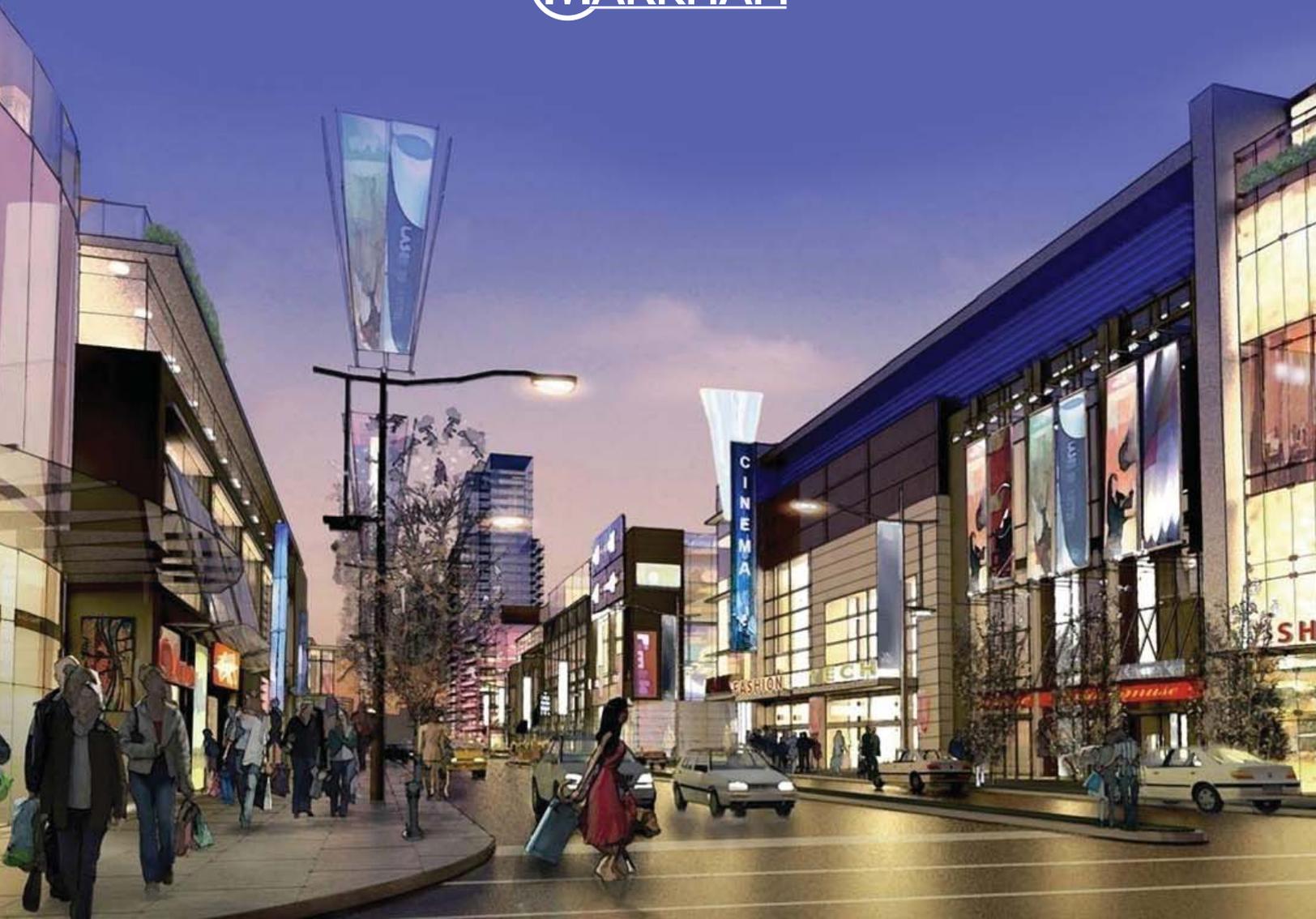


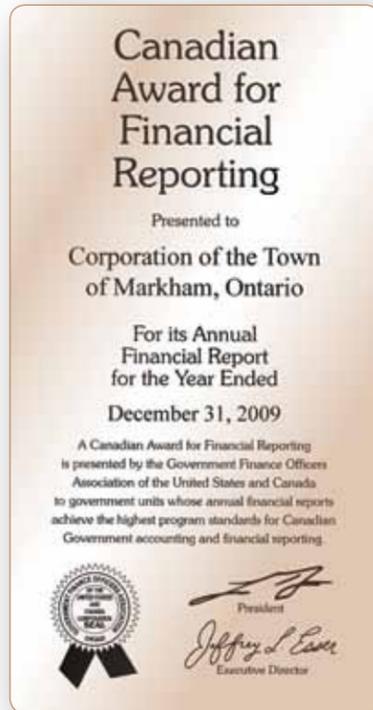
# MARKHAM THE CENTRE OF EXCELLENCE

2010 ANNUAL REPORT  
YEAR ENDED DECEMBER 31, 2010  
MARKHAM, ONTARIO, CANADA



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# MARKHAM: THE CENTRE OF EXCELLENCE



In 2010, Markham received the NQI PEP Level III - Integrated certification - a combination of quality, customer service excellence and a healthy workplace. Markham was also presented the Canada Award for Excellence - Silver, placing our corporation among some of Canada's most elite organizations.

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The cover and theme for the 2010 Annual Report - **Markham - The Centre of Excellence** reflects the four pillars that support Markham's Sustainability Plan. These four areas of focus continue to drive Markham's strategy to be The Centre of Excellence.

The 2010 Annual Report has been prepared by the Office of the Chief Administrative Officer and the Corporate Services Commission.

The cover image of the 2010 Annual Report is an artistic rendering of Enterprise Boulevard located in Markham Centre, Markham's new downtown neighborhood. The artistic rendering was produced and graciously provided by The Remington Group.

We are pleased to present the 2010 Annual Report for the Corporation of the Town of Markham. Council and staff review Markham's services through our budget process to ensure we provide value for municipal tax dollars. Strong fiscal management and stewardship, continuous improvement and leadership remain priorities as we balance the need to deliver services to changing demographics, growth, the pressures of the economy and minimizing tax increases.

Markham continues to unfold our strategic direction, Building Markham's Future Together, through the advancement of our six strategic priorities - Leisure, Growth, Transportation and Transit, Municipal Services and Diversity, and our overarching long term vision expressed through Greenprint - Markham's Community Sustainability Plan.

On behalf of Markham Council and staff we present our 2010 Annual Report. We thank all who contributed to our outstanding success and the municipal leadership position we have achieved.

**Frank Scarpitti**  
Mayor

**Gordon Landon**  
Regional Councillor  
Chair, Budget Committee

**Logan Kanapathi**  
Councillor, Ward 7  
Vice Chair, Budget Committee

## FINANCE AND ADMINISTRATIVE COMMITTEE 2010

*Chair*  
**Frank Scarpitti**, Mayor

*Vice Chair*  
**Carolina Moretti**, Councillor, Ward 4

*Members*  
**Jack Heath**, Deputy Mayor  
**Jim Jones**, Regional Councillor  
**Gordon Landon**, Regional Councillor  
**Joe Li**, Regional Councillor  
**Valerie Burke**, Councillor, Ward 1  
**Howard Shore**, Councillor, Ward 2  
**Don Hamilton**, Councillor, Ward 3  
**Colin Campbell**, Councillor, Ward 5  
**Alan Ho**, Councillor, Ward 6  
**Logan Kanapathi**, Councillor, Ward 7  
**Alex Chiu**, Councillor, Ward 8

## BUDGET COMMITTEE

*Chair*  
**Gordon Landon**, Regional Councillor

*Vice Chair*  
**Logan Kanapathi**, Councillor, Ward 7

*Members*  
**Frank Scarpitti**, Mayor, Ex Officio  
**Jack Heath**, Deputy Mayor, Ex Officio  
**Jim Jones**, Regional Councillor  
**Joe Li**, Regional Councillor  
**Howard Shore**, Councillor, Ward 2  
**Don Hamilton**, Councillor, Ward 3  
**Colin Campbell**, Councillor, Ward 5  
**Alan Ho**, Councillor, Ward 6



Mayor's Message

# MARKHAM: THE CENTRE OF EXCELLENCE

Each year, Markham continues to be recognized for its high standard of excellence by the federal and provincial governments, the media, communities throughout the Greater Toronto Area and across Canada. In 2010 we stayed focused on our strategy Building Markham's Future Together and made significant progress through its six strategic priorities and 32 action plans. We also remained vigilant in looking for efficiencies across the corporation to contain costs. I'm pleased to report that through our E3 program - Excellence through Efficiency and Effectiveness - we reduced our 2010 costs by \$460,000 through energy efficiency measures; \$190,000 through reduced vehicle fuel consumption; \$300,000 by extending the life cycle of our fleet vehicles; \$790,000 through reductions in our capital program and \$1.0M through an innovative Pavement Preservation Strategy.

As a result, Markham delivered a zero tax increase for three consecutive years in 2009, 2010 and 2011 - the only municipality to do so in Ontario, we were acknowledged in the major media as a centre for financial excellence.

**“YOU’VE GOT SOME STRONG RESPONSES IN PLACES LIKE MARKHAM ... YOU CLEARLY HAVE LEADERS (IN MARKHAM) THINKING IN A MORE AMBITIOUS AND CREATIVE WAY,”**

**Mark Winfield**  
Professor, York University, Places to Grow  
Advisory Panel member

However, the significance of this accomplishment is punctuated by Markham's commitment to over \$24.6M in new infrastructure projects in partnership with the governments of Canada and Ontario, and a further commitment to over \$400M in additional municipal initiatives.

Projects such as the St. Robert artificial turf sports field with seasonal dome and the Angus Glen Indoor Tennis Centre will provide thousands of our young people the opportunity to stay active and develop new life skills. We also began construction on a new \$75M LEED certified community centre and library in Cornell that will link to the Markham Stouffville Hospital and serve as a complete state-of-the-art health and wellness campus.



Not to be deterred, we challenged ourselves again in 2011. With an unwavering focus on continuous improvement, operational efficiency and fiscal responsibility, Markham delivered another zero tax increase in 2011.



The \$6.0M renovation of the Thornhill Community Centre and Library will expand the social and active living opportunities for our seniors and youth. The addition of energy efficiency and accessibility retrofits to our facilities will mean residents of all ages and abilities will be able to fully participate in our community. And, for the 2011-2012 skating season Markham will open the largest outdoor artificial ice rink in the Greater Toronto Area at our Civic Centre. We also committed to a major sports park through the purchase of a 100-acre land parcel in north Markham. In early 2010, the Pan Am Games announced that Markham will serve as as venue host for water polo and badminton competitions. This will result in a new aquatic centre and field house for Markham complete with a 50-metre pool.

In addition to this unprecedented infrastructure investment program, we opened our new Markham Convergence Centre. This new facility will further enhance Markham's reputation as a desirable economic centre for business development, providing a central hub for researchers, financiers and industry associations, all under one roof, to commercialize leading-edge innovations. New opportunities are already taking root. Honda Canada has located its corporate headquarters in Markham; Huawei Technologies relocated within Markham with an expanded facility; and Enbridge recently announced Markham as its location for a new major facility.

**“THE TRUTH IS SOME CITIES (LIKE MARKHAM) HAVE PLANNED THEIR GROWTH, FOUND EFFICIENCIES AND INNOVATED BETTER THAN OTHERS.”**

**San Greywal**  
Toronto Star, May 9, 2011

In 2010, Markham was also recognized as a centre of excellence for planning and urban design. Markham Centre has emerged as an award-winning community. The next chapter of our excellence journey will include the redevelopment of the Buttonville Airport, and innovative urban growth centres such as our Langstaff Gateway guided by our new growth strategy and official plan. However, the excellence of a community is measured by the sum of all its parts. To that end, we are dedicated to ensuring that Markham exemplifies a balance among social and cultural wellbeing, environmental health and economic prosperity through our Greenprint Sustainability Plan. Our Greenprint will be adopted by Council in 2011, providing a long term vision for Markham and a footprint for a high quality, sustainable community.



In addition, Markham also continued to demonstrate that humanitarian responsibilities extend beyond our borders when global communities are struck by adversity. In 2010 our Markham Miracle campaign raised \$300,000 to help rebuild Haiti. As the most ethnically diverse community in Canada, we see and experience the anguish of our residents when their family, friends and colleagues

in these global communities face personal hardship, and we readily step forward with care and compassion..

In presenting the 2010 Annual Report, I wish to thank the 2006-2010 Council whose dedication and superb efforts during the previous four years helped guide our journey to excellence. I also wish to pay tribute to Markham staff who, through their own dedication and pursuit of excellence, helped earn Markham National Quality Institute Canada Award of Excellence - Silver in 2010 - a first for any Canadian municipality. We will continue this excellence journey in 2011. In my recent inaugural address I called for an At Your Service Task Force and the need for Markham to provide convenient services for residents, when they need them. Markham residents will soon enjoy a new state-of-the-art portal allowing them to do business 24/7, and other digital media features consistent with increased consumer use of mobile technology.

