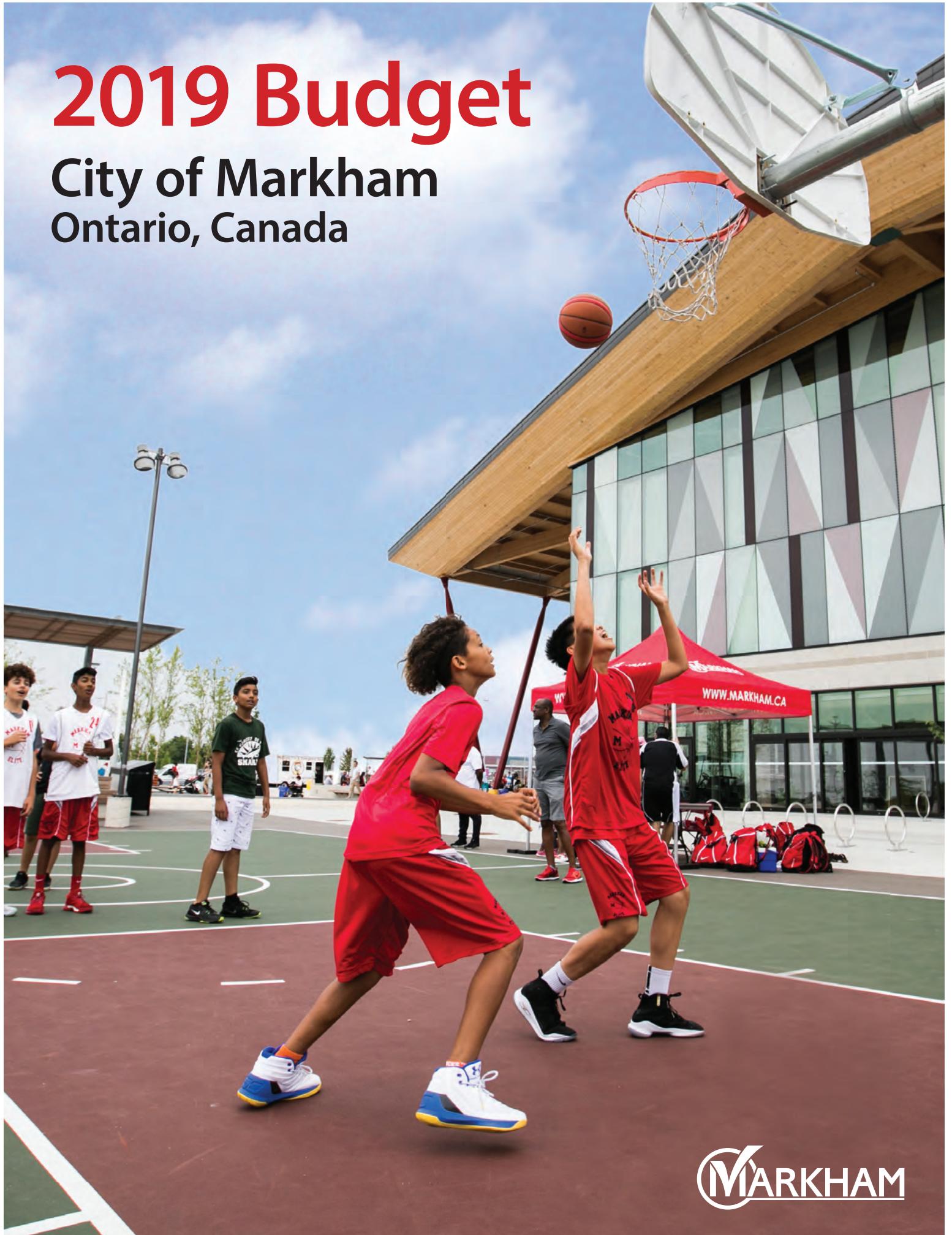


# 2019 Budget

City of Markham  
Ontario, Canada





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Markham  
Ontario**

For the Fiscal Year Beginning

**January 1, 2018**

*Christopher P. Morrill*

Executive Director



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## 2019 EXECUTIVE SUMMARY

This year marks the 225<sup>th</sup> anniversary of the founding of the City of Markham in 1794. Markham is located in the Region of York (York Region) within the Greater Toronto Area (GTA). Markham has a population of over 353,000 and is the fourth most populous community within the GTA after Toronto, Mississauga and Brampton. Markham is a diverse and dynamic community that continues to experience tremendous growth, with the City population having increased over 50,000 since 2006. Today Markham offers a rich heritage, outstanding community services, and a thriving local economy.

Markham is home to more than 400 Canadian head offices and over 1,500 high-tech and life sciences companies. A well-defined transportation and communication network, high quality facilities, a diverse and highly educated labour force, and a pro-business environment make Markham an ideal location for business development.

In May 2019, Mayor Frank Scarpitti announced that Markham will be home to the new Markham Innovation Exchange (“MiX”), which will be one of the largest innovation districts in North America. The City of Markham designated approximately 1,900 acres of private and city-owned land that will be developed into a home for innovators, entrepreneurs and start-ups, with a potential for academic partnerships and mixed attractions for tourism opportunities.

Markham boasts a collection of elite multinational companies that includes AMD, Avaya, Honda Canada, Honeywell, Hyundai Mobis, IBM, Johnson & Johnson, Motorola, Oracle, Toshiba, and Toyota Financial Services.

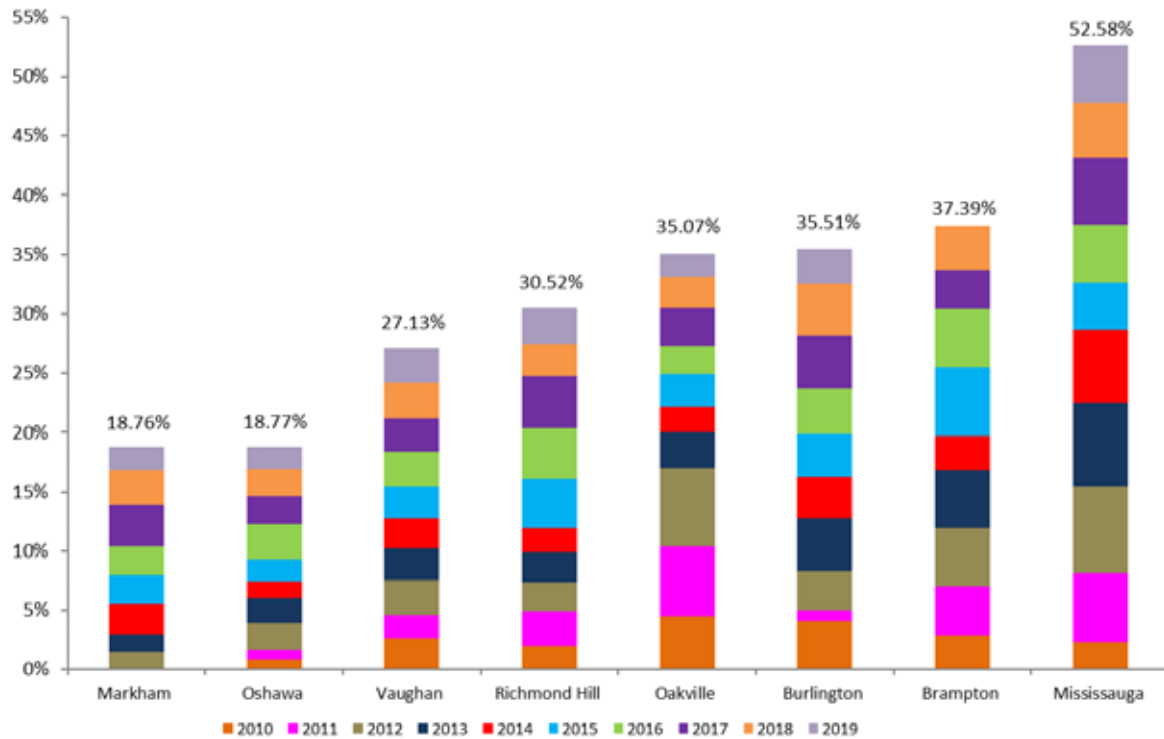
By providing exemplary leadership, Markham has developed a reputation for prudent fiscal management while continuing to maintain or enhance service levels to its residents through investment in state of the art facilities, strategic community planning, substantial infrastructure investment, and a commitment to innovative green initiatives.

Markham has maintained low tax rates year over year making it the benchmark for other municipalities to follow. Markham's residential tax rate is the second lowest in the GTHA. Markham boasts the lowest municipal commercial tax rate for the sixth consecutive year, the lowest industrial tax rate for the ninth consecutive year, and the lowest multi-residential tax rate for the tenth consecutive year.

Following approval of the 2019 Budget, Markham's ten year (2010-2019) cumulative residential tax rate increase of 16.79% or an average of 1.68% per year is the lowest among GTA municipalities.



Residential Tax Rate Comparison with Other Municipalities  
10 Year Total (2010-2019)



Despite a history of low tax rate increases, the City continues to invest tax dollars to improve infrastructure, community facilities, and celebrate the city's diverse culture, and unique history. Markham Centre, the City's purposely built downtown, is bursting with energy and cultural activity. The City opened three major community centres in five years: Cornell, Pan Am, and Aaniin. The new Aaniin Community Centre and Library is a state-of-the-art facility that recognizes the outstanding achievements of Canada's Indigenous People and Markham's valued partnership with the Eabametoong First Nation. Furthermore in 2018, Markham celebrated the grand opening of Veterans Square and Cenotaph, a place for peace and a place to reflect and remember the men and women who valiantly fought for our collective freedom.

Markham continues to prove its commitment to innovative green initiatives through waste diversion programs. The City of Markham's textile recycling program was the first of its kind in a Canadian Municipality, to ban textiles from curbside collection. The program was launched in 2016 with 108 textile recycling bins, and in 2018 a further 42 bins were added, bringing the total to 150 bins, and over 6 million pounds of textiles collected, and diverted from landfills.

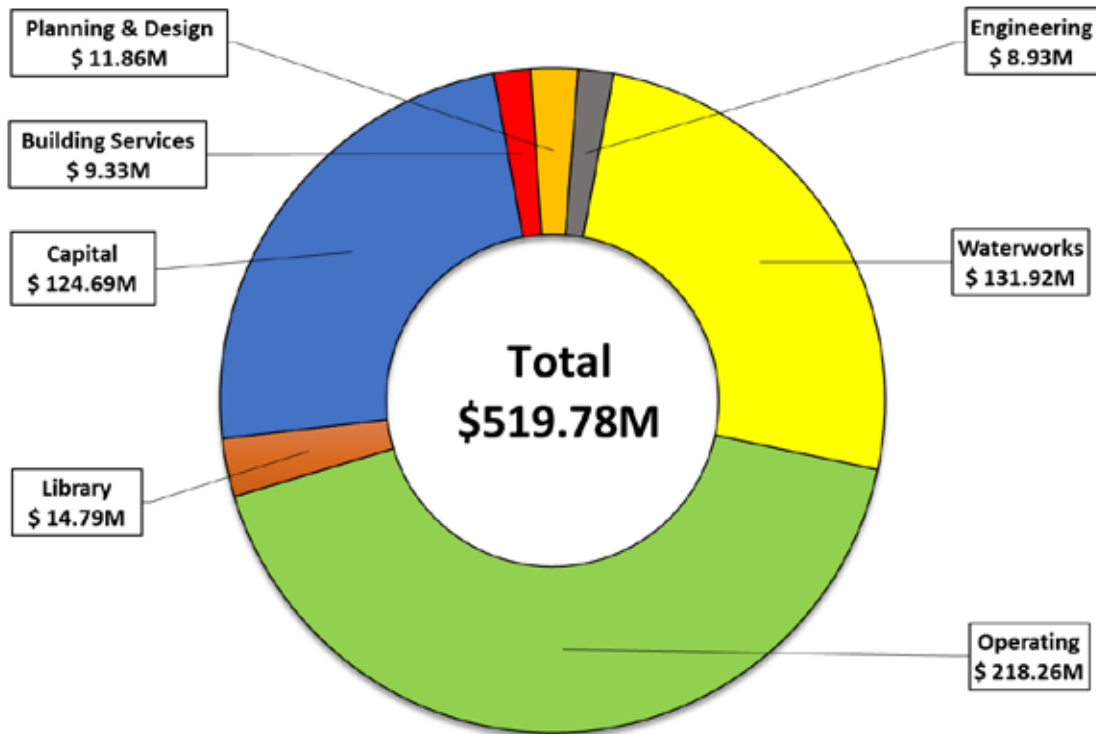
Transformative technologies, innovation spaces, entrepreneurship and a free flow of ideas are at the core of Markham's strategic plan, which is anchored by industry leaders and start-ups that call Markham home. Markham's visionary path, is supported by strong and collaborative relationships that continue to position the city for success on



the world stage. Markham recently partnered with two tech giants, Bell and IBM, on a Smart City initiative that will help find efficiencies and protect city assets. In an age of great transformation, City Council and staff continue to reinforce Markham's position as a 21st century city and a municipal leader in the heart of Ontario's innovation corridor.

### 2019 Budget Process

In March 2019, Markham Council approved the 2019 budget of \$519.78M. The major components are:



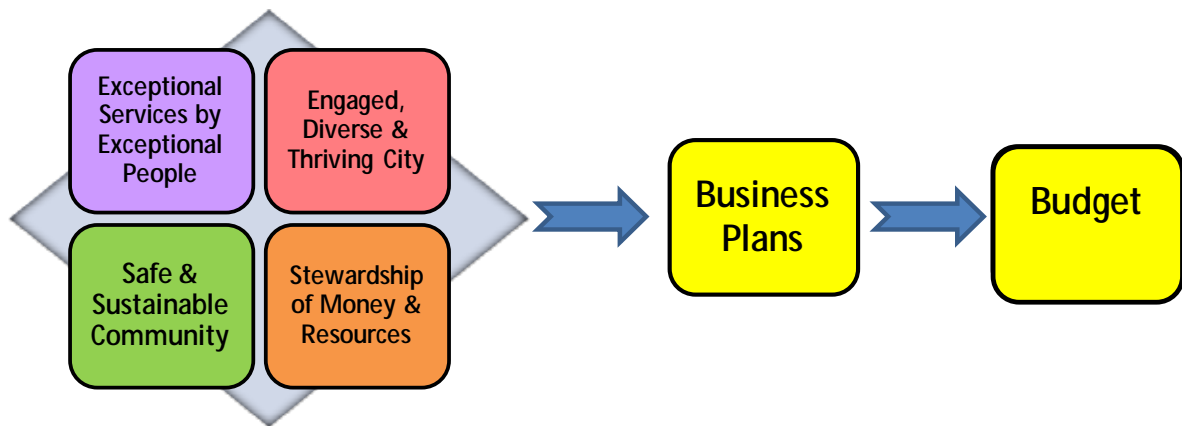
Council also approved a tax rate increase of 1.97% which comprises of a 1.47% increase to support day-to-day operations plus a 0.5% increase relating to infrastructure investment to ensure there are sufficient funds set aside in the Life Cycle Replacement and Capital Reserve Fund for the next 25 years, based on known inflows and outflows.

The 2019 budget was developed in accordance with budget guidelines. The process was initiated with a fiscal scan that identified economic pressures. Based on this and other factors, a preliminary budget was developed. Early in the process, priorities were set, aligning the City's corporate goals to departmental budget requests. These requests were submitted to Senior Staff for review and subsequently presented to the Budget Committee.



Building Markham's Future Together 2015-2019 (BMFT), the City's Strategic Plan, is the blueprint for Council and Senior Management to make informed and strategic decisions about the City's future to ensure its success.

In the plan, there are four strategic goals, and the goals directly relate to all projects undertaken by staff. The annual budget is an action item under Stewardship of Money and Resources. The strategic plan guides the business planning process which takes place at the beginning of each year when departments develop their business plans. The business plans then form the basis for the budget.



During January and February 2019, 7 Budget Committee meetings were held. All meetings were open to the public and were video-streamed through Markham's portal. A public consultation meeting was held on February 21, 2019 to obtain feedback and views from residents about the proposed budget.

The Budget Committee, supported by Senior Staff, actively encourages input from stakeholders to ensure taxpayers are receiving value for money. Every year, the budget process includes a robust communications plan to reach out to the residents for their input.

Through Council's direction and support, Staff were directed to identify efficiencies and mitigating strategies to deliver a fiscally responsible budget that would provide strategic investments in the community, while continuing to deliver excellent services.

Like all municipalities, Council and Staff are challenged with the delivery of a balanced budget that meets residents' expectations and incorporates minimal tax rate increases, while accounting for economic pressures.

To help manage this challenge, Markham distinguishes itself from other municipalities with its Capital Reserve Program. We are a growing city, building or assuming about \$80



million of new assets each year. Over the life of those assets, we will need to perform capital repairs, rehabilitation, replacements and preventive maintenance. Markham's ongoing annual investment, including prudent capital spending, ensures the required funds are available to maintain City assets. The adequacy of the Lifecycle Reserve is reviewed every year using a 25-year rolling planning horizon.

### **2019 Operating Budget Highlights (\$233.04M)**

The 2019 operating budget includes an increase in expenditures of \$8.10M, partially offset by an increase in revenues of \$5.10M, resulting in a net shortfall of \$3.00M. The shortfall equates to a 1.97% tax rate increase, below the rate of inflation, and means a \$24 increase for the average residential household in Markham. The tax rate increase includes 1.47% for day-to-day operating costs and a 0.5% infrastructure investment to ensure there are sufficient funds in the life cycle reserve to repair and replace assets for the next 25 years.

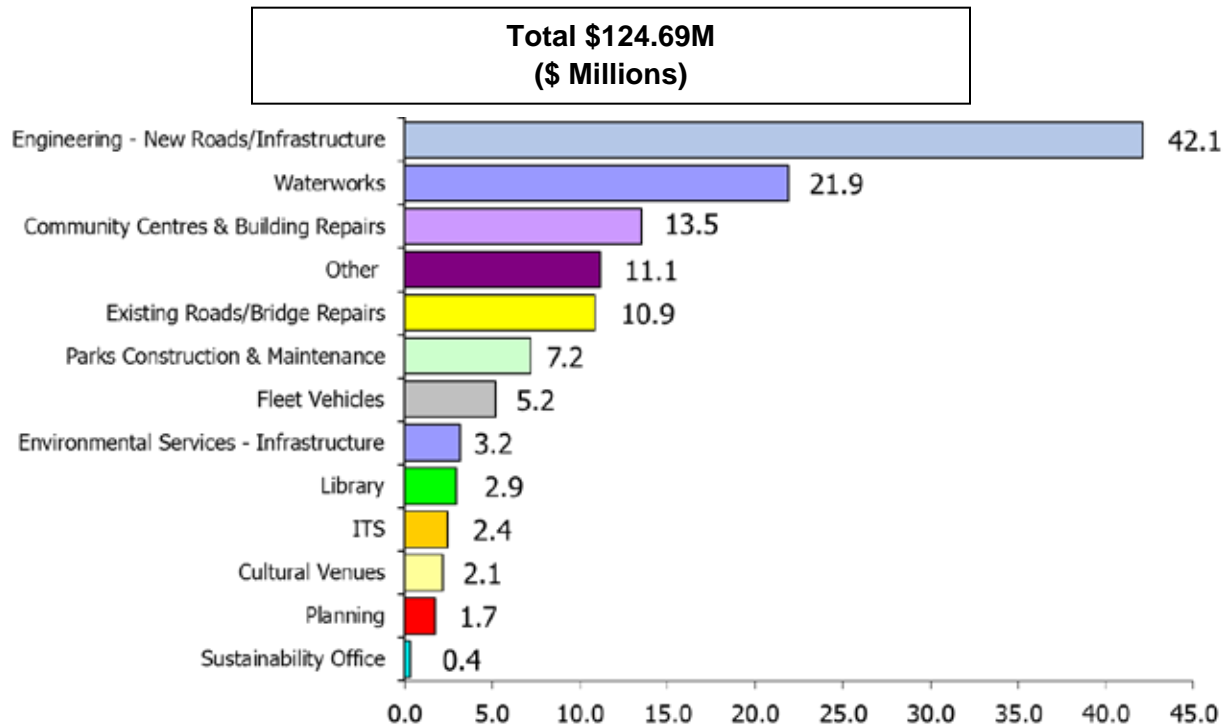
The 2019 operating budget plan meets the expanding needs of Markham's community while maintaining exceptional services and affordability for the taxpayer.

### **2019 Capital Budget Highlights (\$124.69M)**

The total 2019 Capital Budget effectively addresses each of the City's strategic priorities. Incorporating the longer-term thinking approach within the capital budget provides assurance to residents that the existing infrastructure, and community facilities are maintained in a state of good repair. Overall the capital budget demonstrates the City's commitment to its residents by making the appropriate plans to invest in their future needs. Staff undertook a comprehensive process to ensure capital requests were aligned with the City's strategic plan, as well as ensuring that City assets were being maintained and replaced effectively and efficiently, and that investment in new assets and infrastructure would meet resident needs over the longer term.



The chart below illustrates a breakdown of the 2019 Capital Budget by category type:



The 2019 Capital Budget includes \$35.5M for new roads, stormwater management ponds and sidewalks and \$3.5M for new parks. Other continuing or revitalization investments include:

**Flood Control Program** - Continuation of the City’s 30-year program to protect public and private properties and make critical infrastructure more resilient to climate change. The 2019 Budget includes \$8 million for continued construction in West Thornhill. Preliminary work is underway in Markham Village and Unionville areas.

**Markham Centre Trails** - A new fully integrated pathway system that will stretch more than 13 kilometers from Apple Creek Boulevard to Main Street Unionville, providing bicycle and pedestrian access to the Rouge River valley system.

**Morgan Pool Complex** - Revitalization of the facilities, including new change rooms, a new parking lot, expansion of the pool deck and a new splash pad, all of which meet accessibility requirements and improve access.



## Looking Ahead: Building Markham's Future Together 2015-2019 Strategic Plan

With the appointment of the previous Council in 2014, the 2015-2019 Strategic Plan was developed to act as a blueprint for how Council and senior staff will make decisions about the City's future to ensure its success. During the community consultation process, the City set out to find out what is important to its residents and members of the business community through an innovative and interactive online survey. With over 2,300 surveys completed, members of Markham's communities confirmed the strategic priorities established by the City. Based on these results, Markham Council officially adopted the strategic plan to help guide the municipality's actions through 2019. Through collaboration with senior staff and the voice of the community, the newly appointed council will review and refresh the Strategic Plan for years 2020 to 2024.

The 2019 Budget aligns with the Council approved strategic priorities which address social, economic and environmental considerations. The Budget includes service level enhancements while providing value for money for Markham taxpayers. The 2019 Operating Budget achieves fiscal sustainability by not using one-time funding to balance the budget.

During the budget development process, the City of Markham addressed the challenge of delivering a balanced budget with a reasonable tax rate increase in response to increased operating expenditures resulting from economic and growth pressures.

Economic pressures stem from collective agreements for existing Staff and third party contract renewals and escalation such as waste collection and winter maintenance.

Markham is a growing municipality, and budgetary requirements increase as the City continues to add to its inventory of parks, streetlights, and roads each year, requiring additional resources to maintain and replace assets. Further, Markham has exhibited sound fiscal management by phasing-in future personnel and non-personnel costs related to facility openings for fire stations, community centres and libraries, all of which are subject to Council approval.

To mitigate the impact of economic and growth pressures, Staff continues to make every effort to find efficiencies to reduce operating costs and explore sustainable revenue sources through the **Excellence through Efficiency and Effectiveness (E3)** continuous improvement program.

Through the E3 program the City has achieved over \$27,700,000 in operational savings and revenue enhancements since 2009, avoiding the need for an approximately 23% property tax rate increase over that period.

During the 2019 budget process, Staff identified \$2,000,000 in E3 program opportunities, which had a favourable impact in reducing the tax rate increase to 1.97%. These efficiencies included adjustments to departmental budgets based on historical



results, additional revenues resulting from the user fee market competitive analysis and investment income strategies, and negotiated savings from new contracts.

**Building Markham's Future Together : 2015 – 2019 Strategic Plan**

**Exceptional Services by Exceptional People**

**Engaged, Diverse and Thriving City**

**Safe and Sustainable Community**

**Stewardship of Money and Resources**

**Goal 1: Exceptional Services by Exceptional People**

To foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empowers and inspires Markham's employees to be champions of excellent service delivery and innovative practices.

Goal Area	2018 Accomplishments
<b>Exceptional Services by Exceptional People</b>	Developed a submission for the Smart Cities Challenge which promoted data and connected technologies to support seniors' health and wellness. While our bid was not chosen, the exercise helped us to further understand the challenges in our community and to identify a number of potential technology solutions that we may pursue in the future.
	Implementation of ePlan for Site Plan Applications in the Engineering Department Live launch of ePlan in January 2018 505 Applications or 26% of total applications received are made through ePlan 454 permits have been issued through ePlan Eliminated printing of 65,520 sheets of paper (assume 8.5x11) equivalent to 601 lbs of CO2 and more than 8 trees (saved)
	HR Learning Management System (LMS) replacement to enable Business Units to manage and track learning objectives and activities will be completed by year end
	Markham Public Library Extended Sunday hours - Responding to feedback from residents the library extended hours of operation providing increased access to library spaces for studying, reading and learning and leisure needs.

**Goal 2: Engaged, Diverse and Thriving City**

To have an inclusive city, where every person has a role in building a liveable, caring and interconnected community. To enable a strong economy and effectively manage change while respecting Markham's community's history, meeting current requirements and anticipating future needs.



Goal Area	2018 Accomplishments
<b>Engaged, Diverse and Thriving City</b>	Opening of the Aaniin Community Centre and Library, a magnificent, state-of-the art facility that recognizes the outstanding achievements of Canada's Indigenous People and Markham's valued partnership with the Eabametoong First Nation.
	Launch of ADAPT (Access to digital arts plus technology) program supported by TD Bank and the Varley-McKay Art Foundation of Markham. This will provide a new gateway that brings the arts, culture and creative expression to people in a way that fosters their visual literacy and technical competence while bolstering self-confidence.
	Ontario Sport and Recreation Communities Fund- In partnership with Ontario Sports and Recreation Community Fun, this project provides 7000 opportunities for low-income children, youth and seniors to participate in physical activity.
	Markham Public Library launched Family Literacy Day the Ready to Read card which is designed to meet the needs of preschoolers and their families. This new membership type allows children 5 years and under to borrow up to 25 children's books without the worry of late fees.

### Goal 3: Safe and Sustainable Community

To protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Goal Area	2018 Accomplishments
<b>Safe and Sustainable Community</b>	Held official Glencrest Park opening to showcase the low impact development improvements (i.e. rain gardens), active transportation trails and new play structure in the park – Glencrest Park is one of a handful of parks in the GTA with this type of retrofit.
	Implemented the Private Plumbing Protection Rebate Program to help reduce the risk of basement flooding by providing residents with subsidies for the installation of backwater valves and sump pumps
	Green Fleet advanced through purchase and deployment of six plug-in hybrid electric vehicles and reduced noise pollution through purchase and deployment of electric battery powered mowers, trimmers, and blowers for Parks' trim crews

### Goal 4: Stewardship of Money and Resources

To demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

With the success and foundation of Building Markham's Future Together 2009-2014, the City is now embarking on the current strategy of reaching out to residents, Markham business owners and their employees to obtain their views and opinions on what they feel are priorities for the City.



Goal Area	2018 Accomplishments
<b>Stewardship of Money and Resources</b>	Municipal Accommodation Tax - Council approved a 4% MAT on all Markham Hotels starting Jan. 1, 2019. MAT revenues are collected for Tourism-related initiatives, 50% of the funds will support the replacement and rehabilitation requirements of the City's tourism-related infrastructure and the other 50% will support new tourism-related initiatives and infrastructure.
	Secured a \$135,000 grant from the Department of Canadian Heritage over the next three years for the Theatre programs, including education and outreach
	Completed Thornhill Arena LED lighting Retrofit Project – last arenas in Markham to convert inefficient lights over to LEDs. Ties back to facility BAS to further optimize via dimming control.
	Received a \$225,100 grant from The Atmospheric Fund (TAF) for the Berczy Glen Geothermal Community Energy System – front-end design and analysis.
	Financial Services continues to expand the use of electronic processes to improve customer service while supporting the City's Greenprint initiative through the reduction/elimination of paper-based operations. To date over 10,000 (10%) property tax accounts are receiving their tax bills electronically, eliminating the need to print and mail tax bills. The efficiency of the tax collection process is evidenced by the fact that approximately 94% of all property tax account payments are received electronically. As of 2018, 100% of all formal procurements are issued and received online eliminating the printing of over 300,000 pieces of paper from both the City and it's vendors.
	Markham has the lowest tax rate increase across GTA municipalities over the past ten years contributing to the second lowest residential and commercial tax rates and lowest industrial tax rate in the GTA for 2018. Markham continues to have the lowest commercial tax rate in the GTA based on the municipal portion only.

The City of Markham's Strategic Plan incorporates a vision for the continued development of Markham as a vibrant and thriving city. The Plan provides direction to Council, residents, businesses and investors about the proposed development of Markham and perhaps more importantly strives to provide direction for the provision of services for its inhabitants.

## Summary

Markham's ongoing commitment to offer world class services and infrastructure to its residents continues to drive the proactive and innovative approach to achieve these goals. Through ambitious initiatives and prudent planning, Markham has repeatedly achieved success in delivering state-of-the-art facilities and award winning services, while always maintaining its role as a responsible steward by keeping taxes at the lowest rate throughout the GTHA. Through its numerous achievements, Markham has earned a reputation of being a premier municipality, with the ability to deliver quality results and establish itself at the forefront of new initiatives and programs.

The unique perspective from having a deeply rooted heritage combined with a progressive approach to government makes Markham a distinctively premium municipality in which to reside for both residents and businesses alike. The diversity within



the community has attracted many more residents, as the City continues to enjoy population growth. High-value businesses remain committed to their presence here and help towards creating a strong foundation for re-investment, aiding economic prosperity. As we move forward, Markham will maintain its commitments towards making the municipality an enviable and thriving region, as well as maintaining its hard earned and well deserved reputation.



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**Frank Scarpitti**  
Mayor



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**Amanda Collucci**  
Budget Chief & Ward 6 Councillor



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**Andrew Keyes**  
Vice Chair, Budget Committee & Ward 5 Councillor

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Alternate formats available upon request



## 2019 CITY OF MARKHAM STREET MAP



## CITY OF MARKHAM COAT OF ARMS



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

## 2019 - 2022 Council of the City of Markham



**Mayor  
Frank Scarpitti**



**Deputy Mayor  
Don Hamilton**



**Regional Councillor  
Jack Heath**



**Regional Councillor  
Joe Li**



**Regional Councillor  
Jim Jones**



**Ward 1 Councillor  
Keith Irish**



**Ward 2 Councillor  
Alan Ho**



**Ward 3 Councillor  
Reid McAlpine**



**Ward 4 Councillor  
Karen Rea**



**Ward 5 Councillor  
Andrew Keyes**



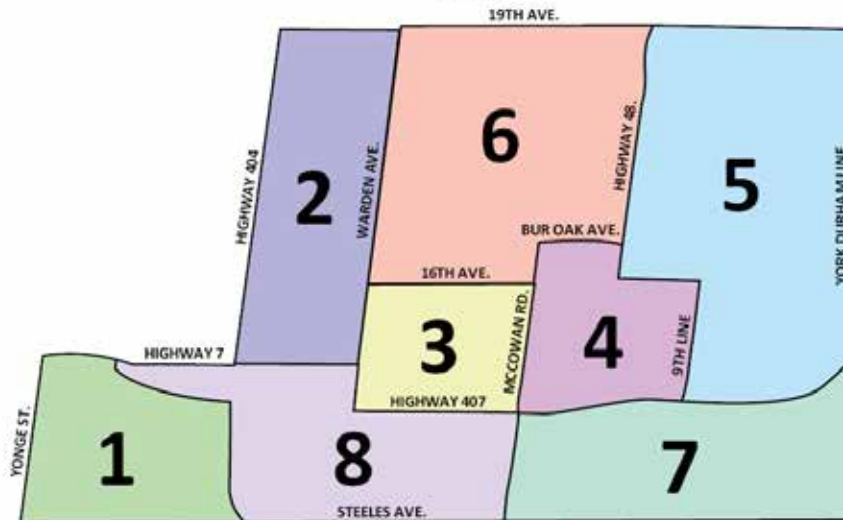
**Ward 6 Councillor  
Amanda Yeung  
Collucci**



**Ward 7 Councillor  
Khalid Usman**



**Ward 8 Councillor  
Isa Lee**

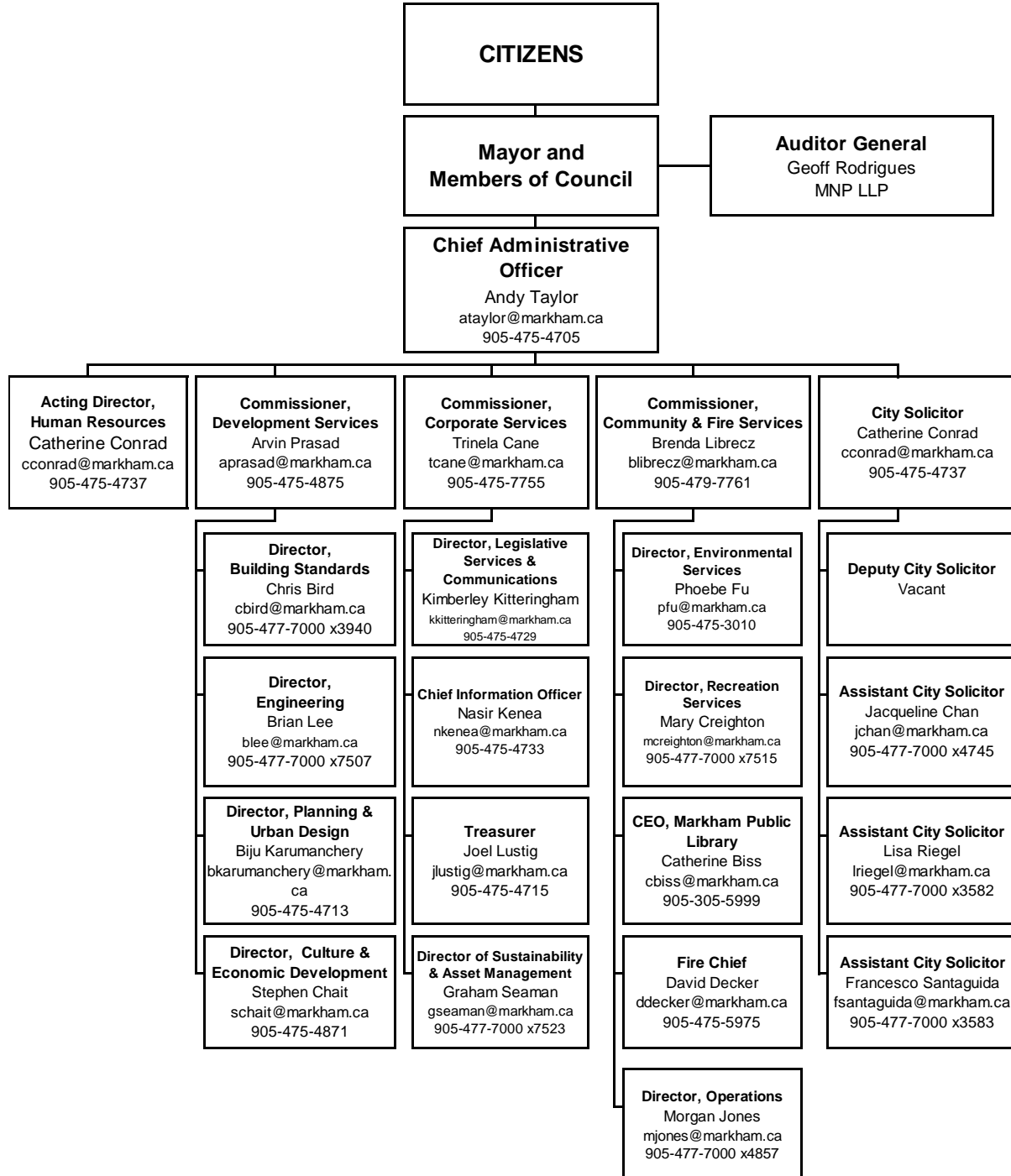




# ORGANIZATIONAL STRUCTURE

## CITY OF MARKHAM

### Organizational Chart





## 2019 BUDGET HEAD COUNT APPROVED FULL TIME COMPLEMENT

Department / Commission	2015	2016	2017	2018	2019
<b>Mayor &amp; Council*</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Human Resources	18	18	17	17	19
Legal Services	10	10	11	11	12
Sustainability Office	3	3	0	0	0
CAO's Office	4	4	3	3	3
<b>Total CAO, Legal, HR &amp; Sustainability Office</b>	<b>35</b>	<b>35</b>	<b>31</b>	<b>31</b>	<b>34</b>
Communications & Community Relations	14	14	0	0	0
Financial Services	49	49	50	50	50
Information Technologies Services	34	34	34	34	36
Legislative Services & Communications	59	59	73	73	73
Sustainability & Asset Management	0	0	18	18	18
Commissioner's Office	2	2	2	2	2
<b>Total Corporate Services</b>	<b>158</b>	<b>158</b>	<b>177</b>	<b>177</b>	<b>179</b>
Culture & Economic Development	7	7	29	29	29
Traffic Operations	0	0	4	4	4
Commissioner's Office	11	10	10	10	10
<b>Total Development Services</b>	<b>18</b>	<b>17</b>	<b>43</b>	<b>43</b>	<b>43</b>
Asset Management	31	31	0	0	0
Culture	24	24	0	0	0
Environmental Services	0	0	10	10	10
Environmental Services - Waste Management	5	5	5	5	5
Fire & Emergency Services	278	278	278	278	278
Markham Public Library	70	70	70	78	78
Operations	111	111	115	117	119
Recreation Services	120	120	120	132	132
Commissioner's Office	5	5	4	4	4
<b>Total Community &amp; Fire Services</b>	<b>644</b>	<b>644</b>	<b>602</b>	<b>624</b>	<b>626</b>
<b>Corporate</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Sub Total</b>	<b>858</b>	<b>857</b>	<b>862</b>	<b>884</b>	<b>891</b>
<b>Building Services</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>
<b>Engineering</b>	<b>40</b>	<b>40</b>	<b>41</b>	<b>44</b>	<b>44</b>
<b>Planning &amp; Design</b>	<b>50</b>	<b>51</b>	<b>53</b>	<b>57</b>	<b>58</b>
<b>Waterworks</b>	<b>65</b>	<b>65</b>	<b>66</b>	<b>67</b>	<b>67</b>
<b>Total Corporation</b>	<b>1,067</b>	<b>1,067</b>	<b>1,076</b>	<b>1,106</b>	<b>1,114</b>

\* Excludes Mayor & Council Members



### 2019 Budget

The approved 2019 full time complement of 1,114 represents an addition of 8 new full time staff that were added through 2019 budget process. The increase is due to the overall growth of the City and to the City's commitment to maintain service levels. The details of the 8 new positions are shown below.

### DETAILS OF 2019 STAFF ADDITIONS

<b>Community &amp; Fire Services</b>		
<b>Operations</b>	Tree Preservation Technician	1
	Administrative Assistant	1
<b>Corporate Services</b>		
<b>ITS Department</b>	EAM Application Support Specialist	1
	Sr. Cyber Security Specialist	1
<b>CAO, Legal, HR &amp; Sustainability Office</b>		
<b>Human Resources</b>	Health and Safety Coordinator	1
	Compensation and Benefit Coordinator	1
<b>Development Services</b>		
<b>Engineering</b>	Senior Engineer, Contract Admin & Quality Control	1
<b>Planning &amp; Urban Design</b>	ePlan Review Business Support	1
<b>Total</b>		<b>8</b>

## History of Markham

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



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

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

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

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

From 1803 - 1812, the largest group of settlers were Pennsylvania Germans, most of whom were Mennonites. These highly skilled craftsmen and knowledgeable farmers had the best chance for survival because they had already survived harsh conditions in Pennsylvania.

From 1830 onwards, many Irish, Scottish and English immigrated to Upper Canada to escape the famine and overpopulation of their homeland.



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

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

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

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

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

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

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

In 1976, Markham's population was approximately 56,000. Since that time, the population has increased dramatically and is estimated to be 345,000 by the end of 2015. Despite these changes and rapid growth, many reminders of Markham's roots endure. Still rich in fertile farmland, it stands as Canada's pre-eminent high technology centre, known worldwide for innovative products and services.

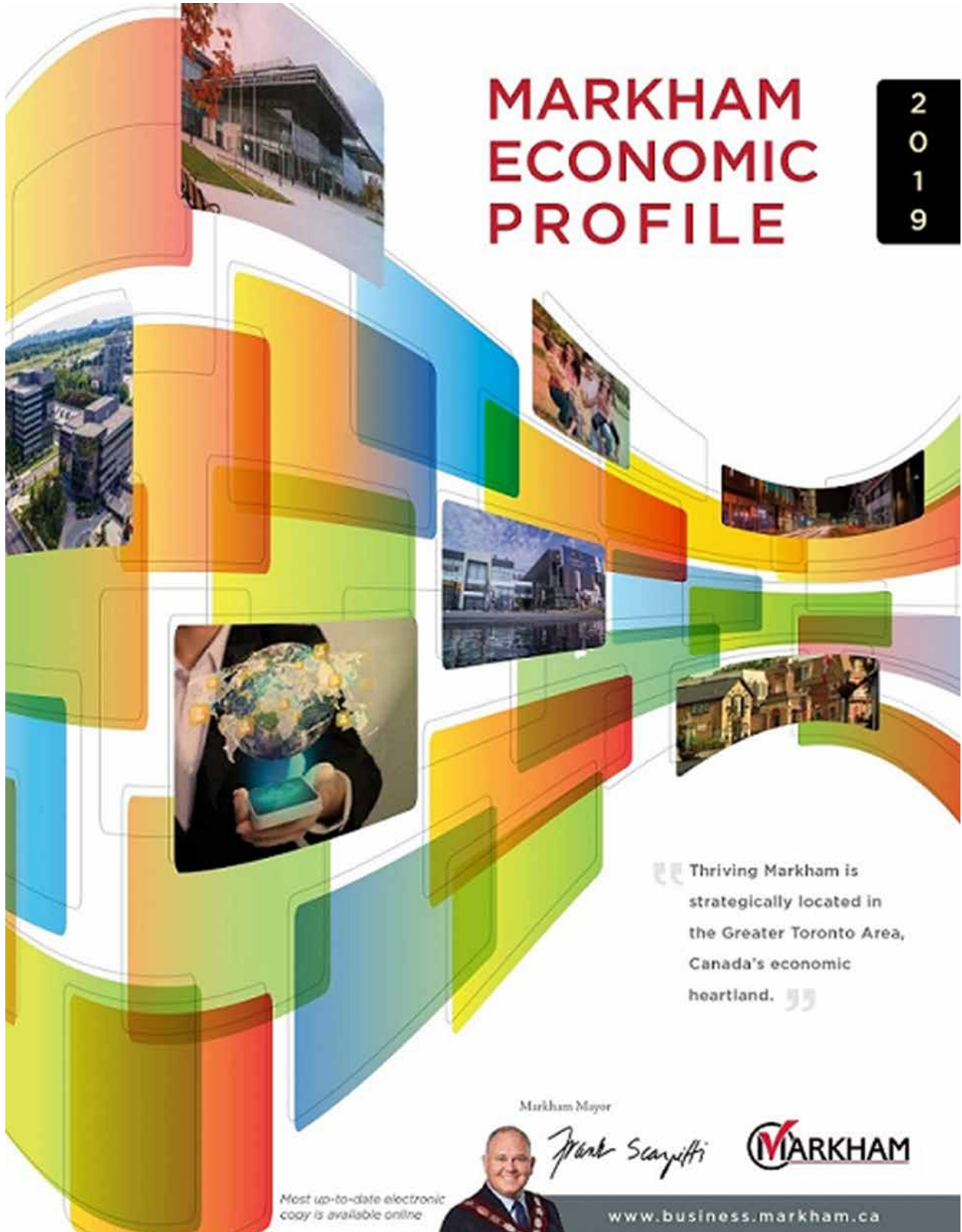




# ECONOMIC PROFILE

# MARKHAM ECONOMIC PROFILE

2  
0  
1  
9



“ Thriving Markham is strategically located in the Greater Toronto Area, Canada’s economic heartland. ”

Markham Mayor



*Mark Scarpitti*



*Most up-to-date electronic copy is available online*

[www.business.markham.ca](http://www.business.markham.ca)

## Economic Overview

Expanding business base. Motivated, highly educated and diverse workforce. By every measure, Canada's high-tech capital - and 16th largest municipality - is thriving.

The award-winning City of Markham is the largest of nine communities in York Region, with a population of over **354,000** and a land area of **212 square kilometres**.



**10,740**



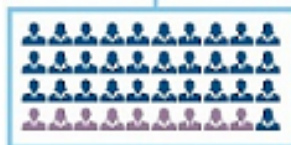
**210+**

**1,500+**



Markham is a leader in attracting foreign direct investment. Of the **10,740 companies in Markham**, there are more than 210 foreign companies located here, employing more than **28,000 people**. Leading innovators in Markham include: IBM, Aviva Insurance, AMD, GM Canada Technical Centre, Bank of China, GE Grid IQ Innovation Centre, Honeywell, Huawei Technologies, Lenovo, Johnson & Johnson, Toshiba, Honda, Qualcomm and Hyundai.

**176,570**



**37,900**

Markham has the highest concentration of ICT employers per capita in Canada. Over **1,500 technology and life sciences companies** are based in Markham. These two sectors alone **employ 37,900 people** - over one-fifth of the total workforce of **176,570**.

### Strategies for Growth

Markham is maintaining its economic momentum by following its 10-year economic strategy, Markham 2020. In targeting specific growth sectors, the City continues to attract companies specializing in Information and communication technology ICT, life sciences, financial services, design and engineering, professional scientific services, and information and cultural industries. Here, businesses find skilled workers from around the world who are drawn to Markham for its exceptional quality of life (see page 8).

Internationally, the City's profile has benefited from several economic alliances and a frequent exchange of business missions to and from Asia, the USA and Europe - reaching out to global markets to bring investment into Markham as well as opening doors for Markham-based businesses to expand.

### Markham's

## TOP 20 EMPLOYERS

3

- IBM CANADA LTD.
- TD FINANCIAL GROUP
- CITY OF MARKHAM
- MARKHAM STOUFFVILLE HOSPITAL
- CGI INFORMATION SYSTEMS
- AVIVA CANADA
- THE MILLER GROUP
- AMD
- HOMELIFE LANDMARK REALTY INC
- TD INSURANCE
- HUAWEI TECHNOLOGIES CANADA CO. LTD
- ALLSTATE INSURANCE
- ENERCARE HOME SERVICES
- JOHNSON AND JOHNSON INC.
- VEONEER CANADA
- HONDA CANADA
- FIRST STUDENT CANADA
- WEINS CANADA
- HOMELIFE BAYVIEW REALTY INC.
- GE GRID IQ INNOVATION CENTRE

Data source: 2018 York Region Employment Survey

## TECHNOLOGY CLUSTER

4

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Computer Systems Design and Related Services	311
Engineering Services	116
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	72
Electronic and Precision Equipment Repair and Maintenance	50
Graphic Design Services	36
Management Consulting Services	31
Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler - Distributors	29
Wireless Telecommunications Carriers (except Satellite)	29
Software Publishers	28
Research and Development in the Physical, Engineering and Life Sciences	24
Data Processing, Hosting, and Related Services	22
Other Telecommunications	21
Semiconductor and Other Electronic Component Manufacturing	17
Navigational, Measuring, Medical and Control Instruments Manufacturing	17
Wired Telecommunications Carriers	16
Other Scientific and Technical Consulting Services	15
Computer and Peripheral Equipment Manufacturing	10
Environmental Consulting Services	10
Management of Companies and Enterprises	8
Internet Publishing and Broadcasting, and Web Search Portals	5
Electrical Equipment Manufacturing	4
All Other Electrical Equipment and Component Manufacturing	4
Industrial Design Services	4
All Other Professional, Scientific and Technical Services	4
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	3
Other Communications Equipment Manufacturing	3
Geophysical Surveying and Mapping Services	3
Surveying and Mapping (except Geophysical) Services	3
Telephone Apparatus Manufacturing	2
Audio and Video Equipment Manufacturing	2
Communication and Energy Wire and Cable Manufacturing	2
Electric Power Generation	1
Manufacturing and Reproducing Magnetic and Optical Media	1
Research and Development in the Social Sciences and Humanities	1
<b>TOTAL NO. OF TECHNOLOGY COMPANIES</b>	<b>904</b>

Note: Data was obtained from the 2016 York Region Business and Employment Survey. While every effort has been made to ensure the accuracy of the information, the Regional Municipality of York and the City of Markham can accept no responsibility for any inaccuracies, errors or omissions. Some industry categories can be found under both the high-tech and its science cluster because the function of the companies support both sectors.

## IFE SCIENCES CLUSTER

INDUSTRIAL CATEGORY	NUMBER OF COMPANIES
Professional Machinery, Equipment and Supplies Wholesaler-Distributors	57
Medical Equipment and Supplies Manufacturing	36
Medical and Diagnostic Laboratories	24
Computer Systems Design and Related Services	17
Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors	16
Research and Development in the Physical, Engineering and Life Sciences	13
Home Health Care Services	10
Management of Companies and Enterprises	8
Navigational, Measuring, Medical and Control Instruments Manufacturing	7
Testing Laboratories	7
Pharmaceutical and Medicine Manufacturing	3
Toiletries Preparation Manufacturing	3
Management Consulting Services	3
Office Administrative Services	3
Other Scientific and Technical Consulting Services	2
Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors	1
Research and Development in the Social Sciences and Humanities	1
<b>TOTAL NO. OF LIFE SCIENCES COMPANIES</b>	<b>211</b>

5

## IBM Innovation Space-Markham Convergence Centre

The IBM Innovation Space-Markham Convergence Centre is a 50,000 square foot innovation hub located in Markham. Managed by ventureLAB, the region's technology accelerator, the hub is home to over 45 tech companies and nearly 300 employees who are building transformative, impactful products and solutions.

### RESIDENT ORGANIZATIONS

ventureLAB, York University, Seneca College, Markham Small Business Centre, Markham Board of Trade, National Research Council's Industrial Research Assistance Program, Ontario Centres of Excellence, York Angel Investors, TechConnex, and over 40 tech start-ups and scale-ups.

**Bring your ideas. Share your dreams. Create new business ventures with the capacity to go global.**

Come visit the IBM Innovation Space-Markham Convergence Centre at 3600 Steeles Avenue East.



**MARKHAM SMALL BUSINESS CENTRE**  
HELPING SMALL BUSINESS GROW

# Industrial/Commercial Activity

## DEVELOPMENT ACTIVITY

### Development Activity

6

From premium corporate, commercial and industrial developments to outstanding mixed-used communities, Markham is creating the infrastructure needed to sustain a vibrant environment for all. This includes working to maintain the lowest tax rates in the GTA.

#### 2018 Tax Rates (%)

	COMMERCIAL	INDUSTRIAL
Toronto	2.40%	2.45%
Mississauga	1.98%	2.22%
Vaughan	1.65%	1.93%
<b>Markham</b>	<b>1.61%</b>	<b>1.87%</b>



Miscellaneous Includes Agricultural Swimming Pools, Demolitions, Septic, Signs, Tents, Decks, Designated Structures, Heating & Plumbing Only and Partial Permits.

### Industrial Commercial Development

#### Vacant Employment Land Inventory 2018

Land Use Designation Categories	Serviced and Market Ready (acres)	Unserviced (acres)
Commercial Office	95.78	14.19
Commercial Retail	34.80	39.98
Commercial Mixed	40.55	32.08
<b>Total Commercial</b>	<b>171.13</b>	<b>86.26</b>
<b>Total Industrial</b>	<b>432.56</b>	<b>1162.00</b>

Average Price Per Acre (Industrial) \$1,600,000-1,800,000  
 Average Price Per Acre (Commercial) \$1,800,000-\$2,200,000

#### Industrial Inventory, 2018 (Q4)

Total inventory (sq.ft.)	34,798,274
Vacancy rate - class A	1.2%
Average net rent (sq.ft.)	\$8.06

#### Commercial Office Inventory, 2018 (Q4)

Total inventory (sq.ft.)	8,559,048
Vacancy rate - class A	5.2%
Average net rent (sq.ft.)	\$17.53

All values are in Canadian Dollars. Source: Colliers International

## RESIDENTIAL ACTIVITY & UTILITIES

### Residential Development



### Number of New Residential Units Per Year



### Average Home Prices

(Toronto Real Estate Board, Market Watch, December 2018)



\*Link houses are commonly two or more buildings or dwellings joined underground or by garage (Ontario Real Estate Association).

### Municipal Utilities

#### Water & Sewer Infrastructure, 2019 Rate

Water & wastewater rate per cubic metre	\$4.4680/m <sup>3</sup>
Sanitary sewers	918.41 km
Water mains	1082.70 km

#### Electricity Costs and Charges, Business Rates

<b>50KW OR LESS</b>	
Distribution charge	\$0.0173/kWh
Monthly fixed charge	\$29.73/month
<b>GREATER THAN 50KW DEMAND</b>	
Distribution charge (non-interval metered; effective May 1, 2018)	\$5.8562/kW
Distribution charge (interval metered; effective May 1, 2018)	\$1.8843/kW
Monthly fixed charge	\$147.02/month

## QUALITY OF LIFE

8

A key part of Markham's competitiveness strategy is to build and maintain a community that appeals to educated, culturally diverse knowledge workers.

Throughout Markham, residents, students and workers have the opportunity to enjoy an emerging downtown with urban amenities and cultural attractions such as award-winning community centres and libraries, top-performing schools, prestigious neighbourhoods, festive celebration events, and charming heritage villages. The City supports a Group of Seven-inspired art gallery, a museum, a 500-seat theatre and extensive parklands.

Markham's Greenprint strategy drives many initiatives to create a healthier, more sustainable community for all. Among many successes, the City boasts the highest waste diversion rate in the Greater Toronto Area.

Markham is home to high-quality healthcare services through the expanded Markham Stouffville Hospital and other facilities, and to Seneca College, a premier post-secondary educational research and training facility. For details on available programs, visit <http://www.senecacollege.ca>.

### Recreation & Culture

- Number of Parks
- Trails/Pathway System
- Public Libraries
- Community and Cultural Centres & Facilities
- Golf Courses
- Ice Arenas
- Flato Markham Theatre, Markham Museum, Varley Art Gallery, McKay Art Centre
- Heritage Areas - Thornhill Village, Unionville Village, Markham Village, Buttonville Village

214  
163 km  
8  
36  
8  
10 pads

### Public Health & Education

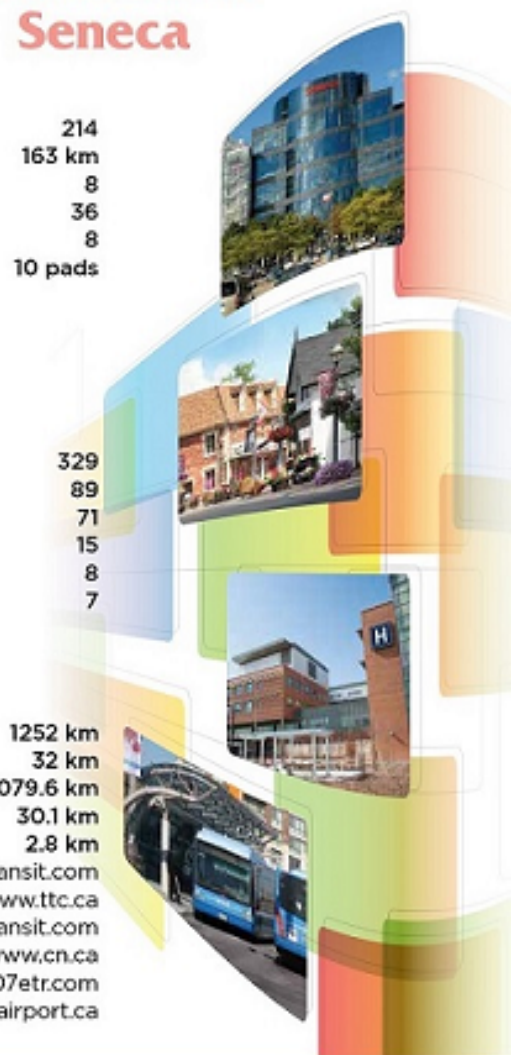
- Markham Stouffville Hospital (beds)
- Shouldice Hernia Centre (beds)
- Elementary Schools
- High Schools
- Community Colleges (within 1 hr drive)
- Universities (within 1 hr drive)

329  
89  
71  
15  
8  
7

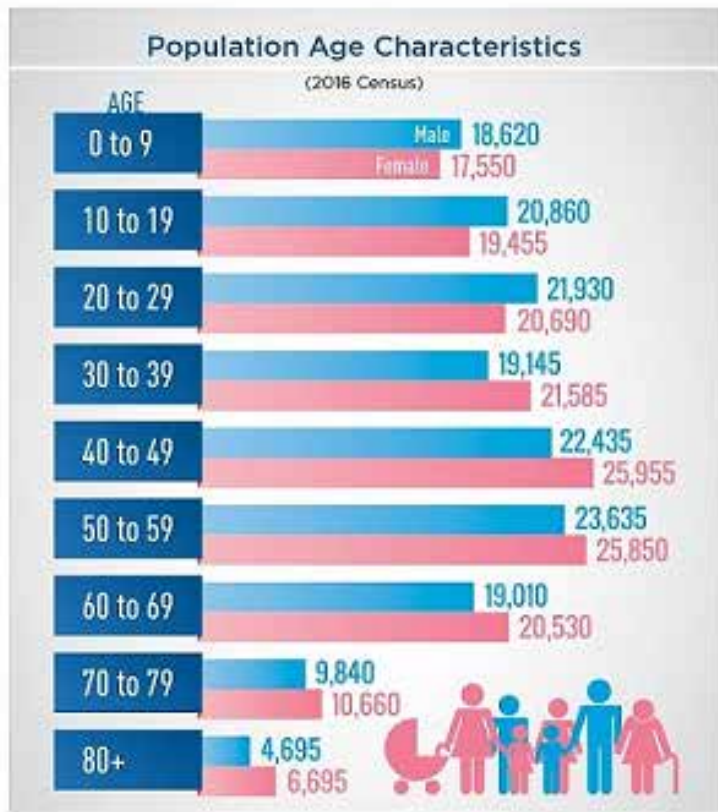
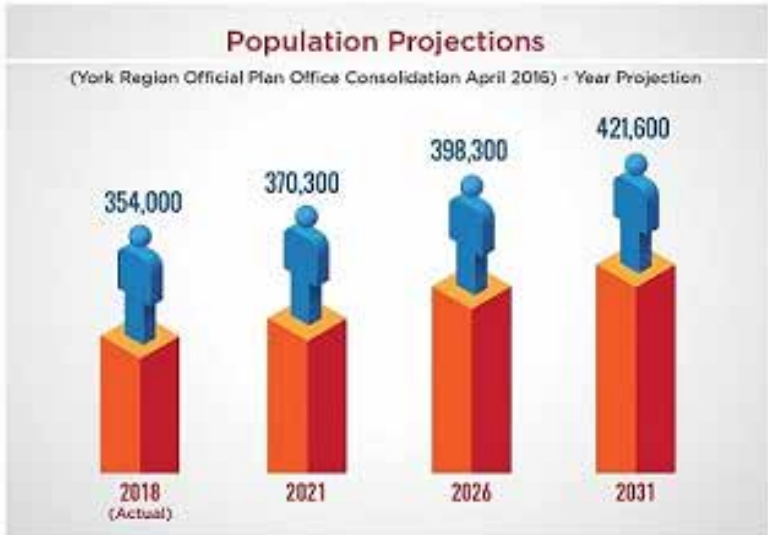
### Transportation Infrastructure & Service Providers

- Roads (excludes private roads)
- Highways (404 and 407)
- Sidewalks
- Multi Use Path
- Cycle Track
- York Region Transit (YRT)/Viva
- Toronto Transit Commission (TTC)
- GO Transit
- CN Rail
- 407 ETR
- Toronto Buttonville Municipal Airport

1252 km  
32 km  
1,079.6 km  
30.1 km  
2.8 km  
[www.yorkregiontransit.com](http://www.yorkregiontransit.com)  
[www.ttc.ca](http://www.ttc.ca)  
[www.gostransit.com](http://www.gostransit.com)  
[www.cn.ca](http://www.cn.ca)  
[www.407etr.com](http://www.407etr.com)  
[www.buttonvilleairport.ca](http://www.buttonvilleairport.ca)



## DEMOGRAPHIC PROFILE





# Labour Force Profile

## LABOUR FORCE PROFILE

### Basic Indicators

(2016 Census)

Number of Persons Employed	159,640
Unemployment Rate	7.3%
Labour Force Participation Rate	63.3%

10

### Labour Force by Industry

(2016 Census)

	%
Finance, Insurance, and Real Estate	13.8
Professional, Scientific and Technical	12.3
Retail Trade	11.3
Manufacturing	9.1
Health Care and Social Assistance	8.4
Accommodation and Food Services	7.2
Educational Services	7.0
Wholesale Trade	5.8
Information, Cultural, Arts, Entertainment and Recreation	4.8
Construction	4.3
Public Administration	3.4
Other	12.6

### Wage Rates

(Ministry of Labour)

Minimum Wage Rate	Rates from Jan 1, 2018 to Sept 30, 2020
General Minimum Wage	\$14.00 per hour
Student Minimum Wage	\$13.15 per hour

### Average Earnings, by Selected Occupation, in Markham

(Statistics Canada 2016 Census)

Management	\$ 83,438
Natural and applied sciences and related	\$ 75,796
Health	\$ 62,873
Business, finance and administrative	\$ 52,358
Education, law and social, community and government services	\$ 49,434
Trades, transport and equipment operators and related	\$ 37,588
Manufacturing and utilities	\$ 34,381
Sales and service	\$ 29,493
Art, culture, recreation and sport	\$ 24,602
Natural resources, agriculture and related production occupations	\$ 22,505

Note: For other Census topics, please visit [www150.statcan.gc.ca](http://www150.statcan.gc.ca)

Data for Average Earnings by Selected Occupation, is based on the Markham Census Subdivision Area (CSD) from Statistics Canada 2016 Census.

### Average Total Income

(2016 Census, for the population aged 15 years and over in private households)



Markham Average

**\$45,184**



Ontario Average

**\$47,915**



Canadian Average

**\$47,487**



## Vital Resources

# VITAL RESOURCES HELP GROW YOUR BUSINESS!



### ventureLAB

ventureLAB is a leading technology hub that supports tech entrepreneurs and small businesses. ventureLAB operates the IBM Innovation Space-Markham Convergence Centre, a 50,000 square foot innovation hub that is home over 45 tech companies and innovation partners. At ventureLAB, we support tech entrepreneurs through programs focused on capital, talent and technology, to advance Canada's economy on a local, national and global scale.

ventureLAB is located at 3600 Steeles Avenue East in Markham.

[www.venturelab.ca](http://www.venturelab.ca)  
[hello@venturelab.ca](mailto:hello@venturelab.ca)  
905-248-2727



### Markham Small Business Centre

Markham Small Business Centre (MSBC) is an innovative public and private sector alliance providing a complete source of services and programs for Markham entrepreneurs and small businesses. Funded by the City of Markham and the Ontario Ministry of Economic Development, Job Creation and Trade, MSBC provides Markham's aspiring entrepreneurs and existing small businesses with high quality one-on-one management consulting, educational training and the business resources needed to sustain their growth in today's competitive marketplace. MSBC also works to encourage entrepreneurship as a career option for Markham's youth.

The Markham Small Business Centre is located at IBM Innovation Space-Markham Convergence Centre at 3600 Steeles Avenue East in Markham Ontario.

[www.msbc.markham.ca](http://www.msbc.markham.ca)  
[msbc@markham.ca](mailto:msbc@markham.ca)  
905-477-7000 x6722



## New Dwelling Units And Construction Values (RESIDENTIAL & NON-RESIDENTIAL)

### Number of New Dwelling Units Issued in Year 2018

Single Dwellings	112
Double Dwellings	200
Row Dwellings	1,040
Apartments	1,940
<b>Total</b>	<b>3,292</b>

### Construction Value of Permits Issued in 2018

(in \$000's)

Residential	\$ 544,508,313
Commercial	\$ 204,729,769
Other	\$ 92,907,142
<b>Total</b>	<b>\$ 842,145,224</b>



## STRATEGIC PLAN AND INITIATIVES

### **Building Markham's Future Together 2015 – 2019 Strategic Plan**

In the previous term of Council (2008 - 2014), the Click with Markham campaign was initiated to seek feedback from the residents, local businesses, and other interested parties on Markham's future direction. Seven strategic objectives were validated through this campaign, which resulted in Building Markham's Future Together (BMFT) – The City's Strategic Plan 2008 – 2014.

The process to update Building Markham's Future Together for the current Council term (2015 – 2019) took place in early 2015, and once again solicited feedback from residents and local business through an online survey and a series of community events throughout the City.

### **Plan Development**

In February 2015, Markham Council and Senior Staff held a training and educational workshop and worked together to refresh Building Markham's Future Together – Council Strategic Plan. Three additional training and education sessions were held to discuss and confirm the Goals and Goal Statements and refine the Strategic Objectives. Under each Goal Statement, a number of Strategic Objectives were approved. These objectives formed the basis on which the Public Engagement Program for the Strategic Plan was developed to gain feedback from residents and stakeholders.

### **Public Engagement Program – Going to Where the People Are**

Council directed Staff to provide engagement opportunities across the City throughout the Summer and Fall of 2015 to solicit community feedback from a broad cross-section of residents and businesses.

The Public Engagement Program was developed to inform, educate and provide opportunities for input by residents and stakeholders on ***Building Markham's Future Together 2015-2019 Strategic Plan***.

The objective of the community consultation process was to solicit residents and members of the business community's opinions on the importance of each objective through an innovative and interactive survey. Public feedback was obtained through an online survey and presence at various key community events and locations in the City. In addition to the survey, an online campaign was implemented with information posted on [www.markham.ca](http://www.markham.ca) and social media marketing. Staff and volunteers were present at the PanAM GlobalFest, seven of the major community events, Night It Up, Unionville Jazz Festival, RBC Milliken Children's Festival, Markham Fair, seniors centres, and various community centres and libraries. In total, 2,384 surveys were completed in person and online.



The Public Engagement Program concluded in October with a Public Open House and Information meeting, providing an additional opportunity to further engage residents and businesses. Over 70 people were in attendance to ask questions, have an opportunity to seek further clarification on the draft strategic plan, and complete the online survey.

### **Long-term View and Resident Priorities**

Based on survey results, residents were extremely satisfied with Markham's current service levels, quality of life, residential quality, and economic opportunities. Perhaps this is because every four year Strategic Plan integrates Markham's ongoing long-term priorities of:

- Managing Markham's transportation and road network
- Promoting Markham as the best place in Canada to invest and locate knowledge-based industries
- Protecting and respecting Markham's built and natural environments
- Managing growth in the City

Some major accomplishments from 2018 include:

#### **Goal 1: Exceptional Services By Exceptional People:**

- Prepared a new 2018 Municipal Election Model which included the expansion of online voting up to and including Voting Day
- Expanded service hours for By-law Enforcement from 8 hours per day Monday to Friday to 16 hours per day 7 days a week
- Implemented of a dedicated School Liaison Officer to decrease the incidents of illegal parking activity in school zones with a view towards increasing pedestrian safety in these areas
- Portal Redesign - Implemented components of a newly redesigned look and feel with navigational and accessibility enhancements as well as additional on-line services and mobile app enhancements
- Open Data program – technology preparations have been completed to make selected City owned datasets available to the public
- Developed a submission for the Smart Cities Challenge, which promoted data and connected technologies to support seniors' health and wellness. While our bid was not chosen, the exercise helped us to further understand the challenges in our community and to identify a number of potential technology solutions that we may pursue in the future
- Human Resources Learning Management System (LMS) replacement to enable Business Units to manage and track learning objectives and activities will be completed by year end
- Markham Public Library Extended Sunday hours - Responding to feedback from residents the library extended hours of operation providing increased access to library spaces for studying, reading and learning and leisure needs



- Implementation of ePlan for Site Plan Applications in the Engineering Department
- Live launch of ePlan in January 2018:
  - 237 Applications or 22% of total applications received are made through ePlan
  - 224 permits have been issued through ePlan
  - TOTAL number of sheets of paper saved through eplan= 31 496
  - 31496 sheets of paper (assume 8.5x11) equivalent to 289 lbs of CO2 and 4 trees (saved)

## **Goal 2: Engaged, Diverse and Thriving City**

- Opened the Aaniin Community Centre and Library
- Launch of ADAPT (Access to digital arts plus technology) program supported by TD Bank and the Varley-McKay Art Foundation of Markham. This will provide a new gateway that brings the arts, culture and creative expression to people in a way that fosters their visual literacy and technical competence while bolstering self-confidence
- Implemented of the Museum Strategic plan including developing high quality community partnered exhibits and programs, updating the capital plan, and working closely with environmental partners to better develop the site to suit program
- Markham Public Library launched Family Literacy Day the Ready to Read card, which is designed to meet the needs of preschoolers and their families. This new membership type allows children 5 years and under to borrow up to 25 children's books without the worry of late fees
- Developed Destination Markham Strategy
- Launched and Delivered International Program Trade Series focused on Italy, China, Export Development Canada
- Successfully submitted Markham Centre as one of ten sites shortlisted in Toronto Global's bid for Amazon's HQ2
- City of Markham held its 10th annual Earth Day event
- Rogers Hometown Hockey Event held
- The City completed four Canada 150 Infrastructure events (with funding from FedDev): Stiver Mill, Veteran's Square and Cenotaph, John Daniels Gateway and Thornhill CC & Library
- Ontario Sport and Recreation Communities Fund - In partnership with Ontario Sports and Recreation Community Fun, this project provides 7000 opportunities for low-income children, youth and seniors to participate in physical activity
- Managed the corporate Volunteer Management Program comprised of 3,527 active volunteers whom completed 35,544 volunteer hours to support activities in recreation, culture, library, special events, boards and committees, and emergency preparedness
- Promoted Markham Pan Am Centre as a sport event destination through the hosting of 104 sport events in 2018, including Host venue to the 2018 Junior



Badminton Championship. Markham was named 14th City in Canada for hosting sport events by the Global Sport Impact (GSI) Canada Index

- 80 Sakura Trees donated by the Japanese Consul General's Office; planted at three locations within the City – Milne Park, RougeSide Promenade and the Civic Centre
- Developed a partnership with the YRDSB and UHS to create seats carved from fallen trees. The carvings are themed to represent the Seven Indigenous Grandfather Teachings
- Expanded use of public tennis court facilities at Wismer Park and Thornlea Pool, to allow Pickle Ball to be played outdoors for the first time in the City
- Completed 2 Junior Firefighter Camps and also completed the 9th Fire Cadet educational program for students with developmental challenges

### **Goal 3: Safe and Sustainable Community**

- Opened Verclaire Gate Bridge in Markham Centre
- Whistle Cessation undertaken on Stouffville GO Line
- Established of City of Markham Low Impact Development Guidelines (Cross-commission TAC Group)
- Completed of Subwatershed Study for the Future Urban Area
- Council endorsed the York University Site Plan Application
- Markham Centre Streetscape Design Guidelines completed
- Resolution of the majority of City-wide appeals of the 2014 Official Plan without an OMB hearing
- Held official Glencrest Park opening to showcase the low impact development improvements (i.e. rain gardens), active transportation trails and new play structure in the park – Glencrest Park is one of a handful of parks in the GTA with this type of retrofit
- Received Council endorsement for the citywide Municipal Energy Plan – Getting to Zero with the goal of Net zero emissions by 2050
- Completed construction activities for AlectraDrive Workplace Electric Vehicle Charging Pilot
- Implemented the Flood Control Program by Completing West Thornhill Phase 2B construction(Under Corporate Action 3.4) \$7.3M, bringing the total value of storm water projects completed to \$39.5M
- Completed Don Mills Channel Environmental Assessment Study
- A Compliance inspection by the Ministry of Environment, Conservation and Parks was completed on the Drinking Water Quality Management System (resulting in a score of 93.5%)
- Implemented the Private Plumbing Protection Rebate Program to help reduce the risk of basement flooding by providing resident with subsidies for the installation of backwater valves and sump pumps
- Installed 2 new Chlorine Analyser to measure levels of Chlorine in the drinking water and ensure redundancy in more robust system
- Hosted the Emergency Management for Community Events forum in partnership with Calian Limited



- Completed 32 km of Road Rehabilitation:
  - 14.9 km of Pavement Preservation; and
  - 17.1 km of Road Rehabilitation
- Green Fleet advanced through purchase and deployment of six plug-in hybrid electric vehicles and reduced noise pollution through purchase and deployment of electric battery powered mower, trimmers, and blowers for Parks' trim crews
- City wide floral displays including pollinator themed carpet bed at Civic Centre (Butterfly Garden), and pilot self watering hanging baskets within the Bur Oak business district with excellent results
- Initiated the change to improve public and firefighter during emergency response through the installation of blue lights on fire apparatus
- 1st Fire Service to issue filtering fire protective flash hoods to reduce exposure to toxic particulate during fire exposure

#### **Goal 4: Stewardship of Money and Resources:**

- Municipal Accommodation Tax - Council approved a 4% MAT on all Markham Hotels starting Jan. 1, 2019. MAT revenues are collected for Tourism-related initiatives, 50% of the funds will support the replacement and rehabilitation requirements of the City's tourism-related infrastructure and the other 50% will support new tourism-related initiatives and infrastructure
- Through MSBC provided training, mentoring and Provincial grant funding of over \$120,000 to help local businesses start-up and/or grow their companies
- Secured a \$135,000 grant from the Department of Canadian Heritage over the next three years for the Theatre programs, including education and outreach
- Completed Thornhill Arena LED lighting Retrofit Project – last arenas in Markham to convert inefficient lights over to LEDs. Ties back to facility BAS to further optimize via dimming control
- Received a \$225,100 grant from The Atmospheric Fund (TAF) for the Berczy Glen Geothermal Community Energy System – front-end design and analysis
- The City continues to expand the use of electronic processes to improve customer service while supporting the City's Greenprint initiative through the reduction/elimination of paper-based operations. To date over 10,000 (10%) property tax accounts are receiving their tax bills electronically, eliminating the need to print and mail tax bills. The efficiency of the tax collection process is evidenced by the fact that approximately 94% of all property tax account payments are received electronically. As of 2018, 100% of all formal procurements are issued and received online eliminating the printing of over 300,000 pieces of paper from both the City and its vendors
- Since 2009 over \$25.7M in savings has been achieved which equates to a tax rate increase avoidance of 21.9%
- Markham has the lowest tax rate increase across GTA municipalities over the past ten years contributing to the second lowest residential and commercial tax rates and lowest industrial tax rate in the GTA for 2018. Markham continues to have the lowest commercial tax rate in the GTA based on the municipal portion only



- Auditor General Audits:
  - Human Resources Information System (HRIS) Audit - The 2018 audit report found reasonable procedures were undertaken to implement the new HRIS system (Workforce Now) including efficient and effective internal controls and project management activities. Noted areas of strength include the planning and preparation activities, the effective project governance model, and the dedicated team responsible for all key phases of the implementation who had the appropriate knowledge and skills to ensure the final system meets the needs and expectations of the City
  - Development Charges audit - The 2018 audit found that sufficient and effective processes and controls are in place over the issuance, collection, and remittance of development charges. Noted areas of strength include having documented and defined processes, multiple levels of documentation review, and reconciliation of development charge collection and remittance
- Continued efficiencies with the implementation of the Administrative Monetary Penalty System (AMPS) for parking infractions. Significant decrease in case load proceeding to Hearing vs. Provincial Offences trials
- Completed Water Reserves Sufficiency Study

The Executive Summary outlines the four 2015 – 2019 Council approved Strategic Goals which the City of Markham will use as building blocks in setting its Strategic Objectives and governing Action Plans. These Strategic Objectives and Action Plans will drive Markham’s Business Plans which forms the basis for the budget process.



