



Operating & Capital Budget Summary

2005



TORONTO



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Operating & Capital Budget Summary



Introduction



Investment in the public realm ensures that Toronto's diversity remains its strength. Public spaces and services – the TTC, our parks, city buildings, and so on – are both a showcase for the city's diversity, and the place where people from all over the world discover what it means to be a Torontonian.

We have a responsibility to keep those spaces inviting and accessible to everyone. At its heart, the New Deal for Cities is truly about investing in the public realm. A New Deal recognizes that Toronto needs revenues that grow with the economy and a seat at the table with the other governments, so that we can act in the best interests of Torontonians, and make this city work for all its residents.

It's not enough for us merely to claw our way out of the neglect and decay that befell Toronto over the last decade. It's not enough to simply maintain the status quo. We need to move beyond managed decline. We must undertake a massive investment in this city so that Toronto can move to the next stage as a great international city.

For example, when we have finished writing a new City of Toronto Act, Toronto will have a new constitution. This will empower your city government to be creative and flexible as it reinvests in Toronto.

As we achieve the tools to make City Council a full-fledged government, it will help work in equal partnership with the other governments, so that policies on everything from immigration to child care to public health can be designed in ways that makes sense for Toronto.

We also have to rethink the funding structure for Toronto. The way we finance cities in this country simply does not work. European countries do not finance cities the way we do, and neither does the United States.

“We have a responsibility to keep those spaces inviting and accessible to everyone.”



The issues we face go far beyond our annual scramble to balance the City's budget. We have fundamental structural inequities that can't be solved through the budget process. For instance, one third of the City's budget is devoted to delivering provincially mandated programs – social programs the City is obliged by law to deliver. Another third of our budget goes to police, fire, ambulance and TTC, organizations over which the City does not exercise direct control. The parts of the budget over which the city does have direct control – libraries, parks and recreation, and so on – have been cut to the bone in an effort to defer dealing with our structural deficit.



The Municipal Performance Measurement Program, which compares Toronto's efficiency against those of other municipalities, ranks Toronto as the second most efficient municipal government in Ontario in terms of cost of administration. We continue to find efficiencies but the amount of savings that we are able to find within our budget – even if they amount to millions of dollars – will never come close to providing us with what we need to make genuine investment in Toronto. Our infrastructure deficit alone runs in the hundreds of millions of dollars – an order of magnitude's difference from any efficiencies we might find.



What we're really talking about is building a city that we love to live in. A city that you can get excited about every time you step outside onto the street. A prosperous city with a vibrant street life and a rich culture. This is our challenge and our opportunity. We need to ensure that this is what our city becomes.



“A city that you can get excited about every time you step outside onto the street.”



I am pleased to present the City of Toronto's 2005 Budget Summary Book – a comprehensive look into where the money goes and comes from for the City's \$7.7 billion Operating and \$1.4 billion Capital Budget.

At the start of the budget process Council sought the advice of Toronto residents at the Listening to Toronto consultations and at deputations. Council established nine priorities for its term of Council, and placed special focus on funding the following three for 2005:

- › Clean & Beautiful City
- › TTC Ridership Growth Strategy
- › Housing & Homelessness



Every year, Toronto faces budget pressures beyond our control. And unlike the Federal or Provincial governments, the City cannot budget for a deficit. This has left the City with limited options to fund budget pressures - increase taxes or reduce funding for services. This is after seeking financial assistance from the Provincial government.

Toronto has limited revenues that don't grow the way costs do. Careful evaluation of the City's user fees show that there are limited opportunities to increase them beyond what has already been put in place. As a result, the City must rely on unsustainable, one-time revenues. Council has attempted to balance these pressures and provide a responsible City budget that protects and enhances services to Toronto residents.

All of Council's cost-saving efforts, however, are not enough to make Toronto self-sufficient and financially independent. Only the advancement of the New Deal with the Provincial and Federal governments will ensure a long-term sustainable source of revenues that will allow us to truly invest in our City. Progress has been made on the New Deal: the Federal government fully rebates the City's GST costs, and Toronto now gets a share of the Federal and Provincial gas tax. City and Provincial staff are working closely on a new City of Toronto Act which is expected to provide the City with new revenue tools. Even so, our financial situation won't be truly stable until we have access to revenues that grow with the economy, like income or sales tax.

Shirley Hoy
Chief Administrative Officer

Message from the Chief Financial Officer & Treasurer



The 2005 Budget had exceptional challenges, due in part to a shortfall in Provincial funding for mandated social services. As a result, the City used a number of one-time revenue sources to balance the operating budget. These included selling a piece of property to the Province in lieu of a debt payment, and selling City-owned power poles to Toronto Hydro. Neither transaction is expected to cost the City any lost future revenues.

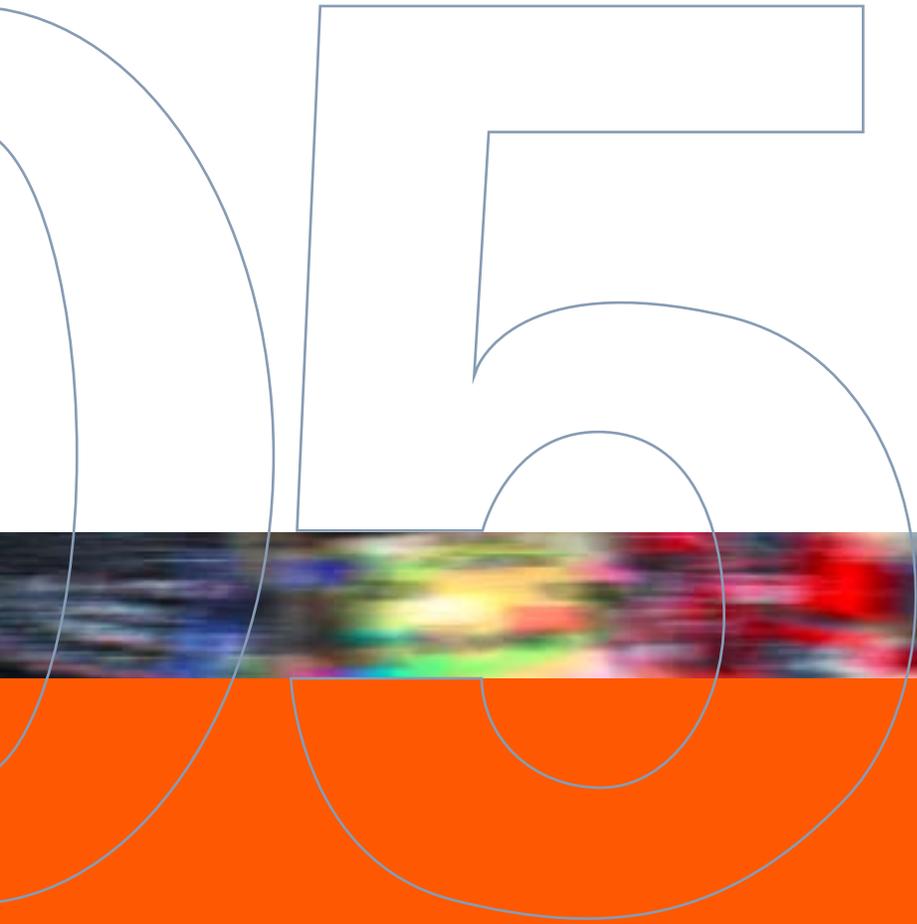
On March 1, 2005, City Council approved a \$7.7 billion Operating and \$1.4 billion Capital Budget that includes a property tax rate increase of 3% for residential properties and 1.5% for commercial, industrial, and multi-residential properties. One hundred additional buses for suburban routes and almost \$12 million in new money for Clean and Beautiful City programs were the highlights of the City of Toronto's 2005 budget, in keeping with Council's priorities and residents' advice through Listening to Toronto.

Although TTC tickets, tokens, and cash fares will go up in price, City Council froze the price of metropasses, and approved the introduction of a transferable weekly TTC pass. This pass, along with the investment in new buses and services are expected to increase ridership by \$2.3 million annually.

The investment in Clean and Beautiful programs will allow the City to introduce new beautification initiatives including increased litter picking, enhanced horticultural displays and improvements to the city's urban forest.

Major initiatives in the future however will require continuous work with the provincial and federal governments to secure new revenue sources for Toronto, so that this year's investments can be expanded upon in years to come. A New Deal would recognize Toronto's unique needs and allow it to maintain and enhance service levels according to established council priorities.

Joseph P. Pennachetti
Chief Financial Officer & Treasurer



Operating & Capital Budget Summary



Toronto at a Glance

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“The City budget...is a reflection of what’s important to city residents for their quality of life.”





Population of more than 2.5 million people

Toronto – Canada’s centre for production, distribution, and innovation.

1,455 parks, 141 community centres, 4,200 permanent shelter beds, 311,000 tonnes of residential waste diverted from landfill, 880,271 emergency calls dispatched, 98 library branches, 415 million TTC riders, maintenance of 5,300 kilometres of roadway

Estimated that by 2020 Toronto’s population will double

5th largest city in North America

Canada’s largest city

3rd largest biotechnology centre

One of the best telecommunications networks in the world

One of the highest percentage of fibre optic cable

Home to one third of Canada’s population

Home to North America’s second largest public transportation system

Host to the world’s second largest film festival

Nickname: “hollywood north”

3rd largest stock exchange in North America

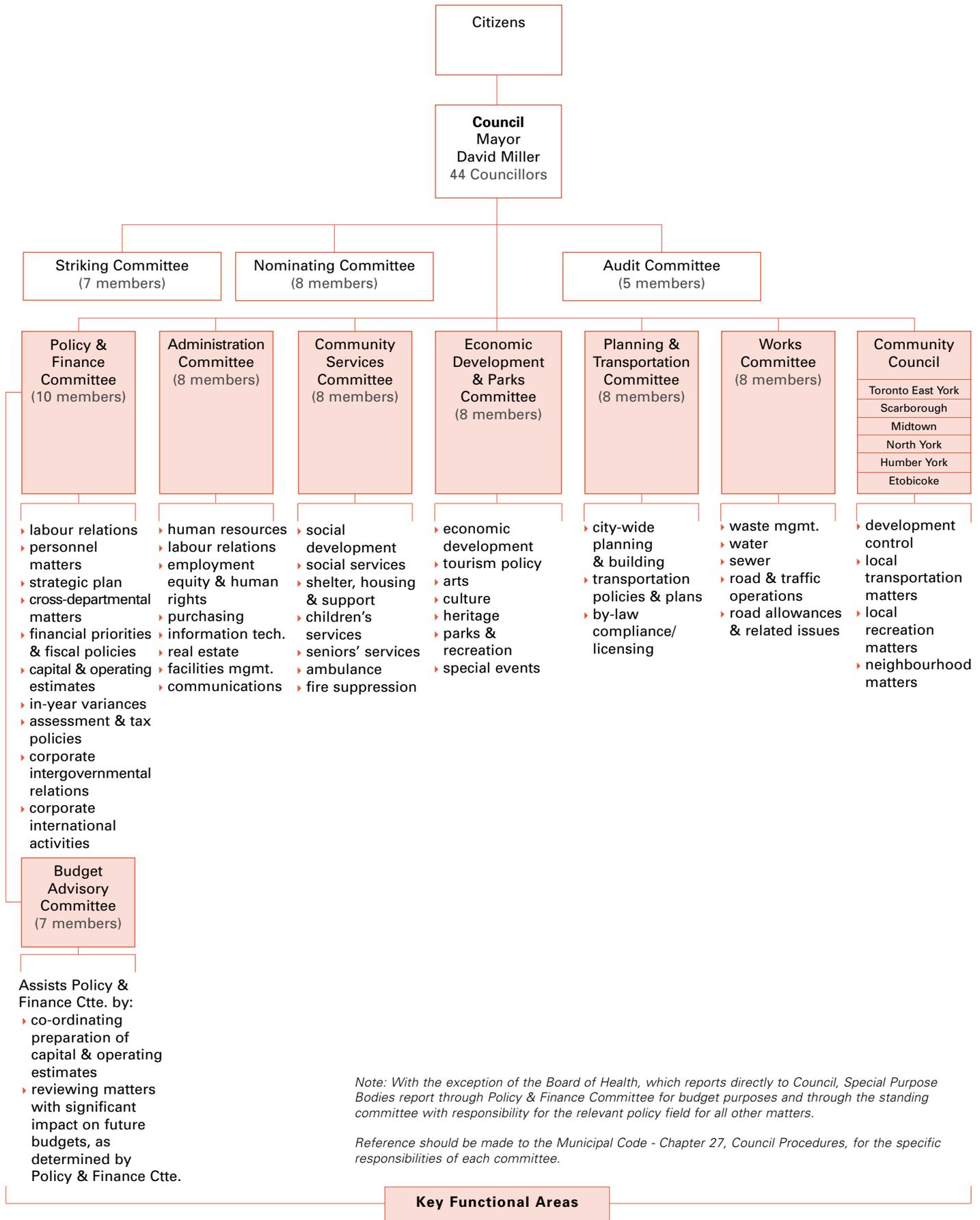
Biggest celebration of Caribbean culture in North America “Caribana”

Home to over 100 languages and dialects

The City budget is a plan for where money goes, and where it comes from. It is a reflection of what’s important to city residents for their quality of life. Every city service such as garbage pick-up, road maintenance, and public transit are considered by Council for funding priority.

This document, the 2005 Budget Summary, is a comprehensive profile of what residents and Council decided after much deliberation, public consultation, and analysis. From program to program, see the kind of challenges that were faced, how well the program performed in 2004, and see the numbers to support the decisions made for Toronto City Services delivery.

The City budget: A plan for Toronto’s quality of life.

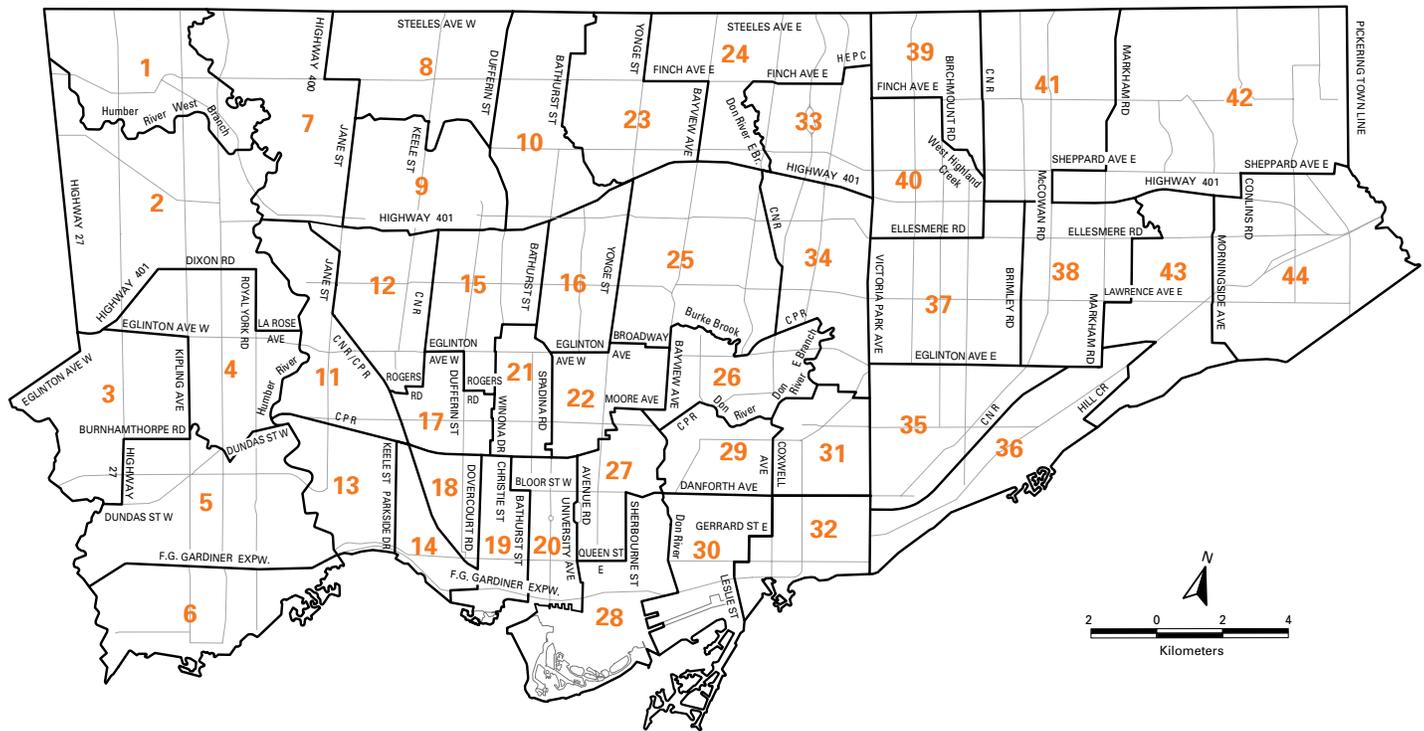


Note: With the exception of the Board of Health, which reports directly to Council, Special Purpose Bodies report through Policy & Finance Committee for budget purposes and through the standing committee with responsibility for the relevant policy field for all other matters.

Reference should be made to the Municipal Code - Chapter 27, Council Procedures, for the specific responsibilities of each committee.

Key Functional Areas

City of Toronto Electoral Wards



Council 2003 – 2006

Mayor David Miller 416-397-CITY (2489)

1 Etobicoke North	Suzan Hall	416-392-0205	23 Willowdale	John Filion	416-392-0210
2 Etobicoke North	Rob Ford	416-397-9255	24 Willowdale	David Shiner	416-395-6413
3 Etobicoke Centre	Doug Holyday	416-392-4002	25 Don Valley West	Cliff Jenkins	416-395-6408
4 Etobicoke Centre	Gloria Lindsay Luby	416-392-1369	26 Don Valley West	Jane Pitfield	416-392-0215
5 Etobicoke Lakeshore	Peter Milczyn	416-392-4040	27 Toronto Centre-Rosedale	Kyle Rae	416-392-7903
6 Etobicoke Lakeshore	Mark Grimes	416-397-9273	28 Toronto Centre-Rosedale	Pam McConnell	416-392-7916
7 York West	Giorgio Mammoliti	416-395-6401	29 Toronto-Danforth	Case Ootes	416-392-4032
8 York West	Peter Li Preti	416-392-0201	30 Toronto-Danforth	Paula Fletcher	416-392-4060
9 York Centre	Maria Augimeri	416-392-4021	31 Beaches-East York	Janet Davis	416-392-4035
10 York Centre	Michael Feldman	416-392-1371	32 Beaches-East York	Sandra Bussin	416-392-1376
11 York South-Weston	Frances Nunziata	416-392-4091	33 Don Valley East	Shelley Carroll	416-392-4038
12 York South-Weston	Frank Di Giorgio	416-392-4066	34 Don Valley East	Denzil Minnan-Wong	416-397-9256
13 Parkdale-High Park	Bill Saunderson	416-392-4072	35 Scarborough Southwest	Gerry Altobello	416-392-0213
14 Parkdale-High Park	Sylvia Watson	416-392-7919	36 Scarborough Southwest	Brian Ashton	416-392-4052
15 Eglinton-Lawrence	Howard Moscoe	416-392-4027	37 Scarborough Centre	Michael Thompson	416-397-9274
16 Eglinton-Lawrence	Karen Stintz	416-392-4090	38 Scarborough Centre	Glenn De Baeremaeker	416-392-0204
17 Davenport	Cesar Palacio	416-392-7011	39 Scarborough-Agincourt	Mike Del Grande	416-392-1374
18 Davenport	Adam Giambone	416-392-7012	40 Scarborough-Agincourt	Norm Kelly	416-392-4047
19 Trinity-Spadina	Joe Pantalone	416-392-4009	41 Scarborough-Rouge River	Bas Balkissoon	416-392-1375
20 Trinity-Spadina	Olivia Chow	416-392-4044	42 Scarborough-Rouge River	Raymond Cho	416-392-4078
21 St. Paul's	Joe Mihevc	416-392-0208	43 Scarborough East	David Soknacki	416-392-4008
22 St. Paul's	Michael Walker	416-392-7906	44 Scarborough East	Gay Cowbourne	416-392-1373



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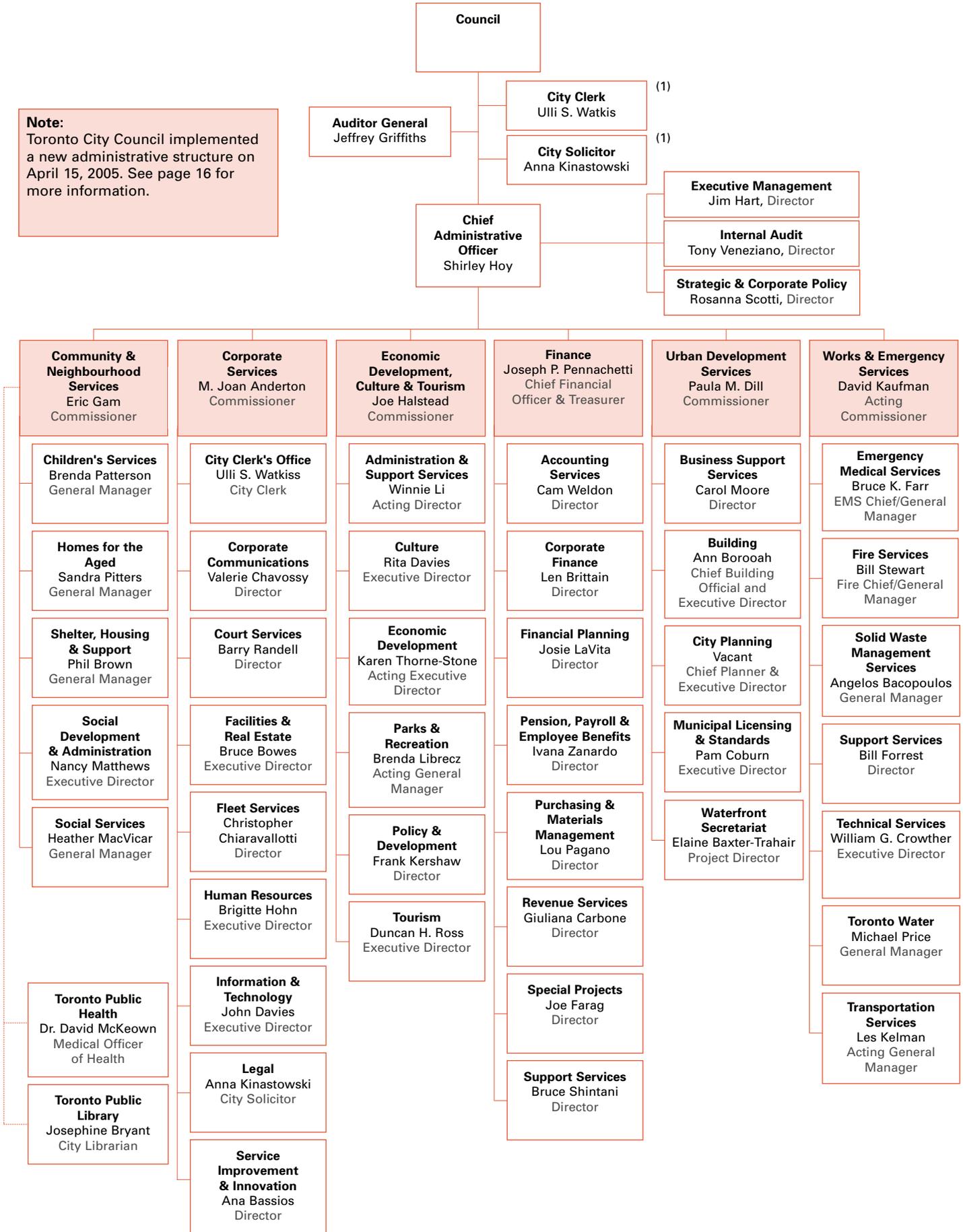
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Note:
Toronto City Council implemented a new administrative structure on April 15, 2005. See page 16 for more information.