Finally, a special thank you to Markham's residents. Your passion for our community and your active engagement in our planning and public engagement processes have helped us develop a vibrant and progressive community that has a reputation for excellence across Canada.

Frank Scarpitti  
Mayor  
May 2011

# MAYOR AND MEMBERS OF COUNCIL

## FRONT AND CENTRE

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

## FRONT ROW

(from left to right):

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

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

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

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

## MIDDLE ROW

(from left to right):

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

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

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

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

## BACK ROW

(from left to right):

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

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

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

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



# GOVERNANCE

## COUNCIL

The Town of Markham is governed by a Council, consisting of the Mayor, four Regional Councillors and eight Ward Councillors. The Mayor and Regional Councillors are elected at large, with each of the Ward Councillors elected in specific areas.

All Members of Council are elected for a four-year term and exercise their governance through the adoption of resolutions and bylaws. The key roles of Council are to: establish policies that define the strategic priorities of Markham; ensure that municipal services are provided in a cost-effective manner; balance the diverse values and priorities of competing interests within the community; and promote the interests of Markham.

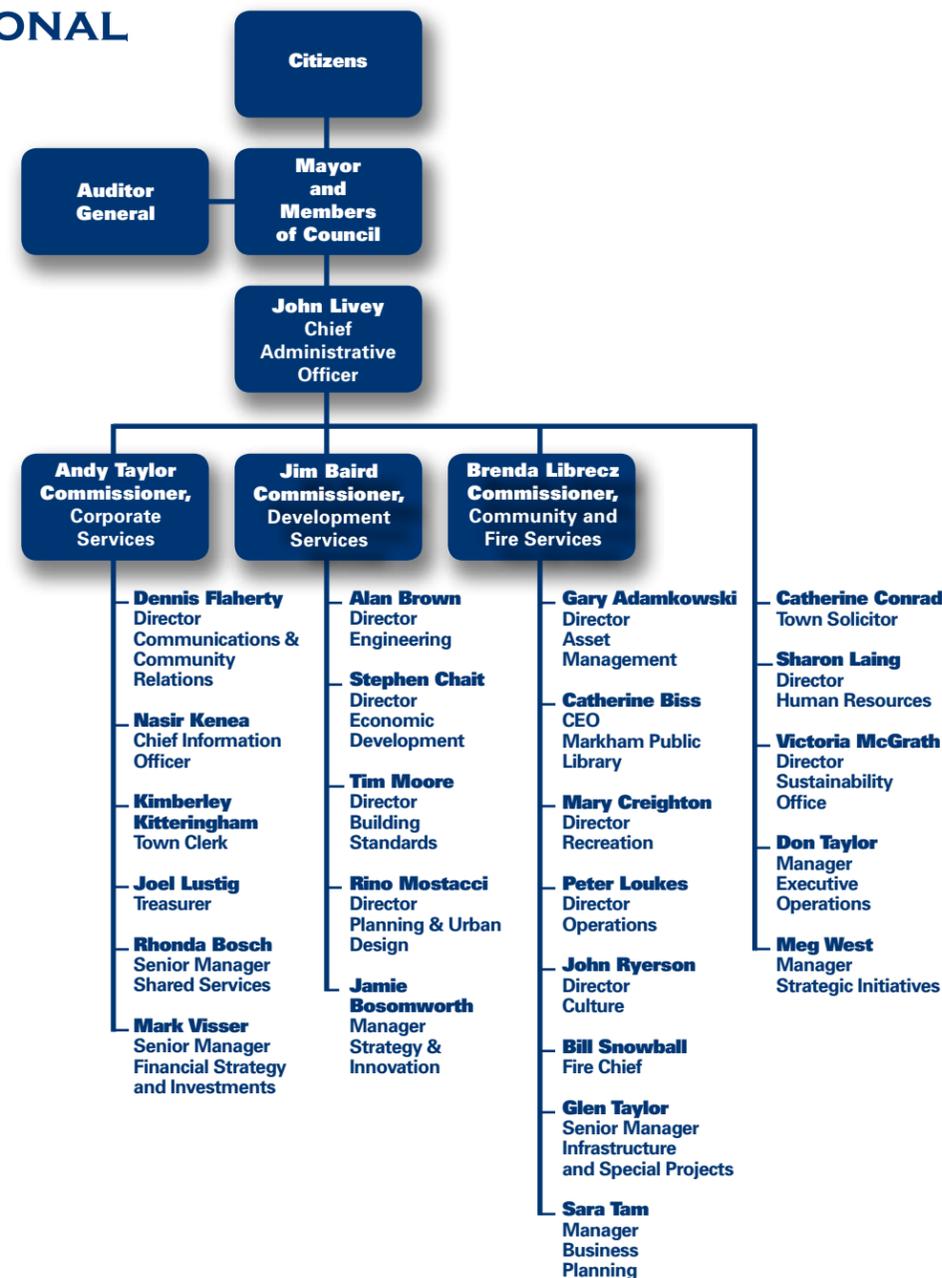
## COMMITTEES

There are two Standing Committees of Council - General Committee and Development Services Committee. In addition there are several Advisory Committees and sub-committees set up, as needed, which report to Council through one of the Standing Committees.

## CHIEF ADMINISTRATIVE OFFICER

The Chief Administrative Officer (CAO) has overall responsibility for the Town's operating departments. In addition, Commissioners and departmental directors have responsibility for the day-to-day operations of the municipality. The CAO also advises the Mayor and Members of Council on matters of policy related to the civic administration of Markham.

# ORGANIZATIONAL STRUCTURE





CAO's Message

## NATIONAL QUALITY INSTITUTE RECOGNIZES MARKHAM'S OPERATIONAL EXCELLENCE

Markham's continued focus on quality principles has provided a firm foundation for continuous improvement in our operations, and ultimately the service and value we provide to taxpayers. Markham first embarked on its journey to organizational excellence in 2000, with a commitment to improving customer service, applying a consistent and disciplined quality management process, and creating a healthy, positive and collaborative work environment. In 2001, we achieved the National Quality Institute's (NQI) Progressive Excellence Program (PEP) I, and PEP II - Integrated in 2008.

In 2010, we reached a significant milestone, receiving the NQI PEP Level III - Integrated certification - a combination of quality, customer service excellence and a healthy workplace. In addition, Markham was presented the Canada Award

in 2010, we achieved savings by tracking past operating and capital costs, and making adjustments based on historical expenditures, thereby reducing tax funded capital projects by \$790,000. Through investment income, we generated \$1.0M. We also achieved \$1.0M in savings through our Pavement Preservation Strategy; saved \$300,000 in our fleet lifecycle; reduced energy costs by \$460,000 through energy efficiency programs; and reduced our fuel budget by \$190,000 through lower consumption and price decreases. In addition, Markham was able to hold tax increases to zero in 2011 for the third consecutive year without reducing services or using our reserves.

At the same time, we made significant investments in new infrastructure, implemented important process improvements in the delivery of our services and undertook a number of important planning initiatives. Council approved our Made in Markham Growth Strategy, Integrated Leisure Master Plan and Culture Plan, and we completed our Diversity Action Plan and new Accessibility Guidelines. Our new Official Plan is underway, our state-of-the-art web portal is about to launch, and Markham's overarching Greenprint Sustainability Plan will be presented to Council for approval in 2011. We also successfully implemented financial processes for the introduction of the new harmonized sales tax and the Public Sector Board Accounting (PSAB) requirements for reporting Tangible Capital Assets.

Markham residents also received enhanced services through a number of new facilities and developments in 2010. We opened the new Cathedral Fire Station, completed construction of the Woodbine bypass, commenced construction on a new Museum Collections Building, opened nine new parks and installed almost two megawatts of solar photovoltaic panels at our office buildings. These solar panels will reduce almost 560 metric tonnes of greenhouse gas emissions annually, and generate revenue through the Province of Ontario Feed in Tariff (FIT) program.

In summary, 2010 was an extraordinary year of accomplishment for Markham and another step forward in our excellence journey as a leading municipality in Canada.

John Livey  
Chief Administrative Officer  
May 2011



**TOWN OF MARKHAM STAFF** awarded the *National Institute of Quality Canada Award for Excellence - Silver in 2010.*

for Excellence - Silver, placing our corporation among some of Canada's most elite organizations and an achievement that is a credit to the hard work, dedication and focus of our staff.

These achievements require rigour and discipline in all aspects of our operations. We integrate the six principles of excellence - Leadership, Planning, Customer/Citizen Client Focus, People Focus, Process Management and Supplier/Partner Focus - into every area of our operation including Key Performance Indicators and Business Unit Objectives. We also provide the tools for our staff to look for new and innovative ways to continuously improve and look for efficiencies and cost savings. Through our Excellence through Efficiency and Effectiveness program (E3) the results have been outstanding. In 2009 and 2010, we captured almost \$8.5M in expenditure savings and revenue enhancements. Specifically in

## MARKHAM PROFILE

### GOVERNMENT STRUCTURE

Markham has an elected Council of 13. Eight Ward Councillors serve constituents in eight wards. Municipal elections are held every four years; the most recent election was 2010. The Mayor and four Regional Councillors represent Markham's interests Town-wide and on the York Regional Council. The Region's responsibilities include planning approvals, regional roads, transit, water, recycling and solid waste disposal, police and emergency services, public health and welfare programs.

The Town of Markham is the local level of government and provides services that include parks construction and maintenance, culture/recreation facilities and programming, library service, fire and emergency services, the local road network, storm water management, community planning and economic development.

### MARKHAM TODAY

Markham, strategically located in the heart of the Greater Toronto Area, is one of the fastest growing municipalities in Ontario with over 309,000 people. Markham is home to Seneca College, more than 400 corporate head offices and over 900 high technology and life science companies. The two main economic sectors generate a total employment of over 33,000, or almost a quarter of Markham's total employment of 141,000. High quality facilities, a highly educated and diverse workforce, and a pro-business environment signify the many attributes that continue to attract world renowned corporations to Markham. More recently, Markham has intensified its effort to maintain economic momentum with the release of its economic strategy for the next decade - Markham 2020.

However, Markham's strong heritage and natural environment features continue to be a hallmark of the community. Markham supports its cultural life through the Markham Museum, Varley Art Gallery, Markham Public Library and the Markham Theatre. With a history that began in 1791, Markham continues to place a priority on its heritage, indicative of the Town's motto - Leading While Remembering.

Markham is now officially the most diverse community in Canada. With cultures from around the world who have chosen to make Markham their home, the Town celebrates this rich cultural fabric through Celebrate Markham events such as Black History Month, Taste of Asia, Chinese New Year, and Canada Day.

### EDUCATIONAL ATTAINMENT

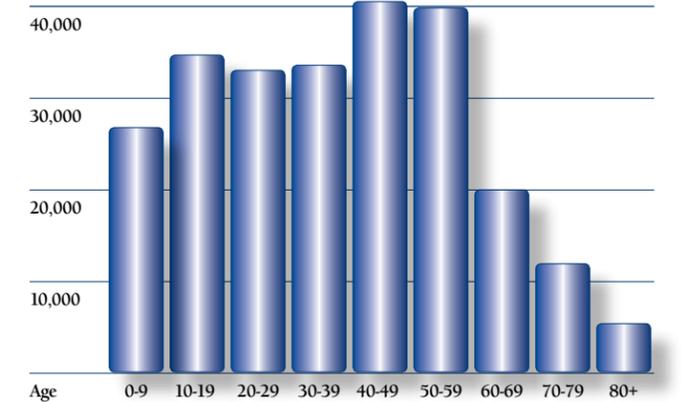
#### 2006 CENSUS

University Degree	37%
Trade, College or non-university diploma	19%
High School certificate	26%
Less than High School	18%

### ABOUT MARKHAM

Total land area (sq. km)	212
Number of parks	160
Trails/pathway system (km)	120
Public libraries	6
Community centres & facilities	19
Golf courses	9
Culture Facilities	
Markham Theatre for Performing Arts	
Markham Museum	
Varley Art Gallery	
Heritage Areas	
Thornhill	
Unionville	
Markham Village	
Buttonville	

### POPULATION AGE CHARACTERISTICS



### POPULATION PROJECTIONS

YEAR	PROJECTION
2011	310,000
2021	370,500
2031	423,500

## MOVING TOWARDS A SUSTAINABLE COMMUNITY

Markham's Greenprint Community Sustainability Plan provides a long-term vision for our community. Through Building Markham's Future Together (BMFT) - our strategic direction and foundation - we are committed to the sustainability pillars of Environmental Health, Social and Cultural Well-Being, and Economic Vitality.

The vision for a sustainable Markham means we:

- Rely on materials, goods and services that are created, harvested and processed in keeping with natural cycles - we do not dig things up too fast
- Rely on materials, goods and services that break down easily in nature, are used up by nature and are abundant in nature - we do not produce waste
- Value and restore the natural environment and protect biodiversity, natural, capital and ecosystem services
- Meet people's needs.

