



Report to: Council

Report Date: March 1, 2011

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

RECOMMENDATION:

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

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

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

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

PURPOSE:

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

BACKGROUND:

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

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

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

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

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

DISCUSSION:**Operating**

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

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

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

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

As a provincially designated high-growth municipality, the Town of Markham continues to face inflationary pressures in many aspects of its operations. General inflation, winter maintenance contracts, utility costs, other contract renewals, and wage settlements have resulted in increased operating expenditures. Further, the Budget Sub-Committee has approved the continuation of the Town's practice of phasing-in future personnel costs related to facility openings and funds have been allocated towards the Cornell Fire Station, the South East Community Centre, Pan Am Facility, Regional Sports Park and Operations Work Yard. In addition to inflationary pressures, Markham continues to add to its inventory of parks, streetlights, and roads each year, thereby requiring additional resources for the maintenance and replacement of these assets.

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

- \$600,000 of salary gapping and personnel adjustments
- \$300,000 adjustment to HST Provision for capital projects

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

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

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

Capital

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

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

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

The proposed 2011 Budget reflects the Town's commitment to maintain service levels to the community and balances social needs with fiscal prudence. This is a reflection of the Town's commitment towards fiscal stewardship. Further, consistent with existing Town policies, one-time funding is not used to balance the operating budget and the Town's commitment to increase contribution to the capital program by \$500,000 is maintained. The Town has also continued to ramp-up the operating budget for future expenditures related to new community centres, libraries and fire stations. In addition, the Town will be contributing \$250,000 to each of the Land Acquisition and Environmental Land Acquisition Reserve Funds.

Additional Financial Disclosure Requirements Pursuant to Ontario Regulation 284/09**BACKGROUND:**

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

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

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

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

The Regulation requires that the report contain the following information:

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

DISCUSSION:

The 2011 budget excludes the following expenses:

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

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

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

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

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

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

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

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

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

Exhibit 1**2011 CONSOLIDATED BUDGET**

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

REVENUES

- Town (excl. Waterworks, Building Standards, Planning and Engineering)		\$164,637,871	
- Waterworks		\$74,973,700	
- Building standards		\$7,422,520	
- Planning & Design		\$6,964,473	
- Engineering		\$6,081,694	
Total Revenues from Operations			\$260,080,258
Non-Tangible Capital		\$11,042,456	
Tangible Capital Assets		\$62,073,744	
Total Capital - Tangible & Non-Tangible		\$73,116,200	
<i>Less: Transfer from Reserve / Reserve Funds</i>	<i>(1)</i>	<i>(\$33,367,992)</i>	
Net (new) Revenues to fund Capital			\$39,748,208 D
TOTAL REVENUES			\$299,828,466

EXPENSES


- Town (excl. Waterworks, Building Standards, Planning and Engineering)		\$164,637,871	
- Waterworks		\$74,973,700	
- Building standards		\$7,422,520	
- Planning & Design		\$6,964,473	
- Engineering		\$6,081,694	
Total Operating Expenses		\$260,080,258	
<i>Less: Transfer to Reserve / Reserve Funds</i>	<i>(2)</i>	<i>(\$36,226,559)</i>	<i>E</i>
<i>Add: TCA Amortization Expenses</i>	<i>(3)</i>	<i>55,111,736</i>	<i>A</i>
<i>Add: Post-employment benefit Expenses</i>	<i>(4)</i>	<i>\$719,100</i>	<i>B</i>
Net Operating Expenses			\$279,684,535
Non-Tangible Capital		\$11,042,456	
Tangible Capital Assets		\$62,073,744	
Total Capital Expenses		\$73,116,200	
<i>Less: Tangible Capital Assets Capitalized</i>		<i>(\$62,073,744)</i>	
Net Capital Expenses - Not Capitalized			\$11,042,456 C
TOTAL EXPENSES			\$290,726,991

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

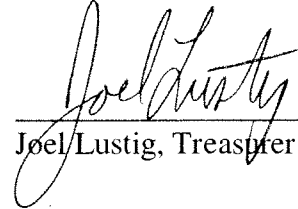
NOTES:

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

**RECOMMENDED
BY:**



Andy Taylor, Commissioner
Corporate Services



Joel Lustig, Treasurer

ATTACHMENTS:

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

TOWN OF MARKHAM - 2011 OPERATING BUDGET

Total Corporation (Excluding Planning, Engineering, Building Standards and Waterworks)