City of Toronto Special Purpose Bodies

Agencies, Boards Commissions and Corporations (ABCCs)

Service Boards

Enwave District Energy Limited*

Exhibition Place

Hummingbird Centre for the Performing Arts

St. Lawrence Centre for the Arts

Toronto Board of Health

Toronto Community Housing Corporation*

Toronto Hydro Corporation*

Toronto Parking Authority

Toronto Police Services

Toronto Public Library

Toronto Transit Commission

Toronto Zoo

* (corporation of which the City is sole or a major shareholder).

Program Operating Boards

Board-run Arenas:
 Forest Hill Memorial
 George Bell
 Leaside Gardens
 McCormick Playground
 Moss Park
 North Toronto Memorial
 Ted Reeve
 William H. Bolton

Board-run Community Centres:
 The 519
 Applegrove
 Cecil
 Central Eglinton
 Eastview Neighbourhood
 Harbourfront
 Ralph Thornton
 Scadding Court
 Swansea Town Hall

Business Improvement Areas (50)

Heritage Toronto

Museum Boards:
 Collections & Conservation
 Fort York
 Gibson House/Zion Schoolhouse
 York Museum
 Montgomery's Inn
 Colborne Lodge/Mackenzie House/Spadina
 Scarborough Museum
 Todmorden Mills

Toronto Economic Development Corporation (TEDCO)*

Yonge-Dundas Square Board of Management

Quasi-Judicial Tribunals

Committee of Adjustment

Property Standards Committee

Toronto Licensing Tribunal

Court of Revision

Rooming House Licensing Commission

Financial Administrative Bodies

Metro Toronto Pension Plan

Metro Toronto Police Benefit Fund

Metro Toronto Sinking Fund

Toronto Civic Employees' Pension and Benefit Fund

Toronto Fire Department Superannuation and Benefit Fund

Toronto Atmospheric Fund

Advisory Committees

Program Advisory Bodies

Committees, work groups, reference groups, etc. that advise staff on various aspects of programs run by the departments e.g. Homes for the Aged Advisory Committee

Political Advisory Bodies

Mayor's Task Forces, Council Task Forces and other bodies that advise Council, e.g. Roundtables, Toronto Preservation Board

External and Partnered Organizations to which Council nominates or appoints citizens or councillors

12 Alexandra Street Theatre Project	Lorraine Kimsa Theatre for Young People
Alumnae Theatre Company	Metropolitan Toronto Convention Centre
Art Gallery of Ontario	National Ballet of Canada
Artscape Toronto	North York Emergency Home for Youth (Eva's Place)
Arts York	Rouge Park Alliance
Balmy Beach Park	Royal Agricultural Winter Fair
Canadian Film Centre	Scarborough Arts Council
Canadian National Exhibition Association (city-funded and appointed)	Toronto and Region Conservation Authority
Canadian Opera Company	Toronto Arts Council
Canadian Stage Company	Toronto Business Development Centre
Caribbean Cultural Committee	Toronto Child Abuse Centre
192 Carlton Street	Toronto Financial Services Alliance
Crescent Town Club Inc.	Toronto District Health Council
Design Exchange	Toronto Foundation for Student Success
Dora Mavor Moore Awards	Toronto Humane Society
East Metro Youth Services	Toronto International Film Festival Group
FoodShare	Toronto Port Authority
Friends of Maple Leaf Cottage	Toronto Symphony Orchestra
George R. Gardiner Museum of Ceramic Art	Tourism Toronto
Good Neighbour's Club	TradeLink Toronto
Greater Toronto Airports Authority	University Settlement
Greater Toronto Marketing Alliance	Woman Abuse Council
Harbourfront Centre	York Community Information
Historical Societies North York and Town of York	
Hockey Hall of Fame	
Hospital Boards	
Bridgepoint Health	
Mount Sinai	
Riverdale Hospital	
Scarborough Hospital	
Salvation Army Grace Health Centre	

A shift of focus from amalgamation to City-building efforts prompted Council and staff to take a closer look at the senior management model to evaluate whether it meets the City's current challenges. The result was a Council decision to approve a new administrative model designed to give City staff both greater public accountability, and greater flexibility in responding to the changing needs of the city.

The City's senior management structure was approved in 1998 with a focus on implementing an amalgamation of six Toronto municipal governments, maintaining public services, harmonizing service delivery methods, and integrating systems and processes. This 1998 structure was recognized as a work in progress requiring periodic review and adjustment.

2005 Reorganization

Changes to the City's administrative structure were approved in December 2004 based on a report from Mayor Miller to ensure that the right administrative structure meets the City's current challenges and to place a model that focuses on citizens - allowing the public to know who is responsible for services being delivered and to allow the leaders of the services to work directly with the community and Council.

The new and approved administrative structure aims to:

- ▶ increase emphasis and accountability on working together, across program areas to deliver Council's priorities;
- ▶ strengthen oversight capacity and support the City as an order of government;
- ▶ encourage City staff to focus on services to citizens, and set the stage for a more innovative and nimble Toronto Public Service.

The new model maintains stability in front line services, and increase stability through improvements to corporate oversight activities. It re-balances the organization by properly aligning corporate control and corporate support functions together to improve administrative governance, while strengthening service delivery capacity for citizen-focused services.

Implementation of the new administrative structure is expected to continue until the end of 2005.

(Chart of new administrative structure is shown on Page 18)

Key Changes

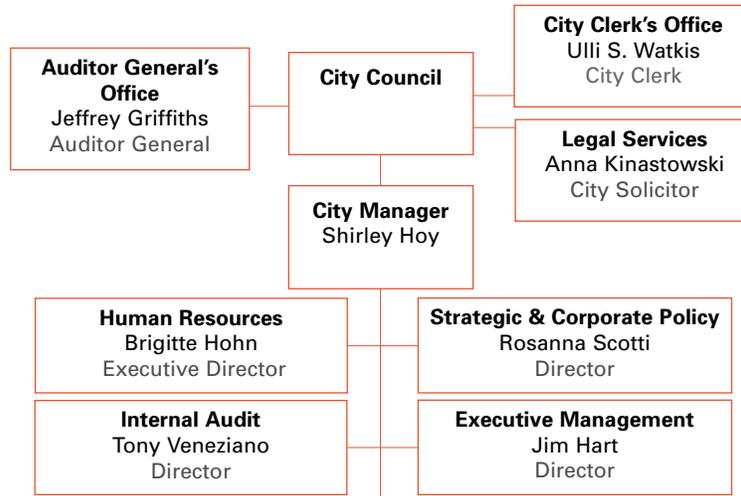
- ▶ The position of Chief Administrative Officer is renamed as the City Manager (no significant change in authorities) , and will be assisted by three deputies:
- ▶ Deputy City Managers are no longer responsible for day to day operations or program advocacy as has been the case with the former Commissioner positions. Their primary responsibilities will be to assist the City Manager in administrative governance and oversight activities, and to ensure that programs and services are working together to deliver excellent services to citizens and achieve Council's priorities.

- ▶ Deputy City Managers will also:
 - ▶ promote collaboration and innovation across the organization and ensure horizontal integration between programs and services to achieve Council's priorities;
 - ▶ lead city-wide initiatives and projects as assigned by the City Manager;
 - ▶ co-ordinate and align budgets and resources for a group of programs, to achieve Council priorities;
 - ▶ undertake performance management for a group of programs.
- ▶ The Deputy City Manager and Chief Financial Officer will be responsible for internal services.
- ▶ The Deputy City Manager and Chief Financial Officer will be freed up to focus on corporate finance, corporate financial planning and budget development through the appointment of a Treasurer and Chief Corporate Officer.
- ▶ The new administrative structure emphasizes 16 citizen-focused services.
- ▶ Heads of these citizen-focused divisions will:
 - ▶ represent their program areas at Standing Committees and Council and be responsible to Council for service objectives and results;
 - ▶ sign reports to Council on their own operations and on matters within approved budgets;
 - ▶ answer service related questions at Standing Committees and Council;
 - ▶ work with Council and the community on operational issues and be accountable for day to day operations;
 - ▶ focus on operations and program stewardship;
 - ▶ be responsible for human resource and budget management within their programs;
 - ▶ work collaboratively to achieve Council priorities.
- ▶ These citizen-focused divisions will be divided among two portfolios to be overseen by two of the Deputy City Managers.

Reorganization Chart

Note: The City Clerk and Solicitor report to City Council for statutory purposes and to the City Manager for administrative purposes.

Support divisions
The reporting relationship of support functions is subject to change, pending the completion of the review of Administrative, Financial and Technical Support Services later in 2005.
Support divisions will continue to support their pre-existing clientele until the review is complete unless otherwise determined by the City Manager.



Note: The Medical Officer of Health reports to City Council through the Board of Health



Operating & Capital Budget Summary



Council Direction

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Mission Statement

The Government of the City of Toronto champions the economic, social and environmental vitality of the City. The City strives to provide high quality and affordable services that respond to the needs of our communities and invests in infrastructure to support city building. The City is a leader in identifying issues of importance and in finding creative ways of responding to them.

The City of Toronto promotes and maintains a system of responsible and accountable governance where the interests of individuals and communities are balanced with those of the city as a whole. Public participation is an integral part of the City's decision-making processes.



Our actions are guided by the following principles:

Advocacy. We are advocates on behalf of our city's needs with other orders of government.

Community Participation. We facilitate active community involvement in all aspects of civic life, both locally and city-wide.

Equity. We respond to and support diverse needs and interests and work to achieve social justice.

Effectiveness. We set and accomplish objectives, pursue innovative approaches, safeguard public assets and make efficient use of our resources.

Leadership. We plan for change and take a leadership role on issues of importance to the City.

Partnerships. We actively seek out partnerships with constituents, community groups, businesses and other public institutions and orders of government.

Sustainability. We integrate environmental, social, economic and fiscal perspectives in our actions.

Council's Priorities for the 2003–2006 Term

At its meeting held on July 20th, 2004, City Council adopted nine Council's Priorities (listed below) for duration of the Council term. The CAO co-ordinated a response from the Toronto Public Service on options to allow the City to make progress in each of the priority areas over the balance of the term. The intent is that these Council Priorities will guide the 2005 Budget Process.

Key City Building Priorities

What are our priorities?

(1) Improve public services

- ▶ Public confidence and pride in the services received from the City.
- ▶ Improvement in key core services – e.g., physical infrastructure, transit, garbage, parks and recreation, social programs.
- ▶ Better and quicker ways to respond to public concerns – e.g., 3-1-1.
- ▶ Excellence in public service demonstrated by service measures and standards.

(2) Make progress on the waterfront

- ▶ A renewed Council vision for the waterfront after a review of progress to-date.
- ▶ Improved cooperation between all orders of government.
- ▶ Commencement of tangible improvements on the waterfront.

(3) Improve the business climate

- ▶ Toronto's image improved to attract business.
- ▶ Toronto's competitive advantages strengthened by revitalizing main streets and supporting key industries.
- ▶ Fairer tax treatment for small business.

(4) Make Toronto a clean and beautiful city

- ▶ Public spaces (parks, streets, ravines) are maintained and meet service quality standards.
- ▶ Demonstrate innovative approaches to beautification.
- ▶ Increased public pride and responsibility for a clean and beautiful city.

(5) Strengthen our at-risk neighbourhoods

- ▶ The right balance between prevention and response to neighbourhood problems.
- ▶ Improved services and programs for youth.
- ▶ Improved community safety.

(6) Ensure housing is affordable

- ▶ Better public understanding of housing and homelessness issues and goals.
- ▶ Development of a comprehensive housing strategy for the City that considers subsidies, creation of new housing and a quality rental market.
- ▶ Speed the delivery of housing to meet our housing targets.

(7) Get the powers and funding needed for Toronto to succeed

- ▶ Powers and autonomy appropriate to Canada's 5th Largest government.
- ▶ Appropriate and stable revenue sources that match the levels and types of services we are expected to provide.
- ▶ A fairer distribution of service and funding responsibilities between orders of government.

Council's Priorities for the 2003–2006 Term

- (8) Improve the planning process
- ▶ Clearer communications between the public, planners, developers and Council.
 - ▶ Better citizen input on neighbourhood planning issues.
 - ▶ Council objectives and issues appropriately reflected in the planning and development process.
- (9) Increase public involvement in civic affairs
- ▶ Better public access to Council through improved report formats and committee procedures.
 - ▶ More openness and accountability in City decision making processes.
 - ▶ Opportunities available for direct public involvement.

To support these priorities, Council required a budget process that allowed it to translate Council priorities into action through budget allocation.

Council is concerned about the following issues:

- i) **Setting priorities** – Members like the idea of setting priorities, but want to follow through. We need to agree to a manageable number of priorities. We need to revisit them annually or as circumstances change. Once adopted, councillors and staff need to act on them and community must be engaged.
- ii) **The budget process** – We need to improve the budget process. In particular, Council needs a process that allows it to translate council priorities into action through budget allocation.
- iii) **Council procedures and conduct of members** – We need to review Council procedures and agree to a set of rules governing our conduct that we will all adhere to. We need processes that make the best use of our time in committee and the Council, while protecting the privileges of individual members.
- iv) **City-wide vs local matters** – Members are concerned about balancing the city-wide policy-making role and the local constituency role. We need to find ways to allow members to balance these roles, in particular to prevent local matters from distracting from city-wide thinking.
- v) **Delegation** – We need to find ways of delegating local matters to community councils, where appropriate and delegating other routine matters to staff. Doing both will allow us to focus on our big challenges.

Toronto Official Plan

Toronto's future prospects are important for Canada because successful cities are vital to a nation's prosperity. Their success, in turn, is based on their high quality of life, which attracts people, jobs and investment.

What kind of city will Toronto be in the twenty-first century? This question affects us all. It is a question the Official Plan addresses. The Plan sets out the choices that, during extensive public consultations, citizens indicated would create the most prosperous Toronto.

Vision

The vision of the Plan is about creating an attractive and safe city that evokes pride, passion and a sense of belonging – a city where people of all ages and abilities can enjoy a good quality of life. A city with:

- › vibrant neighbourhoods that are part of complete communities;
- › affordable housing choices that meet the needs of everyone throughout their life;
- › attractive, tree-lined streets with shops and housing that are made for walking;
- › a comprehensive and high quality affordable transit system that lets people move around the city quickly and conveniently;
- › a strong and competitive economy with a vital downtown that creates and sustains well-paid, stable, safe and fulfilling employment opportunities for all Torontonians;
- › clean air, land and water;
- › green spaces of all sizes and public squares that bring people together;
- › a wealth of recreational opportunities that promotes health and wellness;
- › a spectacular waterfront that is healthy, diverse, public and beautiful;
- › cultural facilities that celebrate the best of city living; and
- › beautiful architecture and excellent urban design that astonishes and inspires.

In keeping with City Council's Strategic Plan, the Toronto Official Plan's vision is all about ensuring Toronto remains an attractive and safe city that evokes pride, passion and a sense of belonging. It proposes some fundamental social, environmental and economic choices that will help meet the needs of today and ensure that future generations have the ability to meet their needs. The Plan will preserve and strengthen the character of the city's neighbourhoods, parks, ravines and open spaces, which together make up about 75% of the city. The Plan directs growth to the remaining 25% of the city – areas like downtown and the main roads.

Principles

The Plan is based on four core principles:

- › **Diversity and opportunity** – Diversity is Toronto's strength because it means vibrancy, inclusiveness and adaptability, and enables the city to offer a dynamic mixture of opportunities for everyone to live, work, learn and play here.
- › **Beauty** – All successful cities astonish with their human-made and natural beauty. People want to live in cities that understand their past and push their creative limits.
- › **Connectivity** – The choices we make about where we live, how we travel, where we work, shop and play all have an impact on, and are affected by, other choices.
- › **Leadership and stewardship** – Leadership and stewardship in the successful city are not confined to elected officials but include everyone, from volunteers in grassroots community organizations to the chief executive officers of our largest corporations.



Operating & Capital Budget Summary



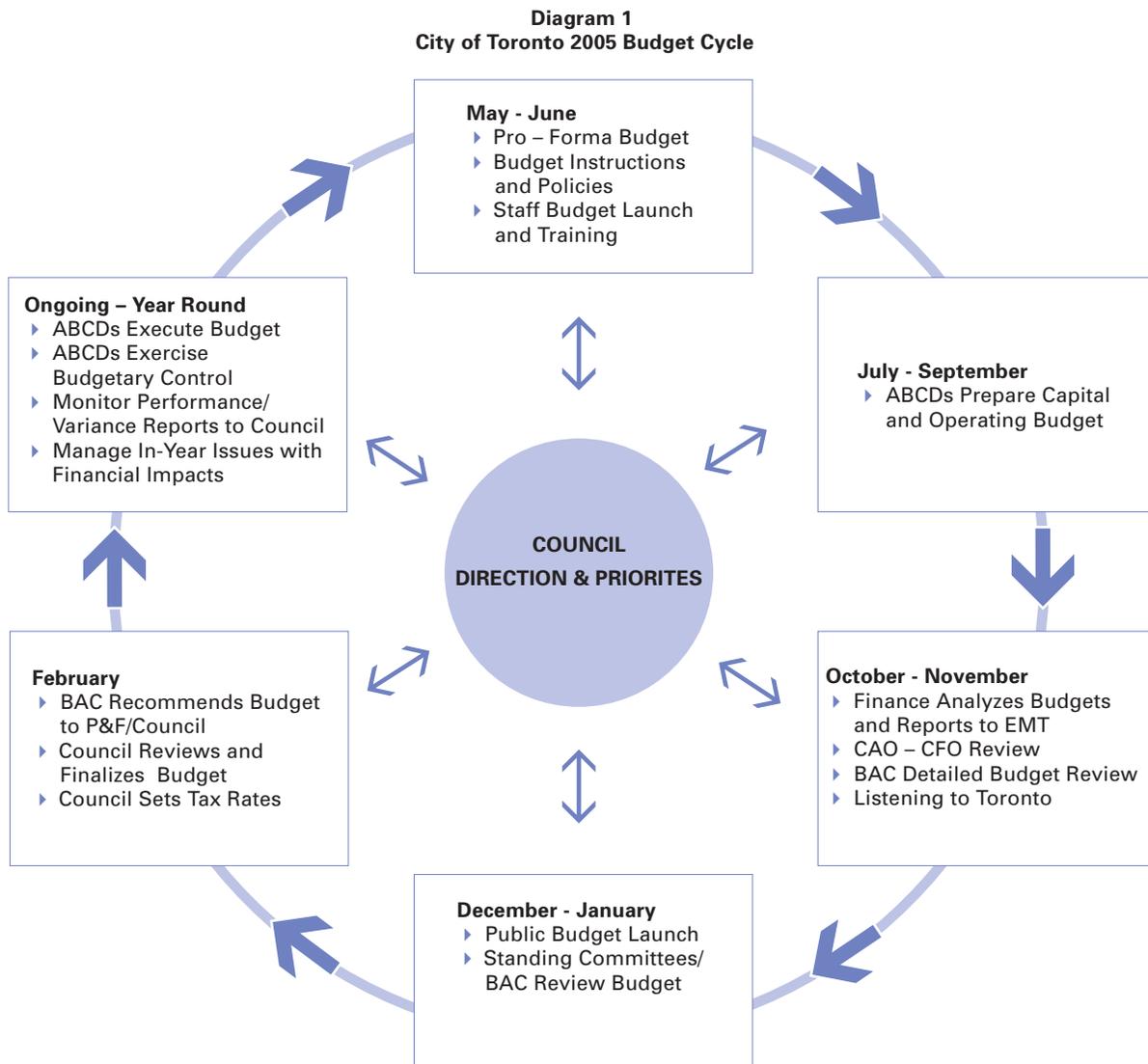
**2005
Budget Overview-
Corporate**

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The City of Toronto Budget Cycle

Diagram 1 below highlights the various phases of the City of Toronto’s annual budget cycle. For 2005, the Finance Department prepared and distributed to Agencies, Boards, Commissions and Departments (ABCDs) the 2005 Pro-Forma Operating Budget and Capital Expenditure Targets, along with budget instructions and policies in May and June 2004. Staff of the ABCDs prepared their budgets during the period July through September. These budgets were submitted to the Finance Department in November and were thoroughly reviewed / analyzed by Financial Planning Division staff as the preliminary phase of the Administrative Review process. Toward ensuring stakeholder participation, the Committees / Council review, began in December 2004 and continued into February 2005 included a major public consultation, and opportunity for the public to provide input into the budget through deputations. Council approved the 2005 Capital and Operating Budgets in February, subsequent to which staff executed the budget, exercised budget controls, monitored performance, prepared variance and other performance reports on a quarterly basis and managed in-year changes which have financial implications.