### GROWTH MANAGEMENT

- Completed Markham's public consultation program and the review of growth alternatives to 2031, with a final, public meeting involving over 900 participants
- Markham Council endorsed a growth alternative plan to 2031, and incorporated this alternative into a new Official Plan. This completes work on the primary growth management action identified in BMFT. The alternative plan promotes intensification of development at key locations to be served by rapid transit, and incorporates an interconnected Markham Greenway System accommodating natural heritage features
- Commenced work on developing a new Markham Official Plan for sustainable community growth, integrating environmental, economic, social, cultural and heritage preservation objectives
- Ongoing studies supporting new Markham policies on affordable and special needs housing, securing community benefits in relation to density increases, supporting agricultural activity and the effects of growth in relation to the production of greenhouse gases
- Worked with the Rouge Park Alliance and the Toronto and Region Conservation Authority on implementation of the Bob Hunter Memorial Park and preparation of the Rouge Park Trails Master Plan
- Consulted on Markham initiatives including the Integrated Leisure Master Plan, the Diversity Action Plan, the Markham Strategic Transportation Plan and the Community Sustainability Plan about Markham needs today and in the future.
- Established a Markham Agricultural Advisory Committee to advise Council on land use and future development.

### TRANSPORTATION AND TRANSIT

- Completed construction and opened the Woodbine Bypass at Victoria Square
- Started construction on Birchmount Road Underpass and connection to 14th Avenue
- Commenced Environmental Assessment for the Rouge Crossing in Markham Centre
- Continued the Markham Village Environmental Assessment Study and Markham Road to address enhancing the historic character of the road and streetscape
- Rodick Road extension work from 14th Avenue to Esna Park
- Traffic control signals and intersection improvements
- Ongoing streetlight replacements and upgrades; illumination and sidewalk programs
- Highway 404 mid-block crossing work, located north of Highway 7
- Travel demand management program - a car pooling program to promote the reduction of single-person vehicle use
- Ongoing studies and design for rapid transit projects in key areas such as Yonge Street Subway and Highway 7
- Provided planning advice to the Metrolinx Greater Toronto Transportation Plan and Region of York Transportation Plan
- Implemented the Cycling, Pathways and Trails Master Plan - a 400 km road and pathway system.

### MUNICIPAL SERVICES

- Completed Museum Collections Building and Cathedral Fire Station
- Started construction of East Markham Community Centre and Library
- Twenty-six new suppression recruits received a 15-week training to coincide with the opening of station 93 - Cathedral Fire Station
- Markham continued its partnership with Fairchild Radio to participate in the radio program, "Home Sweet Home". Twenty-five shows were pre-recorded in Cantonese to air throughout the year. Each segment covered a wide variety of fire safety topics to reach one of the key groups that make up Markham's diverse community
- Markham Public Library (MPL) completed migration to upgraded Integrated Library System (ILS) and implemented efficiencies including customer email notifications
- MPL launched improved Library Catalogue, with social networking features, to rave customer reviews.
- Completed the Milliken Mills Library Feasibility Study, including community consultation regarding potential expansion and renovation
- All of Operations' functional activities (300+) were reviewed as part of the Service Planning Project to set a baseline and establish improvement opportunities based on best practices, social, economical and environmental impacts
- Pavement Management Program completed 30.1 km of road maintenance through various strategies
- Watermain replacement on Clark Avenue and Bullock Drive including sanitary sewer replacement on Clark Avenue
- Completed the Drinking Water Quality Management System Financial Plan by the submissions deadline
- Negotiated \$300,000 reduction in our water billing contract.



## MOVING TOWARDS A SUSTAINABLE COMMUNITY

### PARKS, RECREATION, CULTURE, AND LIBRARY MASTER PLAN/PUBLIC SAFETY

- Completed the Integrated Leisure Master Plan, a 10-year strategy that guides parks, recreation, culture and library service delivery and facility development in the community
- Acquired a 100-acre parcel of land for future recreational development
- Culture Department launched the building of a Creative Markham 10-year Plan
- Friends of the Museum board was created to support the Museum long term goals
- Maintained library services to Thornhill service area during the construction-related closure of Thornhill Community Library through kiosk services and expanded open hours at Thornhill Village branch
- Markham Theatre offered its most diverse programming and launched its discovery program for young people
- Received \$146,000 grant from Canadian Heritage to co-produce with the Textile Museum of Canada the Kai Chan: A Spider's Logic exhibition and publication and to purchase a painting by Automatist Painter Fernand Leduc, *Sans Titre*
- Implemented the Public Access Defibrillation (PAD) program community-wide. 30 units in Markham facilities are now accessible to staff and the public to use in cases of cardiac arrest. These units require no training, and can be used by anyone
- Over 7 million people visited the community centres Markham wide
- Awarded tender for the East Markham Community Centre and Library in the Cornell area - targeting LEED Silver
- Completed the Speed Radar Display Boards Pilot Program as part of the Safe Streets Enforcement Strategies. As a result, purchased four additional units for an ongoing annual program
- 166 children accessed Jump Start funding to participate in recreation and sport programs.



### ENVIRONMENTAL LEADERSHIP

- Completed draft and launched Greenprint - Markham's Community Sustainability Plan. The Greenprint will be adopted by Council in 2011, providing a long-term vision for Markham and a direction for a high quality, sustainable community
- More than 130,000 trees planted by 2010 - exceeding the Trees for Tomorrow goal of 75,000 planted in four years
- Completed Energy Retrofit Stimulus Project including Solar Photovoltaic (PV) panels at 8100 Warden Ave. and the Civic Centre that together will generate almost 1.75MW of power by 2013. 1.5MW of solar PV PowerStream rooftop leases to be installed on six Markham facilities. These will reduce about 500 metric tonnes of Greenhouse Gases (GHG) annually
- Completed the Thornhill Flood Protection Study
- Passed a LEED (Leadership in Energy and Environmental Design) - Silver certification new development Town building policy
- Implemented "Big Blue Belly" public space recycling pilot project using solar powered compacting containers for recycling
- Negotiated new competitive eight-year waste collection contract providing \$3.98M in cost avoidance and additional operational efficiencies
- Designed and tendered \$3.2M in facility accessibility upgrades and designed and tendered \$3.0M in energy upgrades to Markham facilities
- Automatic Vehicle Locators (AVL) technology was implemented to measure idling emissions during the 2009/2010 winter season
- Successful application to the Green Municipal Fund of the Federation of Canadian Municipalities (FCM) for energy efficiency at East Markham Community Centre and Library approved, providing a \$4M low interest loan and \$400,000 grant.



### DIVERSITY

- Launched 'Everyone Welcome' Markham's Diversity Action Plan - following community consultation
- Started accessibility retrofits in 11 Markham facilities
- Continued work experience programs for professionals through Career Bridge and Ability Edge
- Provided Language Line interpretive services to customers in more than 170 languages
- Published 'Access for Everyone' brochure detailing Markham's Accessibility Strategy
- Partnered with the Markham Board of Trade to initiate a MBT Excellence Award Accessibility Award - which recognizes businesses who show exemplary leadership in making facilities and services accessible for employees, customers and suppliers
- Extended Celebrate Markham grants to the community for Black History Month, Chinese New Year, Seniors Hall of Fame Awards, Taste of Asia and Canada Day.



### AWARDS

- **Top Honours for Urban Forestry Management** (Grandview Park Woodlot Restoration) by Communities in Bloom
- **Paul McGaw Memorial Conservation Award** by North American Plant Society
- **Ontario Waste Minimization Platinum Award** by the Recycling Council of Ontario
- **Unique Waste Programs Gold Award** by Recycling Council of Ontario - Markham was the first municipality to have won two awards in one year
- **Youth Friendly Community Award** by Playworks Ontario - recognizing Markham as a community that provides youth with continuous access to diverse 'play' opportunities
- **P.J. Marshall Award for Innovation** by Association of Municipalities of Ontario - awarded to the Markham Public Library for C3 - Customer Centred Classification, an innovative new approach to categorizing the library's non-fiction collection
- **Best Government Online Video Award** by the Web Marketing Association for videos to encourage voter participation in the 2010 Municipal Election
- **Distinguished Budget Presentation Award** by Government Officers Finance Association.





# THE 2010 FINANCIAL REPORT FOR THE TOWN OF MARKHAM

Continuous improvement underscored Markham's operations in 2010 as we remained focused on quality principles and innovative ways to achieve our objectives through our Excellence through Efficiency and Effectiveness (E3) program. Markham's achievement of the Canada Award of Excellence – Silver from the National Quality Institute reflects corporate-wide efforts to look for new ways to improve services and add value for our residents. In doing so, Markham achieved a zero percent tax increase for the third consecutive year without reducing services or using our reserves. At the same time, we committed to over \$200M in new infrastructure projects to enhance leisure, sport and recreation opportunities for residents of all ages and abilities, some of which will be completed in 2011.

In 2010, we successfully completed our PSAB (Public Sector Accounting Board) requirements and adjusted our financial systems to manage the new harmonized federal and provincial sales tax. Markham also achieved significant savings through negotiations with our partners to reduce costs on our water billing and waste collection contracts, securing of a low-cost loan for Markham District Energy and implementing a shared services model in our business organization. As a result of these initiatives, we achieved millions of dollars in savings. In addition, revenue was enhanced through active and successful management of our investment portfolio.

Community engagement, communications and excellent service delivery continue to be key priorities for Markham. Our strategic plan – Building Markham's Future Together – has now delivered on several important plans for leisure, culture, diversity, growth and community sustainability. Markham's web portal project received a great deal of attention in 2010 and, through the new portal in 2011, residents will experience the benefits of expanded information features and online services. We are also enhancing our communication with residents through our improved quarterly publication *Markham Life* and strategic use of social media. Markham was one of the first municipalities in Canada to offer internet voting in 2002. We built on this reputation in 2010 with online internet voting offered as an option for the municipal elections, coupled with an award-winning elections awareness communication campaign that included a social media component. This campaign was undertaken as a means to increase awareness among our residents of the importance of voting in municipal elections.

Moving forward, we will continue to look for efficiencies and savings in our operations; examine the use of new technologies to enhance customer access to our services, and find innovative ways to leverage partnerships and alliances for the benefit of Markham taxpayers.

## BUDGET

Each year the business units produce business plans that present their accomplishments of the previous year, and detail their growth requirements and new initiatives for the coming year. Out of this process, the budget is prepared to ensure it aligns with and supports the goals and strategic priorities of the Corporation. The Budget Committee, which consists of Members of Council, supported by senior staff, encourages input and feedback from stakeholders and uses a "management-by-facts" approach to ensure taxpayers are receiving value for money.

Budget guidelines and priorities are set early in the process and budget requests are submitted to the Commissioners and CAO for rigorous review, resulting in a budget recommendation for the Budget Committee and Council. For the past 11 years, the Town submitted its budget document to the Government Finance Officers Association and has been honoured with the Distinguished Budget Presentation Award.

## GENERAL COMMITTEE

General Committee – Finance and Administrative Issues, assists Council in the provision of effective municipal government. Responsibilities include monitoring Markham's revenues and expenditures, to report and make recommendations on matters of policy pertaining to financial management, collection of taxes, purchasing and tendering, records management, general policies and procedures, Auditor General reports and administrative bylaws.

## FINANCIAL STATEMENTS

The accompanying draft Consolidated Financial Statements and all other information included in this draft report are the responsibility of the management of the Town of Markham. Included with the Financial Statements is a draft report prepared by our external auditor, KPMG LLP. The auditor has presented an independent opinion that the accompanying draft Consolidated Financial Statements present fairly, in all material respects, the financial position and operations of Markham.

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

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

results of their performance to taxpayers by September 30. The goals of the program are to improve performance, strengthen accountability to taxpayers, stimulate productivity and creativity, and improve budget processes. Markham's required measures are included in this report on page 41.

## FINANCIAL HIGHLIGHTS

Markham conformed to Public Sector Accounting Board's new accounting standards PS 1100, PS 1200 and PS 3150 in 2009. Under the new accounting standards, the consolidated statement of financial position reflects tangible capital assets as non-financial assets and the residual difference between Markham's assets and debts is reflected as accumulated surplus.

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

## REPORTING FOR TANGIBLE CAPITAL ASSETS

Tangible capital assets represent a significant investment for Markham and related information is vital for stewardship, accountability and the development of asset management plans. Assets are valued at their historic cost on the date of purchase or construction and are amortized over useful lives. The residual net book value of these assets represents the value of assets available to serve future generations. The net book value of tangible capital assets at the end of year was \$3,157,537 (2009 – \$3,077,698).

## ACCUMULATED SURPLUS

The accumulated surplus at the year end was \$3,527.7M (2009 – \$3,453.3M) which includes Markham's equity interest in Markham Enterprises Corporation \$189.7M (2009 – \$185.8M). The following is a summary of the operating surplus and Reserve/Reserve Funds and Deferred Revenue.