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
TAX LEVIES	\$109,308,547	\$113,989,993	\$4,681,446	4.3%
GRANTS-IN-LIEU OF TAXES	\$1,209,007	\$1,209,007	\$0	0.0%
GRANTS AND SUBSIDIES	\$1,077,534	\$1,472,973	\$395,439	36.7%
LICENCES & PERMITS	\$1,342,969	\$1,371,258	\$28,289	2.1%
INTEREST & PENALTIES	\$3,375,000	\$3,375,000	\$0	0.0%
INCOME FROM INVESTMENTS	\$17,968,065	\$18,346,065	\$378,000	2.1%
FINES	\$1,911,750	\$1,935,730	\$23,980	1.3%
USER FEES & SERVICE CHARGES	\$11,044,968	\$11,636,773	\$591,805	5.4%
RENTALS	\$5,864,783	\$6,356,680	\$491,897	8.4%
SALES	\$630,966	\$564,604	(\$66,362)	-10.5%
RECOVERIES & CONTRIBUTIONS	\$1,416,520	\$1,391,420	(\$25,100)	-1.8%
OTHER INCOME	\$2,511,418	\$2,988,368	\$476,950	19.0%
Total Revenues	\$157,661,527	\$164,637,871	\$6,976,344	4.4%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$90,483,554	\$95,951,000	\$5,467,446	6.0%
PRINTING & OFFICE SUPPLIES	\$597,534	\$574,325	(\$23,209)	-3.9%
PURCHASES FOR RESALE	\$349,232	\$308,036	(\$41,196)	-11.8%
OPERATING MATERIALS & SUPPLIES	\$3,994,929	\$2,414,312	(\$1,580,617)	-39.6%
VEHICLE SUPPLIES	\$1,645,200	\$1,563,812	(\$81,388)	-4.9%
SMALL EQUIPMENT SUPPLIES	\$15,091	\$15,091	\$0	0.0%
BOTANICAL SUPPLIES	\$280,965	\$292,978	\$12,013	4.3%
CONSTRUCTION MATERIALS	\$1,406,878	\$1,430,270	\$23,392	1.7%
UTILITIES	\$4,153,873	\$4,312,375	\$158,502	3.8%
COMMUNICATIONS	\$1,360,763	\$1,378,754	\$17,991	1.3%
TRAVEL EXPENSES	\$399,636	\$428,186	\$28,550	7.1%
TRAINING	\$730,798	\$817,930	\$87,132	11.9%
CONTRACTS & SERVICE AGREEMENTS	\$4,438,374	\$5,010,589	\$572,215	12.9%
MAINT. & REPAIR-TIME/MATERIAL	\$3,648,566	\$3,865,355	\$216,789	5.9%
RENTAL/LEASE	\$699,445	\$810,316	\$110,871	15.9%
INSURANCE	\$2,367,919	\$2,367,919	\$0	0.0%
PROFESSIONAL SERVICES	\$2,355,309	\$2,444,094	\$88,785	3.8%
LICENCES, PERMITS, FEES	\$563,992	\$634,809	\$70,817	12.6%
CREDIT CARD SERVICE CHARGES	\$174,112	\$209,813	\$35,701	20.5%
PROMOTION & ADVERTISING	\$1,239,325	\$1,252,854	\$13,529	1.1%
DISCRETIONARY COMMUNICATIONS	\$389,163	\$533,883	\$144,720	37.2%
CONTRACTED MUNICIPAL SERVICES	\$9,061,734	\$9,372,894	\$311,160	3.4%
OTHER PURCHASED SERVICES	\$687,205	\$686,498	(\$707)	-0.1%
OFFICE FURNISHINGS & EQUIPMENT	\$12,310	\$13,310	\$1,000	8.1%
WRITE-OFFS	\$433,020	\$415,141	(\$17,879)	-4.1%
OTHER EXPENDITURES	\$2,852,835	\$2,295,676	(\$557,159)	-19.5%
TRANSFERS TO RESERVES	\$23,319,765	\$25,237,651	\$1,917,886	8.2%
Total Expenditures	\$157,661,527	\$164,637,871	\$6,976,344	4.4%
Net Expenditure/ (Revenue)	\$0	\$0	\$0	0%

TOWN OF MARKHAM - 2011 CAPITAL BUDGET

Capital Summary by Commission

	<u>2010 Budget</u>	<u>2011 Budget</u>
Development Services		
Economic Development	\$545,400	\$346,000
Planning	\$1,064,600	\$1,698,500
Design	\$3,011,200	\$2,433,200
Engineering	\$10,604,000	\$25,407,600
	<u>\$15,225,200</u>	<u>\$29,885,300</u>
CAO, Legal, HR & Sustainability Office		
Human Resources	\$100,000	\$88,200
Sustainability Office	\$300,000	\$200,000
CAO's Office	\$61,400	\$530,600
	<u>\$461,400</u>	<u>\$818,800</u>
Corporate Services		
ITS	\$1,724,700	\$2,124,700
Financial Services	\$1,250,900	\$644,500
	<u>\$2,975,600</u>	<u>\$2,769,200</u>
Community & Fire Services		
Culture	\$0	\$70,000
Museum	\$30,000	\$301,700
Theatre	\$67,000	\$589,800
Arts Centres	\$27,000	\$44,100
Recreation/Library Construction	\$6,000,000	\$5,922,000
Fire	\$1,454,500	\$999,100
Recreation Services	\$8,633,000	\$1,234,400
Operations - Roads	\$8,359,800	\$7,502,100
Operations - Parks	\$1,427,600	\$2,012,100
Operations - Traffic	\$1,010,000	\$795,600
Operations - Fleet	\$1,205,400	\$3,278,400
Facility Assets	\$14,821,800	\$2,887,800
Right-of-Way Assets	\$4,847,700	\$2,576,800
Environmental Assets	\$0	\$337,200
Waste Management	\$339,000	\$152,400
Environmental Leadership	\$100,000	\$0
Library	\$125,000	\$1,796,700
Waterworks	\$10,809,500	\$9,142,700
	<u>\$59,257,300</u>	<u>\$39,642,900</u>
Total Capital Budget	<u><u>\$77,919,500</u></u>	<u><u>\$73,116,200</u></u>

TOWN OF MARKHAM - 2011 CAPITAL BUDGET **Sources of Funding**

LIFE CYCLE REPLACEMENT & CAPITAL RESERVE		\$20,495,570
DEVELOPMENT CHARGES (DCA)		\$33,378,650
GAS TAX		\$4,045,941
OTHER SOURCES		
Waterworks Reserve	\$9,435,384	
Closed Capital From Previous Years (Carry Forward)	\$2,082,268	
Pre - DCA	\$1,326,420	
10% Non-DC Reserve Fund	\$435,000	
2010 Year-end Surplus	\$420,000	
Investing in Ontario Act Grant	\$357,000	
Development Fees	\$307,470	
Road Resurfacing Reserve	\$250,000	
Canadian National Rail	\$245,349	
Ramp Up Reserve	\$157,200	
Tennis Clubs	\$124,848	
Heritage Reserve Fund	\$35,100	
Toronto & Region Conservation Authority	\$20,000	
TOTAL OTHER SOURCES		<hr/> \$15,196,039
TOTAL CAPITAL & OTHER PROGRAMS BUDGET		<hr/> <hr/> \$73,116,200

