

**CITY OF MARKHAM**  
**Operating Budget**  
**(Including Library, excluding Planning & Design, Engineering, Waterworks and Building Standards)**  
**Financial Results for the Seven Months Ended July 31, 2024**  
**(in millions of dollars)**

	2024 Actual	2024 Budget	Variance fav.//(unfav.)	Annual Budget	% of YTD Budget
<b>Revenues</b>					
Property Taxation Revenues	170.24	170.13	0.11	187.74	
General Revenues	34.41	18.74	15.67	44.64	
User Fees & Service Charges	20.72	21.68	(0.96)	37.40	
Grant & Subsidy Revenues	2.04	1.23	0.81	2.62	
Other Income	4.51	3.33	1.18	5.93	
<b>Revenues Total</b>	<b>231.92</b>	<b>215.11</b>	<b>16.81</b>	<b>278.33</b>	<b>107.8%</b>
<b>Expenditures</b>					
Salaries & Benefits	88.63	91.11	2.48	157.02	
Material & Supplies	4.06	4.07	0.01	6.82	
Procured Services	24.76	26.55	1.79	50.30	
Transfers to Reserves	49.07	33.59	(15.48)	45.56	
Other Expenditures	1.03	1.76	0.73	5.02	
<b>Expenditures Total</b>	<b>167.55</b>	<b>157.08</b>	<b>(10.47)</b>	<b>264.72</b>	<b>106.7%</b>
<b>Surplus not including winter maintenance</b>	<b>64.37</b>	<b>58.03</b>	<b>6.34</b>	<b>13.63</b>	
<b>Winter Maintenance</b>	<b>5.68</b>	<b>8.29</b>	<b>2.61</b>	<b>13.63</b>	
<b>Surplus including winter maintenance</b>	<b>58.69</b>	<b>49.74</b>	<b>8.95</b>	<b>0.00</b>	

**CITY OF MARKHAM**  
**Planning & Design Operating Budget**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	2024	2024	Variance	Annual	% of	Year-end
	Actual	Budget	fav./.(unfav.)	Budget	YTD Budget	Surplus/ (Deficit) Projection
<b>Revenues</b>						
Planning & Design Fees	4.92	5.59	(0.67)	12.47		7.50
Other Income	0.24	0.00	0.24	0.37		1.35
<b>Revenues Total</b>	<b>5.16</b>	<b>5.59</b>	<b>(0.43)</b>	<b>12.84</b>	<b>92.3%</b>	<b>8.85</b>
<b>Expenditures</b>						
Salaries & Benefits	5.01	5.98	0.97	11.01		8.59
Material & Supplies	0.01	0.03	0.02	0.04		0.02
Procured Services	2.38	2.45	0.07	4.83		4.74
<b>Expenditures Total</b>	<b>7.40</b>	<b>8.46</b>	<b>1.06</b>	<b>15.88</b>	<b>87.5%</b>	<b>13.35</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>(2.24)</b>	<b>(2.87)</b>	<b>0.63</b>	<b>(3.04)</b>		<b>(4.50)</b>
Transfer to Reserve	(2.24)	(2.87)	0.63	(3.04)		(4.50)
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

**July Year to Date Variance Explanation**

At the end of July, the Planning department had a deficit of \$2.24M against a budgeted deficit of \$2.87M. The favourable variance of \$0.63M was mainly due to full time salaries favourability of \$0.97M due to a year-to-date average of eight temporary net vacancies.

**CITY OF MARKHAM**  
**Engineering Operating Budget**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	2024	2024	Variance	Annual	% of	Year-end
	Actual	Budget	fav./(unfav.)	Budget	YTD Budget	Surplus/ (Deficit) Projection
<b>Revenues</b>						
Engineering Fees	7.11	6.20	0.91	10.50		14.47
<b>Revenues Total</b>	<b>7.11</b>	<b>6.20</b>	<b>0.91</b>	<b>10.50</b>	<b>114.7%</b>	<b>14.47</b>
<b>Expenditures</b>						
Salaries & Benefits	4.32	4.48	0.16	8.50		7.68
Material & Supplies	0.00	0.01	0.01	0.04		0.04
Procured Services	1.55	1.59	0.04	3.18		3.24
<b>Expenditures Total</b>	<b>5.88</b>	<b>6.08</b>	<b>0.21</b>	<b>11.72</b>	<b>96.7%</b>	<b>10.96</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>1.24</b>	<b>0.12</b>	<b>1.12</b>	<b>(1.22)</b>		<b>3.52</b>
Transfer to Reserve	1.24	0.12	1.12	(1.22)		3.52
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

**July Year to Date Variance Explanation**

At the end of July, the Engineering Department had a surplus of \$1.24M against a budgeted surplus of \$0.12M. The favourable variance of \$1.12M was mainly due to higher than budgeted Engineering fees and full time salaries favourability of \$0.16M due to a year-to-date average of two temporary net vacancies.