## OPERATING SURPLUS

Revenue from current year's operations were \$306.1M (2009 – \$331.1M) while current operating expenses totalled \$231.7M (2009 – \$232.6M). Markham's 2010 year end surplus from operations excluding contributions from developers, revenues relating to tangible capital assets and equity in Markham Enterprises Corporation was \$2.6M (2009 – \$1.8M).

## RESERVES/RESERVE FUNDS AND DEFERRED REVENUE

As at December 31, 2010 the Reserves/Reserve Funds totalled \$182.7M (2009 – 123.9M) and Deferred Revenue

was \$147.7M (2009 – 143.1M). The Reserves and Reserve Funds have been established to fund future operating and capital expenditures, long term liabilities, special projects and potential corporate rate stabilization and working capital requirements.

The Reserve balances will give the Town added stability and flexibility to deal with increasing demands placed on a growing community. Building on our tradition of leadership and strategic planning, we will continue to meet the challenges and opportunities of the road ahead.

For the past nine years, our Annual Report has won the Government Finance Officers Association Award for Financial Reporting. We are proud of this accomplishment because it acknowledges our financial data and narrative explanations go well beyond minimum requirements of generally accepted accounting principles.

**Andy Taylor, C.A.**  
Commissioner, Corporate Services  
May 2011



## FINANCE SENIOR MANAGEMENT TEAM

*Front Row, left to right:*  
**Joel Lustig**, Treasurer  
**Veronica Siu**, Senior Business Analyst  
**Andrea Tang**, Manager, Financial Planning  
**Kishor Soneji**, Senior Accountant

*Back Row, left to right:*  
**Paul Wealleans**, Director, Revenues  
**Raj Raman**, Senior Manager, Financial Reporting and Purchasing  
**Mark Visser**, Senior Manager, Financial Strategy and Investments  
**Andy Taylor**, Commissioner, Corporate Services  
**Rhonda Bosch**, Senior Manager, Shared Services

## LOOKING FORWARD

IN 2010, MARKHAM ACHIEVED SUBSTANTIAL PROGRESS ON ITS STRATEGIC PLAN – BUILDING MARKHAM’S FUTURE TOGETHER, DELIVERING COMPREHENSIVE PLANS ON LEISURE, RECREATION, CULTURE, DIVERSITY, GROWTH AND SUSTAINABILITY. WE ALSO RELEASED OUR DRAFT GREENPRINT COMMUNITY SUSTAINABILITY PLAN FOR PUBLIC REVIEW. THESE PLANS SERVE AS THE FOUNDATION FOR MARKHAM’S GROWTH AND DEVELOPMENT, ENSURING SOCIAL AND CULTURAL WELL BEING, ENVIRONMENTAL ENHANCEMENT AND ECONOMIC PROSPERITY.

### MUNICIPAL INFRASTRUCTURE PROJECTS

Projects representing a total investment of over \$24.6M through our municipal, provincial and federal funding partnerships were well underway by the end of 2010 and will be completed by the second quarter of 2011. Markham also announced a new 100-acre sports park in north Markham, and we began construction on our new, \$75.0M state-of-the-art community centre and library in Cornell. The latter is scheduled for completion in early 2013. In addition, a new community centre was approved for southeast Markham in our Milliken community. Markham was chosen as a venue host for the 2015 PanAm Games and a new aquatic centre and field house was approved by Council for the water polo and table tennis competitions. Municipal transportation will also be improved through the Rodick Road extension.

### WEB PORTAL AND ONLINE SERVICES

The first phase of Markham’s portal project is set to launch in mid-2011 after extensive user testing and modifications to ensure our residents have the ability to access our services online at their convenience. The new portal incorporates leading web architecture, enhanced navigation, expanded information features and social media connections to allow for comprehensive, one-stop access to Markham’s services, facilities, events and festivals.

### ENVIRONMENTAL LEADERSHIP

Markham’s Trees For Tomorrow program exceeded its four-year goal of 75,000 trees by over 50,000 trees, and we made a commitment to plant 90,000 more trees over the next four-year term of Council. Markham District Energy continues to show leadership in Canada on district heating and cooling and as a municipal electricity backup system. In 2010, the Birchmount Energy Centre was commissioned and plans are proceeding on schedule for a district energy system to service the new LEED Silver (targeted) community centre and library in Cornell, and the Markham Stouffville Hospital expansion. Markham is committed to constructing LEED Silver minimum certified facilities, and in 2011 our community will see completion of the targeted LEED Silver Fire and Emergency Station in Cornell.

### GREENPRINT COMMUNITY SUSTAINABILITY PLAN

Following years of consultations and work, Markham’s Greenprint Community Sustainability Plan will be reviewed by Markham Council in spring 2011, with implementation to follow. This living document, with more than 250 recommendations, is a long term plan to address environmental health, economic vitality, social well-being and cultural vibrancy. With the Greenprint, Markham has set in motion the building blocks to be one of the most liveable and sustainable urban communities in North America.

During the coming year, staff will continue to work with Markham Council, the community and many organizations to put in place the timelines as well as the monitoring and reporting system for the Greenprint. As decisions are made about the future, it is important that a high quality of life continues to be a priority and that Markham becomes a complete, connected community where all residents can thrive.

In all, Markham is allocating \$73.1M for capital programs in 2011, programs that will see new roads and bridges, new parks, improvements to our community centres and expansion of our cultural facilities. Despite fiscal pressures from the current economy, Markham is working to ensure that residents continue to receive good value for their tax dollars and excellent municipal services in 2011. Markham was the only municipality in the Greater Toronto Area to develop a budget with no tax rate increase for three successive years (2009, 2010 and 2011) – and did so with no reduction in services.

### MARKHAM’S TOP 10 EMPLOYERS

COMPANY	NUMBER OF EMPLOYEES
IBM Canada Ltd.	8,574
American Express (Amex Canada Inc.)	3,364
Markham Stouffville Hospital	1,760
AMD Technologies Inc.	1,689
TD Waterhouse Inc.	1,628
CGI Information Systems	1,326
Town of Markham Municipal Offices	961
Allstate Insurance	662
MMM Group	650
Canadian Automobile Association Toronto Auto Club	612

## MARKHAM CONVERGENCE CENTRE



BY FOSTERING INNOVATION AND CREATIVITY AS A WAY OF LIFE, AND LEARNING HOW TO COMMERCIALIZE IT, WE SECURE OUR COMMUNITY’S ECONOMIC AND SOCIAL PROSPERITY.

Frank Scarpitti  
Mayor



The MCC is all about helping ideas take shape and develop into commercial opportunities bringing the best brains and experience in the life sciences, IT and medical device fields – plus experts in investing, intellectual property and corporate law, and management – into a “cluster of innovation” to spur commercial success.

Co-funded by Markham, York University and private-sector sponsors, the project leverages Markham’s role as the centre of the largest concentration of medical device enterprises in Canada. The facility houses offices, has shared meeting and presentation rooms, and will soon offer clean lab space for prototype development and testing.

### MCC PARTNERS



redefine THE POSSIBLE.



York Technology Alliance



## MARKHAM DISTRICT ENERGY INC.



Established in 1999, Markham District Energy Inc. (MDE) is an energy company owned by the Town of Markham. Its Mission is to develop world class community-based district energy systems to encourage local economic development and demonstrate environmental leadership.

In 2010, not only was MDE’s third energy plant commissioned, the Birchmount Energy Centre, but MDE also broke ground on its second system to serve East Markham. The fourth energy plant, the Bur Oak Energy Centre is now under construction to serve Markham Stouffville Hospital, the East Markham Community Centre and Library, and surrounding developments.

Using highly efficient equipment and green technologies to provide heating and cooling energy for buildings in Markham Centre and now East Markham, Markham’s district energy initiative is forecast to reduce greenhouse gas emissions by as much as 50%.

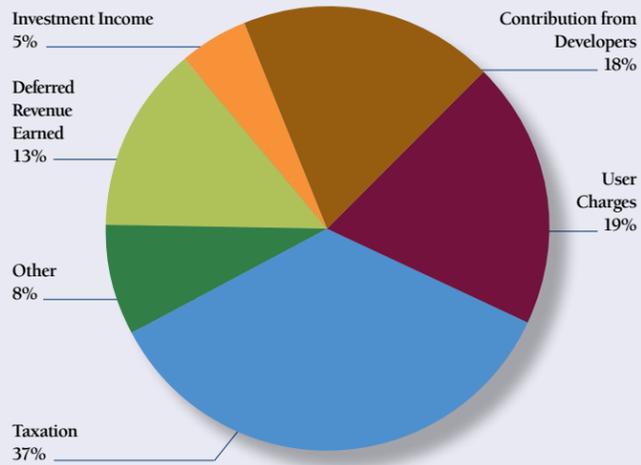


In celebration of its 10th Anniversary, MDE unveiled the annual Markham District Energy Sustainability Bursary program which will award financial assistance towards post-secondary education to one graduating student in each of Markham’s 14 secondary schools. This program was established to help cultivate and nurture environmental leadership among tomorrow’s community leaders.

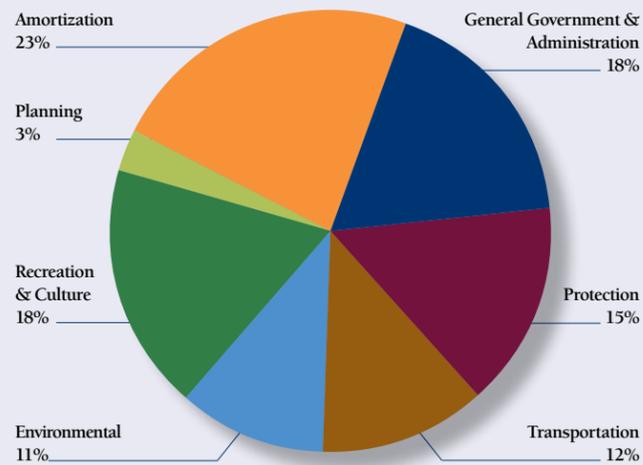
# 2010 FINANCIAL REPORT AND STATISTICS

# The Corporation of the Town of Markham FINANCIAL POLICIES

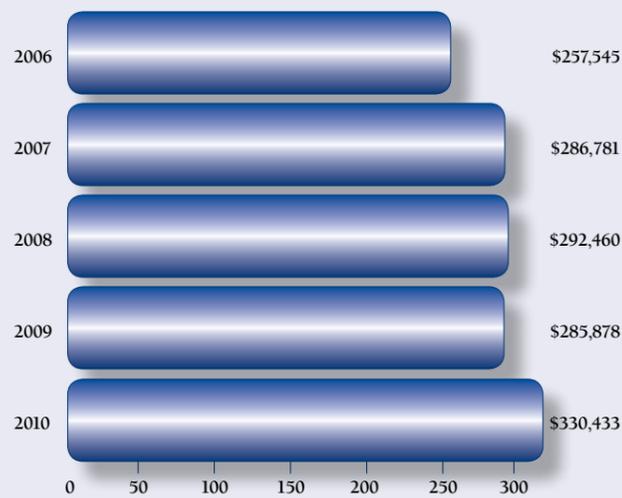
## 2010 REVENUES



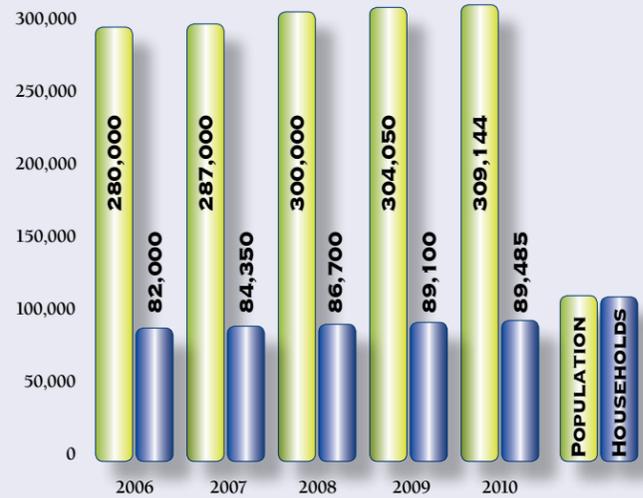
## 2010 EXPENSES



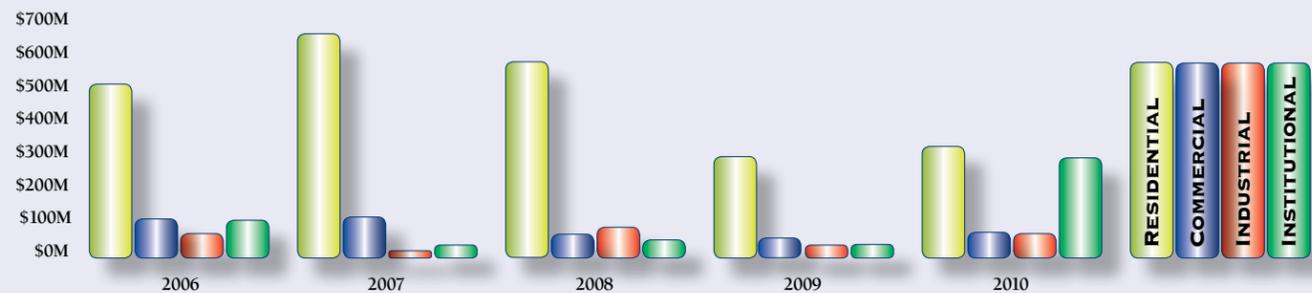
## RESERVES/RESERVE FUNDS AND DEFERRED REVENUE BALANCES \$000



## NUMBER OF HOUSEHOLDS AND POPULATION



## VALUE OF CONSTRUCTION



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

### BASIS OF ACCOUNTING

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

### RESERVES/RESERVE FUNDS POLICY

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

### USE OF ONE-TIME REVENUES

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

### USE OF ASSESSMENT GROWTH

The Town will transfer up to 25 per cent of tax revenue from the net annualized growth in assessment to the Capital Fund to maintain and refurbish our existing infrastructure.