2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

Project Description		Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	Other
Development Services							
Economic Development							
11001	Markham Convergence Centre	218,800	218,800				
11003	International Investment Attraction Program	76,300	76,300				
11004	Economic Alliance Program	35,600	35,600				
11007	Festival & Events Ontario 2011 Conference	15,300	15,300				
	TOTAL Economic Development	346,000	346,000				
Planning							
11010	Greenway System Boundary Confirmation	152,600			68,670		83,930
11011	Victoria Square Heritage Conservation District Plan	30,500	30,500				
11012	Rouge Park Projects	50,000	50,000				
11013	Heritage Education	5,100					5,100
11014	New Official Plan	331,200			137,790		193,410
11017	Cornell Centre Implementation	150,000			45,000		105,000
11018	Consultant Studies	80,000			72,000		8,000
11019	Markham Centre Communications Programmed	70,000			63,000		7,000
11021	Designated Property Grant Program - Year 2 of 4	30,000					30,000
11025	Consolidated Zoning By-Law Program	50,000	50,000				
11026	Heritage Façade Improve/Sign Replacement	21,000	21,000				
11027	New Official Plan - Project Management	580,000			522,000		58,000
11028	New Official Plan - Employment Lands and Policies	81,400			73,260		8,140
11029	Growth Monitoring Program	15,800			14,220		1,580
11031	Markville/McCowan Road Key Development Area Study	50,900			45,810		5,090
	TOTAL Planning	1,698,500	151,500		1,041,750		505,250
Design							
11020	Milliken Main Street Precinct Plan Study	100,400	10,040		90,360		
11035	Civic Mall-Interim Landscaping Civic Way	395,000	39,500		355,500		
11036	Grand Cornell Park - Design	43,600	4,360		39,240		
11037	Wismer Community Park-Parking Lots at Castlenore- Design	70,800	7,080		63,720		
11038	Kentview Neighbourhood Park in Box Grove-Design &	359,700	35,970		323,730		
11041	Cornell Rouge (Madison Homes) East Woodlot Park- Design	70,800	7,080		63,720		
11044	Leitchcroft Community Park Construction - Additional	899,200	89,920		809,280		
11045	Bayview Lanes - Deficiencies	152,600	15,260		137,340		
11050	Hwy 48 Precinct Study (16th Ave. to Major MacKenzie)	101,300	10,130		91,170		
11051	Woodbine North Community Park - Deficiencies	239,800	23,980		215,820		
	TOTAL Design	2,433,200	243,320		2,189,880		

TOWN OF MARKHAM

APPENDIX 3

2011 CAPITAL and OTHER PROGRAMS BUDGET by Department

Project Description	Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	Other
Engineering						
11054 Sidewalk Program-Other	211,200			158,400		52,800
11055 Sidewalk Program	2,153,800			1,615,350		538,450
11057 Intersection Improvements (East Markham CC)	197,100			197,100		
11061 Woodbine North Relief Sewer - EA & Design	113,800			113,800		
11064 Rodick Rd Final Phase (14th Ave to Esna Park)	13,814,900			13,814,900		
11066 Official Plan Update	284,400			284,400		
11068 Main St. Markham - Hwy 407 to Hwy 7 (Design)	1,564,100			1,407,690		156,410
11069 Main St. Markham, 16th Ave to Major Mackenzie (PA & Construction)	5,787,600			5,208,840		578,760
11078 Birchmount Crossing at Rouge River (Design)	341,300			341,300		
11079 Main Street Markham (Highway 7 to Church St)	939,400					939,400
TOTAL Engineering	25,407,600			23,141,780		2,265,820
CAO, Legal, HR, & Sustainability Office						
TOTAL Development Services	29,885,300	740,820		26,373,410		2,771,070
Human Resources						
11071 Pay Equity - Legal & Consulting	50,900	50,900				
11072 Safety Supplies	17,300	17,300				
11076 Diversity Competence -Training Materials	20,000	20,000				
TOTAL Human Resources	88,200	88,200				
Sustainability Office						
11089 Energy Metering and Monitoring	200,000					200,000
TOTAL Sustainability Office	200,000	200,000				200,000
CAO's Office						
11008 Markham Live/CSIO	400,600			360,540		40,060
11086 Public Opinion (BMFT) - Strategic Planning	50,000	50,000				
11087 Public Opinion (BMFT) - Public Opinion	80,000	80,000				
TOTAL CAO's Office	530,600	130,000		360,540		40,060
TOTAL CAO, Legal, HR, & Sustainability Office	818,800	418,200		360,540		240,060
Corporate Services						
ITS-Contact Centre						
11093 Contact Centre - Knowledge Base (D11-6)	26,500	26,500				
TOTAL ITS-Contact Centre	26,500	26,500				

TOWN OF MARKHAM

APPENDIX 3

2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

Project Description		Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	Other
ITS-Other							
11116	Enterprise - Asset Management Phase 2 Implementation	152,600					152,600
11118	Core - Phone System Phase 2 of 3 (O11-9)	205,600		143,600			62,000
11119	Core - Hardware Infrastructure (O11-8)	1,359,000		1,102,595			256,405
11122	Enterprise - Information Management Part 2 of 2(O11-7)	68,200	68,200				
11125	Finance - Cayenta Upgrade Implementation	25,400	25,400				
	TOTAL ITS-Other	1,810,800	93,600	1,246,195			471,005
ITS-Fire							
11095	Fire - Data Recorder and Software (J11-10)	50,900		50,900			
	TOTAL ITS-Fire	50,900		50,900			
ITS-Asset Mgmt							
11097	Asset Management - Easement Data Purchase (L11-7)	22,900	22,900				
	TOTAL ITS-Asset Mgmt	22,900	22,900				
ITS-Operations							
11090	Operations - Plotter for SignShop (L11-3)	31,000		31,000			
	TOTAL ITS-Operations	31,000		31,000			
ITS-Traffic							
11094	Traffic - EIB Operations (Miller) (L11-4)	26,500	26,500				
	TOTAL ITS-Traffic	26,500	26,500				
ITS-Legislative							
11108	Clerks - Linking Photos to Parking Infraction records(J11-8)	21,800	21,800				
	TOTAL ITS-Legislative	21,800	21,800				
ITS-Library							
11115	MPL - 3M Equipment Lifecycle Phase 3 of 3 UL (O11-4)	111,900		111,900			
11415	MPL - EnvionwareSuiteforInternetSession Management	22,400	22,400				
	TOTAL ITS-Library	134,300	22,400	111,900			
Financial Services							
11134	Internal Project Management	644,500		22,800		621,700	
	TOTAL Financial Services	644,500		22,800		621,700	
	TOTAL Corporate Services	2,769,200	213,700	1,462,795		621,700	471,005