Details of the 2015 – 2019 Strategic Goals, associated Strategic Objectives and corresponding Action Plans are laid out in the following four pages:

## BUILDING MARKHAM'S FUTURE TOGETHER

### 2015 - 2019 STRATEGIC PLAN

#### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

#### Strategic Objectives

#### BMFT Actions

1.1. Improving Customer Service

- Implement new Customer Experience Strategy:
- Update and communicate Departmental Service Standards
  - Expand Organizational Awareness Training for all Staff
  - Look for technology enhancements to internal/external service
  - Develop Recognition Strategies for excellent customer service
  - Undertake annual customer surveys in all service areas

1.2. Transforming Services Through Technology and Innovation

- Develop and implement Digital Markham technology roadmap:
- Increase and improve online services
  - Advance mobile capabilities
  - Enhance data and technology infrastructure
  - Transform business processes
  - Better leverage social media and collaboration

1.3. Strengthening Organizational Capacity and Effectiveness

- Implement a corporate People Plan - to put into place critical people-related actions to support direction of organization
- Ensure a focused and aligned workforce
- Attract, develop, engage and retain key talent
- Build capacity for innovation and change
- Prepare for changing employee demographics
- Targeted and strategic workforce planning

#### Performance Measures

- Overall Customer Satisfaction Rating (External & Internal)
- Percentage of Services meeting targeted service standards
- Percentage change in the number of services available online
- Percentage change in utilization of online services and social media
- Healthy Work Environment Index from Staff Satisfaction Survey



## BUILDING MARKHAM'S FUTURE TOGETHER

### 2015 - 2019 STRATEGIC PLAN

#### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statements:** 1) *We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.*

#### Strategic Objectives

#### BMFT Actions

2.1. Increasing Community Engagement

- Develop and implement a Community Activation Framework and tool kit for City departments
- Develop Corporate Volunteer Management Program
- Transition the Markham Pan Am Centre into an international sports hub
- Update the Integrated Leisure Master Plan

2.2. Ensuring Markham is Welcoming and Inclusive

- Active advancement of the Diversity Action Plan - Everyone Welcome - with a focus on:
- Implement an Older Adult Plan to address gaps to participation and review subsidies and affordability
- Develop and implement a procurement supplier diversity strategy
- Introduce diversity and inclusion training for Council Advisory Committees

2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge Based Industries

- Update the Economic Strategy
- Support the development of a York University campus in Markham
- Stimulate new business formation and commercialization through increased market awareness of the MCC, ventureLAB, and the Markham Small Business Centre
- Increase Foreign Direct Investment in Markham
- Create Destination Markham

#### Performance Measures

- Number of volunteers involved in City run activities as a percentage of the population
- Participation in City programs per capita
- Assessment composition (ratio of non-residential vs. residential)
- % of population with post secondary education
- Jobs per working age person
- Employment growth rate in targeted sectors



## BUILDING MARKHAM'S FUTURE TOGETHER

### 2015 - 2019 STRATEGIC PLAN

#### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** *We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.*

#### Strategic Objectives

#### BMFT Actions

3.1. Managing our Transportation and Road Network

- Implement the Master Transportation Plan and monitor result
- Implement the Cycling, Pathways and Trails Plan
- Continue to work with other levels of government to deliver road and transit infrastructure
- Encourage compact, mixed use development to reduce the amount of travel

3.2. Managing Growth in Markham

- Implement the new Official Plan
- Create Great Parks and Streetscapes
- Undertake the Comprehensive Zoning By-law Project

3.3. Ensuring the Reliability of the Corporation's Services

- Advance the City's emergency preparedness by completing business continuity plans in all Departments
- Proactively manage our City infrastructure and have plans in place to reduce risks

3.4. Protecting and Respecting Our Built and Natural Environment

- Implement the Corporate Energy Management Plan
- Complete and implement the Municipal Energy Plan
- Implement the Flood Control Program
- Support and leverage Rouge National Urban Park
- Develop a Climate Change Adaption Strategy

#### Performance Measures

- Ratio of cycling and pedestrian pathways (km) vs. roads (km)
- Percentage of medium/high density housing vs total # of houses
- Community waste diversion rate
- Modal split (percentage of travellers using a particular type of transport)
- Corporate greenhouse gas emissions per capita



## BUILDING MARKHAM'S FUTURE TOGETHER

### 2015 - 2019 STRATEGIC PLAN

#### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery*

#### Strategic Objectives

#### BMFT Actions

4.1. Ensuring a Fiscally Prudent and Efficient Municipality

- Deliver multi-year Operating and Capital Budgets
- Ensure growth and non-growth related projects are fully funded
- Refresh E3 Strategy to increase non-tax revenues and maintain or lower operating costs in a growing Markham
- Ensure services are delivered efficiently

4.2. Stewardship of the City's Assets

- Identify adequate funding in the Life Cycle Replacement and Capital Reserve Funds based on projected inflows to sustain future rehabilitation and replacement requirements for the next 25 years
- Develop a Municipal Asset Management Plan in compliance with the Ontario's Building Together Guide

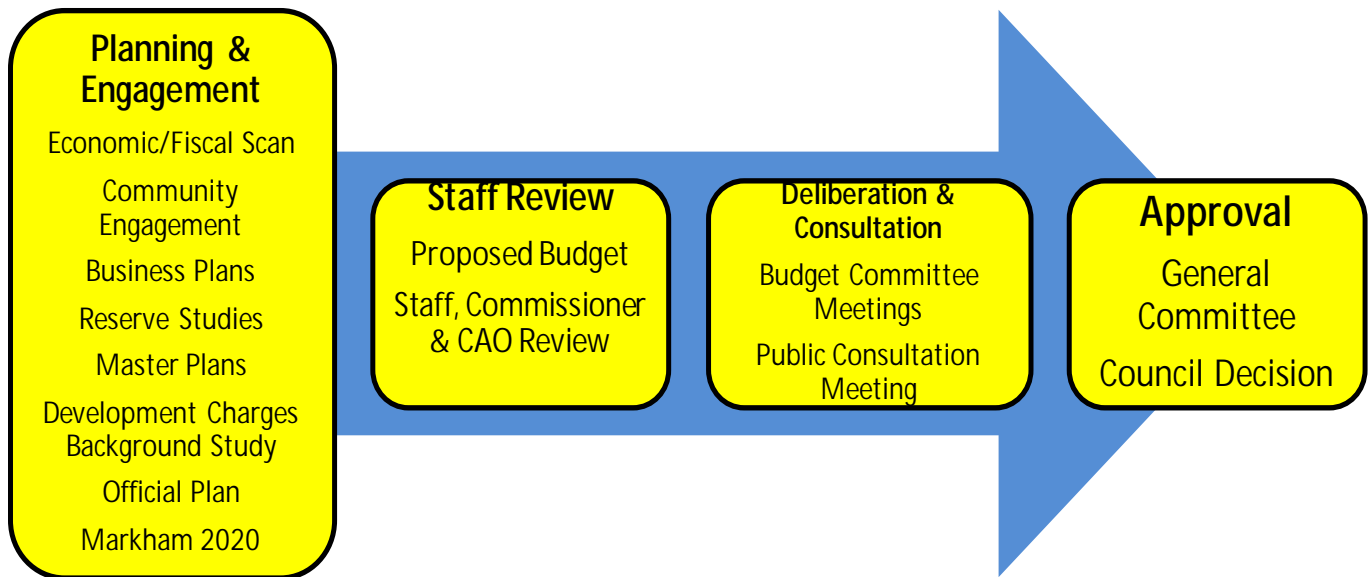
4.3. Increasing Transparency and Accountability

- Retain an Auditor General to execute an Audit Plan for the organization
- Develop transparency and accountability policy framework(s)

#### Performance Measures

- Financial position per capita
- Debt per \$100,000 of assessment
- Total property tax per capita
- Reserves as a % of revenues

## 2019 BUDGETING PROCESS





## 2019 BUDGETING PROCESS DETAILED LEVEL

### Proposed Timeline

Date	Business Plan (Managed by: Strategy Managers)	Budget (Managed by: Financial Services)
April 5 & 12, 2018	Joint Executive Leadership Team (ELT) /Director Forum (DF) meeting	
April 16	Corporate Business Plan and departmental business plan templates released	
April - May	DF to review Corporate Actions to be covered in departmental business plan and actions that impact other departments	
April - May	Director review of departmental business plan with Commissioner	
May 18		Capital Budget database open for input of capital project requests
June 1	Business Plan due to Strategy Manager	
June 15	Final Review by Commissioner	
June 29	2019 Departmental Business Plan finalized	
June 18 – July 11		Director review of Operating and Capital Budget reports with Commissioner including Commissioner sign-off
July 23 – September 5		CAO review of Capital Budget requests
September 14, 17, 20		DF review of Capital Budget (operating non-lifecycle, gas tax and split funded projects)
September 24, October 2		ELT review of Operating and Capital budgets
January 18, 2019		Budget Committee #1 – Economic Scan, Operating and Capital budget overview, Life Cycle Reserve Study Update
January 22, 25, 29, February 5		Budget Committee #2, #3, #4 & #5 - Capital Budget review
February 8		Budget Committee #6 – Capital Budget review for Building, Planning, Engineering and Waterworks Operating Budget
February 13		Budget Committee #7 – Operating Budget review
February 21		Public Budget Consultation Meeting
March 19		<b>Council Decision</b>
March 20		Press Conference



## 2019 BUDGET OVERVIEW

### Fiscal Prudence

Markham has remained financially prudent through diligent adherence to the following policies:

- Prohibit the use of one-time funding to balance the Operating Budget
- Prohibit the use of prior year surpluses to balance the Operating Budget
- Allocate additional funding to the Capital Budget Program

### Budget Framework

Council meets every four years to set the City's goals and priorities. For 2019, Council's strategic priorities address the initiatives defined in the 2015 - 2019 Council term that are detailed under section 2 - Corporate Strategic Plan:

- 1) Exception Services by Exceptional People
- 2) Engaged, Diverse and Thriving City
- 3) Safe and Sustainable Community
- 4) Stewardship of Money and Resources

The corporate goals combined with Council's strategic priorities lay the foundation to determine Markham's Business Plans (BP). The BP template is reviewed every Council term to ensure alignment to Council and the City's corporate goals. Combined, the BP forms the basis for the budget process, while the City's Budget provides a framework to put the BP into action.

### Multi-year Budgeting

Building Markham's Future Together four-year Strategic Plan is the foundation for the City's annual budget process. The strategic objectives and associated action plans listed under Markham's Strategic Plan are incorporated and considered during the development of every Budget the City produces.

In order to align appropriate funding plans with Council's long-term goals and objectives, the City transitioned to a multi-year budgeting process in 2014. Markham's multi-year budgeting Guideline & Instructions document outlines an extensive and comprehensive process to roll out a four-year budget with year one tabled for Council approval, accompanied by a three-year forecast for years two, three and four.

A rolling multi-year Budget supports the Strategic goal "Stewardship of Money and Resources" and allows the City to prioritize funds and resources for the current term. A multi-year budget process will assist in identifying future opportunities and challenges; therefore, the City can be more proactive in capitalizing on opportunities, and mitigating challenges. A better understanding of the financial implications of decisions is also highlighted by the multi-year forecasts.





A Budget Staff Committee, comprising of members from across the organization, with at least one representative from each Commission, develops the criteria and framework for the budgeting process. Committee members act as liaisons for their respective Commissions by facilitating the upstream and downstream flow of information including:

- Identifying Commission issues and opportunities
- Aligning Departmental Business Plans to Corporate Strategic Objectives
- Validating assumptions and ensuring cost drivers are consistently applied across the organization

## **Budget Process**

In April 2018, staff began working on the 2019 BP for each Business Unit. Each Business Unit filled out a BP that served as a single reference for identifying its Unit's 2019 proposed objectives in alignment to the corporate goals and Council priorities. Within each BP, Business Units included a proposed 2019 Operating Budget and Capital Project Budget that form the Business Unit's Budget.

The Corporate Business Planning process establishes and reinforces the relationship between corporate goals and objectives with operational plans and resources. The City of Markham Business Plan identifies the "Stewardship of Money and Resources" as a key corporate goal with the accompanying goal statement:

"We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery."

Fiscally prudent policies combined with a rigorous budgetary process allow the City to deliver services efficiently and effectively to the community, while mitigating the need for significant tax rate increases.

A total of seven Budget Committee meetings were held between January and February 2019 to discuss, review and finalize the 2019 Operating and Capital Budget. One public consultation meeting was held on February 21, 2019 as an opportunity for residents, business and community leaders to obtain an overview of the City's budget process and the 2019 proposed budget. Attendees were invited to inquire about the Budget and to provide feedback at these meetings.

On March 19, 2019 Council approved the Capital Budget and Waterworks Operating budget as well as the Operating, Planning & Design, Engineering, and Building Budgets for 2019.



## Approved Budget

The total approved 2019 Budget is \$519.8 million broken down as follows:

Budget Component	(in \$ millions)
Operating	\$218.3
Library	\$14.8
Capital	\$124.7
Planning and Design	\$11.9
Engineering	\$8.9
Building Standards	\$9.3
Waterworks	\$131.9
<b>Total</b>	<b>\$519.8</b>

The 2019 Budget aligns with the Council approved strategic priorities which address social, economic and environmental considerations. The Budget includes service level enhancements while providing Markham residents' value for their money, and it achieves fiscal sustainability by not using one-time funding to balance the Budget.



## 2019 OPERATING BUDGET (\$'000s)

<u>Description</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>2019 Budget</u>
<b>Revenues</b>				
TAX LEVIES	\$149,177	\$155,155	\$155,051	\$157,547
<b>1.97% PROPERTY TAX RATE INCREASE</b>			<b>0</b>	<b>3,003</b>
PAYMENTS-IN-LIEU OF TAXES	1,261	1,136	1,209	1,209
GRANTS AND SUBSIDIES	2,264	2,232	2,034	1,956
LICENCES & PERMITS	1,954	2,042	1,974	2,247
PENALTY & INTEREST	4,215	4,482	4,158	4,158
INCOME FROM INVESTMENTS	22,121	18,842	16,243	23,352
FINES	2,970	3,068	3,399	3,251
USER FEES & SERVICE CHARGES	17,422	19,405	19,087	20,552
RENTALS	8,388	9,591	9,541	9,754
SALES	655	693	623	635
RECOVERIES & CONTRIBUTIONS	1,208	1,480	1,642	1,671
OTHER INCOME	5,425	11,801	3,523	3,709
<b>Total Revenues</b>	<b>\$217,060</b>	<b>\$229,925</b>	<b>\$218,483</b>	<b>\$233,045</b>
<b>Expenses</b>				
SALARIES AND BENEFITS	\$120,670	\$130,500	\$131,763	\$136,029
PRINTING & OFFICE SUPPLIES	393	384	416	432
PURCHASES FOR RESALE	409	348	423	397
OPERATING MATERIALS & SUPPLIES	2,406	2,554	2,714	2,734
VEHICLE SUPPLIES	1,589	1,918	1,633	1,784
BOTANICAL SUPPLIES	261	256	277	277
CONSTRUCTION MATERIALS	2,011	1,827	1,890	1,946
UTILITIES	7,862	8,242	9,094	9,033
COMMUNICATIONS	1,191	1,341	1,303	1,422
TRAVEL EXPENSES	390	335	396	384
TRAINING	638	641	812	805
CONTRACTS & SERVICE AGREEMENTS	4,769	6,060	6,823	6,837
MAINTENANCE & REPAIRS	6,138	6,296	7,128	7,524
RENTAL/LEASE	733	682	709	738
INSURANCE	2,179	2,422	2,433	2,633
PROFESSIONAL SERVICES	2,785	3,053	2,813	3,039
LICENCES, PERMITS, FEES	758	806	797	839
CREDIT CARD SERVICE CHARGES	358	408	294	394
PROMOTION & ADVERTISING	1,415	1,612	1,327	1,397
KEY COMMUNICATION PROGRAMS	360	380	429	429
CONTRACTED MUNICIPAL SERVICES	10,236	10,744	11,129	12,037
OTHER PURCHASED SERVICES	1,367	1,531	1,425	1,533
PROPERTY TAX ADJUSTMENTS	1,472	385	1,051	1,176
OTHER EXPENDITURES	1,540	8,721	2,646	2,690
TRANSFERS TO RESERVES	39,522	34,899	28,756	36,534
<b>Total Expenses</b>	<b>\$211,453</b>	<b>\$226,345</b>	<b>\$218,483</b>	<b>\$233,045</b>
<b>Net Expenditures/(Revenues)</b>	<b>(5,608)</b>	<b>(3,580)</b>	<b>0</b>	<b>0</b>



## RELATIONSHIP BETWEEN FUNCTIONAL UNITS, MAJOR FUNDS & NON-MAJOR FUNDS

Department / Type of Fund	Operating Fund	Capital Development Fund	Development Fee	Building Fee	Waterworks/Stabilization Capital Reserve
<b>Council and Administration</b>	X				
<b>Development Services (DS)</b>					
<i>Building</i>				X	
<i>Culture &amp; Economic Development</i>	X	X			
<i>Engineering (including Traffic Operations)</i>	X	X	X		
<i>Planning and Design</i>		X	X		
<i>Commissioner's Office, DS</i>	X				
<b>CAO, Legal, HR &amp; Sustainability</b>					
<i>CAO's Office</i>	X				
<i>Human Resources</i>	X				
<i>Legal</i>	X				
<b>Corporate Services (CS)</b>					
<i>Financial Services</i>	X	X			
<i>ITS</i>	X	X			
<i>Communications &amp; Legislative Services</i>	X				
<i>Sustainability &amp; Asset Management</i>	X	X			
<i>Commissioner's Office, CS</i>	X				
<b>Community &amp; Fire Services (CFS)</b>					
<i>Fire and Emergency Services</i>	X	X			
<i>Markham Public Library</i>	X	X			
<i>Recreation Services</i>	X	X			
<i>Operations and Operations Admin</i>	X	X			
<i>Environmental Assets</i>	X	X			
<i>Waste and Environmental Management</i>	X	X			
<i>Waterworks</i>		X			X
<i>Commissioner's Office, CFS</i>	X				
<b>Corporate Items</b>	X				

The table above describes the 5 main types of fund used for the City's operations.

- Operating Fund
- Capital Development Fund
- Development Fee Fund (used to fund the operations of the Planning & Design and Engineering departments)
- Building Fee Fund (used to fund the operations of the Building department)
- Waterworks/Stabilization Capital Reserve (used to fund the operations of the Waterworks department)



The Operating Fund is the primary operating fund of the City, used to account for all revenues and expenditures of the City not legally restricted as to use or required to be accounted for in another fund. The tables on the following pages show the departmental relationship by use of funding type and the total available resources and the use of these resources including revenues, expenditures, transfers in and transfers out.

## 2019 CORPORATE-WIDE BUDGET

### ALLOCATION OF REVENUE & EXPENDITURE BY FUND

Fund (in \$000's)	Operating Fund	Capital Development Fund	Planning & Design	Engineering	Building Fee	Waterworks/ Stabilization Capital Reserve	Total 2019 Budget	2018 Budget
<b>Revenues</b>								
Property Tax	160,550	-	-	-	-	-	160,550	155,051
Other Taxes	1,209	-	-	-	-	-	1,209	1,209
Grants	1,956	-	-	-	-	-	1,956	2,043
Licences & Permits	2,247	-	-	-	7,920	-	10,167	11,824
Interest & Penalties	4,158	-	-	-	-	-	4,158	4,158
Investment Income	23,352	-	-	-	-	-	23,352	16,243
Fines	3,251	-	-	-	-	-	3,251	3,275
User Fees & Service Charges	20,552	-	11,863	8,898	30	533	41,877	38,984
Rental & Sales Income	9,754	-	-	-	-	567	10,321	9,619
Billings	-	-	-	-	-	130,507	130,507	130,221
Other Income	6,015	-	-	34	-	314	6,364	5,831
Capital Fund	-	124,682	-	-	-	-	124,682	77,715
Transfer from Reserves	-	-	-	-	1,382	-	1,382	-
	<b>233,045</b>	<b>124,682</b>	<b>11,863</b>	<b>8,933</b>	<b>9,332</b>	<b>131,921</b>	<b>519,776</b>	<b>456,171</b>
<b>Expenditures</b>								
Salaries & Benefits	136,029	-	7,074	5,514	6,229	7,856	162,702	157,790
Printing & Office Supplies	432	-	35	22	51	34	574	574
Operating Materials & Supplies	2,734	-	6	12	20	248	3,019	3,121
Vehicle Supplies	1,784	-	-	-	-	-	1,784	1,620
Construction Materials	1,946	-	-	-	-	587	2,533	2,377
Utilities	9,033	-	-	-	-	56	9,089	9,177
Communications	1,422	-	12	22	31	74	1,561	1,453
Travel & Training Expenses	1,189	-	51	31	40	107	1,418	1,438
Contracts & Service Agreements	6,837	-	2,527	2,584	2,862	3,248	18,057	17,774
Maintenance & Repair	7,524	-	-	1	-	487	8,011	7,325
Rental/Lease	738	-	-	5	-	6	749	701
Insurance	2,633	-	-	-	-	-	2,633	2,433
Professional Services	3,039	-	17	19	8	117	3,199	2,971
Licences, Permits & Credit Card Charges	1,234	-	61	47	85	51	1,478	1,245
Promotion & Advertising	1,397	-	6	2	7	-	1,412	1,301
Contracted Municipal Services	12,037	-	-	-	-	101,045	113,082	112,156
Other Purchased Services	1,533	-	-	-	-	2,720	4,253	3,917
Other Expenditures	4,969	-	4	2	-	5	4,980	5,079
Capital Expenditures	-	124,682	-	-	-	-	124,682	77,715
Transfers to Reserves	36,534	-	2,071	674	-	15,281	54,560	46,005
	<b>233,045</b>	<b>124,682</b>	<b>11,863</b>	<b>8,933</b>	<b>9,332</b>	<b>131,921</b>	<b>519,776</b>	<b>456,171</b>



## 2019 CONSOLIDATED BUDGET BY DEPARTMENT AND BY FUNDING SOURCE

(in \$000's)	Operating Fund (Note 1)	Capital Fund (Note 2)	Development Fee (Note 3)	Building Fee	Waterworks/ Stabilization Fee	Total 2019 Budget	2018 Budget
<b>Council and Administration</b>	<b>3,026</b>	-	-	-	-	<b>3,026</b>	<b>3,318</b>
<i>Building</i>	-	-	-	9,332	-	9,332	9,957
<i>Culture &amp; Economic Development</i>	8,039	2,141	-	-	-	10,180	9,042
<i>Engineering (including Traffic Operations)</i>	1,719	42,108	8,933	-	-	52,760	20,661
<i>Planning and Design</i>	-	5,276	11,863	-	-	17,139	16,244
<i>Commissioner's Office, DS</i>	1,222	-	-	-	-	1,222	1,206
<b>Development Services (DS)</b>	<b>10,980</b>	<b>49,525</b>	<b>20,796</b>	<b>9,332</b>	-	<b>90,633</b>	<b>57,110</b>
<i>CAO's Office</i>	799	-	-	-	-	799	752
<i>Human Resources</i>	3,239	-	-	-	-	3,239	2,973
<i>Legal</i>	2,173	-	-	-	-	2,173	2,009
<b>CAO, Legal, HR &amp; Sustainability</b>	<b>6,211</b>	-	-	-	-	<b>6,211</b>	<b>5,734</b>
<i>Financial Services</i>	5,805	877	-	-	-	6,682	6,653
<i>ITS</i>	7,814	2,443	-	-	-	10,257	9,208
<i>Communications &amp; Legislative Services</i>	11,121	-	-	-	-	11,121	10,830
<i>Sustainability &amp; Asset Management</i>	4,260	6,366	-	-	-	10,626	10,731
<i>Commissioner's Office, CS</i>	418	-	-	-	-	418	485
<b>Corporate Services (CS)</b>	<b>29,417</b>	<b>9,686</b>	-	-	-	<b>39,103</b>	<b>37,907</b>
<i>Fire and Emergency Services</i>	39,308	274	-	-	-	39,581	37,062
<i>Markham Public Library</i>	14,511	2,918	-	-	-	17,429	16,739
<i>Recreation Services</i>	35,423	7,457	-	-	-	42,880	39,470
<i>Operations and Operations Admin</i>	37,059	19,443	-	-	-	56,502	53,072
<i>Environmental Assets</i>	973	13,394	-	-	-	14,367	18,155
<i>Waste and Environmental Management</i>	10,629	100	-	-	-	10,729	9,650
<i>Waterworks</i>	-	21,885	-	-	131,921	153,806	140,570
<i>Commissioner's Office, CFS</i>	670	-	-	-	-	670	686
<b>Community &amp; Fire Services (CFS)</b>	<b>138,572</b>	<b>65,471</b>	-	-	<b>131,921</b>	<b>335,964</b>	<b>315,405</b>
<b>Corporate Items</b>	<b>44,839</b>	-	-	-	-	<b>44,839</b>	<b>36,697</b>
	<b>233,045</b>	<b>124,682</b>	<b>20,796</b>	<b>9,332</b>	<b>131,921</b>	<b>519,776</b>	<b>456,171</b>
<b>Note 1: Refer to Section 3b - Operating Budget for further details on Operating Budget breakdown</b>							
<b>Note 2: Refer to Section 3c - Capital Budget for further details on Capital Budget breakdown</b>							
<b>Note 3: Development Fee breakdown in \$000's: Planning &amp; Design = \$11,863; Engineering = \$8,933</b>							



## **Operating Budget Summary**

The Operating Budget is completed through a collaborative effort between Council and Staff. As described in the 2019 Budget Process section of the Executive Summary, Markham initiates each year's budget by reviewing the current economic climate and identifies E3 savings to deliver a balanced budget which meets resident expectations while incorporating minimal tax rate increases in the process.

As discussed, the fiscal scan conducted to forecast the 2019 Budget identified budgetary pressures made up of the following five components: managing growth, funding ongoing capital replacements, complying with Federal and Provincial Legislation, maintaining municipal service levels, and increasing personnel costs. Particulars considered in the 2019 budget were projected gross domestic product and consumer price index of Canada and Ontario, economic statistics on housing sales, fuel price projection and collective agreement negotiations.

Together, these fiscal pressures resulted in a \$13.8 million impact to the Operating Budget expenditures, offset by an increase in revenues of \$11.6 million, resulting in a net shortfall of approximately \$2.2 million equivalent to a tax rate increase of 1.47%. In addition, another 0.5% for infrastructure investment was included in the 2019 tax rate for a total of 1.97%.

For further details on the Operating Budget, refer to Section 3b - Operating Budget.

## **Capital Budget Summary**

The approval of the 2019 Capital Budget of \$124.7 million was achieved through a comprehensive process designed to effectively address each of the City's strategic priorities. Maintaining the model of long-term thinking towards capital investments, the City ensures that the existing community facilities are maintained in a state of good repair for years to come. Overall, the Capital Budget demonstrates the City's commitment to its residents by making the appropriate plans to invest in their future needs.

In September 2018, Council approved a report titled "Consulting Engineering Services for the Highway 404 North Secondary Plan, Ward 2" that included capital budget of \$1.4 million. In November 2018, Council approved a Capital Budget pre-approval report which included 18 capital projects and portions of 10 other capital projects totaling \$20.0 million. Total capital budget preapproved was \$21.4M. Pre-approval of capital projects are typically requested due to the following factors:

- To achieve more competitive pricing
- To accelerate the design and construction of certain projects
- To begin the procurement process ahead of the construction season
- To meet operational or program requirements

In March 2019, Council subsequently approved an additional 224 projects totaling \$103.3 million. In aggregate, 243 capital projects were approved for the 2019 Capital Budget, totalling \$124.7 million.



	# of projects	\$ (in millions)
Pre-approvals (September 12 & November 27, 2018)	19	\$21.4
Remaining projects to be approved (March 19, 2019)	224	\$103.3
<b>Total</b>	<b>243</b>	<b>\$124.7</b>

The 2019 Capital Budget includes property acquisition for the Highway 404 mid-block crossing from Leslie Street to Woodbine Avenue, property acquisition and site preparation for the stormwater management pond to provide storm outfall to Rodick Road, Miller Avenue and Miller Developments, continuation of the West Thornhill flood control program, repair and replacement of the City's water and wastewater infrastructure, exterior and interior facility improvements at community centres, libraries, fire stations and the Civic Centre, increase to library collections, environmental assessment and design of multi-use pathways and intersection improvements

The 2019 Capital Budget reflects the City's commitment to maintain service levels to the community and balances social needs with fiscal prudence. This is a reflection of the City's commitment towards fiscal stewardship. Further, the City's commitment to increase contribution to the capital program by \$0.5 million each year is maintained. In addition, the City has continued to contribute to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds. For further details on the Capital Budget, refer to Section 3c – Capital Budget.

### **Waterworks Budget**

Council approved the 2019 Waterworks Budget of \$131.9 million. This represents an increase of \$0.3 million over the 2018 Operating Budget. The 2019 Water and Wastewater rate of \$4.4680/m<sup>3</sup> effective April 1, 2019 (an increase of 7.8% over the 2018 rate) is incorporated into the 2019 Waterworks Operating Budget.

### **Planning & Design Budget**

The Planning & Design Budget is primarily funded through Planning Fees. For 2019, Council approved the Planning & Design Budget of \$11.9 million. This represents an increase of \$1.6 million from the 2018 Budget.

### **Engineering Budget**

The Engineering Budget is primarily funded through Engineering Fees. For 2019, Council approved the Engineering Budget of \$8.9 million. This represents an increase of \$0.8 million from the 2018 Budget.





## **Building Standards Budget**

The Building Budget is primarily funded through Building Licenses and Permits. For 2019, Council approved the Building Services Budget of \$9.3 million. This represents a decrease of \$0.6 million from the 2018 Budget.

## SUMMARY OF FUNDS

The City's financial statements are made up of the following three funds:

1. Operating Funds – included in Consolidated Statements
2. Capital Fund – included in Consolidated Statements
3. Reserves – included in Consolidated Statements

The City also administers six trust funds for the benefit of others. The financial activities of those funds are not consolidated in the Financial Statements of the City of Markham, but are disclosed in a note to the statements.

### Operating Funds

There are four operating funds that support the day-to-day operations of all City departments and services: Primary Operating Fund, Water/Wastewater Operating Fund, Building Standards Operating Fund and Development Fee Operating Fund. The main sources of funding for each of the Operating Funds are: property tax revenues, water/wastewater-rate revenues, building permit fees and engineering, planning and design development fees.

If property tax-supported operations result in a surplus balance at year end, the surplus is transferred to the appropriate reserve in the subsequent fiscal year. All others are transferred to the respective reserve, within the current year at year-end.

### Capital Fund

The Capital Fund provides funding for all capital projects at the City of Markham, and is funded primarily by the following sources:

- Development charges (growth related)
- Transfers from Operating Fund (tax funded)
- Transfers from other reserves (various)

### Reserves

Reserves represent the means by which the City keeps track of monetary resources set aside by Council for specific future purposes. The inflows into these funds are generally from the operating budgets and the outflows are to fund capital projects and other initiatives approved by Council.

There are two types of reserves: “discretionary” and “obligatory”. Discretionary reserves are created whenever a municipal council wishes to earmark revenues to finance a future expenditure and physically set aside a certain portion of any year's revenues so that the funds are available as required in subsequent years. Obligatory reserves are comprised of monies received as financial contributions for particular works to be undertaken by the City on behalf of the external contributor.



## DESCRIPTION OF RESERVES

The maintenance of reserves is very important to the City of Markham, since the availability of these resources provides Council and Senior Management with flexibility in planning for the future, and in managing unforeseen circumstances. At December 31, 2018, the balance in the City's reserves was \$288.4 million.

Reserve	Description
Berczy Landscape Feature	To fund future repairs & replacements due to the shortened life span of cultured stone product used in landscape features in Berczy Park
Building Fee	To fund future capital or to mitigate operating pressures, as a draw from reserve, during years of downturn in the industry
Capital Gains	To accumulate funds to be used to smooth year-to-year fluctuations in investment interest earned versus the investment interest revenue operating budget
Cemetery Operations	For the operational care and maintenance of the Thornhill Cemetery assets
Corporate Rate Stabilization	To maintain the Town's cash flow, minimize the need for short-term borrowing, fund urgent expenditure requirements, minimize changes in the tax or rate levy, and to smooth out fluctuations due to one-time expenditures.
Development Charges	To provide funding for capital expansion related to growth
Development Fee	To fund future capital or to mitigate operating pressures, as a draw from reserve, during years of downturn in the industry (Engineering and Planning & Urban Design departments)
Election Expenses	To accumulate, over the municipal election cycle, funds to cover the estimated costs associated with running the election
Election Rebate	To accumulate, over the municipal election cycle, funds to cover the costs associated with estimated value of rebates to election contributors
Emerald Ash Borer	To provide funds for the removal and replacement of infected trees to protect the city's environmental, social, health and economic benefits of the urban forest
Environmental Land Acquisition	To accumulate funds for the acquisition of significant environmental lands
Environmental Sustainability	To accumulate funds to support corporate and community based projects that promote environmental responsibility and innovation
Facility Ramp-Up	To incrementally ramp up for the estimated personnel expenses associated with the opening of a new facilities (e.g., community centre, library, fire station)
Firefighters' Sick Leave Benefits	For the accumulation of the value of MPFFA union members' sick leave credits and to insure against the future payment liability of vested sick-leave benefits as required by the collective agreement
Gas Tax Revenue	To fund projects or portions of projects deemed eligible for Gas Tax funding
Insurance	To provide a buffer for significant, unanticipated one-time insurance expenditures beyond the control of the City.
Land Acquisition	To accumulate funds to finance strategic land acquisitions that are non-growth related and that are not environmentally sensitive



Library Building Program	To fund future Library capital projects not funded by development charges.
Life Cycle Replacement & Capital	To fund asset life cycle replacements and other major capital investments in future years
Long-term Disability Benefit	To accumulate funds required to self-insure against the future payment liability of long term disability benefits and associated administration expenses
Markham Heritage Loans	As an assisted incentive, the City offers short term loans (5 years) to applicants at a reduced interest rate (the greater of 5% or 5% below the Bank of Canada Prime Lending Rate) to restore heritage features or replicate lost features on a designated property
Markham Heritage Preservation	To protect & preserve heritage buildings and facade throughout the City
Markham Heritage Property Grant	A grant program to encourage the preservation, restoration and enhancement of heritage buildings in Markham by providing a financial incentive to private owners of designated properties for the repair and restoration of existing heritage features and the restoration of missing heritage features
Markham Trees for Tomorrow	To encourage tree plantings and public awareness by community groups and non-government organizations
Museum Endowment	Established to receive funds dedicated to museum-related capital projects
Non-DC Growth	To fund the non-DC portion of growth related projects identified in the DC Background Study
Parkland Cash in Lieu	Funds are to be used according to guidelines under section 51 of the Planning Act for the acquisition of new parkland, recreation facilities, and equipment
Post-employment Benefits	To accumulate funds required to self-insure against the future payment liability of post-employment benefits and associated administration expenses
Public Art Acquisition	A fund to receive cash contributions to fund projects in accordance with Markham Public Art Policies
Section 37 Allocation	All funds received under Section 37 of the Planning Act are spent only for facilities, services and other matters specified in the by-law
Stormwater Fee	To fund the Council approved long-term (30-year) flood control strategy
Theatre Capital Improvement	Dedicated to capital improvements and replacements for the Markham Theatre, other than those funded from the Life Cycle Replacement and Capital Reserve Fund
Theatre Endowment	To support major initiatives outlined in the Theatre Strategic Plan
Waterworks Stabilization and Capital	Funds to be utilized to offset fluctuations in gross profit on water sales to residents and to fund repairs and replacements of waterworks capital infrastructure
Workplace Safety and Insurance Board (WSIB)	To accumulate funds required to self-insure, as a 'Schedule 2 Employer', against the future payment liability of WSIB related claims and associated administration expenses
WSIB Excess Compensation	To fund WSIB operating costs associated with WSIB claims in excess of \$1M, mirroring the City's previous WSIB stop loss insurance coverage.



## RESERVES CONTINUITY SCHEDULE

(\$000's)

Description	Actual Balance December 31, 2017	Actual Balance December 31, 2018	2019 Budget		Estimated Balance December 31, 2019	
			Developer and Other Contributions	Transfer from Operating Funds		Transfer to Capital Funds
<b>RESERVES</b>						
Berczy Land Scape Feature	203	203			203	
Building Fee	10,251	13,603		(1,382)	11,690	
Capital Gain	4,160	4,160			4,160	
Cemetary Operatioins	115	117			117	
Corporate Rate Stabilization	20,459	21,131		1,351	22,482	
Development Charges *	53,787	58,132	20,952	-	33,366	
Development Fee	(6,650)	1,179		2,744	3,923	
Election Expenses	860	8		300	308	
Election Rebate	416	675		259	934	
Emerald Ash Borer	956	552			552	
Environmental Land Acquisition	9,506	9,838			9,838	
Environmental Sustainability	131	111			111	
Facility Ramp - Up	12,547	14,861			14,861	
Firefighter's Sick Leave Benefits	6,340	6,340			6,340	
Gas tax Revenue	7,491	8,368	9,980	-	7,870	
Insurance	3,884	3,932			3,932	
Land Acquisition	(166,721)	(164,929)			(164,929)	
Library Building Program	6,097	6,218			6,218	
Life Cycle Replacement & Capital	90,067	100,831		38,591	103,227	
Long Term Disability Benefit	20,260	21,093			21,093	
Markham Heritage Loans	214	187			187	
Markham Heritage Preservation	83	84			54	
Markham Heritage Property Grant	66	74			74	
Markham Trees for Tomorrow	42	29			29	
Museum Endowment	17	18			18	
Non-DC Growth	7,148	6,549			5,082	
Parkland Cash in Lieu	34,190	65,050			64,694	
Post-Employment Benefits	13,876	14,229			14,229	
Public Art Acquisition	1,423	2,723			2,623	
Section 37 Allocation	3,350	6,215			5,510	
Stormwater Fee	1,799	224		8,809	2,080	
Theatre Capital Improvement	366	397			397	
Theatre Endowment	383	415		-	415	
Waterworks Stabilization and Capital	71,765	80,400		15,281	73,527	
Workplace Safety Insurance Board (WSIB)	4,097	4,234			4,234	
WSIB Excess Compensation	857	1,130			1,130	
<b>Total Reserves</b>	<b>213,834</b>	<b>288,383</b>	<b>30,932</b>	<b>65,953</b>	<b>(124,686)</b>	<b>260,581</b>

Note: The City's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements.



## RESERVES CONTINUITY SCHEDULE - EXPLANATION OF BUDGET CHANGES (\$000's)

Description	Transfer from/(to) Operating Funds	Transfer to Capital Funds	Details
<b><u>Building Fee</u></b>			
Transfer to Operating Fund	(1,382)		Transfer of Building Operating Budget based on 2019 projected performance
Transfer to fund Capital Projects		(531)	Funding of 2019 capital projects associated with Building department
<b><u>Corporate Rate Stabilization</u></b>			
Transfer of 2018 Operating surplus	1,351		Transfer of Operating surplus for 2018 based on actual performance
<b><u>Development Fee</u></b>			
Transfer to Operating Fund	2,744		Transfer of Planning and Engineering Operating Budget based on 2018 projected performance
<b><u>Election Expenses</u></b>			
Transfer from Operating Fund	300		Transfer to fund future election costs
<b><u>Election Rebate</u></b>			
Transfer from Operating Fund	259		Transfer to fund future election rebate costs
<b><u>Gas Tax Revenue</u></b>			
Transfer from Other Revenue	9,980		Gas tax revenue received from federal government transferred funds for capital projects
Transfer to fund Capital Projects		(10,478)	Funding of 2019 capital projects identified as gas tax revenue eligible or for capital projects to be developer funded
<b><u>Life Cycle Replacement &amp; Capital</u></b>			
Transfer from Operating Fund net of 2017 surplus	2,243		Transfer of Operating Budget surplus based on 2017 performance
Transfer from Operating Fund	36,348		Transfer from Operating Budget to fund asset life cycle replacements
Transfer to fund Capital Projects		(36,195)	Funding of 2019 capital projects associated to asset replacements
<b><u>Markham Heritage Preservation</u></b>			
Transfer to fund Capital Projects		(30)	Funding of 2019 capital projects associated with Heritage Preservation
<b><u>Non Development Charges Growth</u></b>			
Transfer to fund Capital Projects		(1,467)	Funding of 2019 capital projects associated with non-growth related area
<b><u>Parkland Cash in lieu</u></b>			
Transfer to fund Capital Projects		(356)	Funding of 2019 capital projects associated with parks
<b><u>Public Art Acquisition</u></b>			
Transfer to fund Capital Projects		(100)	Funding of 2019 capital projects associated with non-growth related area
<b><u>Section 37 Allocation</u></b>			
Transfer to fund Capital Projects		(705)	Funding of 2019 capital projects associated with public realm
<b><u>Stormwater fee</u></b>			
Transfer from Other Revenue 2019 projected fees	8809		Revenue based on 2019 projected fee
Transfer to fund Capital Projects		(6,953)	Funding of 2019 capital projects associated with storm water
<b><u>Waterworks Stabilization/Capital</u></b>			
Transfer from Waterworks Operating Fund 2018 projected surplus	15,281		Transfer of Waterworks Operating Budget based on 2019 projected performance
Funding of Capital Projects		(22,154)	Transfer to Capital Budget on order to fund Waterworks 2019 capital projects



**2017 TO 2019 SUMMARY OF RESERVES**  
(\$000's)

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>
Balance as of January 1	211,927	160,047	230,251
Other Revenue	770	44,806	-
Dividend from Markham Enterprises Corporation	6,547	1,633	8,456
Transfers in from Operating Fund	60,282	71,957	67,476
Transfer out to Capital Fund (net of unspent)	(119,479)	(48,192)	(78,968)
<b>Balance as of December 31</b>	<u>160,047</u>	<u>230,251</u>	<u>227,215</u>
Development charges	53,787	58,132	33,366
Total	<u><b>213,834</b></u>	<u><b>288,383</b></u>	<u><b>260,581</b></u>

Note: The City's practice is to fund all Development Charge funded projects up to \$1,000,000 immediately upon budget approval. Projects in excess of \$1,000,000 are funded quarterly based on cash flow requirements.

## TRUST FUNDS

The City administers six trust funds for the benefit of others. The financial activities of those funds are not consolidated in the Financial Statements of the City of Markham, but are disclosed in a note to the statements. A brief description of each of the funds is provided below.



Trust Fund Name	Description
<b>Morgan Park Trust Fund</b>	<p>The T. &amp; 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.</p>
<b>Varley- McKay Art Foundation Trust Fund</b>	<p>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.</p>
<b>Markham Environmental Advisory Committee Trust Fund</b>	<p>The Markham Environmental Advisory Committee (previously 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 Environmental Advisory Committee.</p>
<b>Cemetery Trust Fund</b>	<p>The Cemetery Trust Fund was 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 cemeteries. Interests earned on amounts held by the Fund are used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations.</p>
<b>Older Adults in Action Trust Fund</b>	<p>Council Resolution established the Older Adults In Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre.</p>
<b>Markham History – Research and Publication Trust Fund</b>	<p>The Markham History – Research &amp; Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham’s history. The Trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee, the Markham &amp; District Historical Society and the Museum Advisory Board.</p>





## 2019 OPERATING BUDGET

### Operating Budget Overview

The development of the Operating Budget takes into account various factors that impact funding requirements such as growth, price increases, and new initiatives. As described in Section 3 – 2019 Budget Overview, the City of Markham uses a holistic approach in developing the Budget by collaborating with Council, obtaining input through community engagement, aligning with the Corporate Strategic Goals and Departmental Business Plans (BPs).

A key objective of the City is to maintain existing service levels and ensure the sustainability of assets, with the lowest possible impact on the tax rate increase. Specific actions that support this objective are:

- Controlling budget pressures such as growth, price increases, and new initiatives
- Exploring options for user fees and charges
- Increasing operational efficiency

These factors are weighed against the development of the final Operating Budget to align with Council's 2015 – 2019 Strategic Plan as discussed in Section 2 – Corporate Strategic Plan and Section 3 – 2019 Budget.

The Operating Budget includes the following three components:

- Personnel Costs
- Non-personnel Costs
- Revenues

### Budget Details

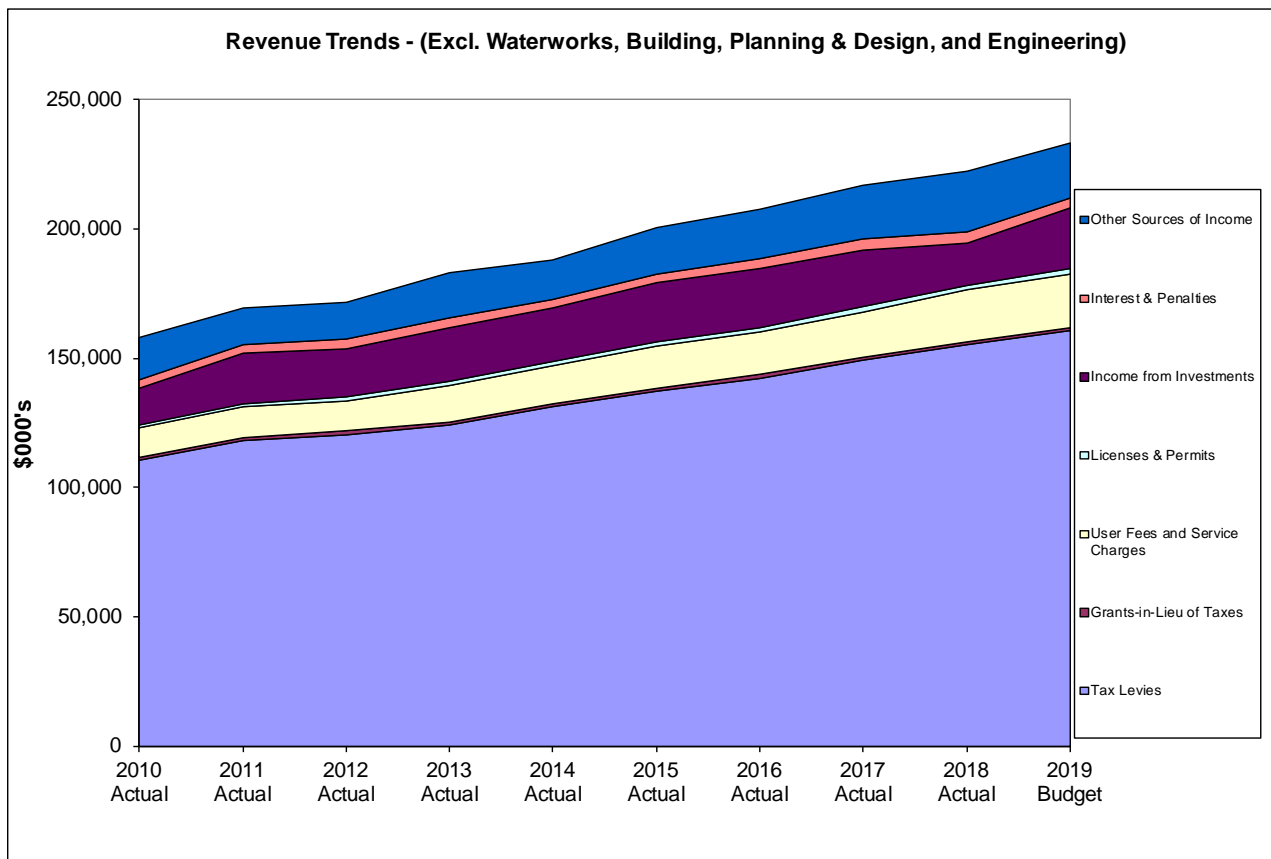
The 2019 Operating Budget for City services totals \$233.1 million excluding, Waterworks, Building Standards, Planning & Design and Engineering. This represents an increase of \$14.6 million over the 2018 Operating Budget.



Budget Component	(in \$ millions)
Operating	\$218.3
Library	\$14.8
Capital	\$124.7
Planning and Design	\$11.9
Engineering	\$8.9
Building Standards	\$9.3
Waterworks	\$131.9
<b>Total</b>	<b>\$519.8</b>

Total Operating Budget: \$233.1M

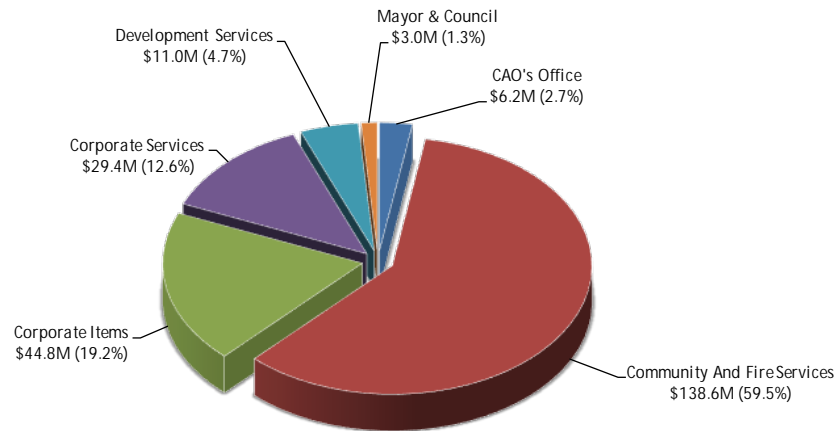
On a consolidated basis, Markham maintains a consistent level of revenues each year to partially offset increases in expenditures. The main drivers for the revenue increase are related to assessment growth, core services revenue strategies, and other operational revenues. Revenues from Waterworks, Building, Planning & Design, and Engineering are reported separately in the respective department’s operating budgets.



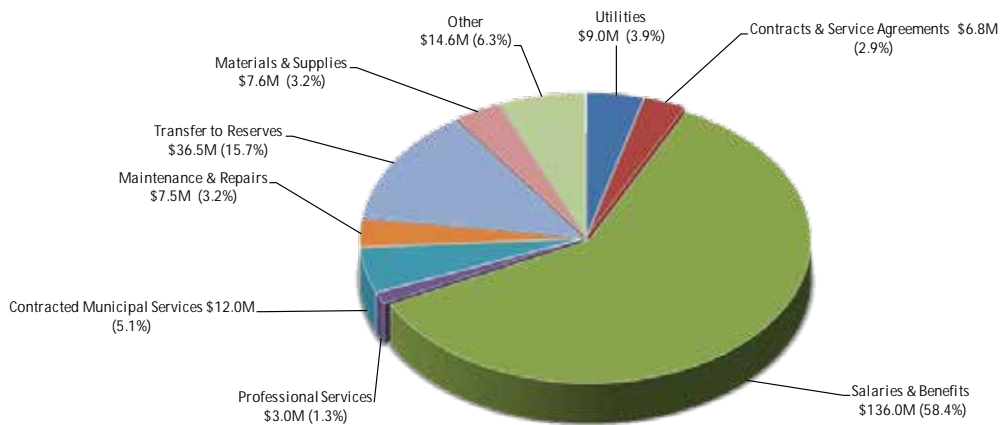
## Expenditures

The following two charts illustrate the composition of the Operating Budget expenditures by Commission and by expenditure component:

**Operating Budget Expenditures by Commission**  
(excluding Waterworks, Building, Planning & Design, and Engineering)  
Total \$233.0M

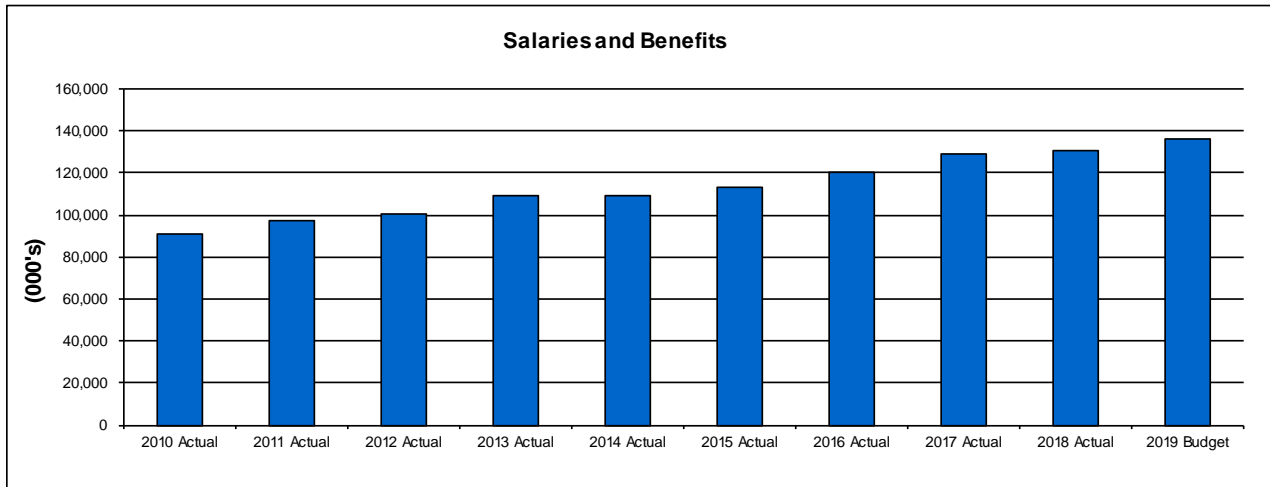


**Operating Budget Expenditures by Component**  
(excluding Waterworks, Building, Planning & Design, and Engineering)  
Total \$233.0M



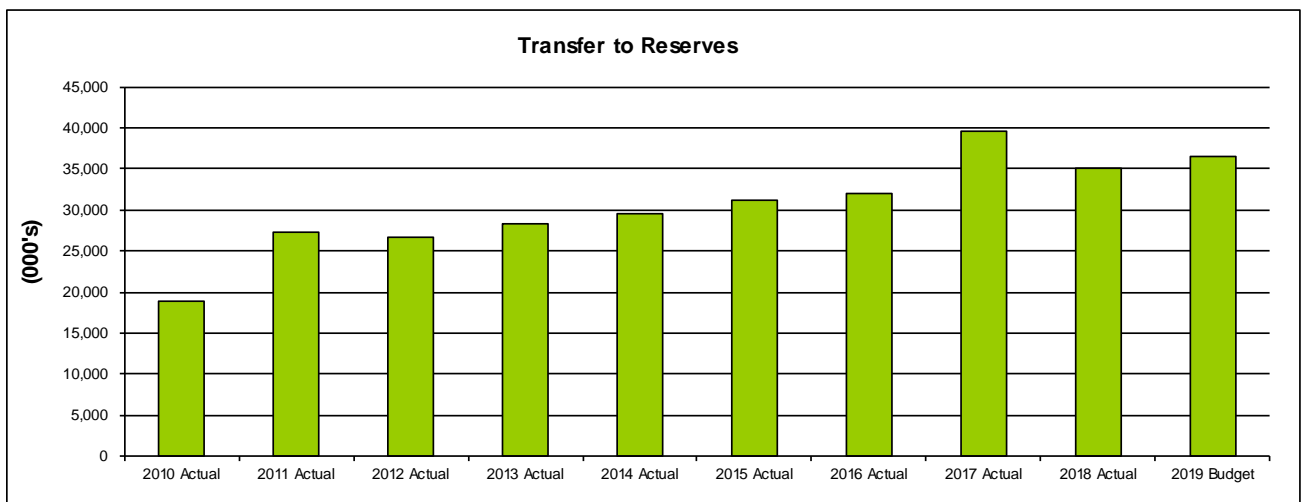
### Personnel Costs

Approximately 58% of expenditures relate to salaries and benefits. Increase in costs is directly driven by the Canadian Union of Public Employees (CUPE) and Markham Professional Fire Fighter’s Association (MPFFA) collective agreements and cost of living adjustments for non-union staff.

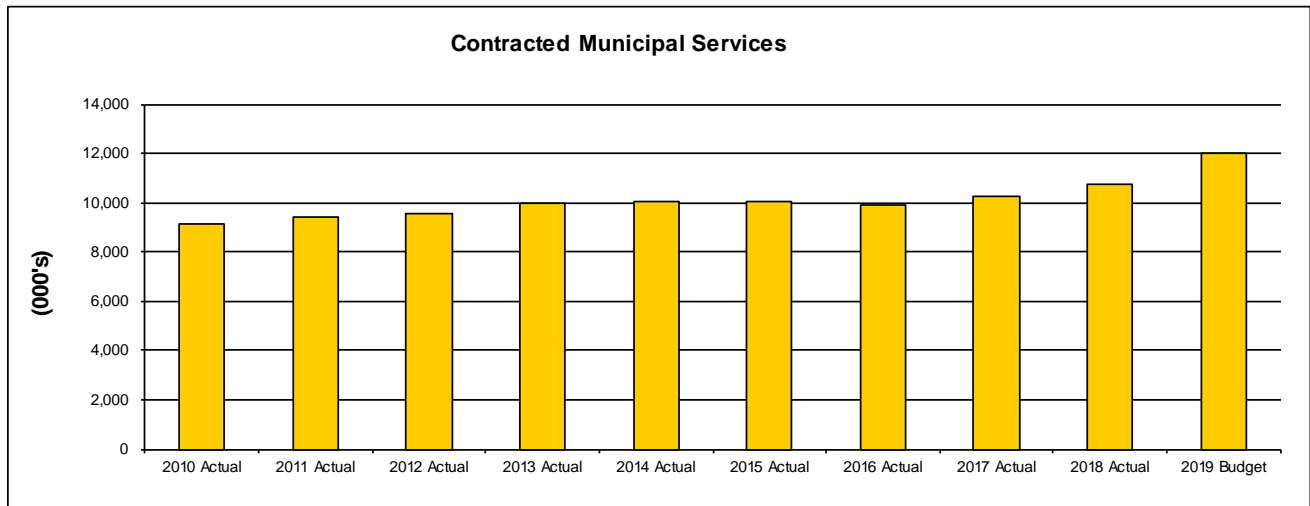


### Non-personnel Costs

The next highest component in the Operating Budget Expenditures by account chart is Transfer to Reserves at approximately 16%. The majority of the transfer is to the Life Cycle Replacement and Capital Reserve Fund to support the non-growth portion of growth related capital projects, and the replacement and rehabilitation of the City’s existing assets. For further details on the flow through of the Transfer to Reserves, see section 3c – Capital Budget.



The 'Other' category, which accounts for 6% of the Operating Budget, includes items such as communications, training, insurance, rentals/leases, promotion and advertising. Contracted Municipal Services exhibits a continuous increasing trend year over year. This increase is a result of both growth and inflation of the City's contracts.



Business Units may reallocate base budget amounts among non-personnel accounts, provided the overall non-personnel budget is maintained. Business Units should identify efficiencies, where feasible and sustainable, to minimize budget implications while maintaining service levels.

All non-personnel accounts are to be maintained at the previous year's base budget, except for budget changes as a result from the following:

- Price adjustments - External service contract commitments
- Price adjustments - Commodity price increases/decreases
- Growth related requirements
- Council approved recommendations
- Annualization
- Capital induced operating costs
- Indirect cost recoveries

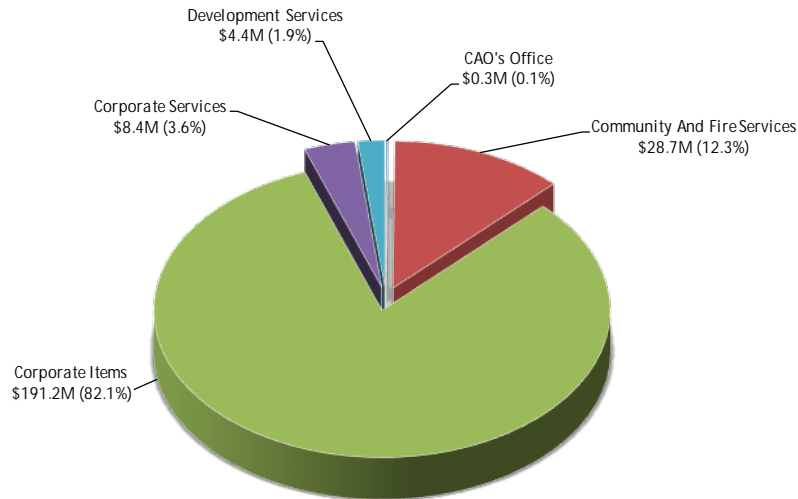
Business Units should first identify opportunities for budget reallocation from existing budget items or revenue recoveries to offset/partially offset potential budget implications.



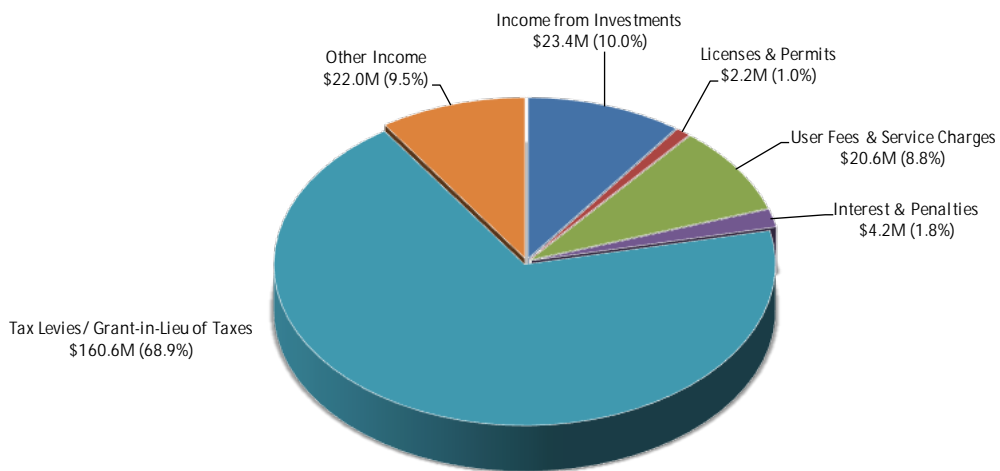
## Revenues

The following two charts illustrate the composition of the Operating Budget revenues by Commission and by revenue component:

**Operating Budget Revenues by Commission**  
(excluding Waterworks, Building, Planning, & Engineering Departments)  
Total \$233.0M



**Operating Budget Revenues by Component**  
(excluding Waterworks, Building, Planning, & Engineering Departments)  
Total \$233.0M





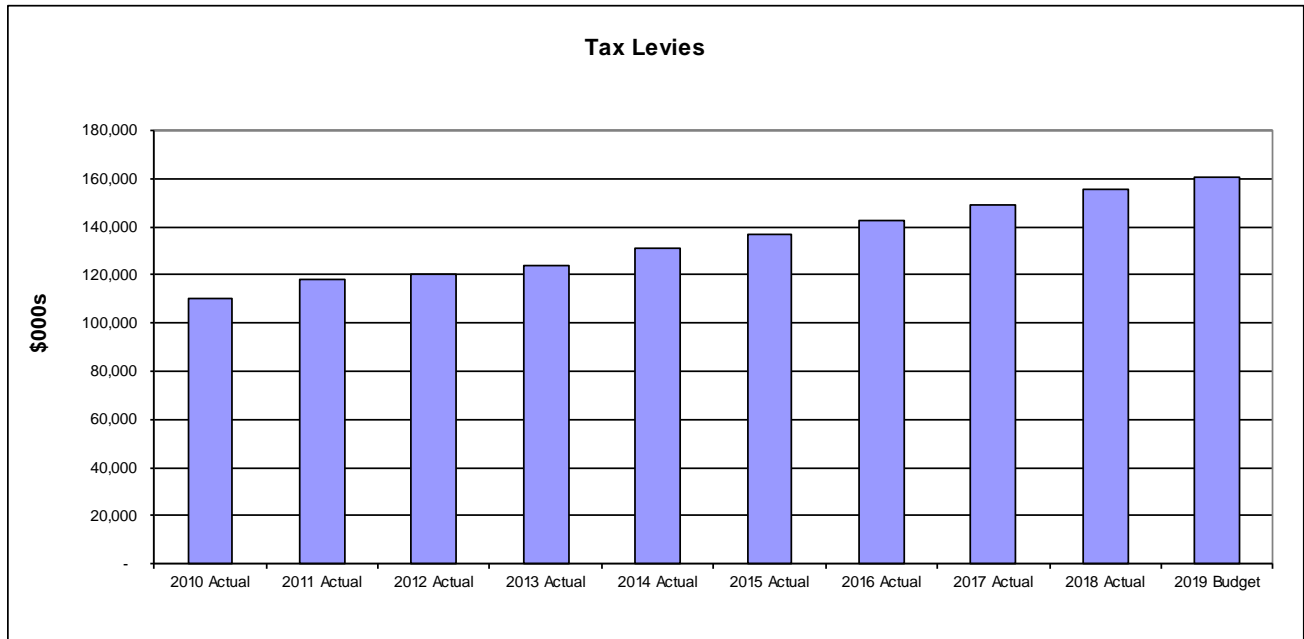
The \$233.0 million Operating Budget is 89% funded through the following sources:

- Tax levies paid by the City's taxpayers
- User fees and service charges
- Interest and dividend income
- Rentals, licenses and permits

The remaining 11% of revenues is generated from fines and recoveries, property tax interest and penalties, grants and subsidies.

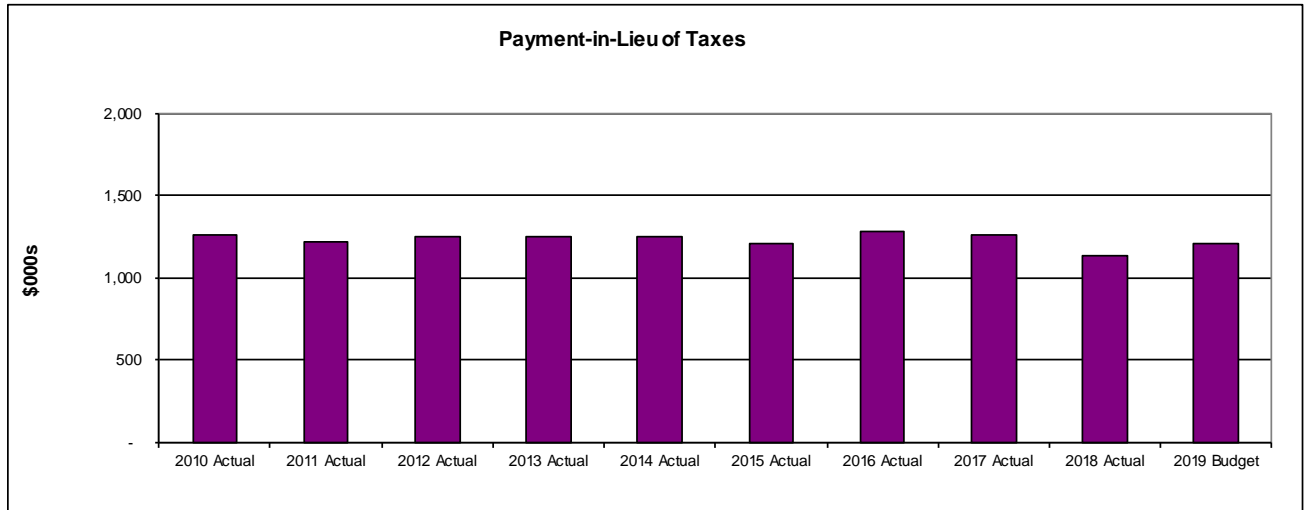
### *Tax Levies*

Tax levies is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class. Budgeted 2019 tax levies is at \$160.6 million, an increase of \$5.4 million from 2018. The tax revenue has increased steadily in the past years due to assessment growth in the City and tax rate increases. The 2019 budgeted assessment growth is 1.64% versus 1.01% in 2018.



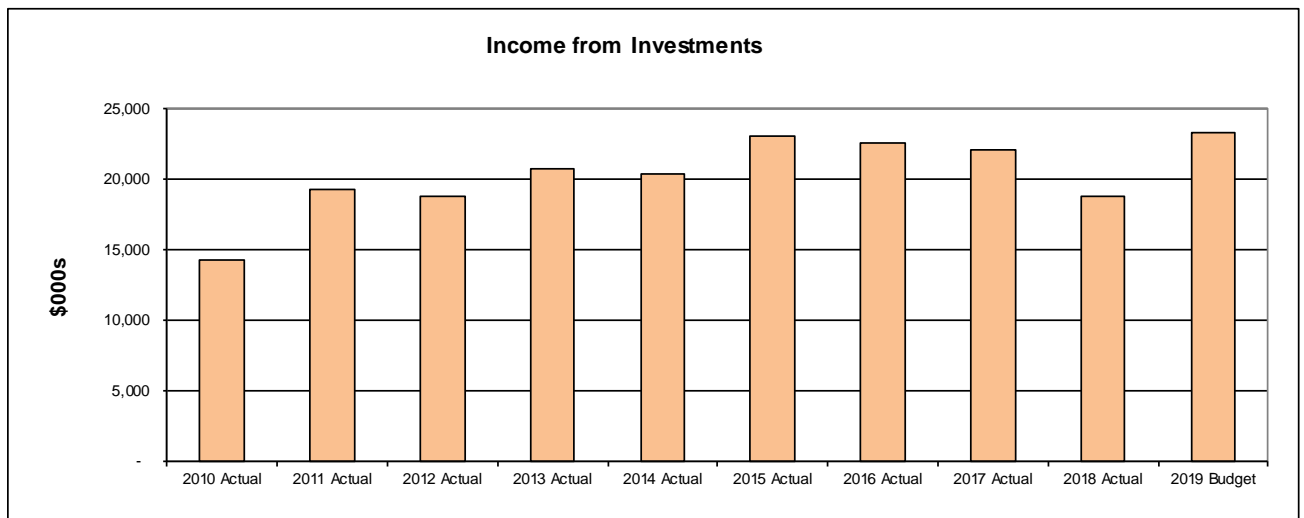
### Grants-in-Lieu

Grants-in-Lieu are payments received in lieu of taxation on properties owned by government and government agencies. The 2019 Budget is \$1.2 million which is trending consistently with prior years.



### Investment Income

The City of Markham earns income on investments for all major City funds and reserves. Income from investments is at \$23.4 million; this amount includes interest and dividends from the City’s holdings in Markham Enterprises Corporation and Markham District Energy Incorporated.

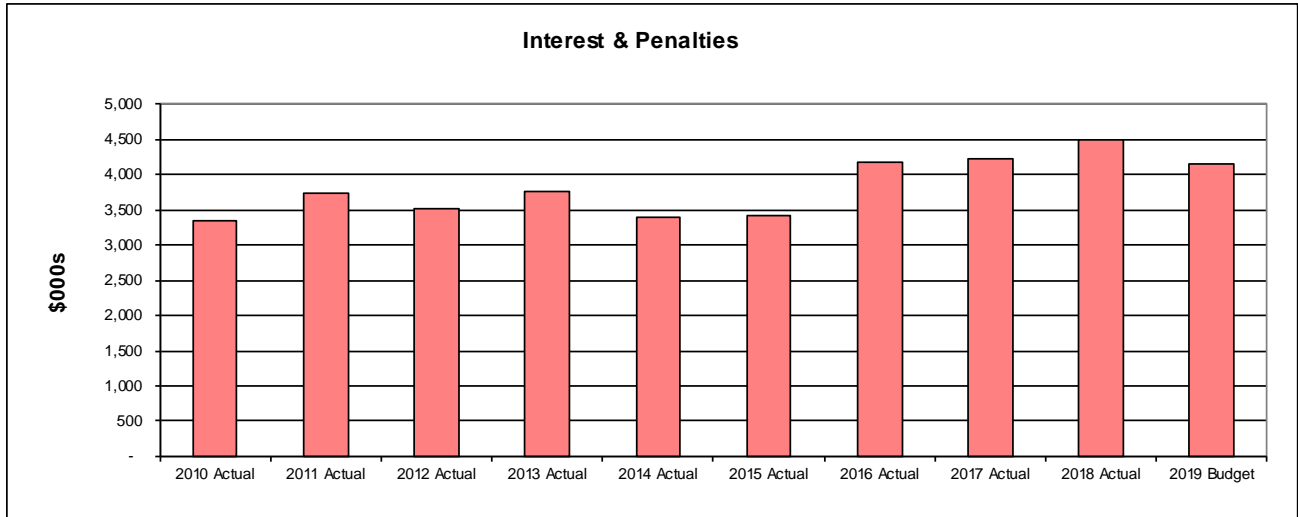






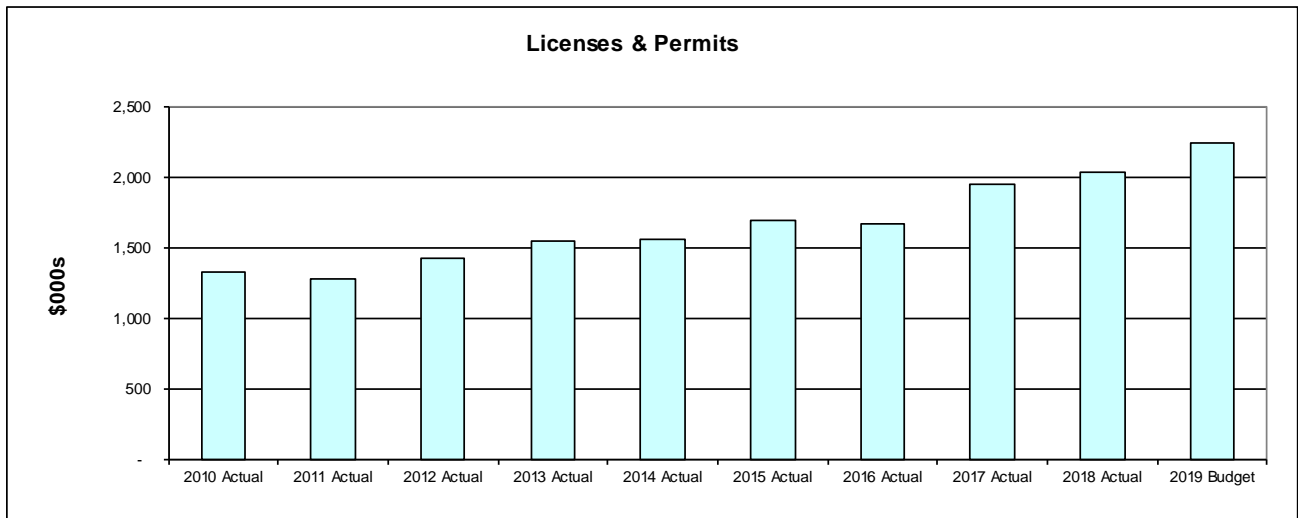
### *Interest and Penalties*

Interest and penalties relate to late payment of property tax bills. For 2019, the budget for this account is \$4.2 million.