### USE OF PRIOR YEAR'S SURPLUS/DEFICIT

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

### CAPITAL BUDGET CONTROL POLICY

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

### DEBT ISSUANCE

Since 1992, Markham has not issued any debt and it became debt-free in 2002. The Town has adopted a fiscal policy of striving to maintain the status of a "Pay As You Go" community.

### INVESTMENT POLICY

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

### INVESTMENT INTEREST POLICY

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

### DEVELOPMENT CHARGES CREDIT POLICY

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

# AUDITORS' REPORT



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

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

## INDEPENDENT AUDITORS' REPORT

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

We have audited the consolidated financial statements of The Corporation of the Town of Markham, which comprise the statement of financial position as at December 31, 2010, the statements of operations and accumulated surplus, change in net financial assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Markham as at December 31, 2010, the results of its operations and accumulated surplus, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants  
 May 31, 2011  
 Toronto, Canada

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2010

(All dollar amounts are in \$000)

	2010	2009
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 4)	\$ 335,552	\$ 339,230
Taxes receivable (Note 7)	39,141	44,130
Unbilled user charges	7,964	7,118
Accounts receivable (Note 17)	51,222	28,679
Investment in Markham Enterprises Corporation (Note 18)	189,665	185,760
Other current assets	4,644	4,853
	<u>628,188</u>	<u>609,770</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	82,101	75,732
Deferred revenue (Note 10)	147,742	143,059
Employee future benefits liabilities (Note 12)	17,756	16,662
Long term liabilities (Note 6)	12,000	-
	<u>259,599</u>	<u>235,453</u>
	<u>\$ 368,589</u>	<u>\$ 374,317</u>
<b>NET FINANCIAL ASSETS</b>		
	<u>\$ 368,589</u>	<u>\$ 374,317</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 13)	3,157,537	3,077,698
Inventories of supplies	1,067	961
Inventories of Land - Heritage Estates	109	109
Prepaid expenses	404	264
	<u>\$ 3,159,117</u>	<u>\$ 3,079,032</u>
Lease obligations (Note 15)		
Contingency (Note 16)		
<b>ACCUMULATED SURPLUS (Note 14)</b>	<u>\$ 3,527,706</u>	<u>\$ 3,453,349</u>

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

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year Ended December 31, 2010  
(All dollar amounts are in \$000)

	2010 Budget (Unaudited Note 1)	2010 Actual	2009 Actual
<b>REVENUES</b>			
Taxation	\$ 110,932	\$ 112,098	\$ 110,328
User charges (Note 11)	54,740	58,748	51,349
Grants	5,298	6,931	7,089
Contributions from developers	-	54,858	92,456
Investment income	14,253	14,528	14,743
Tax penalties	3,375	3,334	4,756
Sales revenue - land inventory	-	-	320
Proceeds from sale of tangible capital assets	-	568	160
Deferred revenue earned	18,487	40,564	43,715
Increase/(decrease) in equity of Markham Enterprises Corporation (Note 18)	-	6,926	(2,247)
Interest earned on reserves and reserve funds	-	596	951
Other	5,704	6,924	7,510
<b>Total Revenues</b>	<b>212,789</b>	<b>306,075</b>	<b>331,130</b>
<b>EXPENSES</b>			
General government	35,503	42,437	41,994
Protection to persons and property	34,822	33,969	33,637
Transportation services	23,866	27,523	36,553
Environmental services	20,742	25,867	21,210
Recreation and cultural services	40,853	40,872	41,058
Planning and development	3,358	6,393	6,796
Other	32	32	399
Write-down of tangible capital assets	-	989	-
Amortization of tangible capital assets	52,890	53,636	50,996
<b>Total Expenses</b>	<b>212,066</b>	<b>231,718</b>	<b>232,643</b>
Dilution loss due to proportionate decrease in retained earning in PowerStream Inc. (Note 18)	-	-	(2,100)
<b>ANNUAL SURPLUS</b>	<b>723</b>	<b>74,357</b>	<b>96,387</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>3,453,349</b>	<b>3,453,349</b>	<b>3,356,962</b>
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 14)</b>	<b>\$ 3,454,072</b>	<b>\$ 3,527,706</b>	<b>\$ 3,453,349</b>

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

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Year Ended December 31, 2010  
(All dollar amounts are in \$000)

	2010 Budget (Unaudited Note 1)	2010 Actual	2009 Actual
<b>ANNUAL SURPLUS</b>			
	\$ 723	\$ 74,357	\$ 96,387
Acquisition of tangible capital assets	(65,508)	(93,807)	(132,067)
Amortization of tangible capital assets	52,890	53,636	50,996
Change in capital work in progress	-	(40,662)	(3,401)
Land and land improvements disposal	-	993	-
	(11,895)	(5,483)	11,915
Acquisition of inventories of supplies	-	(1,067)	(961)
Acquisition prepaid expenses	-	(404)	(264)
Consumption of inventories of supplies	-	961	747
Inventories of land - heritage estates	-	-	18
Use of prepaid expenses	-	265	201
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>(11,895)</b>	<b>(5,728)</b>	<b>11,656</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>374,317</b>	<b>374,317</b>	<b>362,661</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 362,422</b>	<b>\$ 368,589</b>	<b>\$ 374,317</b>

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

Year Ended December 31, 2010  
(All dollar amounts are in \$000)

	2010	2009
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 74,357	\$ 96,387
Amortization of tangible capital assets	53,636	50,996
Developers contribution of tangible capital assets	(54,858)	(86,188)
Change in employee benefits and other liabilities	1,094	1,140
Tax receivable	4,989	(6,460)
Accounts receivable	(22,543)	(1,947)
Unbilled user charges	(846)	(1,188)
Other current assets	209	641
Accounts payable and accrued liabilities	6,368	10,364
Long term liabilities	12,000	-
Deferred revenue	4,683	(22,550)
Inventories of supplies	(106)	(214)
Inventories of land - Heritage Estates	-	18
Prepaid expenses	(140)	(63)
<b>Net Change in Cash from Operating Activities</b>	<b>78,843</b>	<b>40,936</b>
<b>CAPITAL ACTIVITIES</b>		
Proceeds of sale of tangible capital assets	568	160
Acquisition of tangible capital assets net of developers contribution	(79,184)	(49,440)
<b>Net Change in Cash from Capital Activities</b>	<b>(78,616)</b>	<b>(49,280)</b>
<b>INVESTING ACTIVITIES</b>		
Dividend from Markham Enterprises Corporation	3,854	3,661
Change in equity of Markham Enterprises Corporation	(7,759)	4,347
<b>Net Change in Cash from Investing Activities</b>	<b>(3,905)</b>	<b>8,008</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(3,678)</b>	<b>(336)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>339,230</b>	<b>339,566</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>\$ 335,552</b>	<b>\$ 339,230</b>
<b>SUPPLEMENTARY INFORMATION:</b>		
Interest paid	\$ 274	-
Interest received	\$ 5,284	\$ 5,795

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2010  
(All dollar amounts are in \$000)

**1 SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of The Corporation of The Town of Markham ( the "Town") are the representations of management prepared in accordance with local government accounting standards, as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

**Reporting Entity**

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

- Town of Markham Public Library Board
- Old Markham Village Business Improvement Area
- Unionville Business Improvement Area
- Toronto Buttonville Airport (Markham) Inc.

Inter-entity transactions and balances are eliminated on consolidation.

**Investment in Markham Enterprises Corporation**

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

**Accounting for Region and School Board transactions**

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the Region of York are not reflected in the municipal fund balances of these financial statements.

**Trust Funds**

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

**Basis of Accounting**

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

**Government Transfers**

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

**Deferred Revenue**

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

**Taxation and Related Revenues**

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

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

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

**Employee Future Benefits**

The Town accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, as a defined benefit plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the Town's employment. Other post-employment benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high quality debt instruments with cash flows that match the timing and amount of expected benefit payments.

**Investment Income**

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

**Non-Financial Assets**

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

**(i) Tangible Capital Assets**

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

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

Amortization is prorated to 6 months in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**(ii) Contributions of Tangible Capital Assets**

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

**(iii) Works of Art and Cultural and Historic Assets**

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

**(iv) Interest Capitalization**

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

**(v) Inventories of Supplies**

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

**Use of Estimates**

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

**Budget Figures**

The approved operating and capital budgets for 2010 are reflected on the Consolidated Statements of Operations and Accumulated Surplus and are unaudited. The Capital budget is on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current year actual amounts. As well, the municipality does not budget for activity within Reserve Funds, with the exception being those transactions which affect either the operating expenses or capital expenditures.

**Segment Disclosure**

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

**2 OPERATIONS OF SCHOOL BOARDS AND THE REGION OF YORK**

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

	2010		2009	
	School Boards	Region of York	Total	Total
Taxation	\$ 178,975	\$ 205,363	\$ 384,338	\$ 372,867
Payment in lieu of taxes	351	1,073	1,424	1,078
Supplementary taxes	2,463	4,876	7,339	11,423
Amount requisitioned and transferred	\$ 181,789	\$ 211,312	\$ 393,101	\$ 385,368

**3 TRUST FUNDS**

Trust funds administered by the municipality for the benefit of others amounting to \$1,755 (2009 - \$1,739) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations and Accumulated Surplus". The trust funds have been reported separately on the "Trust Funds Statement of Financial Position" and "Trust Funds Statement of Operations and Fund Balances".

**4 CASH AND CASH EQUIVALENTS**

	2010	2009
Cash	\$ 67,361	\$ 55,715
Investments	268,191	283,515
	\$ 335,552	\$ 339,230

Investments, which are reported at cost for money market and face value for bonds, had a market value of \$ 275,075 (2009 - \$290,899) at the end of the year. Investments consist of authorized investments pursuant to the provisions of the Municipal Act and include short-term instruments of various financial institutions, government bonds, and Treasury Bills. For the year 2010, the average rate of return earned was 4.15% (2009 - 4.83%).

## 5 PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2010 was \$5,926 (2009 - \$5,936).

## 6 LONG TERM LIABILITIES

On July 1, 2010, the Town received a loan of \$12M from Canada Mortgage Housing Corporation (CMHC) through the Regional Municipality of York. As a lower tier municipality the Town does not have the ability to borrow long term funds directly; therefore, the borrowing was done through the Regional Municipality of York. The loan received was used to fund the purchase of the Markham District Energy Birchmount plant; the plant was subsequently leased back to Markham District Energy, a 100% subsidiary of Markham Enterprises Corporation.

The loan of \$12M is to be amortized over a period of 20 years, at an interest rate of 4.04%. The annual payment to the Regional Municipality of York will be \$0.886M, consisting of principal and interest. The first payment is due July 1, 2011.

Annual minimum payments of principal over the next 5 years are:

2011	\$401
2012	418
2013	434
2014	452
2015	470
Thereafter	9,825
<b>Total</b>	<b>\$12,000</b>

## 7 TAXES RECEIVABLE

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

	2010	2009
Current year	\$22,143	\$ 26,489
Arrears previous years	17,999	18,642
	40,142	45,131
Less: Allowance for uncollectible taxes	(1,001)	(1,001)
	\$ 39,141	\$ 44,130

MPAC continues to refine the property assessment based on values updated to 2008 in the Town and across the Province. These values were used by the Town to compute the 2010 property tax bills. The 2008 values will be in place for the next year cycle (2009 -2012) when all properties in Ontario will be re-assessed. However, the property tax revenue and tax receivables of the Town are subject to measurement uncertainty as a number of submitted appeals have yet to be heard. As a result, there are remaining outstanding tax appeals retroactive to 1998, many of which have not yet been finalized. This additional financial uncertainty continues the need for the allowance established for tax appeals in the amount of \$1,001 (2009 - \$1,001). The provision is required due to a number of different types of tax adjustments, including frozen assessment listing ("FAL") appeals, new construction retroactive appeals, and commercial vacancy rebates. Any supplementary billings adjustments made necessary by the determination of such changes will be recognized in the fiscal year they occur and the effect shared with the regional government and school boards as appropriate.