TOWN OF MARKHAM
2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

<i>Project Description</i>		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
<u>Community & Fire Services</u>							
<i>Culture</i>							
11171	Culture - Public Art	70,000	70,000				
	TOTAL Culture	70,000	70,000				
<i>Museum</i>							
11140	Museum Exhibitions	15,000		15,000			
11141	Restoration Plan - Acadia Pullman Car	30,000		30,000			
11142	Structural Reviews / Condition Reports Museum	35,000		35,000			
11143	Historical Building and Preservation Program	98,300		98,300			
11144	Museum Artifact Restoration	30,000		30,000			
11145	Hoover House Restoration	93,400		93,400			
	TOTAL Museum	301,700		301,700			
<i>Theatre</i>							
11151	Wireless Microphone System Replacement	61,100		61,100			
11153	Light Fixtures & Controller Replacement	20,600		20,600			
11155	Intercom Headset System Replacement	42,700		42,700			
11156	Theatre Grand Piano - life extension	5,400		5,400			
11157	House Speaker & Amplifier System Replacement	249,300		249,300			
11158	Audio - Control Booth Equipment Replacement	200,500		200,500			
11159	Lobby Equipment Replacement	10,200		10,200			
	TOTAL Theatre	589,800		589,800			
<i>Arts Centres</i>							
11165	Art Gallery Lighting Upgrade and Sustainability	44,100		44,100			
	TOTAL Arts Centres	44,100		44,100			
<u>Recreation & Library Construction</u>							
11318	South East Community Centre/Arch. Consulting Services	4,350,000			3,915,000		435,000
11416	Toronto 2015 Pan/Parapan American Games	1,572,000			1,414,800		157,200
	TOTAL Recreation & Library Construction	5,922,000			5,329,800		592,200
<u>Fire & Emergency Services</u>							
11175	Fire Communications Centre FF & E	231,000					231,000
11176	Firefighter PPE for Cornell Firefighters	126,500			126,500		
11178	Firefighting Tools & Equipment Annual Replacement	102,000		102,000			
11180	Special Response Trench/Confined Space/Rope Rescue	50,000	50,000				
11182	Fire Communication Centre	360,000			40,000		320,000
11183	Breathing Air Cylinder Replacement	15,900		15,900			
11185	Bunker Gear Replacement	113,700		113,700			
	TOTAL Fire & Emergency Services	999,100	50,000	231,600	166,500		551,000

TOWN OF MARKHAM
2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

<i>Project Description</i>	<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
Recreation Services						
11190 Replacement of Recreation Fitness Equipment	105,700		105,700			
11191 Recreation Tables & Chair replacement	49,100		49,100			
11192 Recreation Program Equipment	73,200		73,200			
11193 Recreation Aquatic Equipment	71,300		71,300			
11195 Warden House - Flooring replacement	9,200		9,200			
11196 Unionville Train Station - Exterior fencing and decking	5,600		5,600			
11197 Thornhill C.C. - Skylight replacement	32,000		32,000			
11198 Thornhill C.C. - Rink board replacement - West Arena	40,000		40,000			
11199 Annual Recreation AED program	27,500		27,500			
11201 Rouge River C.C. - Painting	9,700		9,700			
11204 Thornhill C.C. - Interior painting	63,000		63,000			
11205 Thornhill C.C. - Hall counter replacement	9,200		9,200			
11206 Angus Glen C.C. - Pool changeroom doors	40,000	40,000				
11208 Centennial C.C. - Interior painting	10,200		10,200			
11209 Armadale C.C. - Washroom partition replacement	14,200		14,200			
11213 Angus Glen C.C. - Library carpet replacement	65,000		65,000			
11214 Angus Glen C.C. - Rubber flooring replacement	212,000		212,000			
11215 Crosby Arena - Condensor replacement	65,000		65,000			
11216 Angus Glen C.C. - Arena & Pool painting	20,400		20,400			
11217 Centennial C.C. - Vapour barrier replacement	47,500		47,500			
11218 Angus Glen C.C. - Acoustical tile replacement	40,000		40,000			
11220 Recreation Thornlea Pool program - Year 3 of 5	66,100		66,100			
11222 Armadale C.C. - Ceiling tile replacement	12,200		12,200			
11225 Angus Glen C.C. - Youth Centre flooring replacement	10,000		10,000			
11228 Pingle House - Painting	8,600		8,600			
11229 Rouge River C.C. - Window replacement	22,400		22,400			
11230 R.J. Clatworthy Arena - Lift replacement	9,200		9,200			
11231 Mount Joy C.C. - Washroom counter replacement	6,100		6,100			
11233 Milliken Mills C.C. - Condensor tank replacement	25,400		25,400			
11234 Milliken Mills C.C. - Arena beam painting	18,300		18,300			
11236 Markham Village C.C. - Dressing room door replacement	11,200		11,200			
11237 Milliken Mills Dome - Hot water tank replacement	18,800		18,800			
11238 Markham Village C.C. - Roof accessories	10,200		10,200			
11239 Markham Village C.C. - Exterior caulking	6,100		6,100			
TOTAL Recreation Services	1,234,400	40,000	1,194,400			