### *Licenses & Permits*

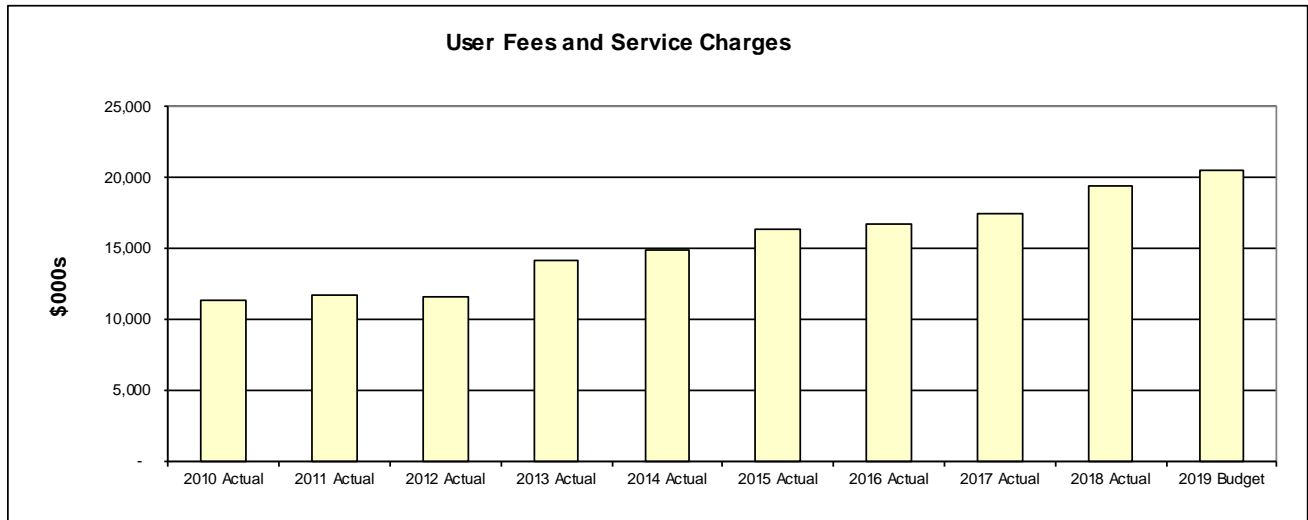
Licenses and Permits revenues are generated by Legislative Services from the sale of business, marriage and other licenses. The 2019 Budget is \$2.2 million.





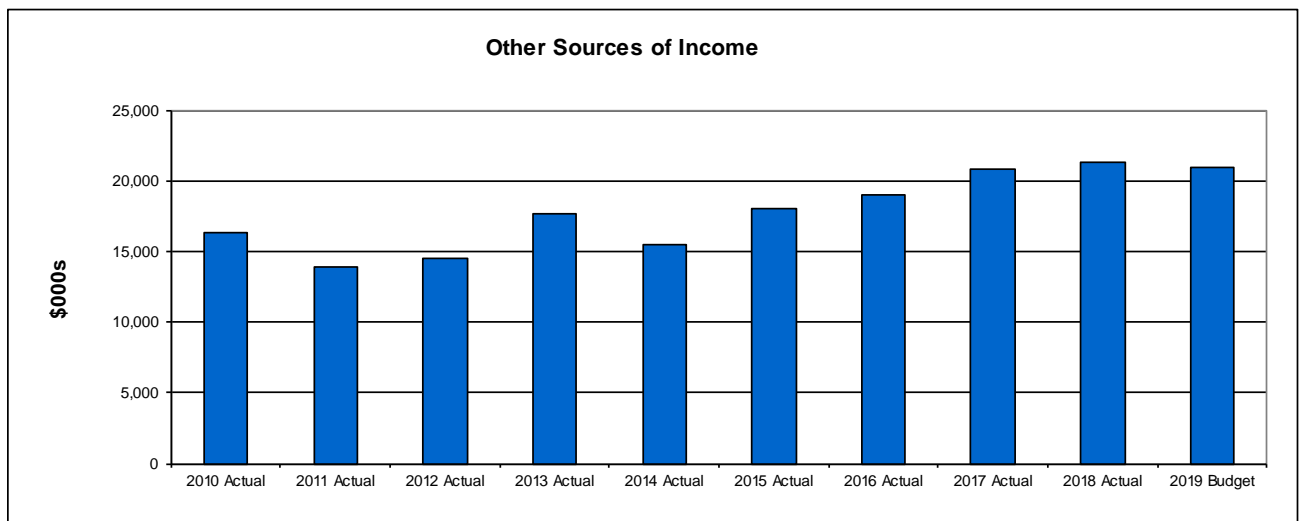
### User Fees

User Fees and Service Charges are paid by individuals or organizations to the City for the use of City facilities. Such fees include recreation fees, program fees, and cultural venue ticket sales. The 2019 Budget of \$20.6 million represents a \$0.5 million increase from the 2018 budget to address inflation.



### Other Income

The Other Income Operating Budget of \$21.0 million represents an increase of \$1.1 million from 2018.





## 2019 OPERATING BUDGET SCHEDULE – CONSOLIDATED

(EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

In accordance to Ontario Regulation 284/09, Municipalities may exclude from budget, all or a portion of the estimate costs of amortization, post-employment benefits, solid waste, landfill closure and post closure expense to allow for preparation of a balanced budget. The City's budgets as shown above exclude such items. Further, as per the Regulation, the impact of these excluded expenses must be reported under the new financial disclosure requirements.

Department/Commission (in \$000's)	2018 Actual	2018 Budget	2019 Budget Approved	2019 Budget vs. 2018 Budget		2018 Budget vs. 2017 Actual	
				Incr.(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	2,623	2,284	1,992	(292)	-14.0%	(341)	-13.0%
Mayor & Councillors	177	1,034	1,034	0	0.0%	666	181.0%
<b>Total Council</b>	<b>2,800</b>	<b>3,318</b>	<b>3,026</b>	<b>(292)</b>	<b>-8.8%</b>	<b>325</b>	<b>10.9%</b>
CAO's Office	756	752	800	(274)	-26.7%	(105)	-12.2%
Human Resources	3,115	2,971	3,237	(149)	-4.8%	19	0.7%
Legal Dept.	1,408	1,759	1,873	212	13.7%	380	27.6%
<b>Total CAO</b>	<b>5,279</b>	<b>5,483</b>	<b>5,910</b>	<b>427</b>	<b>7.8%</b>	<b>295</b>	<b>5.7%</b>
Commissioner's Office	379	485	418	92	23.3%	128	35.9%
Legislative Services, Corporate Communications & Community Engagement	4,872	4,367	4,552	39	0.9%	33	0.8%
Financial Services	4,349	4,485	4,467	149	3.4%	620	16.0%
ITS Department	7,333	7,534	7,814	470	6.6%	719	10.6%
Sustainability & Asset Management	3,331	3,548	3,785	244	7.4%	298	9.2%
<b>Total Corporate Services</b>	<b>20,265</b>	<b>20,419</b>	<b>21,035</b>	<b>616</b>	<b>3.0%</b>	<b>1,798</b>	<b>9.7%</b>
Commissioner's Office	1,154	1,206	1,222	63	5.5%	16	1.3%
Culture & Economic Development	4,092	3,879	3,603	(174)	-4.3%	29	0.8%
Traffic Operations	1,486	1,477	1,718	67	4.7%	129	9.6%
<b>Total Development Services</b>	<b>6,732</b>	<b>6,562</b>	<b>6,543</b>	<b>(19)</b>	<b>-0.3%</b>	<b>174</b>	<b>2.7%</b>
Commissioner's Office	626	686	670	(136)	-16.6%	76	12.5%
Fire Services	37,416	36,219	38,920	906	2.6%	1,260	3.6%
Markham Public Libraries	12,943	12,802	13,378	1,862	17.0%	1,723	15.5%
Operations	30,899	33,155	33,261	1,496	4.7%	4,005	13.7%
Operations Administration	1,631	1,698	2,126	(304)	-15.2%	207	13.9%
Recreation Services	12,390	12,642	11,521	1,419	12.6%	2,904	29.8%
Environmental Services	8,855	8,860	9,972	(25)	-0.3%	427	5.1%
<b>Total Community And Fire Services</b>	<b>104,760</b>	<b>106,061</b>	<b>109,849</b>	<b>3,788</b>	<b>3.6%</b>	<b>10,601</b>	<b>11.1%</b>
<b>Corporate Items</b>	<b>(143,415)</b>	<b>(141,842)</b>	<b>(146,362)</b>	<b>(4,520)</b>	<b>3.2%</b>	<b>(7,592)</b>	<b>5.7%</b>
<b>Net (Surplus)/Defecit</b>	<b>(3,580)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>5,600</b>	<b>-100.0%</b>

The 2018 surplus of \$3.58M will be transferred as follows:

- \$1.40M to the Corporate Rate Stabilization Reserve; and
- \$2.18M to the Life Cycle Replacement and Capital Reserve Fund.



## 2019 RESTATED OPERATING BUDGET SCHEDULE – CONSOLIDATED (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

### EXHIBIT 1

### 2019 CONSOLIDATED BUDGET

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

#### REVENUES

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)	\$231,912,292	
- Library	\$1,132,432	
- Planning & Design	\$11,863,445	
- Engineering	\$8,932,747	
- Building Standards	\$7,950,476	
- Waterworks	\$131,920,556	
<b>Total Revenues from Operations</b>	<b>\$393,711,948</b>	<b>\$393,711,948</b>
Non-Tangible Capital	\$21,733,200	
Tangible Capital Assets	\$102,952,857	
<b>Total Capital - Tangible &amp; Non-Tangible</b>	<b>\$124,686,057</b>	
<i>Less: Transfer from Reserve / Reserve Funds</i>	(1) (\$66,239,445)	
<b>Net Revenues to fund Capital</b>	(2) <b>\$58,446,612</b>	<b>\$58,446,612</b>
<b>TOTAL REVENUES</b>		<b>\$452,158,560</b>

#### EXPENSES

- City (excl. Library, Planning & Design, Engineering, Building Standards and Waterworks)	\$218,250,161	
- Library	\$14,794,563	
- Planning & Design	\$11,863,445	
- Engineering	\$8,932,747	
- Building Standards	\$7,950,476	
- Waterworks	\$131,920,556	
<b>Total Operating Expenses</b>	<b>\$393,711,948</b>	
<i>Less: Transfer to Reserve / Reserve Funds</i>	(3) (\$53,178,085)	
<i>Add: TCA Amortization Expenses</i>	(4) 78,565,441	
<i>Add: Post-employment benefit Expenses</i>	(5) \$105,565	
<b>Net Operating Expenses</b>	<b>\$419,204,869</b>	<b>\$419,204,869</b>
<b>Net Capital Expenses - Not Capitalized</b>	(6) <b>\$21,733,200</b>	<b>\$21,733,200</b>
<b>TOTAL EXPENSES</b>		<b>\$440,938,069</b>
<b>ADJUSTED BUDGET: 2019 FULL ACCRUAL ACCOUNTING BUDGET SURPLUS</b>		<b>(7) \$11,220,491</b>

#### NOTES:

- (1) Represents transfers from reserves and/or reserve funds to fund expenditures. These are not considered revenues under the full accrual method of accounting.
- (2) Represents new revenues to fund the 2019 capital budget
- (3) Represents contributions to reserves and/or reserve funds. These are not considered expenditures under the full accrual method of accounting, but become part of the actual year end surplus (retained earnings).
- (4) TCA Amortization Expenses are calculated based on actual amortization expenses from "in-service" assets as of 2018 and amortization expenses for assets projected to be "in-service" in 2019 using the 1/2 year rule.
- (5) Post-employment Benefit Expenses based on estimates provided by Nexus.
- (6) Non-Tangible Capital are included in the 2019 capital budget, and they will be restated as operating expenses.
- (7) Projected surplus is based on the restated 2019 budget.



## 2019 OPERATING BUDGET SUMMARY – EXPENDITURES (EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

Department/Commission (in \$000's)	2018 Actual	2018 Budget	2019 Budget Approved	2019 Budget vs. 2018 Budget		2018 Budget vs. 2017 Actual	
				Incr(Decr.)	%Change	Incr.(Decr.)	% Change
Administrative Costs	2,623	2,284	1,992	(292)	-12.8%	(341)	-13.0%
Mayor & Councillors	200	1,034	1,034	0	0.0%	578	126.8%
<b>Total Council</b>	<b>2,823</b>	<b>3,318</b>	<b>3,026</b>	<b>(292)</b>	<b>-8.8%</b>	<b>237</b>	<b>7.7%</b>
CAO's Office	756	752	800	47	6.3%	(105)	-12.2%
Human Resources	3,118	2,973	3,239	266	8.9%	17	0.6%
Legal Dept.	1,933	2,009	2,173	164	8.2%	299	17.5%
<b>Total CAO</b>	<b>5,807</b>	<b>5,735</b>	<b>6,212</b>	<b>477</b>	<b>8.3%</b>	<b>212</b>	<b>3.8%</b>
Commissioner's Office	379	485	418	(67)	-13.9%	128	35.9%
Legislative Services, Corporate Communications & Community Engagement	10,715	10,830	11,121	291	2.7%	779	7.8%
Financial Services	5,373	5,692	5,805	114	2.0%	762	15.4%
ITS Department	7,333	7,534	7,814	280	3.7%	719	10.6%
Sustainability & Asset Management	4,278	3,996	4,260	264	6.6%	276	7.4%
<b>Total Corporate Services</b>	<b>28,078</b>	<b>28,537</b>	<b>29,417</b>	<b>881</b>	<b>3.1%</b>	<b>2,664</b>	<b>10.3%</b>
Commissioner's Office	1,154	1,206	1,222	16	1.3%	16	1.3%
Culture & Economic Development	8,487	7,925	8,039	114	1.4%	102	1.3%
Traffic Operations	1,486	1,478	1,719	241	16.3%	130	9.6%
<b>Total Development Services</b>	<b>11,127</b>	<b>10,609</b>	<b>10,980</b>	<b>371</b>	<b>3.5%</b>	<b>248</b>	<b>2.4%</b>
Commissioner's Office	626	686	670	(16)	-2.3%	76	12.5%
Fire Services	37,781	36,584	39,308	2,724	7.4%	1,322	3.7%
Markham Public Libraries	14,117	13,889	14,511	622	4.5%	1,742	14.3%
Operations	32,194	34,348	34,846	498	1.5%	4,234	14.1%
Operations Administration	1,921	2,024	2,212	188	9.3%	265	15.1%
Recreation Services	35,249	35,529	35,423	(107)	-0.3%	5,044	16.5%
Environmental Services	10,430	10,528	11,602	1,074	10.2%	536	5.4%
<b>Total Community And Fire Services</b>	<b>132,318</b>	<b>133,588</b>	<b>138,572</b>	<b>4,984</b>	<b>3.7%</b>	<b>13,219</b>	<b>11.0%</b>
<b>Corporate Items</b>	<b>38,627</b>	<b>36,697</b>	<b>44,839</b>	<b>8,142</b>	<b>22.2%</b>	<b>(9,486)</b>	<b>-20.5%</b>
<b>Total Corporation</b>	<b>218,780</b>	<b>218,483</b>	<b>233,045</b>	<b>14,562</b>	<b>6.7%</b>	<b>7,093</b>	<b>3.4%</b>



## 2019 OPERATING BUDGET SUMMARY – REVENUES

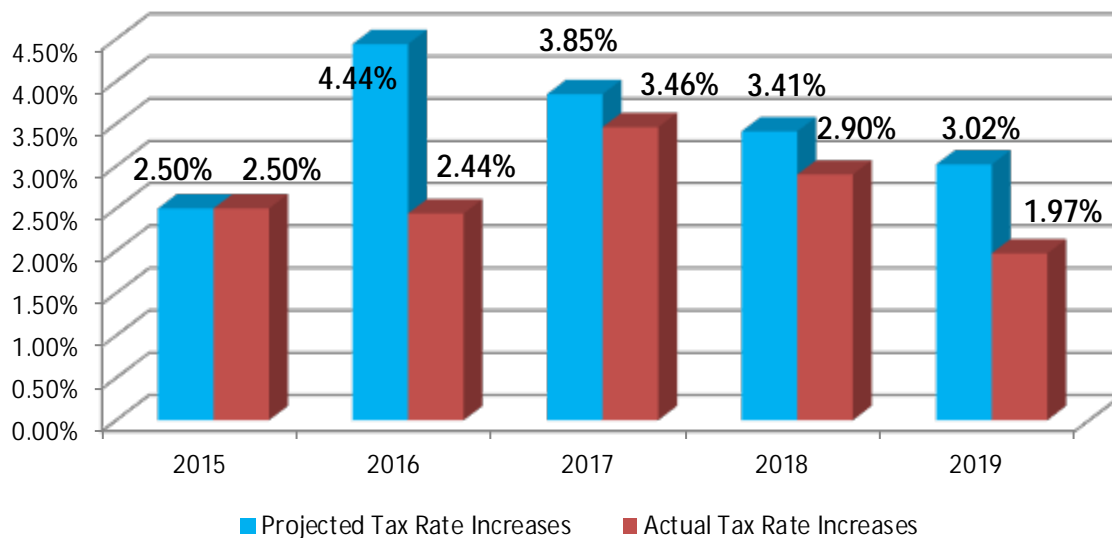
(EXCLUDING WATERWORKS, BUILDING STANDARDS, PLANNING & DESIGN, & ENGINEERING)

Department/Commission (in \$000's)	2018 Actual	2018 Budget	2019 Budget Approved	2019 Budget vs. 2018 Budget		2018 Budget vs. 2017 Actual	
				Incr(Decr.)	%Change	Incr.(Decr.)	%Change
Administrative Costs	0	0	0	0	0.0%	0	0.0%
Mayor & Councillors	23	0	0	0	0.0%	(88)	-100.0%
<b>Total Council</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>(88)</b>	<b>-100.0%</b>
CAO's Office	0	0	0	0	0.0%	0	0.0%
Human Resources	3	2	2	0	0.0%	(2)	-50.0%
Legal Dept.	525	250	300	50	20.0%	(81)	-24.5%
<b>Total CAO</b>	<b>528</b>	<b>252</b>	<b>302</b>	<b>50</b>	<b>19.8%</b>	<b>(83)</b>	<b>-24.8%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Legislative Services, Corporate Communications & Community Engagement	5,843	6,463	6,569	106	1.6%	746	13.0%
Financial Services	1,024	1,207	1,338	131	10.9%	142	13.3%
ITS Department	0	0	0	0	0.0%	0	0.0%
Sustainability & Asset Management	947	448	475	27	6.0%	(22)	-4.7%
<b>Total Corporate Services</b>	<b>7,813</b>	<b>8,118</b>	<b>8,382</b>	<b>264</b>	<b>3.3%</b>	<b>866</b>	<b>11.9%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Culture & Economic Development	4,395	4,046	4,436	390	9.6%	73	1.8%
Traffic Operations	0	1	1	0	0.0%	1	0.0%
<b>Total Development Services</b>	<b>4,395</b>	<b>4,047</b>	<b>4,437</b>	<b>390</b>	<b>9.6%</b>	<b>74</b>	<b>1.9%</b>
Commissioner's Office	0	0	0	0	0.0%	0	0.0%
Fire Services	365	365	387	22	6.0%	62	20.6%
Markham Public Libraries	1,174	1,087	1,132	45	4.1%	19	1.8%
Operations	1,295	1,193	1,585	392	32.9%	229	23.7%
Operations Administration	290	326	86	(240)	-73.6%	58	21.8%
Recreation Services	22,859	22,887	23,902	1,015	4.4%	2,140	10.3%
Environmental Services	1,575	1,668	1,630	(38)	-2.3%	109	7.0%
<b>Total Community And Fire Services</b>	<b>27,559</b>	<b>27,527</b>	<b>28,723</b>	<b>1,196</b>	<b>4.3%</b>	<b>2,618</b>	<b>10.5%</b>
<b>Corporate Items</b>	<b>182,042</b>	<b>178,539</b>	<b>191,201</b>	<b>12,662</b>	<b>7.1%</b>	<b>(1,894)</b>	<b>-1.0%</b>
<b>Total Corporation</b>	<b>222,360</b>	<b>218,483</b>	<b>233,045</b>	<b>14,562</b>	<b>6.7%</b>	<b>1,493</b>	<b>0.7%</b>

## LONG TERM OPERATING BUDGET FORECAST

The City adopts a multi-year budgeting process that aligns with Council’s Strategic Plan, the latest of which covers from 2015 to 2019. The multi-year budget process develops a four-year budget with current year’s tax rate increase tabled for Council approval, accompanied by forecasted tax rate increases for the future years that remain in the plan cycle. Below is a comparison of the projected versus approved tax rate increases over the strategic plan cycle 2015 - 2019:

**Projected versus Approved Tax Rate Increase  
(2015 - 2019)**



In response to the need to develop future budgets, a multi-year budgeting Guidelines & Instructions document was prepared in July 2014 to align with the Corporate goal of “Stewardship of Money and Resources.” The document outlines an extensive and comprehensive process to develop a rolling four-year budget that:

- align to departmental Business Plans and corporate objectives;
- forecast future tax rate increases;
- ensure cost and revenue drivers are consistently applied across the organization;
- increase precision of budgeting; and
- assist in providing explanations for budget variances when they occur.

A multi-year budget process will assist in identifying future opportunities and challenges. The multi-year budget process will allow the City to be more proactive in capitalizing on opportunities, and mitigating challenges.

The 2015 – 2019 Strategic Plan has reached the end of its term. A new Council term commenced following the Municipal Election in fall of 2018. Through collaboration with

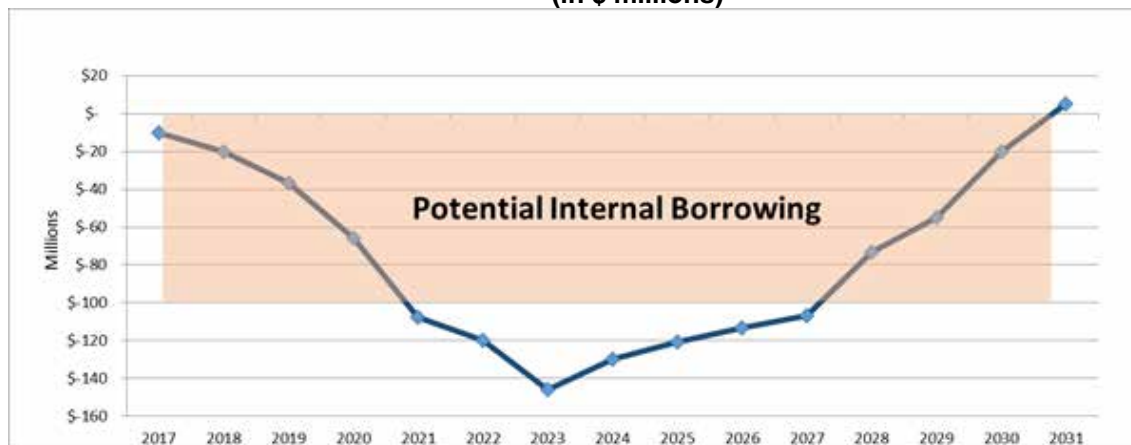


senior staff and the voice of the community, the newly appointed Council will review and refresh the Strategic Plan for years 2020 to 2024, which will be included in the 2020 budget document. A multi-year budget plan for 2020 to 2024 will be prepared at the same time.

## Debt Projection

In Q1 2016, the City's Development Charges (DC) reserves went into a negative position as a result of growth related capital commitments exceeding DC revenues collected to date. As a result, the City commenced internal borrowing in Q1 2016. A Council approved Development Charges Internal Borrowing Policy (refer to Appendix 4) allows the City to loan the DC Reserves up to a cumulative maximum of 25% of the previous year's average general portfolio balance. Based on the 2018 General Portfolio balance, internal borrowing would be capped at \$106.6M. The City has prepared a debt projection forecast as follows:

**Development Charges Internal Debt Projection**  
(in \$ millions)



## Debt Obligations

On July 1, 2010 and April 14, 2014, the City received a loan of \$12M from Canada Mortgage Housing Corporation (CMHC) and a \$4M low-interest loan from Federation of Canadian Municipalities (FCM) respectively through York 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 on July 1, 2010 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 Markham Enterprises Corporation (MEC). The loan received on April 14, 2014 was used to partially fund the cost of Cornell Community Centre and Library.





The loan of \$12M is to be amortized over a period of 20 years, at an interest rate of 4.04%. An annual payment to the Region of \$886,111.33 consists of principal and interest. The \$4M loan is to be amortized over a period of 20 years, at an interest rate of 2%. An annual payment to the Region of \$243,649.74 consists of principal and interest.

**CANADA MORTGAGE HOUSING CORPORATION (CMHC)**

**PRINCIPAL - \$12 million**

**INTEREST RATE - 4.04% per annum**

**TERM - 20 years**

YEAR	PRINCIPAL Bal b/fwd	PRINCIPAL PAID	INTEREST PAID	PRINCIPAL Bal c/fwd	TOTAL ANNUAL PAYMENT
2011	\$ 12,000,000.00	\$ 401,311.33	\$ 484,800.00	\$ 11,598,688.67	\$ 886,111.33
2012	\$ 11,598,688.67	\$ 417,524.31	\$ 468,587.02	\$ 11,181,164.36	\$ 886,111.33
2013	\$ 11,181,164.36	\$ 434,392.29	\$ 451,719.04	\$ 10,746,772.07	\$ 886,111.33
2014	\$ 10,746,772.07	\$ 451,941.74	\$ 434,169.59	\$ 10,294,830.33	\$ 886,111.33
2015	\$ 10,294,830.33	\$ 470,200.18	\$ 415,911.15	\$ 9,824,630.15	\$ 886,111.33
2016	\$ 9,824,630.15	\$ 489,196.27	\$ 396,915.06	\$ 9,335,433.88	\$ 886,111.33
2017	\$ 9,335,433.88	\$ 508,959.80	\$ 377,151.53	\$ 8,826,474.08	\$ 886,111.33
2018	\$ 8,826,474.08	\$ 529,521.78	\$ 356,589.55	\$ 8,296,952.30	\$ 886,111.33
2019	\$ 8,296,952.30	\$ 550,914.46	\$ 335,196.87	\$ 7,746,037.84	\$ 886,111.33
2020	\$ 7,746,037.84	\$ 573,171.40	\$ 312,939.93	\$ 7,172,866.44	\$ 886,111.33
2021	\$ 7,172,866.44	\$ 596,327.53	\$ 289,783.80	\$ 6,576,538.92	\$ 886,111.33
2022	\$ 6,576,538.92	\$ 620,419.16	\$ 265,692.17	\$ 5,956,119.76	\$ 886,111.33
2023	\$ 5,956,119.76	\$ 645,484.09	\$ 240,627.24	\$ 5,310,635.67	\$ 886,111.33
2024	\$ 5,310,635.67	\$ 671,561.65	\$ 214,549.68	\$ 4,639,074.02	\$ 886,111.33
2025	\$ 4,639,074.02	\$ 698,692.74	\$ 187,418.59	\$ 3,940,381.28	\$ 886,111.33
2026	\$ 3,940,381.28	\$ 726,919.93	\$ 159,191.40	\$ 3,213,461.35	\$ 886,111.33
2027	\$ 3,213,461.35	\$ 756,287.49	\$ 129,823.84	\$ 2,457,173.86	\$ 886,111.33
2028	\$ 2,457,173.86	\$ 786,841.51	\$ 99,269.82	\$ 1,670,332.35	\$ 886,111.33
2029	\$ 1,670,332.35	\$ 818,629.90	\$ 67,481.43	\$ 851,702.45	\$ 886,111.33
2030	\$ 851,702.45	\$ 851,702.45	\$ 34,408.78	\$ (0.00)	\$ 886,111.23
<b>TOTAL</b>		<b>\$ 12,000,000.00</b>	<b>\$ 5,722,226.50</b>		<b>\$ 17,722,226.50</b>

**FEDERATION OF CANADIAN MUNICIPALITIES (FCM)**

**PRINCIPAL - \$4 million**

**INTEREST RATE - 2.0% per annum**

**TERM - 20 years**

YEAR	PRINCIPAL Bal b/fwd	PRINCIPAL PAID	INTEREST PAID	PRINCIPAL Bal c/fwd	TOTAL ANNUAL PAYMENT
2014	\$ 4,000,000.00	\$ 81,715.28	\$ 40,109.59	\$ 3,918,284.72	\$ 121,824.87
2015	\$ 3,918,284.72	\$ 166,113.80	\$ 77,535.94	\$ 3,752,170.92	\$ 243,649.74
2016	\$ 3,752,170.92	\$ 169,398.86	\$ 74,250.88	\$ 3,582,772.06	\$ 243,649.74
2017	\$ 3,582,772.06	\$ 172,905.83	\$ 70,743.91	\$ 3,409,866.23	\$ 243,649.74
2018	\$ 3,409,866.23	\$ 176,333.02	\$ 67,316.72	\$ 3,233,533.21	\$ 243,649.74
2019	\$ 3,233,533.21	\$ 179,877.31	\$ 63,772.43	\$ 3,053,655.90	\$ 243,649.74
2020	\$ 3,053,655.90	\$ 183,448.41	\$ 60,201.33	\$ 2,870,207.49	\$ 243,649.74
2021	\$ 2,870,207.49	\$ 187,218.78	\$ 56,430.96	\$ 2,682,988.71	\$ 243,649.74
2022	\$ 2,682,988.71	\$ 190,943.26	\$ 52,706.48	\$ 2,492,045.45	\$ 243,649.74
2023	\$ 2,492,045.45	\$ 194,781.21	\$ 48,868.53	\$ 2,297,264.24	\$ 243,649.74
2024	\$ 2,297,264.24	\$ 198,662.06	\$ 44,987.68	\$ 2,098,602.18	\$ 243,649.74
2025	\$ 2,098,602.18	\$ 202,717.67	\$ 40,932.07	\$ 1,895,884.51	\$ 243,649.74
2026	\$ 1,895,884.51	\$ 206,764.05	\$ 36,885.69	\$ 1,689,120.46	\$ 243,649.74
2027	\$ 1,689,120.46	\$ 210,920.00	\$ 32,729.74	\$ 1,478,200.46	\$ 243,649.74
2028	\$ 1,478,200.46	\$ 215,136.27	\$ 28,513.47	\$ 1,263,064.19	\$ 243,649.74
2029	\$ 1,263,064.19	\$ 219,500.73	\$ 24,149.01	\$ 1,043,563.46	\$ 243,649.74
2030	\$ 1,043,563.46	\$ 223,895.71	\$ 19,754.03	\$ 819,667.75	\$ 243,649.74
2031	\$ 819,667.75	\$ 228,396.01	\$ 15,253.73	\$ 591,271.74	\$ 243,649.74
2032	\$ 591,271.74	\$ 232,975.47	\$ 10,674.27	\$ 358,296.27	\$ 243,649.74
2033	\$ 358,296.27	\$ 237,674.40	\$ 5,975.34	\$ 120,621.87	\$ 243,649.74
2034	\$ 120,621.87	\$ 120,621.87	\$ 1,202.91	\$ 0.00	\$ 121,824.78
<b>TOTAL</b>		<b>\$ 4,000,000.00</b>	<b>\$ 872,994.71</b>		<b>\$ 4,872,994.71</b>



## 2019 CAPITAL BUDGET

### Capital Budget Overview

The City of Markham defines an expenditure as a capital expenditure when it meets the following three requirements:

- 1) Expected useful life longer than one year
- 2) Total costs meet or exceed \$5,000
- 3) Alignment with the City's Corporate Goals

Capital projects can be phased in over several years, and Departments are required to provide a quarterly cash flow on the Capital submission forms. A monthly report is provided by Finance to Senior Staff on all open Capital Projects with information on each project's expenditures against budget for tracking purposes.

Approximately 61% of the 2019 Capital Budget is funded from the Development Charge Reserve (36%) and the Life Cycle Replacement and Capital Reserve Fund (25%). Each year, a portion of the Operating Budget is transferred to the Life Cycle Replacement and Capital Reserve Fund as a 'Transfer to Reserves' for the following purposes:

- to fund replacement and rehabilitation of existing assets, categorized as 'Operating Life Cycle Funds';
- to fund new assets and the non-growth share of growth related projects; categorized as 'Operating Non-Life Cycle Funds'.

The City conducts two long terms studies for each year's Capital Budget:

The Development Charges (DC) Background study is legislatively required to be conducted every five years and is made up of two components relating to growth:

- City-Wide Hard Services; relating to cost recovery for major roads, sidewalks, streetlights and storm water management
- City-Wide Soft Services; relating to cost recovery for facilities, parking, parks development and public works.

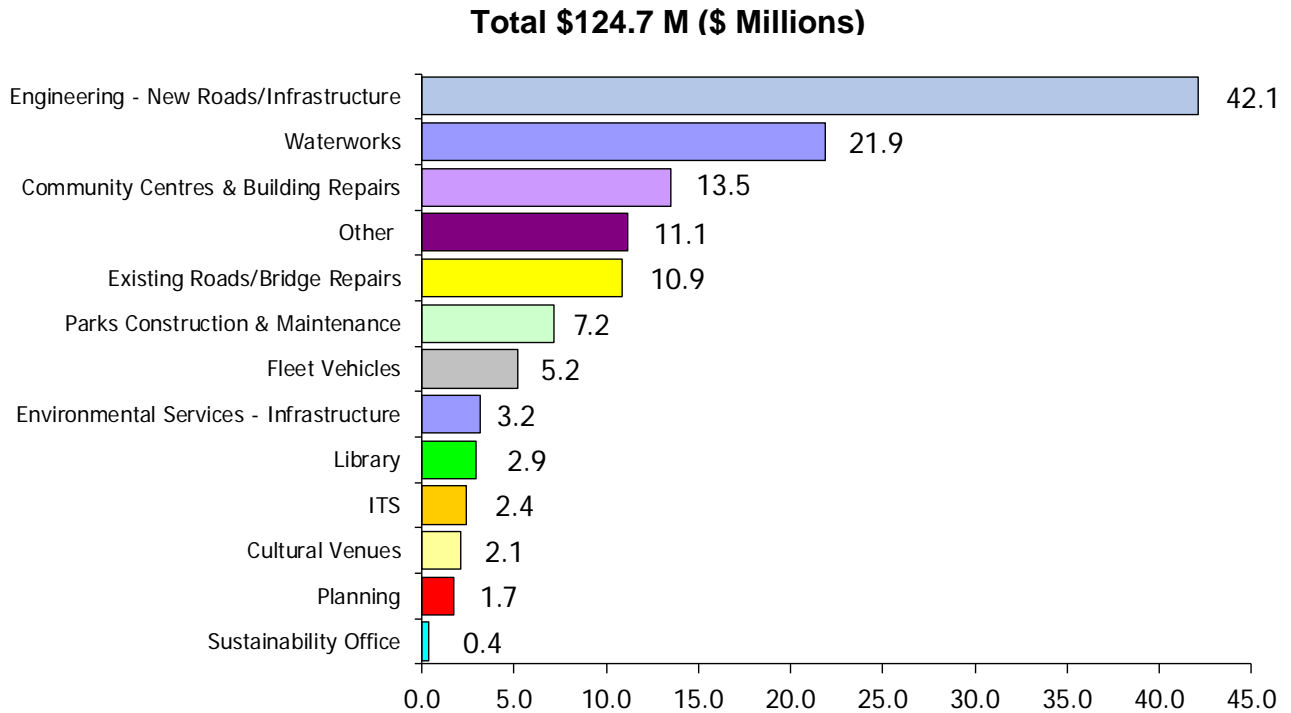
The DC Background Study was updated in 2017, with the study for City-Wide Hard Services covering the period from 2017 - 2031, and the study for City-Wide Soft Services covering the period from 2017 - 2022.

The Life Cycle Reserve study is updated annually to determine if there are sufficient funds in the Life Cycle Replacement and Capital Reserve Fund for the rehabilitation and replacement of the City's existing assets for the next 25 years based on known inflows and outflows.

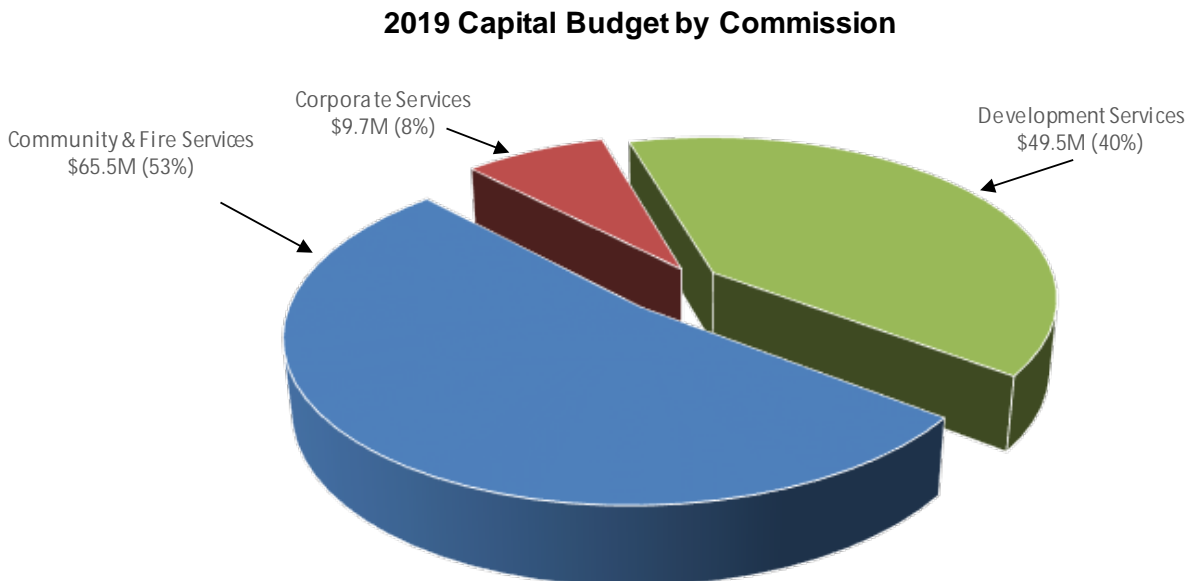


## Budget Details

Breakdown of the City of Markham's 2019 approved \$124.7 million Capital Budget is shown below, by type:



The Capital Budget is allocated by Commission as follows:



The 2019 Capital Budget of \$124.7 million is funded through a variety of sources. Approximately \$76.4 million (61%) of the Capital Budget is funded through the Life Cycle Replacement and Capital Reserve Fund, and Development Charges Reserve, while the



remaining \$48.3 million (39%) of the Capital Budget is made up of Federal Gas Tax Reserves and Other Reserves. The following schedule presents the allocation of the Capital Budget by Department according to funding source

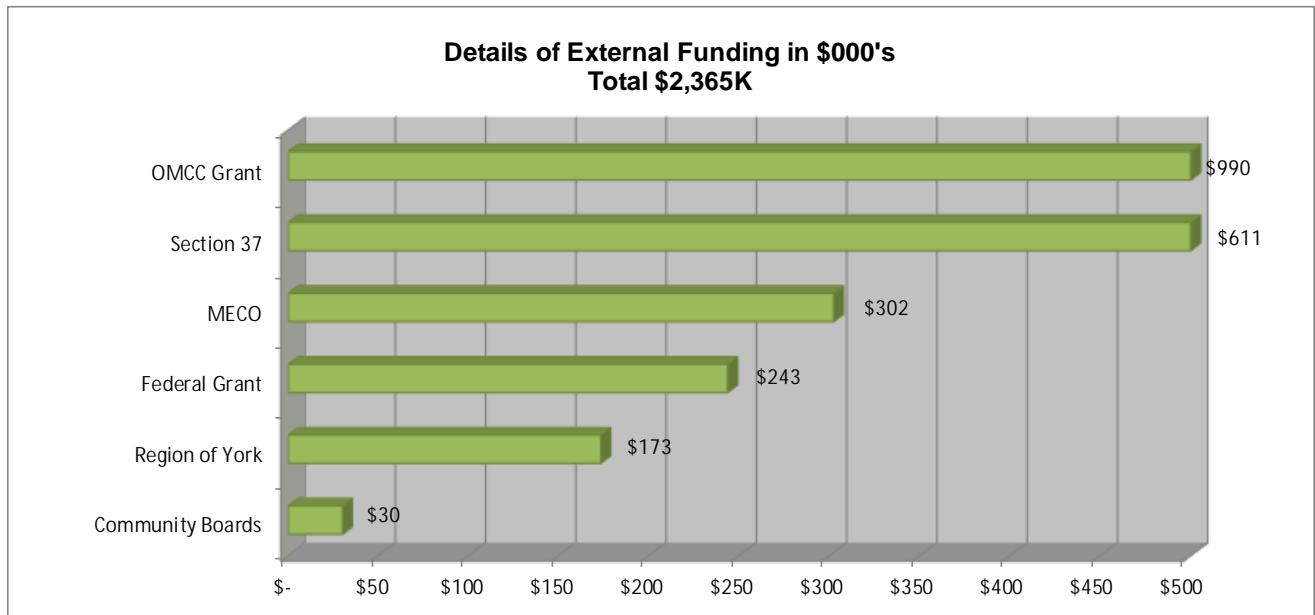
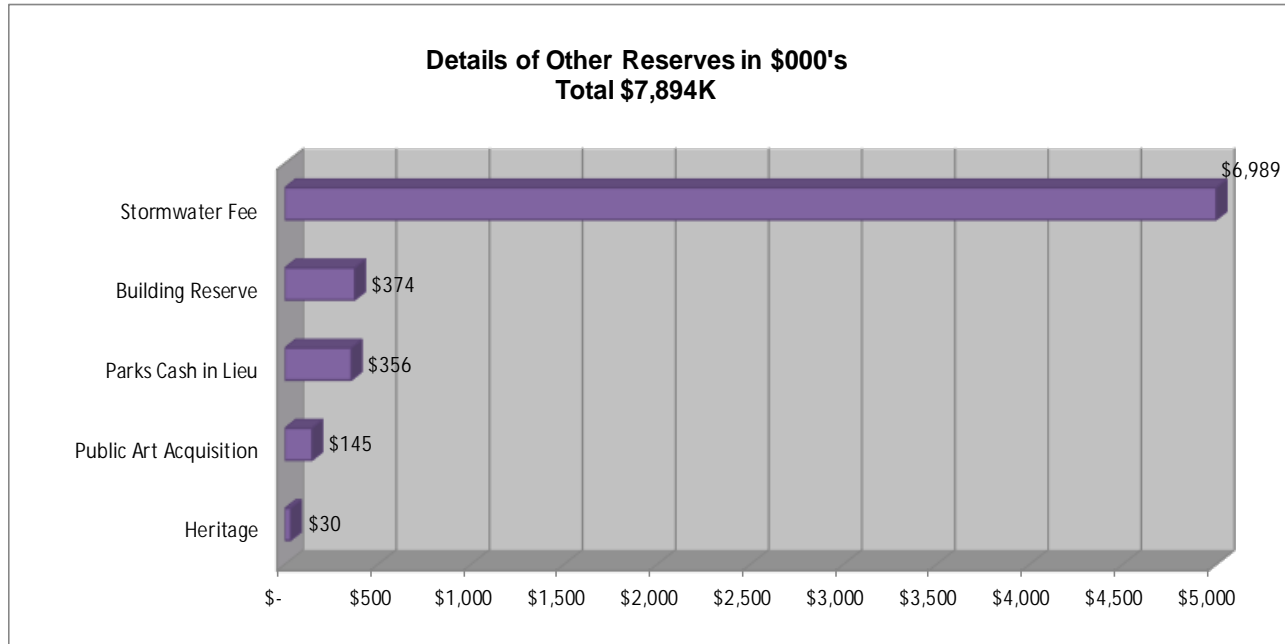
## 2019 CAPITAL BUDGET BY DEPARTMENT AND BY FUNDING SOURCE

(in 000's)	Operating Budget (Tax Funded)	Life Cycle Replacement and Capital Reserve	Development Charges (DC Reserve)	Development & Building Fees	Federal Gas Tax Revenues	Waterworks/ Stabilization Reserve	Non-DC Growth Reserve	Other Reserves	Total 2019 Budget
Arts Centres	-	23	-	-	-	-	-	-	23
Culture	45	-	-	-	-	-	-	100	145
Design	-	-	3,204	-	-	-	-	356	3,560
Engineering	98	294	37,981	-	-	-	2,401	1,334	42,108
Museum	142	329	-	-	-	-	-	234	706
Planning	96	-	1,468	108	-	-	-	45	1,717
Theatre	-	1,268	-	-	-	-	-	-	1,268
<b>Development Services</b>	<b>381</b>	<b>1,913</b>	<b>42,652</b>	<b>108</b>	<b>-</b>	<b>-</b>	<b>2,401</b>	<b>2,069</b>	<b>49,525</b>
Financial Services	-	-	877	-	-	-	-	-	877
Sustainability & Asset Management - Facility Assets	803	3,520	440	270	-	-	-	1,332	6,366
ITS	145	1,778	-	244	-	276	-	-	2,443
<b>Corporate Services</b>	<b>948</b>	<b>5,298</b>	<b>1,317</b>	<b>514</b>	<b>-</b>	<b>276</b>	<b>-</b>	<b>1,332</b>	<b>9,686</b>
Fire and Emergency Services	-	241	33	-	-	-	-	-	274
Environmental Services - Stormwater	-	892	562	-	2,753	-	-	5,990	10,196
Environmental Services - Infrastructure	153	2,544	-	-	349	153	-	-	3,198
Environmental Services - Waste	-	-	100	-	-	-	-	-	100
Environmental Services - Waterworks	-	-	-	-	-	21,885	-	-	21,885
Markham Public Library	53	2,866	-	-	-	-	-	-	2,918
Operations - Business & Technical Services	55	-	151	-	-	-	17	574	797
Operations - Fleet	102	4,930	195	-	-	-	-	-	5,227
Operations - Parks	122	2,773	-	-	716	-	-	-	3,611
Operations - Roads	-	2,661	450	-	6,166	-	-	-	9,276
Operations - Utility Inspection & Survey Group	-	29	-	-	503	-	-	-	531
Recreation Services	712	6,744	-	-	-	-	-	-	7,457
<b>Community &amp; Fire Services</b>	<b>1,197</b>	<b>23,679</b>	<b>1,490</b>	<b>-</b>	<b>10,487</b>	<b>22,038</b>	<b>17</b>	<b>6,564</b>	<b>65,471</b>
Corporate Wide	-	-	-	-	-	-	-	-	-
<b>Corporate Wide</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>2,526</b>	<b>30,891</b>	<b>45,460</b>	<b>621</b>	<b>10,487</b>	<b>22,314</b>	<b>2,418</b>	<b>9,966</b>	<b>124,682</b>

A complete 2019 Capital project listing is included at the end of this section.

## 2019 CAPITAL BUDGET OTHER RESERVES BREAKDOWN

Other Reserves refers to external funding and other sources of funding comprising of internal Capital Reserves not listed in the Capital Budget by Department schedule. The following two charts show a breakdown of the Capital Reserves and External Funding that are used to fund a portion of the approved 2019 Capital Projects:





## 2019 CAPITAL INDUCED OPERATING COSTS

Capital induced operating costs are added to the City's Operating Budget during the year of project completion. Projects with capital induced costs that impact the City's 2019 Operating Budget for 2019 are as follows:

<u>Project #</u>	<u>Department/Capital Project Description</u>	<u>2019 Annualized Operating Impact costs/(savings) (in \$000's)</u>	<u>Comments</u>
<b><u>Museum</u></b>			
19002	Chapman House Community Kitchen	(30)	Theatre Rental
		<b><u>(\$30)</u></b>	
<b><u>Planning and Design</u></b>			
19024	Berczy Beckett East Park - Design and Constr.	4	Maintenance
19025	Box Grove Park Pavilion and Washrooms - Design	8	Maintenance
19026	Cornell Centre NP and Woodlot -Construction	54	Maintenance
19027	Cornell Park Maintenance Building - Construction	8	Maintenance
19028	Markham Centre RougeSide Promenade Parks - Design	42	Maintenance
19029	Wismer Greenspire Parkette - Design and Construction	1	Maintenance
		<b><u>\$117</u></b>	
<b><u>ITS</u></b>			
19059	ES - Waste Depots - Internet Connectivity & Computers	1	Internet Charges
19061	ITS - Additional Adobe Licenses	50	Software maintenance
19258	Rec. & Legis. Services - Bus. Support for New Systems	102	Software maintenance
		<b><u>\$153</u></b>	
<b><u>Sustainability &amp; Asset Management</u></b>			
19066	Facility Energy Management Program	(188)	Hydro cost savings
19089	Unionville Library LED Lighting Upgrade - Add'l Funding	(1)	Hydro cost savings
		<b><u>(\$189)</u></b>	
<b><u>Recreation Services</u></b>			
19141	Mt Joy CC Indoor Soccer Lighting Replacement	(11)	Hydro cost savings
19156	St. Roberts Soccer Dome LED Lighting Replacement	(10)	Hydro cost savings
19157	Thornhill C.C. Industrial Kitchen Equipment	(6)	Hydro cost savings
19158	Thornhill C.C. Main Hall Refurbishment	(4)	Hydro cost savings
19164	Thornlea Pool LED Lighting Replacement	(8)	Hydro cost savings
		<b><u>(\$39)</u></b>	
<b><u>Operations - Parks</u></b>			
19193	Planter Replacement	3	Horticultural Materials
		<b><u>\$3</u></b>	
<b><u>Operations - Fleet</u></b>			
19213	New Fleet - Parks	5	Vehicle Parts and Fuel
		<b><u>\$5</u></b>	
<b><u>ES - Infrastructure</u></b>			
19225	Storm and Sanitary Sewers CCTV Inspection Program	(114)	Moving of operating requirement to capital
		<b><u>(\$114)</u></b>	
<b>Total Capital Induced Operating Costs</b>		<b><u>(\$94)</u></b>	



## **BUILDING MARKHAM'S FUTURE TOGETHER STRATEGIC PLAN**

As discussed in Section 2 – Corporate Strategic Plan and Section 3 – 2019 Budget, Department Business Plans (BPs) are aligned to Corporate Strategic Goals and Capital project requests achieve the Departmental Objectives in the Business Plans.

The following section summarizes the 2019 Capital projects in relation to Council's 2015 – 2019 Strategic Plan:

### **Goal 1: Exceptional Services by Exceptional People**

- \$2.9M Library collections and e-resources
- \$1.0M Playstructure and Rubberized Surface Replacement
- \$0.2M courts resurfacing and reconstruction
- \$0.1M sportsfield maintenance and reconstruction

### **Goal 2: Engaged, Diverse and Thriving City**

- \$4.7M John Street Multi-Use Pathway Construction
- \$1.1M Cornell Park Maintenance Building – to be completed mid 2021
- \$1.0M Cornell Centre North Park and Woodlot – to be completed Fall 2020
- \$0.6M Berczy Beckett East Park – to be completed Fall 2020
- \$0.5M Wismer Greenspire Parkette – to be completed Fall 2020
- \$0.2M Markham Centre RougeSide Promenade Parks – design to be completed late 2021
- \$0.1M Box Grove Park Pavilion and Washrooms – design to be completed mid 2021



## BUILDING MARKHAM'S FUTURE TOGETHER STRATEGIC PLAN

### **Goal 3: Safe and Sustainable Community**

- \$35.3M for new roads, stormwater management ponds and sidewalk
- \$20.6M for water system and water meter replacement/upgrade program
- \$11.2M for the exterior and interior facility improvement program at Community Centres, Libraries, Fire Stations, Civic Centre and other City facilities
- \$7.8M for the construction of phase 2D West Thornhill Flood Control program
- \$6.7M for asphalt resurfacing
- \$1.9M for intersection improvements
- \$1.3M sanitary sewer and pumping station rehabilitation program
- \$0.1M for traffic operational improvements
- \$0.1M for the continuation of the Trees for Tomorrow initiative

### **Goal 4: Stewardship of Money and Resources**

- Annual update of the Life Cycle Reserve Study in order to determine adequacy of the Life Cycle Replacement and Capital Reserve Fund to sustain the future replacement and rehabilitation requirements of existing assets over the next 25 years based on known inflows and outflows





## LONG TERM CAPITAL BUDGET FORECAST

### Growth Related Projects – Development Charges Reserve

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

Growth related capital is mainly funded (90%) from Development Charges (DC's) collected from Developers in the City of Markham. The remaining 10% is funded by the City through non-DC sources. Development Charges are governed by the City's DC By-laws, which are updated every five years. The City of Markham updated its Development Charges Background Study (DC Study) and DC By-laws in 2017.

A capital forecast based on the 2017 DC Study information is included for the period 2020 to 2024.

### 2020 to 2024 Capital Budget Forecast

(in \$000's – gross cost)

Category	2020	2021	2022	2023	2024	TOTAL
(A) General Government	1,770	1,770	1,770	1,770	1,770	8,850
(B) Library	-	15,514	-	-	-	15,514
(C) Fire Services	-	9,128	-	9,153	-	18,281
(D) Indoor Recreation	8,094	1,968	2,021	7,303	2,132	21,518
(E) Park Development & Facilities	9,250	9,357	8,931	9,661	26,409	63,608
(F) Public Works	190	105	385	3,265	386	4,331
(G) Parking	228	-	435	-	83	746
(H) Waste Management	270	250	1,716	1,079	250	3,565
<b>TOTAL</b>	<b>19,802</b>	<b>38,092</b>	<b>15,258</b>	<b>32,231</b>	<b>31,030</b>	<b>136,413</b>

Notes: Listing of Growth Category Details

- A. Growth-Related Studies
- B. Buildings, Land, Furniture & Equipment, Materials
- C. Buildings, Land, Furniture & Equipment, Firefighter Equipment, Fire Vehicles
- D. Major Facilities, Land, Equipment
- E. Park Development, Vehicles & Equipment, Buildings, Land
- F. Buildings, Land, Furniture & Equipment, Fleet
- G. Parking Studies, Equipment
- H. Buildings, Land, Furniture & Equipment, Fleet



## Non-Growth Related Projects – Life Cycle Replacement and Capital Reserve Fund

In 2005, Council approved a reserve study that examined, among other topics, the projected rehabilitation and replacement expenditures related to the City's aging capital infrastructure such as bridges, roads, vehicles. The study identified the age of the assets, the expected life cycle of the assets and projected replacement costs in order to quantify the City's future rehabilitation and replacement expenditures for the next 25 years.

As a result of the reserve study, the Life Cycle Replacement and Capital Reserve was established to provide a source of funding for the future repair, preventative maintenance and replacement of infrastructure. More details on this reserve are included in Section 3 – Funds Summary section.

The City's Reserve Study is updated annually to account for additional assets, the refinement of assumptions on asset replacement cycles.

A capital forecast based on the 2019 Life Cycle Reserve Study Update is included for the period 2020 to 2024.

### 2020 to 2024 Capital Budget Forecast (in \$000's – gross cost)

CATEGORY	2020	2021	2022	2023	2024	TOTAL
Fire Fighter Equipment	732	349	575	483	1,109	<b>3,248</b>
Traffic Signals	283	544	641	390	281	<b>2,139</b>
ITS Infrastructure	4,847	2,296	1,232	3,155	-25	<b>11,506</b>
Parks	3,781	3,458	2,025	2,677	3,560	<b>15,501</b>
Library Collections	2,897	2,955	3,014	3,106	3,168	<b>15,140</b>
Streetlights	403	2,570	7,261	2,830	36	<b>13,101</b>
Vehicles	3,300	3,512	2,130	5,161	2,250	<b>16,354</b>
Structures (Bridges & Culverts)	945	6,702	4,720	6,863	12,478	<b>31,709</b>
Storm Sewers, Storm Water Mgmt & Landfill	2,841	8,249	4,335	3,214	3,780	<b>22,419</b>
Utility Inspection and Business Technical	485	28	146	403	169	<b>1,231</b>
Roads	9,260	9,209	8,605	8,846	9,214	<b>45,133</b>
Facilities	16,040	18,805	21,142	11,538	9,176	<b>76,700</b>
<b>TOTAL</b>	<b>45,815</b>	<b>58,678</b>	<b>55,826</b>	<b>48,666</b>	<b>45,196</b>	<b>254,182</b>



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Development Services</b>							
<b>Culture &amp; Economic Development</b>							
19001	Public Art Program	145	45	0	0	0	100
19002	Chapman House Community Kitchen	586	127	225	0	0	234
19003	Museum Site and Facility Maintenance	104	0	104	0	0	0
19004	Wilson Variety Hall Usage Study - Phase 1 of 2	15	15	0	0	0	0
19005	Audio Consoles & Microphone Replacement	379	0	379	0	0	0
19006	Building Envelope Repairs	281	0	281	0	0	0
19007	Facility & Stage Maintenance	50	0	50	0	0	0
19008	Furniture & Carpet Replacement	154	0	154	0	0	0
19009	Highway 7 Theatre Electronic Sign	101	0	101	0	0	0
19010	Heating Supply Replacement	252	0	252	0	0	0
19261	HVAC Consultation & Design	51	0	51	0	0	0
19011	Gallery Deacon Room Renovation	23	0	23	0	0	0
<b>TOTAL Culture &amp; Economic Development</b>		<b>2,141</b>	<b>187</b>	<b>1,619</b>	<b>-</b>	<b>-</b>	<b>334</b>
<b>Planning</b>							
19012	Accessibility & Building Design Guidelines	201	0	0	181	0	20
19013	Annual York Region Employment Survey	38	0	0	34	0	4
19014	Consultant Studies	97	0	0	87	0	10
19015	Designated Heritage Property Grant Program Yr 3 of 3	30	0	0	0	0	30
19016	Heritage Façade Improvements/Sign Replacement	15	15	0	0	0	0
19017	Natural Heritage System Study - Phase 1 of 2	81	81	0	0	0	0
19019	Future Urban Area Natural Heritage Restoration Plan	46	0	0	28	0	18
19020	Housing Strategy	100	0	0	90	0	10
19021	LPAT/OMB - Growth Related Hearings	305	0	0	275	0	31
19022	Planning & Design Staff Salary Recovery	498	0	0	498	0	0
19023	Secondary Plans	305	0	0	275	0	31
<b>TOTAL Planning</b>		<b>1,717</b>	<b>96</b>	<b>-</b>	<b>1,468</b>	<b>-</b>	<b>153</b>
<b>Design</b>							
19024	Berczy Beckett East Park - Design and Constr.	554	0	0	498	0	55
19025	Box Grove Park Pavilion and Washrooms - Design	138	0	0	125	0	14
19026	Cornell Centre NP and Woodlot -Construction	997	0	0	897	0	100
19027	Cornell Park Maintenance Building - Construction	1108	0	0	997	0	111
19028	Markham Centre Rouge side Promenade Parks - Design	215	0	0	193	0	21
19029	Wismer Greenspire Parkette - Design and Construction	548	0	0	493	0	55
<b>TOTAL Design</b>		<b>3,560</b>	<b>-</b>	<b>-</b>	<b>3,204</b>	<b>-</b>	<b>356</b>



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Engineering</b>							
19030	Active Transportation Awareness Program	95	0	0	62	0	33
19032	Downstream Improvements Program (Design)	251	0	88	163	0	0
19033	Elgin Mills Road Environmental Condition Study	383	0	0	383	0	0
19035	Hwy 404 Midblock Crossing, N of 16th Ave & Cachet Woods	11984	0	0	11984	0	0
19036	Intersection Improvements (Construction)	2049	0	0	717	0	1332
19037	John Street Multi-Use Pathway (MUP) (Construction)	5167	0	0	3359	0	1808
19038	Markham Road Multi-Use Pathway Cross-rides (Design)	65	0	0	42	0	23
19039	Sidewalk Program (Design)	497	0	0	370	0	127
19041	Markham Centre Trails EA for Areas 1, 2 and 4	363	0	0	236	0	127
19042	Miller Pond Site Preparation and Property Acquisition	15190	0	0	15190	0	0
19043	Municipal Inspection and Construction Guidelines Update	34	0	0	34	0	0
19044	North Markham Transportation Needs Assessment	635	0	0	635	0	0
19045	Smart Commute Markham - Richmond Hill	76	0	0	76	0	0
19046	Staff Salary Recovery	733	0	0	733	0	0
19047	Stormwater Thermal Cooling Pilot Project	256	0	0	256	0	0
19048	Streetlight Program (Construction)	1939	0	0	1939	0	0
19049	Streetlighting Program (Design)	193	0	0	193	0	0
19050	Traffic Operational Improvements	98	98	0	0	0	0
19051	Traffic Safety Audit (City-wide)	193	0	0	125	0	68
19052	Traffic Signal Assets Replacement	206	0	206	0	0	0
19260	Whistle Cessation for 3 Rural Crossings	174	0	0	0	0	174
19262	Markham Centre Trails – Design (Phase 1 of 4)	124	0	0	80	0	43
19257	Consulting Engineering Services for Highway 404 North Seconda	1402	0	0	1402	0	0
<b>TOTAL Engineering</b>		<b>42,108</b>	<b>98</b>	<b>294</b>	<b>37,981</b>	<b>-</b>	<b>3,735</b>
<b>TOTAL Development Services</b>		<b>49,525</b>	<b>381</b>	<b>1,913</b>	<b>42,652</b>	<b>-</b>	<b>4,578</b>
<b>Corporate Services</b>							
<b>ITS</b>							
19053	Finance - Tax System Upgrade	51	51	0	0	0	0
19055	Library - Tablets	29	29	0	0	0	0
19059	ES - Waste Depots - Internet Connectivity & Computers	15	15	0	0	0	0
19060	Waterworks - Computer Truck Mounts & Toughbooks	172	0	0	0	0	172
19061	ITS - Additional Adobe Licenses	51	51	0	0	0	0
19062	ITS - Infrastructure Support Specialist	121	0	97	0	0	24
19063	ITS - Life Cycle Asset Replacement	1837	0	1527	0	0	310
19258	Rec. & Legis. Services - Bus. Support for New Systems	169	0	155	0	0	14
<b>TOTAL ITS</b>		<b>2,443</b>	<b>145</b>	<b>1,778</b>	<b>-</b>	<b>-</b>	<b>520</b>
<b>Finance</b>							
19064	Internal Project Management	877	0	0	877	0	0
<b>TOTAL Finance</b>		<b>877</b>	<b>-</b>	<b>-</b>	<b>877</b>	<b>-</b>	<b>-</b>



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b><i>Sustainability &amp; Asset Management</i></b>							
19066	Facility Energy Management Program	302	0	0	0	0	302
19067	Greenprint Community Sustainability Plan	51	51	0	0	0	0
19068	8100 Warden Facility Improvements	144	0	144	0	0	0
19069	Accessibility Retrofit Program	50	0	50	0	0	0
19070	Bird Safe Film	51	0	51	0	0	0
19071	Building Condition Audit Program	144	0	144	0	0	0
19072	Civic Centre Improvements	400	0	400	0	0	0
19074	Corporate Accommodations	525	0	255	0	0	270
19075	Corporate Security Operations & System Replacements	556	0	556	0	0	0
19076	Fire Facility Improvements	126	0	126	0	0	0
19077	Library Facility Improvements	82	0	82	0	0	0
19079	Municipal Building Backflow Prevention Survey & Testing	56	0	56	0	0	0
19081	Operations Facilities Improvements	97	0	97	0	0	0
19082	Other Facility Improvements	234	0	234	0	0	0
19083	Recycling Depot Improvements	21	0	21	0	0	0
19084	Roofing Maintenance and Repair	92	0	92	0	0	0
19085	Roofing Repairs & Replacement Projects	1070	0	1070	0	0	0
19086	Salt Barn	440	0	0	440	0	0
19087	Satellite Community Centre Improvements	123	0	93	0	0	30
19088	Stabilization of Structures at 3565 19th Avenue	752	752	0	0	0	0
19089	Unionville Library LED Lighting Upgrade - Add'l Funding	51	0	51	0	0	0
19259	115 & 135 Torbay Road Buildings Demolition	1000	0	0	0	0	1000
<b>TOTAL Sustainability &amp; Asset Management</b>		<b>6,366</b>	<b>803</b>	<b>3,520</b>	<b>440</b>	<b>-</b>	<b>1,602</b>
<b>TOTAL Corporate Services</b>		<b>9,686</b>	<b>948</b>	<b>5,298</b>	<b>1,317</b>	<b>-</b>	<b>2,122</b>
<b><i>Community &amp; Fire Services</i></b>							
<b><i>Fire &amp; Emergency Services</i></b>							
19090	Air Cylinder Replacement	9	0	9	0	0	0
19091	Bunker Gear Replacement	9	0	9	0	0	0
19093	Firefighting Tools & Equipment Replacement	97	0	97	0	0	0
19094	Hazardous Materials Photo Ion/HCN Detectors Replacement	8	0	8	0	0	0
19095	Radio Repeaters	33	0	0	33	0	0
19096	Rapid Intervention Crew Rescue Packs Replacement	16	0	16	0	0	0
19097	Replacement of Equipment due to Staff Retirements	93	0	93	0	0	0
19098	Safety Equipment - Medical Simulator	9	0	9	0	0	0
<b>TOTAL Fire &amp; Emergency Services</b>		<b>274</b>	<b>-</b>	<b>241</b>	<b>33</b>	<b>-</b>	<b>-</b>



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Recreation Services</b>							
19099	Angus Glen C.C. Mixing Valves	36	0	36	0	0	0
19100	Angus Glen C.C. Boiler Tank Relining	14	0	14	0	0	0
19101	Angus Glen C.C. Library Carpet	68	0	68	0	0	0
19102	Angus Glen C.C. Library Hanger System	22	0	22	0	0	0
19103	Angus Glen C.C. Power Washers	24	0	24	0	0	0
19104	Angus Glen C.C. Pump Replacement	27	0	27	0	0	0
19105	Angus Glen C.C. Score Clock Replacement	25	0	25	0	0	0
19106	Angus Glen C.C. Vestibule Heaters	13	0	13	0	0	0
19107	Angus Glen C.C. Wayfinding Signage	42	0	42	0	0	0
19108	Angus Glen Tennis Centre Clubhouse Painting	18	0	18	0	0	0
19109	Angus Glen Tennis Centre Netting	21	0	21	0	0	0
19110	Arena Ice Plant Monitoring System	131	0	131	0	0	0
19111	Armadale C.C. Flooring	46	0	46	0	0	0
19112	Armadale C.C. Exhaust Fan Replacement	23	0	23	0	0	0
19113	Armadale C.C. Heater Replacement	22	0	22	0	0	0
19114	Camp Chimo Canoe Dock	5	0	5	0	0	0
19115	Camp Chimo Challenge Course Equipment	21	0	21	0	0	0
19116	Centennial C.C. Pool Equipment Refurbishment	19	0	19	0	0	0
19117	Clatworthy Arena - Audio Equipment	15	0	15	0	0	0
19118	Clatworthy Arena - Walk Behind Floor Scrubber	10	0	10	0	0	0
19119	Clatworthy Arena Condensor	93	0	93	0	0	0
19120	Cornell C.C. Chlorine Tanks Relocation	10	10	0	0	0	0
19121	Cornell C.C. Fitness Sauna Wood replacement	24	0	24	0	0	0
19122	Crosby C.C. Ceiling Tile	32	0	32	0	0	0
19123	Crosby C.C. Low Emissivity Ceiling	72	0	72	0	0	0
19124	Heintzman House Flooring Refurbishment	10	0	10	0	0	0
19125	Heintzman House Industrial Refrigerator	7	0	7	0	0	0
19126	Heintzman House Window Replacement	59	0	59	0	0	0
19127	ILMP - Optimization of Outdoor Sport Fields	36	36	0	0	0	0
19128	Markham Village CC Refirgeration Room Construction	732	0	732	0	0	0
19129	Milliken Mills C.C. Library, Pool & Arena Doors	110	0	110	0	0	0
19130	Milliken Mills C.C. Exhaust Fan Replacement	79	0	79	0	0	0
19131	Milliken Mills C.C. Pool Mechanical Replacement	275	0	275	0	0	0
19132	Milliken Mills C.C. Pool Pressure Washer Replacement	10	0	10	0	0	0
19133	Milliken Mills C.C. Pool Ramp Tile Conversion	41	0	41	0	0	0
19134	Milliken Mills C.C. Storage Unit Replacement	119	0	119	0	0	0
19135	Milliken Mills C.C. Vinyl Tile Replacement	38	0	38	0	0	0
19136	Milliken Mills C.C. West Patio Restoration	137	0	137	0	0	0
19137	Milliken Mills CC-Universal Change Room - Phase 2 of 2	1479	616	864	0	0	0
19138	Morgan Pool Revitalization - Construction Phase 2 of 2	2450	0	2450	0	0	0
19139	Mt Joy C.C. Arena Scoreclock	13	0	13	0	0	0
19140	Mt Joy C.C. Painting	43	0	43	0	0	0
19141	Mt Joy CC Indoor Soccer Lighting Replacement	41	0	41	0	0	0
19142	Old Unionville Library Electrical Replacement	5	0	5	0	0	0
19144	Pingle House Carpet Replacement	5	0	5	0	0	0



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Recreation Services</b>							
19145	Recreation AED Program	18	0	18	0	0	0
19146	Recreation Aquatic Equipment	70	0	70	0	0	0
19147	Recreation Fitness Equipment	160	0	160	0	0	0
19148	Recreation Membership Model Study	51	51	0	0	0	0
19149	Recreation Pool Grouting	50	0	50	0	0	0
19150	Recreation Program Equipment	81	0	81	0	0	0
19151	Recreation Tables and Chairs Replacement	53	0	53	0	0	0
19152	Rouge River C.C. Automatic Door Replacement	5	0	5	0	0	0
19153	Rouge River C.C. Flooring Replacement	17	0	17	0	0	0
19154	Rouge River C.C. Mechanical Unit Replacement	134	0	134	0	0	0
19155	Rouge River Overhead Door and Exhaust Fan Replacement	59	0	59	0	0	0
19156	St. Roberts Soccer Dome LED Lighting Replacement	25	0	25	0	0	0
19157	Thornhill C.C. Industrial Kitchen Equipment	8	0	8	0	0	0
19158	Thornhill C.C. Main Hall Refurbishment	60	0	60	0	0	0
19159	Thornhill C.C. Seniors Centre Flooring Refurbishment	25	0	25	0	0	0
19160	Thornhill C.C. Therapy Pool Filter	12	0	12	0	0	0
19161	Thornlea Pool - Air Compressor Replacement	7	0	7	0	0	0
19162	Thornlea Pool - Doors Replacement	27	0	27	0	0	0
19163	Thornlea Pool - Painting	13	0	13	0	0	0
19164	Thornlea Pool LED Lighting Replacement	20	0	20	0	0	0
19165	Thornlea Pool Plumbing Fixture Replacement	22	0	22	0	0	0
19166	Water St. Senior Centre Roof Top Unit (RTU) Replacement	20	0	20	0	0	0
<b>TOTAL Recreation Services</b>		<b>7,457</b>	<b>712</b>	<b>6,744</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Markham Public Library</b>							
19167	Customer Service Improvement (E-Resources) -Phase 5 of 5	53	53	0	0	0	0
19168	Library Collections	2725	0	2725	0	0	0
19169	Library Furniture, Equipment & Shelving Replacement	141	0	141	0	0	0
<b>TOTAL Markham Public Library</b>		<b>2,918</b>	<b>53</b>	<b>2,866</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operations - Roads</b>							
19170	Asphalt Resurfacing	6730	0	564	0	0	6166
19171	Boulevard Repairs	56	0	56	0	0	0
19172	Bridge Structure Preventative Maintenance - Roads	25	0	25	0	0	0
19173	City Owned Entrance Feature Rehabilitation	162	0	162	0	0	0
19174	City Owned Fence Replacement Program	126	0	126	0	0	0
19175	Don Mills Storm Channel	19	0	19	0	0	0
19176	Emergency Repairs	144	0	144	0	0	0
19177	Guiderail- Install/Repair/Upgrade	76	0	76	0	0	0
19178	Incremental Growth Related Winter Maintenance Vehicles	450	0	0	450	0	0
19179	Localized Repairs - Curb and Sidewalk	887	0	887	0	0	0
19180	Localized Repairs - Parking Lots	257	0	257	0	0	0
19181	Parking Lots- Rehabilitation	262	0	262	0	0	0
19182	Retaining Walls Program	55	0	55	0	0	0
19183	Storm Water Retention Pond Maintenance Program	27	0	27	0	0	0
<b>TOTAL Operations - Roads</b>		<b>9,276</b>	<b>-</b>	<b>2,661</b>	<b>450</b>	<b>-</b>	<b>6,166</b>



## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non- Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Operations - Parks</b>							
19184	Bleachers (Metal) Replacement-James Edward Park	11	0	11	0	0	0
19185	Bridge Structure Preventative Maintenance - Parks	25	0	25	0	0	0
19186	Cemetery Fence Repair	24	0	24	0	0	0
19187	City Park Furniture / Amenities	136	0	136	0	0	0
19188	Court Resurfacing/Reconstruction	151	0	151	0	0	0
19189	Fence (Backstop and Outfield) Replacement	167	0	167	0	0	0
19190	Fence (Tennis Courts)	71	0	71	0	0	0
19191	Floodlights, Poles & Cross Arms Replacement	716	0	0	0	0	716
19192	Pathways Resurfacing	137.1	0	137.1	0	0	0
19193	Planter Replacement	30	0	30	0	0	0
19194	Playstructure Replacement	943.7	0	943.7	0	0	0
19195	Playstructure Rubberized Surface Replacement	55.1	0	55.1	0	0	0
19196	Rejuvenation of Community Centres Landscapes-Year 2 of 3	60	0	60	0	0	0
19197	Relamping & Fixtures Refurbishment	35	0	35	0	0	0
19198	Replacement of Recycling Containers	12	0	12	0	0	0
19199	Replacement/New Boulevard/Park Trees	385	0	385	0	0	0
19200	Markham Trees for Tomorrow	122	122	0	0	0	0
19201	Shade Structure Replacement/ Refurbishment	170	0	170	0	0	0
19202	Sportsfield Maintenance & Reconstruction	135	0	135	0	0	0
19203	Stairway Repairs	225	0	225	0	0	0
<b>TOTAL Operations - Parks</b>		<b>3,611</b>	<b>122</b>	<b>2,773</b>	<b>-</b>	<b>-</b>	<b>716</b>
<b>Operations - Fleet</b>							
19204	Corporate Fleet Growth - Non-Fleet	10	0	0	10	0	0
19205	Corporate Fleet Refurbishing	37	0	37	0	0	0
19206	Corporate Fleet Replacement - Fire	1912	0	1912	0	0	0
19207	Corporate Fleet Replacement - Non-Fire	2883	0	2883	0	0	0
19208	Green Fleet Business Plan and Strategy	102	102	0	0	0	0
19209	Ice Resurfacing Machine Replacement	98	0	98	0	0	0
19211	New Fleet - Fire (Ground Cover Firefighting)	45	0	0	45	0	0
19213	New Fleet - Parks	140	0	0	140	0	0
<b>TOTAL Operations - Fleet</b>		<b>5,227</b>	<b>102</b>	<b>4,930</b>	<b>195</b>	<b>-</b>	<b>-</b>
<b>Operations - Utility Inspection &amp; Survey</b>							
19216	German Mills Meadow - Northern Header Upgrade	503	0	0	0	0	503
19217	Survey Monument Replacement	29	0	29	0	0	0
<b>TOTAL Operations - Utility Inspection &amp; Survey</b>		<b>531</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>503</b>
<b>Operations - Business &amp; Technical Services</b>							
19218	Civic Centre Gateway Project	574	0	0	0	0	574
19219	Growth Related Parks Improvements	168	0	0	151	0	17
19220	Public Realm-Markham's Shared Places Our Spaces	55	55	0	0	0	0
<b>TOTAL Operations - Business &amp; Technical Services</b>		<b>797</b>	<b>55</b>	<b>-</b>	<b>151</b>	<b>-</b>	<b>591</b>





## 2019 CAPITAL BUDGET PROJECT LISTING

Funding Sources (in \$000's)

#	Project Description	Total Budget	Operating Non-Life Cycle	Operating Life Cycle	DC - Reserve	DC - Developer	Other
<b>Environmental Services - Infrastructure</b>							
19221	Bridges and Culverts - Condition Inspection	66	0	66	0	0	0
19222	Small Culverts Replacement (12 Structures) - Construction	349	0	0	0	0	349
19223	Large Culverts Rehab (3 Structures) - Design & Const.	775	0	775	0	0	0
19224	MNRF Monitoring for Capital Projects at Water Crossings	16	0	16	0	0	0
19225	Storm and Sanitary Sewers CCTV Inspection Program	261	0	108	0	0	153
19226	Stormwater Pumping Stations - Maintenance	21	0	21	0	0	0
19227	Streetlights - Miscellaneous Requests	153	153	0	0	0	0
19228	Streetlights - Poles Replacement Program	122	0	122	0	0	0
19229	Streetlights - Underground Cable Replacement	1296	0	1296	0	0	0
19230	Structures Program-FTE	141	0	141	0	0	0
<b>TOTAL Environmental Services - ROW Assets</b>		<b>3,198</b>	<b>153</b>	<b>2,544</b>	<b>-</b>	<b>-</b>	<b>502</b>
<b>Environmental Services - Stormwater</b>							
19231	Don Mills Channel - Flood Proofing Education Program	153	0	0	0	0	153
19232	Erosion Restoration Program	864	0	302	562	0	0
19233	Oil Grit Separators (OGS) - Inspection and Cleaning	211	0	211	0	0	0
19234	Sewer Invert Data Quality Assurance-Year 5 of 5	54	0	54	0	0	0
19235	Stormwater Facility - Condition Inspection	54	0	54	0	0	0
19236	SWM Pond Cleaning - Ponds ID#43 & ID#70	969	0	216	0	0	753
19237	Water Quality Improvements and Geese Control	27	0	27	0	0	0
19238	Water Quality Monitoring	27	0	27	0	0	0
19239	West Thornhill Flood Control Implementation - Ph 2D Cons.	7837	0	0	0	0	7837
<b>TOTAL Environmental Services - Environmental Assets</b>		<b>10,196</b>	<b>-</b>	<b>892</b>	<b>562</b>	<b>-</b>	<b>8,743</b>
<b>Environmental Services - Waste</b>							
19240	Incremental Growth Related Waste Management Vehicles	100	0	0	100	0	0
<b>TOTAL Environmental Services - Waste &amp; Environmental Management</b>		<b>100</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Environmental Services - Waterworks</b>							
19241	Cathodic Protection of Cast Iron Watermains	428	0	0	0	0	428
19242	CI Watermain Replacement - Design	407	0	0	0	0	407
19243	CI Watermain and Sanitary Sewer Replacement - Const.	13731	0	0	0	0	13731
19244	Water System Improvement - Langstaff Area	36	0	0	0	0	36
19245	CI Watermain Replacement - West Thornhill Ph 2D Const.	4454	0	0	0	0	4454
19246	Curb Box Inspection and Replacement Program	392	0	0	0	0	392
19247	Fat Oil & Grease (FOG) Program	75	0	0	0	0	75
19248	Sanitary Sewers - Laterals Inspection	171	0	0	0	0	171
19249	Sanitary Sewers - Rehabilitation	1131	0	0	0	0	1131
19250	Sewer Push Camera Replacement	25	0	0	0	0	25
19251	Wastewater Flow Monitoring - Annual Program	153	0	0	0	0	153
19253	Water Meters - Replacement Program	803	0	0	0	0	803
19254	Water System Instruments Replacement	41	0	0	0	0	41
19255	Watermain Leak Detection Program	40	0	0	0	0	40
<b>TOTAL Environmental Services - Waterworks</b>		<b>21,885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,885</b>
<b>TOTAL Community &amp; Fire Services</b>		<b>65,471</b>	<b>1,197</b>	<b>23,679</b>	<b>1,490</b>	<b>-</b>	<b>39,105</b>
<b>TOTAL PROJECTS</b>		<b>124,682</b>	<b>2,526</b>	<b>30,891</b>	<b>45,460</b>	<b>-</b>	<b>45,805</b>



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

The following pages highlight the major capital projects for the City. Each page provides specific project details including the impact on future operating budgets. The amount of impact is referred to in the following terms: Positive, Negligible, Slight, Moderate and High. Examples of costs that may impact future operating budgets are: personnel, maintenance and repairs, utilities, and supplies.