As part of its 2004 budget, the Ontario Government implemented new provisions through Bill 83 that permitted Ontario municipalities to expand capping provisions for the multi-residential, commercial and industrial classes beginning with the 2005 tax year. The Region of York adopted these new tax policies and the effect is to limit annual assessment-related tax increases to 10% over the previous year tax level or 5% of previous year full Current Value Assessment ("CVA") taxes. The effect of these policies is to move properties to full CVA taxes sooner. The adjustments caused by this legislation may also impact the amounts of rebates which the municipality must issue to certain charitable organizations and the interest and penalties the municipality can collect on arrears of taxes where it is subsequently determined that such amounts have been overstated. These policies continued in York Region in 2010.

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

## 8 SEGMENTED INFORMATION

The Town provides a wide range of services to its citizens including general government services, protection services, parks, recreation and culture services, transportation services, environmental services, and planning and development services. Service areas disclosed in the segmented information along with the services they provide are as follow:-

### General Government Services:

(include Office of Mayor & Councillors, Chief Administrative Officer, Auditor General, Human Resources, Financial Services, and Information Technology departments)

The departments within General Government Services are responsible for general governance and corporate management.

### Protection Services:

(include Fire department and Building Standard department)

The mandate of these departments is to perform fire prevention and protection, fire alarm, and other auxiliary services.

### Transportation Services:

(include Roads, Parking Control and Asset Management departments)

The departments are responsible for road maintenance, hard top and loose top maintenance, winter patrol, salt, sanding, snow removal, street lighting, air transportation and administration of parking.

### Environmental Services:

(include Waterworks and Waste Management departments)

The mandate of these departments is to administer the sanitary and storm sewer system, distribute water, and the administration of garbage collection and garbage recycling.

### Recreation and Culture Services:

(include Parks, Recreation, Culture and Public Libraries)

The parks, recreation and culture departments are responsible for providing and facilitating the development of and the maintenance of high quality parks, recreation services and cultural services and the administration of libraries.

### Planning and Development Services:

(include Planning and Engineering departments)

The departments are responsible for the administration of land use plans, and developing policies for sustainable development of the Town.

### Others (include cemeteries):

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

**8 SEGMENTED INFORMATION** *continued*

December 31, 2010  
(All dollar amounts are in \$000)

	General Government	Protection and Property	Transportation Services	Environmental Services	Recreation and Cultural services	Planning and Development	Other	Consolidated	
								2010	2009
<b>REVENUES</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$
Taxation, grants in lieu, assessments	505,199	-	-	-	-	-	-	505,199	495,696
Collection for other authorities	(393,101)	-	-	-	-	-	-	(393,101)	(385,368)
Taxation for Town purposes	112,098	-	-	-	-	-	-	112,098	110,328
User charges	1,704	7,329	9,370	19,403	15,455	5,457	30	58,748	51,349
Grants	-	258	1,605	777	3,358	933	-	6,931	7,089
Contribution from developers	54,858	-	-	-	-	-	-	54,858	92,456
Investment income	14,520	-	-	-	-	-	8	14,528	14,743
Tax penalties	3,334	-	-	-	-	-	-	3,334	4,756
Sales revenue - land inventory	-	-	-	-	-	-	-	-	320
Proceeds from sale of tangible assets	568	-	-	-	-	-	-	568	160
Deferred revenue earned	40,564	-	-	-	-	-	-	40,564	43,715
Equity pick up from Markham Enterprises Corporation	6,926	-	-	-	-	-	-	6,926	(2,247)
Interest earned on reserves and reserve funds	596	-	-	-	-	-	-	596	951
Other	2,631	285	231	879	871	2,027	-	6,924	7,510
<b>Total Revenues</b>	<b>237,799</b>	<b>7,872</b>	<b>11,206</b>	<b>21,059</b>	<b>19,684</b>	<b>8,417</b>	<b>38</b>	<b>306,075</b>	<b>331,130</b>
<b>EXPENSES</b>									
Salaries, wages and employee benefits	23,754	32,436	10,395	5,827	27,940	3,714	-	104,066	104,089
Operating materials and supplies	10,087	918	2,965	5,376	8,307	1,805	32	29,490	32,032
Contracted services	7,880	566	14,379	14,627	4,115	505	-	42,072	43,940
Rents and financial expenses	488	49	(216)	37	510	369	-	1,237	990
External transfers to others	228	-	-	-	-	-	-	228	224
Other	-	-	-	-	-	-	-	-	372
Amortization of tangible capital assets (including write down)	54,625	-	-	-	-	-	-	54,625	50,996
<b>Total Expenses</b>	<b>97,062</b>	<b>33,969</b>	<b>27,523</b>	<b>25,867</b>	<b>40,872</b>	<b>6,393</b>	<b>32</b>	<b>231,718</b>	<b>232,643</b>
Dilution loss due to proportionate decrease in retained earnings in PowerStream Inc.	-	-	-	-	-	-	-	-	(2,100)
Annual Surplus	140,737	(26,097)	(16,317)	(4,808)	(21,188)	2,024	6	74,357	96,387
Accumulated surplus, beginning of year	3,453,349	-	-	-	-	-	-	3,453,349	3,356,962
Accumulated surplus, end of year	3,594,086	(26,097)	(16,317)	(4,808)	(21,188)	2,024	6	3,527,706	3,453,349

**9 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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

	2010	2009
Trade accounts payable	\$ 41,051	\$ 35,700
Payable to other governments	24,245	25,255
Payroll liabilities	6,995	4,114
Accrued liabilities	9,810	10,663
	<b>\$ 82,101</b>	<b>\$ 75,732</b>

**10 DEFERRED REVENUE**

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

	2010	2009
Obligatory Reserve Funds		
Development charges	\$ 128,033	\$ 124,707
Parkland	428	10,924
Other	7,962	2,909
Deferred revenue - general	11,319	4,519
	<b>\$ 147,742</b>	<b>\$ 143,059</b>

**11 USER CHARGES**

	2010	2009
Water and sewer billings to ratepayers	\$ 67,856	\$ 62,344
Region of York requisitions	(49,277)	(41,879)
Town Share	18,579	20,465
Building permits	6,097	5,352
Parking violations	1,902	1,842
Facility rentals	5,701	5,549
Recreational programs	7,679	7,831
Parks construction and maintenance	287	285
Cultural services	1,672	1,451
Engineering fees	5,236	1,233
Planning processing fees	4,936	1,919
Compliance letters/certificates	217	188
Other user charges	6,442	5,234
	<b>\$ 58,748</b>	<b>\$ 51,349</b>

## 12 EMPLOYEE FUTURE BENEFITS LIABILITIES

	2010	2009
Vacation Pay – Town	\$ 2,393	\$ 2,236
Vacation Pay – Library	87	101
Employee future benefits	8,661	7,960
Vested sick leave benefits	5,418	5,290
Workplace Safety & Insurance Board	1,197	1,075
	<b>\$ 17,756</b>	<b>\$ 16,662</b>

### Employee Future Benefits

Employee Future Benefits are health and dental benefits that the Town of Markham pays on behalf of its current and retired employees. The Town recognizes these post-retirement costs as they are earned during the employee's tenure of service. The benefit liability at December 31, 2010 is \$8,661 (2009 - \$7,960). The liability recorded by the Town has been determined by an actuarial study completed December 2010.

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

	2010		2009	
	WSIB	Vested Sick Leave	Employee Future Benefits	Total
Accrued benefit liability, beginning of year	\$ 1,075	\$ 5,290	\$ 7,960	\$ 14,325
Service cost	129	182	387	698
Interest cost	96	311	557	964
Benefit payments	(215)	(366)	(313)	(894)
Amortization of actuarial loss	112	1	70	183
Accrued benefit liability, end of year	<b>\$ 1,197</b>	<b>\$ 5,418</b>	<b>\$ 8,661</b>	<b>\$ 15,276</b>

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

	WSIB	Sick Leave	Early Retirement
Expected inflation rate	0.00%	N/A	N/A
Expected level of salary increases	3.00%	3.00%	N/A
Interest discount rate	5.00%	6.00%	6.00%

### Vested Sick Leave Benefits

Under the sick leave benefit plan, which is available only to the Town's firefighters, employees can accumulate unused sick leave and may become entitled to a cash payment when they leave the municipality's employment. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to approximately \$5,418 (2009 - \$5,290). The accrued benefit liability and the net periodic benefit cost were determined by an actuarial valuation updated December 2010.

### Workplace Safety and Insurance Obligations

Effective January 1, 1999, the Corporation of the Town of Markham became a Schedule II employer under the Workplace Safety and Insurance Act and follows a policy of self insurance for all its employees. The Town remits payments to the WSIB as required to fund disability payments. The estimated future liability relating to WSIB amounted to \$1,197 (2009 - \$1,075) and was determined by an actuarial evaluation completed December 2010. A Workplace Safety and Insurance Reserve Fund, funded by annual contributions from the Operating Fund, has also been established to protect against any unknown future liability.

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

## 13 TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization				Net Book Value		
	Balance as at Jan 1, 2010	Additions	Disposals	Balance as at Dec 31, 2010	Balance as at Dec 31, 2009	Additions	Disposals	Balance as at Dec 31, 2010	2010	2009
Land and land improvements	1,503,001	17,060	(993)	1,519,068	-	-	-	-	<b>1,519,068</b>	1,503,001
Buildings & building improvements	163,183	9,504	-	172,687	62,906	4,150	-	67,056	<b>105,631</b>	100,277
Equipment	15,411	2,656	(901)	17,166	8,101	1,943	(901)	9,143	<b>8,023</b>	7,310
Furniture & fixtures	6,361	194	(28)	6,527	1,592	445	(28)	2,009	<b>4,518</b>	4,769
Infrastructure	980,348	41,393	-	1,021,741	267,627	26,476	-	294,103	<b>727,638</b>	712,721
Library furniture & fixtures	2,536	75	(125)	2,486	1,277	236	(125)	1,388	<b>1,098</b>	1,259
Library media collection	10,099	1,674	(539)	11,234	4,943	1,427	(539)	5,831	<b>5,403</b>	5,156
Parks & pathways	49,387	5,274	(501)	54,160	17,918	3,163	(501)	20,580	<b>33,580</b>	31,469
Vehicles	12,947	1,249	(704)	13,492	7,597	1,648	(704)	8,541	<b>4,951</b>	5,350
Waterworks equipment	347	331	(2)	676	128	65	(2)	191	<b>485</b>	219
Waterworks infrastructure	897,459	14,342	(242)	911,559	213,122	13,933	(242)	226,813	<b>684,746</b>	684,337
Waterworks vehicles	1,489	54	(426)	1,117	710	150	(426)	434	<b>683</b>	779
Total	3,642,568	93,806	(4,461)	3,731,913	585,921	53,636	(3,468)	636,089	<b>3,095,824</b>	3,056,647
Capital Work in progress	-	61,713	-	61,713	-	-	-	-	<b>61,713</b>	21,051
Grand Total	3,642,568	155,519	(4,461)	3,793,626	585,921	53,636	(3,468)	636,089	<b>3,157,537</b>	3,077,698

### a) Assets under Construction

Assets under construction having a value of \$61,713 (2009 - \$21,051) have not been amortized. Amortization of these assets will commence when the asset is put into service.

### b) Contributed Tangible Capital Assets

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$47,237 (2009 - \$86,188) comprised of land in the amount of \$13,875 (2009 - \$3,968), roads infrastructure in the amount of \$25,177 (2009 - \$52,322) and water and wastewater infrastructure in the amount of \$8,185 (2009 - \$29,898).

### c) Tangible Capital Assets Disclosed at Nominal Values

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

### d) Works of Art and Historical Treasures

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

### e) Write-down of Tangible Capital Assets

The write-down of tangible capital assets during the year was \$989 (2009 - \$5) which represents the value of land that was transferred to developers as per terms of agreement.