**CITY OF MARKHAM**  
**Planning & Engineering Development Fee Reserve Balance**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	<b>2024 Budget</b>	<b>2024 Forecast</b>
<b>Opening Balance at January 1, 2024</b>	58.54	58.54
<b>Transfer to Capital and Interest Charges</b>	0.25	2.23
<b>Transfer to/Draw (from) Reserves</b>		
<b>Planning &amp; Design</b>	(3.04)	(4.50)
<b>Engineering</b>	(1.22)	3.52
<b>Planning &amp; Engineering Reserve Ending Balance</b>	<b>54.53</b>	<b>59.79</b>

**Forecast Variance Explanation**

The Planning & Design and Engineering departments are projecting a year-end deficit of \$4.50M and a surplus of \$3.52M respectively. A projected transfer from Reserve of \$0.98M is required. The year-end balance includes in-year interest adjustments and capital project funding transfers. At year-end, the Reserve balance will increase from \$58.54 to \$59.79M

**CITY OF MARKHAM**  
**Building Standards Operating Budget**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	2024 Actual	2024 Budget	Variance fav.//(unfav.)	Annual Budget	% of YTD Budget	Year-end Surplus/ Deficit
<b>Revenues</b>						
Building Permits	8.90	6.09	2.81	11.33		13.00
Other Revenues	0.28	0.14	0.14	0.22		1.19
<b>Revenues Total</b>	<b>9.18</b>	<b>6.23</b>	<b>2.95</b>	<b>11.55</b>	<b>147.4%</b>	<b>14.19</b>
<b>Expenditures</b>						
Salaries & Benefits	4.47	4.36	(0.11)	8.44		7.70
Material & Supplies	0.02	0.03	0.01	0.06		0.06
Procured Services	1.96	1.96	0.00	3.87		3.88
<b>Expenditures Total</b>	<b>6.45</b>	<b>6.35</b>	<b>(0.10)</b>	<b>12.37</b>	<b>101.6%</b>	<b>11.64</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>2.73</b>	<b>(0.12)</b>	<b>2.85</b>	<b>(0.82)</b>		<b>2.55</b>
Transfer to Reserve	2.73	(0.12)	2.85	(0.82)		2.55
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

**July Year to Date Variance Explanation**

At the end of July, the Building Standards department had a surplus of \$2.73M against a budgeted deficit of (\$0.12M). The favourable variance of \$2.85M was mainly due to higher building permit fees received of \$2.81M

**CITY OF MARKHAM**  
**Building Fee Reserve Balance**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	<b>2024 Budget</b>	<b>2024 Forecast</b>
<b>Opening Balance at January 1, 2024</b>	14.22	14.22
<b>Transfer to Capital and Interest Income</b>	0.10	0.54
<b>Projected Transfer to/Draw (from) Reserves</b>	(0.82)	2.55
<b>Building Reserve Ending Balance</b>	<b>13.50</b>	<b>17.31</b>

**Forecast Variance Explanation**

Building Standards is projecting a year-end surplus of \$2.55M. A projected transfer to Reserve of \$2.55M will be made increasing the balance from \$14.22M to \$17.31M. The year-end balance includes in-year interest adjustments and capital project funding transfers.

**CITY OF MARKHAM**  
**Waterworks Operating Budget**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	2024 Actual	2024 Budget	Variance fav./unfav.)	Annual Budget	% of YTD Budget	Year-end Surplus/ (Deficit) Projection
<b>Sales &amp; Purchases of Water</b>						
<b>Water Revenue</b>						
Water & Sewer Billing	85.55	84.07	1.48	149.56		151.79
<b>Water Expenditure</b>						
Contracted Municipal Services	65.08	64.69	(0.39)	115.08		115.78
<b>Net Sales &amp; Purchases of Water</b>	<b>20.47</b>	<b>19.38</b>	<b>1.09</b>	<b>34.48</b>	<b>105.6%</b>	<b>36.01</b>
<b>Other Revenues Total</b>	<b>1.10</b>	<b>0.67</b>	<b>0.43</b>	<b>1.44</b>	<b>164.0%</b>	<b>2.27</b>
<b>Other Expenditures</b>						
Salaries & Benefits	4.42	5.18	0.76	8.83		7.65
Non Personnel Expenditures	5.72	5.66	(0.06)	7.81		7.66
<b>Expenditures Total</b>	<b>10.14</b>	<b>10.84</b>	<b>0.70</b>	<b>16.64</b>	<b>93.5%</b>	<b>15.31</b>
<b>Surplus Before Transfer to Reserve</b>	<b>11.44</b>	<b>9.21</b>	<b>2.22</b>	<b>19.28</b>		<b>22.97</b>
Transfer to Reserve	11.44	9.21	2.22	19.28		22.97
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