As indicated in Diagram 1, the annual budget cycle is comprised of key steps that result in an effective budgeting process and as a key element, ensures that Council priorities form the basis for decisions on allocation of scarce resources to programs and services.



2005 Operating Budget Process

The 2005 Operating Budget process focused on linking resources to service levels, service priorities and resultant community impacts. Consistent with prior years, the starting assumption for the 2005 operating budget process was that services and service levels approved in 2004 would be maintained wherever possible. Therefore, the 2004 budget was adjusted to annualize in-year Council initiatives and decisions. Next, the annualized base budget was adjusted for inflation. The result of the above exercise was the cost of continuing to provide the 2004 approved services and service levels in 2005 dollars.

Inflation / Economic Factors

With regard to inflation, a single economic factor cannot be applied to all commodities consumed by the City. For instance, some contract prices are fixed for their duration, while others may have pre-established cost schedules and may not require adjustments for inflation until renewal. Others may have escalation clauses with pricing formulae that adjust for changes in economic conditions. Therefore, applying CPI against all contracts would unduly inflate the budget. Similarly, some goods and services are more volatile than others, as was the case with natural gas, hydro, and oil and gas products during the past two years. This warranted a commodity specific price schedule that is more reflective of the behaviour of specific items on which the City spends substantive amounts.

To better address commodity specific sensitivity, the 2005 economic factor list comprised 14 items (see Table 1 below). Staff developed price indices based on research of a variety of sources. Excluding hydro, water, and natural gas, which were tied to contracts, commodity price forecasts for 2005 were determined based on predictions of appropriate private and public sector organizations. For expenditure items not specifically listed in Table 1, the CPI rate of 2.0% was applied. In accordance with the City's strategy to closely monitor spending on furniture and consulting costs, these expenditures were zero-based. Consistent with policy, the economic factors will continue to be reviewed and any significant changes that warrant in-year changes will be reported in the quarterly variance reports.

Table 1 2005 Operating Budget Economic Factors

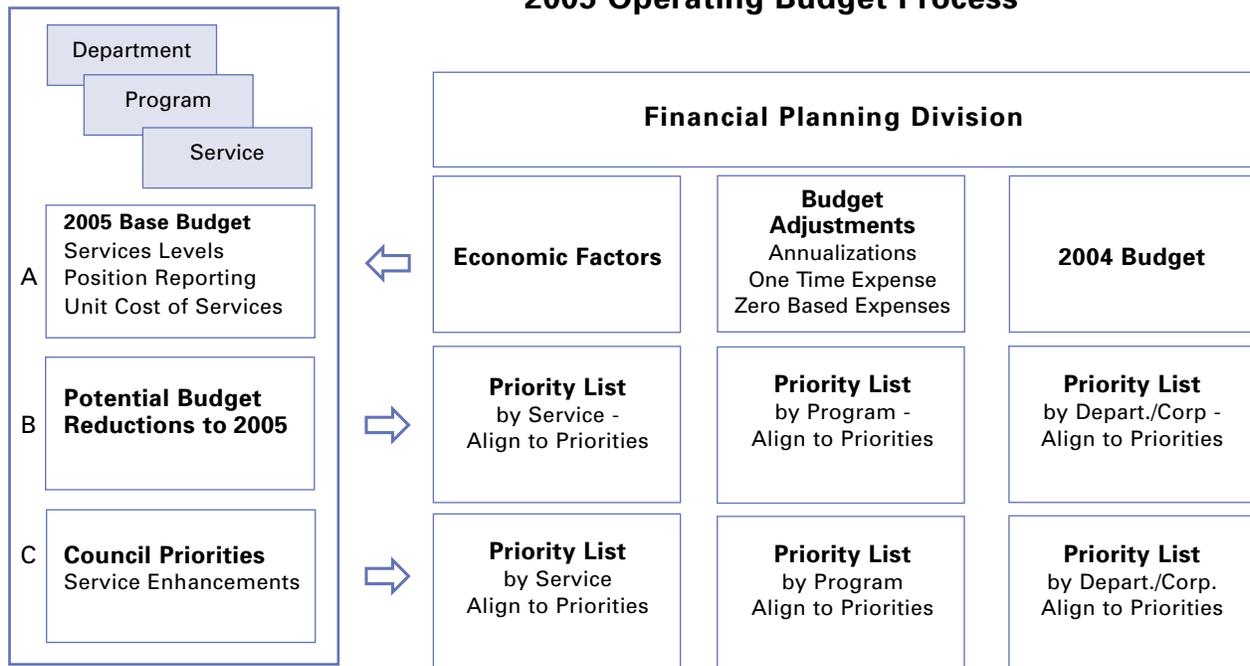
<u>Expenditure</u>	<u>Economic Factors %</u>
Printing & Paper Products	6.7
Food	2.0
Hydro	8.0
Gas	8.0
Steam Heating	10.0
Diesel	5.0
Natural Gas	20.0
Water	6.0
Postage	2.0
Telephone	4.6
Aggregate - Bldg./Trade Material	3.0
Salt	0.0
Medical supplies	3.0
<u>General (Core CPI)</u>	<u>2.0</u>

The 2005 operating budget instructions required City Programs and ABCs to submit, as separate budget packages, requests for any additional funding for current (base) services as well as for new services and/or service enhancement initiatives. In effect, any incremental change of a substantive nature to the approved base budget constituted a decision requirement that had to be supported by a business case/issue decision package.

Further, the 2005 budget instructions required Programs and ABCs to clearly detail the service levels that would be provided for the resources requested. In addition, any gap between available resources and enhanced or expanded service demands required detailed assessment and prioritization of other base services and service levels. Through the 2005 budget instructions, City Programs and ABCs were also requested to provide reduction options to bring their 2005 gross budget request to the same level as the 2004 Approved Operating Budget. Business cases had to be prepared for each reduction option submitted and classified based on the following four categories: efficiencies, revenue change, minor service impact or major service impact. These steps in the process are clearly displayed in Diagram 2 below.

Diagram 2

2005 Operating Budget Process



Performance measurement continues to be a priority. As part of the 2005 process, programs were to build on prior years’ experience and demonstrate improvement in their performance levels, with particular emphasis on efficiency, customer impact, and effectiveness in service delivery. The use of benchmarks was re-emphasized. Programs were encouraged to measure their performance against appropriate benchmarks and to include such benchmarks in their budget submissions wherever possible.

The Chief Administrative Officer (CAO) and Chief Financial Officer & Treasurer (CFO) reinforced the need to focus on performance measures to justify resource needs. Access to better and detailed financial data enabled program staff to identify key performance measures useful for tracking annual performance and trends. This is especially critical as performance information becomes more widely used for decision-making, as evidenced by the Municipal Report Card requirements mandated by the Province. A project to develop a Financial Planning, Analysis and Reporting System that supports performance-based budgeting has been approved and will be incrementally implemented beginning with the 2007 budget process.

Council Priorities

Members of Council and the Executive Management Team (EMT) met on June 17, 2004 to develop a set of priorities for Council to accomplish during the 2003 – 2006 term of office. This exercise resulted in the establishment of the following nine Council priorities: (1) improve public services, (2) make progress on the waterfront, (3) improve the business climate, (4) make Toronto a clean and beautiful city, (5) strengthen our at-risk neighbourhoods, (6) ensure housing is affordable, (7) get the powers and funding needed for Toronto to succeed, (8) improve the planning process and (9) increase public involvement in civic affairs. As part of the 2005 Operating Budget Process an initiative to align services and resource allocation to Council priorities was started. City Programs and ABCs were required to provide information in a structured fashion and to identify service/activity information and costs according to the nine established priorities.

2005 Budget Objectives, Principles and Guidelines

Early assessment of the magnitude of the preliminary 2005 base budget pressure suggested that the principles established in the 2004 budget process would provide the financial planning foundation for the 2005 budget process with consideration given to Council priorities. At the staff budget launch held on June 19, 2004, the CAO and CFO emphasized the fact that the 2005 budget pressure was substantial given the strategies used to balance the 2004 budget. In particular, the one-time funding sources, including the increased utilization of Hydro revenues for operating purposes, the Provincial subsidy and loan repayment deferral, the growing operating cost of TTC and Emergency Services combined with revenue losses translated into a substantive starting pressure in 2005.

In consideration of the financially challenging environment in which the City operates, the CAO and CFO defined the 2005 Budget guiding principles in a manner that committed all staff to be responsive to cost containment strategies essential to meeting the 2005 Budget objectives. The following principles were established for the 2005 Budget process:

- Protect services that are aligned with Council's highest priorities;
- Demonstrate efficiencies and realize savings through continuous improvement initiatives and innovation;
- Maximize non-tax revenues while ensuring balance between access to services and ability to pay;
- Maximize cost-sharing opportunities with other orders of government;
- Ensure that all stakeholders have an opportunity to participate in the budget process; and,
- Use historical trends as part of analysis / justification of budget requests.

These guidelines directed staff on where to focus their efforts to mitigate budget pressures. The budget guidelines set out the following specific areas where the Administrative Review would focus:

- Identify efficiencies in service delivery;
- Maintain service standards and minimize service reductions;
- Maximize user fees in accordance with established policies;
- Maximize cost-sharing opportunities with other levels of government;
- Apply strict criteria for new/expanded services or programs; and,
- Implement Council approved service improvement initiatives.

Notwithstanding best efforts to contain expenditure and to maximize efficiencies, uncontrollable pressures were quite significant and represented a major challenge for 2005. As was the case in 2004, containing the budget pressures associated with Programs and ABCs not under the direct control of the City proved to be difficult. In addition, the continuing structural revenue problem increases the challenge of maintaining services and service levels.

Public Consultation

On November 28, 2004, the Mayor, Chair of BAC and members of Council held a public consultation session entitled 'Listening to Toronto'. This meeting was held primarily to give the public an opportunity to provide feedback on Council priorities and input into the 2005 budget process. During the meeting participants were asked to give advice on how to accomplish three of the nine priorities set out by Council: (1) How can we make Toronto clean and beautiful, (2) How can the City increase public involvement in civic affairs and (3) How can the City strengthen neighbourhoods?

The top responses to question (1) above showed that the public values keeping the city clean and that there is a willingness to invest in good urban design and planning to maximize quality of life in the City. They also value maintaining beautiful public and cultural spaces, to promote environmental sustainability, protect and maintain our green spaces, promote sustainable transportation and invest in diverse and vibrant communities.

Top responses for question (2) indicated that the public has placed high priority on the availability of clear, timely information about the City and Council. They would like to be provided with opportunities for public debate and dialogue and receive feedback from their input. They enjoy celebrating diversity by breaking down barriers to allow all Torontonians to participate. They want to see improvement in Councillor visibility and accessibility and establish ways to educate the public about municipal government so that there will be improved accountability and transparency of City Hall.

When asked the third question on how can the City strengthen neighbourhoods, the top responses were to make better use of public facilities and improve access to services, be more responsive to local needs, build neighbourhood identity and pride, invest more in youth, establish more effective partnerships, make our communities safer and plan and invest more wisely in our communities.

In conclusion, the key messages that emerged from this meeting were that City Council must move forward on the Clean and Beautiful City initiatives and in order to succeed, the City must complete the new deal for cities with the other orders of government with affordable housing as the top priority. The 2005 budget review of the City's budget took these key messages into consideration.

How Toronto Performs

The Municipal Performance Measurement Program (MPMP) results are detailed in the section on page 64 which indicated, on an overall basis and given its unique characteristics, that Toronto is performing well relative to Ontario municipalities. The City continues to promote a continuous improvement culture in order to provide our citizens and businesses with services that are as efficient and effective as possible, looking for the optimal combination of efficiency, quality and beneficial community impact.

2004 Accomplishments

In 2004, programs and ABCs achieved objectives established in the 2004 Council Approved Budget. Preliminary estimates indicate that despite cost containment efforts, a shortfall in revenues may result in a budget shortfall between Council approved expenditures and revenues in 2004. For the most part, under-funding of provincial downloaded social programs were the principal causes of the revenue shortfall. Notwithstanding implementation of cost containment measures, the City successfully provided the services and service levels promised in the 2004 Operating Budget.

City of Toronto Economic Profile – Setting the Context for 2005

Key Indices

Table 2 below compares key indices of the City of Toronto with that of the Toronto Census Metropolitan Area (CMA). The Toronto CMA refers to the municipalities assigned by Statistics Canada on the basis of labour market and commuting criteria, comparable to the U.S. Metropolitan Statistical Area (MSA). It is comprised of the City of Toronto plus 23 municipalities in the 905 area. Although the City's land area is 10.7% of the CMA, it accommodates 53.0% of the total CMA population. Similarly, 76,000 or 54.5% of businesses in the CMA operates their businesses in the City of Toronto. The per capita income in Toronto is slightly lower than that of the CMA, however, the average price of resale of a single detached house is significantly higher in Toronto. Of the 45,475 Housing Starts in the Toronto CMA, 14,895 or 32.8% were in the City of Toronto.

Table 2 Comparison of 2003 Key Indices

	City of Toronto	Census Metropolitan Area (CMA)
Population (2001 Census)	2,481,494	4,682,897
Land Area Km ²	629.91	5,902.74
Labour Force	1,434,037	2,900,530
Number of Businesses	76,000	139,467
Gross Domestic Product (in 1997 \$ B)	\$ 98	\$ 190
Per Capita Income \$ (2001 Census)	26,271	26,689
Average Household Income \$ (2001 Census)	69,125	76,454
Average Price of Resale Single Detached	\$ 426,088	\$ 378,185
Housing Starts	14,895	45,475

Source: Economic Development

Table 3 below provides statistics on building permit activities in the City of Toronto and the Toronto CMA. In 2004 the City realized an 11.8% reduction in the number of residential permits issued. By comparison, the number of residential permits issued in the Toronto CMA declined by only 3.4%. Overall, the total number of permits issued in the City in 2004 decreased by 1,193 or 9.4% compared to a decrease of 3.6% in the CMA.

Table 3 Building Permits

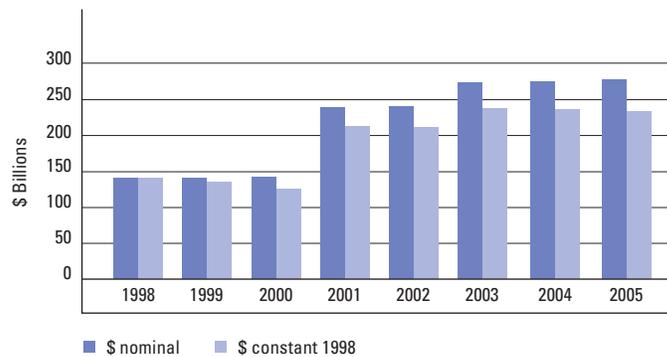
	City of Toronto 2004	City of Toronto 2003	Year over Year Change %	CMA 2004	CMA 2003	Year over Year Change %
Residential - Value (\$000)	1,887,608	1,933,094	(2.4)	7,644,663	7,391,618	3.4
- No. of Permits	7,038	7,982	(11.8)	40,969	43,078	(4.9)
Commercial- Value (\$000)	947,455	872,323	8.6	2,198,476	1,884,278	16.7
- No. of Permits	3,697	3,988	(7.3)	7,879	7,795	1.1
Industrial - Value (\$000)	181,167	227,368	(20.3)	913,757	962,927	(5.1)
- No. of Permits	379	377	0.5	2,139	2,099	1.9
Institutional- Value (\$000)	733,096	693,194	5.8	1,387,785	1,378,254	0.7
- No. of Permits	439	399	10.0	1,090	1,037	5.1
TOTAL - Value (\$000)	3,749,326	3,725,979	0.6	12,144,681	11,617,077	4.5
- No. of Permits	11,553	12,746	(9.4)	52,077	54,009	(3.6)

Source: Statistics Canada

Assessment

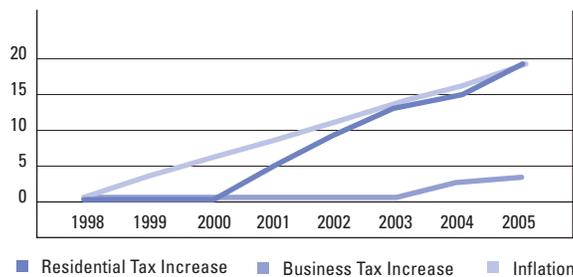
Chart 1 below shows assessment values both in nominal dollars and in constant 1998 dollars. On average, property taxes represent approximately 45% of total revenues. Slow growth in assessment values tends to result in slow increase in property tax revenues, as has been the case since 1998. This is further exacerbated when tax increases are held below the rate of inflation.

**Chart 1 – City of Toronto
Assessment Growth Is Flat**



During the first term of Council after amalgamation, (1998 to 2000) the City adopted a no tax increase policy. Subsequently, residential property taxes (which on average represent 43% of total property tax revenues) were increased by 5% in 2001, 4.3% in 2002, and 3% in each of 2003 and 2004. Influenced by provincial constraints, business property taxes remained unchanged until 2004 when a 1.5% increase was imposed. As evident in Chart 2 below, cumulative residential property tax increases finally caught up to inflation in 2005, given the 3% increase.

**Chart 2
City of Toronto
Tax Increase and Inflation**



Long Term Fiscal Sustainability

In an environment of rising costs and increasing demand for services, the City has met its objective of balancing its budget while limiting tax increases. This has been achieved through prudent fiscal strategies, continuous improvement, service efficiencies, and service prioritization and rationalization initiatives.

Constraints on property tax increases and an inelastic revenue base has made it increasingly challenging to balance the City budget in recent years. Since amalgamation, the City has had to rely on unsustainable revenue sources to deliver services much of which are outside its direct control. One time subsidies from the province, the use of Hydro Revenues, OMERS holiday savings and reserve funds to balance the budget are examples of fiscally unsustainable strategies that have been employed to balance the City’s budget.

As observed in an assessment performed by the Finance Department in support of the Ad Hoc Committee for a five-year Fiscal Plan and confirmed in a recent credit rating update, "the City has a structural financial problem and it is not financially sustainable into the future." This conclusion was premised on the fact that funding responsibilities do not match the financial tools that are available. In its report dated October 15, 2004 to the Ad hoc Committee, the Chief Financial Officer & Treasurer identified the following key contributors to the City's long-term financial challenges:

Expenditures

- The City has a higher cost structure than other municipal governments in the rest of the GTA, e.g. Police, transit, social assistance, social housing, and debt charges.
- Demands for growth as laid out in the Official Plan or other Sectoral and program plans are not adequately funded.

Revenues

- Business taxes are not competitive.
- The City lacks adequate revenue sources to fund its municipal responsibilities.
- Inadequate funding of Provincial cost-shared programs has resulted in significant financial pressures for the City, e.g. capping of Provincial share, capping of GTA pooling revenues and Social Service costs/risk exposure.

Assets and Liabilities

- The City's investment in its ageing infrastructure has been lagging.
- Employee Benefits and other liabilities are not adequately funded.

All of the above have cumulatively contributed to the current financial conditions faced by the City. In 2005, the City is in the untenable situation of not having the financial tools to meet the rising cost of services, and to cover the funding gap associated with one-time revenues. This restricts the City from independently rationalizing and re-prioritizing its services in order to ensure that limited resources are spent for the greatest impact.

New Deal & The City of Toronto Act

The City has been negotiating for a new relationship with the other orders of government in part to find long-term fiscal solutions and tools. A long-term strategy must rationalize existing revenue and cost sharing arrangements with the federal and provincial governments. The long-term strategy has to recognize the significant role the City plays in the national and provincial economies and the need to address the structural revenue problem that has placed stress on the ability to maintain the City's infrastructure in a state of good repair and to address the growth demands in the community.