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

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

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

**Moderate** - The impact will be between \$50,001 and \$100,000 annually

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

The figures provided are estimates based on the data available at the time of developing the budget.



## CAPITAL PROJECT REQUESTS FOR PROJECTS OVER \$1 MILLION SUMMARY (\$000's)

Project #	Project Name	2019 Budget	Operating Cost	
			From	To
19027	Cornell Park Maintenance Building - Construction	\$ 1,108	\$ 8	\$ 8
19035	Hwy 404 Midblock Crossing, N of 16th Ave & Cachet Woods	\$ 11,984	\$ 100	\$ 100
19036	Intersection Improvements (Construction)	\$ 2,049	TBD	TBD
19037	John Street Multi-Use Pathway (MUP) (Construction)	\$ 5,167	\$ 26	\$ 26
19042	Miller Pond Site Preparation and Property Acquisition	\$ 15,190	TBD	TBD
19048	Streetlight Program (Construction)	\$ 1,939	TBD	TBD
19063	ITS - Life Cycle Asset Replacement	\$ 1,837	\$ -	\$ 10
19085	Roofing Repairs & Replacement Projects	\$ 1,070	\$ -	\$ 10
19137	Milliken Mills CC-Universal Change Room - Phase 2 of 2	\$ 1,479	\$ -	\$ 10
19138	Morgan Pool Revitalization - Construction Phase 2 of 2	\$ 2,450	\$ -	\$ 10
19168	Library Collections	\$ 2,725	\$ -	\$ 10
19170	Asphalt Resurfacing	\$ 6,730	\$ -	\$ 10
19206	Corporate Fleet Replacement - Fire	\$ 1,912	\$ -	\$ 10
19207	Corporate Fleet Replacement - Non-Fire	\$ 2,883	\$ -	\$ 10
19229	Streetlights - Underground Cable Replacement	\$ 1,296	\$ -	\$ 10
19239	West Thornhill Flood Control Implementation - Ph 2D Cons.	\$ 7,837	\$ -	\$ 10
19243	CI Watermain and Sanitary Sewer Replacement - Const.	\$ 13,731	\$ -	\$ 10
19245	CI Watermain Replacement - West Thornhill Ph 2D Const.	\$ 4,454	\$ -	\$ 10
19249	Sanitary Sewers - Rehabilitation	\$ 1,131	\$ -	\$ 10
19257	Consulting Engineering Services for Highway 404 North Secondary Plan, Ward 2	\$ 1,402	TBD	TBD
19259	115 & 135 Torbay Road Buildings Demolition	\$ 1,000	\$ -	\$ 10



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

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**Project Name**                      **Cornell Park Maintenance Building - Construction**

**Project Number**                      **19027**

**Estimated Total Cost of Project**                      **\$1,107,600**

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**Commission**                      Development Services

**Department**                      Design

### **Project Description**

This project is to construct a park maintenance building at the Cornell Centre neighbourhood park and woodlot.

### **Location**

The Cornell Community Park is located at north east corner of Cornell Centre Boulevard and Riverlands Avenue.

### **Work to be Performed**

To construct a park maintenance building, an entrance driveway, staff parking lot, a fenced outdoor storage area and site servicing.

### **Reason for Work**

To provide necessary park amenities and services in the neighbourhood.

### **Impact on Future Operating Budgets**

Negligible – Future operating cost is \$7,560

**Estimated Project Completion Date** – June 2021.



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

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**Project Name** Highway 404 Midblock Crossing, North of 16th Avenue & Cachet Woods

**Project Number** 19035

**Estimated Total Cost of Project** \$11,984,200

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**Commission** Development Services

**Department** Engineering

### **Project Description**

The Region of York has commenced the detailed design for the Highway 404 Midblock Crossing, at 16th Avenue and the Cachet Woods Extension. This budget request is to cover the City of Markham's share of the costs for the property. Project cost is based on estimates provided by the Region of York.

### **Location**

Highway 404, Mid-Block Crossing, North of 16th Avenue from Woodbine Avenue to Leslie street, Richmond Hill.

### **Work to be Performed**

Acquisition of lands required for Midblock Crossing, Cachet Woods properties.

### **Reason for Work**

Alleviating current and projected traffic congestion on 16th Avenue and Major Mackenzie Drive, between Leslie Street and Woodbine Avenue and to achieve a balanced distribution of traffic demand by providing capacity to the network.

### **Impact on Future Operating Budgets**

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

**Estimated Project Completion Date** – Start construction in 2022 as per Region of York Schedule.



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

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**Project Name**                      **Intersection Improvements (Construction)**

**Project Number**                      **19036**

**Estimated Total Cost of Project**                      **\$2,049,200**

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**Commission**                      Development Services

**Department**                      Engineering

### **Project Description**

Construction of turning lanes and cycling facilities at John Street and Steelcase Road to enhance the traffic operations and safety aspects of the intersection. Intersection will also incorporate accessible design elements per the Accessibility for Ontarians with Disabilities Act.

### **Location**

John Street and Steelcase Road.

### **Work to be Performed**

Grading, utility relocations, paving, streetlights, sidewalks, landscaping and new traffic signals.

### **Reason for Work**

Traffic signals improve intersection safety and efficiency and provide safe locations for pedestrian crossings. Optimized traffic signal timing will ensure that the need of vehicular, cyclist and pedestrian are being achieved. Traffic intersection improvements will assist in alleviating traffic issues within the City by providing relief to vehicular, cyclist and pedestrian traffic at intersection.

### **Impact on Future Operating Budgets**

Operating and Maintenance cost of the intersection will be determined by Traffic Operations.

**Estimated Project Completion Date** – Fall 2020.



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

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**Project Name**                      **John Street Multi-Use Pathway (Construction)**

**Project Number**                      **19037**

**Estimated Total Cost of Project**                      **\$5,167,100**

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**Commission**                      **Development Services**

**Department**                      **Engineering**

### **Project Description**

This requested 2019 budget will allow for the removal of the existing sidewalk on the north side of John Street, and replace it with a 3.0 wide multi-use pathway between Bayview Avenue and Rodick Road/Alden Road for pedestrians and cyclists.

### **Location**

The multi-use pathway is planned to be constructed in following locations:

- John Street, between Bayview Avenue and Woodbine Avenue
- Esna Park Drive, between Woodbine Avenue and Rodick Road/Alden Road

### **Work to be Performed**

Removal of the existing sidewalk, re-location of impacted utilities (streetlights, hydro, traffic signal poles, and hydrants), modification of bridge structures, and removal/re-location of trees along the boulevard in accordance with the City's tree preservation by-law.

### **Reason for Work**

The provision of a multi-use pathway provides a direct east-west linkage between already established cycling facilities and future planned cycling facilities. Implementation of this project will support active modes of transportation across the City and aligns with the City's Official Plan.

### **Impact on Future Operating Budgets**

Slight - Future non-personnel expenditures of \$26,250

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **Miller Pond Site Preparation and Property Acquisition**

**Project Number**                      **19042**

**Estimated Total Cost of Project**                      **\$15,189,800**

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**Commission**                      **Development Services**

**Department**                      **Engineering**

### **Project Description**

This project is for the costs of site preparation, property acquisition and construction of the Miller Pond to provide outfall to Rodick Road (14th Avenue to Miller Avenue), Miller Avenue (Woodbine Avenue to Rodick Road) and Miller Developments.

### **Location**

Stormwater management pond will be located on the east side of the Miller Avenue and Rodick Road intersection.

### **Work to be Performed**

Acquisition of land parcels required for the stormwater management pond and the construction of the stormwater management pond.

### **Reason for Work**

Stormwater management pond is required to provide a storm outfall for the Rodick Road and Miller Avenue improvements. The pond is also required for the future development in the area.

### **Impact on Future Operating Budgets**

TBD

**Estimated Project Completion Date** – December 2020.





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

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**Project Name** Streetlight Program (Construction)

**Project Number** 19048

**Estimated Total Cost of Project** \$1,939,200

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**Commission** Development Services

**Department** Engineering

### **Project Description**

To provide streetlight infrastructures to areas that require streetlighting.

### **Location**

- Birchmount Road from 14th Avenue to Hwy 407
- Bullock Drive from Hwy 7 to Laidlaw Blvd
- John Street from Aileen Leslie Street
- Green Lane from Bayview Avenue to Leslie Street

### **Work to be Performed**

The work to be performed on the above streets includes

- Evaluate the existing streetlight infrastructures at the above location to identify any street light requirements
- Design of new streetlight infrastructure at the above locations such that it will satisfy the lighting requirement per City of Markham standards
- Preparation of construction tender package based on the preferred design alternative
- Construction of streetlight infrastructure and contract administration
- Provide warranty inspections and commissioning

### **Reason for Work**

- To provide streetlights at location that require illumination for vehicle traffic
- To provide illumination for sidewalk and MUP as required.

### **Impact on Future Operating Budgets**

TBD

**Estimated Project Completion Date** – 2020.



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

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**Project Name**            ITS - Life Cycle Asset Replacement

**Project Number**        19063

**Estimated Total Cost of Project**    **\$1,836,500**

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**Commission**            Corporate Services

**Department**           Information Technology Services

### **Project Description**

This project is to replace information technology hardware and software assets that are due for replacement based on condition assessment. These assets have been discontinued by manufacturers, and replacement is required in order to avoid any service interruptions.

### **Location**

101 Town Centre Boulevard.

### **Work to be Performed**

Replacement of all desktops, laptops and tablets utilizing the Ontario Government's contract with Compucom.

### **Reason for Work**

To replace of identified aging assets and to stay current with technology. Furthermore, enhancing Information Security is very important to avoid network threats and minimize the risk of malicious activity.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **Roofing Repairs and Replacement Projects**

**Project Number**                      **19085**

**Estimated Total Cost of Project**                      **\$1,069,600**

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**Commission**                      **Corporate Services**

**Department**                      **Sustainability & Asset Management**

### **Project Description**

This project includes roofing and accessories replacement works at various locations throughout the City based on condition assessment.

### **Location**

These works are to be completed at the buildings shown below:

- Boxgrove Community Centre
- Heintzman House
- Markham Village Library
- Elson Miles Farmhouse
- Sign Shop (555 Miller)
- Fire Station No. 96
- Fire Training Centre
- Unionville Library
- Museum Collections Building

### **Work to be Performed**

The scope of work for the roofing repair and replacement program is summarized below:

- Sloped Roof replacement
  - Asphalt Shingle Replacement
    - § Boxgrove Community Centre – 7651 9th Line, Markham
    - § Heintzman House – 135 Bay Thorn Drive, Thornhill
    - § Markham Village Library – 6031 Hwy 7, Markham
  - Cedar Shingle Replacement
    - § Elson Miles Farmhouse – 11091 Warden Avenue, Markham
  - Metal Roof Recoating
    - § Sign Shop – 555 Miller Avenue, Markham
- Low Sloped (flat roof) replacement:
  - Fire Station No. 96 – 5567 14<sup>th</sup> Avenue, Markham
  - Museum Collections Building – 9350 Markham Road, Markham
  - Sign Shop – 555 Miller Avenue, Markham



- Leakage Investigations
  - Unionville Library – 15 Library Lane, Unionville

### **Reason for Work**

To maintain city owned facilities roofing repairs and/or replacement at various buildings are to be completed. This work is required to address active leakage or as part of a preventative maintenance plan.

This mitigates health and safety concerns (i.e. mold) for facility patrons and staff. The work also extends the life of the building and reduces the likelihood of facility closures which may impact the delivery of community services.

### **Impact on Future Operating Budgets**

Negligible – Costs related to the replacements will have negligible impact on future operating budget.

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **Milliken Mills Community Centre – Universal  
Change Room – Phase 2 of 2**

**Project Number**                      **19137**

**Estimated Total Cost of Project**                      **\$1,479,300**

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**Commission**                      **Community & Fire Services**

**Department**                      **Recreational Services**

### **Project Description**

This project includes the construction costs for the conversion of gender specific male and female change rooms to universal change rooms for the aquatics centre. Milliken Mills Community Centre is the last centre in the City without universal washrooms.

### **Location**

Milliken Mills Community Centre – 7600 Kennedy Road, Markham, ON, L3R 9S5.

### **Work to be Performed**

Conversion of gender specific male and female change rooms to universal change rooms for the aquatics centre.

### **Reason for Work**

Recreation Services is proud to support the corporate goal of Engaged, Diverse and Thriving City. By committing to building a Welcoming and Inclusive community, our goal is to continually engage our residents, so that Recreation services can effectively meet current requirements and anticipate future needs.

The Milliken Mills Community Centre aquatics public change rooms were constructed in 1989. The facility currently has no family change rooms, only men's and women's change room. This makes it difficult for families to use the aquatics centre. The change rooms are outdated and their amenities need to be replaced

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – May 2020.



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

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**Project Name**                    **Morgan Pool Revitalization - Construction**

**Project Number**                **19138**

**Estimated Total Cost of Project**    **\$2,450,400**

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**Commission**                    **Community & Fire Services**

**Department**                   **Markham Public Library**

### **Project Description**

Construction services and contract administration for the infrastructure revitalization of the existing Morgan Pool complex environment.

### **Location**

Morgan Pool locates at the north end of Morgan Park.

### **Work to be Performed**

Construction services and contract administration for a new single storey universal change room and splash pad.

### **Reason for Work**

The revitalization of Morgan Pool will meet and support current established Accessibility for Ontario with Disabilities Act (AODA) and accessibility guidelines.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – Summer 2020.



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

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**Project Name**                      **Library Collections**

**Project Number**                      **19168**

**Estimated Total Cost of Project**                      **\$2,724,500**

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**Commission**                      **Community & Fire Services**

**Department**                      **Markham Public Library**

### **Project Description**

Collections are the Library's primary product and are made available to all residents. Currency of collections is key to library users, who expect current best-sellers, materials in multiple languages, materials accessible to the print disabled, online databases, eBooks and periodicals.

### **Location**

Markham Public Library.

### **Work to be Performed**

Purchase collections for library branches, including physical collections and electronic collections.

### **Reason for Work**

Library collections are a core service of the library required to maintain operations. They are accessible to all residents and meet the educational, research and recreational information needs of a diverse community. Prior to 2011, this budget item was in the Operating Budget but due to PSAB rules it has been transferred to Capital. From 2015, the periodicals and the electronic resources are included in this project.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – December 2019.



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

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**Project Name**                      **Asphalt Resurfacing – Annual Program**

**Project Number**                      **19170**

**Estimated Total Cost of Project**                      **\$6,730,200**

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**Commission**                      **Community & Fire Services**

**Department**                      **Operations - Roads**

### **Project Description**

Asphalt resurfacing of roads throughout the City utilizing a pavement management program to select rehabilitation candidates. The overall goal is to maintain an acceptable pavement condition index and user satisfaction by implementing cost effective strategies designed to extend pavement life and reduce overall maintenance costs of the road network..

### **Location**

City wide.

### **Work to be Performed**

Rehabilitation of existing city roads. Works include asphalt resurfacing, pavement preservation, concrete restoration, interlock paving, crack sealing, material testing, repair and adjustment of manhole and catch basin frames and lids.

### **Reason for Work**

To improve and maintain existing infrastructure to an acceptable standard and prevent further degradation of the road network. Work methods are selected by using cost effective strategies designed to extend pavement life and reduce overall maintenance costs.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – July 2020.





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

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**Project Name** Corporate Fleet Replacement – Fire

**Project Number** 19206

**Estimated Total Cost of Project** \$1,911,700

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**Commission** Community & Fire Services

**Department** Operations - Fleet

### **Project Description**

This is the annual fleet replacement program based on the Council adopted Corporate Fleet Policy Guidelines and condition assessment for the Fire Department. The Fire Department was consulted with respect to the units in this program.

### **Location**

Various locations.

### **Work to be Performed**

The replacement of 3 fire apparatus – 1 Air Light Rescue Truck and 2 Pumper Rescue units.

### **Reason for Work**

Vehicles identified for replacement as part of this project have met or surpassed their optimal replacement interval threshold and have been through condition assessment. Replacement of these vehicles and equipment are required in order to not negatively impact service delivery.

### **Impact on Future Operating Budgets**

Negligible

**Estimated Project Completion Date** – June 2020.



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

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**Project Name** Corporate Fleet Replacement – Non-Fire

**Project Number** 19207

**Estimated Total Cost of Project** \$2,883,300

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**Commission** Community & Fire Services

**Department** Operations - Fleet

### **Project Description**

This is the annual fleet replacement program based on the Council adopted Corporate Fleet Policy Guidelines and condition assessment for the Fire Department, except for Fire Services and Waterworks. User Departments were consulted with respect to the units in this program.

### **Location**

Various locations.

### **Work to be Performed**

Total of 22 licensed vehicles and 25 non-licensed equipment units to be replaced, and various small equipment (e.g. string trimmers, chainsaws).

### **Reason for Work**

Vehicles and equipment identified for replacement as part of this project have met or surpassed their optimal replacement interval threshold and have been through condition assessment. Replacement of these vehicles and equipment are required in order to not negatively impact service delivery.

### **Impact on Future Operating Budgets**

Negligible

**Estimated Project Completion Date** – June 2020.



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

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**Project Name**                      **Streetlights - Underground Cable Replacement**

**Project Number**                      **19229**

**Estimated Total Cost of Project**                      **\$1,295,800**

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**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Infrastructure**

**Project Description**

Replacement of the underground streetlight cables in older areas based on condition assessment.

**Location**

City wide.

**Work to be Performed**

Replacement of underground streetlight cables due to frequent faults in older areas.

**Reason for Work**

To maintain the existing assets through lifecycle program and improve the service levels for residents.

**Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **West Thornhill Flood Control Implementation – Ph 2D Construction**

**Project Number**                      **19239**

**Estimated Total Cost of Project**                      **\$7,836,900**

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**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Stormwater**

**Project Description**

Continuation of the flood remediation program in the West Thornhill area.

**Location**

P West Thornhill Area: Henderson Ave, Dalmeny Rd, Delair Cres, Grandview Ave. and Highland Park Blvd.

**Work to be Performed**

Removal of old storm sewer and replacement with new upsized storm sewers.

**Reason for Work**

Council direction to upgrade the storm sewer system in West Thornhill to 100 year level protection.

**Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **Cast Iron Watermain and Sanitary Sewer Replacement – Construction**

**Project Number**                      **19243**

**Estimated Total Cost of Project**                      **\$13,730,800**

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**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Waterworks**

### **Project Description**

Replacement of cast iron (CI) watermain that have reached the end of their service life and to upgrade the sanitary sewer.

### **Location**

Bayview – Glen Area – Valloncliffe Road, Old English Lane

### **Work to be Performed**

- Replacement of sanitary sewers on Valloncliffe Road; Bayview Glen Park and Viburnum Place with full depth road reconstruction on Valloncliffe Rd & Viburnum Place;
- Replacement of watermains on Huckleberry Lane, Lafayette Place, Seinecliffe Road, Limcombe Drive, Old English Lane, Carriage Hill Court, Hampshire Court and Doncrest Drive;
- Watermain replacement on McCowan Road and Heritage Road; and
- Water service replacement on Sir Lancelot Drive.

### **Reason for Work**

Replacement of watermain that have reached end of their service life. This project will improve supply capacity, water quality and flows for domestic and fire demand. As part of City wide wastewater Master Servicing Plan study, sanitary sewers in Valoncliffe Road has been identified as deficient and require upgrades. Since watermain is being replaced in 2019 in this area, it is cost effective to carry out sanitary sewer upgrades at the same time.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – December 2020.



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

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**Project Name**                      **Cast Iron Watermain Replacement - West Thornhill  
Phase 2D Construction**

**Project Number**                      **19245**

**Estimated Total Cost of Project**                      **\$4,454,000**

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**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Waterworks**

### **Project Description**

Replacement of cast iron watermain that have reached end of the service life within West Thornhill Phase 2D area.

### **Location**

Grandview Ave, Henderson Ave, Highland Park Blvd, Dalmeny Rd. and Delair Crescent.

### **Work to be Performed**

Removal of old watermain and replacement with new one as well as replacement of all water service connections.

### **Reason for Work**

Replacement of aged cast iron watermain will improve supply capacity, water quality and flows for domestic and fire demand.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – June 2020.



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

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**Project Name**                      **Sanitary Sewers - Rehabilitation**

**Project Number**                      **19249**

**Estimated Total Cost of Project**                      **\$1,130,600**

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**Commission**                      **Community & Fire Services**

**Department**                      **Environmental Services - Waterworks**

### **Project Description**

Program to rehabilitate the sanitary sewers and service laterals using structural liner including repairs to manholes.

### **Location**

6,900m of sanitary sewers city wide: Locations where defects were found in previous years' inspection program.

### **Work to be Performed**

Structural defects are repaired with short-section liners that will be placed and cured inside the sewers through manholes. If defects are found in several spots within one sewer, the entire section will be lined. Defective laterals are structurally repaired in a similar method. For sewer testing and grouting at failed joints, special grout material will be injected to joints, to prevent infiltration and stop further defective development. Structural cement grouting and protective coating are used in manholes repairs.

### **Reason for Work**

Rehabilitation of the main sewer and service laterals will extend the service life of the sanitary sewer system, reduce maintenance cost/ liabilities and provide adequate system capacity.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – June 2020.



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

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**Project Name** Consulting Engineering Services for Highway 404 North  
Secondary Plan, Ward 2

**Project Number** 19257

**Estimated Total Cost of Project** \$1,402,357

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**Commission** Development Services

**Department** Engineering

### Project Description

This project is for the professional engineering services related to the

- i. Detailed design of the extension of truck municipal service to service the Highway 404 North Secondary Plan, and
- ii. Preliminary design and property protection for the north-east quadrant of the future Highway 404 interchange at 19<sup>th</sup> Avenue and widening of the 19<sup>th</sup> Avenue.

### Location

19th Avenue between Highway 404 and Woodbine Avenue.

### Work to be Performed

Deliverables include:

- Detailed design of trunk sanitary sewer and watermain extension to service Highway 404 North Secondary Plan
- Preliminary design and property protection plan for the north-east quadrant of future Highway 404/19<sup>th</sup> Ave. interchange and widening of 19<sup>th</sup> Ave.

### Reason for Work

Portions of the recommended trunk infrastructure for 404 North Plan have already been installed by the various developers. However, there are portions of the systems that have not yet been designed or constructed. It was approved by Council to initiate the detailed design of the extensions to the current trunk infrastructure at this time, so that they can be ready for construction by the business corporations if they wish to locate their businesses to parts of the 404 North Plan that currently does not have any municipal services.

**Impact on Future Operating Budgets** - TBD.

**Estimated Project Completion Date** – Q1 2020.





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

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**Project Name**            115 & 135 Torbay Road Buildings Demolition

**Project Number**        19259

**Estimated Total Cost of Project**    **\$1,000,000**

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**Commission**            Corporate Services

**Department**           Sustainability and Asset Management

### **Project Description**

This project includes demolition of two commercial buildings in order to repurpose the site for storm water management.

### **Location**

115 & 135 Torbay Road, Markham.

### **Work to be Performed**

Demolition of the buildings, including remediation of the asbestos and other designated substances throughout the buildings.

### **Reason for Work**

Repurpose the land for storm water management to eliminate risk of flooding of properties in the concerned area.

### **Impact on Future Operating Budgets**

Negligible.

**Estimated Project Completion Date** – October 2019

## BUILDING STANDARDS BUDGET

The Building Standards Department is responsible for the administration of Ontario Building Code and other applicable laws including the City's zoning by-laws. The department issues building permits and provides inspections for all new or renovated buildings within Markham's borders, and its Operating Budget funds all operations related to this department's work. Building Standards operations is part of the Operating Fund but it is identified separately due to its self-funding nature.

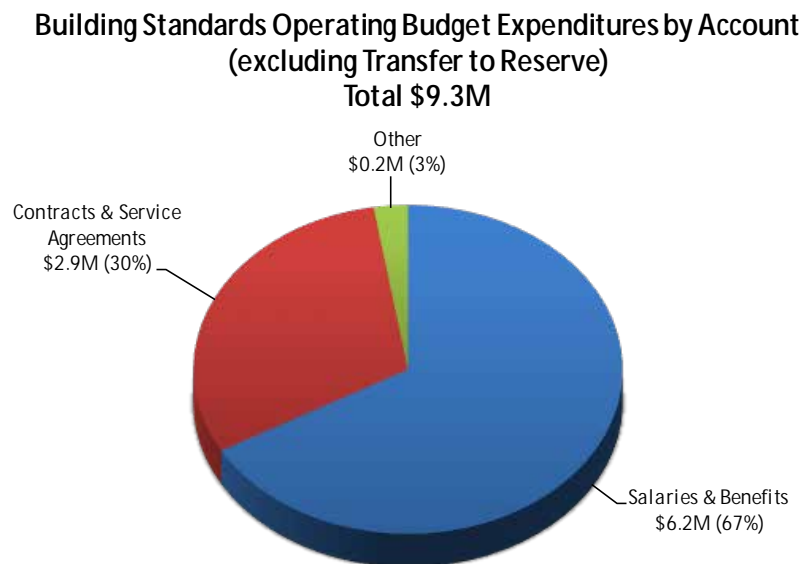
According to Legislation under the Building Code Statute Law Amendment Act, 2002 (Bill 124), fees must not exceed the anticipated reasonable cost to administer and enforce the Act, and revenues and costs must be reported separately.

### Building Standards Operating Budget

The 2019 Operating Budget for Building totals \$9.3 million before transfer to reserves. This marks an increase of approximately \$0.2 million from the 2018 Operating Budget due to increase in expenditures.

### Expenditures

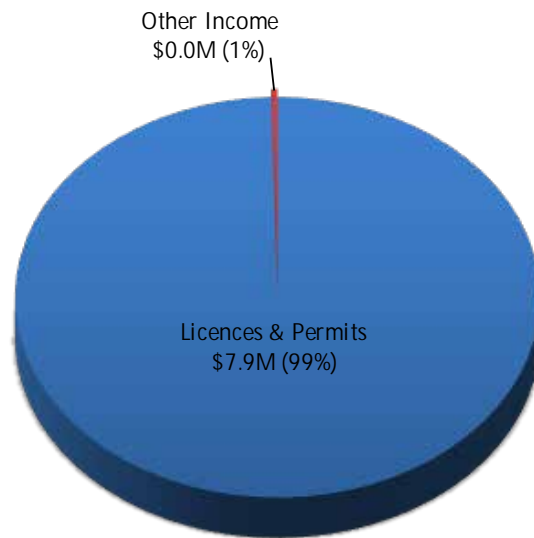
The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 67% of the Operating Budget. Contracts & service agreement represents 31% of the Operating Budget which include indirect costs such as ITS equipment, other department's services, and overhead costs. Other expenditures accounts for 3% of the Operating Budget.



## Revenues

The Operating Budget is primarily funded through revenues from licences and permits related to building permit applications.

### Building Standards Operating Budget Revenues by Account Total \$8.0M



## Building Standards Capital Budget

Building Standards does not have any 2019 capital projects.



## BUILDING STANDARDS CONSOLIDATED 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$7,332	\$11,791	\$9,927	\$7,920	(\$2,006)	-20.2%	(\$3,871)	-32.8%
USER FEES & SERVICE CHARGES	100	108	30	\$30	0	0.0%	(78)	-72.2%
OTHER REVENUE	(10)	(9)	0	\$0	0	0.0%	9	-100.0%
<b>Total Revenues</b>	<b>\$7,422</b>	<b>\$11,891</b>	<b>\$9,957</b>	<b>\$7,950</b>	<b>(\$2,006)</b>	<b>-20.2%</b>	<b>(\$3,940)</b>	<b>-33.1%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,423	5,560	\$6,076	\$6,229	\$153	2.5%	\$669	12.0%
PRINTING & OFFICE SUPPLIES	56	48	51	51	0	0	3	6.1%
OPERATING MATERIALS & SUPPLIES	7	15	20	20	0	0	5	34.5%
COMMUNICATIONS	22	11	31	31	0	0	19	173.4%
TRAVEL EXPENSES	5	9	6	6	0	0	(3)	-31.8%
TRAINING	17	22	34	34	0	0	12	56.3%
CONTRACTS SERVICES AGREEMENT	2,650	2,743	2,743	2,862	119	0	119	4.3%
PROFESSIONAL SERVICES	6	3	9	9	0	0	6	202.3%
LICENCES, PERMITS, FEES	27	26	28	28	0	0	2	6.1%
CREDIT CARD SERVICE CHARGES	25	52	15	58	43	3	6	10.6%
PROMOTION & ADVERTISING	3	0	6	6	0	0	6	0.0%
<b>Total Expenses</b>	<b>\$8,241</b>	<b>\$8,488</b>	<b>\$9,018</b>	<b>\$9,332</b>	<b>\$314</b>	<b>3.5%</b>	<b>\$844</b>	<b>9.9%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$819</b>	<b>(\$3,403)</b>	<b>(\$939)</b>	<b>\$1,382</b>	<b>\$2,321</b>	<b>-247.1%</b>	<b>\$4,784</b>	<b>-140.6%</b>
TRANSFERS TO/(DRAW FROM) RESERVES	(\$819)	3,403	\$939	(\$1,382)	(\$2,321)	-247.1%	(\$4,784)	-140.6%
<b>Full Time Complement</b>	<b>49</b>	<b>49</b>	<b>54</b>	<b>54</b>				

### Major changes in the 2019 Budget from the 2018 Budget:

**Licences & Permits:** Decrease due to projected reduction in permit activities, offset by approved fee increases effective January 1<sup>st</sup>, 2019.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts Service Agreement:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a transfer of the budgeted shortfall to Reserve in order to present a balanced budget.

## PLANNING & DESIGN BUDGET

The Planning & Design Department is responsible for the following aspects related to land use and City planning:

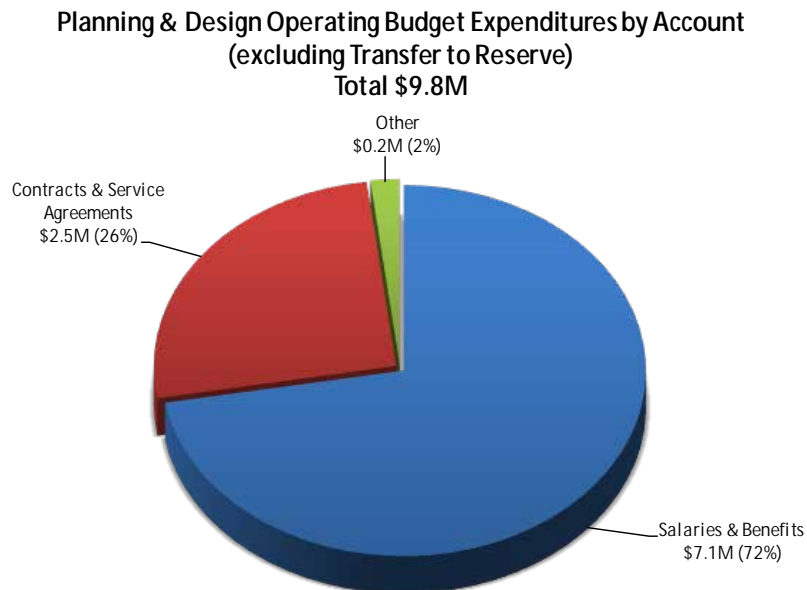
- long range strategic planning and current development control
- formulation of plans, policies, regulations, and guidelines
- development
- urban design
- growth management
- processing and evaluation of development applications
- data collection, analysis, research and monitoring
- planning policy and digital mapping related functions
- community outreach, liaison and information

### Planning & Design Operating Budget

#### *Expenditures*

The 2019 Operating Budget for Planning & Design totals \$9.8 million before transfers to reserves, which represents an increase of \$0.4 million from 2018.

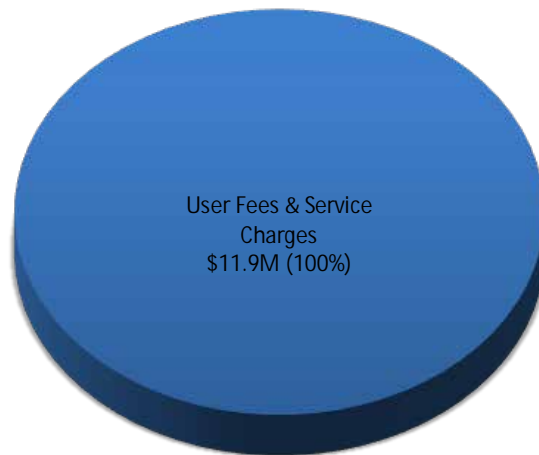
The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 72% of the Operating Budget. Contracts & service agreement represents 26% which include indirect costs such as IT support, other department's services and overhead costs. Other expenditures accounts for 2% of the Operating Budget.



## Revenues

The Planning & Design Operating Budget is 100% funded through revenues from user fees & service charges related to Planning Fees.

Operating Budget Revenues by Account  
Total \$11.9M



## Capital Budget

The 2019 Planning Capital Budget totals \$1.7 million which is primarily funded from Development Charges. The capital projects include future urban area and secondary plan studies, annual advisory and improvement programs, and development area studies.

The 2019 Design Capital Budget totals \$3.6 million which is primarily funded from Development Charges. The capital projects include the design and construction of new parks in various areas in Markham, and the design and construction of pavilion, washroom and maintenance building in existing parks.

For further details on Planning & Design Capital projects, refer to Section 3b – Capital Budget.



## PLANNING & DESIGN CONSOLIDATED 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$9,913	\$13,719	\$10,294	\$11,863	\$1,569	15.2%	(\$1,856)	-13.5%
<b>Total Revenues</b>	<b>\$9,913</b>	<b>\$13,719</b>	<b>\$10,294</b>	<b>\$11,863</b>	<b>\$1,569</b>	<b>15.2%</b>	<b>(\$1,856)</b>	<b>-13.5%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,265	\$5,499	\$6,851	\$7,074	\$223	3.3%	\$1,575	28.6%
PRINTING & OFFICE SUPPLIES	32	33	35	35	0	0.0%	2	5.2%
OPERATING MATERIALS & SUPPLIES	5	2	6	6	0	0.0%	3	155.5%
COMMUNICATIONS	9	7	12	12	0	0.0%	5	77.8%
TRAVEL EXPENSES	35	41	36	36	0	0.0%	(5)	-12.6%
TRAINING	9	22	15	15	0	0.0%	(7)	-33.1%
CONTRACTS SERVICES AGREEMENT	2,225	2,369	2,369	2,527	159	6.7%	159	6.7%
RENTAL/LEASE	0	0	1	1	0	0.0%	1	0.0%
PROFESSIONAL SERVICES	9	1	17	17	0	0.0%	16	2109.4%
LICENCES, PERMITS, FEES	42	46	41	41	0	0.0%	(5)	-10.0%
CREDIT CARD SERVICE CHARGES	7	4	5	20	15	300.0%	16	381.7%
PROMOTION & ADVERTISING	2	8	6	6	0	0.0%	(2)	-20.7%
OTHER EXPENDITURES	1	0	4	4	0	8.6%	4	4122.2%
<b>Total Expenses</b>	<b>\$7,640</b>	<b>\$8,031</b>	<b>\$9,396</b>	<b>\$9,793</b>	<b>\$397</b>	<b>4.2%</b>	<b>\$1,761</b>	<b>21.9%</b>
<b>Net Expenditures/(Revenues)</b>	<b>(\$2,273)</b>	<b>(\$5,688)</b>	<b>(\$898)</b>	<b>(\$2,071)</b>	<b>(\$1,172)</b>	<b>130.5%</b>	<b>\$3,617</b>	<b>-63.6%</b>
TRANSFERS TO RESERVE	2,273	5,688	898	2,071	1,173	130.6%	(3,617)	-63.6%
<b>Full Time Complement</b>	<b>40</b>	<b>47</b>	<b>57</b>	<b>58</b>				

### Major changes in the 2019 Budget from the 2018 Budget:

**User Fees & Service Charges:** Increase due to approved fee increases effective January 1<sup>st</sup>, 2019 and a higher number of applications.

**Salaries and Benefits:** Increase due to one new staff position, collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a transfer of the budgeted surplus to Reserve in order to present a balanced budget.

## ENGINEERING BUDGET

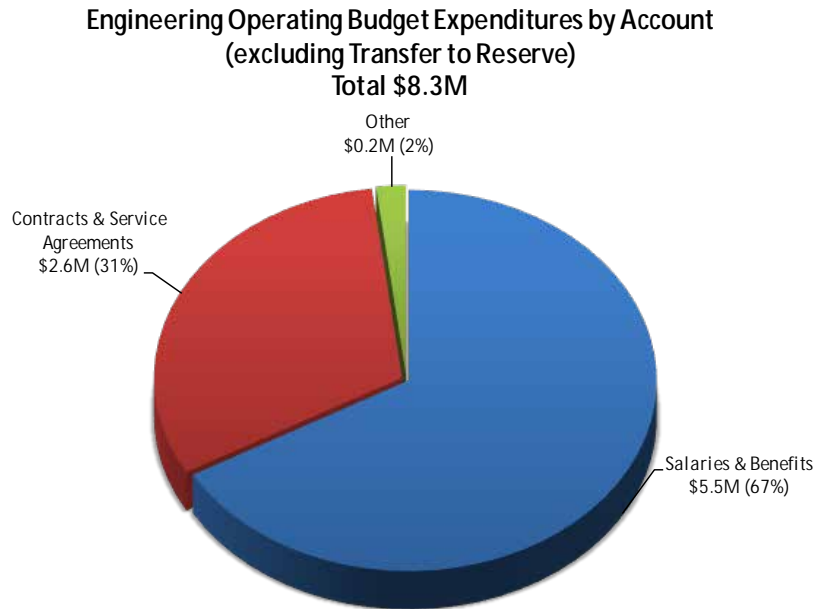
The Engineering Department is responsible for the planning and delivery of infrastructure, transportation, and environmental engineering. This includes: new subdivision & site plan applications, construction of storm & sanitary sewers, watermains, and roads.

### Engineering Operating Budget

#### *Expenditures*

The 2019 Operating Budget for Engineering totals \$8.3 million before draw from reserves. This marks an increase of \$0.3 million from the 2018 Operating Budget due to an increase in contract service agreements and salaries and benefits.

The figure below indicates that the major portion of budgeted expenditures is salaries and benefits, which accounts for 67% of the Operating Budget. Contracts & service agreements represent 31% of the Operating Budget which include indirect costs such as ITS support, other department's services and overhead costs. Other expenditures accounts for 2% of the Operating Budget.



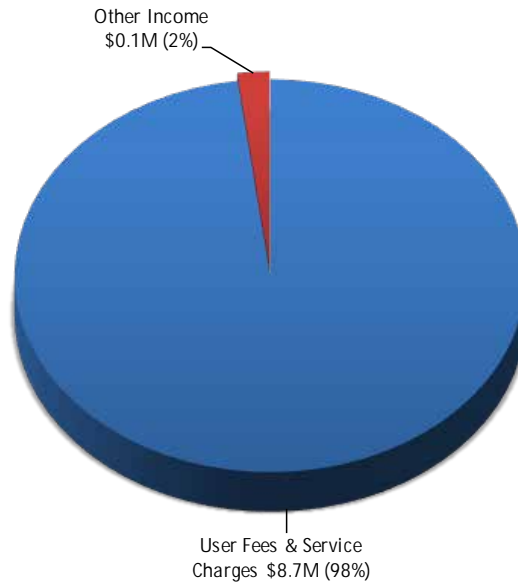




## Revenues

The Operating Budget is funded mainly through revenues from user fees & service charges related to Engineering Fees.

Engineering Operating Budget Revenues by Account  
Total \$8.9M



## Capital Budget

The 2019 Engineering Capital Budget totals \$42.1 million which is primarily funded from Development Charges. The capital projects include multi-use pathways, regional mid-block crossings, sidewalk and streetlight programs, downstream improvement work, transportation studies and intersection improvements.

For further details on Planning & Design Capital projects, refer to Section 3b – Capital Budget.



## ENGINEERING CONSOLIDATED 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$8,263	\$10,230	\$7,938	\$8,748	\$810	10.2%	(\$1,482)	-14.5%
RENTALS	2	0	0	0	0	0.0%	(0)	-100.0%
RECOVERIES & CONTRIBUTIONS	232	325	150	184	34	22.9%	(140)	-43.2%
<b>Total Revenues</b>	<b>\$8,497</b>	<b>\$10,555</b>	<b>\$8,088</b>	<b>\$8,933</b>	<b>\$845</b>	<b>10.4%</b>	<b>(\$1,622)</b>	<b>-15.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,656	\$5,334	\$5,306	\$5,514	\$208	3.9%	\$180	3.4%
PRINTING & OFFICE SUPPLIES	8	7	22	22	0	0.0%	14	194.8%
OPERATING MATERIALS & SUPPLIES	9	10	12	12	0	0.0%	1	12.7%
COMMUNICATIONS	18	18	22	22	0	0.0%	4	22.3%
TRAVEL EXPENSES	9	8	15	15	0	0.0%	7	79.4%
TRAINING	8	6	16	16	0	0.0%	10	154.1%
CONTRACTS SERVICES AGREEMENT	2,282	2,505	2,505	2,584	79	3.2%	79	3.2%
MAINT. & REPAIR - TIME & MATERIAL	0	0	1	1	0	0.0%	1	0.0%
RENTAL/LEASE	0	4	5	5	0	0.0%	1	28.4%
PROFESSIONAL SERVICES	14	10	19	19	0	0.0%	9	91.1%
LICENCES, PERMITS, FEES	20	28	32	32	0	0.0%	5	17.0%
CREDIT CARD SERVICE CHARGES	0	0	0	15	15	0.0%	15	0.0%
PROMOTION & ADVERTISING	0	1	2	2	0	0.0%	1	87.6%
OFFICE FURNISHING & EQUIPMENT	0	3	2	2	0	0.0%	(1)	-45.7%
OTHER EXPENDITURES	(1)	1	0	0	0	0.0%	(1)	-100.0%
<b>Total Expenses</b>	<b>\$7,023</b>	<b>\$7,935</b>	<b>\$7,957</b>	<b>\$8,259</b>	<b>\$302</b>	<b>3.8%</b>	<b>\$324</b>	<b>4.1%</b>
<b>Net Expenditures/(Revenues)</b>	<b>(\$1,474)</b>	<b>(\$2,620)</b>	<b>(\$131)</b>	<b>(\$674)</b>	<b>(\$543)</b>	<b>414.3%</b>	<b>\$1,947</b>	<b>-74.3%</b>
TRANSFERS TO RESERVE	1,474	2,620	131	674	543	414.5%	(1,947)	-74.3%
<b>Full Time Complement</b>	<b>41</b>	<b>38</b>	<b>44</b>	<b>44</b>				

### Major changes in the 2019 Budget from the 2018 Budget:

**User Fees & Service Charges:** Increase due to higher construction charges on capital projects and approved fee increases effective January 1, 2019.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a transfer of the budgeted surplus to Reserve in order to present a balanced budget.



## **WATERWORKS BUDGET**

Operations relating to water and sanitary sewer are identified separately due to its self-funding nature. User fees from water billings are the main source of funding for the Waterworks Budget.

In 2007, the City of Markham implemented a Water & Wastewater Reserve Study to address the ongoing replacement and rehabilitation requirements for the aging water and sewer systems. The study made recommendations to the level of Water & Wastewater Infrastructure Surcharge to charge in order to sustain projected replacement and rehabilitation costs over the next 25 years.

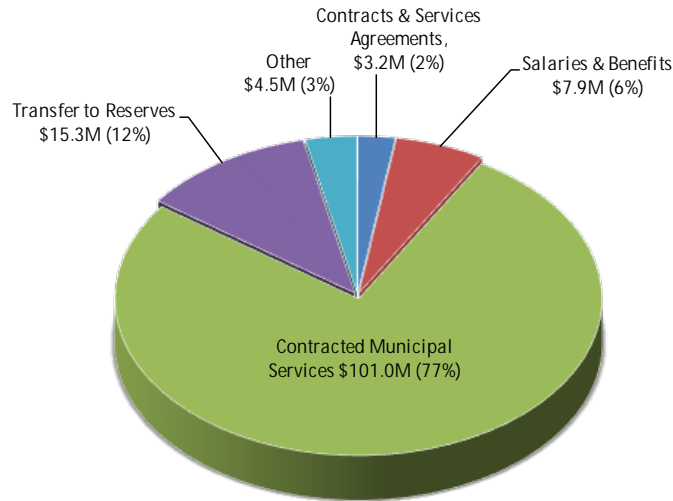
### **Operating Budget**

#### **Expenditures**

The 2019 Operating Budget for Waterworks totals \$131.9 million (excluding prior year's surplus). This marks an increase of \$0.3M million over the 2018 Operating Budget.

The figure below indicates that the major portion of budgeted expenditures is contracted municipal services, which is for the purchase of water from the Region of York. Transfer to Reserves, which accounts for 12% of the Operating Budget, represents transfer to the Waterworks Reserve in order to sustain future replacement & rehabilitation requirements and to support the Environmental Services – Waterworks department day-to-day operations. Contract & service agreements accounts for 2% of the Operating Budget, which includes items such as inspection & cleaning of the sewer line, maintenance & repair of the water & sewer system, water sampling & testing, installation & maintenance of meters, and water/wastewater reading & billing.

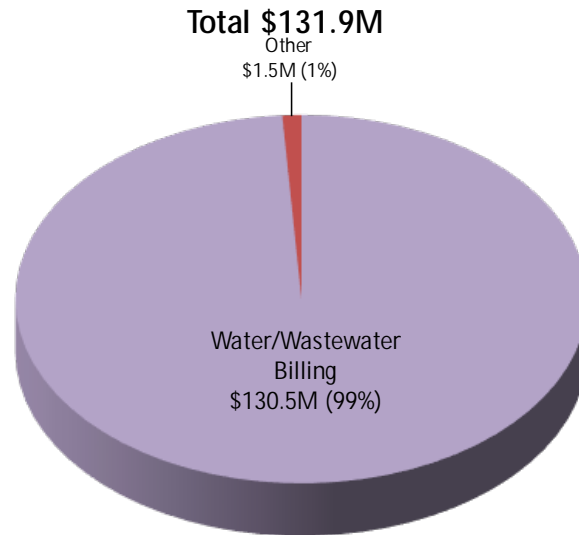
## 2019 Operating Budget Expenditures by Account by \$131.9M



### Revenues

The Operating Budget is funded mainly through revenues associated with billings related to the sale of water. Please refer to the chart below. The City's water/wastewater rates have increased by 7.8% from the previous year's level primarily as a result of the wholesale water rate increase from the Region of York effective April 1, 2019 (6.1% impact) and adjustments to the water/waste water surcharge to address the ongoing replacement & rehabilitation requirements for Waterworks infrastructure (1.7% impact).

### 2019 Operating Budget Revenues By Account



### Capital Budget

The 2019 Waterworks Capital Budget totals \$21.9 million which is fully funded from the Waterworks reserve. The capital projects include annual programs for watermain construction/replacement, relining of watermain, water meter replacement, and upgrades to water and sewer system. The Waterworks reserve also funds capital projects managed by other departments (such as ITS, Engineering and Fleet). The 2019 capital budget includes funding from Waterworks reserve in the amount of \$22.3 million.



## WATERWORKS CONSOLIDATED 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Sales &amp; Purchase of Water Revenue</b>								
FINES/ BILLINGS	\$111,284	\$121,383	\$130,221	\$130,507	\$287	0.2%	9,124	7.5%
CONTRACTED MUNICIPAL SERVICES	(83,793)	(92,696)	(100,989)	(101,045)	(56)	0.1%	(8,349)	9.0%
<b>Total Sales &amp; Purchase of Water Revenue</b>	<b>\$27,491</b>	<b>\$28,688</b>	<b>\$29,232</b>	<b>\$29,463</b>	<b>\$231</b>	<b>0.8%</b>	<b>\$775</b>	<b>2.7%</b>
<b>Other Revenues</b>								
PROVINCIAL GRANTS & SUBSIDIES	\$0	\$8	\$0	\$0	\$0	0.0%	(\$8)	-100.0%
USER FEES & SERVICE CHARGES	405	354	533	533	0	0.0%	179	50.6%
RENTALS	0	0	0	0	0	0.0%	0	0.0%
SALES	542	467	567	567	0	0.0%	100	21.5%
RECOVERIES & CONTRIBUTIONS	371	292	300	300	0	0.0%	7	2.5%
OTHER REVENUE	76	17	14	14	0	0.0%	(3)	-17.8%
<b>Total Other Revenues</b>	<b>\$1,395</b>	<b>\$1,138</b>	<b>\$1,413</b>	<b>\$1,413</b>	<b>\$0</b>	<b>0.0%</b>	<b>275</b>	<b>24.2%</b>
<b>Other Expenses</b>								
SALARIES AND BENEFITS	\$6,777	\$7,397	\$7,729	\$7,856	\$127	1.6%	\$459	6.2%
PRINTING & OFFICE SUPPLIES	49	24	34	34	0	0.0%	9	38.0%
OPERATING MATERIALS & SUPPLIES	113	96	246	248	2	0.9%	152	158.8%
CONSTRUCTION MATERIALS	384	399	581	587	5	0.9%	188	47.0%
UTILITIES	36	33	56	56	0	0.0%	23	69.6%
COMMUNICATIONS	55	57	74	74	0	0.0%	18	30.9%
TRAVEL EXPENSES	37	28	47	47	0	0.0%	19	67.8%
TRAINING	60	70	60	60	0	0.0%	(9)	-13.0%
CONTRACTS SERVICES AGREEMENT	2,647	2,862	3,368	3,248	(119)	-3.5%	386	13.5%
MAINT. & REPAIR - TIME & MATERIAL	320	393	474	487	12	2.6%	94	23.8%
RENTAL/LEASE	6	7	6	6	0	0.0%	(2)	-25.0%
PROFESSIONAL SERVICES	52	79	117	117	0	0.0%	38	48.3%
LICENCES, PERMITS, FEES	51	63	50	50	0	0.0%	(13)	-21.1%
CREDIT CARD SERVICE CHARGES	2	2	1	1	0	0.0%	(1)	-33.4%
OTHER PURCHASED SERVICES	2,492	2,517	2,517	2,720	203	8.1%	203	8.1%
WRITE-OFFS	30	5	5	5	0	0.0%	0	0.0%
<b>Total Other Expenses</b>	<b>\$13,110</b>	<b>\$14,032</b>	<b>\$15,365</b>	<b>\$15,595</b>	<b>\$231</b>	<b>1.5%</b>	<b>1,563</b>	<b>11.1%</b>
<b>Net Expenditures/(Revenues)</b>	<b>(\$15,776)</b>	<b>(\$15,794)</b>	<b>(\$15,281)</b>	<b>(\$15,281)</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$513</b>	<b>-3.2%</b>
TRANSFERS TO/(DRAW FROM) RESERVES	\$15,776	\$15,794	\$15,281	\$15,281	\$0	0.0%		
<b>Full Time Complement</b>	<b>61</b>	<b>63</b>	<b>67</b>	<b>67</b>				

### Major changes in the 2019 Budget from the 2018 Budget:

**Fines/Billings:** Increase in water sales through rate increase and volume adjustments.

**Contracted Municipal Services:** Increase due to increase in waste tonnage due to growth and contract escalation.

**Salaries & Benefits:** Increase for collective agreements and cost of living adjustment (COLA)

**Contracts Services Agreements:** Reduction due to transferring CCTV inspections from operating to capital budget.

**Other Purchased Services:** Increase for Waterworks indirect chargeback to supporting departments.

## FINANCIAL POLICIES

POLICY NAME	POLICY SUMMARY	APPENDIX No.
Financial Planning and Budgeting Policy	Covers the principles of the annual Budget process, long-term Budget Planning process, and guidance on use of revenues from a Financial Planning perspective. Includes the following supplemental process guidelines: <ul style="list-style-type: none"> <li>· Operating Budget process guideline</li> <li>· Capital Budget process guideline</li> </ul>	<b>1</b>
Capital Budget Control Policy	Provides the guiding principles to improve the management, administration, and reporting of Capital Projects by defining: <ul style="list-style-type: none"> <li>· Project categories</li> <li>· Standardized percentages for Capital Budgeting funding</li> <li>· Return of surplus funds</li> <li>· Reporting requirements to Council</li> <li>· Process for requesting changes to Capital Projects</li> <li>· Process for requesting closure of Capital Projects</li> </ul>	<b>2</b>
Investment Policy	Covers investment objectives of the City related to: <ul style="list-style-type: none"> <li>· Legality of Investments</li> <li>· Preservation of Principal</li> <li>· Maintenance of Liquidity</li> <li>· Competitive Rate of Return</li> </ul>	<b>3</b>
Development Charge Borrowing Policy	Provides a framework with respect to borrowing funds to complete Development Charge (DC) related capital projects.	<b>4</b>
Investment Allocation Interest Policy	Provides a framework with regard to the recording and allocation methods of the City's investment interest income (including bonds, money market, interest earned on bank balances, etc).	<b>5</b>

Reserve Policy	<p>Provides details on the City’s Council approved Reserve Study and policies to:</p> <ul style="list-style-type: none"> <li>· Determine the adequacy of the City’s Reserves to meet known future expenditures</li> <li>· Determine the adequate level for the City’s corporate rate stabilization/contingency reserve</li> <li>· Review, consolidate and refine policies for the City’s various reserves and reserve funds</li> </ul>	<b>6</b>
Debt Policy	Describes debt issuance and Provincial guidelines	<b>7</b>
Expenditure Control Policy	Establishes internal controls over the authorization of expenses.	<b>8</b>
Tangible Capital Assets Policy	Provides direction to ensure the City’s assets are recorded in a fixed asset register, at historic values and amortized over their useful lives, in a consistent manner in accordance with the guidelines established in PSAB 3150.	<b>9</b>



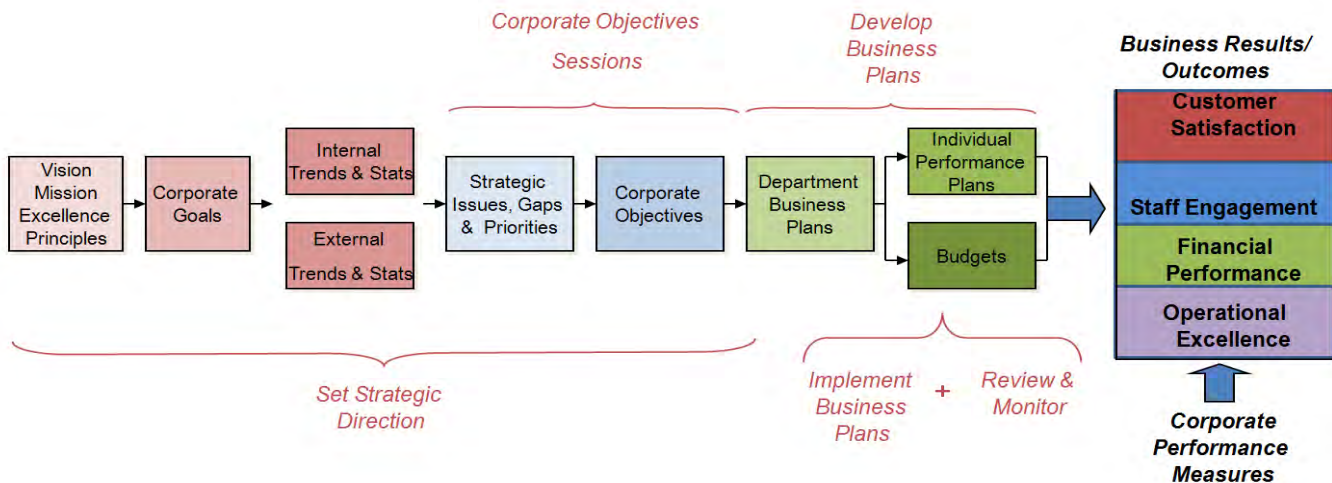
## BUSINESS PLAN INTRODUCTION

Each City of Markham Department reports to one of the following Commissions:

- CAO's Office;
- Corporate Services;
- Development Services; or
- Community and Fire Services.

This section outlines the annual business planning process, provides an overview of each Commission, and includes the Departmental Business Plans and Operating Budgets.

### Annual Business Planning Process



The Annual Business Planning Process delivers on the goals and objectives of the Council approved “Building Markham’s Future Together 2015 - 2019 Strategic Plan” (BMFT), and aligns with the Excellence Markham Framework.

Two key outputs of the Annual Business Planning Process are the confirmation of the corporate actions stated in the BMFT document and the development of the multi-year Departmental Business Plans (Dept BP). The strategic actions of the Dept BP ensure each Department is contributing to the relevant corporate objectives, in addition to other initiatives a department may need to undertake to maintain and advance its business operations.

The BMFT document identifies:

- Corporate Goals that the organization is pursuing during the duration of the plan
- Corporate Objectives that further each of the Corporate Goals
- Corporate Actions to achieve the Corporate Objectives
- Performance Measures that are identified for each Corporate Goal

The annual Dept BP identifies:

- Linkages to the Corporate Goals, Corporate Objectives and Corporate Actions outlined in the BMFT document
- Departmental Objectives and Departmental Actions, along with the relevant Performance Measures supporting each Corporate Goal

The Corporate Goals were created specifically to define overall success in a balanced manner. The annual Departmental Actions and Performance Measures ensure a Department is aligned to the overarching Corporate Goals.

The Dept BPs are developed and finalized six months in advance of the year in question and prior to the annual budgeting process. Therefore, the most current full-year performance data that can be included for the 2019 plans is 2017, as the Dept BPs were due to be completed in June, 2018. Completing the business planning process allows resource requirements, such as funding and staffing, to be addressed in the annual budgeting process.

The BMFT Strategic Plan for 2020 to 2024 is being updated currently to reflect the direction of the new Council term following the 2018 municipal elections. As a result, the annual business plans, as provided in the following pages, include the 2019 year only. The long term business plans included in this document are based on the previous year's update. Following the completion of the BMFT update, the 2020 budget document will include the multi-year business plan updates.

## 2019 Departmental Business Plan Summary

As highlighted in the Executive Summary, and detailed in Section 2 - Corporate Strategic Plan, the 2019 Departmental Business Plans align with the BMFT 2015 – 2019 Strategic Goals:





The following pages contain a brief overview of each Commission along with a summary of each department. Also included are departmental Operating Budgets, Business Plans, Key Performance Measures, and Long-term Business Plans.

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## MAYOR AND COUNCIL 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
RECOVERIES & CONTRIBUTIONS	\$88	\$23	\$0	\$0	\$0	0.0%	(\$23)	-100.0%
<b>Total Revenues</b>	<b>\$88</b>	<b>\$23</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$23)</b>	<b>-100.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$2,625	\$2,623	\$2,896	\$2,786	(\$110)	-3.8%	\$163	6.2%
PRINTING & OFFICE SUPPLIES	28	25	23	27	3	14.2%	2	8.1%
OPERATING MATERIALS & SUPPLIES	21	31	12	17	5	41.6%	(14)	-44.9%
VEHICLE SUPPLIES	3	2	3	3	-	0.0%	1	33.6%
COMMUNICATIONS	2	1	15	16	0	0.9%	15	2199.9%
TRAVEL EXPENSES	169	35	111	60	(51)	-45.7%	26	73.3%
TRAINING	7	0	6	3	(2)	-37.9%	3	0.0%
CONTRACTS SERVICES AGREEMENT	15	5	30	30	-	0.0%	25	469.9%
MAINT. & REPAIR - TIME & MATERIAL	0	0	7	0	(7)	-100.0%	-	0.0%
RENTAL/LEASE	3	3	14	16	1	10.0%	13	497.1%
PROFESSIONAL SERVICES	111	0	159	7	(153)	-95.9%	7	0.0%
LICENCES, PERMITS, FEES	2	2	4	5	0	2.2%	3	206.1%
PROMOTION & ADVERTISING	83	85	18	38	20	115.8%	(47)	-55.1%
OTHER EXPENDITURES	12	13	18	18	-	0.0%	5	42.1%
<b>Total Expenses</b>	<b>\$3,082</b>	<b>\$2,823</b>	<b>\$3,318</b>	<b>\$3,026</b>	<b>(\$293)</b>	<b>-8.8%</b>	<b>\$203</b>	<b>7.2%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$2,993</b>	<b>\$2,800</b>	<b>\$3,318</b>	<b>\$3,026</b>	<b>(\$293)</b>	<b>-8.8%</b>	<b>\$226</b>	<b>8.1%</b>
<b>Full Time Complement</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Decrease due to transfer of provisions for Retirement Allowances to Corporate Other Expenses.

**Professional Services:** Decrease due to transfer of Auditor General annual expenses to Corporate.

## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER (CAO)



The Chief Administrative Officer provides leadership to a full-time staff of 1114 and approximately 1866 part time/seasonal staff who provide superior services to residents, businesses and visitors and respond to issues of the growing City. The responsibilities of the CAO include management of a \$519.78 million dollar budget, oversight of municipal operations and ensuring Council's priorities and strategic directions are achieved. Direct reports to the Chief Administrative Officer include the Commissioners of Corporate Services, Community and Fire Services and Development Services, as well as the Director of Human Resources, the City Solicitor and the Manager Business Planning & Projects.

The Executive Leadership Team (ELT) supports the management of the City's operations and is comprised of the CAO, the Commissioners of Corporate Services, Community and Fire Services and Development Services, the Director of Human Resources, the City Solicitor and the Manager, Business Planning & Projects. The ELT meets bi-weekly, or more frequently, as required, is chaired by the CAO, and addresses City operations and issues.

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

- Legal Services
- Human Resources

### ***Legal Services***

Reporting to the Chief Administrative Officer, the Legal Services Department provides a full range of legal advice and support to Council, its committees and City staff. As a municipal corporation, the City is subject to all laws of the Federal and Provincial governments.

The primary functions and duties of the Legal Services Department include:

- Legal advice to Council and its committees regarding legal issues, liability and applicability of provincial legislation
- Representation at all Local Planning Appeal Tribunal (formerly Ontario Municipal Board) and other tribunal hearings

- Carriage of legal actions commenced by or against the City in all levels of the Ontario court system
- Preparation and review of all development agreements (subdivision, site plan) and other contracts/agreements
- Negotiation, preparation, review and registration of documents required for the acquisition, disposition and lease of real property
- Drafting and review of by-laws
- Provision of legal advice and direction to all municipal departments
- Meetings with other government agencies, including provincial ministries and York Region, to resolve issues and advance the interests of the City
- Assistance to the By-law Enforcement Department in the enforcement and prosecution of City regulatory and zoning by-laws, including representation of the Licensing Manager at Licensing hearings

### ***Human Resources***

The Human Resources Department supports the achievement of the City of Markham's goals by providing a full range of strategic human resources management solutions in the areas of labour and employee relations, health and safety, staffing and succession planning, workforce planning and analytics, compensation and benefits, learning and development, business transformation and change, wellness, and diversity and inclusion.

The department is also the corporate sponsor and champion of the City's multi-year Diversity Action Plan "Everyone Welcome" and the City's People Plan.



## OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	331	522	250	300	50	20.0%	(222)	-67.1%
OTHER REVENUE	4	6	2	2	0	0.0%	(4)	-104.1%
<b>Total Revenues</b>	<b>\$335</b>	<b>\$528</b>	<b>\$252</b>	<b>\$302</b>	<b>\$50</b>	<b>19.8%</b>	<b>(\$226)</b>	<b>-67.5%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,383	\$4,654	\$4,558	\$5,018	\$460	10.1%	\$364	8.3%
PRINTING & OFFICE SUPPLIES	16	16	24	23	(0)	-0.9%	7	44.6%
OPERATING MATERIALS & SUPPLIES	90	108	97	102	4	4.6%	(6)	-6.7%
VEHICLE SUPPLIES	0	6	0	5	5	0.0%	(1)	0.0%
COMMUNICATIONS	14	13	16	16	(0)	-1.8%	3	19.4%
TRAVEL EXPENSES	17	27	17	18	2	9.1%	(8)	-50.1%
TRAINING	256	274	310	306	(3)	-1.1%	32	12.5%
CONTRACTS SERVICES AGREEMENT	(212)	(176)	(163)	(151)	13	-7.9%	26	12.1%
RENTAL/LEASE	10	11	10	11	1	11.0%	0	2.6%
PROFESSIONAL SERVICES	517	554	541	543	2	0.3%	(11)	2.1%
LICENCES, PERMITS, FEES	58	64	83	82	(1)	-1.1%	18	31.3%
PROMOTION & ADVERTISING	198	250	237	237	0	0.0%	(13)	-6.3%
OTHER EXPENDITURES	9	8	5	0	(5)	-95.8%	(8)	-82.0%
<b>Total Expenses</b>	<b>\$5,356</b>	<b>\$5,807</b>	<b>\$5,735</b>	<b>\$6,212</b>	<b>\$477</b>	<b>8.3%</b>	<b>\$855</b>	<b>16.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$5,022</b>	<b>\$5,279</b>	<b>\$5,483</b>	<b>\$5,909</b>	<b>\$427</b>		<b>\$888</b>	<b>17.7%</b>
<b>Full Time Complement</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>34</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreement, cost of living adjustments (COLA), 2 new positions in Human Resources, plus transfer of 1 headcount from Engineering to Legal



## CAO'S OFFICE – COMMISSION SUPPORT 2019 OPERATING BUDGET

<u>Description (in \$000's)</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>2019 Budget</u>	<u>2019 Bud. vs. 2018 Bud.</u>		<u>2019 Bud. vs. 2018 Act.</u>	
					<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>	<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<b>Revenues</b>								
OTHER INCOME	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$627	\$663	\$649	\$686	\$37	5.6%	\$23	3.4%
PRINTING & OFFICE SUPPLIES	2	2	3	3	1	21.8%	1	41.1%
OPERATING MATERIALS & SUPPLIES	2	5	5	5	0	0.0%	(1)	-13.6%
COMMUNICATIONS	2	2	2	2	0	0.0%	0	16.0%
TRAVEL EXPENSES	10	17	7	7	0	0.0%	(10)	-58.1%
TRAINING	0	0	4	2	(2)	-48.7%	2	0.0%
CONTRACTS SERVICES AGREEMENT	(22)	(9)	5	16	10	199.8%	25	-266.6%
RENTAL/LEASE	0	0	1	1	0	0.0%	0	293.6%
PROFESSIONAL SERVICES	47	52	52	52	0	0.0%	0	0.2%
LICENCES, PERMITS, FEES	17	18	20	21	1	5.7%	3	14.9%
OTHER EXPENSES	6	6	5	5	0	3.8%	(1)	-11.9%
<b>Total Expenses</b>	<b>\$691</b>	<b>\$756</b>	<b>\$752</b>	<b>\$799</b>	<b>\$47</b>	<b>6.2%</b>	<b>\$43</b>	<b>5.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$691</b>	<b>\$756</b>	<b>\$752</b>	<b>\$799</b>	<b>\$47</b>	<b>6.2%</b>	<b>\$43</b>	<b>5.7%</b>
<b>Full Time Complement</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>				

### Major changes in 2019 Budget from the 2018 Budget:

No significant changes





## HUMAN RESOURCES 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
OTHER INCOME	\$4	\$3	\$2	\$2	\$0	0.0%	(\$1)	-30.7%
<b>Total Revenues</b>	<b>\$4</b>	<b>\$3</b>	<b>\$2</b>	<b>\$2</b>	<b>\$0</b>	<b>0.0%</b>	<b>(\$1)</b>	<b>-30.7%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$2,180	\$2,265	\$2,197	\$2,447	\$250	11.4%	\$181	8.0%
PRINTING & OFFICE SUPPLIES	10	10	15	14	(1)	-6.8%	4	37.6%
OPERATING MATERIALS & SUPPLIES	73	85	76	76	0	0.0%	(10)	-11.3%
COMMUNICATIONS	4	4	5	5	0	0.0%	1	22.2%
TRAVEL EXPENSES	6	4	9	9	0	0.0%	5	117.2%
TRAINING	249	271	296	296	0	0.0%	25	9.3%
CONTRACTS SERVICES AGREEMENT	(132)	(109)	(111)	(94)	16	-14.8%	14	-13.3%
RENTAL/LEASE	5	6	5	6	1	19.8%	(0)	-3.8%
PROFESSIONAL SERVICES (A)	352	316	232	234	2	0.9%	(81)	-25.8%
LICENCES, PERMITS, FEES	8	8	12	10	(2)	-16.5%	2	30.2%
PROMOTION & ADVERTISING (B)	198	250	237	237	0	0.0%	(13)	-5.0%
MISCELLANEOUS EXPENSES	3	8	0	0	(0)	0.0%	(8)	-97.0%
<b>Total Expenses</b>	<b>\$2,957</b>	<b>\$3,118</b>	<b>\$2,973</b>	<b>\$3,239</b>	<b>\$266</b>	<b>8.9%</b>	<b>\$121</b>	<b>3.9%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$2,953</b>	<b>\$3,115</b>	<b>\$2,971</b>	<b>\$3,237</b>	<b>\$266</b>	<b>9.0%</b>	<b>\$122</b>	<b>3.9%</b>
<b>Full Time Complement</b>	<b>17</b>	<b>16</b>	<b>17</b>	<b>19</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreement, cost of living adjustments (COLA) and 2 new positions.

