoltaic roof top facilities with FIT contracts from the Ontario Power Authority	39MW thermal heating capacity, 35MW thermal cooling capacity, 8.5MW Combined Heat and Power (CHP) capacity
EU3	Residential Customers	304,801	146
	Institutional/Commercial Customers	33,615	14
	Industrial Customers	4,769	0
	Other Customers (Streetlights)	159	0
	Total Customers	343,344	160
EU12	Transmission and distribution losses as a percentage of total energy	3.45% - Territory wide harmonized line loss factor	Not applicable

GRI Content Table 2012

The table *on the following page* illustrates how Markham's 2012 Annual Report aligns with GRI 3.1, Sustainability Reporting Guidelines and specific GRI indicators. The table identifies whether the selected indicators have full or partial coverage and their location within the 2012 Annual Report. For more information, visit www.globalreporting.org.

Indicator Description	Coverage	Page Reference/Comments
<i>Strategy and Analysis</i>		
1.1 Statement from Mayor and CAO on sustainability	●	p. 2 (Mayor), 7 (CAO)
<i>Organizational Profile</i>		
2.1 Name of organization	●	Inside front cover
2.2 Primary brands, products and/or services	●	p. 35 (note 8)
2.3 Operational structure of the organization	●	p. 50
2.4 Location of organization's headquarters	●	Back cover
2.5-2.7 Location of operations, ownership/legal form, markets served	●	Local Municipal Government
2.8 Scale of the reporting organization	●	p. 7
2.9 Significant changes during the reporting period	●	p. 6
2.10 Awards received	●	p. 25
<i>Report Parameters</i>		
3.1 Reporting period	●	Calendar Year
3.2 Date of most recent report	●	p. 1
3.3 Reporting Cycle	●	Annual
3.4 Contact point for report	●	Back cover
3.5 Process for defining report content	●	p. 51
3.6 Boundary of the report	●	p. 51
3.7 Specific limitations on the scope or boundary of the report	●	p. 51
3.8 Joint ventures, subsidiaries, leased facilities, outsourced operations	●	p. 41 (note 18)
3.9 Date measurement/treatment if divergent from GRI protocol	●	Not applicable
3.10 Explanation of any re-statements	●	Not applicable
3.11 Significant changes from previous reporting periods	●	p. 51
3.12 GRI Content Index	●	p. 52
<i>Governance, Commitments and Engagement</i>		
4.1, 4.2 Governance structure and chair of the highest governing body	●	p. 5
4.3 Independent and/or non-executive members of Council	●	p. 5
4.4 Stakeholder/employee communication to Council	⊕	p. 5
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	●	p. 5
4.14, 4.15 List of stakeholders and basis for identification and selection	●	p. 5
<i>Economic Performance Indicators</i>		
EC1 Direct economic value generated and distributed	●	p. 25, 29
EC3 Defined benefit plan obligations	●	p. 34 (note: 5)
EC4 Significant government financial assistance	●	p. 51, 53
EC8 Public benefit infrastructure/service investments	●	p. 13, 17, 22
<i>Environmental Performance Indicators</i>		
EN3 Direct energy consumption by primary source	●	p. 53
EN13 Habitats protected or restored	●	p. 3, 15
EN14 Strategies for managing impacts on biodiversity	●	p. 9, 15
EN16 Direct and indirect GHGs	●	p. 7, 51, 53
EN18 Initiatives to reduce GHG emissions	●	p. 7, 15, 17
<i>Social Performance Indicators</i>		
SO8 Monetary fines and non-monetary sanctions for non-compliance	●	No fines or sanctions
LA1 Total workforce	⊕	p. 7, 53
LA2 Total number and rate of employee turnover	⊕	p. 53
LA4 Collective bargaining agreements	●	35% of total workforce
LA6 Percentage of workforce represented in formal joint management-worker health and safety committees	●	100% representation via 6 joint committees
LA10 Average hours of training per year per employee	⊕	3.86 hours of training, excluding health & safety
PR5 Practices related to customer satisfaction	⊕	p. 21, 51, 53
<i>Electrical Utility Indicators</i>		
EU1 Installed capacity, broken down by primary energy source and by regulatory regime	⊕	p. 51
EU3 Number of residential, industrial, institutional and commercial customer accounts	●	p. 51
EU7 Demand-side management programs, including residential, commercial, institutional and industrial	●	p. 51
EU12 Transmission and distribution losses as a percentage of total energy	●	p. 51
EU16 Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors	●	p. 51
EU21 Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	●	p. 51