During 2004, progress was made in establishing a new relationship with the other orders of government. However, all benefits of the promises have yet to be realized. Initiatives that have advanced the New Deal for the City include the following:

Federal Government

- Goods and services tax exemption was fully implemented effective February 1, 2004. This provided cost relief estimated at \$48.0 million to the City, (both Operating and Capital Budgets).
- Announcement of a 5-cent share of the federal gas tax revenues accruing to this order of government which is to be phased in beginning in 2005. As yet, the allocation formula is not known.

Provincial Government

- City's share of 2 cents of the provincial gas tax revenues to be distributed to municipalities to be phased in at the beginning of October, 2004. The City's share is estimated at \$92.0 million for 2005. Strict criteria have been established for the use of the gas tax. For instance, the Province requires municipalities to "ensure that all funds are used exclusively towards the provision of public transportation service."
- Review of the City of Toronto Act is another provincial initiative that may help address the fiscal challenges faced by the City. The review looks at ways to provide more financial tools to the City.

In addition to the above, a tripartite Canada Strategic Infrastructure Fund (CSIF) was entered into with the other orders of government. This agreement is worth \$1.0 billion over 5 years equally distributed between the three orders of government. A draft Memorandum of Understanding has been prepared. This draft memorandum sets eligibility criteria and funding or participation rates for each partner to the agreement. Four major projects identified include: Modernizing Canada's First Subway, Saving the Streetcar, Integrated Bus Network and Integrated Ticketing System. While the City welcomes the above initiatives, more must be done to ensure that the City achieve a truly sustainable financial position.

2005 Key Pressures

Included in the 2004 Operating Budget were a number of one-time revenue solutions. These unsustainable revenues presented uncontrollable challenges to balance the 2005 Operating Budget. Based on 2005 budget submissions from City Programs and ABCs, the beginning pressure approximated \$390.0 million. Unsustainable 2004 revenues in the form of Special Provincial Assistance to TTC (\$70.0 million), Provincial loan payment deferral (\$20.0 million), Hydro Revenues (\$92.0 million), and Prior Year Surplus (\$15.0 million) represented 50% of the beginning pressure. Other pressures included in the 2005 Base Operating Budget Submission of Program and ABCs were largely made up of inflation adjustments totalling \$127.0 million.

The Staff Recommended 2005 Operating Budget included a net pressure of \$166.0 million before assessment growth and tax increases. After assessment growth of \$13.10 million and property tax increases of 3.0% on residential and other unrestricted classes, and 1.5% on Commercial, Industrial and Multi-residential and other restricted classes totalling \$62.0 million the staff recommended net operating pressure was \$90.0 million. It is significant that this net pressure was after addition of new services essential to meet Council priorities and expanding demand for service of \$16.0 million.

2005 Council Approved Operating Budget

The 2005 Council Approved Operating Budget, after assessment growth, is comprised of a base budget of \$7.032 billion gross expenditure and \$2.982 billion net to deliver current services, and \$78.979 million gross and \$21.621 million net for new/enhanced services. Overall, the 2005 Council Approved Gross Operating Budget is \$7.111 billion representing a 6.9% increase over the 2004 Approved Budget; and the 2005 Council Approved Net Operating Budget is \$3.003 billion net or 2.1% increase over the 2004 Approved Budget.

After adjustments for assessment growth of \$13.068 million, the 2005 Council Approved Operating Budget necessitated a tax rate increase of 3.0% for residential and 1.5% for commercial, industrial and multi-residential taxpayers.

2005 Controllable versus Uncontrollable Expenditures

Chart 3 below highlights the percentage breakdown of the 2005 Council Approved Budget by controllable and uncontrollable components. Provincially mandated programs make up 34% or \$2.484 billion, Special Purpose Bodies or ABCs total 29% or \$2.029 billion, Directly Controlled Programs totalled 24% or \$1.709 billion while Capital Financing & Non-Program Budget make up 13% or \$0.889 billion of the City's 2005 Operating Budget. It should be noted that the City has direct control over only 24% of the 2005 gross operating budget.

Chart 3 – 2005 Operating Budget Components
(Based on Gross Expenditures \$7.111 Billion - Levy Operations)

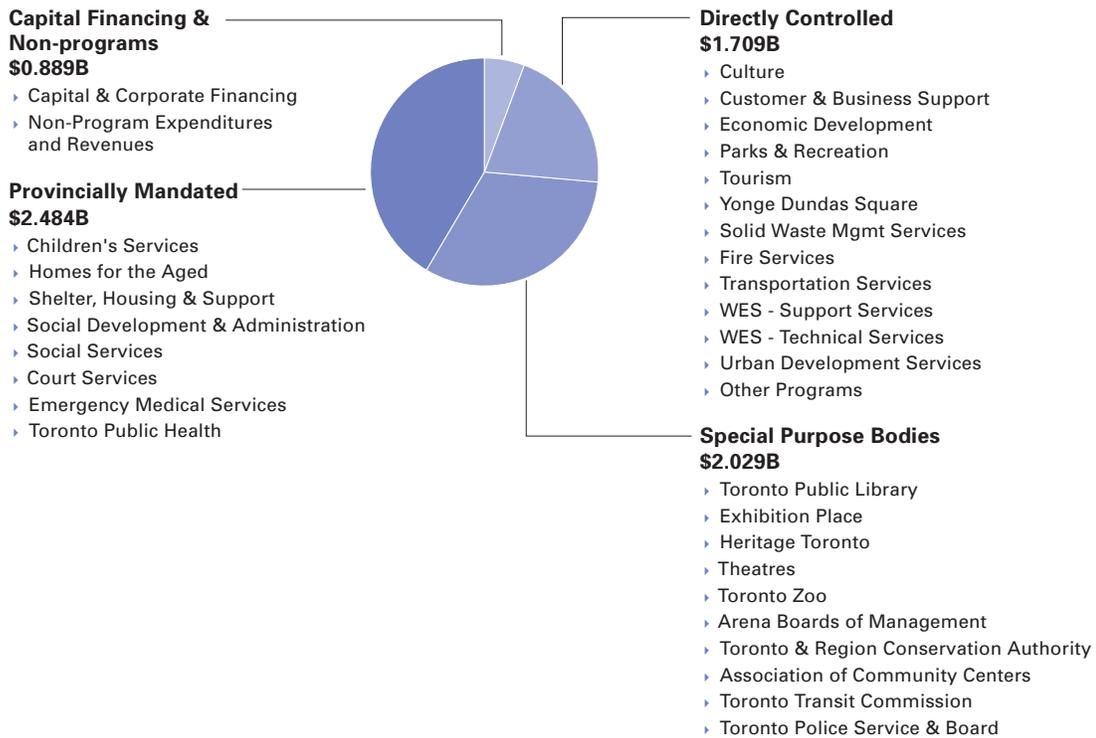


Chart 4 below demonstrates that property taxes constitute the biggest revenue sources in the 2005 Operating Budget. Property taxes approximate \$3.0 billion or 43% of the operating budget gross revenues. Provincial Grants of \$1.8 billion or 25% of revenue are tied directly to legislated cost sharing arrangements e.g. Children's Services, Homes for the Aged, Social Services, Shelter, Housing & Support and Public Health.

Chart 4 – 2005 Council Approved Revenue Breakdown
By Source of Funding (Levy Operations)

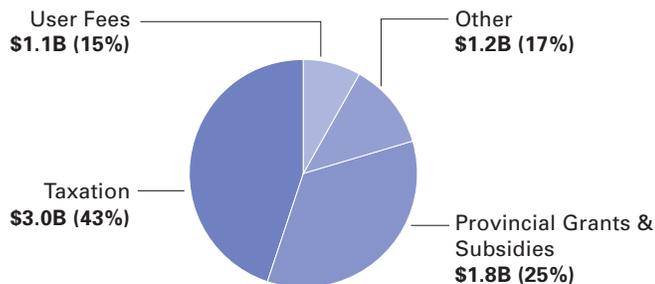
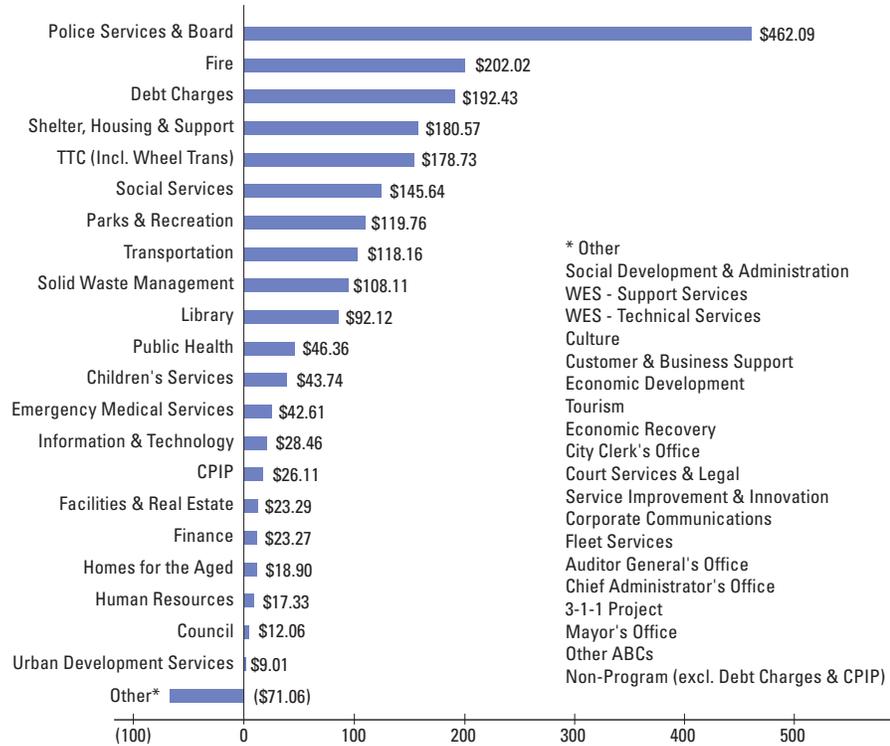


Chart 5 – How Your Tax Dollars Will Work For You In 2005

Based on Property Tax of \$2,019.70 for an average house with an assessed value of \$330,700



In 2005, an average house with an assessed value of \$330,700 will pay property tax of \$2,019.70. The chart above highlights how these tax dollars are spent. Of \$2,019.70 in property tax, the Police Service & Board will receive \$462.08 or 23% while Fire Services will receive \$202.02 or 10% and \$192.43 or 9.5% will be allocated to Debt Charges.

Table 4 below presents the 2005 Council Approved Operating Budget by expenditure and revenue categories.

Table 4 Council Approved 2005 Operating Budget Summary by Expenditure and Revenue Category (in \$000)

Category	2004 Approved Budget	2005 P&F Recom.	Budget Change from 2004	
			Approved Budget	
	\$	\$	\$	%
Salaries and Benefits	3,189.3	3,318.5	129.2	4.1
Materials and Supplies	377.0	405.4	28.4	7.5
Equipment	68.0	63.9	(4.1)	(6.0)
Services and Rents	956.2	1,080.2	124.0	13.0
Contribution and Transfers	1,360.9	1,428.7	67.8	5.0
Interdepartmental Charges	584.1	699.4	115.3	19.7
Other	117.3	114.9	(2.3)	(2.0)
Total Gross Expenditures	6,652.8	7,111.0	458.2	6.9
Grants from Others	1,615.9	1,754.4	138.5	8.6
Interdepartmental Recoveries	242.0	243.7	1.7	0.7
User Fees	1,030.0	1,084.3	54.3	5.3
Other	823.4	1,012.1	188.7	22.9
Total Revenues	3,711.3	4,094.5	383.2	10.3
Total Net Expenditure Excluding Capital Financing	2,941.5	3,016.5	75.0	2.5

The table 5 below summarizes the 2005 Council Approved Net Operating Base Budget and New/Enhanced Service Changes for City Operations, ABCs and Non-Program budgets before property tax increases.

Table 5 Summary of 2005 Base and New Service Changes - Net (\$Millions)

	2004 Approved Budget	2005 Council Approved	Change from 2004		Base Budget Changes	New Service Changes
			\$	%		
City Operations	1,697.8	1,739.1	41.3	2.4%	32.9	8.4
ABCs	1,173.2	1,187.0	13.8	1.2%	3.1	10.8
Non-Program	70.5	90.4	19.9	28.2%	17.6	2.2
Total Tax Levy	2,941.5	3,016.5	74.9	2.5%	53.5	21.4
Less: Assessment Growth	—	(13.1)	(13.1)	—	(13.1)	—
Net 2004 Budget After Assess.Growth & Charity Rebate- Special Levy	2,941.5	3,003.4	61.8		40.4	21.4

The following charts reflect the 2004 Council Approved Gross Operating Budget of \$7.1 billion and Net Operating Budget of \$2.9 billion broken down by major programs.

Chart 6 – Expenditures by Major Supported Program
(Gross Expenditures \$7.1B)

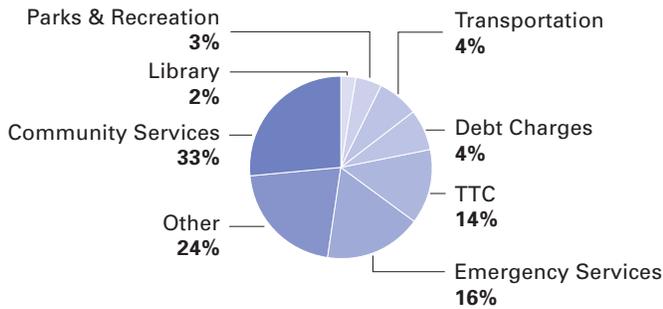
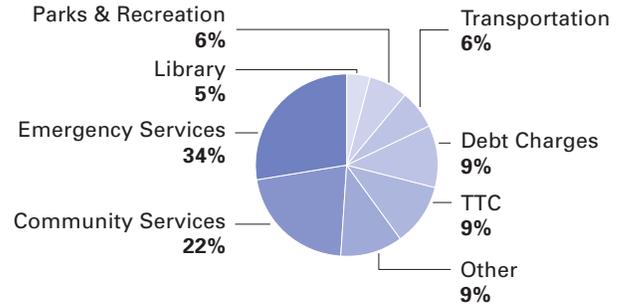


Chart 7 – Expenditures by Major Supported Program
(Net Expenditures \$3.0B)



Actions Taken to Balance the 2005 Pressures

As part of the administrative review process, the Financial Planning Division analyzed program submissions to ensure compliance with Council and CAO / CFO directions and budget guidelines and presented findings and recommendations to the CAO & CFO for consideration. Through reviews that focussed on minimizing cost increases through efficiencies while maintaining base services, EMT reduced the beginning expenditure pressure represented in the budget submission of City Programs and ABCs by \$71.0 million. Further, it mitigated the significant one-time revenue pressure carried forward from 2004 by recommending that the Province extend its loan payment deferral of \$20.0 million, and provide its full share of the cost of social services downloaded on the City. As well, it acknowledged the increased revenues from the Provincial decision to share a part of the gas tax with municipal government. The full amount of the gas tax is included in the TTC's 2005 Operating Budget. After the EMT adjustments, staff recommended a net pressure of \$90.0 million to BAC.

Standing Committees generally play a significant role in determining service delivery efficiencies, service priorities, service levels and service level adjustments. These committees reviewed the Staff Recommended 2005 Operating Budget for programs falling under their respective jurisdictions. To ensure public input into the budget process, Standing Committees received public deputations and were responsive to ideas provided by deputants in performing their reviews. The Standing Committees recommendations were then forwarded to the Budget Advisory Committee (BAC) for review. Standing Committees recommended increases to the Staff Recommended 2005 Net Operating Budget of \$13.3 million. These committees increased the base budget by \$4.2 million and increased New/Enhanced services by \$9.0 million, thereby, recommending a total pressure of \$104.7 million.

To mitigate pressures, reserve funding has been utilized for cost-shared programs in 2005 as shown in Table 6 below. The use of reserves for operating budget purposes is unsustainable, and the social assistance (Ontario Works) reserve fund is projected to be depleted in 2005 resulting in significant budget pressures in 2006.

Table 6 2005 Proposed Reserve Funding (\$ Million)

Social Assistance Stabilization Reserve Fund	
Subsidy shortfall in cost of administration (estimated)	24.6
Ontario Works Caseload	18.0
Increase Ontario Disability and Drug Benefits	15.1
2000 Child care space expansion (conditional)	3.7
Increase of 3% Social Assistance & Econ. Factors	2.9
Social Housing Stabilization Reserve Fund	2.5
Total Reserve Funding	66.8

The Budget Advisory Committee reviewed the recommendations of the Standing Committees together with staff recommendations. BAC identified a number of incremental strategies to balance the 2005 Operating Budget, which included the following:

- Committee recommendation adjustments - \$12.2 million
- TTC fare increase - \$10.0 million
- TTC additional ridership revenue and expenditure reduction - \$4.7 million
- Sale of Street-lighting Asset to Hydro and Dividends - \$90.0 million

The 2005 Council Approved Operating Budget reflects a commitment that reasonable service growth is maintained, despite existing financial challenges. It contains new and enhanced services totalling \$78.979 million gross and \$21.621 million net. This was achieved by limiting approval to those items critical to achieving Council priorities, or those financed from other sources in order to minimize any incremental financial impact on the 2005 budget shortfall.

Increases in the 2005 budget are the result of uncontrollable issues such as the Provincial cost-sharing shortfalls, inflation and increasing cost of emergency services and transit operations. Careful evaluation of the City's user fees indicated that there were few opportunities to increase user fees beyond what had already been recommended by staff. As well, a thorough review of the City's user fees disclosed limited opportunities to increase fees in order to fully recover increased costs without creating undue burden on the less privileged. This, therefore, left the City with limited options to fund remaining pressures: increase taxes or reduce funding for services, and continue to seek financial assistance from the Provincial government.

The 2005 Council Approved Operating Budget includes increases that comply with the City's policies and relevant provincial legislation. Notice requirement as prescribed in Part XII, Fees and Charges, of the Municipal Act, 2001 were met for fees and charges proposed to change as part of the budget process.

To comply with the Municipal Act, a list of fees and charges proposed to change that required four days notice were posted on the internet on January 31 so as to enable the public to depute thereon at its meeting of February 7, 2005. A second list was posted on February 1, 2005. There were no fees and charges requiring 21 days notice. A briefing note entitled 'Proposed Changes in User Fees in the 2005 Operating Budget' was distributed to all members of Council during the BAC Budget Review.

Budget Highlights

The 2005 Council Approved Operating Budget achieved the goal of preserving core services and service levels. As well, it achieved cost savings by ensuring that services are being delivered efficiently. This budget optimizes non-tax revenues while ensuring fair access to all residents. Consistent with Council direction, the 2005 Operating Budget has had minimal impact on the services the City provides to its residents.

Clean and Beautiful City Initiative

The City has embarked on a program to make Toronto a clean and beautiful city which is one of nine Council priorities. At its meeting of March 1 to 3, 2004, City Council unanimously approved a two-stage approach to achieving this priority. Stage 1 of the program focused on cleaning up the city for which Council allocated \$2.60 million in 2004 solely for clean city initiatives. Stage 2 continues the clean city initiatives and introduces actions to beautify Toronto with the participation and assistance of the public and private sector. The five-point City action plan to Make Toronto a Clean and Beautiful City was approved by Council at its meeting on November 30, December 1 and 2, 2004. The five key actions are Sweep it, Design it, Grow it, Build it and Celebrate it which are implemented over a 3-year period as shown in Table 7 below. The plan represents an ongoing cycle of activities in which the City and its residents are engaged at any given moment.

Table 7 City of Toronto Clean and Beautiful Initiative Operating Budget - 3 Year Program Summary of Base Budget and New Funding (\$ Million)

Actions	Base Budget		New Funding		Total
	2005	2005	2006	2007	
1. SWEEP IT	31.174	1.341	1.571	0.442	3.353
2. DESIGN IT	0.188	0.352	(0.004)	(0.010)	0.337
3. GROW IT	36.044	4.445	2.423	3.249	10.117
4. BUILD IT	—	0.185	(0.185)	—	—
5. CELEBRATE IT	—	0.050	(0.050)	—	—
Total	67.406	6.372	3.754	3.681	13.807

The 2005 Council Approved Operating Budget includes funding in the amount of \$6.372 million for the first year of the Clean and Beautiful City initiatives. Spending in 2006 is estimated at \$3.754 million and in 2007 the budget will include an amount of \$3.681 million.

3-1-1 - Improved Public Services

As part of Council's priority to Improve Public Services, a 3-1-1 (non-emergency) Customer Service Strategy was approved in 2004. The 3-1-1 strategy aims to simplify public access to city services through a single gateway over the telephone and on the City Web site, using modernized, streamlined service processes, and by implementing an electronic tracking system to monitor all customer service request from receipt to completion. A three-year phased-in implementation for this strategy has been recommended.

At its meeting of November 30, December 1 and 2, Council directed that a 3-1-1 Council-Staff Working Group (CSWG) be established to report, through the e-City Committee, to the Administration Committee on refinement and further development of the 3-1-1 implementation plan. The CSWG has agreed to responsibilities of a Project Management Office, which will require operating budget funding in 2005.