2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

<i>Project Description</i>	<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
Operations - Roads						
11276 Heritage Bench (Unionville) Upgrade Program	20,400		20,400			
11280 Retaining Walls Annual Program	74,300		74,300			
11281 Railway Crossing Improvements - Annual Program	54,100		54,100			
11282 Upgraded Guiderrail Installation	85,700		85,700			
11283 Traffic Signals Upgrades	74,700		74,700			
11284 Boulevard Repairs	54,100		54,100			
11287 Secondary Roadworks-Annual Program	250,000					250,000
11288 Don Mills Storm Channel	40,700		40,700			
11289 Parking Lots	230,800		230,800			
11292 Storm Sewer Inspection	103,800		103,800			
11293 Localized Repairs - Curb & Sidewalk	541,200		541,200			
11294 Entrance Feature Rehabilitation-Annual Program	32,500		32,500			
11295 Civic Centre Parking Lot Rehabilitation	254,000		200,000			54,000
11296 CN Railcrossing Safety Compliance - Langstaff Road	280,400	35,051				245,349
11297 Emergency Repairs	108,200		108,200			
11298 Town Owned Fence Replacement Program	115,600		115,600			
11299 Asphalt Resurfacing	5,181,600		4,032,259			1,149,341
TOTAL Operations - Roads	7,502,100	35,051	5,768,359			1,698,690
Operations - Parks						
11255 Replacement Boulevard/Park Trees	156,100		57,025			99,075
11256 Dog Off Leash Area	40,000					40,000
11257 Court Resurfacing/Reconstruction	260,100					260,100
11258 Markham Trees for Tomorrow	105,600	105,600				
11259 TRCA 50/50 Community Projects	40,000	20,000				20,000
11261 Volunteer Ice Rink	25,000	12,925				12,075
11262 Town Park Furniture / Amenities	129,800		129,800			
11265 Artificial Turf Field	600,000			180,000		420,000
11266 Play structure & Safety Resurfacing	216,400		216,400			
11268 Crosby Park - Removal & Replacement of Outfield Fence	12,000		12,000			
11270 Sportsfield Maintenance & Reconstruction	119,000		17,979			101,021
11271 Enhanced Cultural Practices - Year 5 of 5	100,000	57,518				42,482
11272 Electrical & Cabling	84,900		24,398			60,502
11273 Paving Pathways & Facilities	108,200		108,200			
11275 Ashton Meadows Park Ball Diamond Upgrade	15,000	15,000				
TOTAL Operations - Parks	2,012,100	211,043	565,802	180,000		1,055,255
Operations - Traffic						
11305 Traffic Operational Improvements	60,000					60,000
11307 Traffic Control Signal Design & Construction	379,400	198,600				180,800
11308 Pedestrian Accessibility Improvements at Traffic Signals-Yr1	356,200	356,200				
TOTAL Operations - Traffic	795,600	554,800				240,800

TOWN OF MARKHAM
2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

Project Description		Total	Operating Budget Funded	Life Cycle	DC - Reserve	DC - Developer	Other
Asset Mgmt - Facility Assets							
11311	Bird Deterrent Film	50,000		50,000			
11314	Corporate Security Operations & System Upgrades - Phase	239,100	239,100				
11315	Fire Facility Improvements	90,000		90,000			
11317	Civic Centre Conversion to MDE Connection - Phase 3 of 3	330,000					330,000
11319	Accessibility Audits & Retrofit Program	139,200		139,200			
11321	Building condition Audits - FTE	79,100		79,100			
11322	Roofing Replacement Projects	307,000		307,000			
11324	Roofing Maintenance and Structural Adequacy	92,100		92,100			
11325	Municipal Building Backflow Prevention -Testing & Installation	105,100		105,100			
11326	Stiver Mill - Stabilization	67,600		67,600			
11327	Other Facility Improvements	32,100		32,100			
11328	Operations Facilities Improvements	201,200		201,200			
11329	Library Facility Improvements	27,000		27,000			
11330	Civic Centre Improvements	159,400		159,400			
11331	Satellite Community Centre Improvements	118,900		118,900			
11332	Corporate Accommodations	850,000	550,000	300,000			
TOTAL Asset Mgmt - Facility Assets		2,887,800	789,100	1,768,700			330,000
Asset Mgmt - Right-of-Way Assets							
11335	Storm Sewer Pipes Rehabilitation	357,000					357,000
11336	Survey Monument Replacement	27,000		27,000			
11337	Streetlight Inspection - Update of Condition Survey	41,500		41,500			
11338	Structures Inspection	41,500		41,500			
11339	Bridge Improvement - Green Lane	1,000,000					1,000,000
11340	Bridge Improvement - Reesor Road	300,000					300,000
11341	ROW Assets - Structures Program - FTE	198,200		198,200			
11342	Replacement of John Button Park Pedestrian Bridge (P14)	214,200		214,200			
11343	Bridge and Culvert Improvement	190,700		190,700			
11347	Streetlight Pole Replacement Program	51,000		51,000			
11348	Storm Sewer Outfalls - Inspections	51,900		51,900			
11349	Sewer Invert Data Quality Assurance - Year 1 of 5	103,800		51,900			51,900
TOTAL Asset Mgmt - Right-of-way Assets		2,576,800		867,900			1,708,900
Asset Mgmt - Environmental Assets							
11351	Update of SWM Pond Retrofit Study	103,800		103,800			
11352	Environmental Assets - Storm Water Management - FTE	81,500		81,500			
11353	Storm Water Management - Pond Inspection	51,900		51,900			
11354	Automation of Rain Gauges	100,000					100,000
TOTAL Asset Mgmt - Environmental Assets		337,200		237,200			100,000