ENVIRONMENTAL PERFORMANCE INDICATORS

TOTAL 2012 ENERGY CONSUMPTION AND GHG EMISSIONS¹

EN3 and EN16 - Direct energy consumption by primary energy source and resultant GHGs

Direct Energy Source	2012 Consumption	2011 Consumption	Percent Change	2012 GHG	2011 GHG
Natural gas (M ³)	2,500,000	2,600,000	-4%	4,740	4,930
Electricity (kWh)	27,000,000	28,200,000	-4%	3,504	3,660
Unleaded fuel (L)	410,000	380,000	8%	1,003	930
Biodiesel B5 (L)	240,000	215,000	12%	614	550
Biodiesel B20 (L)	230,000	230,000	0%	500	500
District heating (eM ³)**	210,000	160,000	31%	394	300
Propane (L)	60,000	45,000	33%	93	70
District cooling (ekWh)***	340,000	250,000	36%	41	30
			Total*	10,890	10,970
			GHG reduction YOY	-0.74%	

*Tonnes equivalent Carbon Dioxide (TeCO₂)

**Equivalent M³

***Equivalent kWh

ECONOMIC PERFORMANCE INDICATORS

GOVERNMENT FINANCIAL ASSISTANCE

EC4 - Significant government financial assistance

	2012 \$	2011 \$	% Change
Government of Ontario	2,900,000	8,600,000	-66%
Government of Canada	8,200,000	8,100,000	1%
Total Government Financial Assistance	11,100,000	16,700,000	-34%

PRODUCT RESPONSIBILITY

CUSTOMER SATISFACTION SURVEY RESULTS

PR5 - Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

2012	% Overall Satisfaction	% Extremely/Very Satisfied
Markham Convergence Centre	80	70
Engineering Development	57.2	27.3
Information Technology Services	72.4	52.2

SOCIAL PERFORMANCE INDICATORS – WORKFORCE

LABOUR FORCE

LA1 - Total workforce by employment type, broken down by gender

	2012	2011	% change
Male	1,256	1,154	9%
Female	1,048	946	11%
Total	2,304	2,100	10%
Management (with direct reporting)	197	215	-8%
Non-Management	2,107	1,885	12%

NEW HIRES, REHIRS AND TURNOVER

LA2 - Total number and rate of new employee hires and employee turnover by age group

	2012	2011	% change
New Hires	732	682	7%
Rehires	596	-	n/a
Turnover*	1,119	825	36%

*Turnover for regular full-time employees decreased by 1.2% from previous year

DEMOGRAPHIC OF NEW HIRES, REHIRS AND TURNOVER

	New Hires		Rehires		Turnover*	
	2012	2011	2012	2011	2012	2011
<30	538	508	443	-	833	-
30-50	146	131	93	-	166	-
>50	48	43	60	-	120	-
Total	732	682	596	-	1,119	825
Percent change year over year	7%		n/a		36%	

*Turnover for regular full-time employees decreased by 1.2% from previous year

¹Greenhouse Gas (GHG) emissions calculated using National Inventory Report: 1990-2010 Greenhouse Gas Sources & Sinks in Canada

Markham information in many languages
905-477-5530

Information Markham en plusieurs langues

ਮਾਰਖਮ ਬਾਰੇ ਕਈ ਭਾਸ਼ਾਵਾਂ ਵਿੱਚ ਜਾਣਕਾਰੀ

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اطلاعات مارکھام به زبانهای مختلف

அநேக மொழிகளில் மார்க்கம் செய்தி

بہت ساری زبانوں میں مارکھم کی معلومات



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