## HUMAN RESOURCES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Cascaded action- Align with and support “Implement new Customer Experience Strategy”	Align with, and provide support, as needed
		Execute an annual customer service survey
1.2 Transforming Services through Technology and Innovation	Cascaded action- Align with and support corporate technology initiatives and multi-year technology roadmap	Support development of multi-year technology roadmap
		Finalize outstanding HRIS Conversion Project items- accountability and roles framework (RACI)
		Finalize new learning management system implementation and roll out
1.3 Strengthening Organizational Capacity and Effectiveness	Cascaded action- Align with and support corporate staff satisfaction strategy	Implement a corporate staff satisfaction improvement project, as needed
		Implement department staff satisfaction project
	Collective bargaining	Preparation for negotiation of MPFFA collective agreement (expiry of December 31, 2019)
	Compliance with legislative changes	Respond and adopt to legislative changes, rolling out to the organization
	Build systems to ensure safe workplace for all staff that meet legislative requirements, reduce health and safety risks	Continue the development and roll out of Health and Safety Management System policies, procedures and standards
	Wellness Program	Employee and Family Assistance Plan RFP
	Lead City’s People Plan	Pilot Level 1 refreshed Manager training
	Participate in York Region Consortium Level 2 Manager training	
	Refine succession planning based on feedback	
	Finalize and roll out new regular full time employee onboarding and orientation program	

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
		Review and select emerging recruitment media buying, attraction and branding options for pilot
		Review options for simplification of part time wage grid and roll out

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target	Year
Participation in, and support of, Exceptional Services by Exceptional People Goal	On target	On target	On target	Behind	Behind	On target	Ongoing
Customer service survey- survey execution	0	1	1	1	1	1	Annual
Customer service survey- overall satisfaction	n/a	70.2%	87.5%	80%	65.6%	80%	Annual
Customer service survey- extremely/very satisfied	n/a	49.5%	60%	66%	42%	50%	Annual
HR staff satisfaction survey- overall satisfaction with City of Markham	76%	n/a	82.1%	n/a	76.9	75%	Bi-ann
HR staff satisfaction survey- organizational engagement	72.5%	n/a	76.7%	n/a	72.9%	75%	Bi-ann
HR staff satisfaction survey- job engagement	73.8%	n/a	75.2%	n/a	77%	75%	Bi-ann
HR staff satisfaction survey- organizational outcome index	72.6%	n/a	75.6%	n/a	74.4%	75%	Bi-ann
HR staff satisfaction survey- healthy workplace index	70.2%	n/a	73.9%	n/a	66.5%	75%	Bi-ann
Number of corporate learning hours per HR employee*	8.9	7.5	10.2	14.1	20.3	14	Annual
Number of days absent per HR employee	2.2	3.5	6.5	3.6	5.7	6.5	Annual
Number of HR employee days lost due to injury	0	0	0	0	0	0	Annual

\* As of 2015, this department metric expanded from corporate learning to overall learning hours

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Cascaded action- Implement community engagement tools	Align with, and provide support, as needed
	Update the Integrated Leisure Master Plan	Align with, and provide support, as needed
2.2. Ensuring Markham is Welcoming and Inclusive	Lead the City’s Diversity Action Plan	Align Diversity Action Plan with new Council term objectives
		Provide advice and guidance internally and as needed to York Region stakeholder groups on emerging issues related to diversity, inclusion and accessibility
		Continue to incorporate issues related to First Nations, LGBTQ and religion into diversity and inclusion programming
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Cascaded action- Align with and support strategies for Destination Markham and new York University Markham site	Apply for 2020 “Best Diversity Employer” award
		Align with, and provide support, as needed

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target	Year
Participation in, and support of, Engaged, Diverse and Thriving corporate initiatives	On target	On target	On target	On target	On target	On target	Ongoing

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	Cascaded action - Align with and support related strategies	Align with, and support, as needed
3.2. Managing Growth in Markham	Cascaded action - Align with and support related strategies	Align with, and support, as needed
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded action - Establish department business continuity plans	Maintain and update department business continuity plan and ensure staff are informed of plan
3.4. Protecting and Respecting our Built and Natural Environment	Cascaded action - Align with and support related strategies	Align with, and support, as needed

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target	Year
Participation in, and support of, Safe and Sustainable Community corporate initiatives	On target	On target	On target	On target	On target	On target	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Cascaded action- Align with and support multi-year operating and capital budget planning	Develop and/or forecast multi-year business plans and budgets as relevant
	Cascaded action- Ensure all projects are funded	Ensure all projects are funded
	Cascaded action- Support E3 strategy	Increase revenues or reduce costs as possible
	Cascaded action- Ensure services are delivered efficiently	Complete outstanding HRIS Project activities
		Implement and roll out upgraded learning management system
Cascaded action- Review, select and report on appropriate Departmental Performance Measures	Review, select and report on appropriate departmental performance measures Finalize HR Metrics Framework for ELT and Directors	
4.2. Stewarding of the City's Assets	Cascaded action- Align with and support related strategies	Align with, and provide support, as needed
4.3. Increasing Transparency and Accountability	Cascaded action- Align with and support related strategies	Support corporate value of transparency in work
	Respond to Auditor General audit requests	In partnership with other stakeholders, complete responses to HRIS Project Audit follow up items

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target	Year
Participation in, and support of, Stewardship of Money and Resources	On target	On target	On target	On target	On target	On target	Ongoing
Ensure multi-year budget and business plans are in place	n/a	In place	In place	In place	In place	In place	Ongoing
Net cost of HR Department per household*	\$26.81	\$26.39	\$28.71	\$29.95	\$31.13		Ongoing
100 City employees to # of HR staff ratio	.64 HR staff	.58 HR staff	.57 HR staff	.63 HR staff	.65 HR staff	Below CBoC- 1.66 HR	Ongoing
HR cost per City employee**	\$1,150.04	\$1,077.64	\$996.35	\$1,005.67		Below CBoC: \$3,114	Ongoing

\* Total HR budget divided by number of residential households

\*\* Total number of unique employees averaged out over quarters divided by total HR budget actual

- Note Conference Board of Canada data is from 2014.

## HUMAN RESOURCES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with and support Customer Experience Strategy	Execute an annual customer service survey	Annual
1.2 Transforming Services through Technology and Innovation	Align with and support corporate technology initiatives and multi-year technology road map	Align with and support as needed	Ongoing
		Continue to leverage EPIC and streamline EPIC related processes	2019
		Complete implementation of upgraded learning management system, related interfaces, and changes to roles and processes	2019
1.3 Strengthening Organizational Capacity and Effectiveness	Align with and support corporate staff satisfaction survey (2018, 2020)	Support corporate staff satisfaction improvement project	Ongoing
		Implement a departmental staff satisfaction improvement project	Ongoing
	Compliance with legislative changes	Respond and adopt to legislative changes including Bill 148 and cannabis, rolling out to the organization	2019-20
	Build systems to ensure a safe workplace for all staff that meets legislative requirements, reduces health and safety risks	Continue the development and roll out of Health and Safety Management system policies, procedures and standards	Ongoing
	Collective bargaining	Collective bargaining for MPFFA (expires 2019)	2019-20
		Collective bargaining for CUPE Inside, Outside and Library (expires 2020)	2020-21
	Lead City's People Plan	Continue with talent management programs including talent reviews, succession planning, mentoring, new Manager on-boarding program	2019

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
		Roll out recruitment refresh areas of focus	2019-20
		Start to develop and implement knowledge transfer strategies and tools	2019-21
		Continue to educate, adapt and respond to needs of changing demographics in the workplace	2019-2021

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Cascaded corporate objectives	Align with, and provide support as needed	Ongoing
2.2. Ensuring Markham is Welcoming and Inclusive	Lead the City's Diversity Action Plan	Continue to expand into emerging areas including indigenous peoples, LGBTQ, newcomers, mental health, multiple generations in workplace	2019-2021
		Support corporate initiatives in the area of diversity, inclusion and accessibility	Ongoing
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Cascaded action - Align with and support strategies for Destination Markham and the new York University in Markham	Align with and provide support	Ongoing



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Cascaded action - Align with and support related strategies	Align with, and support, as needed	Ongoing
3.2. Managing Growth in Markham	Cascaded action - Align with and support related strategies	Align with, and support, as needed	Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Cascaded action - Align with and support related strategies	Maintain and update department business continuity plan and ensure staff are informed of plan	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment	Cascaded action - Align with and support related strategies	Align with, and support, as needed	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Cascaded action - Align with and support multi-year operating and capital budget planning	Develop and/or forecast multi-year business plans and budgets as relevant	Ongoing
	Cascaded action - Ensure all projects are funded	Ensure all projects are funded	Ongoing
	Cascaded action - Support E3 strategy	Increase revenues or reduce costs as possible, and increase efficiency and effectiveness	Ongoing
	Cascaded action - Ensure services are delivered efficiently	Continue to maximize technology automation opportunities as much as possible	Ongoing
	Cascaded action - Have departmental performance measures in place	Ensure departmental performance measures are in place	Ongoing
4.2. Stewarding of the City's Assets	Cascaded action - Align with and support related strategies	Align with, and provide support, as needed	Ongoing
4.3. Increasing Transparency and Accountability	Cascaded action - Align with and support related strategies	Support corporate value of transparency in work	Ongoing
	Respond to Auditor General requests	Respond to Auditor General requests	Ongoing



## LEGAL SERVICES 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./((Decr.)	% Change	\$ Incr./((Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$331	\$522	\$250	\$300	\$50	20.0%	(\$222)	-42.5%
OTHER REVENUE	0	3	0	0	0			
<b>Total Revenues</b>	<b>\$331</b>	<b>\$525</b>	<b>\$250</b>	<b>\$300</b>	<b>\$50</b>	<b>20.0%</b>	<b>(\$225)</b>	<b>-42.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,576	\$1,725	\$1,712	\$1,886	\$174	10.1%	\$161	9.3%
PRINTING & OFFICE SUPPLIES	4	4	6	6	0	3.4%	2	64.7%
OPERATING MATERIALS & SUPPLIES	15	17	17	22	4	26.0%	4	25.8%
COMMUNICATIONS	8	7	9	9	(0)	-3.2%	2	20.8%
TRAVEL EXPENSES	1	6	1	2	2	159.2%	(3)	-57.4%
TRAINING	8	3	9	8	(2)	-15.8%	5	154.4%
CONTRACTS SERVICES AGREEMENT	(58)	(58)	(58)	(72)	(14)	24.1%	(14)	24.1%
MAINT. & REPAIR - TIME & MATERIAL	1	0	0	0	0	0.0%	-	0.0%
RENTAL/LEASE	4	4	4	5	0	2.2%	0	1.8%
PROFESSIONAL SERVICES	119	186	257	257	(0)	-0.2%	70	37.8%
LICENCES, PERMITS, FEES	33	38	51	51	0	0.0%	13	34.5%
MISCELLANEOUS EXPENSES	0	0	0	0	0	0.0%	-	0.0%
<b>Total Expenses</b>	<b>\$1,710</b>	<b>\$1,933</b>	<b>\$2,009</b>	<b>\$2,173</b>	<b>\$164</b>	<b>8.1%</b>	<b>\$240</b>	<b>12.4%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$1,379</b>	<b>\$1,407</b>	<b>\$1,759</b>	<b>\$1,873</b>	<b>\$114</b>	<b>6.5%</b>	<b>\$465</b>	<b>33.1%</b>
<b>Full Time Complement</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>12</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreement, cost of living adjustments (COLA) and transfer of 1 headcount from Engineering to Legal.

## LEGAL SERVICES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	To improve customer service and business process efficiencies	Undertake a Customer Satisfaction Survey for internal clients
	Ensure that the City's Council's directions are implemented legally and in a manner that protects the City's legal, financial and other interests	Provide strategic legal advice and services in support of the development/planning, real property, litigation/Ontario Municipal Board, Enforcement and Licensing and other legal, policy and regulatory matters
1.2 Transforming Services through Technology and Innovation	Support the development of a sustainable electronic document management system	Assist in the implementation of the Electronic Agenda Management System
	Assist in the Implementation of the People Plan Goals	Participate in the Talent Review data gathering process and discussions Participate in strategic and targeted workforce planning
1.3 Strengthening Organizational Capacity and Effectiveness	To improve staff satisfaction and engagement in the Department	Identify and deliver a Staff Satisfaction improvement project within the Department
		Implement the Corporate Staff Satisfaction Project – Performance Management

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Achieve overall customer satisfaction							
Number of key processes mapped							
Improvement in selected driver over two year periods (Team Rec)	66.7		73				
Improvement in selected driver over two year periods (Work Env)	52		74.6				
Staff Recognition (combined)	70.1		68.7				
Staff Satisfaction	86.4		88.1				
Organizational Engagement	81.0		87.4				
Job Engagement	84.2		87.1				
Healthy Work Environment Index	70.4		73.2				
Absenteeism		3.7					
Number of Files Opened	288	301	305	318			
Number of Subdivision Agreements	4	8	9	6			
Number of Site Plan Agreements	59	48	53	46			
Number of Development Agreements	4	4	5	6			
Number of OMB/LPAT Appeals Received	7	6	12	23			
Number of OMB/LPAT Hearings Attended	4	5	6	9			

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) *We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs..*

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Support the implementation of the “Corporate Community Engagement Plan”	Support the implementation of the Public Realm Strategy: Framework and Implementation
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support the development of the new York University	Subject to York obtaining alternative financing, implement site plan recommendations into an agreement
		Subject to York obtaining alternative financing, implement the Memorandum of Agreement with York University

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** *We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.*

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	Participate in the development of a Markham Centre Parking Strategy	Implement recommendations through agreements, By-laws and/or Parking Authority
3.2. Managing Growth in Markham	Provide strategic advice and services in support of City initiatives as required	Provide advice and support of growth-related initiatives
3.3. Ensuring the Reliability of the Corporation's Services	Ensure the Legal Services Department has sound emergency planning strategies and procedures in place	Participate in Emergency Management Exercise and Training
		Business Continuity Plan – implement and train
		Supporting the enforcement of the City's by-laws and prosecution of offences.
3.4. Protecting and Respecting our Built and Natural Environment	Support the establishment of Rouge National Urban Park	Support the implementation of the Rouge Park through legal agreements, conveyances, etc. as required
		Implementation of the new Plan, ensuring a sound approach to parkland dedication, acquisition and delivery over the next 25 years
	Parks and Open Space Plan and Parkland Dedication By-law Update project	
	Establishment of the multi-use pathways, and stewardship of valleys	Support implementation of the multi-use pathways, etc. through leases, expropriation, licences, conveyances and Permission to Enter documents as required

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Number of Provincial Offences Act prosecutions conducted	222	180	244	275	300		
Number of Administrative Penalty Hearings Conducted	None	None	216	289	350		
Number of Small Claims Court Matters	n/a	n/a	3	4	3		
Number of Licensing Hearings	n/a	n/a	n/a	2	3		

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Efficient use of resources	Work with Finance and other departments to clearly identify roles and responsibilities for issues affecting real property, including leases and licences
4.2. Stewarding of the City's Assets	Ensure that the City's Real Property needs for acquisition and disposition are met in a timely way – maximizing benefit to the City	Keep current with changing market conditions/intelligence and work with key City departments to identify and capitalize on opportune real estate transactions that create value for the City.
	Increase service excellence for internal clients and external clients	Work with IT and GIS departments to develop a web-based tool that will allow users to easily identify City properties using various search criteria
	Acquisition of strategic parcels for City purposes or land banking purposes	Through strategic positioning, acquire land/facilities to meet the current and future needs of the City at fair market value or through partnerships or creative, alternative arrangements
	Disposition of surplus City assets to generate new revenue opportunities	Identify surplus City assets and develop a strategic disposition plan through the rationalization of the real estate portfolio
	Ensure that Markham Enterprise Corporation operates effectively and in compliance with the Legislation	Provide timely and strategic legal advice to MEC
4.3. Increasing Transparency and Accountability	Improve transparency with subsidiaries	Working with MDEI and MEC to improve transparency, while ensuring necessary confidentiality

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Number of Circulations	13	18	21	20			
Circulation response time (in days) from other City departments	26	31	58	58			
Dollar amount of proceeds generated from the sale of surplus assets	\$469,373.50	\$237,893.50	\$1,198,00.000	\$488,306.50			
Number of new external customer inquiries regarding City owned realty assets	9	10	11	13			

## LEGAL SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	To improve customer service and business process efficiencies	Undertake a Customer Satisfaction Survey for internal customers	Ongoing
	Ensure that the City's Council's directions are implemented legally and in a manner that protects the City's legal, financial and other interests	Provide strategic legal advice and services in support of the development/planning, real property, litigation/Ontario Municipal Board and other legal, policy and regulatory matters	Ongoing
1.2 Transforming Services through Technology and Innovation	Support the development of a sustainable electronic document management system	Assist in the implementation of the Electronic Agenda Management System	Ongoing
		Update Portal content	Ongoing
1.3 Strengthening Organizational Capacity and Effectiveness	Assist in the Implementation of the People Plan Goals	Participate in strategic and targeted workforce planning	Ongoing
		To improve staff satisfaction and engagement in the Department	Identify and deliver a Staff Satisfaction improvement project within the Department
		Implement the Corporate Staff Satisfaction Project – Performance Management	Ongoing



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Support the implementation of the “Corporate Community Engagement Plan”	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Support the development of the new York University	Implement site plan recommendations	Ongoing
		Support development of York University	Ongoing

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

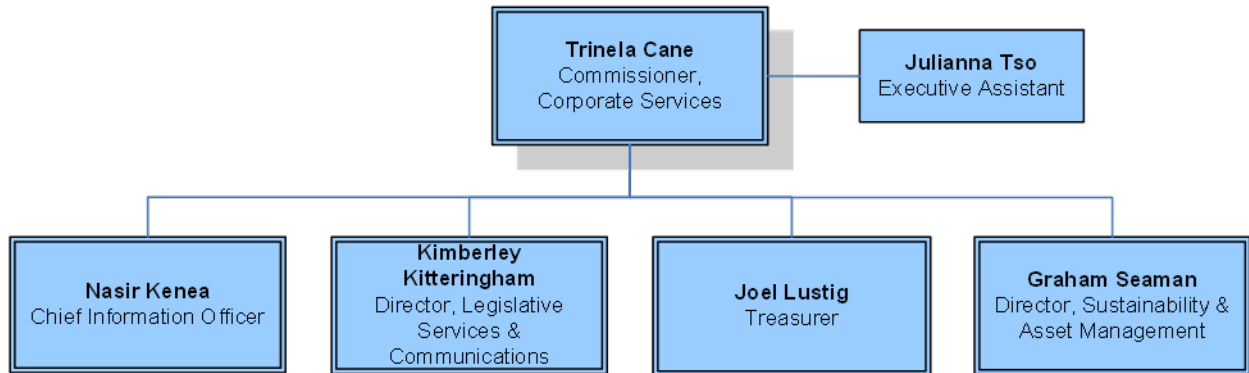
Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Participate in the development of a Markham Centre Parking Strategy	Implement recommendations through agreements, By-laws and/or Parking Authority	2019-2020
3.2. Managing Growth in Markham	Provide strategic advice and services in support of City initiatives as required including expert advice in support of City's compliance with legislation	Provide advice and support of growth-related initiatives	Ongoing
		Development of comprehensive zoning by-law to implement the City's new Official Plan	Ongoing
3.3. Ensuring the Reliability of the Corporation's Services	Ensure the Legal Services Department has sound emergency planning strategies and procedures in place	Participate in Emergency Management Exercise and Training	Ongoing
		Business Continuity Plan – implement and train	Ongoing
		Support the implementation of the strategy	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment	Support the establishment of Rouge National Urban Park	Supporting the implementation of the Rouge Park through legal agreements, conveyances, etc. as required	Ongoing
	Parks and Open Space Plan and Parkland Dedication By-law Update project	Implementation of the new Plan, ensuring a sound approach to parkland dedication, acquisition and delivery over the next 25 years	Ongoing
	Establishment of the multi-use pathways, and stewardship of valleys	Support implementation of the multi-use pathways, etc, through leases, expropriations, licences, conveyances and Permission to Enter documents, as required.	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Refresh E3 strategy to increase non-tax revenues and maintain or lower operating costs in a growing Markham	Support the E3 Strategy refresh	Ongoing
4.2. Stewarding of the City's Assets	Ensure that the City's Real Property needs for acquisition and disposition are met in a timely way – maximizing benefit to the City	Keep current with changing market conditions/intelligence and work with key City departments to identify and capitalize on opportune real estate transactions that create value for the City.	Ongoing
		Increase service excellence for internal clients and external clients	N/A
	Acquisition of strategic parcels for City purposes or land banking purposes	Through strategic positioning, acquire land/facilities to meet the current and future needs of the City at fair market value or through partnerships or creative, alternative arrangements	Ongoing
	Disposition of surplus City assets to generate new revenue opportunities	Identify surplus City assets and develop a strategic disposition plan through the rationalization of the real estate portfolio	Ongoing
	Ensure that Markham Enterprise Corporation operates effectively and in compliance with the Legislation	Provide timely and strategic legal advice to MEC	Ongoing
4.3. Increasing Transparency and Accountability	N/A	N/A	

## CORPORATE SERVICES



The Corporate Services Commission is responsible for the delivery of financial, administrative, technical and facility services that enhance the performance of our customers and partners. This is accomplished through the fulfillment of fiduciary and legislative responsibilities of the Corporation, timely, accurate, and complete analysis, strategic advice and information, project implementation and support, asset management and front line services to customers.

The Commission has a full time complement of 179 employees across four departments, each with their own areas of expertise and responsibility:

- Information Technology Services
- Financial Services
- Legislative Services and Corporate Communications
- Sustainability and Asset Management

### Information Technology Services

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

- Technology Infrastructure (Data Centre, Network, Desktop, Telephony, and Audio Visual support)
- Client Delivery (Service Desk, Project Delivery, and Support)
- Business Applications and GIS (Applications and Web, Data Management, GIS Services, and Support)



## Financial Services

Financial Services is comprised of a team of experts that coordinate and analyze all financial transactions to enable our customers and partners to make effective business decisions. The primary role of the department is to ensure effective financial management and stewardship of City resources.

The Department is comprised of four divisions:

- Financial Planning & Reporting
- Financial Strategy & Investments (Development Finance, Investments, Payroll, Technology, and Risk Management)
- Procurement & Accounts Payable
- Revenues & Property Taxation (Tax Billing and Collection, Assessment Review, Cash Management)



## Legislative Services & Corporate Communications

The Legislative Services & Corporate Communications Department plays an important liaison role between Council, staff and the public, and provides a variety of services, including by-law enforcement, corporate customer service (Contact Centre), and municipal election administration. Our team of communication professionals manage the City's public and internal staff communication programs through Markham's website and intranet, printed and digital publications, social media, advertising and media relations. The Department is comprised of five divisions:

- By-law & Regulatory Services
- Business Licensing & Standards
- Corporate Communications & Community Engagement
- Public Services
- Secretariat Services



## Sustainability & Asset Management

The Sustainability & Asset Management Department is responsible for managing the corporate sustainability agenda through effective facility management and automation, and municipal and community-based initiatives to reduce energy consumption, and greenhouse gas emissions. The department manages the City asset management plan to ensure optimal lifecycle planning, as well as large capital projects for City facilities..

The department is comprised of three divisions:

- Sustainability (corporate and community sustainability initiatives)
- Asset Database (GIS asset inventory and mapping services)
- Facility Assets (Facility operations, security, accessibility, life cycle planning and large capital projects)





## CORPORATE SERVICES CONSOLIDATED 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$1,631	\$1,807	\$1,753	\$1,946	193	11.0%	139	8.5%
INCOME FROM INVESTMENTS	25	26	28	28	0	0.0%	2	8.3%
FINES	2,970	3,056	3,396	3,248	(148)	-4.4%	192	6.5%
USER FEES & SERVICE CHARGES	1,624	1,635	1,785	1,959	175	9.8%	325	20.0%
RENTALS	196	229	193	236	43	22.3%	7	3.6%
SALES	118	69	46	48	2	4.3%	(21)	-17.9%
RECOVERIES & CONTRIBUTIONS	227	168	672	599	(73)	-10.9%	430	189.8%
OTHER REVENUE	161	84	42	42	0	0.0%	(42)	-25.9%
INTER-DEPARTMENTAL RECOVERIES	0	0	(73)	0	73	-100.0%	0	0.0%
SOLAR REVENUE	298	309	275	275				
ELECTRIC VEHICLE CHARGING STATION	2	0	1	1				
<b>Total Revenues</b>	<b>\$7,251</b>	<b>\$7,383</b>	<b>\$8,118</b>	<b>\$8,382</b>	<b>\$264</b>	<b>3.3%</b>	<b>\$1,000</b>	<b>13.8%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$18,325	\$19,584	\$20,352	\$21,048	\$697	3.4%	\$1,465	8.0%
PRINTING & OFFICE SUPPLIES	120	86	118	122	4	3.2%	36	30.2%
PURCHASES FOR RESALE	95	48	79	79	0	0.0%	31	32.9%
OPERATING MATERIALS & SUPPLIES	135	138	200	211	10	5.2%	72	53.8%
UTILITIES	627	654	688	651	(37)	-5.3%	(3)	-0.5%
COMMUNICATIONS	917	1,062	965	1,020	55	5.7%	(42)	-4.5%
TRAVEL EXPENSES	40	50	57	61	4	7.6%	10	25.8%
TRAINING	83	72	159	153	(5)	-3.4%	82	99.0%
CONTRACTS SERVICES AGREEMENT	2,604	3,112	2,907	3,035	128	4.4%	(78)	3.0%
MAINT. & REPAIR - TIME & MATERIAL	1,465	1,364	1,490	1,482	(8)	-0.5%	118	-8.0%
RENTAL/LEASE	116	117	115	104	(11)	-9.3%	(12)	-10.6%
PROFESSIONAL SERVICES	413	366	430	448	18	4.2%	82	-19.9%
LICENCES, PERMITS, FEES	135	128	136	136	0	0.0%	8	6.1%
CREDIT CARD SERVICE CHARGES	47	45	44	44	0	0.0%	(2)	-3.7%
PROMOTION & ADVERTISING	181	217	182	207	25	13.7%	(10)	-5.6%
OTHER PURCHASED SERVICES	0	0	0	0	0	0.0%	0	0.0%
WRITE-OFFS	(0)	8		0	0	0.0%	(8)	31819.2%
KEY COMMUNICATION PROGRAMS	360	380	429	429				
TRANSFERS TO RESERVES	211	217	186	186	0	0.0%	(30)	-14.4%
OTHER EXPENDITURES	1	0	0	0	0	0.0%	0	49.9%
<b>Total Expenses</b>	<b>\$25,873</b>	<b>\$27,647</b>	<b>\$28,536</b>	<b>\$29,417</b>	<b>\$881</b>	<b>3.1%</b>	<b>\$3,544</b>	<b>13.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$18,622</b>	<b>\$20,265</b>	<b>\$20,418</b>	<b>\$21,035</b>	<b>\$616</b>		<b>\$2,413</b>	<b>13.0%</b>
<b>Full Time Complement</b>	<b>150</b>	<b>151</b>	<b>177</b>	<b>179</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Revenues:** Increase due to user fee market competitive analysis, annual CPI increase, licenses & permits activities related to tow trucks, offset by lower parking fines projection.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase mainly due to contract escalation for security guard services and janitorial services.



## FINANCIAL SERVICES 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$1,064	\$1,023	\$1,207	\$1,338	\$132	10.9%	\$316	30.9%
OTHER REVENUE	0	1	0	0	0	0.0%	(1)	-100.0%
<b>Total Revenues</b>	<b>\$1,065</b>	<b>\$1,024</b>	<b>\$1,207</b>	<b>\$1,338</b>	<b>\$132</b>	<b>10.9%</b>	<b>\$314</b>	<b>30.7%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,574	\$4,941	\$5,263	\$5,349	\$86	1.6%	\$409	8.3%
PRINTING & OFFICE SUPPLIES	67	65	66	66	0	0.0%	2	2.6%
OPERATING MATERIALS & SUPPLIES	(141)	(97)	(119)	(119)	0	0.0%	(23)	23.3%
COMMUNICATIONS	5	5	5	5	0	0.0%	0	7.2%
TRAVEL EXPENSES	1	4	3	3	0	0.0%	(0)	-4.8%
TRAINING	4	4	17	17	0	0.0%	13	306.2%
CONTRACTS SERVICES AGREEMENT	228	253	222	249	27	12.4%	(4)	-1.4%
MAINT. & REPAIR - TIME & MATERIAL	2	1	3	3	0	0.0%	1	141.3%
RENTAL/LEASE	5	5	6	6	0	0.0%	1	18.4%
PROFESSIONAL SERVICES	87	95	119	119	0	0.0%	24	24.9%
LICENCES, PERMITS, FEES	86	83	94	94	0	0.0%	11	13.4%
CREDIT CARD SERVICE CHARGES	13	15	13	13	0	0.0%	(2)	-12.6%
OTHER EXPENDITURES	1	0	0	0	0	0.0%	-	0.0%
<b>Total Expenses</b>	<b>\$4,931</b>	<b>\$5,373</b>	<b>\$5,691</b>	<b>\$5,805</b>	<b>\$114</b>	<b>2.0%</b>	<b>\$432</b>	<b>8.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,866</b>	<b>\$4,349</b>	<b>\$4,485</b>	<b>\$4,467</b>	<b>(\$18)</b>	<b>-0.4%</b>	<b>\$118</b>	<b>2.7%</b>
<b>Full Time Complement</b>	<b>45</b>	<b>47</b>	<b>50</b>	<b>50</b>				

MCA: Market Competitive Analysis

### Major changes in 2019 Budget from the 2018 Budget:

**User Fee & Service Charges:** Increase due to user fee market competitive analysis increase and annual CPI increases.

**Salaries and Benefits:** Increase due to collective agreement and cost of living adjustments (COLA).



## FINANCIAL SERVICES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	To improve customer service and business process efficiencies through technology	<ul style="list-style-type: none"> <li>• Financial Services in partnership with ITS will develop the remaining integrated two forms by the end Q2 2019. (Mailing Address and Ownership Change forms)</li> <li>• Financial Services in partnership with ITS will develop the four remaining HTML Tax forms by the end Q4 2019. (Charity Rebate Application, Heritage Property Tax Reduction Application, Separate School Support Lease and Application for Direction of School Support)</li> <li>• Continue to promote ePropertyTax as the preferred method of Property Tax bill delivery, with the goal to increase enrollment from 10% to 13% in 2019 and to stabilize postage/ printing costs.</li> <li>• Continue to promote and educate customers on paying property taxes at a bank or online through internet banking. In addition, Staff will investigate marketing tactics utilized by other corporations who promote online payments. Ongoing</li> <li>• Present and obtain Councils endorsement of the Digital Payment Initiative in February 2019, for the discontinuation of cash/cheque acceptance at the City of Markham’s Civic Centre service counters commencing January 1st, 2020”</li> <li>• Implementation of key communication tactics throughout 2019 to ensure there is awareness and a smooth adoption of the modification to the payment services accepted at the Civic Centre commencing in 2020</li> <li>• Implement an on-line scoring system for RFP’s through the e-Procurement system. Q4</li> <li>• Expand e-Procurement process to include the issuance of the PO to the vendor through e-solutions</li> <li>• Eliminate all paper files in Procurement, targeted annual paper savings approximately \$1,800 and 450 hours in staff time. Q3</li> <li>• Complete customer service survey for the procurement plan Q3</li> <li>• Support the Customer Experience Strategy Ongoing</li> </ul>

Strategic Objective	Departmental Objective	Departmental Action
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	<ul style="list-style-type: none"> <li>In partnership with ITS, procure an A/P automation and electronic staff expense reimbursement solution by Q4. Targeted implementation date Q3 2020</li> </ul>
		<ul style="list-style-type: none"> <li>Upon the completion of the Cayenta software upgrade rollout the EFT payment solution by Q3. Target of 5% of all invoice payments by Q4.</li> </ul>
		<ul style="list-style-type: none"> <li>Finance and ITS will identify potential improvements to enhance the performance of the Capital budget database. Q1 2019</li> </ul>
		<ul style="list-style-type: none"> <li>Support the implementation of the Digital Markham technology roadmap. Ongoing</li> </ul>
1.4 Strengthening Organizational Capacity and Effectiveness	To improve Staff satisfaction	<ul style="list-style-type: none"> <li>Based on the feedback received through the 2018 Staff Satisfaction Survey, Finance staff will identify the areas of improvement. Q4 2019</li> </ul>
		<ul style="list-style-type: none"> <li>Support the recommendations of the City's People Plan. Ongoing</li> </ul>

Departmental Performance Measures in Support of Goal		2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
1	% of Finance applications available (in an HTML format) that are completed and submitted online	28.6%	50.0%	71.0%	71.0%	100%	100%	Ongoing
2	% of Finance HTML Applications Submitted Online (uptake)	29.0%	47.6%	46.6%	43.8%	85.0%	85.0%	Ongoing
3	% of Integrated Finance Applications	7.1%	7.1%	7.1%	7.1%	21.0%	21.0%	Ongoing
4	% of Property Accounts enrolled in E-Billing	-	1.0%	3.7%	7.8%	13.0%	20.0%	2022
5	% of Property Tax Payments made at Cash Counter	7.9%	6.6%	6.5%	6.0%	≤5.0%	≤5.0%	Ongoing
6	% of Procurement bid documents submitted online	37.9%	43.3%	44.3%	91.0%	100%	100%	2020
7	% of Procurement bids meeting the established Project Process Workflow timelines	79.7%	79.9%	75.3%	77.0%	85.0%	85.0%	Ongoing
8	Average # A/P transaction processed per A/P FTE	9,588	9,660	9,949	9,983	11,000	14,500	2021
9	% of Invoices paid within 30 days	n/a	n/a	n/a	n/a	90%	100.0%	2021
10	Overall customer satisfaction with Finance (annual divisional surveys)	85.0%	71.8%	92.6%	95.2%	80.0%	80.0%	Ongoing
11	Staff Satisfaction with the City of Markham (Grand Average)	68.5%	-	68.5%	n/a	80.0%	80.0%	Ongoing
12	Staff Satisfaction (Job Engagement)	66.2%	-	68.8%	n/a	80.0%	80.0%	Ongoing
13	Organizational Outcome Index from Staff satisfaction survey	65.4%	-	66.2%	n/a	80.0%	80.0%	Ongoing
14	Healthy Work Environment Index from Staff Satisfaction survey	67.8%	-	68.2%	n/a	75.0%	75.0%	Ongoing
15	Staff Absenteeism (days)	2.6	4.2	1.9	2.6	≤8.4	≤8.4	Ongoing
16	Staff Turnover	4.2%	6.1%	0.0%	2.0%	≤7.5%	≤7.5%	Ongoing
17	Number of learning hours per regular full time employee	5.9	2.4	2.6	5.5	20.0	20.0	Ongoing

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	Support the City's Community Engagement Plan	<ul style="list-style-type: none"> <li>Provide support and financial advice during the refresh of the Integrated Leisure Master Plan and Parks &amp; Open Space Study. Q3</li> </ul>
2.2 Ensuring Markham is Welcoming and Inclusive	Support the City's Affordable Housing and Home Ownership Goals	<ul style="list-style-type: none"> <li>Work with Planning to develop financial incentive programs for affordable housing and purpose-built rentals. Report to Council by Q2</li> </ul>
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Create an environment to attract new development	<ul style="list-style-type: none"> <li>Provide support and financial advice on the development of the York University Markham campus. Ongoing</li> </ul>
		<ul style="list-style-type: none"> <li>Participate in the development of a strategy for Destination Markham. Ongoing.</li> </ul>

Departmental Performance Measures in Support of Goal		2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
18	% point differential between tax rate increase & CPI (December, Toronto All Items) A negative figure reflects a tax rate increase that is less than CPI.	0.84	0.23	0.44	1.26	= CPI	= CPI	Ongoing

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** *We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.*

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	N/A	N/A
3.2 Ensuring Markham is Welcoming and Inclusive	Support the development of Sustainable and Integrated Growth Plans	<ul style="list-style-type: none"> <li>The corporation has implemented Development Charge financial incentives for large office buildings. Finance will partner with Planning to investigate further incentives (taxes, parks cash-in-lieu) with a report scheduled for Q2 (Mark)</li> </ul>
		<ul style="list-style-type: none"> <li>Provide support and strategic advice on the Future Growth Areas (e.g. North District). New ASDC(s) for the North District will be presented to Council for approval for Q4</li> </ul>
		<ul style="list-style-type: none"> <li>Support the implementation of the Rouge National Urban Park utilizing the new financial framework for revenue in lieu of property taxes. Ongoing</li> </ul>
		<ul style="list-style-type: none"> <li>Partner with Building Services to automate the development growth forecasting process for assessment revenue projections. Q3</li> </ul>
3.3 Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	<ul style="list-style-type: none"> <li>Support the Greenprint Strategy Ongoing.</li> </ul>
3.4 Protecting and Respecting our Built and Natural Environment	To Increase Markham's Leadership role in the area of green procurement while promoting environmental leadership	<ul style="list-style-type: none"> <li>Support the update of the Greenprint Strategy. Ongoing</li> </ul>

Departmental Performance Measures in Support of Goal		2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
19	Number of lost days due to injury	0	0	0	2	0	0	Ongoing

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	<ul style="list-style-type: none"> <li>• Re-evaluation of the stormwater charge to ensure it continues to address future growth, construction and program costs. Report to Council in Q2 2019.</li> <li>• PCI compliance will be achieved with the implementation of the new POS software. Q4 2019</li> <li>• Review the Chart of Accounts to ensure the departmental and corporate financial reporting needs are being met. Q4 2019.</li> <li>• With ITS and the various User Departments complete the Cayenta system upgrade from version 7.5.2 to version 7.9.0.35 Q2</li> <li>• Develop training plan for new/enhanced features of Cayenta &amp; roll-out to all users.Q3</li> <li>• Complete the replacement of the Point of Sale (POS) cashiering system. Q4 2019</li> <li>• Continue to pursue E3 opportunities. Ongoing.</li> <li>• Commence collection of monthly MAT Revenue, 1st payment due Feb 28th, 2019.</li> <li>• Report to Council to establish governance and structure for the new Destination Marketing Organization (DMO) Corporation. . Q2 2019 City will engage a Consultant to assist with advertising and recruiting process for directors.</li> <li>• Report to Council to establish governance and structure for the new Destination Marketing Organization (DMO) Corporation. Q2 2019 City will engage a Consultant to assist with advertising and recruiting process for directors.</li> <li>• Develop a consolidated Financial Strategy to define the City's Financial Vision including key principles that will direct the development of future budgets and ensure the City long-term financial viability.</li> <li>• Develop a three-year operating budget forecast for the years 2020-2022 as part of the 2020 budget process</li> </ul>
		<ul style="list-style-type: none"> <li>• The 2019 budget update determined the need for an additional 2.0% infrastructure investment over the current Council term. Staff will identify the 2020 infrastructure investment as part of the 2020 budget process.</li> </ul>
4.2 Stewardship of the City's Assets	Ensure adequate funding for City Assets	<ul style="list-style-type: none"> <li>• Partner with Environmental Services, Operations and ITS to implement the new Enterprise Asset Management software Ongoing.</li> </ul>

**GOAL 4 - Stewardship of Money and Resources**

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

Strategic Objective	Departmental Objective	Departmental Action
<p>4.3 Increasing Transparency and Accountability</p>	<p>Ensure the accountability of the Financial Services processes and polices</p>	<ul style="list-style-type: none"> <li>• Continue to review and update Financial Services policies as required. Ongoing.</li> <li>• Procurement Bylaw will be updated by Q2 2019 to include CETA/CFTA and Bill 142 requirements</li> <li>• Work with Legal to revise all development agreements and undertakings to include a security deposit ownership transfer clause</li> <li>• Ensure the City’s Procurement and A/P processes comply with Bill 142 (Construction Act) prompt payment requirements.</li> <li>• Update Procurement Bylaw to include new review practice.</li> <li>• Implement the Auditor General’s recommendations from the HRIS audit.</li> <li>• Implement Auditor General’s recommendations from the Development Charges audit</li> <li>• Indirectly support the Auditor General’s audit of the Physical Infrastructure &amp; Assets. Ongoing.</li> <li>• Indirectly support the Auditor General’s audit of the Building and Development Review Process.</li> </ul>

Departmental Performance Measures in Support of Goal		2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
20	Approved vs. prior year forecast of Lifecycle budget	98.2%	88.4%	81.6%	82.7%	90.0%	90.0%	Ongoing
21	Average annual budget variance (%) of all closed capital projects to initial approved budget	29.0%	21.0%	25.0%	20.0%	<10.0%	<10.0%	Ongoing
22	Adequacy of funding in the reserve based on known inflows to sustain future rehabilitation and replacement requirements for the next 25 years	25 yrs	25 yrs	25 yrs	25 yrs	25 yrs	25 yrs	Ongoing
23	Average cost per A/P transaction processed	\$7.30	\$7.40	\$7.59	\$7.55	\$6.00	\$4.50	2021
24	% of invoices paid through P Card	38.7%	37.0%	43.5%	46.0%	55.0%	60.0%	2020
25	Annual P Card Charge Dollar Volume	\$4.4M	\$4.1M	\$4.2M	\$7.4M	\$11.0M	\$12.0M	2020
26	Average # of bids per procurement call	-	5.7	6.1	5.7	6.0	6.0	Ongoing
27	Total Taxes Receivable less Allowance for Uncollectibles as a % of Total Taxes Levied	5.0%	4.7%	4.3%	3.9%	>-5.0%	>-5.0%	Ongoing
28	Operating cost per property tax account	-	\$10.86	\$10.93	\$10.74	\$10.50	\$10.50	Ongoing
29	Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees	169.7%	157.0%	136.6%	103.6%	>-50.0%	>-50.0%	Ongoing
30	Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses	56.7%	51.0%	45.4%	29.9%	>20.0%	>20.0%	Ongoing
31	Total Cash and Cash Equivalents as a % of Current Liabilities	79.6%	107.0%	103.9%	64.9%	>5.0%	>5.0%	Ongoing
32	Debt Servicing Cost as a % of Total Operating Revenue	0.2%	0.2%	0.3%	0.2%	<5.0%	<5.0%	Ongoing
33	Asset Consumption Ratio	18.8%	19.4%	19.9%	19.8%	<50.0%	<50.0%	Ongoing
34	Operating Surplus Ratio	34.2%	39.4%	17.6%	31.2%	>=0%	>=0%	Ongoing
35	Properties with overdue tax levies as % of total properties	8.2%	6.2%	6.3%	5.7%	<10.0%	<10.0%	Ongoing
36	Financial Position Per Capita	\$1,285	\$1,285	\$1,296	\$1,223	>\$1,000	>\$1,000	Ongoing
37	Debt per \$100,000 of Assessment	n/a	\$20	\$22	\$17	\$0	\$0	Ongoing
38	Total Property Tax Per Capita	n/a	\$1,125	\$1,157	\$1,268	<\$1,450	<\$1,450	Ongoing
39	Reserves as a % of Revenues	n/a	64.7%	59.0%	49.0%	80.0%	80.0%	Ongoing
40	Net Cost per household to operate municipality	\$1,204	\$1,217	\$1,251	\$1,262	Approved Budget	Approved Budget	Ongoing
41	% of Letters of Credit processed within 5 days	91.2%	92.1%	96.0%	95.7%	95.0%	95.0%	Ongoing

## FINANCIAL SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	To improve customer service and business process efficiencies through technology	• Continue to promote e-billing as the preferred method of Property Tax bill delivery, with the goal to increase enrollment from 10% to 13% in 2019 and to stabilize postage/ printing costs.	2019
		• Continue to promote and educate customers on paying property taxes at a bank or online through internet banking. The 2019 goal is dependent on the outcome of the 2018 in person payment project.	2019
		• Implement strategy to phase out in-person cash payments at the Civic Centre	2019/20
		• Develop City-wide phase-out plan for personal cheques	2019/20
		• Investigate opportunities to integrate Financial Services forms within one system i.e. Purchase Order Adjustment Form (POAF)/ Capital/Operating Acquisition Transmittal (COAT) / Staff award report.	2019
		• Investigate a replacement for the current operating budget database.	2020
		• In partnership with ITS, implement a software system for the 2022 operating budget process.	2021
		• Complete customer service follow-up survey for reporting of monthly financial statements.	2019
		• Complete customer service surveys for Capital Budget system and Procurement Plan.	2020
		• Complete customer service surveys for Point of Sale Cash Management services	2020
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	• Implement investment tracking software, if feasible.	2019
		• Implement an online and self entry business expense reimbursement tool to eliminate the paper form.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	To improve Staff Satisfaction	• Based on the feedback received through the 2018 Staff Satisfaction survey, Finance staff will implement improvements.	2019
		• Support the recommendation of the People Plan.	2019/21



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Support the City's Community Engagement Plan	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Maintain a competitive tax rate increase	<ul style="list-style-type: none"> <li>Complete the Development Charges Background Study and associated By-laws.</li> </ul>	2022

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	N/A	N/A	
3.2. Managing Growth in Markham	Support the development of Sustainable and Integrated Growth Plans	<ul style="list-style-type: none"> <li>Initiate the implementation of an assessment growth projection tool.</li> </ul>	2019/20
3.3. Ensuring the Reliability of the Corporation's Services	Support the Business Continuity and Emergency Management Programs	<ul style="list-style-type: none"> <li>Participate as required in the Emergency Management Exercise and Training.</li> </ul>	2019-21

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

3.4. Protecting and Respecting our Built and Natural Environment	To Increase Markham's Leadership role in the area of green procurement while promoting environmental leadership	N/A	
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Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Ensuring the financial integrity of the City	<ul style="list-style-type: none"> <li>Report back to Council on the re-evaluation of the Stormwater Fee / Rate, as a result of growth, updated construction and program costs.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Implement changes to the Chart of Accounts to ensure the departmental and corporate financial reporting needs are being met.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Implement the new program/facility booking system and Point of Sale (POS) cashiering system.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Continue to pursue E3 opportunities</li> </ul>	2019-21
4.2. Stewardship of the City's Assets	N/A	N/A	
4.3. Increasing Transparency and Accountability	Ensure the accountability of the Financial Services processes and polices	<ul style="list-style-type: none"> <li>Continue to review and update Financial Services policies as required</li> </ul>	2019-21
		<ul style="list-style-type: none"> <li>Ensure the City's Procurement and A/P processes comply with Bill 142 requirements.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Implement the Auditor General's recommendations for the Development Charges and Payroll audits.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Indirectly support the Auditor General's audit of the Building and Development Review Process</li> </ul>	2019



## INFORMATION TECHNOLOGY SERVICES 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
Total Revenues	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,150	\$4,401	\$4,458	\$4,758	\$300	6.7%	\$357	8.1%
PRINTING & OFFICE SUPPLIES	2	3	5	5	0	0.0%	3	98.4%
OPERATING MATERIALS & SUPPLIES	12	16	19	19	0	0.0%	3	18.2%
COMMUNICATIONS	536	605	578	578	0	0.0%	(27)	-4.5%
TRAVEL EXPENSES	2	10	10	10	0	0.0%	0	1.0%
TRAINING	42	32	65	65	0	0.0%	33	100.1%
CONTRACTS SERVICES AGREEMENT	1,034	1,332	1,295	1,274	(21)	-1.6%	(58)	-4.4%
MAINT. & REPAIR - TIME & MATERIAL	914	876	989	989	0	0.0%	113	12.9%
RENTAL/LEASE	1	1	2	2	0	0.0%	2	188.7%
PROFESSIONAL SERVICES	120	54	111	111	0	0.0%	56	103.5%
LICENCES, PERMITS, FEES	2	2	2	2	0	0.0%	0	5.1%
<b>Total Expenses</b>	<b>\$6,815</b>	<b>\$7,333</b>	<b>\$7,534</b>	<b>\$7,814</b>	<b>\$280</b>	<b>3.7%</b>	<b>\$480</b>	<b>6.5%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$6,815</b>	<b>\$7,333</b>	<b>\$7,534</b>	<b>\$7,814</b>	<b>\$280</b>	<b>3.7%</b>	<b>\$480</b>	<b>6.5%</b>
Full Time Complement	32	32	34	36				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreement, cost of living adjustments (COLA), and 2 new positions.

# INFORMATION TECHNOLOGY SERVICES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	To enable the Business Units across the corporation to provide high quality services to their clients through robust and reliable information and communication technology solutions	<ul style="list-style-type: none"> <li>• Continue to implement items from Portal/Mobile App roadmap – to expand and enhance the Portal and Mobile App experience</li> <li>• Continue the process for replacing the CLASS System – To manage recreation programs and facilities, including on-line payment and POS</li> <li>• Continue the project to replace the CRM/ACR System - To track, route and manage citizen inquiries and requests to deliver improved service to customers</li> <li>• Undertake additional system application/hardware upgrade/replacement or implementation as identified, including:               <ul style="list-style-type: none"> <li>• Theatre Ticketing System replacement</li> <li>• Library Digital Media Lab expansion</li> <li>• Fire Dispatch hardware and software enhancements</li> <li>• Electronic Agenda (eScribe) deployment and add-ons</li> <li>• Tax system (TXM) Upgrad</li> <li>• Cemetery software implementation</li> <li>• Parking enforcement hardware replacement</li> <li>• ArcGIS server upgrade</li> <li>• Project management system (Eclipse) upgrade</li> </ul> </li> <li>• Continue Learning Management System (LMS) implementation – Data migration for additional Business Units to manage and track learning objectives and activities</li> <li>• Support the Customer Experience Strategy</li> </ul>
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	<ul style="list-style-type: none"> <li>• Continue Digital Strategy Implementation – Implement recommendations of the digital strategy for the City within the yearly scope as defined in the Digital Strategy technology roadmap, including Bell IoT pilto, Cloud strategy, Mobile strategy, etc.</li> </ul>

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental Objective	Departmental Action
		<ul style="list-style-type: none"> <li>• Implement Master Data Management System (MDM) – Master data warehouse to synchronize data from systems such as AMANDA, CRM, Enterprise Asset Management</li> <li>• Electronic Plan Review System (ePlan) enhancements, including inspection module update and implementation of planning room interactive display boards</li> <li>• Continue Enterprise Asset Management implementation - For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures</li> <li>• Library Software Upgrade and Website Redesign – Bibliocommons upgrade and independent website design</li> <li>• Investigate Electronic Document Management Solution – Sharepoint upgrade to address document management functionality</li> <li>• Implement MS Office 365 solution – Implement pilot to determine feasibility</li> <li>• Implement GIS (Geographical Information Systems) Strategy – To enhance the use of GIS applications and services across the corporation</li> </ul>
1.3 Strengthening Organizational Capacity and Effectiveness	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	<ul style="list-style-type: none"> <li>• Review the technology experience for the 2018 municipal election; consolidate lessons learned, document recommendations for the future</li> <li>• Participate in emergency Management Exercise and Training, as required</li> <li>• Based on the feedback received through the 2018 Staff Satisfaction Survey, ITS staff will identify the areas for improvement in 2019</li> <li>• Employee Intranet (Checkmark) enhancements, including collaboration tools</li> <li>• Support the recommendations of the corporate People Plan</li> </ul>

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of formal customer satisfaction surveys completed	1	1	1	0	1	1 a year	Ongoing
Overall satisfaction (satisfied and above) for formal survey(s) completed (%)	94%	81% **	95%	n/a	≥ 80%	≥ 80%	Ongoing
Average extremely/very satisfied for formal survey(s) completed (%)	68%	n/a	66%	n/a	≥ 35%	≥ 35%	Ongoing
# of informal satisfaction surveys completed	12	12	12	12	12	12	Ongoing
Average customer satisfaction % (satisfied/very satisfied) – informal surveys	94%	93%	96%	92%	≥ 75%	≥ 75%	Ongoing
Call abandonment at Service Desk	15%	14%	11%	14%	10%	10%	Ongoing
Average number of answered calls by Service Desk/month	946	850	771	929	n/a	n/a	Ongoing
Calls resolved on first contact at Service Desk	46%	46%	47%	44%	50%	50%	Ongoing
Incidents resolved within severity-based set targets	94%	94%	94%	92%	85%	85%	Ongoing
Administrative requests resolved within severity-based set targets	96%	96%	97%	95%	85%	85%	Ongoing
Staff absenteeism	7.3	4.2	4.6	4.9	<8.4	<8.4	Ongoing
Number of learning hours per regular full time employee	2.5	2.1	4.5	1.1	20	20	Ongoing
Staff satisfaction	72.0%	n/a	83%	n/a	≥ 80%	≥ 80%	Ongoing
Organizational Outcome Index from Staff satisfaction survey	72.1%	n/a	81.8%	n/a	≥ 80%	≥ 80%	Ongoing
Healthy Work Environment Index from Staff Satisfaction survey	68.9%	n/a	76.6%	n/a	≥ 75%	≥ 75%	Ongoing
Staff Turnover	6.1%	2.9%	5.9%	5.9%	≤ 7.5%	≤ 7.5%	Ongoing
Business continuity service achievement (%)	99.93%	99.91%	99.99%	99.99%	99.95%	99.95%	Ongoing
Technology Changes implemented successfully (%)	98%	97%	96%	98%	90%	90%	Ongoing

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population	<ul style="list-style-type: none"> <li>• Monitor use and success of Social Media tools (such as Bang the Table) for increased digital engagement with the community; Enhance where required</li> <li>• Continue to implement Corporate Content Management System (CMS) – For Public EIB/Displays and Marquees at City Facilities. (Phase 2 – Wayfinding); Meeting room display hardware upgrade</li> </ul>
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental Objective	Departmental Action
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Partner with internal and external parties to promote the economic development objectives through technology	<ul style="list-style-type: none"> <li>Continue to promote and leverage the Digital Alliance Group to identify and develop partnerships with key stakeholders</li> <li>Develop and implement the Digital Strategy Communication Plan – to promote Markham as a prime digital destination</li> </ul>

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action
3.1. Managing our Road and Transportation System	N/A	N/A
3.2. Managing Growth	N/A	N/A
3.3. Ensuring the Reliability of the Corporation’s Services	N/A	N/A
3.4. Protecting our Built and Natural Environment	N/A	N/A

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Pursue responsible financial and resource management practices	<ul style="list-style-type: none"> <li>• Implement enhancement to the Capital Budgeting system for Finance Dept.</li> <li>• Obtain PCI Requirement Certification – To attest to completion of PCI compliance requirements (after Legends implementation)</li> <li>• Implement upgrade of Cayenta financial management application</li> <li>• Investigate an Accounts Payable Automation solution to deliver required functionality</li> <li>• Continue to pursue E3 opportunities</li> </ul>
4.2. Stewardship of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	<ul style="list-style-type: none"> <li>• Complete the replacement of additional Hardware Lifecycle items as identified: Printer, Computer (thin client, selected toughbooks), Library 3M equipment, EMC storage expansion</li> <li>• Infrastructure System upgrades including: Telecom System, VMWare Upgrade</li> <li>• Mobile Device Management – Replacement or renegotiation of current contract</li> <li>• Anit-Virus System – Replacement or renegotiation of current Anti-Virus protection services</li> <li>• C-Cure Replacement – Replacement of current City-wide physical security access system</li> </ul>
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	<ul style="list-style-type: none"> <li>• Continue the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish related processes and governance</li> <li>• Implement required changes to enhance the Cyber Security posture of Information Technology infrastructure for the City of Markham</li> </ul>



## INFORMATION TECHNOLOGY SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental	Departmental Action	Year
1.1 Improving Customer Service	To enable the Business Units across the corporation to provide high quality services to their clients through robust and reliable information and communication technology solutions	• Complete a formal customer satisfaction survey, identify action areas.	2020
		• Continue to implement items from Portal/Mobile App roadmap – to expand and enhance the Portal and Mobile App experience.	2019/20
		• Continue replacement of the CLASS System – To manage recreation programs and facilities, including on-line payment and POS.	2019
		• Continue enhancement of CRM/ACR replacement system - To track, route and manage citizen inquiries and requests.	2019
		• Undertake additional system application/hardware upgrade, replacement or implementation as identified.	2019-21
		• Support the Customer Experience Strategy.	2019-21

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental	Departmental Action	Year
1.2 Transforming Services through Technology and Innovation	Implement optimized and innovative technology solutions that mitigate business risks and are cost effective	<ul style="list-style-type: none"> <li>Continue Hansen Upgrade/ Replacement including Enterprise Asset Management requirements – For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Continue Digital Strategy Implementation – Implement recommendations of the digital strategy for the City within the yearly scope as defined in the Digital Strategy technology roadmap.</li> </ul>	2019-21
		<ul style="list-style-type: none"> <li>Continue investigation and implementation of Electronic Document Management /Sharepoint solution (input from records and retention policy).</li> </ul>	2019
1.3 Transforming Services through Technology and Innovation	Implement and maintain secured, efficient and sustainable information technology infrastructure	<ul style="list-style-type: none"> <li>Review the technology experience for the 2018 municipal election; determine lessons learned, document recommendations for the future</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Continue to enhance, test and refine an IT disaster recovery plan to support business continuity in case of a disaster</li> </ul>	2019-21
1.4 Strengthening Organizational Capacity and Effectiveness	To foster an engaging and supportive work environment that enables staff excellence through enhanced collaboration and high performance	<ul style="list-style-type: none"> <li>Based on the feedback received through the 2018 Staff Satisfaction Survey, ITS staff will implement the areas for improvement</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Based on the feedback received through the 2020 Staff Satisfaction Survey, ITS staff will identify and implement the areas for improvement</li> </ul>	2020/21
		<ul style="list-style-type: none"> <li>Continue to support the recommendations of the corporate People Plan.</li> </ul>	2019

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Enable and support Business Units with information and communication technology solutions that facilitate community engagement and services to diverse population	<ul style="list-style-type: none"> <li>Continue to implement and enhance Social Media tools for increased digital engagement with the community</li> </ul>	2019/20
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Partner with internal and external parties to promote the economic development objectives through technology	<ul style="list-style-type: none"> <li>Continue to leverage the Digital Alliance Group to identify, promote and develop partnerships with key stakeholders</li> </ul>	2019-21

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System	N/A	N/A	
3.2. Managing Growth	N/A	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A	
3.4. Protecting our Built and Natural Environment	N/A	N/A	

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Pursue responsible financial and resource management practices	<ul style="list-style-type: none"> <li>Maintain technology requirements for PCI Certification – ensure compliance requirements are upheld for new or updated systems</li> </ul>	2019-21
		<ul style="list-style-type: none"> <li>Complete implementation of an Accounts Payable Automation solution</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Continue to pursue E3 opportunities</li> </ul>	2019-21
4.2. Stewardship of City Assets	Maintain the life cycle of technology assets in line with corporate objectives and to ensure reliability and sustainability	<ul style="list-style-type: none"> <li>Complete the replacement of additional Hardware Lifecycle items as identified</li> </ul>	2019-21
4.3. Increasing Transparency and Accountability	Develop and implement methods to provide greater public access to government data and information	<ul style="list-style-type: none"> <li>Continue the Open Data program – To make Selected City owned datasets available to the public; monitor usage; establish/enhance related processes and governance</li> </ul>	2019-21
		<ul style="list-style-type: none"> <li>Continue to implement required changes based on Auditor General Report to enhance the Cyber Security posture of the Information Technology infrastructure for the City of Markham.</li> </ul>	2019



## LEGISLATIVE SERVICES AND COMMUNICATIONS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$1,631	\$1,807	\$1,753	\$1,946	\$193	11.0%	\$139	7.7%
INCOME FROM INVESTMENTS	25	26	28	28	0	0.0%	2	8.2%
FINES	2,970	3,056	3,396	3,248	(148)	-4.4%	192	6.3%
USER FEES & SERVICE CHARGES	559	612	578	621	43	7.4%	9	1.5%
RENTALS	76	85	79	95	16	20.2%	10	11.6%
SALES	110	29	26	28	2	7.7%	(1)	-3.4%
RECOVERIES & CONTRIBUTIONS	329	221	599	599	0	0.0%	378	171.0%
OTHER REVENUE	17	7	4	4	0	0.0%	(3)	-40.9%
<b>Total Revenues</b>	<b>\$5,717</b>	<b>\$5,843</b>	<b>\$6,463</b>	<b>\$6,569</b>	<b>\$106</b>	<b>1.6%</b>	<b>\$726</b>	<b>12.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$7,699	\$8,309	\$8,422	\$8,613	\$192	2.3%	\$304	3.7%
PRINTING & OFFICE SUPPLIES	49	15	40	44	4	9.3%	29	193.5%
PURCHASES FOR RESALE	95	48	79	79	0	0.0%	31	65.0%
OPERATING MATERIALS & SUPPLIES	156	124	189	199	10	5.5%	76	61.2%
COMMUNICATIONS	362	438	362	417	55	15.2%	(21)	-4.8%
TRAVEL EXPENSES	22	24	19	24	4	22.1%	0	0.1%
TRAINING	32	29	52	46	(5)	-10.5%	17	60.1%
CONTRACTS SERVICES AGREEMENT	606	697	637	652	14	2.2%	(45)	-6.5%
MAINT. & REPAIR - TIME & MATERIAL	102	36	49	35	(15)	-30.1%	(1)	-3.7%
RENTAL/LEASE	109	110	107	96	(11)	-10.0%	(14)	-12.3%
PROFESSIONAL SERVICES	206	216	200	218	18	8.9%	2	0.8%
LICENCES, PERMITS, FEES	39	34	31	31	0	0.0%	(3)	-8.4%
CREDIT CARD SERVICE CHARGES	34	30	30	30	0	0.0%	(0)	-0.7%
PROMOTION & ADVERTISING	181	217	182	207	25	13.8%	(11)	-4.9%
KEY COMMUNICATION PROGRAMS	360	380	429	429	0	0.0%	49	13.0%
WRITE-OFFS	0	8	0	0	-	0.0%	(8)	-100.0%
<b>Total Expenses</b>	<b>\$10,051</b>	<b>\$10,715</b>	<b>\$10,830</b>	<b>\$11,121</b>	<b>\$291</b>	<b>2.7%</b>	<b>\$406</b>	<b>3.8%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$4,334</b>	<b>\$4,872</b>	<b>\$4,366</b>	<b>\$4,552</b>	<b>\$186</b>	<b>4.3%</b>	<b>(\$321)</b>	<b>-6.6%</b>
<b>Full Time Complement</b>	<b>56</b>	<b>56</b>	<b>73</b>	<b>73</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Revenue:** Increase mainly due to market competitive analysis increase, licenses & permits activities increase related to tow trucks, offset by lower parking fines projection.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase due to CPI and postage rate increases.

# LEGISLATIVE SERVICES AND COMMUNICATIONS BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Provide excellent resident & business customer service.	<ul style="list-style-type: none"> <li>• Support the Customer Experience Strategy, Digital Strategy and People Plan &amp; participate in the development &amp; implementation of the standard protocol for creating a consistently welcoming environment at all City locations.</li> <li>• Develop Service Level Agreements between the Contact Centre with internal Departments (as required) to align with the customer experience strategy.</li> <li>• Develop and communicate Service Delivery Standards and Service Level Agreements between Corporate Communications and external and internal clients.</li> <li>• Develop a Communications Plan for the People Plan.</li> <li>• Undertake customer surveys in the following areas: Stationery business and Mobile licensing (Application process), Corporate Communications (CheckMark and On-line Event Application 2019), Clerks (Services at the counter)</li> </ul>
1.2 Transforming Services through Technology & Innovation	Leverage technology solutions to improve efficiencies.	<ul style="list-style-type: none"> <li>• Partner with ITS in the implementation of the CRM and facility booking systems</li> <li>• Ongoing support of the implementation of the Digital Markham project (including Communications support) within the yearly project scope.</li> <li>• Ongoing partnership with ITS to cleanse City records of duplicates in preparation for an Electronic Document Management system (starting with the Markham Museum).</li> <li>• Ongoing training to key City staff on Infolinks (the City's new records retrieval system).</li> <li>• Implement eScribe agenda system in Q1.</li> </ul>

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.3 Strengthening Organizational Capacity & Effectiveness	Improve staff satisfaction	<ul style="list-style-type: none"> <li>Continued communications support of the multi-year technology roadmap, Digital Markham strategy and Open Data initiative.</li> <li>Implement plan for transition of Markham Life magazine and other City publications from print to digital format.</li> <li>Detailed succession plan for future staffing needs &amp; develop knowledge transfer strategies.</li> <li>Based on the feedback received through the 2018 Staff Satisfaction Survey, Legislative Services staff will identify areas of improvement for implementation in 2019.</li> </ul>

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Healthy workplace environment index (from staff survey)	66.0%	N/A	66.2%	N/A	75.0%	75.0%	Ongoing
Recognition rating (from staff survey)	58.0%	N/A	59.5%	N/A	N/A	65%	Ongoing
Staff satisfaction rating (from staff survey)	69.0%	N/A	66.3%	N/A	80.0%	80.0%	Ongoing
Average corporate learning hours per employee	3.2	4.0	4.4	4.2	20.0	20.0	Ongoing
Staff turnover rate	7.5%	0.0%	7.2%	10.1%	≤7.5%	≤7.5%	Ongoing
Average sick days (staff absenteeism)	7.2	5.0	7.9	9.4	≤8.4	≤8.4	Ongoing
Average overall customer satisfaction for formal survey(s) completed (%)	84.0%	N/A	N/A	N/A	80.0%	80.0%	Ongoing
Percentage of customer call-backs (follow up on cases)	11%	11%	17%	20%	20%	25%	2020
Percentage of calls answered in the Contact Centre within 30 seconds (excluding switchboard)	70%	68%	69%	70%	70%	70%	Ongoing
Percentage of calls resolved on the first call	86%	86%	86%	86%	86%	86%	Ongoing
Number of pet licences issued (includes new licences & renewals)	4,383	3,281	4,675	6,627	10,000	13,000	2021
Number of freedom of information requests received	130	73	107	149	150	157	Ongoing
Number of freedom of information appeals received	4	2	1	2	0	0	Ongoing
Number of marriage licences issued	1,621	1,509	1,521	1478	1500	1575	2020
Number of marriage licences returned due to error	N/A	N/A	5	N/A	0	0	Ongoing

## GOAL 2 - Engaged, Diverse & Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring & interconnected community; & 2) We will enable a strong economy & effectively manage change while respecting our community's history, meeting current requirements & anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Expand the Corporate Community Engagement Plan	<ul style="list-style-type: none"> <li>Provide support &amp; guidance to senior staff on implementation of the Corporate Community Engagement tools.</li> </ul>
2.2. Ensuring Markham is Welcoming & Inclusive	Support Everyone Welcome Program.	<ul style="list-style-type: none"> <li>Based on a review of the City's Ground Transportation options (UBER, Limos and Taxicabs), incorporate accessibility requirements into a new legislative model.</li> </ul>
2.3. Promoting Markham as the Best Place in Canada to Invest & Locate Knowledge-based Industries	Support Markham York University campus.	<ul style="list-style-type: none"> <li>Support the development of the York University project.</li> </ul>
	Create Destination Markham	<ul style="list-style-type: none"> <li>Promote Markham's brand through research &amp; related promotional strategies in support of a Destination Markham Strategy.</li> </ul>

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Total number of bookings for the wedding chapel	300	257	287	258	278	292	Ongoing
Total number of bookings for the wedding room	233	205	211	202	224	235	Ongoing
Percentage of new Advisory Committee members that self-identify as being a member of diverse community*	56%	52%	50%	51%	55%	55%	Ongoing



### GOAL 3 - Safe & Sustainable Community

**Goal Statement:** We will protect the public & respect the natural & built environments through excellence in sustainable community planning, infrastructure management, & programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation & Road Network	N/A	N/A
3.2. Managing Growth in Markham	N/A	N/A
3.3. Ensuring the Reliability of the Corporation's Services	Improve safety in communities.	<ul style="list-style-type: none"> <li>• Provide effective communications tools for residents about community emergencies &amp; significant service issues through EOC.</li> <li>• Participate in Emergency Management Exercise &amp; Training, as required.</li> <li>• Participate in the Business Continuity Plan Implementation - to minimize Legislative Services disruptions in case of an emergency situation.</li> </ul>
3.4. Protecting & Respecting our Built & Natural Environment	N/A	N/A

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Number of lost days due to injury	1	0	0	0	0	0	Ongoing
Number of orders issued (includes zoning standards, by-law standards, & property standards)	1,099	1,545*	887	947	850*	900**	2020
Number of stationary business inspections	2,080	2,317	5,661	2,922	4,000	4,000	2019
Number of mobile business inspections	586	4,323	3,453	2,637	4,000	4,000	2019

\*December Ice Storm increased numbers

\*\*projected numbers due to the introduction of new services fees to 10 additional by-laws.

## GOAL 4 - Stewardship of Money & Resources

**Goal Statement:** We will demonstrate sound, transparent & responsible financial & resource management to mitigate risks while ensuring efficient & effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent & Efficient Municipality	Ensure efficient delivery of services.	<ul style="list-style-type: none"> <li>Support the E3 Strategy Refresh by expanding the Administrative Monetary Penalty System (AMPS) to other Licensing &amp; Animal Services By-Laws</li> <li>Continue to review processes to increase revenues (non-property tax) &amp; maintain or lower operating costs in a growing Markham.</li> <li>Implement the Corporate Sponsorship Strategy</li> </ul>
4.2. Stewardship of the City's Assets	N/A	N/A
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	<ul style="list-style-type: none"> <li>Continue corporate-wide review &amp; update of existing policies &amp; procedures.</li> </ul>

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Average dollar per parking penalty notice	N/A	\$50.75	\$52.19	\$51.35	\$58.50	\$58.50	Ongoing
Number of parking penalty notices issued	N/A	54,382	52,748	45,095	51,000	53,000	2021
Number of parking penalty notices cancelled	N/A	2,704	1,986	1,688	1,350	1,200	2021
Dollar value of parking penalty notices cancelled	N/A	\$205,809	\$151,135	\$106,290	\$95,000	\$90,000	2021
Number of Code of Conduct complaints (requested with the Integrity Commissioner)	1	1	2	0	0	0	Ongoing
Number of closed meeting investigations	0	0	0	0	0	0	Ongoing
Target increase in non-tax revenue through facility advertising	N/A	N/A	N/A	\$35,000	\$175,725	\$193,000	Ongoing

## LEGISLATIVE SERVICES AND COMMUNICATIONS BUSINESS LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe & healthy work environment, & embrace an organizational culture & adopt management systems that empower & inspire our employees to be champions of excellent service delivery & innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Provide excellent Council & Committee administration	• Provide orientation to new Council for the term of 2018-2022.	2019
		• Undertake customer surveys in the following areas; Mobile businesses 2019; Advisory Committees 2020.	2019/ 2020
		• Plan for the successful administration of the 2022 Municipal Election.	2020/ 2021
1.2 Transforming Services through Technology & Innovation	Leverage technology solutions to improve efficiencies.	• Continued support of the development of multi-year technology roadmap by being involved in the Digital Markham project.	2019- 2021
		• Continued communications support of the multi-year technology roadmap, Digital Markham strategy	2019- 2021
		• Implement plan for transition of Markham Life magazine from print to digital format	2019- 2021
		• Continued expansion of Corporate E-Alerts resident & stakeholder database- - 7,500 names 2019 - 10,000 names 2020	2019- 2020
1.3 Strengthening Organizational Capacity & Effectiveness	Improve staff satisfaction	• Continue succession planning for future staffing needs	2019/ 2020
		• Based on the feedback received through the 2018 Staff Satisfaction Survey, Legislative Services staff will identify areas of improvement for implementation in 2019.	2019
		• Undertake improvement projects arising from 2020 Staff Satisfaction survey.	2020

## GOAL 2 - Engaged, Diverse & Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring & interconnected community; & 2) We will enable a strong economy & effectively manage change while respecting our community's history, meeting current requirements & anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Ensure an integrated approach to communications & marketing consistent with BMFT – Phase II & City's Brand	<ul style="list-style-type: none"> <li>Implement the multi-year communications strategy based on BMFT direction &amp; branding research</li> </ul>	2019
2.2. Ensuring Markham is Welcoming & Inclusive	Ensure all services are fully accessible.	<ul style="list-style-type: none"> <li>Report to Council on accessibility enhancements in the 2018 Municipal Election.</li> </ul>	2019
2.3. Promoting Markham as the Best Place in Canada to Invest & Locate Knowledge-based Industries	Support Markham York University campus.	<ul style="list-style-type: none"> <li>Support the development of the York University campus.</li> </ul>	2019/ 2020
	Create Destination Markham	<ul style="list-style-type: none"> <li>Confirm &amp; promote Markham's current brand through research &amp; related promotional strategies in support of a Destination Markham Strategy</li> </ul>	2019- 2021

### GOAL 3 - Safe & Sustainable Community

**Goal Statement:** We will protect the public & respect the natural & built environments through excellence in sustainable community planning, infrastructure management, & programs.

Strategic Objective	Departmental	Departmental Action	Year
3.1. Managing our Transportation & Road Network	N/A	N/A	
3.2. Managing Growth in Markham	N/A	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	Improve safety in communities.	• Business Continuity Plan Implementation - To minimize Legislative Services' disruptions in case of an emergency situation.	2019
		• Provide effective communications tools for residents about community emergencies & significant service issues	2019-2021
		• Participate in emergency Management Exercise & Training, as required.	2019-2021
3.4. Protecting & Respecting our Built & Natural Environment	N/A	N/A	

## GOAL 4 - Stewardship of Money & Resources

**Goal Statement:** We will demonstrate sound, transparent & responsible financial & resource management to mitigate risks while ensuring efficient & effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent & Efficient Municipality	Ensure efficient delivery of services.	<ul style="list-style-type: none"> <li>Administer Election Rebate Program.</li> </ul>	2019
	Support the E3 Strategy Refresh	<ul style="list-style-type: none"> <li>Implement the Corporate Sponsorship Strategy across departments where sponsorship opportunities are present.</li> </ul>	2019-2021
		<ul style="list-style-type: none"> <li>Target increase in non-tax revenue through corporate &amp; facility sponsorship</li> </ul>	2019/2020
		<ul style="list-style-type: none"> <li>Target increase in non-tax revenue through facility advertising</li> </ul>	2019/2020
4.2. Stewarding of the City's Assets	Support a sustainable records management program.	N/A	
4.3. Increasing Transparency & Accountability	Support corporate objective to increase accountability & transparency.	<ul style="list-style-type: none"> <li>Continue corporate-wide review &amp; update of existing policies &amp; procedures.</li> </ul>	2019-2021



## SUSTAINABILITY AND ASSET MANAGEMENT 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
RENTALS	\$120	\$144	\$114	\$141	\$27	23.7%	(\$3)	-2.0%
SALES	8	40	20	20	0	0.0%	(20)	-50.2%
OTHER REVENUE	44	23	39	39	0	0.0%	16	66.5%
SOLAR REVENUE	298	309	275	275	0	0.0%	(33)	-10.8%
<b>Total Revenues</b>	<b>\$470</b>	<b>\$516</b>	<b>\$448</b>	<b>\$475</b>	<b>\$27</b>	<b>6.0%</b>	<b>(\$41)</b>	<b>-7.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$1,548	\$1,555	\$1,741	\$1,926	\$186	10.7%	\$371	23.9%
PRINTING & OFFICE SUPPLIES	3	3	4	4	0	0.0%	1	49.6%
OPERATING MATERIALS & SUPPLIES	107	95	112	112	0	0.0%	17	17.4%
UTILITIES	627	654	688	651	(37)	-5.3%	(3)	-0.4%
COMMUNICATIONS	13	13	18	18	0	0.0%	6	46.0%
TRAVEL EXPENSES	5	5	8	8	0	0.0%	3	73.7%
TRAINING	6	5	22	22	0	0.0%	17	334.5%
CONTRACTS SERVICES AGREEMENT	744	839	761	868	107	14.1%	29	3.5%
MAINT. & REPAIR - TIME & MATERIAL	447	452	449	456	7	1.5%	4	0.9%
RENTAL/LEASE	1	1	0	0	0	0.0%	(1)	-100.0%
PROFESSIONAL SERVICES	0	0	1	1	0	0.0%	1	0.0%
LICENCES, PERMITS, FEES	7	9	6	6	0	0.0%	(3)	-33.4%
TRANSFERS TO/(FROM) RESERVES	211	217	186	186	0	0.0%	(30)	-14.1%
OTHER EXPENDITURES	0	0	0	0	0	0.0%	0	0.0%
<b>Total Expenses</b>	<b>\$3,720</b>	<b>\$3,847</b>	<b>\$3,996</b>	<b>\$4,260</b>	<b>\$263</b>	<b>6.6%</b>	<b>\$413</b>	<b>10.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,250</b>	<b>\$3,331</b>	<b>\$3,548</b>	<b>\$3,785</b>	<b>\$236</b>	<b>6.7%</b>	<b>\$453</b>	<b>13.6%</b>
<b>Full Time Complement</b>	<b>15</b>	<b>14</b>	<b>18</b>	<b>18</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreement and cost of living adjustments (COLA).