## 14 ACCUMULATED SURPLUS

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

	2010	2009
Town operating fund surplus including library and business improvement areas before year end and accounting accruals	\$ 4,893	\$ 4,868
Year end accounting accruals and transfers to reserves and reserve funds	(2,285)	(2,998)
Operating Surplus	\$ 2,608	\$ 1,870
Equity in Markham Enterprises Corporation	189,665	185,760
Invested in tangible capital assets and other	3,152,742	3,122,900
	\$ 3,345,015	\$ 3,310,530
Reserves set aside for specific purposes by Council:		
Berczy landscape feature	203	203
Building fee	90	540
Capital gains	1,778	1,278
Corporate rate stabilization	16,004	15,761
Development fee	(779)	(5,632)
Election expenses	45	842
Election rebate	230	207
Facility ramp up	2,525	1,274
Firefighters sick leave benefits	5,418	5,290
Insurance	1,475	770
Long term disability benefit	9,640	8,212
Partnership	16	16
Waste management	28	28
Waterworks	25,026	9,213
Total reserves	\$ 61,699	\$ 38,002
Reserve funds set aside for specific purposes by Council:		
Environmental land acquisition	7,242	6,222
Environmental sustainability fund	445	209
Heritage	494	453
Land acquisition	3,321	2,919
Library infrastructure	4,549	4,002
Life cycle replacement & capital	94,679	83,864
Museum	57	6
Theatre	439	370
Trees for tomorrow	227	225
Workplace Safety & Insurance Board	2,764	2,741
10% Non-DC growth	6,775	3,806
Total reserve funds	\$ 120,992	\$ 104,817
Total	\$ 3,527,706	\$ 3,453,349

## 15 LEASE OBLIGATIONS

- a) As at December 31, 2010, the Town is committed to minimum annual operating lease payments for premises and equipment as follows:

2011	\$ 509
2012	524
2013	540
2014	180
2015	4
	\$ 1,757

- b) The Toronto Buttonville Airport (Markham) Inc. (TBAI), a wholly-owned subsidiary of the Town, entered into an agreement to lease the Buttonville Airport property for a period of nine years for the term of January 1, 2002 to December 31, 2010. Annual rental payment is limited to the funding provided by the Region of York, the Greater Toronto Airport Authority and from any other source during the term of this lease, whether paid directly or as rent.

## 16 CONTINGENCY

### Unsettled Legal Claims and Potential Other Claims

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

### Markham Enterprises Corporation

The Ministry of Finance (the "Ministry") conducted Payment in Lieu of tax (PILS) audits in 2008 on the three predecessor utilities, namely Richmond Hill Hydro Inc., Markham Hydro Distribution Inc. and Hydro Vaughan Distribution Inc. for the period January 1, 2004 through to May 31, 2004 and for PowerStream Inc. in 2009 for the periods June 1, 2004 through to December 31, 2004 and January 1, 2005 through to October 31, 2005. There is still an outstanding matter regarding the treatment of the Retail Settlement Variances Account (RSVA) for tax purposes.

There has been inconsistent practice of tax treatment of certain regulatory asset/liability accounts among Local Distribution Companies (LDC) across Ontario.

In accordance with Ontario Energy Board (OEB) regulations, the Corporation has recorded the variance between amounts charged by the Corporation to its customers (at the OEB prescribed rates) and the costs charged to the Corporation for electricity, market services and transmission services, namely retail settlement variances, as regulatory assets or liabilities on the financial statements. Similar treatment has been followed for tax purposes. The Ministry is questioning this treatment of the RSVA for tax purposes and is suggesting that RSVA liabilities may be considered income for tax purposes.

The Ministry is currently reviewing the treatment of RSVA for tax purposes on a province wide basis. The impact of a tax ruling may result in a reassessment of taxes payable which could have an impact on results, financial position and cash flows in the future. The outcome of the Ministry's review is not determinable and as such, no provision has been made in the financial statements.

The Corporation has identified operations sites that have traces of environmental contaminants in the soil; a provision of \$194 has been made for cleaning up these sites.

## 17 ACCOUNTS RECEIVABLE – POWERSTREAM INTEREST

Included in Accounts Receivable is \$7,584 (2009 - \$7,584) being the 5.58% per annum interest due for the period October 2006 to September 2008 on promissory notes issued by PowerStream. Council has approved the deferral of this payment and future quarterly interest payments due up to September 2008 for a period of 5 years from September 2008. The Town will receive full repayment of the accumulated interest due on October 31, 2013.

The Town will receive from PowerStream secondary interest on the deferred interest payments from April 2007 up to October 2013.

## 18 INVESTMENT IN MARKHAM ENTERPRISES CORPORATION

The Town of Markham incorporated corporations under the laws of the Province of Ontario. Markham Enterprises Corporation (Previously Markham Energy Corporation) is wholly owned by the Town of Markham. Markham Enterprises Corporation owns 100% of Markham District Energy Inc. and 34.185% (2009 - 34.185%) of PowerStream Inc.

In accordance with the June 1, 2004 shareholders' agreement, Markham Enterprises Corporation exercised its option to purchase from treasury, an additional 2% of all the issued and outstanding shares after giving effect to the exercise of such an option. An additional 35,087 common shares were purchased in 2005 for cash consideration of \$6,800. On January 1, 2009, the shareholders of PowerStream Inc. and Barrie Hydro Distribution Inc., agreed to amalgamate PowerStream and Barrie Hydro Distribution Inc. The amalgamated corporation retained the PowerStream Inc. corporate name and issued shares to its shareholders namely - Vaughan Holding Inc., Markham Enterprises Corporation and Barrie Hydro Holdings Inc. Upon amalgamation the shares held by Markham Enterprises Corporation will be 34.185% of the shares issued by PowerStream Inc. At year end, of the total 100,000 common shares issued by PowerStream Inc., 34,185 common shares were registered under Markham Enterprises Corporation.

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

Of the total 4,056 Class A Common Shares issued 1,838 Class A Common Shares are registered under Vaughan Holdings Inc. (wholly owned by the City of Vaughan), 1,387 Class A Common Shares are registered under Markham Enterprises Corporation (wholly owned by the Town of Markham) and 831 Class A Common Shares are registered under Barrie Hydro Holdings Inc. (wholly owned by the City of Barrie).

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

The following consolidated financial statements of Markham Enterprises Corporation include the financial information of its subsidiaries Markham District Energy Inc., and PowerStream Inc. for the period from January 1, 2010 to December 31, 2010.

	2010	2009
<b>ASSETS</b>		
Current	\$ 74,177	\$ 86,637
Capital	287,910	261,111
Goodwill	14,543	14,543
Other	30,790	22,535
Total Assets	\$ 407,420	\$ 384,826
<b>LIABILITIES</b>		
Current	66,121	66,040
Other	51,165	43,406
Long Term	100,469	89,620
Total Liabilities	\$ 217,755	\$ 199,066
<b>SHAREHOLDERS' EQUITY</b>		
Common Shares	67,559	66,727
Promissory Notes Payable	79,164	79,164
Retained Earnings and contributed surplus	42,942	39,869
Total Shareholders' Equity	\$ 189,665	\$ 185,760
Total Liabilities and Shareholders' Equity	\$ 407,420	\$ 384,826
<b>RESULTS OF OPERATIONS</b>		
Revenues	\$ 299,781	\$ 272,061
Operating expenses	292,855	266,827
<b>NET INCOME</b>	\$ 6,926	\$ 5,234
Proportionate share of increase/(decrease) in notes payable in PowerStream Inc.	-	(7,481)
Equity Pick up in Markham Enterprises Corporation	6,926	(2,247)
Dilution loss due to proportionate decrease in retained earnings in PowerStream Inc.	-	(2,100)
Increase in share capital	833	-
	7,759	(4,347)
Dividend paid to Town of Markham	(3,854)	(3,661)
<b>CHANGE IN EQUITY IN MARKHAM ENTERPRISES CORPORATION</b>	\$ 3,905	\$ (8,008)

The Corporation of the Town of Markham

## AUDITORS' REPORT



**KPMG LLP**  
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### INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the Trust Funds of The Corporation of the Town of Markham, which comprise the balance sheet as at December 31, 2010, the statement of continuity of Trust Funds for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditors' Responsibility

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

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

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

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Funds of The Corporation of the Town of Markham as at December 31, 2010, and its continuity of Trust Funds for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

May 31, 2011  
Toronto, Canada

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## TRUST FUNDS

### STATEMENT OF FINANCIAL POSITION

December 31, 2010  
with comparative figures for 2009

	Morgan Park Trust	Varley-McKay Trust	Markham Conservation Committee Trust	Elections Surplus Trust	Cemeteries Trust	Older Adults In Action Trust	Markham History Res & Pub Trust	Total	Total
								2010	2009
Bank balance	\$62,276	\$1,308,422	\$11,820	\$ -	\$300,267	\$7,908	\$74,144	\$1,764,837	\$1,754,924
Payable to Varley-McKay Foundation	-	(9,618)	-	-	-	-	-	(9,618)	(15,747)
Fund balance	\$62,276	\$1,298,804	\$11,820	\$ -	\$300,267	\$7,908	\$74,144	\$1,755,219	\$1,739,177

### STATEMENT OF OPERATIONS AND FUND BALANCES

Year ended December 31, 2010  
with comparative figures for 2009

Receipts									
Interest Earned	\$2,554	\$57,168	\$496	\$2,359	\$7,979	\$324	\$3,041	\$73,921	\$65,357
Sale of plots	-	-	-	-	18,925	-	-	18,925	23,316
Transfer of assets from Thornhill Cemetery to Town	-	-	-	-	100,548	-	-	100,548	-
	2,554	57,168	496	2,359	127,452	324	3,041	193,394	88,673
Expenditures	-	-	(380)	(111,825)	(7,979)	-	-	(120,184)	(1,135)
Distributable to Foundation	-	(57,168)	-	-	-	-	-	(57,168)	(62,427)
	-	(57,168)	(380)	(111,825)	(7,979)	-	-	(177,352)	(63,562)
Excess of receipts over expenditures and distributions	2,554	-	116	(109,466)	119,473	324	3,041	16,042	25,111
Fund balance, beginning of year	59,722	1,298,804	11,704	109,466	180,794	7,584	71,103	1,739,177	1,714,066
Fund balance, end of year	\$62,276	\$1,298,804	\$11,820	\$ -	\$300,267	\$7,908	\$74,144	\$1,755,219	\$1,739,177

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

## TRUST FUNDS NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

### 1 SIGNIFICANT ACCOUNTING POLICIES

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

#### Basis of Accounting

##### a) Revenue Recognition

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

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

### 2 TRUST FUNDS

#### Morgan Park Trust

The T. & G. Morgan Memorial Fund in Markham Village was established in 1918 as a result of the last Will and Testament of George Morgan to hold funds, the interest earned on which can be used to offset certain maintenance costs of Morgan Park. The Morgan Park Redevelopment Trust Fund was established by Council Resolution on December 11, 1991 to receive charitable donations to be used towards the redevelopment of Morgan Park.

#### Varley-McKay Art Foundation Trust Fund

The Varley-McKay Art Foundation Trust Fund was established by Council Resolution on December 11, 2001. This trust is funded by the amount received from the Estate of Kathleen G. McKay. Interest earned on these funds is available to the Varley-McKay Art Foundation of Markham to fund art appreciation and development.

#### Markham Conservation Committee Trust Fund

The Markham Conservation Committee Trust Fund was established by Council Resolution on April 15, 1992 to receive donations, grants, subsidies, and other amounts, to be used to cover costs associated with conservation and naturalization programs and projects undertaken by the Markham Conservation Committee.

#### Election - Candidates Surplus Funds Trust Account

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

#### Cemetery Trust Funds

The Cemetery Trust Funds were established under the Regulations of the Cemeteries Act to accumulate certain funds from the sale or transfer of an interment right to a purchaser in accordance with the Regulations. These funds are to be held in trust for the care and maintenance of the cemetery. Interest earned on amounts held by the Fund are used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations. In September 2010, Council endorsed a request by the Trustees of Thornhill Cemetery to convey all the assets of the Trust to the Town of Markham. The Town has now assumed ownership and responsibility for the care and maintenance of the Thornhill Cemetery and other assets of the Trust. An amount of \$100,548.43 was transferred to the Town on December 20, 2010.

#### Older Adults In Action Trust Fund

Council Resolution established the Older Adults In Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre.

#### Markham History - Research And Publication Trust Fund

The Markham History - Research and Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham's history. This trust is funded from cash and securities received from organizations involved in the creation of the original trust fund - Markham History Book Committee and the Markham District Historical Society and the Museum Advisory Board.