TOWN OF MARKHAM
2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

<i>Project Description</i>	<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
Operations - Fleet						
11245 Corporate Fleet Replacement	2,615,200		2,615,200			
11246 New Fleet - Waterworks	8,200					8,200
11247 Corporate Fleet Refurbishing	39,400		39,400			
11248 New Fleet - Operations Growth	163,000	16,300		146,700		
11249 New Equipment - Shop Hoist	10,200	10,200				
11250 Waterworks - Fleet Replacement	159,900					159,900
11251 New Fleet - Waste Management	21,400	21,400				
11252 New Equipment- Enhanced Cultural Practices - Year 5 of 5	61,100	16,100				45,000
11254 Winter Maintenance Vehicles Purchased by Contractors	200,000			200,000		
TOTAL Operations - Fleet	3,278,400	64,000	2,654,600	346,700		213,100
Waste & Environmental Mgmt						
11360 Public Space & Special Event Recycling - Phase 5 of 5	127,200					127,200
11362 Multi-Residential Organics Program - Phase 5 of 5	25,200	25,200				
TOTAL Waste & Environmental Mgmt	152,400	25,200				127,200
Markham Public Library						
11401 Replace Library Furniture and Equipment - Annual	60,700		60,700			
11402 Replace Library Shelving	60,700		60,700			
11404 Library Collections - Video	235,800		235,800			
11405 Library Collections - Microfilm Supplies	3,300		3,300			
11406 Library Collections - Films/Record/Tapes	66,600		66,600			
11407 Library Collections - Books & Subscriptions	728,200		728,200			
11408 Library Collections - French Books	12,400		12,400			
11409 Library Collections - Multilingual Books/CD/DVD	294,000		294,000			
11420 Library Collections - Processing Supplies	335,000		335,000			
TOTAL Markham Public Library	1,796,700		1,796,700			

TOWN OF MARKHAM
2011 CAPITAL and OTHER PROGRAMS BUDGET
by Department

<i>Project Description</i>		<i>Total</i>	<i>Operating Budget Funded</i>	<i>Life Cycle</i>	<i>DC - Reserve</i>	<i>DC - Developer</i>	<i>Other</i>
Waterworks							
11367	Calvert Road Lift Station Improvement Implementation	281,000					281,000
11369	Sanitary Lift Station Engineering Assessment	30,500					30,500
11372	Sanitary Trunk Sewer Zoom Inspection - Annual	65,000					65,000
11374	Water System Testing Equipment	35,600					35,600
11376	Sanitary Sewer Field Data Collection	61,100					61,100
11377	Cement Relining of Iron Watermains Program - Annual	1,407,000					1,407,000
11381	Water Meter Replacement/Upgrade Program - Annual	460,000					460,000
11382	Roof Downspout Disconnection Program	269,200					269,200
11384	Sanitary Sewer System Upgrade/Rehab Program - Annual	1,200,000					1,200,000
11387	Water System Upgrade Program - Annual	959,600					959,600
11388	Watermain Design	404,400					404,400
11389	Cathodic Protection of Iron Watermains	487,000					487,000
11390	Watermain Replacement (Elgin St/Henderson)	3,236,000					3,236,000
11391	Waterworks Enhancement at 8100 Warden	50,000					50,000
11392	Water System Hydraulic Modeling	40,700					40,700
11393	Inflow/Infiltration Reduction	155,600					155,600
	TOTAL Waterworks	9,142,700					9,142,700
TOTAL Community & Fire Services							
		39,642,900	1,839,194	6,020,861	6,023,000		15,759,845
		73,116,200	3,011,914	17,483,656	33,378,650		19,241,980

TOWN OF MARKHAM - 2011 OPERATING BUDGET

Planning & Design Consolidated

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
USER FEES & SERVICE CHARGES	\$4,873,518	\$6,964,473	\$2,090,955	42.9%
RECOVERIES & CONTRIBUTIONS	\$10,000	\$0	(\$10,000)	-100.0%
Total Revenues	\$4,883,518	\$6,964,473	\$2,080,955	42.6%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$3,583,140	\$4,542,600	\$959,460	26.8%
PRINTING & OFFICE SUPPLIES	\$43,092	\$43,092	\$0	0.0%
OPERATING MATERIALS & SUPPLIES	\$6,803	\$6,803	\$0	0.0%
COMMUNICATIONS	\$9,369	\$9,369	\$0	0.0%
TRAVEL EXPENSES	\$17,869	\$17,869	\$0	0.0%
TRAINING	\$7,281	\$7,281	\$0	0.0%
CONTRACTS SERVICES AGREEMENTS	\$954,442	\$1,267,077	\$312,635	32.8%
RENTAL/LEASE	\$3,000	\$3,000	\$0	0.0%
PROFESSIONAL SERVICES	\$38,748	\$38,748	\$0	0.0%
LICENCES, PERMITS, FEES	\$22,995	\$22,995	\$0	0.0%
CREDIT CARD SERVICE CHARGES	\$1,823	\$1,823	\$0	0.0%
PROMOTION & ADVERTISING	\$4,365	\$4,365	\$0	0.0%
MISCELLANEOUS EXPENSES	(5,000)	(5,000)	\$0	0.0%
Total Expenses	\$4,687,927	\$5,960,022	\$1,272,095	27.1%
Surplus	195,591	1,004,451	808,860	0%
TRANSFERS TO RESERVES	\$195,591	\$1,004,451	\$808,860	413.5%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0%

TOWN OF MARKHAM - 2011 OPERATING BUDGET
Engineering Consolidated

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
USER FEES & SERVICE CHARGES	\$3,589,698	\$5,007,662	\$1,417,964	39.5%
SALES	\$500	\$1,000	\$500	0.0%
RECOVERIES & CONTRIBUTIONS	\$37,274	\$38,570	\$1,296	3.5%
Total Revenues	\$3,627,472	\$5,047,232	\$1,419,760	39.1%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$3,281,577	\$4,190,006	\$908,429	27.7%
PRINTING & OFFICE SUPPLIES	\$12,000	\$31,000	\$19,000	158.3%
OPERATING MATERIALS & SUPPLIES	\$18,000	\$18,000	\$0	0.0%
COMMUNICATIONS	\$13,500	\$14,000	\$500	3.7%
TRAVEL EXPENSES	\$13,000	\$13,000	\$0	0.0%
TRAINING	\$15,000	\$16,000	\$1,000	6.7%
CONTRACTS SERVICES AGREEMENTS	\$1,764,773	\$1,753,232	(\$11,541)	-0.7%
MAINT.& REPAIR - TIME & MATERIAL	\$2,956	\$2,956	\$0	0.0%
PROFESSIONAL SERVICES	\$25,000	\$25,000	\$0	0.0%
LICENCES, PERMITS, FEES	\$12,176	\$18,500	\$6,324	51.9%
Total Expenses	\$5,157,982	\$6,081,694	\$923,712	17.9%
Deficit	(\$1,530,510)	(\$1,034,462)	\$496,048	-32.4%
TRANSFERS FROM RESERVES	(\$1,530,510)	(\$1,034,462)	\$496,048	-32.4%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0%