**Contracts Services Agreement:** Increase mainly due to contract escalation for security guard services and janitorial services

# SUSTAINABILITY AND ASSET MANAGEMENT BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Support the development and implementation of the Customer Experience to improve customer satisfaction with a targeted goal 80+% satisfaction rating by 2019	<ul style="list-style-type: none"> <li>• Analyze results from previous surveys undertaken and implement changes to improve services to achieve 80% customer satisfaction. Conduct at least one customer service survey, targeting Civic Centre and 8100 Occupants and complete by Q2.</li> <li>• Prepare to conduct a security survey in 2020</li> </ul>
1.2 Transforming Services through Technology and Innovation	Support Digital Markham roadmap	<ul style="list-style-type: none"> <li>• Support the implementation of the multi-year technology roadmap via Digital Strategy Action Item 5.4 – Smart City Buildings.</li> <li>• Participate in the Bell Smart City Pilot project and leverage the energy metering and analytics that it makes available</li> <li>• Support the implementation of the Enterprise GIS strategy and advancement of GIS technology to improve customer service, operational efficiency and make better informed business decisions.</li> <li>• Collaborate with the ePlan team and their clients to ensure GIS digitization is efficient and accurate</li> <li>• Participate in the Enterprise Asset Management system implementation - For Life Cycle, Work Order, Facility and Capital Asset Management, including all underground and aboveground infrastructures.</li> <li>• Support the Customer Resource Management software project as needed.</li> <li>• Support as needed Smart City Initiatives in Markham Centre</li> </ul>
	Continue to implement the recommendations of	<ul style="list-style-type: none"> <li>• Use Corporate BAS Design Specification to replace/retrofit BAS</li> </ul>



	the Centralized Building Automation Systems Study	<p>while continuing to optimize energy use and performance improvements for operators and building occupants with a target of \$72,000 in energy savings for 2019.</p> <ul style="list-style-type: none"> <li>• Enable remote access to the final of 18 facilities' BAS in 2019</li> </ul>
1.3 Strengthening Organizational Capacity and Effectiveness	Implement "Corporate People Plan"	<ul style="list-style-type: none"> <li>• Support implementation of additional People Plan items</li> </ul>
	Increase staff satisfaction and engagement within the department	<ul style="list-style-type: none"> <li>• Based on the feedback received through the 2018 Staff Satisfaction Survey, Sustainability &amp; Asset Management staff will identify the areas of improvement.</li> <li>• Support any Corporate Staff Satisfaction priority improvements</li> </ul>
	Seek efficiencies in City wide maintenance contracts	<ul style="list-style-type: none"> <li>• In advance of contract end dates – develop and refine contract terms and requirements to improve and simplify management, user decision making and better manage costs based on current internal best practices.</li> <li>• Continue to ensure all users are updated in contract changes and expectations as part of the Life Cycle training session.</li> </ul>

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Number of learning hours per regular full time employee	7.6	7.8	11.4	7.7	20.0	20.0	Ongoing
Staff Absenteeism (Average # of days per employee)	5.3	7.3	5.7	7.8	≤ 8.4	≤ 8.4	Ongoing
Staff Turnover	n/a	n/a	4.3%	5.3	≤ 7.5%	≤ 7.5%	Ongoing
Overall Customer Satisfaction	n/a	n/a	76%*	n/a	80%	80%	Ongoing
% of Work Orders (ACRs) Completed within 7 days	n/a	85.8%	89.42%	90.80%	90 %	85.8%	Ongoing
Third party recognition for excellence	n/a	n/a	n/a	1**	1 award	1 award	Ongoing
Healthy Work Environment Index*	70.0%	n/a	69.0%	n/a	≥75%	≥75%	Ongoing
Organizational Outcome Index from Staff satisfaction survey	89.6%	n/a	81.3%	n/a	90%	90%	2020
Percent of staff that have completed Corporate Sustainability Education e-learning modules	n/a	10%	70%	TBD	50%	50%	Ongoing

\*Battle of the Building Survey. \*\* Canada's Greenest Employer

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

### Strategic Objective

### Departmental Objective

### Departmental Action

2.1 Increasing Community Engagement	Support the development and implementation of the Community Activation Framework	<ul style="list-style-type: none"> <li>Support Corporate Communications and Community Engagement in coordinating integrated community event engagement in order to provide a more cost and resource effective one stop public engagement service.</li> <li>Evaluate our role and area of focus community engagement, review and update the relevant KPI as necessary</li> </ul>
2.2 Ensuring Markham is Welcoming and Inclusive	Support inclusivity in our facilities	<ul style="list-style-type: none"> <li>Participate in the development of corporate diversity and inclusion statement.</li> <li>Construct the universal change room project at Milliken Mills Community Centre</li> <li>Construct Morgan Pool Revitalization Project, which will have a universal change room</li> </ul>
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	<ul style="list-style-type: none"> <li>Support the development of the York University campus.</li> <li>Participate in the development of the Destination Markham Strategy.</li> </ul>

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long Term Target	LT Target Year
Awareness - We will improve community Greenprint/general sustainability awareness.	6,051	1429	1562	500*	1500	2000	2021
Education - We will improve community sustainability education. Measured by event participation, Enviro-Pac sign-outs and other measures	1,341	1198	1482**	546*	1200	1900	2021
Engagement - Number of Sustainability volunteers.	29	4	7	5	550	750	2021
Engagement - Sustainability volunteer accumulated hours	227.5	27	56	30			
Engagement - Sustainability Program participation	380	75	n/a	341			

\* partial 2017 data

\*\* plus numbers from Markham Public Library

## GOAL 3 – Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	N/A	<ul style="list-style-type: none"> <li>Participate in the implementation of the Master Transportation Plan recommendations.</li> </ul>
3.2 Managing Growth in Markham	Managing Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	<ul style="list-style-type: none"> <li>Participate in Sustainable and Integrated Growth Management Projects, as required to ensure that best practice climate change adaptations are addressed in all Secondary Plans</li> <li>Work with FUA Stakeholders to finalize and begin implementation of the Community Energy Plan that supports the objectives of the Municipal Energy Plan.</li> <li>Establish with Development Services the process to develop Community Energy Plans based on the lesson's learned from the FUA pilot by end of Q4</li> </ul>
		<ul style="list-style-type: none"> <li>Lead the collaboration with Mattamy and Enwave to establish a net zero community in Markham, ensure the City's risks are minimized and benefits are maximized</li> </ul>
3.3 Ensuring the Reliability of the Corporation's Services	Lead development of mitigation plans for our corporate infrastructure to respond to climate change and other risks	<ul style="list-style-type: none"> <li>Work to include climate change adaptations and mitigation in major corporate strategies and plans</li> <li>Research sustainability standards that could be applied to Civic Centre and develop a plan to implement starting in 2020</li> </ul>
	Support the development of a comprehensive and integrated enterprise risk management program encompassing Business Continuity and Emergency Management	<ul style="list-style-type: none"> <li>Support the implementation and promotion of this objective where appropriate and ensure S&amp;AM plan is reviewed once a year and the team is aware of the BCP and our own department needs as well as the Corporation's needs. Review and update our BCP by Q3</li> <li>Understand 8100 and Civic Center Business Continuity expectations and develop plans to fulfill starting in 2020</li> <li>Participate in Emergency Management Exercise and Training, as required</li> </ul>
	Lead implementation of our Security Improvement Plan	<ul style="list-style-type: none"> <li>Implement approved recommendations from the security review and ensure appropriate security programs and resources are in place to provide improved corporate security needs across the City.</li> <li>Continue to improve scope and reach requirements of the security video capture</li> </ul>

		<p>system and ensure that policies to comply with the relevant privacy legislation.</p> <ul style="list-style-type: none"> <li>• Development and implementation of the security emergency response procedures and response guide. Roll out training for staff in Q3</li> <li>• Establish a communication plan that begins to develop a culture of security “see something, say something”</li> </ul>
<p>3.4 Protecting and Respecting our Built and Natural Environment</p>	<p>Continue to lead Markham’s support for the establishment of Rouge National Urban Park, help leverage RNUP where possible.</p>	<ul style="list-style-type: none"> <li>• Act as liaison with Parks Canada, report to Council on developments and seek decisions where necessary. Facilitate the transfer of the City’s lands in the RNUP Study Area to Parks Canada.</li> </ul>
	<p>Continue to implement Markham’s Corporate Energy Management Plan to reduce energy risk via conservation, efficiency and investment in renewable energy.</p>	<ul style="list-style-type: none"> <li>• Implement operational and capital projects as per 2014 Corporate Energy Management Plan</li> <li>• Lead the Corporate Energy Team to continuously improve corporate energy performance, monitoring and reporting to meet the budgeted annual utility rate and volumes</li> <li>• Establish and enable the new Energy Analyst position to achieve savings of \$40,000/year starting 2020</li> <li>• Review progress to date, develop new strategies/goals and complete draft of CEMP update by Q1 2019. Finalize CEMP and made public by July 1, 2019 as required by Provincial regulation O Reg 397/11</li> <li>• CEMP will include plans for a study to achieve Net Zero emissions City facilities ahead of 2050</li> <li>• Design and implement Angus Glen CHP by Q4 2019 to achieve an estimated \$270,000 per year net cost savings</li> <li>• Continue to support the Electric Vehicle Workplace Pilot Project with Alectra and the IESO</li> </ul>
	<p>Continue to implement Municipal Energy Plan</p>	<ul style="list-style-type: none"> <li>• Develop and implement a number of small pilot projects/partnerships to engage and activate our community to begin achieving Net Zero Energy Emissions by 2050.</li> <li>• Continue to seek funding to support the MEP project</li> <li>• Continue to engage and coordinate with IESO and key stakeholders on Markham’s role in addressing the 2023 forecasted 150MW electricity demand shortfall.</li> </ul>

Develop a sustainable community retrofit program to launch in 2019

- As part of the Municipal Energy Plan, begin our next holistic community retrofit project ensure adequate funding is secured

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long Term Target	LT Target Year
# of days lost due to injury	0	24	3	1	0	0	Ongoing
Corporate Facility GHG Emissions per square feet	n/a	36.37	34.01	31.76	TBD	TBD	2024

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	<p>Ensure efficient delivery of Services</p> <p>Continue to seek and manage external funding sources to support ongoing projects</p>	<ul style="list-style-type: none"> <li>• Continually pursue cost reduction and revenue improvement opportunities, develop robust business case with risk assessment as necessary.</li> <li>• Partner with key stakeholders (i.e. local utility companies) to seek funding opportunities and support pilot projects focused on the objective of net zero emission by 2050</li> </ul>
4.2 Stewardship of the City's Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	<ul style="list-style-type: none"> <li>• Support the development of Markham's Asset Management Plan as required by Provincial regulation by O Reg.588/17 due by July 2019. Apply best practice climate change elements to this plan.</li> <li>• Develop business cases to establish Corporate Asset Management role or group within our team for 2020</li> <li>• Act as lead for the Auditor General Asset Management Audit and implement recommendations pertaining to physical assets.</li> </ul>
4.3 Increasing Transparency and Accountability	N/A	N/A

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long Term Target	LT Target Year
% capital projects that adheres to Financial Policies	97%	88%	69%	71%	>=85%	>=85%	Ongoing
Energy Savings	\$120,000	\$118,000	\$280,000	\$135,000	\$144,000		2024
Energy Revenues (2016 & 2017 includes Solar lease of \$80,250)	\$201,000	\$238,000	\$300,970	\$294,285	\$300,000		2024

## SUSTAINABILITY AND ASSET MANAGEMENT LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental Objective	Departmental Action	Year	
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfied customer service for internal and external clients	• Complete customer surveys, ensure follow up and improvements are made.	2019-2021	
		• Support Customer Experience Strategy actions, as required.	2019-2021	
1.2 Transforming Services through Technology and Innovation	Continue to implement the recommendations of the Centralized Building Automation Systems Study	• Implement the Building Automation System Strategy while continuing to optimize energy use and performance improvements for operators and building occupants.	Ongoing	
		• Adhere to the Corporate BAS Design Specification with native BACnet web-based BAS, and 1 of the 2 approved BAS vendors when replacing or retrofitting BAS.	2019-2021	
		Support Digital Markham roadmap	• Implement Asset Management Software.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	Champion the development of a culture of sustainability for City Staff	• Develop new initiatives that promote and celebrate Staff Sustainability achievements.	Ongoing	
		Implement "Corporate People Plan"	• Support actions required under the People Plan.	2019-2021
		Increase staff satisfaction and engagement within the department	• Participate in corporate staff satisfaction survey and identify and implement improvement opportunities.	2019-2021

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental	Departmental Action	Year
2.1. Increasing Community Engagement	N/A	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	<ul style="list-style-type: none"> <li>Support the development of the York University campus.</li> </ul>	Ongoing

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System	N/A	N/A	
3.2. Managing Growth in Markham	Managing Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	<ul style="list-style-type: none"> <li>Participate in Sustainable and Integrated Growth Management Projects, as required.</li> </ul>	2019-2021
3.3. Ensuring the Reliability of the Corporation's Services	Lead development mitigation plans for our corporate infrastructure to respond to climate change and other risks	<ul style="list-style-type: none"> <li>Work with Planning and Engineering to ensure best practise climate change adaptations are addressed in the Future Urban Area.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Form and lead the team to conduct a Corporate/Community extreme weather resilience inventory.</li> </ul>	
		<ul style="list-style-type: none"> <li>Obtain LEED or BOMA certification - for Civic Centre.</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Develop a longer term facility resilience plan.</li> </ul>	2019

3.4. Protecting and Respecting Our Built and Natural Environment		<ul style="list-style-type: none"> <li>Develop a Sustainable purchasing/materials selection list.</li> </ul>	2019
	Develop and maintain a Business Continuity Plan that identifies essential services and resources	<ul style="list-style-type: none"> <li>Participate in Emergency Management Exercise and Training, as required.</li> </ul>	2019-2021
	Continue to lead Markham's support for the establishment of Rouge National Urban Park, help leverage RNUP where possible.	<ul style="list-style-type: none"> <li>Act as liaison with Parks Canada, report to Council on developments and seek decisions where necessary.</li> </ul>	Ongoing
	Continue to implement Markham's Corporate Energy Management Plan to reduce energy risk via conservation, efficiency and investment in renewable energy.	<ul style="list-style-type: none"> <li>Implement operational and capital projects as per the Corporate Energy Management Plan.</li> <li>Lead the Corporate Energy Team to continuously improve corporate energy performance, monitoring and reporting to meet the budgeted annual utility rate and volumes.</li> </ul>	Ongoing
	Implement the Municipal Energy Plan to achieve net zero 2050	<ul style="list-style-type: none"> <li>Support the development of the Community Energy Plan for the Future Urban Area.</li> <li>Coordinate Markham's role in addressing the 2023 forecasted 150MW electricity demand shortfall.</li> </ul>	Ongoing
	Develop a sustainable community retrofit program to launch in 2018	<ul style="list-style-type: none"> <li>As part of the Municipal Energy Plan begin our next holistic community retrofit project, ensure adequate funding is secured.</li> </ul>	Ongoing
	Participate in the Corporate Energy Team and support Energy reduction programs throughout the City	<ul style="list-style-type: none"> <li>Finalize the revised Corporate Energy Management Plan.</li> </ul>	2019

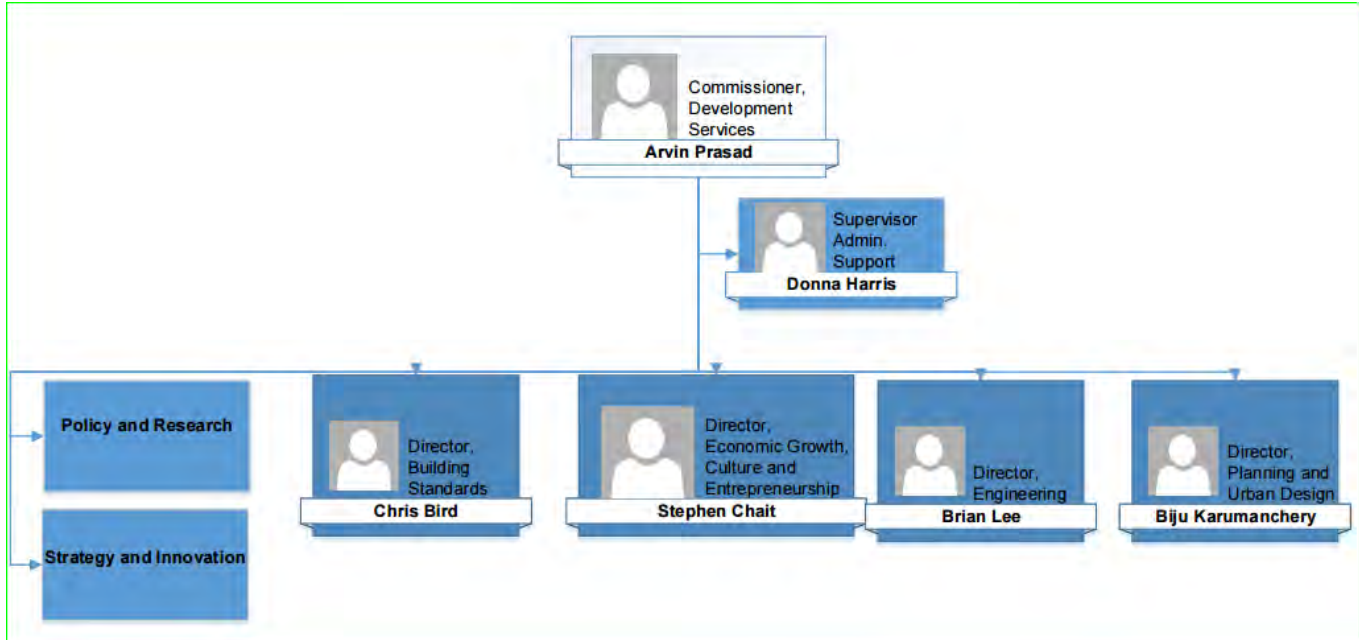


## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Complete multi-year budget and identify E3 opportunities	<ul style="list-style-type: none"> <li>Support E3 Strategy.</li> </ul>	2019-2021
4.2. Stewardship of City Assets	Develop Asset Management Plans for city own assets that considers accountability, risk of ownership, and fiscally prudent	<ul style="list-style-type: none"> <li>Finalize the Asset Management Plan per O.Reg, 588/17</li> </ul>	2019
		<ul style="list-style-type: none"> <li>Continue implementation of Corporate Asset Management Strategy and ensure alignment by departments corporately.</li> </ul>	2019/2020
		<ul style="list-style-type: none"> <li>Support implementation of facility-related, recommendations from audits conducted by the Auditor General.</li> </ul>	2019
4.3. Increasing Transparency and Accountability	N/A	N/A	

## DEVELOPMENT SERVICES



### Commission Mission Statement and Overview

*To develop and enhance a quality community by integrating superior services related to Planning, Growth, Culture, Entrepreneurship, Engineering and Building Standards.*

The Commission works with our partners to create and deliver livable and healthy communities in the City of Markham. It is responsible for making significant contributions to creating a City in Markham by promoting and facilitating economic growth, managing cultural assets, educating and assisting entrepreneurs, creating and implementing policies, regulations, and guidelines, and managing the development process to ensure that the City is healthy, aesthetically pleasing, safe and environmentally sensitive in its urban form. Our goal is to continue to manage growth in a manner that will promote an attractive, ecologically sustainable community in which to live, work and play. Our Commission is responsible for continuing to place Markham as a prosperous urban centre in a global context, and ensuring that great development, excellent cultural facilities and a vibrant business community are recognized as strengths of the City.

Our work aligns to and supports the four goals of the City's Strategic Plan, Building Markham's Future Together four goals (Exceptional Services by Exceptional People; Engaged, Diverse & Thriving City; Safe and Sustainable Community; and Stewardship of Money and Resources).

The following Business Units are included under Development Services Commission:

- Building Standards
- Engineering
- Planning and Urban Design
- Economic Growth, Culture and Entrepreneurship
- Strategy & Innovation

Currently, there are 199 full time employees who are responsible for the day-to-day operations of the five departments.

## **Building Standards**

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

The Building Standards Department is responsible for the administration and enforcement of all aspects of the Ontario Building Code including fire and life safety systems, accessibility structural systems, mechanical, plumbing and electrical systems, energy efficiency and fire protection systems. Through Department process they also ensure buildings and land use complies with other applicable laws including the City's zoning by-laws. The department issues building permits and conducts building inspections for all new or renovated buildings within Markham's borders.

## **Engineering**

This department carries out its major functions through the following sections:

- Development & Environmental Engineering
- Municipal Inspections, Capital Contract Administration & Quality Control
- Infrastructure and Capital Works
- Transportation

### **Development & Environmental Engineering**

The Development and Environmental Engineering section is responsible for review and approval of a variety of development applications from the engineering perspective, and also for managing environmental cleanup, and water resources engineering studies related to land developments.

These projects include:

- Planning Act applications: Official Plan Amendments, Secondary Plan, Plan of Subdivision, Site Plan Control, Minor Variance, etc.
- Subwatershed studies, Stormwater management and water resources studies
- Municipal servicing design review and approval

### **Municipal Inspections**

This section ensures that all municipal infrastructures in land development are constructed in accordance with the City's standards and best practices. They also administer the Planning Act agreements between the City and the landowners to ensure the various obligations are fulfilled as part of land development.

This section also manages a number of infill development and reviews grading design and manages contracts for the installation of service connections to redevelopment of existing lots.

### **Infrastructure and Capital Works, Capital Contract Administration & Quality Control**

This section is responsible for major infrastructure and capital works undertaken by the City. Most of these projects consist of roads construction, bridge structures, sidewalks and trails, streetlights, intersection improvements, and installation of certain municipal services. The section plans and project manages a consultant for the detailed design for these projects. The construction is usually undertaken by a general contractor which is hired through the City's procurement process.

This section also coordinates a number of environmental assessment studies and capital projects that are undertaken by other levels of government, e.g. Regional Environmental Assessment, Metrolinx network improvements, etc.

This section also provide a contract administration function for the Infrastructure and Capital Works section and provide services to implement capital projects such as preparation of tenders, tender evaluation, monitoring of construction progress, inspection, payment, acceptance, etc.

### **Transportation**

The Transportation section is made up of two groups: Traffic Operations and Transportation. Traffic Operations is responsible for the day to day issues with operating the City's road network, such as operations and maintenance of traffic signals, investigating traffic complaints, speed issues, conducting traffic survey and safety studies, etc. The Transportation section reviews and approves transportation studies, reviews and recommends policies, is also involved in review of planning applications.

### **Planning & Urban Design**

This Department's primary focus is city building through growth management and the development of safe and sustainable communities. The Department creates civic pride through excellence in community planning and sustainable development. The Department participates



in community outreach including liaison with the public and external agencies and organizations. The Department carries out its major functions through three primary divisions:

- Policy & Research
- Development Control
- Urban Design

### **Policy & Research**

The Policy & Research division activities relate to long range strategic planning involving data collection, analysis, research, monitoring, and formulation of plans, policies, regulations and guidelines for land use. This division is also responsible for addressing natural heritage/environment matters in the policy context and is currently the lead division for the City in managing a new Official Plan and meeting the requirements of Provincial policies.

### **Development Control**

The Development Control division's activities relate to development control through processing and evaluation of development applications including Committee of Adjustment applications. As part of application processing, this Division carries out extensive liaison with the development community, the general public and City politicians. This division is also responsible for the preservation of the City's heritage resources and digital mapping related functions.

### **Urban Design**

The Urban Design division is divided into two separate sections: the Design section and the Parks Development section. The Design section's activities relate to working in coordination with the Development Control division and other City departments to achieve excellence in urban design, public realm and built form. This division champions the City's sustainability goals in the development context.

The Parks Development section is responsible for the design, appropriate public consultation, and construction of all new City parks and also takes the lead in major park renovations. The division's goal is excellence in parks design and timely construction having regard for assigned budgets.

## **Economic Growth, Culture and Entrepreneurship**

The Economic Growth, Culture and Entrepreneurship department provides vision and leadership for the City's economic strategy and investment attraction programs, and its cultural institutions, strategies and activities to address the growing requirements of a diverse, multi-cultural municipality.

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



- Business attraction
- Business retention and expansion
- Small business/entrepreneur development
- Innovation and commercialization services
- Industrial and office real estate research

The department is responsible for the programming and operation of the Flato Markham Theatre, the Markham Museum and the Varley Art Gallery. It provides strategic cultural leadership to Council through the implementation of the Markham Culture Plan and Public Art advisory services.

### **Strategy and Innovation**

This Division of the Commissioner's office is responsible for developing and implementing strategies resulting in innovative and effective approaches within the Development Services Commission. Included in this area of expertise is the facilitation of the Commission's strategic planning processes including the implementation and monitoring.



## DEVELOPMENT SERVICES CONSOLIDATED (EXCLUDING BUILDING, PLANNING & DESIGN AND ENGINEERING) 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
GRANTS AND SUBSIDIES	\$503	\$618	\$347	\$367	21	25.9%	(251)	-50.0%
LICENCES & PERMITS	7	6	6	6	0	0.0%	(0)	-0.4%
USER FEES & SERVICE CHARGES	2,789	3,011	2,982	3,311	330	11.1%	300	10.8%
RENTALS	420	436	399	429	30	7.5%	(7)	-1.6%
SALES	136	162	144	144	0	0.0%	(18)	-12.9%
RECOVERIES & CONTRIBUTIONS	51	71	75	85	10	13.3%	14	27.9%
OTHER REVENUE	67	92	94	94	0	0.0%	2	3.4%
<b>Total Revenues</b>	<b>\$3,973</b>	<b>\$4,395</b>	<b>\$4,047</b>	<b>\$4,437</b>	<b>\$390</b>	<b>9.6%</b>	<b>\$41</b>	<b>1.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$6,215	\$6,470	\$6,432	\$6,529	\$98	1.5%	\$60	1.0%
PRINTING & OFFICE SUPPLIES	62	71	78	90	12	15.4%	19	29.8%
PURCHASES FOR RESALE	59	64	56	56	0	0.0%	(8)	-13.7%
OPERATING MATERIALS & SUPPLIES	203	191	218	239	21	9.6%	48	23.8%
SMALL EQUIPMENT SUPPLIES	0	0	2	2	0	0.0%	1	1192.6%
UTILITIES	313	299	315	289	(26)	-8.4%	(10)	-3.3%
COMMUNICATIONS	19	29	40	39	(1)	-1.8%	10	55.4%
TRAVEL EXPENSES	64	84	93	97	5	4.9%	13	20.7%
TRAINING	9	13	31	26	(5)	-14.8%	13	150.5%
CONTRACTS SERVICES AGREEMENT	705	831	828	835	7	0.8%	4	-0.5%
MAINT. & REPAIR - TIME & MATERIAL	139	156	137	150	13	9.5%	(6)	4.4%
RENTAL/LEASE	81	43	40	48	8	18.6%	5	5.9%
PROFESSIONAL SERVICES	1,540	1,769	1,465	1,673	207	14.2%	(96)	6.2%
LICENCES, PERMITS, FEES	58	114	74	74	0	0.0%	(40)	-68.5%
CREDIT CARD SERVICE CHARGES	8	10	8	8	0	0.0%	(3)	-38.1%
PROMOTION & ADVERTISING	830	923	772	781	8	1.1%	(142)	-17.1%
OTHER PURCHASED SERVICES	8	12	10	10	0	0.0%	(2)	-20.1%
TRANSFERS TO RESERVES	47	48	10	35	25	250.0%	(13)	-26.7%
<b>Total Expenses</b>	<b>\$10,360</b>	<b>\$11,127</b>	<b>\$10,609</b>	<b>\$10,980</b>	<b>\$371</b>	<b>3.5%</b>	<b>\$620</b>	<b>6.0%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$6,387</b>	<b>\$6,732</b>	<b>\$6,562</b>	<b>\$6,543</b>	<b>(\$19)</b>		<b>\$156</b>	<b>2.4%</b>
Full Time Complement	39	37	43	43				

### Major changes in 2019 Budget from the 2018 Budget:

**Revenues:** Increase due to user fee market competitive analysis increase, Theatre programming increase and annual CPI.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments. (COLA), offset by decrease due to Bill 148 provisions for equal work for equal pay and two days emergency leave moved to Corporate.

**Professional Services:** Increase in Theatre professional entertainers services costs and contract escalation for school crossing guards.



## BUILDING STANDARDS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$7,332	\$11,791	\$9,927	\$7,920	(\$2,006)	-20.2%	(\$3,871)	-32.8%
USER FEES & SERVICE CHARGES	100	108	30	\$30	0	0.0%	(78)	-72.2%
OTHER REVENUE	(10)	(9)	0	\$0	0	0.0%	9	-100.0%
<b>Total Revenues</b>	<b>\$7,422</b>	<b>\$11,891</b>	<b>\$9,957</b>	<b>\$7,950</b>	<b>(\$2,006)</b>	<b>-20.2%</b>	<b>(\$3,940)</b>	<b>-33.1%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,423	5,560	\$6,076	\$6,229	\$153	2.5%	\$669	12.0%
PRINTING & OFFICE SUPPLIES	56	48	51	51	0	0	3	6.1%
OPERATING MATERIALS & SUPPLIES	7	15	20	20	0	0	5	34.5%
COMMUNICATIONS	22	11	31	31	0	0	19	173.4%
TRAVEL EXPENSES	5	9	6	6	0	0	(3)	-31.8%
TRAINING	17	22	34	34	0	0	12	56.3%
CONTRACTS SERVICES AGREEMENT	2,650	2,743	2,743	2,862	119	0	119	4.3%
PROFESSIONAL SERVICES	6	3	9	9	0	0	6	202.3%
LICENCES, PERMITS, FEES	27	26	28	28	0	0	2	6.1%
CREDIT CARD SERVICE CHARGES	25	52	15	58	43	3	6	10.6%
PROMOTION & ADVERTISING	3	0	6	6	0	0	6	0.0%
<b>Total Expenses</b>	<b>\$8,241</b>	<b>\$8,488</b>	<b>\$9,018</b>	<b>\$9,332</b>	<b>\$314</b>	<b>3.5%</b>	<b>\$844</b>	<b>9.9%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$819</b>	<b>(\$3,403)</b>	<b>(\$939)</b>	<b>\$1,382</b>	<b>\$2,321</b>	<b>-247.1%</b>	<b>\$4,784</b>	<b>-140.6%</b>
TRANSFERS TO/(DRAW FROM) RESERVES	(\$819)	3,403	\$939	(\$1,382)	(\$2,321)	-247.1%	(\$4,784)	-140.6%
<b>Full Time Complement</b>	<b>49</b>	<b>49</b>	<b>54</b>	<b>54</b>				

### Major changes in 2019 Budget from the 2018 Budget:

**Licences & Permits:** Decrease due to project reduction in permit activities, offset by approved fee increases effective January 1<sup>st</sup>, 2019.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts Services Agreement:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a transfer of the budgeted shortfall to Reserve in order to present a balanced budget.



## BUILDING STANDARDS BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Improve customer satisfaction with department's services	Undertake a customer satisfaction survey to survey the satisfaction and success of ePlan.
		Evaluate and document success and lessons learned from the implementation of ePlan. Revise and update processes & procedures accordingly.
		Support the Customer Experience Strategy.
1.2 Transforming Services through Technology and Innovation	Leverage technology solutions to improve efficiencies	Develop metrics for evaluating the effectiveness of ePlan and its impact on permit processing efficiency and customer service.
		Support the implementation of the Multi-year Technology Roadmap (Digital Markham).
1.3 Strengthening Organizational Capacity and Effectiveness	Build capacity for innovation and change	Create new Supervisor of Plans Review position JD & JE.
		Develop and train Process Administrator position to include AMANDA support. Succession Planning – develop succession plans to maintain or adjust current service levels. Promote the use of the internal Technical Advisory Committee (TAG) to aid in building code interpretation and standard practice procedures from the bottom up (staff to management).
	To improve staff satisfaction	Implement Departmental Improvement Plans to improve two (2) drivers based on the results of the 2018 Staff Satisfaction Survey Support the recommendations of the City's People Plan.

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	Target	2019
Overall customer satisfaction rate	87%	-	-	-	>80%	2019
Services provided within timeframe	63%	95%	65%	59%	>80%	2019
Median processing time in working days for housing (MPMP)	11	13	11	15	10	2019
Median processing time in working days for small buildings (MPMP)	16	19	16	15	15	2019
Median processing time in working days for large buildings (MPMP)	20	19	16	15	20	2019
Median processing time in working days for complex buildings (MPMP)	28	22	18	18	30	2019
Percentage of applications filed as complete (MPMP)	69%	80%	74%	89%	>80%	2019
Permits applied for in calendar year that are issued in six months or less	78%	76%	51%	---	>80%	2019
Percentage of permit applications filed online	1.1%	<1%	1%	3%	>50%	2019
Percentage of compliance letters filed online	8%	23%	66%	81%	>50%	2019
Healthy work environments Index for Staff Satisfaction Survey	62.4%	n/a			83%	2019
Average sick days	8.6	7.5	7.7		<8.4	2019
Annual Learning hours per regular full time employee	3.3	23	57.9		20	2019
Lost days due to workplace injury	0	0	0		0	2019
Annual hours of health & safety training per inspector	26	23	29		>6	2019

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Introduce progressive revisions to the City Sign By-law	Implement New Sign By-law including training and public awareness.
		Review and implement policies and procedures arising from Building Code and by-law amendments/minor variance approvals to permit second suites in houses.
		Implement the appropriate community engagement tools in 2018. Assess the needs of the public in understanding any new by-law amendments and adapt the zoning search process to address those needs.
2.2. Ensuring Markham is Welcoming and Inclusive		Continue to support Corporate programs: -Hiring and on-boarding practices -Translation services
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries		Support the development of the York University campus.

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	Target	Year
Conditional permit agreement compliance rates	20%	0%	0%	0%	80%	2019
Conditional permits issued as a % age of permits requiring site plan approval	60%	100%	100%	100%	<40%	2019

## GOAL 3 – Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network		Support accessibility on active transportation solutions in building designs.
3.2. Managing Growth in Markham  Infill Strategy	Modernize and consolidate City zoning	<b>Zoning By-law consolidation project:</b> Continued support and interpretive advice to Planning. Post self help zoning information on the website.  Leverage internal Technical Advisory Committee (TAG) for recommendations to best practices for infill construction standard practices.
3.3. Ensuring the Reliability of the Corporation's Services		Implement Business Continuity Plan (BCP) for department including staff awareness and training.  Evaluate BCP and update/implement as required including exploration of work from home opportunities.
3.4. Protecting and Respecting our Built and Natural Environment	Promote advancements in innovative built forms and alternative solutions	Assess and develop training opportunities for mid-rise wood frame construction projects. Two projects currently underway and continuing through 2018; evaluate and refine procedures accordingly.  Implement new Building Code amendments applying to energy efficiency design of buildings after December 31, 2017. Consider any resource needs/procedural changes and implement.  Consider resource needs and implement any proposed Building Code amendments arising out of Elliot Lake inquiry and proposed changes to Parking Structures.  Provide advice and support to development of Municipal Sustainability Metrics.  Provide advice and support for the development of a CEP (Community Energy Plan) for FUA (Future Urban Area) and a MEP (Municipal Energy Plan).

	2014	2015	2016	2017	Target	Year
Code inspections conducted within timeframes	50,691	42,657	32,925	34,088	>40K/y	2019
Dormant/open building permits inspected and closed	198	281	427	596	300	2019
Illegal building orders issued annually	81	160	294	410	100	2019
Unsafe buildings - Response % within target time frame of <24hrs	100%	100%	100%	100%	100%	2019
Average processing time in days for non housing photovoltaic permits	21	0	46	30	10	2019

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Sustain and secure a building permit revenue/cost balance to maintain stable funding of Building Standards operations through periods of variable development volume.	Maintain a target reserve fund balance of 1.5x operating costs to fund building operations.
		Review Building By-law and make recommendations for revenue opportunities.
		Support the E3 Strategy Refresh.
		Review and make recommendations to amend process of Model Home Permits.
4.2. Stewarding of the City's Assets		Continue to provide occupancy data monthly and support Finance in Supplementary Assessment and Multi-Year Growth Projections.
4.3. Increasing Transparency and Accountability		Support and implement the audits conducted by the Auditor General. Is there on upcoming audit of DSC or Building Standards? Development charge process will be audited shortly

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	Target	Year
Year end reserve balance as a % of current years' total operating cost	150%	121%	128%		100%	2019
Revenue average over 3 years, compared to total operating cost	182	97	104		100	2019
Annual user fee increases	0	3.8%	5%	5%	<5%	2019
Number of new staff positions	0	0	0	1	<2	2019
Number of applications processed per examiner	158	130	163	172	>250	2019
Zoning						
Mechanical Plans Review						
Architectural & Structural						
Department operating cost \$ per \$1000 of construction value averaged over three years (MPMP)	7.29	9.39	9.26		<\$9	2019

## BUILDING STANDARDS LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Modernize building permit application & review systems through process change & use of technology.	Evaluate and document success and lessons learned from ePlan. Revise and update processes & procedures accordingly.	2019
		Undertake a customer satisfaction survey.	2019
1.2 Transforming Services through Technology and Innovation	N/A	Succession Planning –anticipate possible retirements and develop a succession plan to maintain or adjust service levels.	2019
1.3 Strengthening Organizational Capacity and Effectiveness	N/A	N/A	

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Implement consolidated Zoning By-law	Support the public in understanding and navigating the new zoning by-laws.	2019
		Assess the needs of the public in understanding the new by-law, and adapt the zoning search process to address those needs.	2019

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	Support Corporate programs -Hiring practices -Translation services	2019
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	Support the development of the York University campus.	2019

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	N/A	Support accessibility on active transportation solutions in building designs.	2019-2021
3.2. Managing Growth in Markham	Assist in the management of the new by-law consolidation.	Monitor effectiveness of consolidated zoning by-law, and work with Planning to resolve any unanticipated issues.	2019-2020
		Assist with amending non-zoning by-laws (licensing, fence etc) impacted by the by-law consolidation.	2019-2020
3.3. Ensuring the Reliability of the Corporation's Services	N/A	Update Business Continuity Plan (BCP) and implement as required. Continue staff awareness and training.	2019
3.4. Protecting and Respecting our Built and Natural Environment	Implement new building code amendments to apply energy efficiency design of buildings after December 31, 2016	Implement new building code amendments. Consider any resource needs, policy and procedural changes and implement as required	2019-2021

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
		Provide support for development of CEP (Community Energy Plan) for FUA (Future Urban Area) and MEP (Municipal Energy Plan).	2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	N/A	Support the E3 Strategy Refresh	2019-2021
		Review Building By-law and make recommendations for revenue opportunities	2019-2021
4.2 Stewarding of the City's Assets	N/A	Continue to provide occupancy data and support Finance in Supplementary Assessment and Multi-Year Growth Projections.	2019-2021
4.3 Increasing Transparency and Accountability	N/A	Support and implement the audits conducted by the Auditor General.	2019-2021



## CULTURE AND ECONOMIC DEVELOPMENT 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
PROVINCIAL GRANTS & SUBSIDIES	\$503	\$440	\$347	\$277	(\$70)	-20.1%	(\$163)	-37.0%
FEDERAL GRANTS & SUBSIDIES	0	178	0	90	90	0.0%	(88)	-49.5%
LICENCES & PERMITS	0	6	0	6	6	0.0%	(0)	-0.5%
USER FEES & SERVICE CHARGES	2,789	3,011	2,982	3,311	330	11.1%	300	10.0%
RENTALS	420	436	399	429	30	7.5%	(7)	-1.5%
SALES	136	162	144	144	0	0.0%	(18)	-10.9%
RECOVERIES & CONTRIBUTIONS	51	71	75	85	10	13.3%	14	19.9%
OTHER REVENUE	75	92	99	93	(6)	-6.1%	1	1.4%
<b>Total Revenues</b>	<b>\$3,973</b>	<b>\$4,395</b>	<b>\$4,046</b>	<b>\$4,436</b>	<b>\$390</b>	<b>9.6%</b>	<b>\$40</b>	<b>0.9%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,632	\$4,903	\$4,851	\$4,777	(\$74)	-1.5%	(\$126)	-2.6%
PRINTING & OFFICE SUPPLIES	62	69	78	90	12	15.4%	21	31.3%
PURCHASES FOR RESALE	59	64	56	56	0	0.0%	(8)	-12.6%
OPERATING MATERIALS & SUPPLIES	200	189	216	237	21	9.7%	48	25.4%
SMALL EQUIPMENT SUPPLIES	0	0	2	2	0	0.0%	1	308.7%
UTILITIES	313	299	315	289	(26)	-8.4%	(10)	-3.5%
COMMUNICATIONS	19	29	39	38	(1)	-1.8%	9	32.5%
TRAVEL EXPENSES	52	71	76	80	5	6.0%	10	13.9%
TRAINING	4	11	18	14	(5)	-24.7%	3	23.6%
CONTRACTS SERVICES AGREEMENT	424	474	425	432	7	1.6%	(43)	-9.0%
MAINT. & REPAIR - TIME & MATERIAL	136	153	132	145	13	9.8%	(8)	-5.4%
RENTAL/LEASE	60	23	17	24	8	45.1%	1	5.8%
PROFESSIONAL SERVICES	915	1,109	831	953	122	14.6%	(156)	-14.1%
LICENCES, PERMITS, FEES	54	100	69	69	0	0.0%	(31)	-30.7%
CREDIT CARD SERVICE CHARGES	8	10	8	8	0	0.0%	(3)	-27.5%
PROMOTION & ADVERTISING	830	923	772	781	8	1.1%	(142)	-15.4%
OTHER PURCHASED SERVICES	8	12	10	10	0	0.0%	(2)	-13.5%
TRANSFERS TO OWN FUNDS	47	48	10	35	25	250.0%	(13)	-26.6%
OTHER EXPENSES	0	0	0	0	0	0.0%	0	0.0%
<b>Total Expenses</b>	<b>\$7,823</b>	<b>\$8,487</b>	<b>\$7,925</b>	<b>\$8,039</b>	<b>\$114</b>	<b>1.4%</b>	<b>(\$448)</b>	<b>-5.3%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$3,850</b>	<b>\$4,092</b>	<b>\$3,879</b>	<b>\$3,603</b>	<b>(\$276)</b>	<b>-7.1%</b>	<b>(\$489)</b>	<b>-11.9%</b>
<b>Full Time Complement</b>	<b>27</b>	<b>26</b>	<b>29</b>	<b>29</b>				

**Revenues:** Increase due to user fee market competitive analysis increase, Theatre programming increase and annual CPI.

**Salaries and Benefits:** Decrease due to Bill 148 provisions for equal work for equal pay and two days emergency leave moved to Corporate, offset by increase due to collection agreements and cost of living adjustments (COLA).

**Professional Services:** Increase in Theatre professional entertainers services costs.



# CULTURE AND ECONOMIC DEVELOPMENT BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Create additional surveys to respond to our customers' needs	Conduct 4 surveys each year
	Maintain a high level of program participation & customer satisfaction	Continue to work on program initiatives with Markham Public Library & other departments at opportunities arise
	Align with City-wide customer experience strategy	Support implementation of customer experience strategy
1.2 Transforming Services through Technology and Innovation	Assist with the development and implementation of the Digital Markham technology roadmap	Support implementation of a new CRM/ACR system Focus procurement on greater diversity of IT providers
	Implement technology-based service delivery improvements	Support execution of the "multi-year technology roadmap" as per plan Manage and update contents of the department websites
	Use technology to support and enhance business practices	Support the implementation of the new registration/facility booking and POS software (CLASS)
	1.3 Strengthening Organizational Capacity and Effectiveness	Implement a corporate People Plan
Review and reassess individual work plans for full time staff		

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	Long-term Target Year
C: # of formal customer satisfaction surveys completed	1	2	3	2	3 per year	4 per year	2022
C: % extremely satisfied with summer camps	29.5%	37.8%	76.9%	27.9%	40%	40%	2021
C: % very satisfied with summer camps	52.5%	37.8%	21.2%	47.7%	40%	40%	2023
C: Average fill rates for community & camp programs	82%	73%	84.0%	81.9%	>80%	>82%	2021
C: Average corporate learning hours per employee	4.7	2.9	2.3	2	4	6	2021
C: Workload index from the staff satisfaction survey	45%	n/a	60%	n/a	60%	70%	2022
Healthy work environment from the staff satisfaction survey	69%	n/a	73.5%	n/a	70%	75%	2022
ED: Overall customer satisfaction rate (% very or extremely satisfied)	n/a	90%	86.6%	n/a	>35%	40%	2022
ED: Number of MSBC webpage views	35,511	32,572	36,642	26,303	>35,000	>36,000	2022
ED: Number of Economic Development webpage views	29,294	19,340			>25,000	>26,000	2022
Staff recognition rating	67.4%	N/A	70.6%	N/A	>65%	>67%	2022
Organizational Engagement	83.3%	N/A	82%	N/A	>80%	<83%	2022

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements & anticipating needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Engage business associations in the delivery of economic development programs	Involve business associations and educational institutions in the development and delivery of economic development programs
		Implement the appropriate community engagement tools
		Support the implementation of the Older Adult Strategy
		Support the standardization of older adult criteria (age 65)
2.2. Ensuring Markham is Welcoming and Inclusive	Ensure welcoming and inclusive spaces for the community	Implement new public art master plan
		Continue to build Markham's public art inventory
	Attract investment from new immigrant business owners and entrepreneurs	Support ethnic business associations
		Deliver targeted entrepreneurship training programs
	Celebrate diversity in Markham	Ensure all marketing plans address and engage diversity
		Planning and promotion for 2020 World Hakka convention
Planning and promotion for 2020 Ontario Heritage convention		
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Implement Department's Strategic and Business Unit Plans	Support development of York University campus
		Develop terms of reference for 2020-2030 Economic Strategy
		Implement entrepreneurship program at Yspace
	Approve and Implement the "Destination Markham" strategy	Establish Destination Markham organization with staff from other departments
	Ensure continued land inventory and built capacity for targeted employment growth	Promote development of new Innovation District
		Plan for new Culture & Innovation District
Promote preservation of strategic employment lands		

**Departmental Performance Measures in support of Goal**

	2014	2015	2016	2017	2019 Target	Long-term Target	Long-term Target Year
C: % extremely satisfied with staff ensuring a welcoming environment	37.5%	41.7%	46.6%	40.5%	41%	48%	2022
C: Number of public art installations per year	2	7	3	2	2	3	2022
C: Number of volunteer hours contributed annually	n/a	n/a	14,037	15,648	15,800	16,000	2020
ED: Number programs delivered in collaboration with business partners	90	n/a	n/a	n/a	85	90	2020
ED: Number sponsored events with ethnic business associations	8	n/a	n/a	n/a	8	9	2020
ED: Number targeted entrepreneurship training programs and events	38	50	49	59	40	40	2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing Growth in Markham	Ensure Culture keeps pace with City growth	Ensure new growth and intensification areas include public art
		Ensure Culture feeds into City strategies and plans
		Initiate development of metrics to measure economic impact of cultural activities for the community
		Pursue initiation of new Theatre feasibility study
		Support the Markham Centre Secondary Plan
3.2. Ensuring the Reliability of the Corporation's Services	Ensure continuity of operations in times of crisis affecting business units	Ensure departmental Business Continuity Plans are executable and current staff trained in implementation
		Strategic Plans in the department
		Implement the Flato Markham Theatre Strategic Plan and Brand Review
3.3. Protecting and Respecting our Built and Natural Environment	Act as a role model to fulfill the City's environmental and sustainability plan through partnerships and education	Implement the Museum Strategic Plan
		Approve and implement Varley 5 Year Strategic Plan
		Support Markham's net zero plan

**Departmental Performance Measures in support of Goal**

	2014	2015	2016	2017	2019 Target	Long-term Target	Long-term Target Year
ED: Number hectares of vacant employment lands	476	350	480	249	>500	>500	2020
ED: Total employment (jobs)	155,890	162,000	167,000	172,400	173,000	174,000	2020
ED: ICT employment (ICT)	31,879	30,632	31,016	31,652	32,000	33,000	2020
ED: Professional, scientific, technical employment (F-T jobs)	26,561	26,224	26,521	27,542	28,000	29,000	2020
ED: Finance and insurance employment (F-T jobs)	11,564	10,931	11,067	12,985	13,000	14,000	2020

ED: Life Sciences (jobs)	6,655	6,821	6,646	6,963	7,000	7,000	2020
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## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscal responsibility while providing engaging and enriching cultural opportunities	Support E3 Strategy
	Ensure that departmental services are delivered efficiently	Review business unit organizational plans
	Small business: evaluate and report on provincial financial audit	Report on contract performance
	Ensure services are delivered efficiently	Support HR with EPIC reporting and development project Support HR with implementation of new Learning Management System
4.2. Stewarding of the City's Assets	Improve access to collections	Make collections more accessible by continuing to digitize them and putting them online either as curated exhibitions or as an information database
4.3. Increasing Transparency and Accountability		Support the audits conducted by the Auditor General

### Departmental Performance Measures in support of Goal

	2014	2015	2016	2017	2019 Target	Long-term Target	Long-term Target Year
Annual revenue generated through grants, donations and sponsorships as a % of total operating revenue	13%	12%	10%	11%	13%	15%	2017

## CULTURE AND ECONOMIC DEVELOPMENT

### LONG-TERM BUSINESS PLAN

#### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Create additional customer service surveys to respond to our customers' needs	Undertake customer satisfaction surveys each year	2019-2021
1.2 Transforming Services through Technology and Innovation	N/A	N/A	
1.3 Strengthening Organizational Capacity and Effectiveness	Implement a corporate People Plan	Support development of knowledge transfer strategies	2019
	Increase staff satisfaction and engagement in the department	Participate in corporate staff satisfaction survey	2020
		Undertake improvement project arising from satisfaction survey	2019

#### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	N/A	N/A	
2.2. Ensuring Markham is Welcoming and Inclusive	Ensure welcoming and inclusive spaces for the community	Initiate RFP for new Culture Strategic Plan	2019
2.3. Promoting Markham as the Best Place in		Support the development of the York University campus	2019-2021

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
Canada to Invest and Locate Knowledge-based Industries	Implement Department's Strategic and Business Unit Plans	Initiate RFP for new 10-year Economic Strategy	2020

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	N/A	N/A	
3.2. Managing Growth in Markham	N/A	N/A	
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A	
3.4. Protecting and Respecting our Built and Natural Environment	Act as a role model to fulfill the City's environmental and sustainability plan through partnerships and education	Examine potential for public art installations in Rouge National Urban Park	2019-2021
		Examine opportunity to return First Nations' artefacts from Ottawa to Markham	2019-2021

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscal responsibility while providing engaging and enriching cultural opportunities	Develop metrics to measure economic impact of cultural activities for the community	2019-2021
		Support E3 Strategy	2019-2021
4.2 Stewarding of the City's Assets	N/A	N/A	
4.3 Increasing Transparency and Accountability		Support the audits conducted by the Auditor General	2019-2021



## ENGINEERING

### 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud. \$ Incr./Decr.)	% Change	2019 Bud. vs. 2018 Act. \$ Incr./Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$8,263	\$10,230	\$7,938	\$8,748	\$810	10.2%	(\$1,482)	-14.5%
RENTALS	2	0	0	0	0	0.0%	(0)	-100.0%
RECOVERIES & CONTRIBUTIONS	232	325	150	184	34	22.9%	(140)	-43.2%
<b>Total Revenues</b>	<b>\$8,497</b>	<b>\$10,555</b>	<b>\$8,088</b>	<b>\$8,933</b>	<b>\$845</b>	<b>10.4%</b>	<b>(\$1,622)</b>	<b>-15.4%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$4,656	\$5,334	\$5,306	\$5,514	\$208	3.9%	\$180	3.4%
PRINTING & OFFICE SUPPLIES	8	7	22	22	0	0.0%	14	194.8%
OPERATING MATERIALS & SUPPLIES	9	10	12	12	0	0.0%	1	12.7%
COMMUNICATIONS	18	18	22	22	0	0.0%	4	22.3%
TRAVEL EXPENSES	9	8	15	15	0	0.0%	7	79.4%
TRAINING	8	6	16	16	0	0.0%	10	154.1%
CONTRACTS SERVICES AGREEMENT	2,282	2,505	2,505	2,584	79	3.2%	79	3.2%
MAINT. & REPAIR - TIME & MATERIAL	0	0	1	1	0	0.0%	1	0.0%
RENTAL/LEASE	0	4	5	5	0	0.0%	1	28.4%
PROFESSIONAL SERVICES	14	10	19	19	0	0.0%	9	91.1%
LICENCES, PERMITS, FEES	20	28	32	32	0	0.0%	5	17.0%
CREDIT CARD SERVICE CHARGES	0	0	0	15	15	0.0%	15	0.0%
PROMOTION & ADVERTISING	0	1	2	2	0	0.0%	1	87.6%
OFFICE FURNISHING & EQUIPMENT	0	3	2	2	0	0.0%	(1)	-45.7%
OTHER EXPENDITURES	(1)	1	0	0	0	0.0%	(1)	-100.0%
<b>Total Expenses</b>	<b>\$7,023</b>	<b>\$7,935</b>	<b>\$7,957</b>	<b>\$8,259</b>	<b>\$302</b>	<b>3.8%</b>	<b>\$324</b>	<b>4.1%</b>
<b>Net Expenditures/(Revenues)</b>	<b>(\$1,474)</b>	<b>(\$2,620)</b>	<b>(\$131)</b>	<b>(\$674)</b>	<b>(\$543)</b>	<b>414.3%</b>	<b>\$1,947</b>	<b>-74.3%</b>
TRANSFERS TO RESERVE	1,474	2,620	131	674	543	414.5%	(1,947)	-74.3%
<b>Full Time Complement</b>	<b>41</b>	<b>38</b>	<b>44</b>	<b>44</b>				

#### Major changes in 2019 Budget from the 2018 Budget:

**User Fees & Service Charges:** Increase due to higher construction charges on capital projects and approved fee increases effective January 1, 2019.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to Reserves:** Represents a transfer of the budgeted surplus to Reserve in order to present a balanced budget.



## ENGINEERING BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Continue to develop improvements and find efficiencies to existing processes	Review and update process/workload balance and refine core business mandate. Prepare documentation for each section to align staff resources with workload.
		Monitor workload with available resources and prioritise projects and define deliverables. Continue to develop service level agreements to articulate expectation. Inform Executive Leadership Team (ELT) regarding planned deliverables when faced with unplanned priorities.
	Develop service level to provide timely communication to internal and external clients so that there is clear expectation and appropriate actions can be taken	Provide staff reports, briefing notes and email communication as appropriate to Council, ELT and Commissioner Office on Federal, Provincial, Regional and other municipal information that affects Markham.
		Develop guidelines and communication protocols for responding to enquiries from Councillors, businesses and members of the public.
1.2 Transforming Services through Technology and Innovation	Create new practices and enhance existing processes with new software technology	Monitor the implementation of ePLAN, AMANDA upgrade, Residential Infill Grading & Servicing (RIGS), eScribe, Customer Relationship Management (CRM), Eclipse, etc.
		In consultation with Planning & Urban Design, develop new assessment forecasting model through enhancing AMANDA.
	Support Digital Markham	Participate in the Digital Markham dialogue to create a digitally-enabled city.
1.3 Strengthening Organizational Capacity and Effectiveness	Undertake succession planning and talent management strategy	Identify and enhance talent through relevant training, and work with Human Resources on Peoples Plan
		Provide management training to management team and potential leaders
	Review department organization	Adjust department structure to align with strategic direction of Council, business function, and available resources

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target
# of formal customer satisfaction surveys completed		1	0	0		1 / 2 yrs
Average overall satisfaction or above for formal survey(s) completed (%)		85%	N/A	N/A		≥80%
Average extremely/very satisfied for formal survey(s) completed (%)		50%	N/A	N/A		≥35%
% of Planning applications processed in an agreed upon time frame	80%	80%	80%	85%		85%
% of Engineering submissions processed in service level time frame	95%	90%	85%	85%		85%
% of Site Plan and Subdivisions Agreements processed in an agreed upon time frame	90%	90%	85%	85%		85%
% of ACR cases completed within service level time frame	100%	100%	100%	100%		95%
% completion of capital projects (by \$)						85%
Recognition rating (from staff survey - %)	56.3		66.5			≥65
Staff Satisfaction rating (from staff survey - %)	71.5		73.5			≥80
Completion rate for performance management	100%	100%	100%	100%		100%
Average Corporate learning hours per full-time employee	4.4	3.7	3.5			20.0
Staff absenteeism (average # of days per employee)	3.3	7.3	3.9			≤8.4
Staff turnover rate	10%	2.5%	11.4			≤7.5%

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Increase community awareness of the role of the Department	Engage community on department's mandate through various avenues such as public information centres for capital projects, Cycling & Pedestrian Advisory Committee, special events (in cooperation with Corporate Communication, e.g. Active Transportation Expo, Bike to Work Week)  Raise profile of the department through City website and community activities, press releases, etc. in consultation with Corporate Communication.
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

### Strategic Objective

### Departmental Objective

### Departmental Action

2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries

N/A

Support investment and new businesses through: (a) timely application review, approval and implementation of development applications, (b) planning and construction of supporting infrastructure, while maintaining its role as an approval body

### Departmental Performance Measures in support of Goal

2014    2015    2016    2017    2018    Target

No. of hits on certain Engineering related webpage on City website ***	N/A	N/A	N/A	??	100	100 per site
No. of special events/public information initiated by Engineering Department ***	N/A	N/A	N/A	??	5	
No. of Engineering Department information distributed to public, other levels of government, other municipalities, other commissions	N/A	N/A	N/A	??	20	
*** New KPI for 2017 (e.g. Whistle Cessation, Class Environmental Assessment)						

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	Develop strategy to manage travel demand	Enhance the coordination of the City transportation initiatives and plans with Metrolinx, Ministry of Transportation, York Region, and adjacent municipalities
		Influence transportation policies and strategic directions of other jurisdictions to complement the growth of Markham
	Improve and expand transportation system to support growth (changing demographics, aging population)	<p>Develop plans and programs to promote sustainable transportation modes (e.g. parking strategy, active transportation network, education and awareness program)</p> <p>Report out and to make ELT and Council aware of shifting travel pattern and project future paradigm shift.</p>
3.2. Managing Growth in Markham	Influence growth pattern and community design to minimize infrastructure needs and long term management of asset	Implement the policies of the Official Plan and encourage development pattern that will reduce demand on municipal services.
		Monitor the impact of development policies/strategies on existing municipal services, e.g. second suites, intensification, mixed use.
		Conduct strategic servicing and transportation studies to determine infrastructure needs and phasing to support growth.
	Support the development of the Future Urban Area (FUA) and other Key Development Area (KDA) applications that meet City's objectives	<p>Prepare and continuously assess the effectiveness of long range infrastructure plans to support urban expansion and urban renewal and intensification</p> <p>Develop design criteria in consultation will other departments and approval authorities to balance infrastructure needs and level of service</p>
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A

3.4. Protecting and Respecting our Built and Natural Environment

Implement the Official Plan and the Greenprint, Sustainability Plan (2011)

Approve development applications and implement capital projects that align with City's environmental leadership, Provincial and conservation authority legislation, policies and guidelines.

Use construction techniques that minimize negative impact to the built and natural environment

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target
No. of studies, policy development, strategic directions that staff participate with other levels of governments, adjacent municipalities.	N/A	N/A	N/A			10
No. of OPA/Secondary Plan applications started	N/A	N/A	N/A			5
No. of Plan of Subdivision application started	19	4	13			10
No. of Site Plan Control application started	77	70	71			70
No. of Committee of Adjustment, Minor Variance, etc. started	193	191	249			30
No. of new policies, initiatives, policies, pilot projects, and other innovation started which relates to protection and respect of the built and natural environment ***	N/A	N/A	N/A			5
*** New KPI for 2017						

\*\*\* New KPI for 2017

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** *We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.*

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Implement all City's bylaw and policies on Expenditure Control, Procurement	Make staff aware of importance of expenditure control and procurement and provide training where necessary
4.2 Stewarding of the City's Assets	Minimize City's expenditure on infrastructure	Ensure design and construction of infrastructure consider life cycle costs and balance the vision of City building
4.3 Increasing Transparency and Accountability	Implement recommendations from Auditor General and best practices on transparency by having clear process	Make staff aware of the importance of transparency and accountability and implement internal fiscal control and best practices, and foster a culture of accountability

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2018	Target
Percentage of Departmental Revenue/Expenditure (Non-tax based)			92.1%			>95%
Percentage of final project amount /aggregate capital project tender award (not including contingency)						>90%

## ENGINEERING LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	<ul style="list-style-type: none"> <li>Quality of service provided by Department</li> </ul>	<ul style="list-style-type: none"> <li>Continue to undertake bi annual survey to clients re: performance of sections</li> </ul>	
	<ul style="list-style-type: none"> <li>Provide better communication to residents/businesses re: capital projects</li> </ul>	<ul style="list-style-type: none"> <li>Continue to implement recommendations to improve customer needs</li> </ul>	
1.2 Transforming Services through Technology and Innovation	<ul style="list-style-type: none"> <li>Streamline process and improve effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>Continue to implement E Plan in Engineering Department</li> </ul>	2019
1.3 Strengthening Organizational Capacity and Effectiveness	<ul style="list-style-type: none"> <li>Increase productivity and efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Adjust department structure and service levels as needed</li> </ul>	ongoing

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	<ul style="list-style-type: none"> <li>Seek broader public input into EA Studies to ensure public awareness</li> </ul>	<ul style="list-style-type: none"> <li>Continue to review and implement alternative means of public input</li> </ul>	2019
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate	N/A	<ul style="list-style-type: none"> <li>Continue to support the development of the York University campus</li> </ul>	2019 - 2020

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
Knowledge-based Industries			

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	N/A	<ul style="list-style-type: none"> <li>Support the E3 Strategy Refresh</li> </ul>	2019 - 2021
4.2 Stewarding of the City’s Assets		<ul style="list-style-type: none"> <li>Finalize DC by-law update for WH, ASDC, FUA, Airport, and Langstaff etc.</li> </ul>	2018 - 2019
4.3 Increasing Transparency and Accountability		<ul style="list-style-type: none"> <li>Incorporating Auditor General’s Recommendations</li> </ul>	2018 - 2019

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Undertake Parking Business Plan for Langstaff and Airport	• Implement Transportation Strategy and capital program	2019 - 2021
		• Implement Parking Business Plan for Langstaff and Airport	2019 - 2021
3.2. Managing Growth in Markham		• Implement Future Urban Area in North Markham and Secondary Plans	2018 - 2021
3.3. Ensuring the Reliability of the Corporation's Services		• Review and update Business Plan, continue as needed	Ongoing
3.4. Protecting and Respecting our Built and Natural Environment		• Continue to work with other departments to update Sustainability Community Design Criteria	2019
		• Continue to review and update the Business Continuity Plan as required	Ongoing





## PLANNING AND URBAN DESIGN 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change
<b>Revenues</b>								
USER FEES & SERVICE CHARGES	\$9,913	\$13,719	\$10,294	\$11,863	\$1,569	15.2%	(\$1,856)	-13.5%
<b>Total Revenues</b>	<b>\$9,913</b>	<b>\$13,719</b>	<b>\$10,294</b>	<b>\$11,863</b>	<b>\$1,569</b>	<b>15.2%</b>	<b>(\$1,856)</b>	<b>-13.5%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$5,265	\$5,499	\$6,851	\$35	(\$6,816)	-99.5%	(\$5,464)	-99.4%
PRINTING & OFFICE SUPPLIES	32	33	35	35	0	0.0%	2	5.2%
OPERATING MATERIALS & SUPPLIES	5	2	6	6	0	0.0%	3	155.5%
COMMUNICATIONS	9	7	12	12	0	0.0%	5	77.8%
TRAVEL EXPENSES	35	41	36	36	0	0.0%	(5)	-12.6%
TRAINING	9	22	15	15	0	0.0%	(7)	-33.1%
CONTRACTS SERVICES AGREEMENT	2,225	2,369	2,369	2,527	159	6.7%	159	6.7%
RENTAL/LEASE	0	0	1	1	0	0.0%	1	0.0%
PROFESSIONAL SERVICES	9	1	17	17	0	0.0%	16	2109.4%
LICENCES, PERMITS, FEES	42	46	41	41	0	0.0%	(5)	-10.0%
CREDIT CARD SERVICE CHARGES	7	4	5	20	15	300.0%	16	381.7%
PROMOTION & ADVERTISING	2	8	6	6	0	0.0%	(2)	-20.7%
OTHER EXPENDITURES	1	0	4	4	0	8.6%	4	4122.2%
<b>Total Expenses</b>	<b>\$7,640</b>	<b>\$8,031</b>	<b>\$9,396</b>	<b>\$2,754</b>	<b>(\$6,642)</b>	<b>-70.7%</b>	<b>(\$5,278)</b>	<b>-65.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>(\$2,273)</b>	<b>(\$5,688)</b>	<b>(\$898)</b>	<b>(\$9,110)</b>	<b>(\$8,211)</b>	<b>914.1%</b>	<b>(\$3,422)</b>	<b>60.2%</b>
TRANSFERS TO RESERVE	2,273	5,688	898	2,071	1,173	130.6%	(3,617)	-63.6%
<b>Full Time Complement</b>	<b>40</b>	<b>47</b>	<b>57</b>	<b>58</b>				

### Major changes in the 2019 Budget from the 2018 Budget:

**User Fees & Service Charges:** Increase due to approved fee increases effective January 1<sup>st</sup>, 2019 and a higher number of applications.

**Salaries and Benefits:** Increase due to one new position, collective agreements and cost of living adjustments (COLA).

**Contracts & Service Agreements:** Increase due to the annual adjustment of support costs charged from the City to the department.

**Transfers to/(draw from) Reserves:** Represents a transfer of the budgeted surplus to the Reserve in order to present a balanced budget.

## PLANNING AND DESIGN BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfactory customer service for internal and external clients	Revise the Public Meeting and public notice sign templates to be more resident/customer friendly
		Continue to implement recommendations arising from Customer Satisfaction Survey(s)
		Continue to support corporate Customer Experience Strategy
1.2 Transforming Services through Technology and Innovation	Use technology to assist in the application review and decision making process	Monitor and assist with the implementation of ePlan, AMANDA upgrade, eScribe, etc.
		In consultation with the Engineering Department, develop and implement new assessment forecasting model utilizing AMANDA
		Support and participate in Digital Markham dialogue to create a digitally-enabled city
1.3 Strengthening Organizational Capacity and Effectiveness	Undertake succession planning and talent management strategy	Identify and enhance talent through relevant training by engaging Human Resources as it relates to the People Plan
		Provide management training to managers as appropriate and develop potential leaders
	Review department organization	Identify potential areas for improvement within department and adjust the department structure to align with strategic direction of Council, business function and available resources
		To improve staff satisfaction

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	N/A	Update and improve public notification signs
		Implement the appropriate community engagement tools (eg. "Bang the Table" in Markham center)
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	Continue to support Corporate programs such as hiring and onboarding practices; translation services, etc.
		Update the Markham Home Buyers Guide
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Undertake appropriate Studies	Initiate Accessibility & Building Design Guidelines project to address the accessibility needs of Seniors and those with physical and mental challenges.
		Ensure an excellent urban experience in Markham
		Support the development of York University if funding becomes available in order to generate excitement in Downtown Markham
		Support the Corporate Public Art Program and continue to collect Public Art funds through the development process

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental	Departmental Action
3.1. Managing our Transportation and Road Network	N/A	Support implementation of Master Transportation Plan
3.2. Managing Growth in Markham	Support York Region's Official Plan Review including Municipal Comprehensive Review	Participate in several study components of York Region's Official Plan Review including Municipal Comprehensive Review
		Initiate Housing Strategy
		Participate in the update of the Integrated Leisure Master Plan

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental	Departmental Action
3.3. Ensuring the Reliability of the Corporation's Services	Update Secondary Plans	Markham Center, Cornell Center, Milliken Mills, Mount Joy
		Thornhill Heritage Center and Markham village Heritage Center Secondary Plans
	Develop a comprehensive Zoning By-law	Finalize comprehensive zoning by-law
	Improving Parks delivery	Continue the expedited parks delivery program for existing communities
	N/A	Implement Business Continuity Plan (BCP) for department including staff awareness and training
3.4. Protecting and Respecting our Built and Natural Environment	N/A	Update/implement BCP as required
		Initiate update of the City's Natural Heritage Inventory

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Ensure a Sustainable Funding Model is in place to fund operating budget for Department	Support the E3 strategy refresh
4.2. Stewarding of the City's Assets	N/A	N/A
4.3. Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General

### Departmental Performance Measures in Support of Goals

	2018	2019 Target	Long-term Target	LT Target Year
Percentage of Major Applications (OPA & Zoning) processed in agreed upon timeframes		85%	90%	2021
Percentage of Minor Applications (OPA & Zoning) processed in agreed upon timeframes		85%	90%	2021
Percentage of Site Plan applications processed in agreed upon time frames		85%	90%	2021
Percentage of parks construction projects completed in agreed upon timeframes		75%	85%	2021
Percentage of Capital Parks Design program approved for 2019 that is initiated in 2019		90%	100%	2020
Percentage of total items budgeted for 2019 that is initiated in 2019		90%	100%	2020

## PLANNING AND DESIGN LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Corporate Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align to City-wide Customer Experience Strategy and provide satisfactory customer service for internal and external clients	Customer satisfaction survey to determine impact of e-plan review	2019
		Continue to implement recommendations arising from Customer Satisfaction Survey(s)	2019 2020 2021
		Continue to support corporate Customer Experience Strategy	2019 2020 2021
1.2 Transforming Services through Technology and Innovation	Use technology to assist in the application review and decision making process		
1.3 Strengthening Organizational Capacity and Effectiveness	N/A	Undertake additional Corporate Improvement project identified from Staff Satisfaction Survey (if necessary)	2019 2020 2021

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	N/A	Continue to implement appropriate community engagement tools	2019 2020 2021
2.2. Ensuring Markham is Welcoming and Inclusive	N/A	N/A	

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Corporate Objective	Departmental Objective	Departmental Action	Year
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure an excellent Urban Experience in Markham	Support the development of York University	2019 2020 2021
		Support the Corporate Public Art Program	2019 2020 2021

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Road and Transportation System		Support implementation of Master Transportation Plan	2019 2020 2021
		3.2. Managing Growth in Markham	Advance the Future urban Area project in order to expedite development in North Markham
	Update Secondary Plans	Highway 404 North	2019
		Thornhill Heritage Center and Markham village Heritage Center	2019
		Buttonville Heritage Center	2020
	Develop a comprehensive Zoning by-law	Address appeals to comprehensive zoning by-law	2019
	Improving parks Delivery	Continue the expedited parks delivery program for existing communities initiated in 2015	2019 2020 2021

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Corporate Objective	Departmental Objective	Departmental Action	Year
3.3. Ensuring the Reliability of the Corporation's Services	N/A	N/A	
3.4. Protecting and Respecting our Built and Natural Environment	Manage private land encroachment into public lands	Complete Natural heritage Encroachment Brochure	2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Corporate Objective	Departmental Objective	Departmental Action	Year
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	N/A	Support the E3 strategy refresh	2019
			2020
			2021
4.2. Stewarding of City Assets	N/A	N/A	
4.3. Increasing Transparency and Accountability	N/A	Support the Audits conducted by the Auditor General	2019
			2020
			2021





## TRAFFIC OPERATIONS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
OTHER REVENUE	\$0	\$0	\$1	\$1	\$0	0.0%	\$1	0.0%
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1</b>	<b>\$1</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$1</b>	<b>0.0%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$434	\$471	\$433	\$588	\$155	35.7%	\$117	24.8%
TRAVEL EXPENSES	1	0	1	1	0	0.0%	1	0.0%
TRAINING	2	0	2	2	0	0.0%	2	0.0%
CONTRACTS SERVICES AGREEMENT	280	357	403	403	0	0.0%	46	13.0%
MAINT. & REPAIR - TIME & MATERIAL	3	3	5	5	0	0.0%	2	72.7%
PROFESSIONAL SERVICES	625	654	633	719	86	13.6%	65	9.9%
LICENCES, PERMITS, FEES	1	1	2	2	0	0.0%	0	4.8%
<b>Total Expenses</b>	<b>\$1,346</b>	<b>\$1,486</b>	<b>\$1,478</b>	<b>\$1,719</b>	<b>\$240</b>	<b>16.3%</b>	<b>\$233</b>	<b>15.7%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$1,346</b>	<b>\$1,486</b>	<b>\$1,477</b>	<b>\$1,718</b>	<b>\$240</b>	<b>16.3%</b>	<b>\$232</b>	<b>15.6%</b>
Full Time Complement	4	4	4	4				

### Major changes in the 2019 Budget from the 2018 Budget:

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Professional Services:** Increase due to contract escalation in school crossing guards.

## COMMUNITY AND FIRE SERVICES COMMISSION

The following summary provides an overview of the Commission, including a brief introduction, alignment to organizational direction, community impact, and an overview of each department that makes up the Community & Fire Services Commission.

### Introduction

“**Working with the community to make Markham a vibrant place to live, work and play,**” is the mission statement of the Community & Fire Services Commission. It is the largest in the organization in terms of budget, staffing complement, and the number of public-facing services and facilities operated. Services to the public are delivered by the following five departments, as coordinated by the Commissioner’s Office.

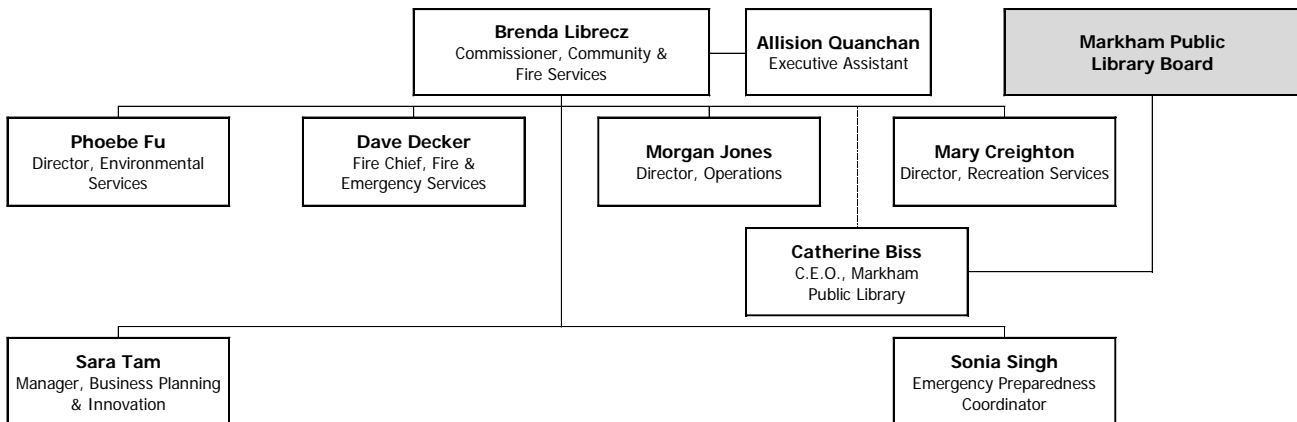
These departments include:

1. Environmental Services
2. Fire & Emergency Services
3. Markham Public Library
4. Operations
5. Recreation Services

Examples of services delivered to the public include drinking water, emergency preparedness, fire prevention and suppression, parks and forestry, public libraries, recreation programs and facilities, right-of-way assets management (e.g. bridges, culverts, and streetlights), roads and sidewalk maintenance, and waste and recycling collection.

The Commissioner’s Office is responsible for the overall coordination of business operations and strategic activities at the Commission level, emergency preparedness for the overall organization, special initiatives, and coordination with other Commissions.





The current organizational structure of the Commission is shown below.



In 2019, this Commission, which includes Waterworks, has an approved full-time complement of 693 positions, a gross operating expenditures budget of \$270.5 million, revenues budgeted at \$160.6 million, and a capital budget of \$65.1 million.