**July Year to Date Variance Explanation**

At the end of July, the Waterworks department had a surplus of \$11.44M against a budgeted surplus of \$9.21M. The main drivers for the favourable variance of \$2.22M were as follows:

- Higher water sales of \$1.48M is partially offset by higher water purchases of \$0.39M, resulting in higher net sales of \$1.09M. Year-to-date June average actual non-revenue water was 10.8% (NRW budgeted at 11%).
- Lower personnel costs resulting in a favourable variance of \$0.76M mainly due to a year-to-date average of 7 temporary vacancies
- Other Revenue is favourable by \$0.43M due to higher water meter sales and installation fees and greater construction activity
- Higher non-personnel costs resulting in an unfavourable variance of \$0.06M mainly due to unbudgeted utility locate costs undertaken by external contractor, whilst the transition to a fully in-house locates model nears completion.

**CITY OF MARKHAM**  
**Waterworks Reserve Balance**

**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

	<b>2024 Budget</b>	<b>2024 Forecast</b>
<b>Opening Balance at January 1, 2024</b>	86.23	86.23
<b>Transfer to Capital and Interest Income</b>	(3.22)	(5.05)
<b>Transfer to Reserve</b>	19.28	22.97
<b>Waterworks Reserve Ending Balance</b>	<b>102.30</b>	<b>104.15</b>

**Year-End Explanation**

The Waterworks Department is projecting a year-end surplus of \$22.97M. A projected transfer of \$22.97M will be made to the Reserve increasing the balance from \$86.23M to \$104.15M. The year-end balance includes in-year interest adjustments and capital project funding transfers.



## CITY OF MARKHAM

## Variances by Commission and Department

## CAO'S Office, Corporate Communications, Fire Services, People Services and Legal Department

Financial Results for the Seven Months Ended July 31, 2024

(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
CAO'S OFFICE	(0.09)	0.00	0.00	(0.09)
CORPORATE COMMUNICATIONS	0.07	0.08	(0.02)	0.13
PEOPLE SERVICES	0.69	0.06	0.00	0.75
FIRE SERVICES	(0.81)	0.12	0.03	(0.66)
LEGAL DEPT.	(0.08)	0.02	0.05	(0.01)
<b>Total</b>	<b>(0.22)</b>	<b>0.28</b>	<b>0.06</b>	<b>0.12</b>

## July Year to Date Variance Explanation (Items Greater than \$0.05M)

- **CAO's Office** - (\$0.09M) Unfavourable - Mainly due to part-time staffing
- **Corporate Communications** - \$0.13M Favourable - Mainly due to video/internet production
- **People Services** - \$0.75M Favourable - Mainly due to year to date average of six temporary net vacancies
- **Fire Services** - (\$0.66M) Unfavourable - Mainly due to supernumerary and full-time overtime

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Community Services**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
OPERATIONS	0.19	(0.43)	0.35	0.11
LIBRARY	0.10	0.11	(0.05)	0.16
RECREATION SERVICES	(0.02)	0.78	(0.82)	(0.06)
ENVIRONMENTAL SERVICES	0.16	0.02	-	0.18
WASTE	0.09	0.04	0.40	0.53
COMMISSIONER'S OFFICE	0.18	0.01	-	0.19
<b>Total Excl. Winter Maintenance</b>	<b>0.70</b>	<b>0.53</b>	<b>(0.12)</b>	<b>1.11</b>
WINTER MAINTENANCE	(0.03)	2.65	(0.01)	2.61
<b>Total</b>	<b>0.67</b>	<b>3.18</b>	<b>(0.13)</b>	<b>3.72</b>

**July Year to Date Variance Explanation (Items Greater than \$0.05M)**

- **Operations** - \$0.11M Favourable - Average of 7 temporary net vacancies partially offset by hydro and lower sportsfield revenue
- **Library** - \$0.16M Favourable - Primarily due to gapping
- **Recreation Services** - (\$0.06M) Unfavourable - Unfavourability in arena rentals (Non-Prime), aquatics instructional programming and fitness centre memberships partially offset by utilities savings
- **Environmental Services** - \$0.18M Favourable - Mainly due to a year to date average of one temporary net vacancy
- **Waste** - \$0.53M Favourable - Due to receipt of provincial grant funding from Resource Productivity and Recovery Authority
- **Commissioner's Office** - \$0.19M Favourable - Due to year to date average of one temporary net vacancy
- **Winter Maintenance** - \$2.61M Favourable - Based on less usage of salt due and a lower requirement for road cleaning operations