Included in the 2005 Council Approved Operating Budget is an amount of \$503.102 thousand for the Project Management Office (PMO) for the 3-1-1 project. This will cover the cost for staff, equipment, administrative and other associated costs of the PMO essentially to ensure strategic planning and implementation of the initiative.

2005 Council Approved Operating Budget Approved Positions

Table 8 below summarizes changes between the 2004 Council Approved Positions and the Approved Positions by Program/ABC which are included in 2005 Council Approved Operating Budget. The 2005 Council Approved Operating Budget reflects total number of approved positions of 46,827.3 compared to 46,129.1 in 2004 which resulted in an increase of 698.2 approved positions. City Operations account for an increase of 361.4 approved positions whereas the total change for ABCs is 336.8 approved positions.

Total change in approved positions for City Operations includes an increase of 361.4 positions of which 190.2 are permanent and 171.2 are temporary positions. The total change of 336.8 approved positions for ABCs comprise of 348.5 permanent and (11.7) temporary positions. The change in City Operations is primarily in Homes for the Aged of 40.7, Shelter, Housing & Support of 51.0, Solid Waste Management Services, Parks and Recreation of 89.5 and Information & Technology of 59.0, whereas the change in ABCs is accounted for by TTC of 219.0 positions, Police Services of 35.0 positions and 49.4 for Public Health.

Table 8 City of Toronto 2005 Council Approved Budget Summary of Approved Positions

Department	2004 Approved Positions			2005 Council Approved (New & Base)			Change from 2004			
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total	%
Community and Neighbourhood Services	5,387.3	370.8	5,758.1	5,390.5	412.2	5,802.7	3.2	41.4	44.6	0.8
Works and Emergency Services	7,713.5	107.3	7,820.8	7,798.5	108.2	7,906.7	85.0	0.9	85.9	1.1
Economic Development, Culture and Tourism	1,980.0	2,228.9	4,208.9	2,006.5	2,303.3	4,309.8	26.5	74.4	100.9	2.4
Urban Development Services	1,032.0	66.5	1,098.5	1,100.5	58.0	1,158.5	68.5	(8.5)	60.0	5.5
Corporate Services	2,538.0	58.0	2,596.0	2,543.0	119.0	2,662.0	5.0	61.0	66.0	2.5
Finance and Other	1,067.0	29.0	1,096.0	1,069.0	31.0	1,100.0	2.0	2.0	4.0	0.4
Total City Operations	19,717.8	2,860.5	22,578.3	25,438.8	3,031.7	22,939.7	190.2	171.2	361.4	1.6
Special Purpose Bodies	22,883.7	666.1	23,549.8	23,232.2	654.4	23,886.6	348.5	(11.7)	336.8	1.4
Non Program	1.0	0.0	1.0	1.0	0.0	1.0	0.0	0.0	0.0	0.0
Total	42,602.5	3,526.6	46,129.1	48,672.0	3,686.1	46,827.3	538.7	159.5	698.2	1.5

City of Toronto 2005 Operating Budget – Net Expenditures

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 Council Approved Total Operating Budget				
			Base Budget	New/ Enh.	Total Budget	Change from 2004 Approved Budget	
						Incr/(Dcr)	%
Community and Neighbourhood Services							
Children's Services	64,932.8	65,252.8	65,325.2	—	65,325.2	392.4	0.6%
Homes for the Aged	28,231.3	28,767.7	28,231.3	—	28,231.3	—	—
Shelter, Housing & Support	270,187.3	279,256.4	268,916.9	770.4	269,687.3	(500.0)	(0.2%)
Social Development & Administration	8,812.6	9,018.4	9,018.4	—	9,018.4	205.8	2.3%
Social Services	219,717.3	222,529.6	217,512.3	—	217,512.3	(2,205.0)	(1.0%)
Department Total	591,881.3	604,824.9	589,004.1	770.4	589,774.5	(2,106.8)	(0.4%)
Works and Emergency Services							
Emergency Medical Services	49,007.8	53,947.6	63,312.0	321.6	63,633.6	14,625.8	29.8%
Fire Services	298,417.4	308,849.9	301,566.9	159.4	301,726.3	3,308.9	1.1%
Emergency Management Plan	—	—	—	—	—	—	n/a
Solid Waste Management Services	158,075.2	167,327.7	160,761.7	704.8	161,466.5	3,391.3	2.1%
Transportation Services	175,067.0	181,838.3	175,539.7	939.4	176,479.1	1,412.1	0.8%
WES - Support Services	—	—	(50.0)	—	(50.0)	(50.0)	n/a
WES - Technical Services	5,495.1	1,652.3	5,353.2	—	5,353.2	(141.9)	(2.6%)
Department Total	686,062.5	713,615.8	706,483.5	2,125.2	708,608.7	22,546.2	3.3%
Economic Development, Culture and Tourism							
Culture	8,986.1	9,491.6	9,120.2	692.2	9,812.4	826.3	9.2%
Customer & Business Support	17,414.9	17,926.8	17,464.8	—	17,464.8	49.9	0.3%
Economic Development	7,462.6	7,719.5	7,474.6	340.0	7,814.6	352.0	4.7%
Economic Recovery	200.0	—	—	—	—	(200.0)	(100.0%)
Parks & Recreation	163,183.0	174,506.7	173,275.1	5,584.0	178,859.1	15,676.1	9.6%
Tourism	7,514.7	7,719.9	7,677.7	(2,320.0)	5,357.7	(2,157.0)	(28.7%)
Department Total	204,761.3	217,364.5	215,012.4	4,296.2	219,308.6	14,547.3	7.1%
Urban Development Services							
Urban Development Services	15,369.6	15,369.6	14,492.5	(1,038.3)	13,454.2	(1,915.4)	(12.5%)
Department Total	15,369.6	15,369.6	14,492.5	(1,038.3)	13,454.2	(1,915.4)	(12.5%)
Corporate Services							
City Clerk's Office	19,286.7	19,461.9	19,286.9	—	19,286.9	0.2	—
Corporate Communications	6,336.4	6,621.6	6,601.1	175.0	6,776.1	439.7	6.9%
Court Services	(9,636.5)	(8,068.5)	(9,636.4)	—	(9,636.4)	0.1	—
Facilities & Real Estate	32,369.9	32,599.5	34,784.0	—	34,784.0	2,414.1	7.5%
Fleet Services	—	—	(91.8)	91.8	—	—	n/a
Human Resources	24,420.7	25,636.8	25,331.0	557.0	25,888.0	1,467.3	6.0%
Information & Technology	40,724.8	43,418.7	41,703.5	795.0	42,498.5	1,773.7	4.4%
Legal	16,716.7	17,686.1	17,686.1	—	17,686.1	969.4	5.8%
Service Improvement & Innovation	6,642.3	6,868.9	6,787.1	—	6,787.1	144.8	2.2%
Department Total	136,861.0	144,225.0	142,451.5	1,618.8	144,070.3	7,209.3	5.3%
Finance							
Finance	34,754.3	35,191.4	34,564.3	190.0	34,754.3	—	—
Department Total	34,754.3	35,191.4	34,564.3	190.0	34,754.3	—	—
Other City Departments							
Auditor General's Office	3,151.5	3,405.9	3,345.9	164.0	3,509.9	358.4	11.4%
Chief Administrator's Office	5,482.3	5,566.0	5,541.7	—	5,541.7	59.4	1.1%
Council	17,706.0	18,006.7	18,006.7	—	18,006.7	300.7	1.7%
Mayor's Office	1,745.1	1,768.3	1,768.3	—	1,768.3	23.2	1.3%
3-1-1 Project	—	—	—	503.1	503.1	503.1	n/a
Department Total	28,084.9	28,746.9	28,662.6	667.1	29,329.7	1,244.8	4.4%
TOTAL - CITY OPERATIONS	1,697,774.9	1,759,338.1	1,730,670.9	8,629.4	1,739,300.3	41,525.4	2.4%

Budget Summary by Program

City of Toronto 2005 Operating Budget –
Net Expenditures (continued)

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 Council Approved Total Operating Budget				Change from 2004	
			Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%	
Special Purpose Bodies								
Arena Boards of Management	143.2	238.4	248.2	—	248.2	105.0	73.3%	
Association of Community Centers	5,263.5	5,505.0	5,505.0	50.1	5,555.1	291.6	5.5%	
Exhibition Place	(249.6)	(249.0)	(249.0)	—	(249.0)	0.6	(0.2%)	
Heritage Toronto	297.9	322.9	307.9	—	307.9	10.0	3.4%	
Theatres	2,669.1	2,744.5	2,831.4	—	2,831.4	162.3	6.1%	
Toronto & Region Conservation Authority	2,744.6	3,141.4	2,809.1	—	2,809.1	64.5	2.4%	
Toronto Police Board	1,265.1	1,278.1	1,278.1	—	1,278.1	13.0	1.0%	
Toronto Police Service	678,074.9	692,682.5	686,047.6	2,811.4	688,859.0	10,784.1	1.6%	
Toronto Public Health	72,927.2	68,252.8	67,130.5	2,107.9	69,238.4	(3,688.8)	(5.1%)	
Toronto Public Library	128,730.3	133,823.6	137,582.4	—	137,582.4	8,852.1	6.9%	
Toronto Transit Commission - Conventional	219,584.1	231,865.6	208,180.0	5,700.0	213,880.0	(5,704.1)	(2.6%)	
Toronto Transit Commission - Wheel Trans	50,518.5	53,060.5	53,060.5	—	53,060.5	2,542.0	5.0%	
Toronto Zoo	10,639.8	12,145.5	10,959.0	110.0	11,069.0	429.2	4.0%	
Yonge/Dundas Square	551.0	571.2	571.2	—	571.2	20.2	3.7%	
TOTAL - SPECIAL PURPOSE BODIES	1,173,159.6	1,205,383.0	1,176,261.9	10,779.4	1,187,041.3	13,881.7	1.2%	
Corporate Accounts								
Community Partnership and Investment Program	36,773.3	37,496.9	36,786.9	2,212.6	38,999.5	2,226.2	6.1%	
Capital & Corporate Financing	386,529.9	430,573.8	429,573.8	—	429,573.8	43,043.9	11.1%	
Non-Program Expenditures								
- Funding of Employee Related Liabilities	25,482.6	35,182.6	35,182.6	—	35,182.6	9,700.0	38.1%	
- Other Corporate Expenditures	113,624.6	225,822.4	239,463.6	—	239,463.6	125,839.0	110.7%	
- Insurance Premiums & Claims	16,300.0	21,300.0	21,300.0	—	21,300.0	5,000.0	30.7%	
- Parking Tag Enforcement & Oper.	39,972.8	41,615.3	41,615.3	—	41,615.3	1,642.5	4.1%	
- Corporate Utilities	22,811.3	25,588.3	24,588.3	—	24,588.3	1,777.0	7.8%	
Total Non-Program Expenditures	218,191.3	349,508.6	362,149.8	—	362,149.8	143,958.5	66.0%	
Non-Program Revenue								
- Payments in Lieu of Taxes	(83,674.2)	(83,200.0)	(83,929.9)	—	(83,929.9)	(255.7)	0.3%	
- Tax Penalties	(29,000.0)	(28,000.0)	(26,500.0)	—	(26,500.0)	2,500.0	(8.6%)	
- Prior Year Surplus	(15,184.0)	—	—	—	—	15,184.0	(100.0%)	
- Other Corporate Revenues	(2,318.1)	(3,418.6)	(23,178.6)	—	(23,178.6)	(20,860.5)	899.9%	
- Provincial Revenue	(90,000.0)	(161,600.0)	(136,600.0)	—	(136,600.0)	(46,600.0)	51.8%	
- Other	(350,722.3)	(373,936.9)	(470,373.2)	—	(470,373.2)	(119,650.9)	34.1%	
Total Non-Program Revenues	(570,898.6)	(650,155.5)	(740,581.7)	—	(740,581.7)	(169,683.1)	29.7%	
TOTAL - CORPORATE ACCOUNTS	70,595.9	167,423.8	87,928.8	2,212.6	90,141.4	19,545.5	27.7%	
TOTAL LEVY	2,941,530.4	3,132,144.9	2,994,861.6	21,621.4	3,016,483.0	74,952.6	2.5%	
Assessment Growth - 2005	—	—	(13,068.3)	—	(13,068.3)	(13,068.3)	n/a	
TOTAL NET OPERATING BUDGET AFTER ASSESSMENT GROWTH								
	2,941,530.4	3,132,144.9	2,981,793.3	21,621.4	3,003,414.7	61,884.3	2.1%	

City of Toronto 2005 Operating Budget – Net Expenditures (continued)

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 Council Approved Total Operating Budget				Change from 2004 Approved Budget	
			Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%	
Less: Tax Increase								
3.0% Residential (Unrestricted Classes)			(35,131.0)	—	(35,131.0)	(35,131.0)	n/a	
1.5% Business (Restricted Classes)			(26,753.3)	—	(26,753.3)	(26,753.3)	n/a	
TOTAL TAX INCREASE			(61,884.3)	—	(61,884.3)	(61,884.3)	n/a	
TOTAL NET OPERATING BUDGET AFTER ASSESSMENT GROWTH & TAX INCREASE								
	2,941,530.4	3,132,144.9	2,919,909.0	21,621.4	2,941,530.4	—	(0.0%)	
NON LEVY OPERATIONS								
Parking Authority*	(43,012.2)	(42,066.4)	(42,887.2)	—	(42,887.2)	125.0	(0.3%)	
TOTAL NON LEVY OPERATING BUDGET	(43,012.2)	(42,066.4)	(42,887.2)	—	(42,887.2)	125.0	(0.3%)	

Note: * Parking Authority's net revenue is distributed according to City's Revenue Sharing Agreement: 75% to the City, and 25% retained by Parking Authority.

Budget Summary by Program

City of Toronto 2005 Operating Budget –
Gross Expenditures

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 Council Approved Total Operating Budget			Change from 2004 Approved Budget	
			Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%
Community and Neighbourhood Services							
Children's Services	289,785.2	301,610.7	301,683.1	—	301,683.1	11,897.9	4.1%
Homes for the Aged	168,787.9	175,490.1	175,490.1	—	175,490.1	6,702.2	4.0%
Shelter, Housing & Support	631,014.2	648,480.1	637,381.4	36,751.0	674,132.4	43,118.2	6.8%
Social Development & Administration	18,626.3	18,345.9	18,345.9	162.1	18,508.0	(118.3)	(0.6%)
Social Services	940,125.1	950,244.6	960,381.0	6,870.9	967,251.9	27,126.8	2.9%
Department Total	2,048,338.7	2,094,171.4	2,093,281.5	43,784.0	2,137,065.5	88,726.8	4.3%
Works and Emergency Services							
Emergency Medical Services	125,932.7	131,493.8	129,119.2	664.1	129,783.3	3,850.6	3.1%
Fire Services	302,995.3	313,754.5	306,971.5	209.4	307,180.9	4,185.6	1.4%
Emergency Management Plan	—	—	—	—	—	—	n/a
Solid Waste Management Services	216,116.8	217,919.5	220,063.4	1,199.2	221,262.6	5,145.8	2.4%
Transportation Services	254,548.8	268,494.3	263,005.9	1,127.9	264,133.8	9,585.0	3.8%
WES - Support Services	35,379.4	35,825.8	35,586.6	140.2	35,726.8	347.4	1.0%
WES - Technical Services	52,789.0	55,962.6	54,124.9	1,260.0	55,384.9	2,595.9	4.9%
Department Total	987,762.0	1,023,450.5	1,008,871.5	4,600.8	1,013,472.3	25,710.3	2.6%
Economic Development, Culture and Tourism							
Culture	12,792.6	12,740.4	12,473.7	1,097.2	13,570.9	778.3	6.1%
Customer & Business Support	19,618.4	20,078.6	19,753.2	182.0	19,935.2	316.8	1.6%
Economic Development	9,232.3	9,448.8	9,286.5	516.0	9,802.5	570.2	6.2%
Economic Recovery	200.0	—	—	—	—	(200.0)	(100.0%)
Parks & Recreation	240,763.4	243,337.8	242,284.7	5,919.0	248,203.7	7,440.3	3.1%
Tourism	10,986.6	11,191.8	11,149.6	(2,220.0)	8,929.6	(2,057.0)	(18.7%)
Department Total	293,593.3	296,797.4	294,947.7	5,494.2	300,441.9	6,848.6	2.3%
Urban Development Services							
Urban Development Services	93,120.8	99,152.7	98,110.6	3,343.9	101,454.5	8,333.7	8.9%
Department Total	93,120.8	99,152.7	98,110.6	3,343.9	101,454.5	8,333.7	8.9%
Corporate Services							
City Clerk's Office	39,625.9	40,403.4	40,228.4	—	40,228.4	602.5	1.5%
Corporate Communications	6,446.0	6,678.6	6,658.1	175.0	6,833.1	387.1	6.0%
Court Services	27,663.5	29,231.5	28,826.5	—	28,826.5	1,163.0	4.2%
Facilities & Real Estate	86,994.6	88,473.0	88,207.4	337.3	88,544.7	1,550.1	1.8%
Fleet Services	30,722.6	34,754.5	31,713.1	91.8	31,804.9	1,082.3	3.5%
Human Resources	26,216.9	27,446.0	27,140.2	557.0	27,697.2	1,480.3	5.6%
Information & Technology	45,306.0	48,302.0	51,903.8	851.7	52,755.5	7,449.5	16.4%
Legal	24,404.6	25,375.4	25,375.4	255.0	25,630.4	1,225.8	5.0%
Service Improvement & Innovation	7,261.4	7,399.5	7,317.7	—	7,317.7	56.3	0.8%
Department Total	294,641.5	308,063.9	307,370.6	2,267.8	309,638.4	14,996.9	5.1%
Finance							
Finance	67,774.7	68,409.8	68,117.7	242.2	68,359.9	585.2	0.9%
Department Total	67,774.7	68,409.8	68,117.7	242.2	68,359.9	585.2	0.9%
Auditor General's Office	3,151.5	3,405.9	3,345.9	164.0	3,509.9	358.4	11.4%
Chief Administrator's Office	5,639.7	5,831.0	5,836.7	—	5,836.7	197.0	3.5%
Council	17,706.0	18,006.7	18,006.7	—	18,006.7	300.7	1.7%
Mayor's Office	1,745.1	1,768.3	1,768.3	—	1,768.3	23.2	1.3%
3-1-1 Project	—	—	—	503.1	503.1	503.1	n/a
Department Total	28,242.3	29,011.9	28,957.6	667.1	29,624.7	1,382.4	4.9%
TOTAL - CITY OPERATIONS	3,813,473.3	3,919,057.6	3,899,657.2	60,400.0	3,960,057.2	146,583.9	3.8%

City of Toronto 2005 Operating Budget – Gross Expenditures (continued)

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 Council Approved Total Operating Budget			Change from 2004 Approved Budget	
			Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%
Special Purpose Bodies							
Arena Boards of Management	5,386.1	5,474.0	5,476.8	—	5,476.8	90.7	1.7%
Association of Community Centers	5,430.3	5,665.8	5,665.8	50.1	5,715.9	285.6	5.3%
Exhibition Place	42,406.8	45,945.0	45,945.0	—	45,945.0	3,538.2	8.3%
Heritage Toronto	464.0	519.0	519.0	—	519.0	55.0	11.9%
Theatres	20,005.9	19,850.3	19,843.4	—	19,843.4	(162.5)	(0.8%)
Toronto & Region							
Conservation Authority	26,650.8	29,842.0	29,842.0	—	29,842.0	3,191.2	12.0%
Toronto Police Board	1,265.1	1,278.1	1,278.1	—	1,278.1	13.0	1.0%
Toronto Police Service	706,536.6	723,128.7	718,235.6	3,211.2	721,446.8	14,910.2	2.1%
Toronto Public Health	184,397.2	182,439.9	180,101.5	7,756.9	187,858.4	3,461.2	1.9%
Toronto Public Library	143,436.3	146,853.4	152,013.4	—	152,013.4	8,577.1	6.0%
Toronto Transit Commission -							
Conventional	928,636.5	957,651.8	952,366.2	3,700.0	956,066.2	27,429.7	3.0%
Toronto Transit Commission -							
Wheel Trans	53,221.1	55,870.9	55,870.9	—	55,870.9	2,649.8	5.0%
Toronto Zoo	34,473.3	34,754.3	34,754.3	110.0	34,864.3	391.0	1.1%
Yonge/Dundas Square	910.4	1,008.2	1,008.2	—	1,008.2	97.8	10.7%
TOTAL - SPECIAL PURPOSE BODIES	2,153,220.4	2,210,281.4	2,202,920.2	14,828.2	2,217,748.4	64,528.0	3.0%
Corporate Accounts							
Community Partnership and Investment Program	41,981.5	42,081.2	41,370.1	2,708.1	44,078.2	2,096.7	5.0%
Capital & Corporate Financing	394,663.9	434,073.8	453,073.8	—	453,073.8	58,409.9	14.8%
Non-Program Expenditures							
- Funding of Employee Related Liabilities	25,482.6	35,182.6	35,182.6	—	35,182.6	9,700.0	38.1%
- Other Corporate Expenditures	139,235.5	291,945.4	305,886.6	1,042.7	306,929.3	167,693.8	120.4%
- Insurance Premiums & Claims	16,300.0	21,300.0	21,300.0	—	21,300.0	5,000.0	30.7%
- Parking Tag Enforcement & Oper.	39,972.8	41,615.3	41,615.3	—	41,615.3	1,642.5	4.1%
- Corporate Utilities	28,453.0	32,053.2	31,053.2	—	31,053.2	2,600.2	9.1%
Total Non-Program Expenditures	249,443.9	422,096.5	435,037.7	1,042.7	436,080.4	186,636.5	74.8%
Non-Program Revenue							
- Payments in Lieu of Taxes	—	—	—	—	—	—	n/a
- Tax Penalties	—	—	—	—	—	—	n/a
- Prior Year Surplus	—	—	—	—	—	—	n/a
- Other Corporate Revenues	—	—	—	—	—	—	n/a
- Provincial Revenue	—	—	—	—	—	—	n/a
- Other	—	—	—	—	—	—	n/a
Total Non-Program Revenues	—	—	—	—	—	—	n/a
TOTAL - CORPORATE ACCOUNTS	686,089.3	898,251.5	929,481.6	3,750.8	933,232.4	247,143.1	36.0%
TOTAL OPERATING BUDGET BEFORE ASSESSMENT GROWTH							
ASSESSMENT GROWTH	6,652,783.0	7,027,590.5	7,032,059.0	78,979.0	7,111,038.0	458,255.0	6.9%
Assessment Growth - 2005	—	—	—	—	—	—	n/a
TOTAL OPERATING BUDGET (GROSS EXPENDITURES)							
(GROSS EXPENDITURES)	6,652,783.0	7,027,590.5	7,032,059.0	78,979.0	7,111,038.0	458,255.0	6.9%
NON LEVY OPERATIONS							
Parking Authority*	52,322.9	54,281.8	54,281.8	—	54,281.8	1,958.9	3.7%
Toronto Water	555,185.5	555,185.5	555,185.5	—	555,185.5	—	—
TOTAL NON LEVY OPERATING BUDGET	607,508.4	609,467.3	609,467.3	—	609,467.3	1,958.9	0.3%

Note: * Parking Authority's net revenue is distributed according to City's Revenue Sharing Agreement: 75% to the City, and 25% retained by Parking Authority.