### Alignment to Organizational Direction

Our Commission takes on and participates in various initiatives across the organization. Below is a chart highlighting the corporate Strategic Plan goals and objectives for the 2015 to 2019 period.

Goal & Goal Statement	<b>Exceptional Services by Exceptional People</b> 	<b>Engaged, Diverse and Thriving City</b> 	<b>Safe and Sustainable Community</b> 	<b>Stewardship of Money and Resources</b> 
Objectives	We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.	We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community.  We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.	We will protect the public and respect the natural and built environment through excellence in sustainable community planning, infrastructure management, and programs.	We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.
	1.1 Improving Customer Service  1.2 Transforming Services through Technology and Innovation  1.3 Strengthening Organizational Capacity and Effectiveness	2.1 Increasing Community Engagement  2.2 Ensuring Markham is Welcoming and Inclusive  2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge Based Industries	3.1 Managing our Transportation and Road Network  3.2 Managing Growth in Markham  3.3 Ensuring the Reliability of the Corporation's Services  3.4 Protecting and Respecting our Built and Natural Environment	4.1 Ensuring a Fiscally Prudent and Efficient Municipality  4.2 Stewardship of the City's Assets  4.3 Increasing Transparency and Accountability

### Community Impact

The table below illustrates the amount of positive impact our work has on the community we serve.

## 2018 Commission Facts



Latest major leisure facility: Aaniin Community Centre, Library, and Park

- 9.2 million visits at **recreation facilities**
- 86,265 direct **recreation program registrations**
- 61,376 **sportsfield hours** permitted
- 49 provincial and above **sporting events** held
- 5.5 million physical and digital **library items** borrowed
- 5.5 million in-person and online **library visits**

- 36,096 **volunteer hours** generated by Recreation and Library programs, accounting for 75% of all hours logged on the corporate volunteer database
- 68,000 calls answered by **Fire dispatch**
- 7,561 responses to **Fire emergency incidents**
- 1,480 **school visits** to promote fire safety
- 1,477 **fire inspections**
- 299 **parks**, 181 **playgrounds**, and 189 km of **trails** maintained
- 89,746 **street trees**
- 2,087 lane km of **city roads** maintained
- 1,112 km of **sidewalk** maintained
- 900 city **fleet vehicles** maintained
- 65 **culverts** and **vehicular and pedestrian bridges** inspected and 15 rehabilitated
- 29.80 million cubic metres of **water consumed** (*business and residential accounts*)
- 83,784 tonnes of **waste, recycling, and organics collected** through residential curbside programs and only 15,192 tonnes (18%) was sent to landfill
- 82% curbside **waste diversion rate**

We aim to continuously improve our services and programs. As a result, our programs and management practices are recognized externally, benefitting those people who use our services and bringing distinction and prestige to the City of Markham.

## Departmental Overview

### Environmental Services

The Environmental Services Department was realigned in 2017, bringing together **Infrastructure**, **Waste & Environmental Management**, and **Waterworks**, as supported by the **Business Compliance** function.

**Infrastructure** is responsible for managing 81% of the City's right-of-way assets that includes water, wastewater, stormwater, bridges, culverts, and streetlights. These assets are valued at \$7.11 billion. Other responsibilities include conducting studies, such as Environmental Assessments (EA), and setting infrastructure programs, such as condition audits, replacements, and rehabilitations, to maximize the life of assets to minimize operating costs and risks while achieving service levels.



**Infrastructure** is made up of the following sections:

- Capital Planning Group is responsible for the planning of the City's capital works rehabilitation programs, including bridges, culverts, streetlights, water, wastewater, and storm sewer/ponds. It works closely with the Engineering and Operations Departments.
- Stormwater Group is responsible for the management of the City's Stormwater infrastructure, such as the rehabilitation and upgrades of existing storm sewers and the maintenance of storm management ponds.
- Water & Wastewater Group is responsible for the replacement, rehabilitation, and upgrade of the water and wastewater systems, as well as the water meters located inside private properties.

**Waste & Environmental Management** is responsible for the management of curbside pickup of household recyclables, garbage, organic waste, and yard waste. Other services include the operation of recycling depots, large appliances and metal pickup, special recycling programs, policy development, and public education programming. Markham is one of a handful of forward looking municipalities in Canada and around the world to move beyond recycling and adopt a sustainable Zero Waste approach to eliminate waste. In 2018, 82% of curbside waste was diverted from landfill.

**Waterworks** is responsible for the provision of safe drinking water for domestic and commercial use throughout Markham. This includes the regular sampling of the water distribution system to ensure the quality of the drinking water meets Provincial Standards, along with other programs that assure the integrity of the water quality and the water distribution system. Another important

service is the maintenance and emergency repair of the sanitary sewers collection system and related infrastructure up to the property line.

**Business Compliance** is responsible for ensuring the department is compliant with corporate financial procedures, legislative requirements for technical and health and safety training, and the Ministry of Environment, Conservation and Parks regulations for the Drinking Water Quality Management Standard.

### **Fire & Emergency Services**

The Fire & Emergency Services (MFES) Department has a mission to “*provide the highest level of life safety and property protection to those who live, work, or play in our community.*” MFES’ core functions are to provide high-quality and effective fire prevention, emergency, and fire safety services in a professional, sensitive and caring manner, supported by Training, Mechanical, Communications, and Administration divisions. Services are delivered from nine fire stations and an administrative office.



Fire Prevention is a key component in fire protection. Existing buildings in Markham are inspected on receipt of a request or complaint. Vulnerable sector occupancies are inspected annually to ensure they comply with provincial legislation. Fire Prevention Officers work with property owners to achieve compliance with fire regulations. Plans for new buildings are reviewed prior to construction to ensure they meet the most current fire regulations.

Approximately 68,000 incoming and outgoing emergency and non-emergency service requests were handled in the past year. MFES responded to 7,561 emergency situations and fires throughout Markham in 2018. Although there are many dangers associated with firefighting, MFES takes great pride in providing this vital service. In addition to fires, other emergencies include medical, motor vehicle collisions, remote alarms, and hazardous materials emergencies.

Along with Fire Prevention, Public Education is one of the most cost-effective and successful means of providing fire protection to Markham residents and businesses. MFES delivers its public education programs to Markham’s ethnically diverse community by offering materials in various languages and partnering with local media to get the message out. On average we provide over 1,480 school visits each year and attend in excess of 400 community events. Additionally, MFES actively supports the corporate Emergency Preparedness program.

### **Markham Public Library**

Markham Public Library (MPL) is responsible for the delivery of library services through eight branches and its website. Administratively, it reports to the Markham Public Library Board, and the Commissioner of Community & Fire Services. The Library’s Vision is to be “*the place where Markham comes together to imagine, create, learn and grow.*”



- ***Innovative Business Models*** – MPL provides exceptional library services through innovative business models that respond to resident needs and priorities, use resources efficiently, and maximize return on investment (ROI) for tax dollars. Through over 60 partnerships, the Library is able to deliver a broad range of educational programs to Markham residents. MPL is also a library sector leader in RFID-based self-service technology to improve customer service while enhancing efficient material flow. In 2018, 84% of borrowing transactions were completed by customers through self-service options.
- ***Welcoming Community Hubs*** – Markham’s library branches serve as welcoming community hubs, places of interaction, and social inclusion, designed to strengthen neighbourhoods, foster social connections, engage newcomers in community life, celebrate diversity, support local innovation and creativity, and advance Markham’s competitive position as an engaged, literate, and livable city.
- ***Education and Literacy Focus*** – MPL services, collections, and programs are focused on lifelong self-directed education and the development of critical 21st century literacies - early literacy, digital literacy, scientific and numerical literacy, civic literacy, health literacy, environmental literacy, and financial and economic literacy – as the basis of every individual’s ability to participate fully in the economy, their community, and wider society.
- ***Digital Literacy Mandate*** – Pursuant to the Digital Markham Strategy and the library’s mandate to serve as “Markham’s centre for excellence in digital literacy, MPL is strengthening its focus on digital literacy and STEAM (Science, Technology, Engineering, Arts, Mathematics) education. Delivering on this mandate includes an expanding curriculum of digital and STEAM educational programs for all ages; and inclusive public access to current technology (Internet, wifi, scanners and computers), and emerging technologies (such as 3D printing, graphic design hardware and software), along with the training services needed to develop digital skills.
- ***Award-Winning Library System*** – As one of the most innovative and most efficiently operated public libraries in Canada, MPL’s award-winning innovations include the C3™ - Customer Centred Classification system, the Learning Place business model for library programs, and the Customer Service Revolution initiative which won the 2014 Gold Award for Innovative Management from the Institute of Public Administration of Canada (IPAC) and the Minister of Culture’s Award for Innovation in 2015. In 2018, Library CEO Catherine Biss won

the WJ Robertson Medallion Award, which recognized her outstanding leadership in advancing MPL as a role model for excellence in public library service and innovation in Ontario.

**Operations**

The Operations Department is responsible for municipal roads, parks, and forestry services in the City of Markham, supported by Fleet & Supplies, Business & Technical Services, and Survey & Utilities.



- **Roads Division** is responsible for the maintenance of the City’s municipal road and **sidewalk** network. Activities include winter maintenance, complete road rehabilitation, localized asphalt and concrete repairs, and maintenance of traffic safety devices, such as signs and guide rails. Other services include supporting special events through road closures, temporary traffic control, road occupancy permitting, street sweeping, catch basin cleaning, and maintenance of the storm water ditches within the City’s road right-of-way.
- **Parks Division** is responsible for turf maintenance of parks and boulevards, urban forestry, and maintenance of park amenities such as play structures, sports field structures, irrigation systems, baseball diamonds, soccer fields, cricket and rugby pitches, and tennis courts. Other services include horticulture (flower and plant barrels, hanging baskets, park gardens and entrance features to the municipality), special events support, winter maintenance of parking lots, multi-use pathways, walkways of city-owned facilities, and monitoring of natural areas and valley lands.
- **Fleet & Supplies** is responsible for the maintenance, repair, acquisition, parts inventory management, and safe operation of the diverse municipal fleet and equipment assets, including Fire & Emergency vehicles and apparatus. City fleet is maintained and operated in a safe and cost effective manner through the development of equipment specifications, operator training programs, and repair and maintenance procedures and schedules that allow the user departments to safely and efficiently provide their various services.
- **Business & Technical Services** is responsible for the coordination and management of Operations’ administration and accounting, including budget management and accounting activities, and asset and life-cycle analysis. Business & Technical Services is also responsible for the Public Realm portfolio, which includes management of the City’s public space, the Parks Renaissance program, and the Tree Preservation program.
- **Survey & Utilities** is responsible for administration and coordination of utility approvals within the City’s right-of-ways, providing survey services to various internal departments, and maintaining the street lighting system.



## **Recreation Services**

The Recreation Services Department advocates for health and wellness, as well as creating a sense of community, belonging, and enjoyment.

The department is committed to improving the quality of life for Markham residents through the provision of quality leisure programming in well-maintained and welcoming municipal recreation facilities. Recreation Services deliver its programs and services through the following avenues:



- **Community Centres** – Through its 6 major community centres and 17 satellite facilities, Recreation Services is the proud provider of sport and leisure amenities to our community. Our state-of-the-art fitness centres, ice rinks, gymnasiums, and pools provide spaces for families to gather and for children and young people to develop important life skills. All of which aims to nurture a healthier and engaged community for now and into the future.
- **Leisure Programming** – In 2018, Recreation Services exceeded 10,000 program offerings for the community. Program offerings include, but are not limited to, leisure activities for all age groups, summer camps for children, swimming lessons and drop-in opportunities. Recreation Services also partnered with five local senior clubs, which deliver programming for 4,500 registered members. The department enhances its programming through creative partnerships with schools, parks, and other stakeholders.
- **Community Partnerships** – Recreation Services has established partnerships with over 100 minor sports organizations, community groups, and not-for-profit organizations. We work with our partners to provide indoor and outdoor facility rentals thus enabling our community organizations to deliver sports programming that benefits our Markham residents.
- **Sports Development** – The Markham Pan Am Centre is a multi-purpose sports facility for training, competition, and hosting of local, provincial, national, and international sports competitions. Approved by Markham Council in 2017, A Vision for Sport Development Strategy guides the development of our community sports network and aims to raise the profile of the city through sports tourism. Sports tourism is the fastest growing tourism sector and Markham has the capacity to host local, regional, provincial, national, and international events.
- **Volunteers** – Volunteers provide energy, new ideas, and talent and are a valuable resource in the delivery of our programs and events. It is a fundamental act of good citizenship, offering people of all ages a sense of community, confidence, and skills development. In 2018, volunteers contributed over 48,000 hours.

The Recreation Services Department extends beyond the walls of city-owned and operated facilities. The Community Hub at the Aaniin Community Centre and Library was established to help make the programs of local and regional community and social services organizations more



accessible to our residents. The Hub has partnered with over 25 organizations, including Markham Stouffville Hospital, Canadian Mental Health Association, Heartfulness Meditation, Senior Services Centre, YMCA Employment Services, The Housing Help Centre, and is continuing to grow.



## COMMUNITY AND FIRE SERVICES CONSOLIDATED (EXCLUDING WATERWORKS) 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
<b>Revenues</b>									
GRANTS AND SUBSIDIES	\$1,761	\$1,614	\$1,687	\$1,589	(98)	-102.3%	(25)	-1.4%	
LICENCES & PERMITS	148	156	215	295	80	37.1%	139	93.6%	
FINES	0	12	3	3	0	0.0%	(9)	0.0%	
USER FEES & SERVICE CHARGES	12,673	14,231	14,070	14,981	911	6.5%	750	5.9%	
RENTALS	7,749	8,580	8,907	9,089	182	2.0%	510	6.6%	
SALES	401	452	433	443	11	2.5%	(9)	-2.2%	
RECOVERIES & CONTRIBUTIONS	842	1,109	896	988	92	10.3%	(121)	-14.4%	
OTHER REVENUE	521	517	487	446	(41)	-8.5%	(71)	-13.6%	
INTER-DEPARTMENTAL RECOVERIE	814	889	889	889	0	0.0%	0	0.0%	
<b>Total Revenues</b>	<b>\$24,909</b>	<b>\$27,559</b>	<b>\$27,587</b>	<b>\$28,723</b>	<b>\$1,136</b>	<b>4.1%</b>	<b>\$1,164</b>	<b>4.7%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$79,449	\$88,457	\$87,867	\$91,583	\$3,716	4.2%	\$3,126	3.9%	
PRINTING & OFFICE SUPPLIES	166	186	173	170	(3)	-1.7%	(16)	-9.6%	
PURCHASES FOR RESALE	255	236	288	262	(26)	-9.0%	26	10.2%	
OPERATING MATERIALS & SUPPLIES	1,957	2,086	2,186	2,169	(17)	-0.8%	83	4.3%	
VEHICLE SUPPLIES	1,579	1,908	1,625	1,774	149	9.2%	(134)	-8.5%	
SMALL EQUIPMENT SUPPLIES	2	0	0	0	0	0.0%	0	0.0%	
BOTANICAL SUPPLIES	261	256	277	277	0	0.0%	21	8.0%	
CONSTRUCTION MATERIALS	2,011	1,827	1,890	1,942	52	2.7%	115	5.7%	
UTILITIES	6,525	6,931	7,595	7,212	(383)	-5.0%	281	4.3%	
COMMUNICATIONS	240	237	267	281	15	5.5%	45	18.5%	
TRAVEL EXPENSES	100	115	123	118	(6)	-4.5%	3	3.2%	
TRAINING	283	283	308	316	8	2.7%	33	11.7%	
CONTRACTS SERVICES AGREEMEN	9,563	10,615	11,575	11,973	398	3.4%	1,358	-14.2%	
MAINT. & REPAIR - TIME & MATERIAL	4,533	4,776	5,494	5,572	78	1.4%	796	-17.6%	
RENTAL/LEASE	523	509	529	559	29	5.6%	50	9.5%	
INSURANCE	12	12	13	13	0	0.0%	1	10.9%	
PROFESSIONAL SERVICES	148	182	173	172	(1)	-0.3%	(9)	6.2%	
LICENCES, PERMITS, FEES	487	479	487	530	43	8.8%	51	10.5%	
CREDIT CARD SERVICE CHARGES	303	353	243	343	100	41.1%	(9)	-3.1%	
PROMOTION & ADVERTISING	99	137	84	125	41	48.2%	(13)	-12.7%	
CONTRACTED MUNICIPAL SERVICE:	10,237	10,744	11,129	11,725	596	5.4%	981	9.6%	
OTHER PURCHASED SERVICES	856	856	856	963	107	12.6%	107	12.6%	
WRITE-OFFS	2	1	0	0	0	0.0%	(1)	-65.9%	
PMTS. TO CITIZENS/LOCAL GROUPS		61		45	45	0.0%	(16)	0.0%	
TRANSFERS TO RESERVES	614	601	437	437	0	0.0%	(163)	-26.6%	
OTHER EXPENDITURES	113	68	27	9	(19)	-67.5%	(59)	-52.7%	
<b>Total Expenses</b>	<b>\$120,318</b>	<b>\$131,914</b>	<b>\$133,648</b>	<b>\$138,572</b>	<b>\$4,923</b>	<b>3.7%</b>	<b>\$18,254</b>	<b>15.2%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$95,409</b>	<b>\$104,355</b>	<b>\$106,061</b>	<b>\$109,849</b>	<b>\$3,787</b>		<b>\$14,440</b>	<b>15.1%</b>	
<b>Full Time Complement</b>	<b>570</b>	<b>587</b>	<b>624</b>	<b>626</b>					

### Major changes in the 2019 Budget from the 2018 Budget:

**User Fees & Service Charges and Rentals:** Increase due to approved fee increases effective January 1<sup>st</sup>, 2019 and a higher number of applications.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Utilities:** Decrease due to favourable rate adjustments moved to Corporate

**Contracts & Service Agreements:** Increase due to the contract escalation, growth in Roads winter maintenance and Parks maintenance as well as outsourcing of the recycle depot operations.

**Contracted Municipal Services:** Increase mainly due to contract escalation.



## ENVIRONMENTAL ASSETS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change
<b>Expenses</b>								
SALARIES AND BENEFITS	\$849	\$790	\$860	\$898	\$38	4.4%	\$108	13.7%
PRINTING & OFFICE SUPPLIES	0	2	4	4	0	0.0%	3	167.1%
OPERATING MATERIALS & SUPPLIES	21	22	25	25	0	0.0%	4	16.2%
COMMUNICATIONS	4	3	4	4	0	0.0%	1	50.6%
TRAVEL EXPENSES	5	7	5	5	0	0.9%	(2)	-32.3%
TRAINING	1	7	4	4	0	0.0%	(3)	-36.0%
RENTAL/LEASE	0	0	2	2	0	0.0%	2	3813.0%
LICENCES, PERMITS, FEES	7	4	5	5	0	0.0%	2	44.0%
CREDIT CARD SERVICE CHARGES	1	1	0	0	(0)	0.0%	(1)	0.0%
OTHER PURCHASED SERVICES	0	0	0	25	25	0.0%	25	0.0%
<b>Total Expenses</b>	<b>\$887</b>	<b>\$836</b>	<b>\$910</b>	<b>\$973</b>	<b>\$63</b>	<b>6.9%</b>	<b>\$138</b>	<b>16.5%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$887</b>	<b>\$834</b>	<b>\$910</b>	<b>\$973</b>	<b>\$63</b>	<b>6.9%</b>	<b>\$139</b>	<b>16.7%</b>
<b>Full Time Complement</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>				

### Major changes in the 2019 Budget from the 2018 Budget

No significant changes.



## ENVIRONMENTAL SERVICES - WASTE 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
PROVINCIAL GRANTS & SUBSIDIES	\$1,286	\$1,251	\$1,356	\$1,297	(\$59)	-4.4%	\$46	3.7%
FEDERAL GRANTS & SUBSIDIES	4	0	0	0	0	0.0%	0	0.0%
USER FEES & SERVICE CHARGES	13	35	31	36	4	14.2%	1	3.2%
SALES	97	116	113	103	(10)	-8.5%	(12)	-10.8%
RECOVERIES & CONTRIBUTIONS	21	38	25	85	60	242.0%	47	124.4%
OTHER REVENUE	139	133	143	108	(35)	-24.3%	(25)	-19.0%
<b>Total Revenues</b>	<b>\$1,559</b>	<b>\$1,573</b>	<b>\$1,668</b>	<b>\$1,630</b>	<b>(\$39)</b>	<b>-2.3%</b>	<b>\$57</b>	<b>3.6%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$659	\$676	\$705	\$620	(\$85)	-12.0%	(\$56)	-8.3%
PRINTING & OFFICE SUPPLIES	5	9	5	6	0	5.8%	(4)	-39.2%
PURCHASES FOR RESALE	175	141	201	173	(29)	-14.2%	32	22.6%
OPERATING MATERIALS & SUPPLIES	107	120	125	120	(4)	-3.4%	0	0.2%
UTILITIES	3	2	4	4	0	0.0%	2	96.0%
COMMUNICATIONS	6	4	9	7	(2)	-23.1%	3	80.8%
TRAVEL EXPENSES	6	9	9	9	0	0.0%	(0)	-5.4%
TRAINING	0	0	0	0	(0)	-100.0%	0	0.0%
CONTRACTS SERVICES AGREEMENT	79	113	76	268	192	253.2%	155	136.6%
MAINT. & REPAIR - TIME & MATERIAL	5	8	12	12	(0)	-2.3%	4	51.8%
PROFESSIONAL SERVICES	17	10	30	22	(8)	-26.7%	12	111.0%
LICENCES, PERMITS, FEES	1	1	2	2	0	0.0%	1	52.3%
CREDIT CARD SERVICE CHARGES	4	5	4	4	0	0.0%	(1)	-23.1%
CONTRACTED MUNICIPAL SERVICES	7,996	8,452	8,394	9,356	962	11.5%	904	10.7%
OTHER PURCHASED SERVICES	42	42	42	25	(17)	-39.9%	(17)	-39.9%
<b>Total Expenses</b>	<b>\$9,105</b>	<b>\$9,594</b>	<b>\$9,618</b>	<b>\$10,629</b>	<b>\$1,011</b>	<b>10.5%</b>	<b>\$1,035</b>	<b>10.8%</b>
<b>Net Expenditures/(Revenues)</b>	<b>\$7,545</b>	<b>\$8,021</b>	<b>\$7,950</b>	<b>\$8,999</b>	<b>\$1,049</b>	<b>13.2%</b>	<b>\$978</b>	<b>12.2%</b>
<b>Full Time Complement</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>5</b>				

### Major changes in the 2019 Budget from the 2018 Budget

**Grants and Subsidies:** Lower waste management grants expected from Stewardship Ontario.

**Salaries and Benefits:** Reallocation of budget to Contracts Services Agreement

**Contracted Services Agreements:** Increase due to higher waste collection contract price and reallocation of budget from Salaries and Benefits.

**Contracted Municipal Services:** Increase due to higher waste collection contract price



## ENVIRONMENTAL SERVICES - WATERWORKS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.		
					\$ Incr./(Decr.)	% Change	\$ Incr./(Decr.)	% Change	
<b>Sales &amp; Purchase of Water Revenue</b>									
FINES/BILLINGS	\$111,284	\$121,383	\$130,221	\$130,507	\$287	0.2%	9,124	7.5%	
CONTRACTED MUNICIPAL SERVICES	(83,793)	(92,696)	(100,989)	(101,045)	(56)	0.1%	(8,349)	9.0%	
<b>Total Sales &amp; Purchase of Water Revenue</b>	<b>\$27,491</b>	<b>\$28,688</b>	<b>\$29,232</b>	<b>\$29,463</b>	<b>\$231</b>	<b>0.8%</b>	<b>\$775</b>	<b>2.7%</b>	
<b>Other Revenues</b>									
PROVINCIAL GRANTS & SUBSIDIES	\$0	\$8	\$0	\$0	\$0	0.0%	(\$8)	-100.0%	
USER FEES & SERVICE CHARGES	405	354	533	533	0	0.0%	179	50.6%	
RENTALS	0	0	0	0	0	0.0%	0	0.0%	
SALES	542	467	567	567	0	0.0%	100	21.5%	
RECOVERIES & CONTRIBUTIONS	371	292	300	300	0	0.0%	7	2.5%	
OTHER REVENUE	76	17	14	14	0	0.0%	(3)	-17.8%	
<b>Total Other Revenues</b>	<b>\$1,395</b>	<b>\$1,138</b>	<b>\$1,413</b>	<b>\$1,413</b>	<b>\$0</b>	<b>0.0%</b>	<b>275</b>	<b>24.2%</b>	
<b>Other Expenses</b>									
SALARIES AND BENEFITS	\$6,777	\$7,397	\$7,729	\$7,856	\$127	1.6%	\$459	6.2%	
PRINTING & OFFICE SUPPLIES	49	24	34	34	0	0.0%	9	38.0%	
OPERATING MATERIALS & SUPPLIES	113	96	246	248	2	0.9%	152	158.8%	
CONSTRUCTION MATERIALS	384	399	581	587	5	0.9%	188	47.0%	
UTILITIES	36	33	56	56	0	0.0%	23	69.6%	
COMMUNICATIONS	55	57	74	74	0	0.0%	18	30.9%	
TRAVEL EXPENSES	37	28	47	47	0	0.0%	19	67.8%	
TRAINING	60	70	60	60	0	0.0%	(9)	-13.0%	
CONTRACTS SERVICES AGREEMENT	2,647	2,862	3,368	3,248	(119)	-3.5%	386	13.5%	
MAINT. & REPAIR - TIME & MATERIAL	320	393	474	487	12	2.6%	94	23.8%	
RENTAL/LEASE	6	7	6	6	0	0.0%	(2)	-25.0%	
PROFESSIONAL SERVICES	52	79	117	117	0	0.0%	38	48.3%	
LICENCES, PERMITS, FEES	51	63	50	50	0	0.0%	(13)	-21.1%	
CREDIT CARD SERVICE CHARGES	2	2	1	1	0	0.0%	(1)	-33.4%	
OTHER PURCHASED SERVICES	2,492	2,517	2,517	2,720	203	8.1%	203	8.1%	
WRITE-OFFS	30	5	5	5	0	0.0%	0	0.0%	
<b>Total Other Expenses</b>	<b>\$13,110</b>	<b>\$14,032</b>	<b>\$15,365</b>	<b>\$15,595</b>	<b>\$231</b>	<b>1.5%</b>	<b>1,563</b>	<b>11.1%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>(\$15,776)</b>	<b>(\$15,794)</b>	<b>(\$15,281)</b>	<b>(\$15,281)</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$513</b>	<b>-3.2%</b>	
TRANSFERS TO/(DRAW FROM) RESERVES	\$15,776	\$15,794	\$15,281	\$15,281	\$0	0.0%			
<b>Full Time Complement</b>	<b>61</b>	<b>63</b>	<b>67</b>	<b>67</b>					

### Major changes in the 2019 Budget from the 2018 Budget

**Fines/Billings:** Increase in water sales through rate increase and volume adjustments

**Contracted Municipal Services:** Increase due to increase in waste tonnage due to growth and contract escalation.

**Salaries & Benefits:** Increase for collective agreements and cost of living adjustment (COLA)

**Contracts Services Agreements:** Reduction due to transferring CCTV inspections from operating to capital budget

**Other Purchased Services:** Increase for Waterworks indirect chargeback to supporting departments

## ENVIRONMENTAL SERVICES BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Ensure: 1. Timely response to customer inquiries 2. Appointments are on-time 3. Customers are treated with fairness and respect 4. Minimize the number and duration of service interruptions	Conduct one formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes
		Develop long-term waste collection contract strategy by Q2, 2019
		Determine Alectra Billing Service Contract strategy by Q2, 2019
1.2 Transforming Services through Technology and Innovation	Leverage technology, where necessary and feasible, to improve work flow, data capture, and decision-making	Support implementation of cross departmental IT projects (CRM/ACR system, E-Plan, Learning Management System)
		Initiate and lead implementation of Enterprise Asset Management System in Q1 2019
		Continue Customer Information System (CIS) implementation
		Investigate feasibility of Bulk Water on-line payments and integration into Portalogic software by Q4 2019
1.3 Strengthening Organizational Capacity and Effectiveness	Implement “Corporate People Plan”	Continue to undertake succession management and review/revise organizational structure to provide effective delivery of services
		Increase staff satisfaction and engagement within the department
		Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department
		Complete a Staff Satisfaction improvement project
		Continue implementation of protocol/procedure for knowledge transfer and to support staff retention

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of Formal Customer Satisfaction Surveys Completed	0	1	1	1		1 per year	2017
Overall rating on specific services surveys (informal door hangers, phone call follow-ups)	90%	91%	90%	97%	80%	80%	Current
Recognition Rating*	60%	N/A	59%	N/A	>=65%	>=65%	Current
Staff Satisfaction Rating*	75%	N/A	73%	N/A	>=80%	>=80%	Current
Healthy Work Environment Index from Staff Sat Survey <sup>1</sup>	69%	N/A	66%	N/A	70%	70%	Current
Organizational Engagement Index from Staff Sat Survey <sup>1</sup>	73%	-	70%	N/A	70%	70%	Current
# of Hours of Training per employee – HR data <sup>2</sup>	1.6	5.9	3.6	4.0	20	20	Current
# of Hours of Training per employee (Waterworks)	82.00	83.81	85.71	80.94	75	75.00	Current
Staff Absenteeism (average # of days per employee)	N/A	N/A	9.6	7.6	N/A	N/A	N/A
# of days lost due to injury	N/A	N/A	1	11	N/A	N/A	N/A

Note:

<sup>1</sup> - Data is generated every even year

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	To support community engagement initiatives	Pilot Fat, Oil, Grease (FOG) educational campaign in condominiums, by Q4, 2019, to reduce FOG impact on internal plumbing system and mitigate potential risks for flooding
		Participate in a 'pilot' of the City Neighbourhood Team initiative to foster community engagement and further social development outcomes
2.2 Ensuring Markham is Welcoming and Inclusive	Provide our services to the community, respecting the many cultures and demographic differences	Ensure services are communicated using a variety of approaches that meet the diverse needs of our residents
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	N/A





**Departmental Performance Measures in Support of Goal**

	2014	2015	2016	2017	2019 Target	Long- term Target	LT Target Year
# of community events attended	36	37	30	46	N/A	N/A	N/A
# of presentations conducted for children and adult students	19	50	109	84	N/A	N/A	N/A
# of residents enrolled in Assisted Recycling Collection	37	54	67	83	N/A	N/A	N/A
# of multi-res buildings receiving 3 stream collection	70	78	83	91	103	121	2022

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	Adopt Asset Management practices to manage City assets	Ensure implementation of Asset Management practices in managing City's water, wastewater, stormwater, structures, and streetlight network
3.2 Managing Growth in Markham	Manage Growth Impact on Service Delivery – provide input and review resources requirements to support future growth	Participate in Sustainable and Integrated Growth Management Projects, as required
		Support Future Urban Area project (ELT)
3.3 Ensuring the Reliability of the Corporation's Services	Involve in emergency preparedness corporately, as well as ensuring Business Continuity	Participate in Emergency Management Exercise and Training, as required
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation
	Provide quality drinking water and wastewater services to the residents and businesses in Markham that meet, if not exceed, legislative requirements	Ensure water and wastewater systems operates efficiently and maintained in compliance with DWQMS regulatory requirements
		Continue development of Waste Water Quality Management System
	Complete the Downspout Disconnection program and continue Backflow Prevention program	
	Develop adaptation plans for our infrastructure to respond to climate change and other risks	N/A
3.4 Protecting and Respecting our Built and Natural Environment	Provide opportunities for our residents to divert as much waste resources from landfill as possible	Pilot use of technology to increase multi-residential diversion
		Refresh "The Best of the Best" Diversion Strategy
	Manage Capital projects to improve City's infrastructure that minimizes City's risk	Continue with the Implementation of Flood Remediation Program in West Thornhill: a) Complete Phase 2C construction by Q4, 2019; b) Initiate Phase 2D implementation by Q2, 2019; c) Complete Phase 3 design by Q2, 2019; and d) Complete Phase 4 design by Q4, 2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
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		Complete Don Mills Channel EA Study by Q2, 2019
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Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of days Markham is under a partial or full Boil Water Advisory	0	0	0	0	0	0	Current
MOECC Inspection Rating	100%	100%	100%	93.5%	100%	100%	Current
# of water quality customer complaints / 1000 people served	0.77	0.91	0.90	0.94	N/A	N/A	N/A
# of Water main break per 100km of water main	3.05	4.14	2.71	1.86	<5	<5	Current
Waste diversion rate (Curbside and Depots)	81%	81%	80%	81%		80%	2016
# of waste depot visits ('000)	129	126	133	148	N/A	N/A	N/A
Reduction in Waste Generation (kg/capita)	N/A	66	64	64		60	2020

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
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4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage our Non-Revenue Water	Continue implementation of pilot area study for District Metering Area (DMA)
	Complete multi-year budget and identify E3 opportunities	Complete approved capital projects according to policy, namely annual project within the budget year, minor projects within 1 year of initiation, and major projects per project schedule
		Acquire and implement computer tablets, POS terminals and network connectivity at Waste Depots by Q3, 2019
		Complete park and facility water management analysis with recommendations by Q4, 2019
4.2 Stewarding of the City's Assets	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Complete life cycle reserve by Q2, 2019 and capital budget requests by Q3, 2019
		Complete Wastewater Assets Sufficiency Study by Q2, 2019

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
	Develop Asset Management Plans for city- owned assets that considers accountability, risk of ownership, and fiscal stewardship	Complete update to Corporate Asset Management Plan per legislative requirements by Q2, 2019
4.3 Increasing Transparency and Accountability	N/A	Participate in Auditor General Audit: Asset Management Practices

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Residential water consumption (litres/capita/day)	189	188	195	185		150	2040
Gross non-revenue water (% of volume)	10.4%	12.0%	11.0%	10.3%	<11.0%	<11.0%	Current
Cost to Provide Water Services/Population Served	\$128	\$144	\$147	\$140	N/A	N/A	N/A
Cost to Provide Wastewater Services/Population Served	\$124	\$141	\$153	\$154	N/A	N/A	N/A
Project Completion Rate – Right of Way	N/A	N/A	93%	91%	>=85%	>=85%	Current
Project Completion Rate – Waste and Waterworks	N/A	N/A	60%	100%		>=85%	2018

## ENVIRONMENTAL SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Ensure:	Undertake Service Planning to improve services and programs	Bi-Annual
	1. Timely response to customer inquiries	Conduct a formal customer satisfaction survey to measure and inform on the effectiveness of our services and processes	Annual
	2. Appointments are on-time		
	3. Customers are treated with fairness and respect	Support Corporate customer experience strategy	Multi-year
1.2 Transforming Services through Technology and Innovation	Leverage technology, where necessary and feasible, to improve work flow, data capture, and decision-making	Support implementation of cross departmental IT projects (CRM/ACR system, Enterprise Asset Management, E-Plan, Learning Management System, Capital Budget Tool)	2019
1.3 Strengthening Organizational Capacity and Effectiveness	Develop a supportive work environment that provides opportunities for employees to grow and contribute to the overall direction and directives of the Department	Address issues identified in the staff satisfaction survey	Annual
		Develop Succession Planning for Department	2019
		Continue knowledge transfer program	Multi-year

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	N/A	Implement Water Efficiency Strategy	2019
2.2 Ensuring Markham is Welcoming and Inclusive	Provide our services to the community, respecting the many cultures and demographic differences	Continue Multi-lingual Communication Service by providing key messages in multiple languages	Annual
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	N/A	

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	Adopt Asset Management practices to manage City assets	Ensure implementation of Asset Management practices in managing City's water, wastewater, stormwater, structures, and streetlight network	Annual
3.2 Managing Growth in Markham	Ensure adequate capacities in sewers and water mains and promote waste diversion to accommodate future needs	Support new FUA applications/implementation	Multi-year
3.3 Ensuring the Reliability of the Corporation's Services	Provide quality drinking water and wastewater services to the residents and businesses in	Ensure water and wastewater systems operates efficiently and maintained in compliance with DWQMS regulatory requirements	Annual

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
	Markham that meet, if not exceed, legislative requirements	Continue development of Waste Water Quality Management System	2019-2020
		Continue with the Downspout Disconnection program and Backflow prevention program	Annual
		Address potential opportunities to change water billing process and service provider as a result of PowerStream merger	2019-2020
	Develop mitigation plans for our infrastructure to respond to climate change and other risks	N/A	
3.4 Protecting and Respecting our Built and Natural Environment	Provide opportunities for our residents to divert as much waste resources from landfill as possible	Explore opportunities for provide carpet / mattress recycling, bulky material reuse	2019+
		Continue with implementation of West Thornhill Flood Remediation	Annual
		Initiate implementation of Don Mills Channel improvements	2019

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage our Non-Revenue Water	Continue monitoring of DMA Pilot Area	2019-2020
	Complete multi-year budget and identify E3 opportunities	Support E3 Strategy	2019
4.2 Stewarding of the City's Assets	Efficiently manage life cycle reserve, condition assessment, capital budget requests and databases	Complete life cycle sufficiency study for major wastewater assets	2019
	Develop Asset Management Plans for city- owned assets that considers accountability, risk of ownership, and fiscal stewardship	Participate in the Corporate Asset Management Plan Phase II	2019+
		Integration of applicable stormwater maintenance activities within Environmental Services Department	2019+
4.3 Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General	2019





## FIRE AND EMERGENCY SERVICES 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.	
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change
<b>Revenues</b>								
LICENCES & PERMITS	\$0	\$2	\$0	\$5	\$5	0.0%	\$3	213.9%
FINES	0	12	3	3	0	0.0%	(9)	-75.0%
USER FEES & SERVICE CHARGES	7	15	10	28	18	178.2%	13	90.2%
FEDERAL GRANTS & SUBSIDIES	0	0	0	0	0	0.0%	-	0.0%
SALES	(0)	0	0	0	0	0.0%	-	0.0%
RECOVERIES & CONTRIBUTIONS	266	314	315	315	0	0.0%	1	0.3%
OTHER REVENUE	31	23	36	36	0	0.0%	-	0.0%
<b>Total Revenues</b>	<b>\$303</b>	<b>\$365</b>	<b>\$364</b>	<b>\$387</b>	<b>\$23</b>	<b>6.3%</b>	<b>\$22</b>	<b>6.1%</b>
<b>Expenses</b>								
SALARIES AND BENEFITS	\$34,328	\$36,824	\$35,549	\$38,308	\$2,759	7.8%	\$1,484	4.0%
PRINTING & OFFICE SUPPLIES	13	15	19	16	(3)	-13.8%	2	11.5%
PURCHASES FOR RESALE	1	0	2	2	0	0.0%	2	400.0%
OPERATING MATERIALS & SUPPLIES	389	386	396	397	1	0.4%	12	3.1%
VEHICLE SUPPLIES	3	6	3	3	0	0.0%	(3)	-47.9%
UTILITIES	261	238	304	268	(36)	-11.8%	30	12.5%
COMMUNICATIONS	31	30	30	30	0	0.0%	(0)	-0.3%
TRAVEL EXPENSES	19	22	26	25	(1)	-2.3%	3	14.1%
TRAINING	18	19	29	31	2	5.9%	12	64.7%
CONTRACTS SERVICES AGREEMENT	35	68	70	71	1	2.0%	4	5.2%
MAINT. & REPAIR - TIME & MATERIAL	103	102	92	92	0	0.0%	(10)	-9.9%
RENTAL/LEASE	4	5	3	3	0	0.0%	(1)	-29.7%
PROFESSIONAL SERVICES	12	20	15	15	0	0.0%	(5)	-25.2%
LICENCES, PERMITS, FEES	4	5	5	5	0	0.0%	(0)	-0.4%
CREDIT CARD SERVICE CHARGES		1	0	0	0	0.0%	(1)	-100.0%
WRITE-OFFS		0	0	0	0	0.0%	-	0.0%
TRANSFERS TO OWN FUNDS	41	41	41	41	0	0.0%	-	0.0%
Total Expenses	\$35,262	\$37,781	\$36,584	\$39,308	\$2,724	7.4%	\$1,526	4.0%
<b>Net Expenditures/(Revenues)</b>	<b>\$34,958</b>	<b>\$37,416</b>	<b>\$36,219</b>	<b>\$38,920</b>	<b>\$2,701</b>	<b>7.5%</b>	<b>\$1,504</b>	<b>4.0%</b>
<b>Full Time Complement</b>	<b>259</b>	<b>268</b>	<b>278</b>	<b>278</b>				

### Major changes in the 2019 Budget from the 2018 Budget.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

# FIRE AND EMERGENCY SERVICES BUSINESS PLAN

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Provide exceptional customer service for internal and external clients and align with the Customer Experience Strategy	Support corporate customer experience strategy by updating service standards to align to Master Fire Plan and providing prescribed training to staff
		Develop Annual Training Plan, including mini plan to address specialized training and equipment, business case and options for Fire Training Centre, and pursuit of multi-jurisdictional response to technical rescue
1.2 Transforming Services through Technology and Innovation	Use technology in a manner that will increase productivity, meet customer requirements, generate performance data, and provide efficiencies in the duties we carry out on a daily basis	Implement E-Plan in the department in order to achieve integration of Amanda and pre-planning programs
		Continue to support ITS in its implementation of the 2018 ENROUTE dispatch software upgrade, which is essential to meet legislated requirements and monitor project management
		Provide scenario-based on-line fire simulation training program to all officers and firefighters following installation in 2018
1.3 Strengthening Organizational Capacity and Effectiveness	Improve staff engagement within the department to provide a healthy, safe workplace that reflects corporate initiatives/ policies and applicable legislations	Implement 2018 Staff Satisfaction Survey improvement by devising a protocol and using it to communicate the survey results to staff in the department that takes into account the unique nature of shift work and staff scheduling
		Provide an apprentice to ensure knowledge transfer from the current Fire Mechanical staff, with support from Human Resources (Succession Planning)
		Complete research and recommendations for firefighter training, including the potential opportunity for mobile training platform (props vs. fixed facility or hybrid)

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

### Strategic Objective

### Departmental Objective

### Departmental Action

Undertake research (Phase 1) to improve on firefighter turnout time, from receipt of call to resources responding

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-Term Target	LT Target Year
Overall customer satisfaction rating received for survey completed in the calendar year	N/A	100%	96%	-	75%	>90%	2023
Benchmark against National Fire Protection Association (NFPA) 1221 for Dispatch Processing Time (60 sec)	83%	85%	85%	87%	90%	90%	2020
Benchmark against National Fire Protection Association (NFPA 1710 for firefighter turn out time (80 seconds)	16%	16%	16%	21%	30%	90%	2020
Benchmark against National Fire Protection Association (NFPA) 1710 for 1 <sup>st</sup> Truck Travel Time (4 min)	58%	58%	59%	58%	65%	90%	2025
% of Fire Prevention & Public Education CARE requests meet established timelines of ≤5 days	100%	100%	100%	100%	100%	100%	2015
% of vulnerable occupancies inspections completed	100%	100%	100%	100%	100%	100%	2015

**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
<p>2.1 Increasing Community Engagement</p>	<p>Deliver programs that promote fire safety and healthy living to those that live, work and play in our community</p>	<p>Implement on-going assessment to ensure the outreach programs are meeting the needs of the community for the provision of fire safety education and healthy living</p> <hr/> <p>Support the Markham Fire Heritage Committee in the refurbishment of antique fire trucks and develop plan to build a heritage and education centre at Station 97 for a Heritage and Education Centre</p> <hr/> <p>Continue the regular assessments to evaluate community risk profile and provide programs that meet the needs of the residents</p> <hr/> <p>Expand social media platform and outreach</p> <hr/> <p>Continue to provide three Pre-recruitment Information sessions annually, as part of community-based outreach program, with support from Human Resources staff</p> <hr/> <p>Participate in a ‘pilot’ of the City Neighbourhood Team initiative to foster community engagement and further social development outcomes</p>
<p>2.2 Ensuring Markham is Welcoming and Inclusive</p>	<p>Deliver public education and prevention programs that are inclusive, accessible and provide enjoyable learning</p>	<p>Expand outreach to provide fire and life safety education by increasing attendance and presence at community events</p> <hr/> <p>Expand outreach to vulnerable and diverse groups of people, including the use of newly acquired kitchen fire safety props</p> <hr/> <p>Ongoing focus to remove barriers, advocate for inclusiveness and strive for a departmental workforce that reflects the community we serve</p> <hr/> <p>Adjust the School Program based on survey feedback in order to meet the fire prevention educational needs of young children</p>

2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure that Fire and Emergency Services remains a Corporate partner in all initiatives	N/A
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Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Annual Pre-Recruitment Information Sessions (community outreach)		-	1	2	3	3	2018
School Program Survey Response Rate		-	-	51%	60%	75%	2022
School Program Satisfaction Effectiveness Rating		-	-	75%	85%	90%	2020

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	Involve in existing and future road network planning and decisions that may affect fire access	Continue to leverage mapping technology to support evaluation of service delivery by providing response time simulations and data that reflect current and future road congestion on the transportation network
3.2 Managing Growth in Markham	Ensure facilities, programs, services, equipment and staff training are appropriate to the new urban form and keep pace with growth	<p>Identify priorities from the Master Fire Plan related to growth and risk mitigation. Seek approval from Council to move forward with second crew in Cornell by Q2, 2019</p> <p>Secure property for a Markham Centre Fire Station</p> <p>Continue to plan for future fire stations and property acquisition (FUA, Langstaff, South East Markham) in accordance to 2012 Council direction</p> <p>Support the advancement of the Corporate Emergency Preparedness program and provide staff to serve as Community Emergency Management Coordinators</p>
3.3 Ensuring the Reliability of the	Ensure business continuity of department and support community	Work with Sustainability & Asset Management and ITS to upgrade four

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
Corporation's Services	emergency preparedness and response efforts	stations to digital signage this year and the remainder in 2020
		Implement staff training and internal exercise of the department's Business Continuity Plan
	Adopt risk management principles	Implement recommendations from Master Fire Plan, Fire Underwriters Survey, and support on-going research, inventory and gap analysis relating to risks
		Publish, as required, by legislation a Community Risk Assessment outlining response time by area by Q2, 2019
3.4 Protecting and Respecting our Built and Natural Environment	Ensure continuity of operations while following Greenprint recommendations for fire stations, apparatus and equipment	Research, analyze hazards, and train for hazards, such as train derailment, ground cover firefighting, and off-road rescue
		Establish a contract with the Federal Government for fire protection and other emergency response requirements at Rouge National Park Lands

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
% Policy review completed every 4 years or less	-	-	20%	20%	25%	25%	2020
# of CEMC positions provided by Fire for EOC	3	3	2	2	3	3	2018
# of cumulative recommendations implemented/considered from the approved Master Fire Plan	15	18	32	32	34	42	2025
% of Master Fire Plan completed	34%	42%	76%	76%	80%	100%	2025
Community Risk Assessment Completed (Every 5 years commencing July 1, 2024)	-	-	-	-	1	5 yrs	2024
Internal MFES Business Continuity Exercise	-	-	-	-	1	2	2020

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Manage the increase in cost per capita of the Fire Service while maintaining the service levels	Support E3 Strategy and initiatives
		Review and benchmark operating service costs per capita
		Evaluate automatic aid response agreements for fire and technical rescue with the Town of Richmond Hill and the City of Vaughan
		Complete a study of shared communications centre with City of Vaughan and Town of Richmond Hill
4.2 Stewarding of the City's Assets	Monitor and evaluate departmental assets to ensure proactive management of asset condition and life cycle	Explore opportunities to collaborate and consult with other municipalities regarding procurement of equipment
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support Auditor General recommendations

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Project Completion Rate (*newly approved by Directors Forum in 2017)	-	-	-	-	90%	90%	2022
Average Annual Budget Variance (%) of all closed capital projects (actual vs. initial approved budget)	-	-	-	-	+5%	+5%	2022
Annual Cost per Capita (Operating)	-	\$96	\$93	\$96	\$107	\$147	2025

## FIRE AND EMERGENCY SERVICES LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Provide exceptional customer service for internal and external clients and align with the Customer Experience Strategy	Conduct customer satisfaction survey(s) in the designated Division(s)	2019-2021
1.2 Transforming Services through Technology and Innovation	Use technology in a manner that will increase productivity, meet customer requirements, generate performance data, and provide efficiencies in the duties we carry out on a daily basis	N/A	
1.3 Strengthening Organizational Capacity and Effectiveness	Improve staff engagement within the department to provide a healthy, safe workplace that reflects corporate initiatives/ policies and applicable legislations	Address issues identified in the staff satisfaction survey	2019-2021
		Continue with NFPA standards implementation of OFMEM certification for all staff positions	2019-2021
		Manage Standard Operating Procedure (SOP) Committee	2019-2021



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	On-going consideration of the Simplified Risk Assessment to identify public education opportunities, including programs and initiatives	Obtain and review available data, such as building stock and demographics	2019-2021
2.2 Ensuring Markham is Welcoming and Inclusive		Ensure that all fire facilities are barrier-free and accessible	2019-2021
		Remove barriers to inclusiveness and ensure departmental workforce reflect the community that it serves	2019-2021
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Seek out opportunities for partnerships	Support the development of York University campus	2019-2021
		Participate in the RFP for the new 10-year Economic Strategy	2019

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	Address the impacts of the existing and future transportation network on fire response time	Leverage mapping technology to support evaluation of service delivery by providing response time simulations and data that reflect current road congestions and future plans for the transportation network	2019-2021
3.2. Managing Growth in Markham	Ensure facilities, programs, services, equipment and staff training are appropriate to the new urban form and keep pace with growth	Implement specialized training plan, e.g. special trench and confined space rescue	2019-2021
		Design, construct, and operationalize Markham Centre Fire Station	2019-2021
		Operationalize long-term training plan and related facilities	2019-2021
		Construct and operationalize Langstaff Fire Station	2020-2021
		Continue with planning for Future Urban Area (FUA) station	2019-2021
3.3. Ensuring the Reliability of the Corporation's Services	Ensure business continuity of department and support community emergency preparedness and response efforts	N/A	
		Adopt risk management principles	Implement recommendations from Master Fire Plan, Fire Underwriters Survey, and support research inventory and gap analysis relating to risk mitigation plans
3.4. Protecting and Respecting our Built and Natural Environment	Ensure that adequate services are identified to protect natural environmental areas	Evaluate requirements for ground fire protection and suppression activities	2019-2021
		Evaluate requirements for "off road" rescue capacity	2019-2021

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain or reduce the cost per capita of the Fire Service while maintaining the service levels	Support E3 Strategy	2019-2021
		Evaluate automatic aid response agreements for fire and technical rescue	2019-2021
4.2 Stewarding of the City's Assets	Monitor and evaluate departmental assets to ensure proactive management of asset condition and life cycle	Explore opportunities to share specialised equipment between municipalities	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial policies and Auditor General recommendations	Support the audits conducted by the Auditor General	2019-2021
		Review and take into consideration all fire-related Coroner's Inquest recommendations	2019-2021
		Review published inquest findings and adjust practices, as appropriate	2019-2021



## MARKHAM PUBLIC LIBRARY 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.		
					\$ Incr./Decr.)	% Change	\$ Incr./Decr.)	% Change	
<b>Revenues</b>									
PROVINCIAL GRANTS & SUBSIDIES	\$260	\$266	\$229	\$229	\$0	0.0%	(\$37)		
FEDERAL GRANTS & SUBSIDIES	33	42	0	0	0	0.0%	(42)	-100.0%	
USER FEES & SERVICE CHARGES	615	704	723	748	25	3.5%	44	6.3%	
RENTALS	62	50	50	53	3	6.4%	3	5.1%	
SALES	98	105	86	103	17	19.2%	(2)	-1.9%	
RECOVERIES & CONTRIBUTIONS	0	7	0	0	0	0.0%	(7)	-100.0%	
<b>Total Revenues</b>	<b>\$1,067</b>	<b>\$1,174</b>	<b>\$1,087</b>	<b>\$1,132</b>	<b>\$45</b>	<b>4.1%</b>	<b>(\$42)</b>	<b>-3.5%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$10,185	\$12,006	\$11,858	\$12,452	\$594	5.0%	\$446		
PRINTING & OFFICE SUPPLIES	38	35	38	39	1	2.1%	4	11.8%	
OPERATING MATERIALS & SUPPLIES	128	160	132	112	(20)	-15.1%	(48)	-29.8%	
UTILITIES	164	171	176	166	(10)	-5.7%	(5)	-3.1%	
COMMUNICATIONS	90	103	103	121	18	17.6%	18	17.3%	
TRAVEL EXPENSES	41	45	44	44	0	0.0%	(1)	-3.2%	
TRAINING	80	65	57	56	(1)	-1.8%	(9)	-14.5%	
CONTRACTS SERVICES AGREEMENT	192	287	323	240	(83)	-25.6%	(47)	-16.2%	
MAINT. & REPAIR - TIME & MATERIAL	247	225	231	221	(10)	-4.3%	(4)	-1.7%	
RENTAL/LEASE	17	18	15	19	4	23.7%	1	6.7%	
INSURANCE	12	12	12	12	0	0.0%	-	0.0%	
PROFESSIONAL SERVICES	73	116	52	52	0	0.6%	(64)	-55.0%	
LICENCES, PERMITS, FEES	15	12	14	14	0	0.7%	2	17.4%	
CREDIT CARD SERVICE CHARGES	6	6	7	7	0	0.0%	0	1.9%	
PROMOTION & ADVERTISING	36	28	33	33	0	0.0%	5	17.3%	
OTHER PURCHASED SERVICES	814	814	814	913	99	12.2%	99	12.2%	
OTHER EXPENDITURES	9	13	(20)	9	29	-146.0%	(4)	-30.3%	
<b>Total Expenses</b>	<b>\$12,147</b>	<b>\$14,117</b>	<b>\$13,889</b>	<b>\$14,511</b>	<b>\$621</b>	<b>4.5%</b>	<b>\$393</b>	<b>2.8%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$11,080</b>	<b>\$12,943</b>	<b>\$12,802</b>	<b>\$13,378</b>	<b>\$576</b>	<b>4.5%</b>	<b>\$435</b>	<b>3.4%</b>	
<b>Full Time Complement</b>	<b>68</b>	<b>68</b>	<b>78</b>	<b>78</b>					

### Major changes in the 2019 Budget from the 2018 Budget.

**Salaries and Benefits:** Increase due to collective agreements and cost of living adjustments (COLA).

**Contracts Services Agreement:** Decrease due to budget reallocation of Aaniin Occupancy Costs to Other Purchased Services

**Other Purchased Services:** Increase due to budget reallocation of Aaniin Occupancy Costs to Other Purchased Services

## MARKHAM PUBLIC LIBRARY BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	
1.1 Improving Customer Service	Ensure customer satisfaction and requirements are incorporated into our services and programs	Undertake online strategic check-in survey and develop service improvement plans based on results, as part of new departmental Strategic Plan	
		Complete survey of Aaniin Library customers to evaluate success and impacts of new services	
		Support Commission priority to improve service outcomes through continuous improvement	
1.2 Transforming Services through Technology and Innovation	Support development of “multi-year technology roadmap” by being involved in the digitization project	Support implementation of Legend, the replacement registration/room booking software, to improve customer service, metrics, and reporting functions and conduct staff training on this new software	
		Support implementation of new CRM/ ACR system	
	Transform business processes through IT solutions	Maintain portal content	
		Implement corporate Learning Management System (LMS) replacement for library staff in-person and online learning activities	
	Increase and improve online services		Develop and launch online education modules, MPL Edu, for Library Board to ensue consistent orientation and training on governance and related matters
			Implement online library card registration
Develop new Library website, Biblioweb, to complement Library portal presence and support multiple service channels			
		Train staff to support the federal Connecting Families initiative	

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.3 Strengthening Organizational Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Support Commission priority to build a workforce of the future.
	Ensure there is a departmental culture that values staff satisfaction and engagement	Address issues identified in the 2018 Staff Satisfaction Survey, i.e. Staff Communications Improvement Project

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of formal customer satisfaction surveys <sup>1</sup> completed	0	0	1	0	0	1 per year	2018
Overall customer satisfaction <sup>2</sup>	8.2	8.1	8.7	8.7	8.8	9.0	2018
% of checkout through self-service	83%	84%	84%	84%	84%	90%	2018
Email notifications sent ('000)	224	250	270	562 <sup>3</sup>	600	700	2018
Healthy Work Environment Index from Staff Satisfaction Survey <sup>3</sup>	68%	N/A	66%	N/A		70%	2018
# of learning hours per FTE	19.4	5.7	17.7 <sup>3</sup>	17.3	18	20	2018
Staff Satisfaction: Training <sup>4</sup>	72%	N/A	72%	N/A		75%	2018
Staff Satisfaction: Individual Recognition & Reward <sup>4</sup>	62%	N/A	58%	N/A		65%	2018
Staff Satisfaction: Organizational Engagement <sup>4</sup>	72%	N/A	68%	N/A		75%	2018

Notes:

- <sup>1</sup> Customer satisfaction surveys are run continuously through Counting Opinions, an online survey tool that provides a continuous real-time stream of customer satisfaction data regarding all aspects of library services.
- <sup>2</sup> Data provided by Counting Opinions.
- <sup>3</sup> New categories of email notification were added in 2017.
- <sup>4</sup> Data is generated every even year
- <sup>5</sup> Includes 2.5 hours per FTE through Markham Learn Centre.

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
	Deliver services that engage residents in the	Support Commission priority to foster a connected community

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1 Increasing Community Engagement	advancement of literacies (reading, numeracy, digital, media and civic), educational achievement, and workforce skills	Support and promote City's new engagement tool: YourVoiceMarkham.ca
		Participate in a 'pilot' of the City Neighbourhood Team initiative to foster community engagement and further social development outcomes
2.2 Ensuring Markham is Welcoming and Inclusive	Deliver library services and spaces that are inclusive, accessible, and safe, to build community identity, interaction and cohesion	Complete the Integrated Leisure Master Plan Update and commence implementation
		Implement recommendations of the City Older Adult Strategy.
		Support York Region's Connecting People to Services project
		Develop inclusion strategy/framework for how diversity and inclusion are promoted and celebrated
		Continue to develop the Markham Brain Project, promoting brain health and dementia prevention
		Implement recommendations from MPL Accessibility Plan on leadership, communications, training, employment practices, good and services, physical spaces and policies
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Contribute to the economic vitality of Markham through workforce development and digital literacy	Continue to support recommendations of Markham 2020: Economic Strategy
		Partner with Seneca College and York University to deliver speaker series and community engagement opportunities for Markham residents

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
	education for all residents	Participate in the sector's Bridge Project (beta phase) to measure effectiveness of library digital services Launch new Digital Media Lab at Angus Glen Library Host a collaborative design session in a hub and allow the community to help optimize the design of the next collaborative hubs Continue to expand digital STEAM (Science Technology Engineering Art Math) curriculum and courses across all library branches to develop digital literacy for Markham's workforce
	Support Destination Markham strategy	Support implementation of the Destination Markham Strategy

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of volunteer Hours	10,020	14,000	13,000	11,090	12,000	15,000	2022
# of partnered programs and events	176	295	1,458	N/A	TBD	2,000	2019
# of Cultural Access Passes issued to new Canadians <sup>2</sup>	2,936	2,762	1,535 <sup>1</sup>	N/A	N/A	3,000	2018

<sup>1</sup> ICC (institute for Canadian Citizenship) advises that registration is down across the country in 2016 as fewer new citizens were sworn in 2016. Markham numbers are similar to other pick up locations across Canada. Markham is still considered a high volume pick up location. ICC expects citizenship #s to bounce back in 2018 with new legislation regarding citizenship expected to pass this fall.

<sup>2</sup> In 2019 ICC is moving to a new model for the passes which will allow new Canadians to download a pass to their smartphone. They will not need to come into the library for the pass. Library will continue to be a place where people can come and get a print pass if desired or if they don't have a smartphone.



### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1 Managing our Transportation and Road Network	N/A	N/A
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Participate in projects as required through Development Services consultation process.
		Support planning for community facilities in North Markham District, Leitchcroft, Langstaff, Milliken Centre, other Areas of Intensification, and other growth areas
3.3 Ensuring the Reliability of the Corporation's Services	Support Business Continuity Plan	Support mitigation plans for corporate infrastructure to respond to climate change and other risks
		Ensure departmental Business Continuity Plan is executable and current and staff are trained in its implementation
	Adopt Risk Management framework	Implement Enterprise Risk Management (ERM) monitoring reports and Key Risk Indicators (KRIs) for the Markham Public Library
3.4 Protecting and Respecting our Built and Natural Environment	N/A	N/A

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Sq.ft. of library space per capita	0.45	0.44	0.43	0.46	0.45	0.60	TBD
Key Risk Indicators (TBD)	N/A	N/A	N/A	TBD	TBD	TBD	TBD

## GOAL 4 - Stewardship

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Support the multi-year Operating and Capital Budgets process to provide accessible and affordable library services that are fiscally responsible	Investigate Open+, a software solution for enhancing public access to library space while minimizing operational costs
		Complete procurement of next content vendor to deliver content cost-effectively and provide future flexibility to adapt to changing customer needs and priorities
		Identify, where practical, enhanced and/or alternative revenue opportunities that can help to offset the tax rate
		Support E3 Strategy
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities	Support Commission priority to deliver sustainable infrastructure
		Ensure lifecycle projects are identified and managed effectively, and meet completion rate targets
		Complete lifecycle replacement of user computers and operating system upgrade.
4.3 Increasing Transparency and Accountability	Comply with all financial policies	Support the audits conducted by the Auditor General
		Continue to clarify roles, relationships, rights and responsibilities at City and Library Administrative levels.

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
% completion of capital projects (Finance data)	N/A	N/A	N/A	N/A	100%	100%	TBD

## MARKHAM PUBLIC LIBRARY LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental	Departmental Action	Year
1.1 Improving Customer Service	Ensure customer satisfaction and requirements are incorporated into our services and programs	Undertake customer satisfaction/ strategic check-in surveys and develop improvement plan based on results	2019 2021
		Conduct post-occupancy survey of Aaniin Library customers to evaluate success and impacts of new services (e.g. digital collaboration hub).	2019
		Implement Content Plan improvements– digital hotspots for households in priority neighbourhoods	2019
		Update service models and standards for all service areas	2020
1.2 Transforming Services through Technology and Innovation	Support development of “multi-year technology roadmap” by being involved in the digitization project	Support implementation of new CRM/ ACR system	2019-2021
		Continue to support the implementation of the new program registration system	2019-2020
		Implement Corporate Content Management System (CMS) for public EIB/Displays at all library facilities for coordinated communication	2019
	Transform business processes through IT solutions	Replace Point of Sale (POS) cashiering system, including online (ITS project)	2019
		Execute priorities from the updated Digital Services Roadmap	2019-2021
Increase and improve online services	Continue to implement Library IT service improvements	2019-2021	

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental	Departmental Action	Year
1.3 Strengthening Organizational Capacity and Effectiveness	Develop departmental plan to align to the Corporate People Plan	Address issues identified in the staff satisfaction survey	2019-2021
		Support the People Plan Implementation	2019-2021
	Ensure there is a departmental culture that values staff satisfaction and engagement	Undertake staff survey improvement projects	2019-2021

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental	Departmental Action	Year
2.1. Increasing Community Engagement	Deliver services that engage residents in the advancement of literacies (reading, numeracy, digital, media and civic), educational achievement, and workforce skills	Implement recommendations of the updated Integrated Leisure Master Plan	2019-2021
		Content Strategy: Increase visibility of local authors in library branches and online to advance Markham as a destination for creative and cultural expression and inspiration	2019-2021
2.2. Ensuring Markham is Welcoming and Inclusive	Deliver library services and spaces that are inclusive, accessible, and safe, to build community identity, interaction and cohesion	Implement recommendations of the City and Library Older Adult Strategies	2019-2021
		Expand library services to homebound / socially isolated seniors.	2019-2021
		Improve access to library resources for the print-disabled.	2019-2021

**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental	Departmental Action	Year
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Contribute to the economic vitality of Markham through workforce development and digital literacy education for all residents	Support recommendations of the new 10-year Economic Strategy	2019-2021
		Support the development of the York University campus and community engagement plan	2019-2021
		Implement the multi-year recommendations of the Digital Markham Strategy regarding “the library as a centre of excellence for digital literacy”	2019-2021
		Expand Digital curriculum and courses (STEAM) across all library branches to improve develop digital literacy for Markham’s workforce	2019-2021
		Host a collaborative design session in a hub and allow the community to help optimize the design of the next collaborative hubs	2019
		Support implementation of Destination Markham Strategy	2019-2021

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	N/A	N/A	
3.2 Managing Growth in Markham	Participate in all Growth Management projects	Participate in projects as required through Development Services consultation process to strengthen Markham's position as a place that attracts and retains investment and talent	2019-2021
3.3 Ensuring the Reliability of the Corporation's Services	Support Business Continuity Plan	Support mitigation plans for corporate infrastructure to respond to climate change and other risks	2019-2021
		Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation	2019-2021
3.4 Protecting and Respecting our Built and Natural Environment	N/A	N/A	

**GOAL 4 - Stewardship of Money and Resources**

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Support the multi-year Operating and Capital Budgets process to provide accessible and affordable library services that are fiscally responsible	Support E3 Strategy	2019-2021
		Continue to judiciously execute lifecycle projects and operating budgets to provide facilities that enhance a strong sense of community, belonging, attachment, and civic pride	2019-2021
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities	Continue to judiciously execute lifecycle projects and operating budgets to provide facilities that enhance a strong sense of community, a sense of belonging, attachment, and civic pride	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial policies	Continue to clarify roles, relationships, rights and responsibilities at City and Library Administrative levels	2019-2021



## OPERATIONS 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.		
					\$ Incr./ (Decr.)	% Change	\$ Incr./ (Decr.)	% Change	
<b>Revenues</b>									
PROVINCIAL GRANTS & SUBSIDIES	\$16	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
LICENCES & PERMITS	147	154	215	290	75	34.9%	136	87.7%	
USER FEES & SERVICE CHARGES	139	231	196	216	20	10.2%	(15)	-6.4%	
RENTALS	357	582	520	557	37	7.1%	(25)	-4.2%	
SALES	81	90	86	86	0	0.0%	(4)	-4.6%	
RECOVERIES & CONTRIBUTIONS	490	529	491	523	32	6.4%	(6)	-1.1%	
OTHER REVENUE	3	0	11	0	(11)	-100.0%	-	0.0%	
<b>Total Revenues</b>	<b>\$1,232</b>	<b>\$1,586</b>	<b>\$1,519</b>	<b>\$1,672</b>	<b>\$152</b>	<b>10.0%</b>	<b>\$86</b>	<b>5.4%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$13,693	\$14,786	\$15,301	\$15,816	\$515	3.4%	\$1,029	7.0%	
PRINTING & OFFICE SUPPLIES	19	27	23	26	3	11.1%	(2)	-6.1%	
OPERATING MATERIALS & SUPPLIES	210	233	199	209	10	5.0%	(24)	-10.3%	
VEHICLE SUPPLIES	1,546	1,873	1,589	1,738	149	9.4%	(134)	-7.2%	
SMALL EQUIPMENT SUPPLIES	2	0	0	0	0	0.0%	-	0.0%	
BOTANICAL SUPPLIES	261	256	277	277	0	0.0%	21	8.2%	
CONSTRUCTION MATERIALS	2,011	1,827	1,890	1,942	52	2.7%	115	6.3%	
UTILITIES	321	306	224	213	(12)	-5.2%	(94)	-30.6%	
COMMUNICATIONS	61	47	60	61	1	1.8%	14	30.8%	
TRAVEL EXPENSES	10	16	16	16	0	0.0%	(0)	-1.4%	
TRAINING	42	50	53	53	0	0.0%	3	6.4%	
CONTRACTS SERVICES AGREEMENT	7,949	8,825	9,642	9,868	226	2.3%	1,043	11.8%	
MAINT. & REPAIR - TIME & MATERIAL	2,708	2,813	3,582	3,625	42	1.2%	812	28.9%	
RENTAL/LEASE	350	345	350	370	20	5.7%	26	7.5%	
PROFESSIONAL SERVICES	15	9	9	16	7	75.2%	7	72.8%	
LICENCES, PERMITS, FEES	395	384	400	442	42	10.5%	58	15.2%	
CREDIT CARD SERVICE CHARGES	0	3	0	0	0	0.0%	(3)	-98.7%	
PROMOTION & ADVERTISING	7	4	6	6	0	0.0%	1	30.4%	
CONTRACTED MUNICIPAL SERVICES	2,223	2,278	2,721	2,354	(367)	-13.5%	76	3.3%	
TRANSFERS TO OWN FUNDS	27	27	27	27	0	0.0%	-	0.0%	
OTHER EXPENSES	22	4	0	0	0	0.0%	(4)	-100.0%	
<b>Total Expenses</b>	<b>\$31,872</b>	<b>\$34,115</b>	<b>\$36,372</b>	<b>\$37,059</b>	<b>\$687</b>	<b>1.9%</b>	<b>\$2,944</b>	<b>8.6%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$30,640</b>	<b>\$32,529</b>	<b>\$34,852</b>	<b>\$35,387</b>	<b>\$535</b>	<b>1.5%</b>	<b>\$2,858</b>	<b>8.8%</b>	
<b>Full Time Complement</b>	<b>103</b>	<b>109</b>	<b>117</b>	<b>119</b>					

### Major changes in the 2019 Budget from the 2018 Budget.

**Licenses and Permits:** Increase to Road Occupancy Fees due to market competitive analysis.

**Salaries and Benefits:** Increase for collective agreements, COLA plus 1 new contract position.

**Vehicle Supplies:** Increase for fuel and capital induced costs from 2018 new vehicles

**Construction Materials:** Increase for salt and sand growth and contract escalations

**Contracts and Service Agreements:** Increase due to Roads winter maintenance growth and contract escalations, and Parks maintenance growth.