TOWN OF MARKHAM - 2011 OPERATING BUDGET
Building Standards Consolidated

<u>Description</u>	<u>2010 Budget</u>	<u>2011 Budget</u>	<u>2011 Bud. vs. 2010 Bud.</u>	
			<u>\$ Incr./ (Decr.)</u>	<u>% Change</u>
<u>Revenue</u>				
LICENCES & PERMITS	\$4,395,790	\$6,581,660	\$2,185,870	49.7%
USER FEES & SERVICE CHARGES	\$36,120	\$30,140	(\$5,980)	-16.6%
Total Revenues	\$4,431,910	\$6,611,800	2,179,890	49.2%
<u>Expenses</u>				
SALARIES AND BENEFITS	\$5,072,658	\$5,235,122	\$162,464	3.2%
PRINTING & OFFICE SUPPLIES	\$43,708	\$41,500	(\$2,208)	-5.1%
OPERATING MATERIALS & SUPPLIES	\$13,604	\$23,500	\$9,896	72.7%
COMMUNICATIONS	\$24,593	\$15,800	(\$8,793)	-35.8%
TRAVEL EXPENSES	\$8,006	\$6,000	(\$2,006)	-25.1%
TRAINING	\$27,476	\$35,000	\$7,524	27.4%
CONTRACTS SERVICES AGREEMENTS	\$1,924,579	\$2,018,348	\$93,769	4.9%
MAINT.& REPAIR - TIME & MATERIAL	\$235	\$0	(\$235)	-100.0%
RENTAL/LEASE	\$6,214	\$2,500	(\$3,714)	-59.8%
PROFESSIONAL SERVICES	\$5,971	\$16,000	\$10,029	168.0%
LICENCES, PERMITS, FEES	\$14,165	\$15,750	\$1,585	11.2%
CREDIT CARD SERVICE CHARGES	\$8,424	\$10,000	\$1,576	18.7%
PROMOTION & ADVERTISING	\$6,311	\$3,000	(\$3,311)	-52.5%
Total Expenses	\$7,155,944	\$7,422,520	\$266,576	3.7%
Deficit	(\$2,724,034)	(\$810,720)	\$1,913,314	-70.2%
TRANSFERS FROM RESERVES	(\$2,724,034)	(\$810,720)	\$1,913,314	-70.2%
Net Expenditures/ (Revenue)	\$0	\$0	\$0	0%

Feedback from the February 28, 2011 Budget Public Information Meeting

1. The Mayor and Members of Council were thanked for giving priority to the stormwater management program, general beautification initiative and the continuation of the Trees for Tomorrow initiative with the goal of planting a minimum of 90,000 trees over the next four years
2. It was noted that the Johnsville Park Basketball Court will be given consideration in the 2012 budget.
3. Inquiry was made on the allocation of Celebrate Markham grants to the 2011 Thornhill Village Festival.
Response: Proposed grant of \$10,000 has been allocated to the 2011 Thornhill Village Festival and the Budget Sub-Committee will discuss and review all 2011 Celebrate Markham Grant applications at the March 23rd, 2011 meeting.
4. Upgrades of the storm sewers to the 100 year protection are of high importance and the commencement of the upgrades should take place over this Council term.
5. A query was made on animal shelter feasibility study.
Response: Staff responded that the 2011 budget includes funds to undertake an animal shelter feasibility study.
6. It was noted that \$50,000 is included in the 2011 budget for the installation of the bird deterrent film at the lower atrium of the Civic Centre.
7. There was support to allocate funds for the staffing request of a Sustainability Coordinator in 2011.
8. The Mayor and Members of Council were thanked for the 0% net tax rate increase in 2011.
9. Inquiry was made about a five-year forecast on building permit activity.
Response: Staff will develop a five-year forecast which assists in housing starts projections.
10. Comment was made that Markham should be prudent in future budgets with respect to staffing costs as they represent 58% of total expenditures.

Feedback from the February 28, 2011 Budget Public Information Meeting

11. It was noted that residents should be more engaged in the budget process.

Response: The 2011 budget review process was completed with a more compressed timeline due to the 2010 election. 2011 Budget information will be provided to Members of Council allowing them the opportunity to present the 2011 Budget to the ratepayers groups which will form the basis for the 2012 Budget.

Other comments made at the Budget Information Meeting are available in the minutes.



**2011 BUDGET PUBLIC INFORMATION MEETING
COUNCIL CHAMBER, MARKHAM CIVIC CENTRE
FEBRUARY 28, 2011**

MINUTES

Attendance:

Councillors Present:

Mayor Frank Scarpitti (ex-officio)
Regional Councillor Gord Landon, Chair
Regional Councillor Jim Jones
Regional Councillor Joe Li
Councillor Valerie Burke
Councillor Colin Campbell
Councillor Alex Chiu
Councillor Don Hamilton
Councillor Alan Ho
Councillor Logan Kanapathi
Councillor Howard Shore

Regrets:

Deputy Mayor Heath (ex-officio)
Councillor Carolina Moretti

Staff Present:

Jim Baird, Commissioner of Development Services
David Decker, Deputy Fire Chief, Operations
Dennis Flaherty, Director of Communications & Community Relations
Brenda Librecz, Commissioner of Community & Fire Services
Karen Liu, Senior Financial Analyst
John Livey, Chief Administrative Officer
Peter Loukes, Director of Operations
Joel Lustig, Treasurer
Marjorie Rebane, Communications Advisory
Bill Snowball, Fire Chief
Andrea Tang, Manager of Financial Planning
Andy Taylor, Commissioner of Corporate Services
Don Taylor, Manager of Executive Operations
Matthew Vetere, Financial Analyst
Laura Gold, Council/Committee Coordinator

Guest Present:

Eevilin Ellison
Joan Jenkyn
George Jenkyn
Marion Matthias
Elvis Nurse

The Budget Public Information Meeting convened at 5:09 p.m. with Regional Councillor Gord Landon in the Chair.