City of Toronto 2005 Operating Budget – Revenues

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 P&F Rec'd Total Budget	2005 Council Approved Total Operating Budget			Change from 2004 Approved Budget	
				Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%
Community and Neighbourhood Services								
Children's Services	224,852.4	236,357.9	236,357.9	236,357.9	—	236,357.9	11,505.5	5.1%
Homes for the Aged	140,556.6	146,722.4	147,258.8	147,258.8	—	147,258.8	6,702.2	4.8%
Shelter, Housing & Support Social Development & Administration	360,826.9	369,223.7	404,445.1	368,464.5	35,980.6	404,445.1	43,618.2	12.1%
Social Services	9,813.7	9,327.5	9,489.6	9,327.5	162.1	9,489.6	(324.1)	(3.3%)
Social Services	720,407.8	727,715.0	749,739.6	742,868.7	6,870.9	749,739.6	29,331.8	4.1%
Department Total	1,456,457.4	1,489,346.5	1,547,291.0	1,504,277.4	43,013.6	1,547,291.0	90,833.6	6.2%
Works and Emergency Services								
Emergency Medical Services	76,924.9	77,546.2	66,189.7	65,807.2	342.5	66,149.7	(10,775.2)	(14.0%)
Fire Services	4,577.9	4,904.6	5,454.6	5,404.6	50.0	5,454.6	876.7	19.2%
Emergency Management Plan	—	—	—	—	—	—	—	n/a
Solid Waste Management Services	58,041.6	50,591.8	59,296.1	59,301.7	494.4	59,796.1	1,754.5	3.0%
Transportation Services	79,481.8	86,656.0	87,654.7	87,466.2	188.5	87,654.7	8,172.9	10.3%
WES - Support Services	35,379.4	35,825.8	35,776.8	35,636.6	140.2	35,776.8	397.4	1.1%
WES - Technical Services	47,293.9	54,310.3	50,031.7	48,771.7	1,260.0	50,031.7	2,737.8	5.8%
Department Total	301,699.5	309,834.7	304,403.6	302,388.0	2,475.6	304,863.6	3,164.1	1.0%
Economic Development, Culture and Tourism								
Culture	3,806.5	3,248.8	3,758.5	3,353.5	405.0	3,758.5	(48.0)	(1.3%)
Customer & Business Support	2,203.5	2,151.8	2,470.4	2,288.4	182.0	2,470.4	266.9	12.1%
Economic Development	1,769.7	1,729.3	1,938.7	1,811.9	176.0	1,987.9	218.2	12.3%
Economic Recovery	—	—	—	—	—	—	—	n/a
Parks & Recreation	77,580.4	68,831.1	69,579.6	69,009.6	335.0	69,344.6	(8,235.8)	(10.6%)
Tourism	3,471.9	3,471.9	3,571.9	3,471.9	100.0	3,571.9	100.0	2.9%
Department Total	88,832.0	79,432.9	81,319.1	79,935.3	1,198.0	81,133.3	(7,698.7)	(8.7%)
Urban Development Services								
Urban Development Services	77,751.2	83,783.1	87,850.3	83,618.1	4,382.2	88,000.3	10,249.1	13.2%
Department Total	77,751.2	83,783.1	87,850.3	83,618.1	4,382.2	88,000.3	10,249.1	13.2%
Corporate Services								
City Clerk's Office	20,339.2	20,941.5	20,941.5	20,941.5	—	20,941.5	602.3	3.0%
Corporate Communications	109.6	57.0	57.0	57.0	—	57.0	(52.6)	(48.0%)
Court Services	37,300.0	37,300.0	38,462.9	38,462.9	—	38,462.9	1,162.9	3.1%
Facilities & Real Estate	54,624.7	55,873.5	53,760.7	53,423.4	337.3	53,760.7	(864.0)	(1.6%)
Fleet Services	30,722.6	34,754.5	31,804.9	31,804.9	—	31,804.9	1,082.3	3.5%
Human Resources	1,796.2	1,809.2	1,809.2	1,809.2	—	1,809.2	13.0	0.7%
Information & Technology	4,581.2	4,883.3	10,257.0	10,200.3	56.7	10,257.0	5,675.8	123.9%
Legal	7,687.9	7,689.3	7,944.3	7,689.3	255.0	7,944.3	256.4	3.3%
Service Improvement & Innovation	619.1	530.6	530.6	530.6	—	530.6	(88.5)	(14.3%)
Department Total	157,780.5	163,838.9	165,568.1	164,919.1	649.0	165,568.1	7,787.6	4.9%
Finance								
Finance	33,020.4	33,218.4	33,605.6	33,553.4	52.2	33,605.6	585.2	1.8%
Department Total	33,020.4	33,218.4	33,605.6	33,553.4	52.2	33,605.6	585.2	1.8%
Other City Departments								
Auditor General's Office	—	—	—	—	—	—	—	n/a
Chief Administrator's Office	157.4	265.0	295.0	295.0	—	295.0	137.6	87.4%
Council	—	—	—	—	—	—	—	n/a
Mayor's Office	—	—	—	—	—	—	—	n/a
3-1-1 Project	—	—	—	—	—	—	—	n/a
Department Total	157.4	265.0	295.0	295.0	—	295.0	137.6	87.4%
TOTAL - CITY OPERATIONS	2,115,698.4	2,159,719.5	2,220,332.7	2,168,986.3	51,770.6	2,220,756.9	105,058.5	5.0%

City of Toronto 2005 Operating Budget – Revenues (continued)

(In \$000's)	2004 Approved Budget	2005 Base Budget Request	2005 P&F Rec'd Total Budget	2005 Council Approved Total Operating Budget			Change from 2004 Approved Budget	
				Base Budget	New/ Enh.	Total Budget	Incr/(Dcr)	%
Special Purpose Bodies								
Arena Boards of Management Association of	5,242.9	5,235.6	5,228.6	5,228.6	—	5,228.6	(14.3)	(0.3%)
Community Centers	166.8	160.8	160.8	160.8	—	160.8	(6.0)	(3.6%)
Exhibition Place	42,656.4	46,194.0	46,194.0	46,194.0	—	46,194.0	3,537.6	8.3%
Heritage Toronto	166.1	196.1	211.1	211.1	—	211.1	45.0	27.1%
Theatres	17,336.8	17,105.8	17,012.0	17,012.0	—	17,012.0	(324.8)	(1.9%)
Toronto & Region								
Conservation Authority	23,906.2	26,700.6	27,032.9	27,032.9	—	27,032.9	3,126.7	13.1%
Toronto Police Board	—	—	—	—	—	—	—	n/a
Toronto Police Service	28,461.7	30,446.2	32,587.8	32,188.0	399.8	32,587.8	4,126.1	14.5%
Toronto Public Health	111,470.0	114,187.1	118,620.0	112,971.0	5,649.0	118,620.0	7,150.0	6.4%
Toronto Public Library	14,706.0	13,029.8	14,431.0	14,431.0	—	14,431.0	(275.0)	(1.9%)
Toronto Transit Commission - Conventional	709,052.4	725,786.2	742,186.2	744,186.2	(2,000.0)	742,186.2	33,133.8	4.7%
Toronto Transit Commission - Wheel Trans	2,702.6	2,810.4	2,810.4	2,810.4	—	2,810.4	107.8	4.0%
Toronto Zoo	23,833.5	22,608.8	23,795.3	23,795.3	—	23,795.3	(38.2)	(0.2%)
Yonge/Dundas Square	359.4	437.0	437.0	437.0	—	437.0	77.6	21.6%
TOTAL - SPECIAL PURPOSE BODIES	980,060.8	1,004,898.4	1,030,707.1	1,026,658.3	4,048.8	1,030,707.1	50,646.3	5.2%
Corporate Accounts								
Community Partnership and Investment Program	5,208.2	4,584.3	5,078.7	4,583.2	495.5	5,078.7	(129.5)	(2.5%)
Capital & Corporate Financing	8,134.0	3,500.0	3,500.0	23,500.0	—	23,500.0	15,366.0	188.9%
Non-Program Expenditures								
- Funding of Employee Related Liabilities	—	—	—	—	—	—	—	n/a
- Other Corporate Expenditures	25,610.9	66,123.0	67,465.7	66,423.0	1,042.7	67,465.7	41,854.8	163.4%
- Insurance Premiums & Claims	—	—	—	—	—	—	—	n/a
- Parking Tag Enforcement & Oper.	—	—	—	—	—	—	—	n/a
- Corporate Utilities	5,641.7	6,464.9	6,464.9	6,464.9	—	6,464.9	823.2	14.6%
Total Non-Program Expenditures	31,252.6	72,587.9	73,930.6	72,887.9	1,042.7	73,930.6	42,678.0	136.6%
Non-Program Revenue								
- Payments in Lieu of Taxes	83,674.2	83,200.0	83,929.9	83,929.9	—	83,929.9	255.7	0.3%
- Tax Penalties	29,000.0	28,000.0	26,500.0	26,500.0	—	26,500.0	(2,500.0)	(8.6%)
- Prior Year Surplus	15,184.0	—	—	—	—	—	(15,184.0)	(100.0%)
- Other Corporate Revenues	2,318.1	3,418.6	3,418.6	23,178.6	—	23,178.6	20,860.5	899.9%
- Provincial Revenue	90,000.0	161,600.0	161,600.0	136,600.0	—	136,600.0	46,600.0	51.8%
- Other	350,722.3	373,936.9	470,467.0	470,373.2	—	470,373.2	119,650.9	34.1%
Total Non-Program Revenues	570,898.6	650,155.5	745,915.5	740,581.7	—	740,581.7	169,683.1	29.7%
TOTAL - CORPORATE ACCOUNTS	615,493.4	730,827.7	828,424.8	841,552.8	1,538.2	843,091.0	227,597.6	37.0%
TOTAL OPERATING BUDGET BEFORE ASSESSMENT GROWTH								
	3,711,252.6	3,895,445.6	4,079,464.6	4,037,197.4	57,357.6	4,094,555.0	383,302.4	10.3%
Assessment Growth - 2005	—	—	13,068.3	13,068.3	—	13,068.3	13,068.3	n/a
TOTAL OPERATING BUDGET (GROSS REVENUES)								
	3,711,252.6	3,895,445.6	4,092,532.9	4,050,265.7	57,357.6	4,107,623.3	396,370.7	10.7%
NON LEVY OPERATIONS								
Parking Authority*	95,335.1	96,348.2	97,294.0	97,169.0	—	97,169.0	1,833.9	1.9%
Toronto Water	555,185.5	555,185.5	555,185.5	555,185.5	—	555,185.5	—	0.0%
TOTAL NON LEVY OPERATING BUDGET								
	650,520.6	651,533.7	652,479.5	652,354.5	—	652,354.5	1,833.9	0.3%

Note: * Parking Authority's net revenue is distributed according to City's Revenue Sharing Agreement: 75% to the City, and 25% retained by Parking Authority.

In each year, the City is required by provincial legislation to establish tax rates that raise property tax revenues in the amount of the City's budgetary requirement. The total amount of municipal taxes raised is known as the municipal tax levy. In addition, the City is also required to levy and collect property taxes for school purposes at the education tax rates prescribed by the Province.

In 1998, the Province of Ontario reformed the property assessment and taxation system in Ontario with the implementation of the Current Value Assessment (CVA) system. The CVA of a property represents an estimated market value, or the amount that the property would sell for in an open market, arm's length sale between a willing seller and a willing buyer at a fixed point in time. For 1998, 1999 and 2000, properties were taxed based on their current value, reflecting a June 30, 1996 valuation date. For 2001 and 2002, property assessments in Ontario were updated to reflect current values as at June 30, 1999. The year 2003 was another reassessment year, reflecting property values based on a June 30, 2001 valuation date. For 2004 and 2005 property assessed values were based on the June 30, 2003 valuation date. The next province-wide reassessment update will reflect property values as of January 1, 2005, which will be used to calculate 2006 property taxes. With each reassessment, tax rates are adjusted (reduced) to reflect the changes (increase) in CVA. The Municipal Property Assessment Corporation (MPAC) is responsible for property assessment in Ontario, and prepares the assessment rolls for municipalities.

The amount of property taxes payable by a property is determined by multiplying the Current Value Assessment (CVA) of a property by the applicable tax rate for that class of property (e.g., residential, commercial, industrial, or multi-residential). The total tax rate for a class consists of a municipal tax rate necessary to meet the City's budgetary requirement and the education tax rate necessary to fund the costs of education. Chart 2 below illustrates the 2005 taxes payable for the average household in Toronto with an assessed value of \$330,700.

The Municipal Act establishes the rules that governed the assessment and taxation of property in Ontario. Provisions in the Act allow for the phase-in of tax increases and decreases arising from reassessment, and mandates limits on tax increases to 5% per year for the commercial, industrial and multi-residential property classes, which for many properties in these classes may result in a phase-in towards their CVA level of taxes. Special provisions to provide tax relief for low-income seniors and disabled persons, and charities and similar organizations, are also required.

Tax relief policies in effect for 2005 include:

- ▶ The cancellation of any tax increase for seniors aged 65 or older, or disabled person living with a household income of \$25,000 or less, which residential property assessed value is less than \$398,400 and have occupied his home for at least one year.
- ▶ The interest free deferral of any tax increase for seniors aged 50 years or older or disabled persons, whose household income is \$35,000 or less and have owned the property for at least one year.
- ▶ A 40% rebate of taxes paid for registered charities owning or occupying space in commercial or industrial properties.

In 2001, further amendments to the Municipal Act (Bill 140) were introduced that restricted municipalities from passing on municipal levy increases to any tax class where the tax ratio for the class exceeded a provincial threshold ratio. Threshold tax ratios, which are intended to represent the provincial average tax ratio for each class, are determined by the Province each year and established by regulation. A municipality whose non-residential tax ratio exceeds the provincial average cannot pass on general budgetary levy increases to that class. In Toronto, tax ratios for the commercial, industrial and multi-residential tax classes all exceed the provincial thresholds, as shown in Chart 5.

Under the provisions of the Municipal Act, this means that no municipal levy (budgetary) increases can be passed on to these classes so long as the ratios exceed the threshold limits. Any budgetary increases, therefore, can only be passed on to the residential class. The implication of this restriction is that a 1% tax increase, which is limited to the residential class, raises only \$11.0 million in additional tax revenue, whereas if the City had access to its entire tax base, a 1% tax increase would raise \$28.56 million in additional tax revenue for the City.

In 2004, the Minister of Finance filed O. Reg. 66/04, which allowed restricted municipalities to apply up to one-half of the percentage increase on the residential tax rate in 2004 to the protected class. This flexibility measure was extended for the 2005 taxation year by O. Reg. 58/05.

Chart 1 – Assessment 1998- 2005 (\$ Billions)

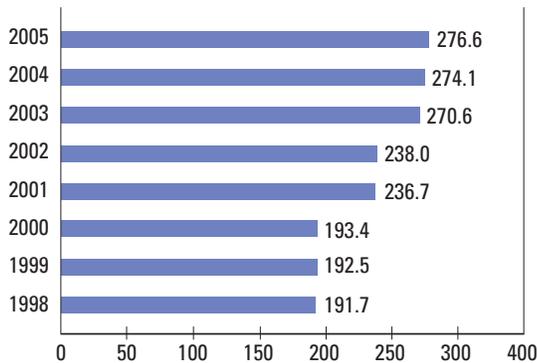


Chart 2 – 2005 Average Household Property Taxes

Average residential assessed value – \$330,700

	2005 Tax Rate	2005 Property Tax
Municipal Purposes	0.6107432%	\$ 2,020
Education Purposes	0.2960000%	\$ 970
Total	0.9067432%	\$ 2,990

Chart 3 – Toronto’s Tax Ratios vs. Provincial Threshold Ratios

	2001 Taxation Year	2002 Taxation Year	2003 Taxation Year	2004 Taxation Year	2005 Taxation Year	Provincial Threshold Ratios
Multi-Residential	4.174	4.001	3.870	3.802	3.761	2.74
Commercial	3.798	3.516	3.516	4.273	3.802	1.98
Industrial	5.301	4.120	4.120	3.762	4.273	2.63

Chart 4 – Toronto Rate Comparison 1998-2005 (%CVA)

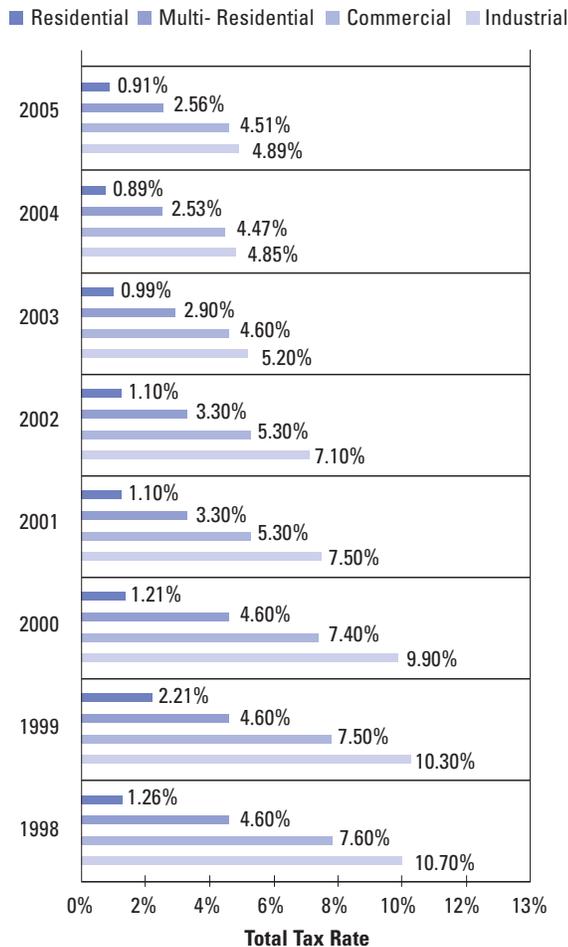
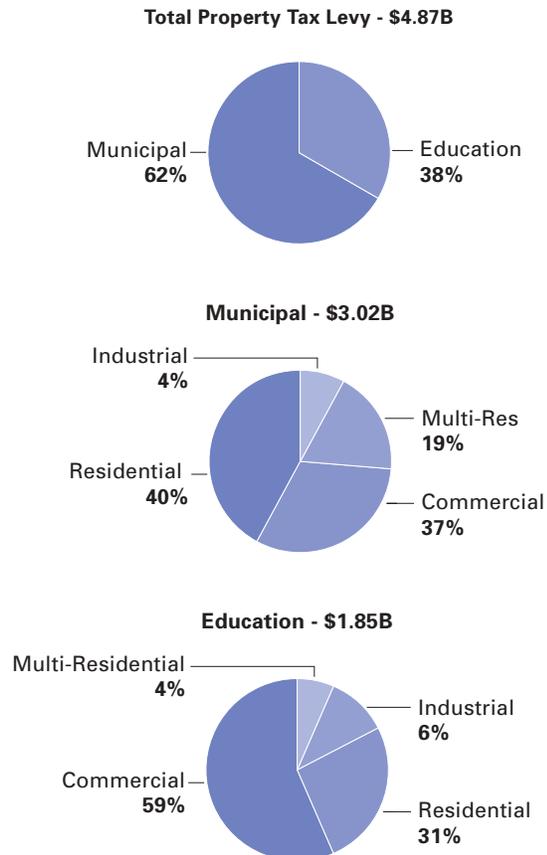


Chart 5 – Toronto 2005 Property Tax Levy



2005 Capital Budget Process

General guidelines for the 2005 capital budgeting and planning process were approved by Council at its meeting of September 28, 29, 30 and October 1, 2004. The budget process was designed to ensure that the budget constitutes a strategic tool that enables Council to:

- › deal with the stressful fiscal challenges of increasing service demands and a constrained revenue base.
- › identify issues critical to helping Council formulate its corporate goals and objectives, and to put fiscal context on the corporate decision making process.
- › determine the financial and service level impact of Provincial downloading and side-loading initiatives.
- › allocate scarce resources to maintain the City's infrastructure in a State of Good Repair, and assuring expansion to satisfy growing community demands.
- › establish long-term capital program debt financing and sustainability limits.