**Contracted Municipal Services:** Decrease for rightsizing of streetlight hydro account



## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align with the corporate Customer Experience Strategy to ensure exceptional service delivery	Support corporate customer experience strategy action: formalize, refresh and communicate service delivery standards
		Undertake survey for the annual Pavement Management Program
		Undertake a winter maintenance service level review with Council
		Continue to undertake effective fleet life cycle strategies, including optimal replacement interval review
		Update the Fleet Management and Maintenance Policy
		Provide utility approval and inspection services per Municipal Access Agreement (MAA) requirements, with services delivered within agreed upon timeframe
1.2 Transforming Services through Technology and Innovation	Support multi-year roll-out of Corporate technology roadmap and maximize benefits for department	Expand the use of AVL data to achieve continuous improvements and expand analytics capabilities of AVL data
		Support implementation of a new Learning Management System (LMS) to replace the Markham Learn Centre
		Determine the role and involvement of the Department in the implementation of the Enterprise Asset Management (EAM) system in 2019, in order to optimize work management and job costing
		Support implementation of a new customer response management (CRM) system to replace ACR
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement and program effectiveness within the department	Develop a succession plan through identification and mentoring of emerging leaders and skilled individuals within the Department
		Support development of knowledge transfer strategies

## GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
		Undertake improvement projects arising from staff satisfaction survey
		Support implementation of new corporate PPRF process and awaiting HR confirmation of any additional People Plan items
		Undertake a service review of Forestry operations
		Review and adjust, as appropriate, performance measures used in the Departmental Business Plan

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
# of formal customer surveys completed	0	1	1	3		1 per year	TBD
# of ACR work orders/requests (Parks, Roads)	29,464	27,690	16,120	12,741			TBD
# of utility permits issued and inspected per staff per year	1,061	1,371	918	1,174		TBD	TBD
Average # corporate training hours per full-time employee	24.4	1.6	2.8	1.7		20 hrs	TBD
Average # of health & safety training hours per full-time employee	-	5.5	50.3	47.2			TBD
# of work related injuries resulting in lost time	-	3	4	2		0.0	TBD
Healthy workplace environment index (from staff satisfaction survey)*	57%	N/A	74%	N/A		75%	TBD
Recognition Rating (from staff satisfaction survey)*	48%	N/A	50%	N/A		65%	TBD
Staff Satisfaction rating (from staff survey)*	66%	N/A	58%	N/A		80%	TBD
Completion rate for performance management	100%	100%	100%	100%		100%	TBD
Staff absenteeism (average # of days per full-time employee)	8.3	9.8	10.0	9.6			TBD
Employee turn-over rate	9.6%	7.2%	9.3%	13.8%			TBD

Note: \* - Data is generated every even year

**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Ensure services are inclusive, accessible and engaging for the Markham population	Continue to implement Parks Renaissance program phases Continue to create engaging parks for our community by working closely with Parks Planning staff in Development Services to improve effectiveness and optimize costs Conduct community consultation regarding entrance feature rehabilitation program Participate in a ‘pilot’ of the City Neighbourhood Team initiative to foster community engagement and further social development outcomes
2.2. Ensuring Markham is Welcoming and Inclusive	Promote the identity of our community through the celebration, beautification, and enhancement of our public spaces	Implement subsequent Public Realm program phases Lead the new park naming program for the organization Support development and implementation of AODA guidelines for parks play structures Implement updated Integrated Leisure Master Plan recommendations, as appropriate Support implementation of the Older Adult Strategy Complete a Markham Gateway Master Plan Continue to provide support for Corporate and Community Special Events
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Facilitate improved partnerships with other departments to assist with the promotion of the City	Monitor the development of the York University campus in Markham Lead the projects funded by the Main Street Revitalization Initiative grant

<b>Departmental Performance Measures in Support of Goal</b>	2014	2015	2016	2017	2019 Target	Long- term Target	LT Target Year
# of parks maintained	210	219	237	248		N/A	TBD
Hectares of park maintained per 1,000 persons (MPMP)	2.88	2.89	2.92	2.89		N/A	TBD
Parkland hectares as % of total hectares in municipality	4.4%	4.5%	4.6%	4.6%		N/A	TBD
Availability of sportsfields for public use (in service rate in %)	100%	100%	100%	100%		100%	TBD
Met mowing standard of 12 – 14 days	95%	95%	95%	95%		100%	TBD
# of community volunteer initiatives supported	-	38	44	44		N/A	TBD

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
<p>3.1 Managing our Transportation and Road Network</p>	<p>Promote a safe and efficient transportation system that balances needs for all users</p>	<p>Participate in the implementation of the Master Transportation Plan recommendations</p>
		<p>Support the implementation of the sidewalk and multi-use pathways roll-out, and relevant policies in the City's parks and road right-of-way</p>
		<p>Participate in the design aspects of various transit, road and streetscaping projects</p>
<p>3.2 Managing Growth in Markham</p>	<p>Align departmental services and resources to effectively manage growth</p>	<p>Refine and develop metrics to determine existing vs. projected resource requirements for new built forms</p>
		<p>Participate, as steward of parks, in the planning and implementation of new parks</p>
		<p>Finalize and obtain approval for the eastern Public Works Facility and improvements to the central yard, as required, for service efficiencies and resource optimization</p>
		<p>Complete the review of forestry services</p>
		<p>Participate in the feasibility review of Geothermal collection and heating system</p>
		<p>Participate in the Bell Smart City proposal and lead a pilot project</p>
		<p>Participate in the planning and implementation of Rouge Urban Park</p> <p>Play a greater role in the planning of new communities (Future Urban Area - ELT, York Downs, Markham Centre, Buttonville, Langstaff) to ensure efficient and satisfactory service levels in order to minimize the total cost of ownership</p>
<p>3.3 Ensuring the Reliability of the Corporation's Services</p>	<p>Ensure the deployment of resources, programs, and services are reliable</p>	<p>Participate in the realignment of the baseball diamond and illumination at Morgan Park</p>
		<p>Ensure departmental Business Continuity Plan is executable and current and staff trained in its implementation</p>

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.4 Protecting and Respecting our Built and Natural Environment	Protect natural and built infrastructure and enhance their resilience	Monitor existing and emerging invasive species to identify risk factors, projected impacts, and responses
		Continue implementation of self-watering streetscape planters, including hanging baskets city-wide
		Complete review and update of the Tree Preservation By-law
		Continue to promote a Monarch Friendly Community by selecting locations to incorporate pollinator friendly plantings within the parks network

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
% of paved lane kms where condition is rated good or above (As of 2014, no longer calculated by MPMP. 2014 data based on actuals)	70%	74%	78%	74%		85%	TBD
% of winter responses that meet/exceed road maintenance standards (As of 2014, this is no longer provided by MPMP. 2014 based on actuals)	97%	100%	100%	100%		100%	TBD
% of fleet utilizing hybrid technology (light duty vehicles under 10,000 lb GVW)	14%	15%	16%	16%		15%	TBD
Licensed fleet availability (in service rate in %)	95%	96%	95%	95%		90%	TBD
EAB planting target completion rate (%)	-	100%	95%	100%		100%	TBD
EAB removal target completion rate (%)	-	100%	100%	N/A		100%	TBD

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Maintain fiscally cost-effective service provisions which addresses the City's growth needs	Implement the revised fee structure for permits and services currently offered to offset operating costs through benchmarking exercise
		Complete review of cost structure of services within Parks Operations
		Support the E3 Strategy
4.2 Stewarding of the City's Assets	Address impacts of growth on programs, services, and the bottom line	Review the process of providing operational impacts for Secondary Plans, Community Design Plans, Plan of Subdivisions and communicating final plans prior to Committee approval (includes Future Urban Area, York Downs, Markham Centre, Buttonville, Langstaff, etc.)
		Support future phases of the Enhanced Asset Management Strategy
		Play a greater role in the planning of new communities to ensure cost-effective, efficient and satisfactory service levels
4.3 Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General
		Update MAA specifications and fee structure in 2019 to prepare for 2020

Departmental Performance Measures in Support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Completion rate of capital projects (% of planned budget spent)	67%	70%	68%	72%		80%	TBD
Total costs for paved roads per lane kilometre (As of 2014, MPMP no longer includes this info. 2014 data based on actuals.)	\$5,927	\$2,515	N/A	\$2,789		N/A	TBD
Operating costs of road winter maintenance per lane kilometre maintained (As of 2014, MPMP no longer includes this info. 2014 data based on actuals.)	\$5,144	\$3,687	\$4,067	\$4,677		N/A	TBD
Average annual operating cost per licensed unit in Fleet under 10,000 lb GVW	\$5,079	\$5,700	\$5,800	\$5,800		N/A	TBD
Project Completion Rate (*newly approved by Directors Forum in 2017)	N/A	N/A	86%	71%		N/A	TBD

## OPERATIONS LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with the corporate Customer Experience Strategy to ensure exceptional service delivery	Undertake customer satisfaction survey each year	2019-2021
1.2 Transforming Services through Technology and Innovation	Support multi-year roll-out of Corporate technology roadmap and maximize benefits for department	Seek additional resources to expand analytics capabilities of AVL data	2019-2021
		Expand use of mobile work technology	2019-2021
1.3 Strengthening Organizational Capacity and Effectiveness	Align to Markham's "People Plan" to develop/implement a departmental succession plan	Identify and mentor emerging leaders and skill individuals within the Department	2019-2021
		Undertake improvement project arising from staff satisfaction survey	2019-2021

### GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1 Increasing Community Engagement	Ensure services are inclusive, accessible and engaging for the Markham population	Implement subsequent Parks Renaissance program phases (subject to budget)	2019-2021
2.2 Ensuring Markham is Welcoming and Inclusive	Promote the identity of our community through the celebration,	Implement subsequent Public Realm program phases (subject to budget)	2019-2021



## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
	beautification, and enhancement of our public spaces	Lead the shared rollout of Parks and By-law Signage plan (subject to budget)	2019-2021
2.3 Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	N/A	Support the development of the York University campus	2019-2021
		Participate in the RFP for the new 10 year Economic Strategy	2019

## GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1 Managing our Transportation and Road Network	Promote a safe and efficient transportation system that balances needs for all users	Participate in the implementation of the Master Transportation Plan recommendations	2019 - 2021
		Support the implementation of the multi-use pathways roll-out and relevant policies	2019 - 2021
		Participate in the design aspects of various transit, road and streetscaping projects	2019 - 2021
3.2 Managing Growth in Markham	Ensure sufficient Operations resources are available to accommodate growth	Refine and develop metrics to determine existing vs. projected resource requirements to maintain service levels	2019 - 2021
		Participate in the planning and implementation of Rouge Urban Park	2019 - 2021

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.3 Ensuring the Reliability of the Corporation's Services	Ensure the deployment of resources, programs, and services are reliable	Implement recommendations of the Needs Assessment Plan to increase operating efficiency and service delivery to existing and planned communities (subject to Plan receiving approval)	2019 - 2021
		Emerald Ash Borer program Future Phases	2019 - 2020
3.4 Protecting and Respecting our Built and Natural Environment	Protect natural and built infrastructure and enhance their resilience	Complete review and update of the Tree Preservation By-law	2019

### GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Identify, where practical, enhanced and/ or alternative revenue opportunities that can offset the tax rate	Support E3 Strategy	2019- 2021
		Review plan review process for Secondary Plans, Community Design Plans, Plan of Subdivisions and communicating final plans prior to Committee approval (includes Future Urban Area, Markham Centre, Buttonville, Langstaff, etc.)	2019- 2021
4.2 Stewarding of the City's Assets	Address impacts of growth on programs, services, and the bottom line	Play a strong role in the planning of new communities to ensure cost-effective, efficient and satisfactory service levels	2019- 2021
		Update MAA (for implementation in 2020)	2019- 2020
4.3 Increasing Transparency and Accountability	N/A	Support the audits conducted by the Auditor General	2019



## RECREATION 2019 OPERATING BUDGET

Description (in \$000's)	2017 Actual	2018 Actual	2018 Budget	2019 Budget	2019 Bud. vs. 2018 Bud.		2019 Bud. vs. 2018 Act.		
					\$ Incr./Decr.	% Change	\$ Incr./Decr.	% Change	
<b>Revenues</b>									
PROVINCIAL GRANTS & SUBSIDIES	\$164	\$52	\$102	\$63	(\$39)	-38.2%	\$11	20.2%	
USER FEES & SERVICE CHARGES	11,899	13,247	13,110	13,942	832	6.3%	695	5.2%	
RENTALS	7,330	7,947	8,337	8,490	152	1.8%	543	6.8%	
SALES	126	142	148	152	4	2.5%	10	7.0%	
RECOVERIES & CONTRIBUTIONS	67	221	64	64	0	0.0%	(157)	-70.9%	
OTHER REVENUE	348	360	297	301	5	1.6%	(59)	-16.4%	
INTER-DEPARTMENTAL RECOVERIES	814	889	889	889	0	0.0%	-	0.0%	
<b>Total Revenues</b>	<b>\$20,747</b>	<b>\$22,859</b>	<b>\$22,947</b>	<b>\$23,902</b>	<b>\$954</b>	<b>4.2%</b>	<b>\$1,042</b>	<b>4.6%</b>	
<b>Expenses</b>									
SALARIES AND BENEFITS	\$19,055	\$22,672	\$22,880	\$22,761	(\$120)	-0.5%	\$88	0.4%	
PRINTING & OFFICE SUPPLIES	90	97	81	77	(4)	-4.9%	(20)	-20.5%	
PURCHASES FOR RESALE	80	89	85	87	3	3.0%	(2)	-2.4%	
OPERATING MATERIALS & SUPPLIES	1,095	1,158	1,300	1,296	(5)	-0.3%	138	11.9%	
VEHICLE SUPPLIES	29	30	33	33	0	0.0%	3	10.1%	
UTILITIES	5,776	6,213	6,886	6,561	(325)	-4.7%	348	5.6%	
COMMUNICATIONS	48	49	59	56	(3)	-4.4%	7	14.7%	
TRAVEL EXPENSES	15	6	10	5	(5)	-49.7%	(1)	-10.5%	
TRAINING	121	134	130	138	8	6.1%	4	3.1%	
CONTRACTS SERVICES AGREEMENT	1,419	1,432	1,574	1,666	92	5.8%	234	16.3%	
MAINT. & REPAIR - TIME & MATERIAL	1,470	1,628	1,576	1,622	46	2.9%	(6)	-0.4%	
RENTAL/LEASE	151	142	158	164	6	3.8%	23	16.0%	
INSURANCE	0	0	1	1	0	0.0%	1	0.0%	
PROFESSIONAL SERVICES	30	20	47	47	0	0.9%	27	130.9%	
LICENCES, PERMITS, FEES	62	71	60	61	1	1.7%	(10)	-13.5%	
CREDIT CARD SERVICE CHARGES	290	335	233	333	100	43.0%	(3)	-0.8%	
PROMOTION & ADVERTISING	56	104	45	86	41	89.5%	(19)	-17.9%	
CONTRACTED MUNICIPAL SERVICES	18	13	14	14	0	0.0%	1	7.8%	
WRITE-OFFS	0	1	0	0	0	0.0%	(1)	-100.0%	
PMTS. TO CITIZENS/LOCAL GROUPS	45	61	45	45	0	0.0%	(16)	-26.5%	
TRANSFERS TO/(DRAW FROM) RESER	571	532	369	369	0	0.0%	(163)	-30.7%	
OTHER EXPENDITURES	40	57	2	0	(2)	-100.0%	(57)	-100.0%	
<b>Total Expenses</b>	<b>\$30,460</b>	<b>\$34,845</b>	<b>\$35,589</b>	<b>\$35,423</b>	<b>(\$167)</b>	<b>-0.5%</b>	<b>\$577</b>	<b>1.7%</b>	
<b>Net Expenditures/(Revenues)</b>	<b>\$9,713</b>	<b>\$11,986</b>	<b>\$12,642</b>	<b>\$11,521</b>	<b>(\$1,121)</b>	<b>-8.9%</b>	<b>(\$465)</b>	<b>-3.9%</b>	
Full Time Complement	122	125	132	132					

### Major changes in the 2019 Budget from the 2018 Budget.

**Grants and Subsidies:** Decrease due to discontinuation of Sport Development Fund.

**User Fees and Service Charges:** Increase due to approved fee increases effective January 1<sup>st</sup>, 2019 and a higher number of applications.

**Rentals:** Increase due to approved fee increases effective January 1<sup>st</sup>, 2019 and a higher number of applications.

**Salaries and Benefits:** Decrease due to Bill 148 provisions for equal work for equal pay and two days emergency leave moved to Corporate. Offset by CUPE and COLA increases for 2019 budget.

**Utilities:** Decrease due to favourable rate adjustments moved to Corporate

**Credit Card Service Charges:** Right-sized to match revenue volumes

## RECREATION BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action
1.1 Improving Customer Service	Align with the corporate customer experience strategy	Undertake customer satisfaction survey – programs/fitness
		Support corporate customer experience strategy
		Update service standards for all service areas - Aquatics in 2019
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process to protect/enhance revenues  Use technology to support the enhance business practices	Undertake replacement of CLASS registration and booking software with Legend
		Maintain portal content as per Portal Steering Committee recommendations
		Support the implementation of the “multi-year technology roadmap” as per plan – EAM and CRM
		Participate, as necessary, on the update of the employee portal – LMS
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff Satisfaction and engagement in the department	Address issues identified in the staff satisfaction survey
		Review and adjust, as appropriate, performance measures used in the Departmental Business Plan
		Develop a succession plan and knowledge transfer strategies

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Overall satisfaction by program, facility and sport group users	-	73%	75%	92.6%	85%	85%	n/a
# of annual visits at recreation facilities (in millions)	8.2	8.3	8.3	8.3	8.4	n/a	n/a
# of annual direct program registrations	69,678	62,494	63,972	79,220	85,000	94,000	2020
# of annual drop-in programs	-	660,967	808,691	782,696	830,000	850,000	2022
Completion of project within established framework	-	-	-	-	95%	95%	2019
Healthy Work Environment Index (Staff Survey)*	63%	-	65%	-	N/A	70%	2022
Organizational Engagement Index (Staff Survey)*	64%	-	68%	-	N/A	70%	2022
# of loss days due to injury	5	26	3	0	0	0	n/a
# of corporate learning hours per regular full-time employees	2.9	3.9	5	3.8	4.2	5	2022

**GOAL 2 - Engaged, Diverse and Thriving City**

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community’s history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action
2.1. Increasing Community Engagement	Deliver services that will promote active living and wellness to Markham residents	Lead the implementation of the Older Adult Strategy plan – Ability to Pay Model Review
		Develop a Recreation League Program
		Participate in a ‘pilot’ of the City Neighbourhood Team initiative to foster community engagement and further social development outcomes
2.2. Ensuring Markham is Welcoming and Inclusive	Deliver leisure services that are inclusive, accessible, and safe and to provide enjoyable and sustainable leisure, learning, sport and cultural opportunities essential to vibrant places	Implement and monitor the ongoing operating and marketing plan
		Implement the Integrated Leisure Master Plan recommendations
		Undertake next implementation phase of the Aquatic Strategy – “Get Certified” recruitment campaign
		Undertake the development of a subsidy policy for children of low income families
		Continue to convert recreation facilities to provide accessibility features
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Contribute to the Economic vitality of Markham through recreation and sport	Monitor the development of the York University campus with an alignment to the Pan Am Centre
		Continue to strategically attract and host international, national and provincial sporting events
	Support Destination Markham	Implement sport tourism initiatives, including the promotion of Markham Pan Am Centre as a sport event destination

<b>Departmental Performance Measures in support of Goal</b>	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Annual volunteers involved in Recreation Programs	-	-	-	447	453	TBD	2022
Total participant hours for recreation programs per capita (MPMP)	-	-	-	11.86	11.96	12.00	2022
Unique resident participation in registered programs per capita (includes Culture programs previously to 2017)	-	65,534	63,248	73,183	93,000	95,000	2022
Retention rate of Fitness Centre members	60%	60%	58%	62%	63%	65%	2022
# of annual provincial level and above events hosted	-	-	16	33	34	35	2022

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action
3.1. Managing our Transportation and Road Network	N/A	Support the Markham Cycling and Pedestrian Advisory Committee
3.2. Managing Growth in Markham	Participate in all Growth Management projects	Support the sustainable and Integrated Growth Management Project, as required
		Participate in the planning of future urban areas
		Continue to support the ramp-up of the Aaniin programs and services
		Identify scope of a Sports Park, as per the Sport Strategy
		Implement “Live Here, Play Here” strategy for fitness, programs, and camps
3.3. Ensuring the Reliability of the Corporation’s Services	Adopt risk management program	Participate in Emergency Management Exercise and Training as required
	Ensure Business Continuity in place	Ensure Department Business Continuity Plan is executable and current, update related standard operating procedures, and staff trained in its implementation
3.4. Protecting and Respecting our Built and Natural Environment	Ensure that facilities operate using sustainable practices	Undertake final implementation phase of the Building Automation System (BAS) conversion program
		Undertake Milliken Community Centre change room conversion

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Kilowatt usage per square foot facility	-	-	-	-	TBD	TBD	TBD

**GOAL 4 - Stewardship of Money and Resources**

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action
4.1. Ensuring a Fiscally Prudent and Efficient Municipality	Provide accessible and affordable recreation and leisure opportunities that are fiscally responsible	Undertake a review of a new membership model
		Identify alternative revenue opportunities in support of the E3 Strategy
		Undertake Part-time Wage Review
4.2. Stewarding of the City's Assets	Maintain the quality and investment made to our facilities and equipment in a fiscally prudent manner	Conduct peer review to ensure that facilities are well maintained and meet service standards
		Ensure priority lifecycle projects are identified and managed effectively to meet completion rate targets
4.3. Increasing Transparency and Accountability	Comply with all financial and corporate policies	Support the audits conducted by the Auditor General

Departmental Performance Measures in support of Goal	2014	2015	2016	2017	2019 Target	Long-term Target	LT Target Year
Revenue as % of total gross Recreation operating expenditures	-	63%	65%	68%	65%	70%	2022
Completion rate on approved capital projects	-	92%	98%	91%	90%	90%	2020





## RECREATION LONG-TERM BUSINESS PLAN

### GOAL 1 - Exceptional Services by Exceptional People

**Goal Statement:** *We will foster a safe and healthy work environment, and embrace an organizational culture and adopt management systems that empower and inspire our employees to be champions of excellent service delivery and innovative practices.*

Strategic Objective	Departmental Objective	Departmental Action	Year
1.1 Improving Customer Service	Align with the corporate customer experience strategy	Complete at least one Customer Service Survey	2019-2021
		Continue to implement customer experience strategy	2019-2021
1.2 Transforming Services through Technology and Innovation	Ensure continued registration process	Continue to support the implementation of the new registration/booking system	2019-2021
		Support the implementation of the new CRM/ACR system	2019-2021
1.3 Strengthening Organizational Capacity and Effectiveness	Increase staff satisfaction and engagement in the department	Address issues identified in the staff satisfaction survey	2019-2021
		Support the People Plan Implementation	2019-2021

## GOAL 2 - Engaged, Diverse and Thriving City

**Goal Statement:** 1) We will have an inclusive city, where every person has a role in building a liveable, caring and interconnected community; and 2) We will enable a strong economy and effectively manage change while respecting our community's history, meeting current requirements and anticipating future needs.

Strategic Objective	Departmental Objective	Departmental Action	Year
2.1. Increasing Community Engagement	Deliver services that will promote active living and wellness to Markham residents	Implement recommended action from the Older Adult Strategy	2019-2021
2.2. Ensuring Markham is Welcoming and Inclusive	Deliver leisure services that are inclusive, accessible and safe and to provide enjoyable and sustainable leisure, learning, sport and cultural opportunities essential to vibrant places	Implement the recommendation from the updated Integrated Leisure Master Plan	2019-2021
		Implement and monitor the ongoing operating and marketing plan	2019-2021
2.3. Promoting Markham as the Best Place in Canada to Invest and Locate Knowledge-based Industries	Ensure fair and equitable access to facilities that continue to support the growth of sport in our community	Implement the recommended actions of the Markham Sports Plan	2019-2021
		Implement the recommended actions of the Physical Literacy Plan	2019-2021
		Support the development of the York University campus with alignment to the Pan Am Centre	2019-2021
		Participate in the RFP for the new 10-year Economic Strategy	2019-2021

### GOAL 3 - Safe and Sustainable Community

**Goal Statement:** We will protect the public and respect the natural and built environments through excellence in sustainable community planning, infrastructure management, and programs.

Strategic Objective	Departmental Objective	Departmental Action	Year
3.1. Managing our Transportation and Road Network	N/A	N/A	
3.2. Managing Growth in Markham	Participate in all Growth Management projects	Support the Sustainable and Integrated Growth Management Project as required and ensure alignment to the Integrated Leisure Master Plan	2019-2021
3.3. Ensuring the Reliability of the Corporation's Services	Adopt risk management program	Participate in Emergency Management Exercise and Training as required	2019-2021
	Complete Business Continuity Work	Complete Business Continuity Plan and update related standard Operating Procedures	2019-2021
3.4. Protecting and Respecting our Built and Natural Environment	Ensure that facilities operate using sustainable practices	Participate on the Corporate Energy Team	2019-2021

## GOAL 4 - Stewardship of Money and Resources

**Goal Statement:** We will demonstrate sound, transparent and responsible financial and resource management to mitigate risks while ensuring efficient and effective service delivery.

Strategic Objective	Departmental Objective	Departmental Action	Year
4.1 Ensuring a Fiscally Prudent and Efficient Municipality	Provide accessible and affordable recreational and leisure opportunities that are fiscally responsible	Department to identify, where practical, enhanced and/or alternative revenue opportunities that can offset the tax rate	2019-2021
		Ensure that facilities are well maintained and meet service standards	2019-2021
		Support E3 strategy Refresh	2019-2021
4.2 Stewarding of the City's Assets	Maintain the quality and investment made to our facilities and equipment in a fiscally prudent manner	Ensure priority lifecycle projects are identified and managed effectively	2019-2021
4.3 Increasing Transparency and Accountability	Comply with all financial and corporate policies	Support the audits conducted by the Auditor General	2019-2021

## ACRONYMS

<b>BAU</b>	Business As Usual
<b>BIA</b>	A Business Improvement Area (BIA) is an association of business people within a specified district who join together with official approval of the City in a self-help program aimed at stimulating business.
<b>BP</b>	Business Plan
<b>CAO</b>	Chief Administrative Officer
<b>COLA</b>	Cost of Living Adjustment
<b>CPI</b>	Consumer Price Index – A statistical description of price levels provided by Statistics Canada. The index is used as a measure of the increase in the cost of living (i.e. economic inflation)
<b>CUPE</b>	Canadian Union of Public Employees – An association formed for protecting the rights of its members, usually employees in the public sector.
<b>DBRS</b>	Dominion Bond Rating Service
<b>DCA</b>	Development Charges Act – Provides guidelines on funding of identified growth related projects in the City from developers.
<b>DF</b>	Director's Forum
<b>ELT</b>	Executive Leadership Team
<b>GAAP</b>	Generally Accepted Accounting Principles – Uniform minimum standards for financial accounting a recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
<b>GFOA</b>	Government Finance Officers Association of the United States and Canada
<b>HST</b>	Harmonized Sales Tax (13%)
<b>ITS</b>	Information Technology Services
<b>KPI</b>	Key Performance Indicators (Performance Measures)
<b>LEED</b>	Leadership in Energy and Environmental Design



**MEC**

Markham Enterprises Corporation is a wholly owned subsidiary of the Corporation of the City of Markham. Markham Enterprises Corporation has a wholly owned subsidiary, Markham District Energy Incorporated, and a 15% shareholding in Alectra Inc. effective January 1, 2019. The principal activity of the Corporation and its subsidiaries is to distribute electricity in the areas of Alliston, Aurora, Barrie, Beeton, Bradford, Mississauga, Brampton, Hamilton, St.Catharines, West Gwillimbury, Markham, Penetanguishene, Richmond Hill, Thornton, Tottenham, Guelph and Vaughan in the Province of Ontario, under the licenses issued by the Ontario Energy Board (“OEB”). Other activities of the Corporation and its subsidiaries include street lighting services, water and sewage billing services, power generation, and to provide hot and chilled water to commercial and residential customers.

**MECO**

Markham Energy Conservation Office was established in 2005, with funding support from the City of Markham and Alectra Inc. (formerly PowerStream) and is responsible for leading, developing and implementing energy conservation programs

**MESF**

Markham Environmental Sustainability Fund

**MPFFA**

Markham Professional Firefighter’s Association – An association of Firefighter’s formed for protecting the rights of its members in their workplace environment.

**MTO**

The Ontario Ministry of Transport

**OMERS**

Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits for the City’s full-time employees. Employees and employers normally make equal contributions to the plan.

**PSAB**

Public Sector Accounting Board. The body of the Canadian Institute of Chartered Accountants (CICA) that issues recommendations and guidance with respect to matters of accounting in the public sector. Its aim is to improve the financial and performance information reported by governments and other public sector entities for the benefit of decision makers and other users of the information. The City of Markham adheres to PSAB’s Public Sector Standards for Municipal Financial Reporting.

**RPRA**

The Resource Productivity and Recovery Authority was created in November 2016 by the Government of Ontario to support the transition to a circular economy and a waste-free Ontario. We receive our authority from the Resource Recovery and Circular Economy Act, 2016 (RRCEA) and the Waste Diversion Transition Act, 2016 (WDTA). Under the WDTA, we oversee three waste diversion programs- Blue Box, Municipal Hazardous or Special Waste (MHSW), and Waste Electrical and Electronic Equipment (WEEE) – and their eventual wind up. Under the



RRCEA, we enforce individual producer responsibility (IPR) requirements for managing waste associated with products and packaging.

**SWM** Storm Water Management

**TRCA** Toronto and Region Conservation Authority is an organization that prepares and delivers programs for the management of the renewable natural resources within its watersheds.

**YRDSB** York Region District School Board

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## GLOSSARY OF TERMS

<b>Accrual Basis</b>	A method of accounting that recognizes revenue as they are earned and expenditure when they are incurred rather than waiting until cash is exchanged.
<b>Accumulated Depreciation</b>	The total amount recorded, during a specified period of time, to reduce the value of a long-term tangible asset.
<b>Assessment</b>	The Municipal Property Assessment Corporation (MPAC) is responsible for placing an assessment value on all properties in Ontario. In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of Current Value Assessment (CVA). The CVA of a property represents its estimated market value, or the amount the property would sell for in an arms length, open market sale between a willing buyer and willing seller.
<b>Administrative Expenses</b>	Expenses incurred for the day-to-day operations e.g. Salaries, building rental, office expenses etc.,
<b>Appropriation</b>	A sum of money or total of assets devoted to a special purpose.
<b>Bill 148</b>	Legislation includes increases to the minimum wage, emergency leave, vacation pay, statutory holiday pay, equal pay for equal work and stand-by pay that impacts part-time, casual, temporary and seasonal employees.
<b>Bill 175</b>	Legislation requiring mandatory adherence by municipalities to assess and report on the full costs of providing water and sewage services, and then to prepare and implement plans for recovering those costs.
<b>Bill 195</b>	Legislation to safeguard health and prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing.
<b>Balanced Budget</b>	When total revenues equal total expenses in a fiscal year.
<b>Budget</b>	A financial plan for a given fiscal year showing revenues and expenditures for different funds of the City.
<b>Capital Budget</b>	The budget that provides for the funding of the City's expenditures on capital assets, i.e. assets which provide benefits to the City over several years.
<b>Capital Assets</b>	Represents assets like Land, Building, Machinery etc whose benefits last several years.
<b>Capital Receipts</b>	Receipt of funds specifically for the creation of a Trust account.
<b>Capital Expenditure</b>	Money's spent for replacement, renovation or maintenance of fixed assets the benefits of which could spread over several years.





<b>Capital Projects</b>	Projects whose value is more than \$5,000 with benefits of expenditure lasting several years.
<b>Chargebacks</b>	Represents allocating a portion of costs incurred by the department, which provides a service to the department, which benefits from such service.
<b>Depreciation</b>	An accounting and finance term for the method of attributing the cost of an asset across the useful life of the asset in order to match expenses with revenues.
<b>Development Charges</b>	A fee charged to new development to finance the cost of new growth- related capital facilities and infrastructure required to satisfy increased servicing needs
<b>Donations in Kind</b>	Represents the value of a commercial service received from external customers without any payment for the same.
<b>Fixed Assets</b>	A long-term tangible asset used in the delivery of Municipal services that is not expected to be consumed or converted into cash any sooner than at least one year's time.
<b>Fund</b>	A sum of money set aside and earmarked for a specified purpose.
<b>Gas Tax Rebate</b>	This is the funding provided by the Government of Canada as part of the New Deal for Cities and Communities. This Federal initiative is based on a long-term vision of sustainability for Canadian cities and communities, including four interdependent dimensions: economic, environmental, social and cultural. The program is intended to achieve results leading to cleaner air, cleaner water and reduced greenhouse gas emissions
<b>Grants in Lieu</b>	Grants in lieu of taxes (also known as payments-in-lieu of taxes) are payments received in lieu of taxation on properties owned by government and government agencies.
<b>Infrastructure</b>	The system of public works in the City, consisting of immovable physical assets, that delivers an essential public service (e.g. road network, water and sewer systems, and lighting).
<b>Levy</b>	The amount of property tax, in dollars, which is paid by the City's taxpayers. To determine the tax levy for a particular property, the property's assessment value is multiplied by the appropriate rate for the property's tax class.
<b>Line Item</b>	General Ledger account code
<b>Municipal Act</b>	Sections referenced:  Section 326 of the Municipal Act, 2001 allows a municipality to enact a by-law to impose a special service charge to raise the cost of providing a water system. Such bylaw has to identify the service, determine the costs and designate the area where the charge would apply.

Section 391 of the Municipal Act, 2001 allows a municipality to pass a by-law to impose a fee for capital costs related to sewage or water services on a class of persons that will receive a benefit from such services. Unlike a local improvement charge or special service charge, a fee imposed pursuant to section 391 does not have to be based on frontage or assessed value. This provision would enable the City to impose a fixed charge on each of the lots in question.

**New Urbanism**

New Urbanism community planning creates more attractive, efficient and liveable neighbourhoods. These neighbourhoods are comprised of a compact built form, designed to promote pedestrian activity and social interaction. They have a mix of residential, commercial and community uses and activities. Special attention is paid to creating quality streetscapes, public buildings and spaces, and protecting the public realm.

**Non-routine Capital Expenditures**

Capital projects that do not occur every year / frequently or capital expenditures that are not normally purchased by municipalities.

**Operating Budget**

The budget that provides the various departments with funding for their annual recurring operating costs (e.g. salaries, materials and supplies, contracted services, utilities). Compared to the capital budget, items funded in the operating budget do not give rise to assets that are expected to provide benefits over several years.

**Reserve**

Reserves represent the means by which the City keeps track of monetary resources set aside by Council for specific future purposes. The inflows into these funds are generally from the operating budgets and the outflows are to fund capital projects and other initiatives approved by Council.

**Surplus**

The excess of actual revenue over operating expenditures incurred during a budget period. Surpluses at the end of each year are transferred to the appropriate reserve, based on Council direction.

**Supplementary Taxes**

Property taxes collected on new assessment not previously identified by Municipal Property Assessment Corporation (MPAC).

**Tax Rate**

A percentage rate that is used to determine the property tax levy to be paid by a particular taxpayer within the City. The rate for a property depends on its tax class, which in turn depends on the type of property (residential, commercial, industrial, etc.). The rate is multiplied by the assessment to provide the tax levy. Tax rates are established by a Council bylaw.

**User Fees & Service Charges**

Fees paid by individuals or organizations to the City for the use of City's facilities (e.g. recreation fees, cultural venue ticket sales) or for provision of municipal services (e.g. planning, engineering & design fees).



## **APPENDIX 1 – FINANCIAL PLANNING AND BUDGETING POLICY**

### **THE BUDGET PROCESS**

#### **Proposed Budget**

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

- The Budget shall include six segments for review and evaluation:
  1. Operating Budget
  2. Capital Budget
  3. Building Budget
  4. Engineering Budget
  5. Planning and Design Budget
  6. Waterworks Budget
- The Budget review process shall include the City's Budget Committee participation in the discussion and review of each of the above segments of the proposed Budget and public hearings to enable community participation and input.
- The Budget process shall be for a sufficient time span to adequately address policies and fiscal issues by the Budget Committee.
- The proposed Budget shall be presented by the Budget Committee to the General Committee for consent and subsequently to the Council.

#### **Adoption of Budget**

Upon receiving the recommendations from the General Committee, the Council will subsequently adopt by resolution such Budget, as the City's annual Budget for the year beginning January 1 of the Budget year.

#### **Balanced Budget**

In 2019, the City developed a balanced Budget and was restated in accordance to Ontario Regulation 284/09 as part of the 2019 Budget approval process.

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

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



## **Deficit Avoidance**

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

## **Amendments to Approved Budget**

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

## **Post Budget Reallocation**

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

## **Reporting**

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

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

## **Operating Fund Balance**

Actual surplus during a Budget period will be transferred to the Corporate Rate Stabilization Reserve as a top up to a level equivalent to 15% of local tax revenues. Funds remaining after the top up, if any, will replenish the Environmental Land Acquisition Reserve Fund, and any remaining funds thereafter will be transferred to the Life Cycle Replacement and Capital Reserve Fund.

## **BASIS OF ACCOUNTING / BUDGETING**

The City of Markham prepares its financial information in accordance with the local government accounting standards of the Public Sector Accounting Board of the Chartered Professional Accountants Canada (CPA).

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



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

The City of Markham prepares Budgets for the Operating, Capital, Building Standards, Engineering, Planning & Urban Design, Waterworks and Business Improvement Area (BIA) funds (described below).

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

### **Operating Fund**

Funds all City of Markham operations except for Waterworks, Building Standards, Engineering and Planning & Urban Design operations. Tax revenue is the main source of funding.

### **Capital Fund**

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

### **Building Standards Fund**

Funds all Building permit and inspection operations. Building permit revenues are the main source of funding.

### **Development Fee Fund**

Funds all Engineering and Planning & Urban Design department operations. Engineering and Planning fee revenues are the main sources of funding.

### **Waterworks Fund**

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

### **BIA Fund**

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

### **Trust Fund**

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



## **Buttonville Airport Fund**

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

## **Reserves and Reserve Funds**

As at December 31, 2018, there were 12 Reserves and 23 Reserve Funds. Out of the total of 35 funds, 32 were discretionary (i.e. set aside by Council) and 3 obligatory (i.e. mandated by legislation).

## **LONG RANGE PLANNING**

### **General**

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

### **Master Plans**

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

### **Capital Improvement Plan**

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

### **Funding of Capital Improvement**

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

### **Rehabilitation and Replacement**

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



## **Post Budget Approval – Controlling Expenditures**

The timely closing of capital projects is imperative to ensure that funds are not spent unnecessarily, and to ensure that any surplus funds are returned to their original source(s).

In the event that an invoice is received after the closure of a capital project, the Treasurer has the authority to approve payment of the invoice from the funding source(s) originally approved for the project; that is, providing the total cost of the project is within the original project Budget. Invoices not within the original Budget must be addressed according to the Expenditure Control Policy and other sections of the Capital Budget Control Policy.

## **REVENUES**

### **Use of one time revenues**

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

### **User Fees and Revenue Diversification**

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

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

The City will continue to reduce its dependence on prior year's surplus to balance the current year's Budget. The prior year's surplus will be automatically transferred to the Corporate Rate Stabilization Reserve as a top up to a level equivalent to 15% of local tax revenues. Funds remaining after the top up, if any, will replenish the Environmental Land Acquisition Reserve Fund and any remaining funds thereafter will be transferred to the Life Cycle Replacement and Capital Reserve Fund. In the event of a deficit, it will be funded through the Corporate Rate Stabilization Reserve, or by a one-time tax rate adjustment.

## **OPERATING BUDGET GUIDELINES**

The Operating Budget:

- *Provides that current revenues are sufficient to support current expenditures ("We are living within our means" without drawing down reserves for operating purposes).*



- *Maintains the City's general reserves.*
- *Provides sufficient maintenance and replacement dollars to ensure capital facilities and equipment are properly maintained.*
- *Maintains all the quality of life programs that residents have become accustomed to, and addresses increasing service levels based on demand where necessary.*
- *Maintains a competitive compensation and benefits package for our work force.*

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

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

### **Budget Preparation Guidelines**

The current year Budget is budgeted at the previous year's base levels except for additional funding related to:

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

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

### **Establish the Base Level**

The base level for the current year Budget will be the previous year's cost of providing all the services approved in the current year Budget, except for one-time projects. For example, the 2019 base level Budget is set by taking the inputs approved in the 2018 Budget and costing them, adjusting them for the annualized costs, growth and inflation, in that order.

1. **Annualized Costs** - For example, last year's Budget might have included a contract to start in April; this year's Budget includes the full year's costs. If a contract had a price escalation midway in 2018. These costs are identified and included in the 2019 Base Budget.



2. **Growth** - Allow for growth that will occur in the City in the current year. For example, if new roads were constructed in 2018, their upkeep would be part of the 2019 growth adjustment. Requests for new growth dollars must be documented. In order to obtain new growth dollars, there must be the identification of documented productivity, technological, or personnel efficiencies on the expense side or revenue enhancements to offset the request for new growth dollars. Only the portion of the cost from the date of the growth's impact to the end of the year is included in the Budget. However, Departments should indicate the full-year cost of the growth.
3. **Inflation** - All Departments are expected to absorb this inflation within their 2019 approved Budgets. However, exceptions are made for extraordinary commodity price increases and contractually related increases.

### **Service Level Changes**

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

### **New Programs**

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

### **Salaries and Benefits - Full Time**

The City continues to scrutinize personnel costs as a percentage of the Budget. Financial Planning provides the salary figures for the current year base budget. For example, the 2019 base Budget from each Department includes only the 2018 full time approved complement. Financial Planning completes the current year Human Resources portion of the Budget and sends the data to the respective Budget Coordinators for confirmation regarding positions and grades of full time staff. New headcount requests must be filled out on the forms and the associated new revenue and cost savings identified. All new headcounts are reviewed and approved by Senior Management, CAO and Council.

### **Fringe Benefits**

Fringe benefits are based on known benefit rate increases provided by the Human Resources Department. In addition, the Financial Planning Department performs an analysis of the previous year's actual benefit costs and reflects its findings in the current year Budget.



## **Part Time Salaries**

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

## **Shift Premium**

Shift Premium will be budgeted at current year levels.

## **Overtime Dollars and Hours**

Overtime dollars and hours will be budgeted at current year levels.

## **Investment Income**

The forecasted 2019 interest rate of 3.20% is used for budgeting. The Financial Planning Department incorporates this rate in the development of the investment income Budget.

## **Sales Taxes**

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

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

## **USE OF ACCRUAL BASIS FOR BUDGETING**

### **Expenses**

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

### **Revenues**

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



## **Utilities**

The City is at spot rate for both natural gas and hydro in the current year, and it has been reflected in the current year Budget.

## **User Fees and Service Charges**

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

## **Debt Charges**

Currently, Markham has a \$12 million, 20-year loan from the Canada Mortgage and Housing Corporation (CMHC), and a \$4 million low-interest loan from the Federation of Canadian Municipalities (FCM). Both loans are facilitated by the Region of York. The City borrowed \$12 million from CMHC in 2010 to construct the Birchmount Energy Centre. This plant is being operated by Markham District Energy (MDE) and the annual lease payment made by MDE to Markham more than offset the annual principal and interest payments. The loan of \$4 million received in 2014 from FCM was used to fund part of the cost of construction of Cornell Community Centre and Library.

## **Identification of Major Service Contracts**

The identification of major service contracts up for renewal in 2019 is completed by Financial Planning with the assistance from the Purchasing Department and factored into the Budget.

## **BUDGET ADMINISTRATIVE GUIDELINES**

### **Budget Transfers**

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

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

### **Budget Spending**

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

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



responsible to ensure that procedures are in place to prevent Budget overspending.

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

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

### **Budget Monitoring**

Budget status reports are prepared on a monthly basis for ELT. These provide a comparison between actual revenues and expenditures to Budgeted amounts. Further regular reports are presented to the General Committee, which include a detailed analysis of variances.

Monthly financial statements are delivered by Financial Reporting to each Commission by the 8<sup>th</sup> business day of the following month. Based on this information, departments provide Financial Planning with details of material variances and projections for the remainder of the year.

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

### **Monthly Budget Reporting Content**

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

### **Vacancies**

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

### **Overtime**

The Directors for their respective departments are responsible to monitor overtime on a monthly basis.

### **Year-end Projections**

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



## CAPITAL BUDGET GUIDELINES

### PROJECT CATEGORIES AND GUIDING PRINCIPLES\*

PROJECT CATEGORY	GUIDING PRINCIPLES
Major	<ul style="list-style-type: none"><li>- Multi-year.</li><li>- Non-recurring.</li></ul>
Minor	<ul style="list-style-type: none"><li>- Non-recurring.</li><li>- Completed within 12 months of initiation date.</li><li>- Invoices processed and projects “closed” 3 months after project completion.</li></ul>
Annual	<ul style="list-style-type: none"><li>- Recurring.</li><li>- Completed within the calendar year of approval.</li><li>- Invoices processed and project “closed” no later than Q1 of the year following approval.</li></ul>

\*Refer to Capital Budget Control Policy (Appendix 2) for further details on Project Categories

### Capital Database

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

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



- Applicable when Life Cycle Replacement and Capital Reserve Fund have been identified as a funding source for repair/replacement of assets. Departments are required to complete the worksheet which compares the current capital project request against the Asset Life Cycle Reserve Study. An explanation is required when the year and/or costs deviate from the Asset Life Cycle Reserve Study.
- Other Projects Worksheet
  - Applicable to all non-DC and non-Life Cycle projects. Indicate how Service Level will be affected by the project; that is, whether service level will be 'maintained', 'increased' or 'decreased' after implementation. If the response is either 'increase' or 'decrease', a detailed explanation is required.

### **Capital Projects / Acquisitions**

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

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

### **Funding from Life Cycle Replacement & Capital Reserve**

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

### **Special Funding**

Departments are required to identify projects in the 2019 Capital database that may require upfront financing by the City because the proposed funding (e.g. sale of assets, grants, subsidies, recoveries from other levels of government) will not be available at the time of expenditure.

## **PROJECTS MANAGED BY OTHER DEPARTMENTS**

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

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



## **Operations - Fleet:**

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

Operations-Fleet will conduct condition assessments on replacement vehicles identified in the Asset Life Cycle Reserve Study as requiring replacement in the current year.

## **Council Request**

Council members are encouraged to identify projects that should be included in the current year Budget submission. The requests will be summarized and distributed to the respective departments for comments which will be addressed at the Budget Committee meetings.

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

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

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

## **Development Charge Projects – Non Growth DC Reserve Fund**

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

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

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



Development Fee funding of \$10,000 (10%) and Development Charge funding of \$90,000 (90%).

### **Projects with Zero Cost**

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

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

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

### **Capital Improvements in Specific Areas**

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

### **Capital Induced Operating Costs**

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

### **Quotes**

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

### **Endowment Reserve Funds**

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

### **Post Budget Approval – Controlling Capital Expenditures**

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

**Over Spending** Capital contract overruns that exceed Budget must follow the Capital Budget Control Policy for Request for Additional Funding of an Approved Capital Project.



## **APPENDIX 2 - CAPITAL BUDGET CONTROL POLICY**

### **Purpose**

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

The policy will apply to all staff involved in the management and reporting of the capital project. The aim of this policy is to define the following:

- Project Categories and Guiding Principles for capital budgeting.
- Standardized Contingency Percentages for capital budgeting.
- The return of surplus funds after a contract has been awarded.
- Capital Budget reporting requirement to Council.
- Process for requesting new capital projects after the annual budget has been approved.
- Process for requesting the Consolidation of capital projects with similar scope.
- Process for requesting a change to the scope of an approved capital project.
- Process for requesting additional funding for an approved capital project.
- Process for closing capital projects and the return of unexpended funds to reserves.

### **Background**

In 2013 Finance conducted a comprehensive review to assess the effectiveness and efficiency of the Capital Project life cycle and provided recommendations to adopt best practices in capital project management and effective use of financial resources. The resulting policy and procedural changes for Capital planning and project management, supported by ELT, have been incorporated into this policy version.

### **Project Categories and Guiding Principles**

The life of a capital project can range anywhere from months to several years depending on the size and scope of the project. In order to maximize the City of Markham's ability to manage capital projects and cash flow, capital projects will be categorized according to the project nature and the amount of time required to complete the project.

- All capital projects requested and approved through the annual capital Budget process must be initiated in the calendar year of approval.
- All capital projects submitted for Budget approval must be categorized as "Major", Minor" or "Annual", according to the guiding principles for each category as defined in the table below:



PROJECT CATEGORY	GUIDING PRINCIPLES
Major	<ul style="list-style-type: none"> <li>- Multi-year</li> <li>- Non-recurring</li> </ul>
Minor	<ul style="list-style-type: none"> <li>- Non-recurring</li> <li>- Completed within 12 months of initiation date</li> <li>- Invoices processed and projects “closed” 3 months after project completion</li> </ul>
Annual	<ul style="list-style-type: none"> <li>- Recurring</li> <li>- Completed within the calendar year of approval</li> <li>- Invoices processed and project “closed” no later than Q1 of the year following approval</li> </ul>

### Standardized Contingency Percentages

Finance undertook an extensive analysis of the contingency purchase orders (PO’s) as a percentage of the awarded contracts to determine reasonable project contingencies, by project type and dollar thresholds.

- The standardized contingency percentages for hard costs (construction) are provided below.
- The standardized contingency percentage for soft costs (consulting & professional fees) is 10% for all project types and dollar thresholds.
- The appropriate contingency amount (as per the standardized contingency percentages for hard and soft costs) will be included in the capital project estimate submitted for Budget approval.
- Project contingency amount(s) will be proportionally adjusted according to any approved changes to project Budget amount.
- Consideration for a contingency in excess of the standardized amount must be submitted to the respective Commissioner and the CAO, with a business case to support the request for approval.

Project Type	THRESHOLDS			
	Under \$500,000	\$500,000 to \$1 million	\$1 million to under \$5 million	\$5 million and over
Existing Facility	10%	10%	10%	5%
Roads / Bridges	10%	8%	5%	5%
New Facility	N/A	N/A	10%	5%
New Parks	7%	8%	6%	N/A
Sidewalks / Illumination	5%	9%	8%	N/A
Water – Relining / Cathodic	8%	9%	N/A	N/A
Watermain & Sewer Replacement	10%	4%	3%	N/A



## **Return of Surplus Funds after Contract Award**

Estimated costs for contracted goods or services are included in the project submission during the annual capital Budget process. In the event that the actual amount awarded for a contract is less than the amount included in the Budget estimate, the excess funding will be returned to the original funding source(s). Also, the total project Budget, including the standardized contingency amount, will be reduced accordingly.

## **Capital Budget Reporting**

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

### **Status Updates from Departments**

To accurately administer and report on the capital Budget, Departments will be required to forward to Finance, on a quarterly basis, an accurate status of each project owned or managed by them. The status must include a description of the work in progress, the percentage of work complete and a projected forecast for completion. Departments should also disclose any third party agreements or other situations that may delay the initiation or the completion of the project.

### **Semi-annual Status Report to Council**

On a semi-annual basis, Finance will consolidate the information received from the Departments and report to Council on the status of capital works. The report will include a summary of the encumbrances to date, the percentage of Budget encumbered, the known commitments and expenditures, and a detailed listing of capital projects to be closed. The information provided will also include all changes to reserves and reserve funds resulting from project closures. The particulars in the report will be provided for information purposes only.

## **Request for New Capital Project after Annual Budget has been approved**

Throughout the year, there may be the need to commence a project that was not anticipated during the annual capital Budget process.

- Departments must submit their new project requests, supported by a business case, to the Treasurer.
- Depending on the timing of the submission and on the significance of the initiative, the request will be submitted for Council approval:
  - As part of the semi-annual capital project status report, OR
  - Directly to Council with the consent of the Treasurer.

## **Request to Consolidate Capital Projects with Similar Scope**

Many capital projects are submitted each year as part of an asset repair or replacement program, and are not always completed within the calendar year in which they are approved.



This results in multiple, active projects of similar scope and can be cumbersome to manage. Departments may request that projects of similar scope be consolidated. This option is available only for projects classified as “Major”.

- Requests for consolidation of Major projects of similar scope must be submitted to the Treasurer for review.
- The request should clearly outline the incomplete works of each project and their anticipated cost.
- Any identified Budget excess will be returned to the original funding source(s).

### **Request to Change the Scope of an Approved Capital Project**

A considerable effort is expended in assessing the capital assets of the organization and the needs of the Community in preparation for the annual capital Budget. However, throughout the life of a capital project the scope may change (additional works, materials or expanded mandate) as the priorities of the organization and Community change.

- Departments must forward all scope change requests to the CAO for consideration.
- The request should include:
  - The project name, original scope and Budget;
  - The impact of not proceeding with the project as originally defined;
  - The scope and Budget of the revised project;
  - The benefits of approving the revised project.

### **Requesting Additional Funding for an Approved Capital Project**

During the annual capital Budget process, Departments make every attempt to ensure that the Budget request is sufficient to complete the defined scope of the project. Unanticipated costs, emergency purchases or approved scope changes may prompt the need for additional funding. All approved Budget increases will be funded from the established capital contingency project(s) appropriate to the project scope.

- Approval for the use of capital contingency project funds is governed by the signing authority levels in the corporate “Expenditure Control Policy”, (*Capital Overruns, section 6.03*).
- At the discretion of the Treasurer, a report to Council may be required (from the requesting Department) if the funding request will drive the capital contingency project into a negative balance.
- The use of capital contingency funds will be reported to the CAO and Commissioners on a quarterly basis.
- The amounts required to top up the contingency projects to their respective maximum funding amounts, will be included in the semi-annual capital status report to Council.



Following is the list of the approved capital contingency projects, by funding type & use and the maximum funding amount for each.

Non-DC Contingency	\$250,000	Tax funded portion of requirement
Design DC Contingency	\$100,000	90% DC portion of requirement
Planning DC Contingency	\$50,000	90% DC portion of requirement
Engineering DC Contingency	\$100,000	DC portion of requirement
Waterworks Contingency	\$100,000	Waterworks Stabilization/Capital requirement

### **Closing Capital Projects and Return of Unexpended Funds**

The timely closing of capital projects is imperative to ensure that funds are not spent unnecessarily, and to ensure that any surplus funds are returned to their original source(s).

In the event that an invoice is received after the closure of a capital project, the Treasurer has the authority to approve payment of the invoice from the funding source(s) originally approved for the project; that is, providing the total cost of the project is within the original project Budget. Invoices not within the original Budget must be addressed according to the Expenditure Control Policy and other sections of this Capital Budget Control Policy.

## APPENDIX 3 - INVESTMENT POLICY

### Objectives

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

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

### Legality of Investments

The legal authority to invest funds comes from the Municipal Affairs Act. Investments shall be in conformance with the Ontario Municipal Act and O.Reg. 438/97 – Eligible Investments and Related Financial Agreements (see Appendix 3A). In accordance with this Act, for the purpose of clause 167 (2), a list of eligible securities that a municipality may invest in can be found in Appendix A.

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

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

Additionally, the City may use funds to cover shortfalls in the City's Development Charge reserves so long as the interest charged to such reserves are at a competitive interest rate.

### Preservation of Principal

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

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

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



## **Safety**

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

## **DIVERSIFICATION**

Investments shall be diversified by:

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

### ***Federal/Provincial Government Securities***

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

The following limitations apply:

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

### ***Municipal Government Securities***

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

### ***Financial Institutions***

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

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

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

### **Maintenance of Liquidity**

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



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

### **Competitive Rate of Return**

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

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

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

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

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

### **Administrative Procedures**

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

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

### **Authorized Financial Institutions and Brokers/Dealers**

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

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





- Bank of Montreal
- HSBC Bank Canada
- Canaccord Capital

## **Reporting**

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

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

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

The interim report will include the following:

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

APPENDIX 3A  
**ELIGIBLE INVESTMENTS UNDER THE MUNICIPAL ACT**

**ONTARIO REGULATION 438/97**

**ELIGIBLE INVESTMENTS AND RELATED FINANCIAL AGREEMENTS**

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

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

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



- (2.1) A municipality shall not invest in a security under paragraph 6.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
  - (b) by Fitch Ratings as "AAA";
  - (c) by Moody's Investors Services Inc. as "Aaa"; or
  - (d) by Standard and Poor's as "AAA". O. Reg. 655/05, s. 3 (4).
- (3) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures more than one year from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AAA";
  - (a.1) by Fitch Ratings as "AAA";
  - (b) by Moody's Investors Services Inc. as "Aaa"; or
  - (c) by Standard and Poor's as "AAA". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (2); O. Reg. 655/05, s. 3 (5).
- (4) A municipality shall not invest in an asset-backed security under paragraph 7 of section 2 that matures one year or less from the date of issue unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(high)";
  - (a.1) by Fitch Ratings as "F1+";
  - (b) by Moody's Investors Services Inc. as "Prime-1"; or
  - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (3); O. Reg. 655/05, s. 3 (6).
- (4.1) A municipality shall not invest in a security under paragraph 7.1 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "A" or higher;
  - (b) by Fitch Ratings as "A" or higher;
  - (c) by Moody's Investors Services Inc. as "A2"; or
  - (d) by Standard and Poor's as "A". O. Reg. 655/05, s. 3 (7).
- (4.2) A municipality shall not invest in a security under paragraph 7.2 of section 2 unless the security is rated,
- (a) by Dominion Bond Rating Service Limited as "AA(low)" or higher;
  - (b) by Fitch Ratings as "AA-" or higher;
  - (c) by Moody's Investors Services Inc. as "Aa3" or higher; or
  - (d) by Standard and Poor's as "AA-" or higher. O. Reg. 655/05, s. 3 (7).
- (5) A municipality shall not invest in a security under paragraph 8 of section 2 unless the promissory note or commercial paper is rated,
- (a) by Dominion Bond Rating Service Limited as "R-1(mid)" or higher;
  - (a.1) by Fitch Ratings as "F1+";
  - (b) by Moody's Investors Services Inc. as "Prime-1"; or
  - (c) by Standard and Poor's as "A-1+". O. Reg. 265/02, s. 2 (2); O. Reg. 399/02, s. 3 (4); O. Reg. 655/05, s. 3 (8).

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

- (i) by Dominion Bond Rating Service Limited as "AA(low)" or higher,
    - (i.1) by Fitch Ratings as "AA-" or higher,
    - (ii) by Moody's Investors Services Inc. as "Aa3" or higher, or
    - (iii) by Standard and Poor's as "AA—" or higher; or
  - (b) the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing Corporation to act together as the municipality's agent for the investment in that security, promissory note or commercial paper. O. Reg. 265/02, s. 3; O. Reg. 399/02, s. 4; O. Reg. 655/05, s. 4 (1, 2).
- (1.1) A municipality shall not invest in a security under paragraph 7.1 or 8.1 of section 2 unless, on the date the investment is made, the municipality has entered into an agreement with the Local Authority Services Limited and the CHUMS Financing corporation to act together as the municipality's agent for the investment in the security. O. Reg. 655/05, s. 4 (3).
- (1.2) Subsection (1.1) does not apply to investments in securities by the City of Ottawa if all of the following requirements are satisfied:
1. Only the proceeds of the sale by the City of its securities in a corporation incorporated under section 142 of the Electricity Act, 1998 are used to make the investments.
  2. The investments are made in a professionally-managed fund.
  3. The terms of the investments provide that,
    - i. where the investment is in debt instruments, the principal must be repaid no earlier than seven years after the date on which the City makes the investment, and
    - ii. where the investment is in shares, an amount equal to the principal amount of the investment cannot be withdrawn from the fund for at least seven years after the date on which the City makes the investment.
  4. The City establishes and uses a separate reserve fund for the investments.
  5. Subject to paragraph 6, the money in the reserve fund, including any returns on the investments or proceeds from their disposition, are used to pay capital costs of the City and for no other purpose.
  6. The City may borrow money from the reserve fund but must repay it plus interest. O. Reg. 655/05, s. 4 (3).
- (2) The investment made under clause (1) (b) or described in subsection (1.1), as the case may be, must be made in the public sector group of funds of the Local Authority Services Limited and the CHUMS Financing Corporation with,
- (a) another municipality;
  - (b) a public hospital;
  - (c) a university in Ontario that is authorized to engage in an activity described in section 3 of the Post-secondary Education Choice and Excellence Act, 2000;

- (d) the board of governors of a college established under the Ontario Colleges of Applied Arts and Technology Act, 2002;
  - (e) a school board; or
  - (f) any agent of an institution listed in clauses (a) to (d). O. Reg. 265/02, s. 3; O. Reg. 655/05, s. 4 (4); O. Reg. 607/06, s. 3.
- 5.** A municipality shall not invest in a security issued or guaranteed by a school board or similar entity unless,
- (a) the money raised by issuing the security is to be used for school purposes; and
  - (b) Revoked: O. Reg. 248/01, s. 1. O. Reg. 438/97, s. 5; O. Reg. 248/01, s. 1.
- 6.** (1) A municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s. 6 (1).
- (2) Subsection (1) does not prevent a municipality from continuing an investment, made before this Regulation comes into force, that is expressed and payable in the currency of the United States of America or the United Kingdom. O. Reg. 438/97, s. 6 (2).
- 7.** (1) Before a municipality invests in a security prescribed under this Regulation, the council of the municipality shall, if it has not already done so, adopt a statement of the municipality's investment policies and goals. O. Reg. 438/97, s. 7.
- (2) In preparing the statement of the municipality's investment policies and goals under subsection (1), the council of the municipality shall consider,
- (a) the municipality's risk tolerance and the preservation of its capital;
  - (b) the municipality's need for a diversified portfolio of investments; and
  - (c) obtaining legal advice and financial advice with respect to the proposed investments. O. Reg. 265/02, s. 4.
- (3) Revoked: O. Reg. 655/05, s. 5.
- (4) In preparing the statement of the municipality's investment policies and goals under subsection (1) for investments made under paragraph 9 of section 2, the council of the municipality shall consider its plans for the investment and how the proposed investment would affect the interest of municipal taxpayers. O. Reg. 265/02, s. 4.
- 8.** (1) If a municipality has an investment in a security prescribed under this Regulation, the council of the municipality shall require the treasurer of the municipality to prepare and provide to the council, each year or more frequently as specified by the council, an investment report. O. Reg. 438/97, s. 8 (1).
- (2) The investment report referred to in subsection (1) shall contain,
- (a) a statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
  - (b) a description of the estimated proportion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year's report;



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



## **APPENDIX 4 - DEVELOPMENT CHARGE BORROWING POLICY**

### **Objective**

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

### **SOURCES OF BORROWING**

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

#### ***Internal Borrowing***

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

#### ***Term of Borrowing***

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

#### ***Internal Borrowing Interest Rate***

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

#### ***External Borrowing***

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



## **Administration**

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

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

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



## APPENDIX 5 - INVESTMENT ALLOCATION INTEREST POLICY

### Objective

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

### INTEREST ALLOCATION

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

#### ***Development Charges Reserves***

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

#### ***Interest Bearing Reserves and Reserve Funds***

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

#### ***Varley Trust***

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

#### ***General Portfolio***

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

#### **Capital Gains Reserve**

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

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

- Funds are required to make up for a deficit in the Investment Interest or Capital Gains accounts
- Approval is given through the budget process to use the funds in the reserve to help set the Investment Interest budget



- Funds can be drawn from the reserve to be allocated to other reserves using either of the following methodologies:
  - i. To all interest bearing reserve and reserve funds on a prorated basis; or
  - ii. In a method similar to the process of allocating year end surplus (i.e. first to top-up the Corporate Rate Stabilization Reserve to a level equivalent to 15% of local tax revenues and secondly to replenish the expenditures in the Environmental Land Acquisition Reserve Fund, and finally transferred to the Life Cycle Replacement and Capital Reserve Fund).

## **APPENDIX 6 - RESERVE POLICY**

### **Asset Life Cycle Reserve Study**

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

- Determining the adequacy of the City's Reserves to meet known future expenditures (Infrastructure/Capital Asset Rehabilitation/Replacements) for 25 years based on projected inflows
- Determining the adequate level for the City's corporate rate stabilization/contingency reserve based upon comparisons and benchmarking with other Municipalities and "best practices"
- Reviewing, consolidating and refining policies for the City's various reserves and reserve funds

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

### **Life Cycle Replacement and Capital Reserve Fund**

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

Funding for this reserve will come from the following sources:

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

### **Corporate Rate Stabilization Reserve**

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

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

In addition, future year-end operating Budget surpluses, if any, will be used to top-up this reserve to the target balance. As explained in the Future Operating Surplus section, below, once the target balance in the Corporate Rate Stabilization is achieved, remaining year-end



surpluses, if any, will be allocated to other reserves in a sequential order, as approved by Council.

## **Other Reserve Study Recommendations and Policies**

**Non-DC Growth Reserve Fund** – intended for the purpose of funding the non DC component of growth related projects. See “Development Charge (DC) Projects – Non-DC Reserve Funding” section in the Capital Budget Guidelines section for further information on the City’s requirement to fund a portion of growth related new capital infrastructure projects. Proceeds from future land sales will be the source of funding for this reserve.

**Facility Ramp-up Reserve** – funded from the operating Budget dollars included in previous years’ Budgets to ramp-up for facility operating costs. Intended use of this reserve was not defined when the reserve was established, however, it was used to fund non-growth facility-related capital projects in the past, with Council approval. Balance at the end of each fiscal year will be transferred to the Corporate Rate Stabilization Reserve.

**Environmental Land Acquisition Reserve Fund** – a new reserve established in 2005 to provide a source of financing for the City to acquire/protect environmentally sensitive land. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve. As well, any remaining year end surpluses after topping up the stabilization reserve will be used to replenish expenditures in the Reserve Fund.

**Environmental Sustainability Reserve Fund** – intended to provide a source of funding for internal (City) and external (e.g. Community groups) initiatives that are environmental in nature. A base level of \$150,000 was established for this fund. The process to replenish the base for expenditures is through the following year’s Capital Budget process.

**Land Acquisition Reserve Fund** - a new reserve established in 2005 to provide a source of financing for the City to acquire land that is strategic in nature, non-growth (and thus cannot be DC-funded), and not environmentally sensitive. On an annual basis, \$250,000 of interest income from a long-term loan to a related company, PowerStream, will be the source of funding for this reserve.

## **Future Operating Surpluses**

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



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

### **Waterworks Reserves**

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

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

- Addressing the ongoing replacement and rehabilitation requirements for the Waterworks infrastructure over their useful lives
- Determining the adequacy of the City's Waterworks Reserves to meet known future expenditures for 25 years

Based on the future replacement and rehabilitation program as identified in the Water and Wastewater Reserve Study, the Waterworks Reserves will require additional funding in order to sustain future replacement and rehabilitation requirements. As a result, effective January 1, 2008, a Water & Wastewater Infrastructure Surcharge was implemented, to be phased-in over 10 years. Any potential increase to the approved surcharge will be brought forward to Council through the annual reserve study update and the annual Budget process.





## **APPENDIX 7 - DEBT POLICY**

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

### **Policy on Debt Issuance**

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

### **Provincial Guidelines**

- Annual payments relating to debt and financial obligations should not be more than 25% of own source revenues and fund revenues, not including Municipal electrical utilities revenues.
- Markham’s annual repayment limit for 2019 is approximately \$88.0 million.

## APPENDIX 8 - EXPENDITURE CONTROL POLICY

### 1 PURPOSE

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

### 2 APPLICABILITY AND SCOPE STATEMENT

- 2.01 This policy applies to all authorized individuals or designates authorizing payments on behalf of Markham

### 3 BACKGROUND

- 3.01 To establish internal controls over the authorization of expenses, contract overruns, purchase order adjustments and change order requirements.

### 4 DEFINITIONS

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

“**Change Order**” means a component of the change management process whereby changes in the scope of work agreed to by Markham and the vendor(s);

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

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

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

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

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

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

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

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

“**Director**” means a person holding a management position of Director within a department and includes the Treasurer, Fire Chief, Deputy Fire Chief, Solicitor, Clerk, Architect and Chief



Information Officer (CIO), and any other title approved by Human Resources as a staff position equivalent to that of a Director;

“ELT” means the Executive Leadership Team;

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

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

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

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

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

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

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

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

## 5 COMMITMENTS

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

a. Value <\$5,000

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

b. Contract awards that are within the Established Criteria:

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



c. Contract awards that are outside the established criteria:

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

### **Established Criteria**

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

- The expenses relating to the goods/services is included in the Budget (Operating/Capital)
- The award is within budget
- The award results from the normal tendering process
- The award is to the lowest priced proponent
- The term of the contract is for a maximum of four (4) years
- There are no litigation between the successful bidder and Markham
- There is no disqualified Bidder (which disqualified Bidder is also the lowest priced or highest ranked Bidder (as applicable) pursuant to the Quotation process) at the time of Contract Award

#### **5.02 Contingencies**

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

#### **5.03 Capital Overruns**

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

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

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



- a) Approval for a capital overrun must be obtained from the appropriate authority level via an email and a Purchase Order Adjustment Authorization Form (POAAF) must be completed within 10 business days with the email attached.
- b) The Treasurer will review compliance and report any exceptions periodically to ELT.

**5.04 Operating Overruns**

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

**5.05 Purchase Order Increase with Budget Remaining Including Contingencies**

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

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

**5.1 PROCEDURES**

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

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



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

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

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

#### **5.13 Goods and Services greater than \$5,000 (excluding Taxes)**

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

#### **5.14 Contingencies**

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

#### **5.15 Invoice Authorization for Payment**

- a) All invoices for expenditures less than \$5,000 must be authorized by an employee who has been approved by the appropriate Director and Commissioner to have signing authority up to \$5,000..
- b) All invoices greater than \$5,000 must have two authorizers as per the following:
  - i. The first authorizer can be any staff member within the User Department who has been authorized by the appropriate Director and Commissioner to have signing authority up to \$5,000
  - ii. The second authorizer for invoices less than \$100,000 must be the appropriate Manager or Director or Commissioner or the CAO.
  - iii. For invoices greater than \$100,000 the second authorizer must be the appropriate Director or Commissioner or the CAO.



- c) Invoices that do not have the correct purchase order and line item number noted may be returned to the Vendor for correction

**All invoices must include approver(s) printed name, signature and date the invoice was signed.**

#### **5.16 Write-Offs of Non-Tax Items**

Authorization to make a write-off of outstanding Non-Tax items owing to Markham is as follows:

- a) Write-off of any non-tax related invoices up to \$10,000 will be reviewed and authorized by the Treasurer and/or delegate, and where it is concluded that they are uncollectable, the Treasurer and/or delegate shall be authorized to write-off the invoice as uncollectable.
- b) Write-off of any non-tax related invoices in excess of \$10,000, the Treasurer and/or delegate shall recommend to the Council that the outstanding amount be deemed as uncollectable and that Council direct the write-off of the amount as uncollectable.

#### **5.17 Write-Offs of Tax Items**

- a) Write-off of any tax related items, where Treasurer and/or delegate concludes that certain taxes are uncollectable, the Treasurer and/or delegate shall, under the provisions of S.354 of the Municipal Act, 2001, recommend to the Council that such outstanding taxes be removed from the Roll, and that Council direct the write-off of taxes as uncollectable.

#### **5.18 Property Tax Adjustments**

Treasurer and/or delegate shall be authorized to approve required tax adjustments, resulting from appeals, rebates and/or errors or overpayments.

- a) Authorization to make tax adjustments is as follows:

In addition to the Treasurer, two additional staff members be delegated authority to authorize the approval of tax adjustments;

1. Senior Manager, Revenue and Property Tax
  2. Manager, Tax and Cash Management
- b) Delegated approval thresholds are set as follows:
    1. Manager, Tax and Cash Management \$0 - \$50,000
    2. Senior Manager, Revenue and Property Tax \$50,001 - \$100,000
    3. Treasurer/Commissioner, Corporate Services > \$100,001

## 5.2 MISCELLANEOUS AUTHORITIES

### 5.21 Accounting

#### a) Personal Expense Claims

	Authority
a) Personal Expense Claims	
Staff member	Manager
Manager	Next Level/Director
Director	Next Level/Commissioner
Commissioner	Chief Administrative Officer
Chief Administrative Officer	Commissioner of Corporate Services
Councillor	Councillor
b) Cheque requisitions	Manager/Director as per clause 5.15
c) Procurement Card Purchase	Manager and/or Director
d) Petty Cash Expenditures	Manager

### 5.22 Payroll / Personnel

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

### 5.23 Letters of Credit – Draws, Reductions, Releases

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

### 5.24 Miscellaneous

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





### 5.25 Treasurer's Authority

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

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

### 5.3 AUDIT

Expenses, contract overruns, purchase order adjustments and change order requirements may be audited by Finance Staff or the Auditor General to ensure compliance.

### 5.4 ATTACHMENTS

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

## 6 ROLES & RESPONSIBILITIES

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

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

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

**CAO** - is authorized to approve any amendments suggested by the Treasurer.

## **APPENDIX 9 - TANGIBLE CAPITAL ASSETS POLICY**

### **Introduction**

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

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

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

A glossary of terms related to account for tangible capital assets is included in Appendix 11A.

### **Scope**

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

### **Purpose**

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

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

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



## Policy Statement

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

### 1. TCA Definition

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

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

#### 1.1 Assets Exclusions

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

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

#### 2.0 Asset Categories

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

- Equipment
- Furniture & Fixtures
- Infrastructure
- Land
- Library Furniture & Fixtures
- Library Media Collection



- Parks & Pathways
- Vehicles
- Waterworks Equipment
- Waterworks Infrastructure
- Waterworks Vehicles

### **3.0 Capitalization**

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

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

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

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

### **4.0 Opening Valuations**

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

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

### **5.0 Valuation**

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

#### **5.1 Purchased assets**

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



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

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

## **5.2 Acquired, Constructed or Developed Assets**

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

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

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

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

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

## **5.3 Capitalization of Interest Costs**

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

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

## **5.4 Donated or Conveyed Assets**

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

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

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

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

## **6.0 Capital Work in Progress**

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

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

## **7.0 Componentization**

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

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

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

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

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

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



## **8.0 In Service Date**

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

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

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

## **9.0 Useful Life**

Useful life is the period over which an asset is expected to be available for use by the City. It is normally the shortest of the asset's physical, technological, commercial or legal life. Some of the factors that are considered when determining an asset's useful life are the asset's intended use, construction type, current maintenance policies and technological changes.

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

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

## **10.0 Amortization/Depreciation**

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

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

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

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



## **11.0 Disposal**

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

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

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

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

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

## **12.0 Write Down/Write Off**

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

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

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

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

A write down cannot be reversed.





### **13.0 Maintenance vs. Betterment**

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

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

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

### **14.0 Capital Leases**

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

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

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

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

### **15.0 Accountability**

Operating departments are responsible for:

- Providing information on capital request forms identifying all information required for the eventual calculation of amortization.
- Advising the Manager of Financial Planning of all acquisitions, disposals and asset life expectancy changes.
- Ensuring proper control of tangible capital assets is maintained.
- Providing information about the availability, condition and usage of the asset as required.
- Correct allocation of all expenses whether capital or operating. Note that all expenses charged to a capital WIP project must meet the definition of eligible costs for a TCA.



- Ensuring expenses are charged to the correct WIP account. Department must bear in mind that all WIP transactions will be audited for eligibility as part of the annual external audit.

**Finance is responsible for:**

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

## APPENDIX 9A

### **Glossary of Terms**

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

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

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

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

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

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

#### **Capital Lease**

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

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

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

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



- interest.

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

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

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

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

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

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

**Expenses**, including losses, are decreases in economic resources, either by way of outflows or reductions of assets or incurrence of liabilities, resulting from the operations, transactions and events of the accounting period. Expenses include transfer payments due where no value is received directly in return. Expenses include the cost of economic resources consumed in, and identifiable with, the operations of the accounting period. For example, the cost of tangible capital assets is amortized to expenses as the assets are used in delivering programs. Expenses do not include debt repayments or transfers to other local governmental units in the City's reporting entity.



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

## APPENDIX B

Category 1	Category 2	Category 3	Recording Method	Useful Life-Years	Components	
<b>Buildings</b>			Single Asset (by Building)	40		
<b>Equipment</b>	Facility Equipment		Pooled by Year	10	Indoor Cleaning/Maintenance, Kitchen, Theatre, etc.	
	Facility Recycling Containers		Pooled by Year	10		
	Fire Services Equipment		Pooled by Year	11		
	ITS Equipment		Pooled by Year	7	Audio/Visual, Computers, Fire Dispatch, Library 3M HW, Network Device, Peripherals, Print Shop Equip, Printers, Servers & Telecomm.	
	Non-Licensed Construction/Maintenance Equipment		Pooled by Year	7		
	Parking Machines		Pooled by Year	10		
	Recreation Fitness & Program Equipment		Pooled by Year	5		
	Solar PV Panels		Single Asset (by location)	20		
	Air-Supported Structure		Single Asset (by location)	20		
	Artificial Turf		Single Asset (by location)	15		
<b>Furniture &amp; Fixtures</b>	Facility Furniture		Pooled by Year	10		
	Office Furniture		Pooled by Year	15		
<b>Infrastructure</b>	Bridges	Substructure	Single Asset (by Bridge #)	75		
		Superstructure	Single Asset (by Bridge #)	25		
	Culverts		Pooled by Year	50		
	Fencing		Pooled by Year	20		
	Guide Rails		Pooled by Year	20		
	Masonry/Precast Concrete Features		Pooled by Year	40		
	Parking Lots	Paved Surface		Pooled by Year	25	
		Sub-base		Pooled by Year	45	
	Pedestrian Bridges		Pooled by Year	40		
	Retaining Walls		Pooled by Year	20		
	Right-Of-Ways (ROW's)	Road Surface		Pooled by Year	25	Asphalt surface-roads & laneways, curbs and speed humps.
		Sidewalks		Pooled by Year	45	Concrete surface of sidewalks
		Sub-base		Pooled by Year	45	Drainage, aggregate & earthwork.
	Signals	Controllers		Pooled by Year	10	
		Electrical, Poles & Heads		Pooled by Year	22	
	Signs		Pooled by Year	10		
	Storm Sewer Systems		Pooled by Year	88		
	Stormwater Lift Stations	Building Structure		Single Asset (by Station)	100	
		Electrical		Single Asset (by Station)	50	
		Process Mechanical		Single Asset (by Station)	25	
		Substructure - Concrete		Single Asset (by Station)	100	
		Substructure - Misc. Metals		Single Asset (by Station)	50	
	Street Lights		Pooled by Year	35		
SWM Ponds		Single Asset (by Pond)	10			
Traffic Islands		Pooled by Year	25			
<b>Land</b>	Land Parcels		Single Asset (by Roll #)	n/a		
	Park Landscaping		Pooled by Year	n/a		
	Land Under ROW's		Pooled by Year	n/a		
<b>Library Furniture &amp; Fixtures</b>	Library Furniture & Fixtures		Pooled by Year	10		
<b>Library Media Collection</b>	Library Media Collection		Pooled by Year	7		
<b>Parks &amp; Pathways</b>	Other Structures	Lighting	Pooled by Year	30	Pathway & sportfield lighting.	
		Park Furnishings	Pooled by Year	10	Benches, waste receptacles, signage.	
		Shelters	Pooled by Year	40	Park buildings, gazebos, arbors.	
		Skate Parks	Pooled by Year	25		
		Sportsfield Structures	Pooled by Year	10	Fencing, Court surfaces, Bleachers, Goal posts.	
	Pathways		Pooled by Year	15		
	Playground Structures		Pooled by Year	15		
	Site Servicing & Drainage		Pooled by Year	60	Water supply & drainage.	
Waterplay Structures		Pooled by Year	20			



Category 1	Category 2	Category 3	Recording Method	Useful Life-Years	Components	
Vehicles	Fire Apparatus		Pooled by Year	9		
	Licensed Vehicles		Pooled by Year	7		
Waterworks Equipment	O&M Tools and Equipment		Pooled by Year	9		
Waterworks Infrastructure	Drinking Water Distribution System		Pooled by Year	60		
	Sanitary Sewage Collection System		Pooled by Year	85		
	Sanitary Sewage Pumping Stations	Architecture		Single Asset (by Station)	50	
		Building Mechanical		Single Asset (by Station)	25	
		Building Structure		Single Asset (by Station)	100	
		Civil access area		Single Asset (by Station)	50	
		Civil - Fence and Pavement		Single Asset (by Station)	20	
		Civil - Underground Piping (100)		Single Asset (by Station)	100	
		Civil - Underground Piping (50)		Single Asset (by Station)	50	
		Electrical (25)		Single Asset (by Station)	25	
		Electrical (50)		Single Asset (by Station)	50	
		Instrumentation & Control		Single Asset (by Station)	15	
		Machinery		Single Asset (by Station)	50	
		Process Mechanical		Single Asset (by Station)	25	
		Substructure - Concrete		Single Asset (by Station)	100	
Substructure - Misc. Metals		Single Asset (by Station)	50			
Waterworks Vehicles	Licensed Vehicles		Pooled by Year	7		





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