## FIVE YEAR REVIEW (UNAUDITED)

All dollar amounts are in \$000

	2010	2009	2008	2007	2006
<b>OPERATIONS</b>					
<b>Expenditures by Function</b>					
General government	\$42,437	\$41,994	\$35,190	\$29,682	\$27,191
Protection to persons & property	33,969	33,637	32,874	30,879	29,229
Transportation services	27,523	36,553	25,193	19,963	16,413
Environmental services	25,867	21,210	20,003	17,261	16,278
Recreation and cultural services	40,872	41,058	41,525	36,004	34,603
Planning and development	6,393	6,796	13,144	6,143	5,878
Other	32	399	597	30	25
Write-down of tangible capital assets	989	-	-	-	-
Amortization of tangible capital assets	53,636	50,996	47,863	-	-
Financing repayment & transfers	-	-	-	39,166	35,059
	<b>\$231,718</b>	<b>\$232,643</b>	<b>\$216,389</b>	<b>\$179,128</b>	<b>\$164,676</b>
<b>Revenues by Source</b>					
Taxation (includes supplementary & payments in lieu)	\$112,098	\$110,328	\$106,856	\$100,552	\$94,357
Fees and service charges	58,748	51,349	47,048	53,134	48,672
Grants/Subsidies - federal and provincial	6,931	7,089	21,216	1,322	1,200
Contribution from developers	54,858	92,456	141,319	-	-
Investment income	14,528	14,743	13,190	11,893	11,738
Deferred revenue earned	40,564	43,715	23,389	-	-
Equity pick up in Markham Enterprises Corporation	6,926	(2,247)	7,464	-	-
Other revenue	11,422	13,697	13,506	8,845	8,667
	<b>\$306,075</b>	<b>\$331,130</b>	<b>\$373,988</b>	<b>\$175,746</b>	<b>\$164,634</b>
<b>Surplus</b>	<b>\$74,357</b>	<b>\$96,387</b>	<b>\$157,599</b>	<b>(\$3,382)</b>	<b>(\$42)</b>
Surplus, beginning of year	3,453,349	3,356,962	3,197,583	3,814	3,856
Surplus, end of year	<b>\$3,527,706</b>	<b>\$3,453,349</b>	<b>\$3,355,182</b>	<b>\$432</b>	<b>\$3,814</b>

Reference: Consolidated Statement of Operations and Accumulated Surplus

### RESERVES AND RESERVE FUNDS

Reserves	\$61,699	\$38,002	\$42,950	\$42,262	\$31,898
Reserve funds - discretionary only	120,992	85,929	83,910	84,870	73,280
Deferred revenue	147,742	164,799	165,609	159,649	152,367
	<b>\$330,433</b>	<b>\$288,730</b>	<b>\$292,469</b>	<b>\$286,781</b>	<b>\$257,545</b>

## FIVE YEAR REVIEW (UNAUDITED)

(All dollar amounts are in \$000)

	2010	2009	2008	2007	2006
<b>NET FINANCIAL ASSETS</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	\$335,552	\$339,230	\$339,566	\$319,226	\$291,687
Taxes receivable	39,141	44,130	37,670	30,033	30,842
Unbilled user charges	7,964	7,118	5,930	5,914	5,191
Accounts receivable	51,222	28,679	26,732	28,511	20,654
Investment in Markham Enterprises Corporation	189,665	185,760	193,768	186,304	174,471
Other current assets	4,644	4,853	5,494	6,105	225
Total Financial Assets	<b>\$628,188</b>	<b>\$609,770</b>	<b>\$609,160</b>	<b>\$576,093</b>	<b>\$523,070</b>
<b>Financial Liabilities</b>					
Accounts payable and accrued liabilities	\$82,101	\$75,732	\$65,368	\$69,967	\$53,459
Deferred revenue	147,742	143,059	165,609	159,649	152,367
Employee future benefits liabilities	17,756	16,662	15,522	14,112	12,781
Long term liabilities	12,000	-	-	-	-
Total Financial Liabilities	<b>\$259,599</b>	<b>\$235,453</b>	<b>\$246,499</b>	<b>\$243,728</b>	<b>\$218,607</b>
<b>Net Financial Assets</b>	<b>\$368,589</b>	<b>\$374,317</b>	<b>\$362,661</b>	<b>\$332,365</b>	<b>\$304,463</b>
<b>NET LONG TERM DEBT</b>					
Net long term liabilities - Town of Markham purposes	\$12,000	\$0	\$0	\$0	\$0
Annual debt limit prescribed by province	\$53,862	\$52,975	\$48,762	\$46,387	\$44,171
Per capita	\$0.04	\$0.00	\$0.00	\$0.00	\$0.00
Percentage of taxable assessment	0.0282%	0.0000%	0.0000%	0.0000%	0.0000%
<b>Annual charges for net long-term liabilities</b>					
Principal & interest - Town of Markham Purposes	\$886	\$0	\$0	\$0	\$0
Per capita	\$0.003	\$0.00	\$0.00	\$0.00	\$0.00
As a percentage of revenue fund expenditures	0.29%	0.00%	0.00%	0.00%	0.00%
<b>CONSOLIDATED EXPENDITURES</b>					
<b>Consolidated Expenditures by Object</b>					
Salaries, wages & employee benefits	\$104,066	\$104,089	\$95,378	\$91,989	\$85,459
Operating materials and supplies	29,490	32,032	28,377	25,580	23,999
Contracted services	42,072	44,312	43,557	21,373	19,249
Rents and financial expenses	1,237	990	1,000	1,280	1,305
External transfers to others	228	224	214	209	202
Tangible capital assets	-	-	-	76,272	57,056
Write-down of tangible capital assets	989	-	-	-	-
Amortization - tangible capital assets	53,636	50,996	47,863	-	-
Total expenditure by object	<b>\$231,718</b>	<b>\$232,643</b>	<b>\$216,389</b>	<b>\$216,703</b>	<b>\$187,270</b>

## FIVE YEAR REVIEW (UNAUDITED)

(All dollar amounts are in \$000)

	2010	2009	2008	2007	2006
<b>TAXABLE ASSESSMENT</b>					
Residential, multi-residential and farm	\$34,833,624	\$32,725,870	\$30,416,481	\$29,658,867	\$28,725,677
Commercial - all classes	6,491,769	5,662,287	5,174,149	5,107,994	5,032,293
Industrial - all classes	1,133,147	1,088,515	985,494	999,599	942,125
Pipeline & managed forests	51,170	47,902	47,828	43,838	42,362
	<b>\$42,509,710</b>	<b>\$39,524,574</b>	<b>\$36,623,952</b>	<b>\$35,810,298</b>	<b>\$34,742,457</b>
Commercial, industrial and business as a percentage of taxable assessment	17.94%	17.08%	16.82%	17.06%	17.20%
<b>PROPERTY TAXATION</b>					
<b>Tax Rates/Mill Rates (Note 1)</b>					
Residential - Town of Markham	0.245313%	0.256940%	0.270413%	0.260687%	0.250717%
Region of York	0.477021	0.500081	0.515464	0.495729	0.473336
School Boards (public and separate)	0.241000	0.252000	0.264000	0.264000	0.264000
	<b>0.963334%</b>	<b>1.009021%</b>	<b>1.049877%</b>	<b>1.020416%</b>	<b>0.988053%</b>
Multi-residential - Town of Markham	0.245313%	0.256940%	0.270413%	0.260687%	0.250717%
Region of York	0.477021	0.500081	0.515464	0.495729	0.473336
School Boards (public and separate)	0.241000	0.252000	0.264000	0.264000	0.264000
	<b>0.963334%</b>	<b>1.009021%</b>	<b>1.049877%</b>	<b>1.020416%</b>	<b>0.988053%</b>
Commercial - full rate - Town of Markham	0.289470%	0.310127%	0.326389%	0.314649%	0.302616%
Region of York	0.562885	0.603598	0.622165	0.598345	0.571316
School Boards (public and separate)	1.289313	1.385926	1.492897	1.492897	1.492897
	<b>2.141668%</b>	<b>2.299651%</b>	<b>2.441451%</b>	<b>2.405891%</b>	<b>2.366829%</b>
Commercial - vacant units, excess land % of full rate	70%	70%	70%	70%	70%
Industrial - full rate - Town of Markham	0.333013%	0.352959%	0.371467%	0.358105%	0.344410%
Region of York	0.647556	0.686961	0.708093	0.680983	0.650221
School Boards (public and separate)	1.459012	1.552479	1.656911	1.658072	1.871896
	<b>2.439581%</b>	<b>2.592399%</b>	<b>2.736471%</b>	<b>2.697160%</b>	<b>2.866527%</b>
Industrial - vacant units, excess land -percentage of full rate	65%	65%	65%	65%	65%
<b>Taxes Levied</b>					
Town of Markham	\$112,098	\$110,328	\$106,856	\$100,552	\$94,357
Region of York	211,312	207,957	197,530	186,243	175,264
School Boards (public and separate)	181,789	177,411	172,284	171,673	169,525
	<b>\$505,199</b>	<b>\$495,696</b>	<b>\$476,670</b>	<b>\$458,468</b>	<b>\$439,146</b>
<b>Total Tax Arrears (Taxes Receivable)</b>					
Per capita	\$126.61	\$145.14	\$125.57	\$104.64	\$110.19
Percentage of current levy	7.75%	8.90%	7.90%	6.55%	7.02%

Notes: (1) Average Residential Tax bill for 2008 and 2007 was based on Current Value Assessment of \$403,000 for both the years

(2) Figures for 2006-2007 are not comparable due to change in PSAB section 3150

## PERFORMANCE MEASURES REPORT CARD (UNAUDITED)

(Year ended December 31, 2010)

Measure	2010
<b>Local Government</b>	
Operating costs for governance and corporate management as a percentage of total municipal operating costs	9.60%
<b>Fire</b>	
Operating costs for fire services per \$1,000 of assessment	\$0.64
<b>Roads</b>	
Operating costs for paved (hard top) roads per lane kilometre	\$8,866.32
Operating costs for bridges and culverts per square metre of surface area	\$3.25
Operating costs for winter control maintenance of roadways per lane kilometre maintained in winter	\$3,450.22
Percentage of paved lane kilometres where the condition is rated as good to very good	93.00%
Percentage of winter events where the response met or exceeded locally determined road maintenance standards	100.00%
<b>Wastewater (Sewage)</b>	
Operating Costs for collection/conveyance of wastewater per kilometre of wastewater main	\$4,222.57
Operating Costs for the treatment and disposal of wastewater per mega litre	\$782.69
Operating Costs for collection/conveyance, treatment and disposal of wastewater per mega litre (Integrated)	\$878.02
Number of wastewater main backups per 100 kilometres of wastewater main in the year	3.152
Percentage of wastewater estimated to have by-passed treatment	N/A
<b>Water</b>	
Operating costs for the treatment of drinking water per mega litre	\$691.30
Operating costs for the distribution/transmission of drinking water per kilometre of water distribution transmission pipe	\$10,494.06
Operating costs for the treatment and distribution/transmission of drinking water per mega litre (Integrated)	\$969.99
Number of water main breaks per 100 kilometres of water distribution pipe in a year	3.14
Weighted number of days when a boil water advisory issued by the Medical Officer of Health, applicable to a municipal water supply	0.000
<b>Solid Waste Management (Garbage)</b>	
Operating costs for solid waste collection per tonne	\$24.43
Operating costs for solid waste disposal per tonne	-
Operating costs for solid waste diversion (recycling) per tonne	\$106.87
Average operating costs for solid waste management per tonne - Integrated	\$97.62
Number of days per year when a Ministry of Environment compliance order for remediation concerning an air or groundwater standard was in effect for a municipally owned Solid Waste Management facility	0.00
Total number of solid waste management facilities owned by Municipality	0.00
Number of complaints received in a year concerning the collection of garbage and recycled materials per 1,000 households	1.443
Percentage of residential solid waste diverted for recycling	68.50%
<b>Parks and Recreation</b>	
Operating costs for parks per person	\$27.40
Operating costs for recreation programs per person	\$21.29
Operating costs for recreation facilities per person	\$49.68
Operating costs for recreation programs and recreation facilities per person	\$70.97
Hectares of open space per 1,000 persons (municipally owned)	3.57
Total kilometres of trails per 1,000 persons	0.372
Total hours for special events	1,053,955
Total hours for registered programs	66,154
Total hours for drop-in programs	29,931
Total hours for permitted programs	5,627,815
Total participant hours	5,723,900
Total participant hours for recreation programs (registered, drop-in and permitted programs) per 1,000 persons	18,537.506
Square metres of indoor recreation facilities (municipally owned)	90,037
Square metres of outdoor recreation facility space with controlled access and electrical or mechanical functions (municipally owned)	21,751
Total square metres recreation facility space (municipally owned)	111,788
Square metres of indoor recreation facilities per 1,000 persons (municipally owned)	291.595
Square metres of outdoor recreation facility space with controlled access per 1,000 persons (municipally owned)	70.443
<b>Library Services</b>	
Operating costs for library services per person	\$30.90
Operating costs for library services per use	\$0.83
Total library uses for municipality only	11,521,884
Total population	308,774
Library uses per person	37.315
Electronic library uses as a percentage of total library uses	31.60%
Non-electronic library uses as a percentage of total library uses	68.40%
<b>Land-Use Planning</b>	
Percentage of new residential units located within settlement areas	100.00%
Percentage of land designated for agricultural purposes which was not re-designated for other uses during the reporting year	100.00%
Percentage of land designated for agricultural purposes which was not re-designated for other uses relative to the base year of 2000	88.00%

Markham information in many languages

**905-477-5530**

Information Markham en plusieurs langues

ਮਾਰਖਮ ਬਾਰੇ ਕਈ ਭਾਸ਼ਾਵਾਂ ਵਿੱਚ ਜਾਣਕਾਰੀ

Informazioni su Markham in molte lingue

萬錦市以多種語言發佈的信息

اطلاعات مارکھام به زبانهای مختلف

அநேக மொழிகளில் மார்க்கம் செய்தி

بہت ساری زبانوں میں مارکھم کی معلومات



Please contact:

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Town of Markham

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