Guidelines for the 2005 Capital Budget Process required City Programs and Agencies, Boards and Commissions (ABCs) to prioritize their request within the same categories prescribed in fiscal 2004. Given the City's fiscal sustainability and affordability challenges, priorities were again given to Health and Safety, Legislated/City Policy and State of Good Repair projects. While the need for growth and service improvement projects was recognized, the City continued to be challenged to balance the obligation to provide services with the need to ensure that it does not unduly increase its debt burden beyond what it can reasonably afford.

2005 Budget Objectives, Principles and Guidelines

In consideration of the fiscal environment and realities in which the City operates, the 2005 Capital Budget and 2006 – 2014 Capital Plan was developed based on principles that committed all staff to be responsive to cost containment strategies essential to dealing with the City's Long Term Fiscal goals and Council priorities. The 2005 Council Approved Capital Budget achieves prescribed principles and guidelines, which includes:

- › ensuring that the capital program remains within an affordable fiscal framework;
- › maximizing partnerships in order to minimize debt;
- › minimizing the incremental impact of the Capital Budget on the Operating Budget;
- › using historical trends as part of the analysis and justification of capital project and capital budget requests; and,
- › ensuring that all stakeholders have an opportunity to participate in the budget process.

In addition to the above, the capital budget review process focused on assuring compliance with capital asset management practices designed to ensure that acquisition and/or creation of capital assets are properly planned; that capital assets are justified based on cost-benefit analysis; that the most effective financial option is selected; and that risks are analyzed and carefully managed.

Listening to Toronto - November 2004 confirmed the City's commitment to engage stakeholders in the budget process. Excellent attendance at the November 28, 2004 session demonstrated continuing public interest in the City's priority setting exercise. The public strongly supported Council's adopted priorities for the remainder of its term of office and encouraged Council to continue negotiating with the other orders of government to 'Get the right powers and funding for Toronto to succeed'.

Approved Council Directives prescribed that each capital project contained in the 2005 Capital Budget and 2006 – 2014 Capital Plan conforms with the following specific principles/policies:

- Useful Life: Capital expenditures must relate to items with a useful life that matches or exceeds the standard debenture term of 10 years. The exception being fleet and related equipment covered under a separate policy where the useful life has a threshold of 5 years. Assets consumed or fully depreciated during the fiscal year and costs to maintain an asset in its original state are to be funded from operating sources.
- Physical Characteristics: Expenditures must be reasonably related to the acquisition, betterment, or replacement of a physical asset with a multi-year life. Betterment is defined as enhancing the service potential or extending the useful life of the asset.
- Expenditure Thresholds: The gross expenditure threshold for defining a capital item is a sub-project that has a minimum expenditure level of \$50,000.
- Timing: The capital budget must include only those projects that can reasonably be completed during the timeframe proposed in the business case.

The directives further required that capital projects funded by external sources such as donations or grants, shall not be started until and unless all external funding sources are received or guaranteed.

Capital Project Prioritization Categories

The 2005 capital budget process incorporated strategies to prioritize projects so as to ensure that limited resources were allocated in an effective manner. To facilitate the prioritization process, and in recognition of fiscal realities, the following categories were established:

- Health and Safety: a project undertaken to alleviate existing health and safety hazard.
- Legislated/Policy: project that must be done to satisfy legislative requirements or Council By-law or Policy mandates.
- State of Good Repair: project is critical to save the structural integrity of existing facility or repair significant structural deterioration.
- Service Improvement and Enhancement: project improves service delivery above the current Council approved standard or provides the introduction of new services.
- Growth Related: a project that supports growth and development across the City.

As part of the 2005 capital budget process, City Programs and ABCs prioritized their projects within the above categories in order to assist decision-makers to allocate scarce resources in an informed manner. As well, to foster the best resource allocation decisions, previously approved projects with new commitments underwent a full review based on eligibility criteria established by the Executive Management Team, and priorities approved by Council.

Carry Forward Policy:

A capital carry-forward project is a previously approved project where the planned capital work was not completed and its associated cash flow budget was not fully spent and/or committed in the year of approval and the total unspent amount, or a portion thereof, is required in future years in order to complete the project. In the context of cash flow commitments, carry-forward funding refers to the unspent cashflow balance that was approved in a preceding year and is required in the current year in order to proceed with or to complete a capital project. Key elements of the carry-forward policy include:

- Cash flow funding approval will continue to exist for *one fiscal year* in addition to the year in which the project/sub-project was approved when the project is not complete. In effect, City Programs and ABCs will be allowed to carry forward unspent cash flow funds for capital projects/sub-projects for a period of one year subsequent to the year of original approval to establish spending authority for the fiscal year.
- Carry-forward funding requests for projects approved in the previous fiscal year will not form part of the budget-year debt affordability targets. However, Council approval to carry forward the unspent amount must be obtained to establish spending authority.
- Where a project is not completed and approved funds are still not fully spent cash flow by the end of the second fiscal year, any subsequent carry-forward funding request will be treated as *new* and any further spending/funding request will form part of that year's debt affordability targets.
- Change in cash flows and/or project costs related to Change in Scope projects will not constitute carry-forward funding, under the premises of the policy. Change in Scope projects are to be identified as new capital projects with incremental funding requirements.
- During the capital budget process, City Programs and ABCs will conduct a complete review of all previously approved projects to determine their completion status. Projects that will not be completed by the end of the current fiscal year should be identified for carry forward spending approval in the next fiscal year.
- On a project/sub-project basis, the carry forward cash flow amount will not exceed the difference between the actual expenditures and the approved cash flow.

Capital Expenditure and Financing Principles

For the City of Toronto, capital expenditures generally include any expenditure on an asset, which has been acquired, constructed or developed with the intention of being used on a continuous basis beyond the current budget year, and where the assets are not intended for sale in the ordinary course of business. Capital expenditures also include improvements, the purpose of which is to alter or modernize an asset in order to appreciably prolong its useful life or improve its physical output or service capacity. Capital expenditures are included in the capital budget and are financed from various sources of capital funds.

The City relies on a number of sources to fund its capital expenditures. These include Reserves and Reserve Funds, Provincial and Federal Grants, Development Charges, Capital from Current funding (or pay-as-you-go financing), Debt and Other Funding sources not listed above, such as donations.

Guiding principles influencing the selection of funding sources for specific capital projects include the *Equity* principle, which is aimed at ensuring that beneficiaries or consumers of a capital asset or service pay for it. In effect, if a project provides benefits to a specific group, then that group is made to pay for development and related capital costs through user fees. Projects that benefit the entire community are appropriately funded from property tax revenues such as Capital from Current funding.

The *effective financing* principle focuses on ensuring that sufficient funds are available when needed to proceed with a capital project. This principle recognizes that required funds are not always available from the operating budget to pay for capital projects. Therefore, the City must rely on other funding sources to generate the benefits required by its constituents such as debt and reserve and reserve funds.

In selecting amongst available funding sources, the City imputes the cost of borrowing along with other administrative costs associated with competing funding options. It also examines the impact of funding options on the operating budget with a view toward ensuring, in accordance with the *efficiency* principle, that the most cost-effective funding source is utilized.

Annually, the City undertakes an affordability analysis to determine the amount of capital funds available for the capital budget and program. This review assesses the amount of non-debt funds available, and the amount of debt that the City can afford based on its long-term fiscal plan, general state of its assets, and infrastructure expansion requirements to meet growing demands for services. Factors influencing the debt affordability determination include the cost of borrowing, policies on debenture/long term borrowing, the outstanding debt, the impact on credit ratings, and the impact of borrowing on the current account or operating budget.

New Deal and the City of Toronto Act

Because of the slower than anticipated support from the other orders of government, has become increasingly more difficult to fully maintain the City's sizeable and aging infrastructure. While the federal and provincial governments have made some progress by providing a portion of the gas tax revenues to municipalities and by affording them a 100% Goods and Services Tax rebate, the new revenues are significantly shy of what is required to maintain the City's capital assets. Increasingly, the City has had to deplete its reserves and reserve funds to meet the shortfall in assistance received from both the provincial and federal governments – particularly with regards to the TTC capital program. For Toronto to continue to remain the economic engine of the country, and the major sender of tax revenues to the other orders of government, it must receive a fairer share of the tax revenues it generates.

The City continues to negotiate for a new relationship with the other orders of government in order to obtain long-term fiscal tools and solutions. A long-term strategy must rationalize existing revenue and cost sharing arrangements with the federal and provincial governments. The long-term strategy has to recognize the significant role the City plays in the national and provincial economies and the need to address the structural fiscal problem that has placed stress on the ability to maintain the City's infrastructure in a state of good repair and to address the growth demands in the community.

During 2004, progress was made in establishing a new relationship. However, all benefits of the commitments have not been realized, resulting in significant funding pressures in 2005 that will continue to 2007. Initiatives under the new deal include the following:

Federal Government:

100% Goods and services tax rebate was fully implemented effective February 1, 2004. This provides ongoing cost relief estimated at \$48.0 million to the City, (both Operating and Capital Budgets).

Announcement of a 5-cent share of the federal gas tax revenues accruing the City, which is to be phased in beginning in 2005. As yet, the allocation formula is not known (which must include a transit ridership component), and in addition, the City is advocating for flexible eligibility criteria (both state of good repair and growth related projects).

Provincial Government:

City's share of 2 cents of the provincial gas tax revenues to be distributed to municipalities to be phased in at the beginning of October, 2004. The City's share is estimated at \$92.0 million for 2005, and is being allocated to transit related operating expenditures

Review of the City of Toronto Act is another provincial initiative that will address the fiscal challenges faced by the City.

In addition to the above, a tripartite Canada Strategic Infrastructure Fund (CSIF) was entered into with the other two orders of government to finance transit capital projects. This totals \$1.0 billion over 5 years equally distributed between the three orders of government. A final Memorandum of Understanding has been approved which sets eligibility criteria and funding or participation rates for each partner to the agreement. Four major projects identified include: Modernizing Canada's First Subway, Saving the Streetcar, Integrated Bus Network and Integrated Ticketing System. While the City welcomes the above initiatives, permanent sources of funding are needed to ensure that the City achieves a sustainable financial position.

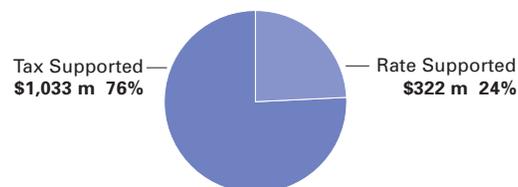
Affordability Analysis:

Annually, the City undertakes an affordability analysis to determine the amount of capital funds available for the capital budget and program. This review assesses the amount of non-debt funds available, and the amount of debt that the City can afford based on its long-term fiscal plan and numerous credit criteria as part of the capital financing strategy. Factors influencing the debt affordability determination include the cost of borrowing, policies on debenture long term borrowing, the outstanding debt, Credit Ratings, and the impact of borrowing on the current account or operating budget.

2005 – 2009 Council Approved Capital Budget and Capital Plan:**Council Approved 2005 Capital Budget**

Chart 1 below highlights the Council approved 2005 Capital Budget of \$ 1.355 billion gross, with \$1.033 billion or 76% related to Tax Supported Programs and \$322,151 million or 24% related to Rate Supported programs.

**Chart 1 – 2005 Council Approved Capital Budget
Tax and Rate Supported
\$1,355,317 Million Cash Flow**



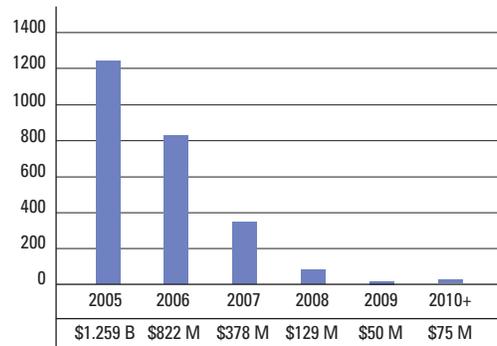
In accordance with prescribed guidelines, the 2005 Capital Budget was prioritized within five categories as shown in Table 1 below. Consistent with prior years, the focus of the capital program continued to be on maintaining capital assets in a state of good repair. As shown in this table, state of good repair expenditures represented 62.7% or \$647.361 million of the 2005 Tax Supported Council Approved Capital Budget.

Table 1 – 2005 Council Approved Capital Budget Tax Supported Expenditures by Category

Category	Gross (\$ Millions)	% of Total
1. Health & Safety	50.545	4.9
2. Legislated	65.555	6.3
3. State of Good Repair	647.361	62.7
4. Service Improvement and Enhancement	119.418	11.6
5. Growth Related	150.287	14.5
Total	1,033.166	100.0

The 2005 Council Approved Tax Supported Capital Budget resulted in the following total cash flows: \$1.259 billion in 2005 (includes 2004 carry-forwards of \$226.288 million); \$822.381 million in 2006; \$377.595 million in 2007; \$128.990 million in 2008; \$49.946 million in 2009 and \$75.179 million in 2010 and beyond, for a total project cost of \$2.713 billion during the period 2005 to 2014 (see Chart 2). Excluding 2004 carry-forward cash flow of \$226.288 million, the 2005 Council Approved Capital Budget is \$1.033 billion.

**Chart 2 - 2005 Council Approved Capital Budget
Tax Supported Program
2005 & Future Year Commitments - \$2.713 Billion**



Cash flow and future year commitments for the 2005 Council Approved Rate Supported Capital Budget total \$797.7 million (including 2004 carry-forward funding of \$49 million – and is comprised of gross capital expenditures of \$371.2 million in 2005, \$252 million in 2006, \$118 million in 2007, \$47.7 million in 2008 and, \$8.6 million in 2009.

2005 Capital Financing:

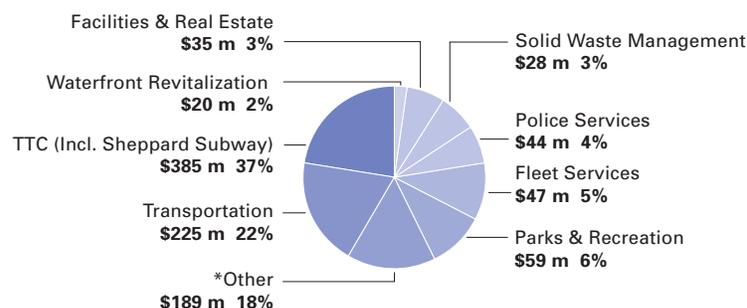
Debt constitutes the principal source of financing for the 2005 Council Approved Capital Budget. Financing sources for the Council Approved Capital Budget included debt of \$526.720 million (comprised of new debt of \$391.720 million and baseline debt of \$135 million). Other significant funding sources included Reserves and Reserve Funds of \$93.176 million, Capital from Current of \$124.172 million, and Development Charges of \$43.835 million.

Financing the Toronto Transit Commission (TTC) Capital program continues to be a major pressure on the City's finances, representing about 61% of the new debt requirements. While assistance from the Province has been forthcoming in the form of a share of the provincial gas tax and other capital subsidies, the Federal gas tax allocation is still to be determined. As a result of delayed federal funding for the TTC, City Programs and other ABC Capital Budgets were constrained so as not to exceed affordable debt limits.

2005 Tax Supported Capital Budget by Major Program

Chart 3 below illustrates the 2005 Council Approved Tax Supported Capital Budget net of carry-forward funding of \$1.033 billion, by major Program.

**Chart 3 - Council Approved 2005 Capital Budget
Tax Supported Program
\$1.033 Billion**

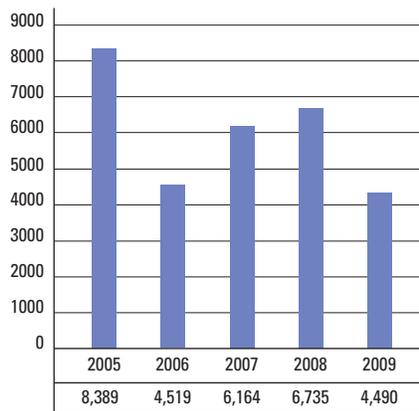


2005 BAC Capital Budget - Incremental Operating Impacts

Typically, the capital program may impact the operating budget in four areas:

- i. Increased operating costs related to new or expanded facilities;
- ii. Efficiency savings from investments that reduce operating costs;
- iii. Direct contributions to Capital from the Operating Fund which reduce the annual borrowing requirements, and;
- iv. Principal and interest payments on debt issued for the capital program.

**Chart 4 - 2005 Council Approved Capital Budget
Incremental Net Operating Impact (Excl Debt Service Cost)
\$30.297 Million**



Excluding debt service charges, the 2005 Council Approved Tax Supported Capital Budget will have an estimated incremental operating budget impact of \$8.4 million in 2005; \$4.5 million in 2006; \$6.2 million in 2007; \$6.7 million in 2008; and, \$4.5 million in 2009 for a total of \$30.3 million (see Chart 4 above). It is estimated that the incremental staffing impact of the 2005 Council Approved Capital Budget will be 160 approved positions during the five-year period 2005 to 2009.

In summary, the 2005 Council Approved Capital Budget satisfies the immediate objective of maintaining the City’s infrastructure and capital assets in a relative State of Good Repair. This notwithstanding, the City has a significant backlog of unmet needs that must be addressed in the near future. Given fiscal realities, it was necessary in 2005 to balance between the strategic objectives of maintaining capital assets in a state of good repair with the need to remain in a financially stable position. This existing gap between program needs and affordability will only be solved in a financially prudent manner with a New Deal and funding partnership with the other orders of government.

Capital Budget Highlights

Toronto Transit Commission Capital Funding

The 2005 Council Approved TTC Capital Budget is \$385.605 million gross and \$237.005 million debt. This budget reflects approximately \$130 million in funding from the provincial and federal governments, which includes estimated gas tax revenue from the federal government of \$33 million and tripartite funding of \$97 million. The Council Approved Capital Budget results in current and future year commitments of \$986.153 million: \$385.605 million required for 2005; \$401.940 million required in 2006; \$179.741 million in 2007; \$17.347 million in 2008 and \$152 million in 2009. During 2005, the TTC plans to take delivery of 250 new 40-foot low floor diesel buses and will continue to maintain its existing infrastructure in a state of good repair. Of the TTC 2005 capital expenditure, 84% is dedicated to replacing and maintaining existing vehicles and infrastructure. The TTC Capital Plan proposes capital expenditures of \$633.642 million in 2006 and \$711.317 million in 2007 due mostly to the increased requirements of vehicle replacement, especially subway cars and refurbishing existing streetcars.

The TTC’s capital forecast amounts to an investment of \$4.7 billion over the next ten years to provide for the reinvestment and rehabilitation of physical infrastructure as well as the replacement of revenue vehicles, to ensure service safety and reliability. A significant portion of these needs relates to fixed rail systems (Subway, Streetcar, and SRT) which are unique to large transit systems.

Clean and Beautiful City Initiative

The Clean and Beautiful City Initiative is one of Council's priorities that was considered in preparing the 2005 Capital Budget. At its meeting of March 1 to 3, 2004, City Council unanimously approved a two-stage approach for the implementation of this initiative. Stage 1 of the program focused on making the City clean. Stage 2 introduces actions to beautify Toronto with the participation and assistance of the public and private sectors. The Clean and Beautiful initiative includes sub-projects in Corporate Services, Works & Emergency Services, Urban Development Services and Economic Development, Culture and Tourism.

The five-point City action plan to Make Toronto a Clean and Beautiful City was approved by Council at its meeting on November 30, December 1 and 2, 2004. The five key actions are Sweep It, Design It, Grow It, Build It and Celebrate It which are implemented over a 3-year period (2005 – 2007). Included in the Capital Budget is base funding of \$7.337 million and \$8.616 million of new funding over a three-year period as follows: \$5.598 million in 2005, \$1.400 million in 2006 and \$1.618 million in 2007. The total recommended capital funding of \$8.616 million is financed by a combination of Development Charges (\$1.975 million) and debt (\$6.641 million).

Other Key Highlights

Children's Services

- Ongoing Health and Safety maintenance and retrofit of playgrounds to required safety standards (\$5.000 million with \$4.000 million conditional on funding from the Province).
- Construction of four new child care centres (at a total estimated cost of \$7.895 million) in under-served areas; the second of five phases to be funded from Childcare Capital Reserve Fund of \$1.946 million.
- Completion of \$2.0 million Enderby Childcare Centre serving 62 children (\$0.702 million gross and \$0.300 million debt).

Homes For The Aged

- Completion of the \$24.5 million True Davidson Acres redevelopment in 2005 (\$4.984 million gross and \$3.635 million debt).
- Ongoing maintenance projects to be funded from the Homes for the Aged Capital Reserve Fund (\$3.500 million gross).
- Redevelopment of the existing Albion Lodge into a Supportive Housing facility totalling \$2.000 million; final payment to Toronto Community Housing Company (\$1.000 million gross and debt).