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Services**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
LEGISLATIVE SERVICES	(0.06)	0.01	0.26	0.21
BY-LAW SERVICES	0.24	0.01	(0.55)	(0.30)
FINANCIAL SERVICES	0.04	0.05	0.14	0.23
IT SERVICES	0.59	0.07	0.05	0.71
(SAM)	0.22	0.27	0.05	0.54
COMMISSIONER'S OFFICE	0.01	0.01	-	0.02
<b>Total</b>	<b>1.04</b>	<b>0.42</b>	<b>(0.05)</b>	<b>1.41</b>

**July Year to Date Variance Explanation (Items Greater than \$0.05M)**

- **Legislative** - \$0.21M Favourable - Mainly due to licensing revenue including Private Transportation Companies
- **By-Law** - (\$0.30M) Unfavourable - Revenue shortfall in parking violations, partially offset by an average of 3 temporary net vacancies
- **Financial Services** - \$0.23M Favourable - Mainly due to financial services user fees
- **IT Services** - \$0.71M Favourable - Mainly due to a year to date average of 8 temporary net vacancies
- **SAM** - \$0.54M Favourable - Due to lower than expected maintenance costs and a year to date average of 3 temporary net vacancies

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Development Services**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
ECONOMIC GROWTH, CULTURE & ENTREPRENEURSHIP	(0.29)	0.07	0.29	0.07
COMMUNITY & CORPORATE EVENTS	0.02	0.01	-	0.03
TRAFFIC OPERATIONS	0.03	0.05	-	0.08
COMMISSIONER'S OFFICE	0.12	0.02	-	0.14
<b>Total</b>	<b>(0.12)</b>	<b>0.15</b>	<b>0.29</b>	<b>0.32</b>

**July Year to Date Variance Explanation (Items Greater than \$0.05M)**

- **Economic Growth, Culture and Entrepreneurship** - \$0.07M Favourable - Mainly due to lower than expected promotion and advertising, utilities and travel expenses
- **Commissioner's Office** - \$0.14M Favourable - Mainly due to a year to date average of 1 temporary net vacancy

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Mayor & Council**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
MAYOR & COUNCIL	0.49	(0.04)	0.00	0.45
<b>Total</b>	<b>0.49</b>	<b>(0.04)</b>	<b>-</b>	<b>0.45</b>

**July Year to Date Variance Explanation (Items Greater than \$0.05M)**

- Mayor & Council - \$0.45M Favourable - Due to a year to date average of 4 temporary net vacancies

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Items**  
**Financial Results for the Seven Months Ended July 31, 2024**  
(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
CORPORATE ITEMS	0.59	(14.29)	16.63	2.93
<b>Total</b>	<b>0.59</b>	<b>(14.29)</b>	<b>16.63</b>	<b>2.93</b>

**July Year to Date Variance Explanation (Items Greater than \$0.05M)**

- **Corporate Items** - \$2.93M Favourable - Mainly due to Investment Income, partially offset by Transfers to Reserves

**CITY OF MARKHAM**  
**ONE-TIME ITEMS IMPACTING SURPLUS/(DEFICIT)**  
**YEAR-END PROJECTION**  
(in millions of dollars)

<u>One-Time Favourability</u>	<u>2024</u>	<u>Comments</u>
Investment Income	15.38	• Mainly due to one-time favourability related to interest rates
Personnel favourability	3.45	• One-time favourability based on trending of 38 temporary net vacancies for full-time positions
Penalty and Interest, and Supplemental Tax	2.30	• Favourability based on trending
Other Non-Personnel Expenses	2.25	• Mainly based on favourability in other contract service agreements, insurance and other professional fees
Utilities and Hydro	1.90	• One-time volume and rate related favourability
Licensing and User Fees	0.96	• Mainly based on favourability for tax certificates, licensing and finance admin fees
Grant Revenue	0.68	• Mainly from one-time favourability from Resource Productivity and Recovery Authority (RPRA) grant
Winter Maintenance	3.61	• Favourability due to lower incidence of snow events and lower requirement for road cleaning operations
<b>Sub-Total</b>	<b>30.54</b>	
<u>One-Time Unfavourability</u>		
Transfer to Reserves	(7.76)	• Includes transfer to Life Cycle for Alectra dividends and provisioning for future requirements
York University Land Donation Expense - Markham Campus	(6.81)	• Recognition of expense for historical draw for the purchase of land
Shortfall in Recreation and Culture Programs	(2.97)	• Lower arena rentals and program registrations
Year-End Accounting Adjustments	(2.86)	• Mainly related to salary continuance and post-employment benefits
Other Items less than \$0.05M	(0.16)	
<b>Sub-Total</b>	<b>(20.55)</b>	
<b>TOTAL ONE-TIME SURPLUS / (DEFICIT)</b>	<b>9.99</b>	