1. WELCOME AND INTRODUCTIONS

The Mayor welcomed the public to the 2011 Budget Public Information Meeting. The Town is required by legislation to hold a budget public meeting. The Chair was thanked for overseeing the 2011 budget review process under compressed timelines.

Budget Public Information Meeting
February 28, 2011
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Staff were thanked for their ongoing efforts throughout the budget process. The Budget Sub-Committee was thanked for its detailed analysis of the proposed 2011 budget, for maintaining the current level of service, and for achieving a net tax increase of zero percent in these challenging economic times.

The Chair introduced the Budget Sub-Committee and provided special thanks to John Livey, Chief Administrative Officer, Andy Taylor, Commissioner of Corporate Services, Joel Lustig, Treasurer, and Andrea Tang, Manager of Financial Planning, for their assistance throughout the 2011 budget process.

2. OVERVIEW OF MARKHAM'S PROPOSED 2011 BUDGET

Mr. Andy Taylor, Commissioner of Corporate Services, provided a presentation entitled "2011 Budget". An overview of the budget process was provided. It was reported there were eight Budget Sub-Committee meetings held from December 2010 to February 2011 of which all were open to the public. The next steps included presenting the budget to Council for approval on March 1, 2011 and a press conference on March 2, 2011 at 10:00am. A fiscal scan was provided on wage settlements; municipal service contracts; infrastructure; growth; provincial legislation; and economic trends. The operating impact of these budget pressures was reported to be \$6.98 million dollars.

Ms. Andrea Tang, Manager of Financial Planning, provided a detailed summary of the 2011 capital budget summary, including funding sources; capital budget expenditures; the Building Services Budget of 7.4 million dollars; the Planning & Design Budget of 7.0 million dollars; and the Engineering Budget of 6.1 million dollars. It was noted that the 2011 Water & Wastewater rate of \$2.4164/m³ was approved by Council on February 8th, 2011. The new rate will be effective on April 1st, 2011.

Mr. Joel Lustig, Treasurer, reviewed the 2011 preliminary operating budget with a zero percent net tax rate increase, the 2011 preliminary residential and non-residential property tax distributions and tax rate comparison with other municipalities. It was noted that East Gwillimbury approved their budget at 3.1% and Brampton approved their budget at 4.1%. Other municipalities are anticipating net tax rate increases ranging from 3.38% to 7.02%.

The Chair presented future budget challenges, including: existing infrastructure repairs & replacements; new infrastructure demands; wage settlement costs; contract renewal and committed multi-year contracts; state of economic recovery; interest rate fluctuations; utilities and fuel costs; and legislative compliance. Markham's fiscal stewardship was reviewed. Highlights of the 2011 proposed capital budget were presented.

3. PUBLIC DEPUTATIONS/COMMENTS

Thornhill Resident,

Mayor and Members of Council were thanked for giving high priority to stormwater management; the approval of gateway beautification and general beautification initiatives (Councillor Requests 26. and 27.); and for the 90,000 trees planted across Markham.

Thornhill Resident,

A request was made to add the following to the February 15 Budget Sub- Committee Minutes:

- 1) Add to Councillor request No. 37 Johnsvie Park Basket Ball Court that consideration will be given in 2012; and,
- 2) That the motion on page seven of the minutes be amended to add the approval of the \$10,000 for the Thornhill Festival from the funds allocated to the Celebrate Markham Grants.

The importance of updating Markham's stormwater sewers to the 100 year protection level was noted.

Thornhill Resident,

Mayor and Members of Council were thanked for recognizing the importance of protecting agricultural lands. Staff were requested to include pictures of persons in with assistive devices in future presentations.

It was requested that the Animal Shelter Feasibility Study consider that the OSPCA 's wildlife centre is located in Midland, Ontario and that it is open only a few months of the year. The Chair advised that wildlife services will be considered as part of the feasibility study.

It was noted that a lawsuit is being launched against property owners in Toronto for failure to protect birds, as it is estimated that over one million birds die every year in Toronto due to flying directly into high-rise buildings. The Chair advised that \$50,000 will be spent in 2011 to install bird film at Civic Centre, noting that the Town has made progress in regards to the installation of bird film on Town facilities.

Support was provided for funds to be allocated to hire a Sustainability Coordinator. The Chair advised that the position will be reviewed by the E3 Taskforce.

Markham Resident

The Budget Sub-Committee and Staff were congratulated for presenting a well thought through budget and for achieving a net tax increase of zero percent without decreasing service levels. It was questioned if Staff have done forecasting on future building permit revenues. The Chair advised that Staff are working on a five year forecast of building permit revenues and building permit rates. This will help predict future housing starts.

It was requested that Mayor and Member of Council be prudent in future budgets in regards to its staffing costs, given the cost of staff is approximately fifty eight percent of the 2011 preliminary operating budget.

It was requested that agenda material be provided prior to budget meetings. The Chair advised that information will be disseminated in a more-timely manner for the 2012 budget in order to provide the public with greater opportunity to provide feedback. It was noted that the 2011 budget review process was completed under tight timelines due to the 2010 election.

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It was confirmed that the construction on Main Street Markham will be continued to Parkway Avenue in order to minimize the impact on retailers.

Moved by Councillor Logan Kanapathi
Seconded by Regional Councillor Jim Jones

That the deputations regarding the 2011 Preliminary Budget be received.

CARRIED.

ADJOURNMENT

Moved by Councillor Alan Ho
Seconded by Councillor Colin Campbell

That the Budget Public Information Meeting adjourn at 6:34 p.m.

CARRIED.