Shelter, Housing & Support

- Construction of the \$2.200 million Bethlehem United Shelter to be completed in 2006 (\$1.329 million gross and \$0.250 million debt).
- Automation of program operational-reporting requirements of the \$3.649 million client-information-reporting system expected to be completed in 2006 (\$1.248 million gross and \$0.293 million debt).
- Beginning the redevelopment of the \$2.500 million Metropolitan United Church Shelter projects to be completed by 2008 (\$0.800 million gross and debt).

Social Services

- Completion of the IT Refresh initiative totalling \$7.304 million (\$2.330 million gross and \$0.390 million debt).

Emergency Management Plan

- The HUSAR (Heavy Urban Search and Rescue) facility will be located at the Special Operations Training Centre allowing co-ordinated and safe training. The Centre will include a new building for the Base of Operations from which the Toronto HUSAR Taskforce will operate (\$2.1 million gross 2004-2006, \$0.525 million debt, of which the 2005 cashflow amounts to \$1.4 million gross and \$0.350 million debt).

Emergency Management Services

- Asset management projects including the maintenance and repair of various roofing, HVAC and paving projects throughout existing ambulance stations (\$1.258 million gross and debt).
- Second phase of the electronic data collection project (\$1.200 million gross and debt).
- Public access defibrillator program - to train a select group of City of Toronto employees as "first responders" in CPR and in the use of an Automated External Defibrillator (AED) for victims of sudden cardiac arrest (\$0.450 million gross and debt).

Fire Services

- Various asset management projects related to the state of good repair of fire stations and facilities (\$2.152 million gross and debt).
- Acquisition of additional portable radios (\$0.470 million gross and debt).
- Construction of the new Station C on Sheppard east of Leslie (\$0.200 million gross and \$0.100 million debt).

Solid Waste Management Services

- Acquisition of Split Body Collection Vehicles in order to implement the Three Stream system recommended by the Waste Diversion 2010 Task Force (\$1.700 million gross and debt).
- Implementation of the Three Stream system recommended by the Waste Diversion 2010 Task Force - modifications at transfer stations (\$1.310 million gross and debt).
- Ongoing work to provide additional Source Separated Organics Processing capacity (\$1.5 million gross and debt)

Transportation Services

- Resurfacing and reconstruction of local and major roads (\$60.458 million gross and debt)
- Rehabilitation of City bridge including the Leaside Bridge project at a total cost \$8.800 million gross and \$6.100 million debt (\$25.800 million gross and \$23.100 million debt for 2005).
- Carry-forward funding provided to cover costs for Front Street Extension project activities currently underway (\$13.349 million gross and \$0.0 debt). The balance of 2005 funding of \$58.698 million deferred pending Council consideration of the Gardner Expressway dismantling.

Works and Emergency Services Departmental

- Funding Health and Safety and State of Good Repair projects of various shared yard facilities (\$2.0 million gross and debt).
- The Toronto Infrastructure Data Standards project (TIADS) will establish a computer-based, integrated data base and information system, that will describe the physical condition and location of the City's transportation system, water distribution network, sewer collectors, etc. When completed in 2006, it will become an important management tool for a number of City programs including Transportation Services and Toronto Water The total cost is \$3.9 million and is to be fully funded through debt.

Culture

- Casa Loma structural repair and masonry restoration (\$2.102 million gross, \$1.302 million debt).
- Todmorden Mills Museum and Art Centre restoration (\$1.516 million gross and debt)
- Fort York restoration (\$0.677 million gross and debt).

Economic Development

- Ongoing streetscape improvements in 20 Business Improvement Areas in the City (\$0.839 million gross, \$0.419 million debt).
- Commercial Façade Improvement grants in 7 areas in the City (\$0.246 million gross and debt).
- Ongoing Employment Revitalization Area programs in 7 areas in the City (\$0.306 million gross and debt).
- New funding for streetscape improvements in 45 Business Improvement Areas in the City including \$0.142 M for the Korea Town BIA (\$3.331 million gross and \$1.939 million debt).
- New funding for grants to improve commercial building facades in 7 areas (\$0.327 million gross and debt).
- New funding for improvements to 9 employment revitalization areas (\$0.466 million gross and debt).

Parks & Recreation

- Improve outdoor recreation facilities, including skateboard parks (\$4.958 million gross and \$3.201 million debt)
- Develop new parks and make improvements to existing ones (\$14.274 million gross and \$4.250 million debt)
- Purchase new grass cutting machines and tree service vehicles to support Council's "Clean and Beautiful City" initiative (\$2.971 million gross and debt)
- Repair and refurbish tennis courts and parking lots (\$1.506 million gross and debt)
- Refurbish and improve playground and water play facilities (\$3.044 million gross and \$2.022 million debt)
- Repair and refurbish indoor and outdoor pool facilities (\$3.413 million gross and \$3.394 million debt)
- Refurbish and improve indoor and outdoor arena facilities (\$9.053 million gross and \$7.484 million debt)
- Refurbish and improve trails and pathways (\$1.757 million gross and \$1.440 million debt)
- Restore and maintain the City's natural environment, including the Tree Advocate Program and environment education initiatives (\$3.254 million gross and \$2.512 million debt)

- Refurbish and improve a number of special facilities, including the City's three conservatories – the Civic Garden Centre, Allen Gardens and the Centennial Park Conservatory (\$3.965 million gross and \$3.351 million debt)
- *Refurbish, improve and develop additional community centre facilities (\$4.510 million gross and \$3.012 million debt)*

Tourism

- Design creation of Canada's Walk of Fame to make it more accessible as an attraction (\$0.075 million gross and \$0.038 million debt).

Urban Development Services

- Implementation of 8 Streetscape improvement projects across the City, including enhancements to Beecroft Rd., Bathurst St., Royal York Rd., Ellesmere Rd., and The Queensway (\$1.190 million gross and \$0.718 million debt).
- Implementation of Council's Clean and Beautiful City Initiative through expanded Civic Improvement project initiatives which include an additional 6 sites across the City (\$1.0 million gross and \$0.669 million debt).
- Continued development of the New Citywide Zoning By-Law (\$1.514 million gross and debt).
- Enhancements to programs Integrated Business Management System (IBMS) in order to ensure flexibility to support Council's priority to improve public services (\$0.836 million gross and debt). Enhancements include MLS, Web Disclosure, Internet Pilot Project, and Bill 124 Performance Management.

Waterfront Revitalization Initiative

- Realignment of 2005 cashflow and revised 5 year Business Plan to address City Council's policies regarding "making progress on the Waterfront" and "Transit first" (\$20.028 million gross and \$19.827 million debt). This year's projects include improvements to the Martin Goodman Trail and Leslie Street Corridor, the development of Parks and other public amenities, and the implementation of East Bayfront and West Donlands Precinct Plans, including construction of light rapid transit to service these precincts.

Facilities and Real Estate

- Funding for a design competition for Nathan Philips Square (\$0.275 million gross and debt); related to Clean and Beautiful City initiative.

Information & Technology

- Telecomm Management System – a new inventory and billing system to manage the land line and cellular contracts (\$0.250 million gross and debt).

Yonge Dundas Square

- Complete the Yonge Dundas Square Redevelopment Project (\$0.128 million gross and debt).
- Construct a permanent canopy over the stage on the Square (\$0.350 million gross and debt).

Exhibition Place

- Address deterioration in the Princes Gates (\$0.540 million gross and debt).
- Replace the Bandshell Canopy (\$0.900 million gross and debt).
- Enclose the court yard at the Better Living Building (\$0.470 million gross and debt).
- Install Equipment for Parking Security System, Electrical and Transformers (\$1.515 million gross and debt).
- Replace windows and various repairs in the Queen Elizabeth Building (\$0.500 million gross and debt).

Toronto & Region Conservation Authority

- Various erosion control projects including Fishleigh Drive; Wicksteed Ave.; the Guild Inn; Manitoba Road; etc. (\$1.800 million gross and \$0.900 million debt).
- Waterfront development projects including Ashbridge's Bay; East Point Park; Tommy Thompson Park; Arsenal Park Development; etc. (\$1.193 million gross and \$0.893 million debt).
- Black Creek Pioneer Village Retrofit (\$0.350 million gross and debt).
- Improvement of public use infrastructure including improvements to conservation areas. (\$0.171 million gross and debt).

Toronto Parking Enforcement Operations

- Implementation of computerized handheld parking enforcement devices (\$4.1 million gross and debt).

Toronto Police Service

- Completion of 43 Division (\$4 million gross and debt)
- Initial work on the new training facility (\$3.8 million gross and debt)
- 41 Division land acquisition (\$3.254 million gross and \$0 debt)
- 14 Division preliminary work (0.75 million gross and debt)

Toronto Public Health

- Final phase of the \$7.5 million Toronto Community Health Information System designed provide an integrated City-wide client database replacing 30 incompatible legacy systems (\$1.070 million gross and \$0.251 million debt).
- Replacement of systems that are more than 10 years of age and to enable access to a national database to support the communicable disease control (\$0.628 million gross and \$0.283 million debt).
- Ongoing facilities state of good repair maintenance (\$0.604 million gross and debt).

Toronto Public Library

- New building projects include first year funding for the design and drawings for; Thorncliffe Library/Jenner Jean-Marie Community Centre Project (\$0.090 million gross and debt); Bloor/Gladstone Renovation and Expansion for (\$0.345 million gross and \$0.027 million debt); S.W. Stewart Renovation for (\$0.240 million gross and \$0.068 million debt); multi-branch minor renovations for (\$1.624 million gross and \$1.563 million debt); and on-going repair and retrofit of the Toronto Reference Library (\$1.604 million gross and \$1.577 million debt).
- Building projects expected for completion in 2005 include the following: Runnymede Renovation (\$0.640 million gross and debt), Beaches (\$0.845 million gross and debt), and Long Branch (\$1.140 million gross and debt)
- IT equipment replacement and upgrades, web site upgrades and replacements, upgrades to the Children's web sites, additional disc space and replacement of the Integrated Library System (\$3.711 million gross and \$1.5 million debt).

Toronto Transit Commission

- Acquisition of 250 Orion VII buses (\$122.042 million gross).
- Vehicle Overhaul Programs including buses, SRT cars and streetcars (\$45.5 million gross).
- Track Program (\$44.0 million gross).
- New Mount Dennis Bus Facility (\$13.5 million gross).
- SOGR of Signals Systems, Traction Power and Subway Car Communication, Reconstruction of Streetcar Overhead and Power Distribution and Electrical Systems (\$38.0 million gross).

Toronto Zoo

- Completion of a detailed design phase of the North Site Redevelopment project (\$2.215 million gross and debt).
- Construction of a new Quarantine Facility to meet current animal health requirements as new animals arrive at the Zoo (\$1.372 million gross and debt).

Toronto Parking Authority

- On-Street Pay and Display - Replacement of single space meters with pay and display machines has proven very successful and will continue with an annual increment of 130 machines in 2005, 2006 and 2007 (\$1.886 million gross 2005, \$0 debt).
- College/University - Development of parking to service the Medical and Research Services (MARS) facility (\$7.5 million gross 2005, \$0 debt).

The 2005 Council Approved Budget fulfils the goal of ensuring that the City's infrastructure and capital assets are maintained in a state of good repair and provides assurance that health and safety risks are minimized. Further, the 2005 Capital Budget and 2006 to 2014 Capital Plan incorporates reasonable service expansion and growth to meet the increasing demands of a growing population for City services.

Capital Financing - Historical Comparison (1998 – 2005)

Table 3 below represents a historical summary of the City's budget by financing source. Evident is that debt continues to be the largest financing source and that the other orders of government provide relatively small and inconsistent subsidies. For example, the Province of Ontario capital financing contribution declined from 38% of the 1998 Capital Budget including (Sheppard Subway funding) to an estimated 7% of the 2005 Council Approved Capital Budget.

Table 3 – 1998-2005 Council Approved Capital Budget Tax Supported - By Funding Source (\$Million)

Funding Sources	1998	1999	2000	2001	2002	2003	2004	2005	
								Staff Rec'd	Council App.'d
Prov. Grants & Subsidies	359.1	25.2	75.5	22.8	103.7	112.2	75.8	80.4	82.6
Federal Subsidy	0.0	0.0	0.0	0.0	76.5	103.6	70.0	20.8	53.9
Cap. fr. Current	118.4	143.4	146.2	148.2	146.5	124.2	124.2	124.2	124.2
Res./Res. Funds	98.4	370.9	89.1	170.2	143.9	131.5	132.1	94.6	93.2
Developmental Chrages	0.0	0.0	8.7	4.5	8.1	20.2	24.0	40.5	43.8
Other	79.6	50.3	337.2	311.1	170.2	111.9	161.0	133.2	108.8
Debt	288.9	613.0	324.3	463.2	304.1	361.6	321.0	626.2	526.7
Total - Tax Supported	944	1,203	981	1,120	953	965	908	1,120	1,033

Maintaining the City's infrastructure valued at over \$52 billion without adequate assistance from the other orders of government has been a major challenge during the past several years and, it is becoming increasingly more difficult given the City's relatively inelastic sources of revenue. Request for a New Deal has yielded some returns in the form of a 100% Goods and Services Tax (GST) rebate, a share of the gas tax revenues, and the TTC tripartite capital funding agreement.

To a large extent, the City has exhausted its non-debt internal capital financing sources to compensate for the shortfall in financial support from the federal and provincial governments. This has resulted in increased reliance on debt, and a significant capital asset maintenance backlog.

Capital Budget by Category - Historical Comparison (1999 – 2005)

Table 4 below shows that State of Good Repair spending has been by far the largest capital expenditure category since amalgamation. Yet, estimates as at December 2004 suggest significant deferred maintenance or backlog. Evidently, insufficient funding of the City's capital program has resulted in significant accumulated state of good repair backlog. Instead, fiscal analysis confirms that the infrastructure deficit problem will continue well into the future if new and sustainable revenue and capital financing opportunities are not found.

Table 4 – City of Toronto 1999 - 2005 Capital Budget by Category Tax Supported (\$million)

Category	1999	2000	2001	2002	2003	2004	2005	
							Staff Rec'd	Council App.'d
Health & Safety	—	—	—	33.8	21.1	48.0	52.0	50.5
Legislated	19.6	96.4	104.9	67.7	74.5	75.0	66.0	65.6
State of Good Repair	897.4	541.2	694.5	599.4	682.3	571.0	713.0	647.3
Service Improvement	40.5	71.1	100.3	89.0	70.0	103.0	125.0	119.4
Growth	239.6	272.6	220.8	163.0	117.2	108.0	164.0	150.3
Total - Tax Supported	1,197.1	981.3	1,120.5	952.9	965.1	905.0	1,120.0	1,033.1

2005 Capital Budget and 2006 to 2009 Capital Plan – Current and Future Year Estimates

Future Year Estimates refer to cash flows associated with project/sub-project proposals included in the capital plan. Current and Future Year Estimates is the annual values of the cash flows required for current budget and future year capital work. As indicated in Table 5 above, the current and future year estimates included in the 2005 – 2009 Council Approved Capital Budget and Plan totals \$6.851 billion.

Table 5 – Total Capital Program 2005 - 2009 Current & Future Year Estimates (\$000)

	Approved 2004	Approved 2005	Capital Forecast				Total
			2006	2007	2008	2009	2005-2009
Tax-Supported							
Community and Neighbourhood Services Works and Emergency Services	21,326	25,629	29,015	27,134	21,587	20,734	124,099
Economic Devel., Culture and Tourism	63,569	71,180	114,869	105,500	82,754	89,371	463,674
Urban Development Services	24,110	27,582	101,111	81,688	70,720	34,284	315,385
Corporate Services	148,248	124,541	94,327	88,064	77,902	75,538	460,372
Finance	4,034	3,153	8,890	2,005	3,525	3,875	21,448
Other City Departments	22,741	16,806	18,987	13,957	6,212	—	55,962
Special Purpose Bodies (Excl. TTC & GO)	75,630	84,341	110,321	97,566	100,860	105,006	498,094
Total Tax Supported Programs (Excl. TTC & GO)	622,776	628,124	961,995	790,143	736,747	694,388	3,811,397
GO Transit	—	19,437	21,700	22,900	20,300	18,400	102,737
Toronto Transit Commission - Sheppard Subway	(2,248)	16,981	—	—	—	—	16,981
Toronto Transit Commission (Excl. R.T.E.P.)	285,000	368,624	640,322	699,917	599,661	501,409	2,809,933
Total Tax Supported Programs (Incl. TTC & GO)	905,528	1,033,166	1,624,017	1,512,960	1,356,708	1,214,197	6,741,048
Toronto Parking Authority	22,744	24,191	22,671	21,136	21,000	21,200	110,198
Water & Wastewater Programs	249,500	338,500	447,300	491,900	535,500	502,000	2,315,200
Total City	1,177,772	1,395,857	2,093,988	2,025,996	1,913,208	1,737,397	9,166,446

It is evident from the comparative historical and forecast analysis above that the City has focused on maintaining its infrastructure and other capital assets in a state of good repair, and where possible meet the demand for growth and service enhancement. However, this has been done with an historical under-funding from the other orders of government. As a result, the City has had to fill the resulting funding gap by drawing from reserves and reserve funds and issuing debt.

On average, capital expenditure forecast for Tax Supported Programs and ABCs is estimated at \$1.348 billion per year. This approximates an annual additional expenditure increase of more than \$300 million, which will require new sources of revenue simply to maintain the City's capital infrastructure in a state of good repair. Further review of future capital needs within the context of the City's fiscal affordability will be required.

In conclusion, the 2005 Council Approved Capital Budget addresses the City's Health and Safety, Legislated and State of Good Repair needs in an optimal way – given existing fiscal challenges. While priority was given to the three categories listed above, the capital program also fulfils the short-term need for growth in strategic areas, and for service expansion to accommodate demands and expectations of constituents. Managing the City's debt burden without compromising the state of good repair of existing assets or the health and safety of its citizens has been a major consideration. Nevertheless, there continues to be a gap between spending needs as identified in program submissions and what can be afforded as detailed in the Council Approved budget. It is imperative that this gap be addressed within the next few years in order to ensure that the City's assets are maintained in a state of good repair and that maximum utility is derived from its infrastructure and capital assets.

2005 Council Approved Capital Budget

2005 Cash Flow & 2006 - 2014 Commitments (Excluding 2004 Carry Forwards)

(\$000s)	Cash Flow							Financing Sources						
	Total Cash Flow 2005-2014	2005	2006	2007	2008	2009	2010 to 2014	Prov. Sub. & Grants	Develop. Charges	Reserves	Reserve Funds	Capital from Current	Other	Debt/ Internal Sources
Community and Neighbourhood Services														
Children's Services	8,218	8,218	—	—	—	—	—	4,000	—	—	2,428	490	—	1,300
Homes for the Aged	9,734	9,734	—	—	—	—	—	21,991	—	250	3,500	1,000	—	(17,007)
Shelter, Housing & Support	30,527	5,347	15,690	7,495	1,995	—	—	3	—	—	—	593	4,674	25,257
Social Services	2,330	2,330	—	—	—	—	—	—	—	—	—	390	1,940	—
Department Total	50,809	25,629	15,690	7,495	1,995	—	—	25,994	—	250	5,928	2,473	6,614	9,550
Works and Emergency Services														
Emergency Medical Services	12,010	6,616	4,344	750	300	—	—	472	—	—	—	2,350	—	9,188
Emergency Management Plan	4,983	2,836	2,147	—	—	—	—	—	—	—	—	—	2,805	2,178
Fire	15,268	7,880	3,160	3,934	294	—	—	—	2,450	—	—	6,742	—	6,076
Solid Waste Management	73,163	28,424	29,194	15,503	42	—	—	—	—	—	18,040	647	—	54,476
Transportation	396,653	224,976	133,458	24,259	13,960	—	—	—	61,927	—	4,289	25,865	48,939	255,633
Works & Emergency Services	6,723	4,160	2,518	45	—	—	—	—	—	—	—	2,072	658	3,993
Department Total	508,800	274,892	174,821	44,491	14,596	—	—	472	64,377	—	22,329	37,676	52,402	331,544
Economic Development, Culture and Tourism														
Culture	10,573	6,671	3,902	—	—	—	—	425	—	—	1,340	350	1,836	6,622
Economic Development	7,423	5,515	1,908	—	—	—	—	—	—	—	—	3,529	2,684	1,210
Parks & Recreation	73,090	58,919	13,977	194	—	—	—	—	11,893	2	11,186	12,578	3,300	34,131
Tourism	75	75	—	—	—	—	—	—	—	—	—	—	37	38
Department Total	91,161	71,180	19,787	194	—	—	—	425	11,893	2	12,526	16,457	7,857	42,001
Urban Development Services														
Urban Development Services	12,057	7,554	2,865	1,638	—	—	—	—	2,192	—	—	5,495	—	4,370
Waterfront Revitalization	360,657	20,028	93,086	75,380	66,940	30,594	74,629	179	—	—	—	—	179	360,299
Department Total	372,714	27,582	95,951	77,018	66,940	30,594	74,629	179	2,192	—	—	5,495	179	364,669
Corporate Services														
City Clerk's Office	6,282	3,016	2,500	216	—	—	550	—	—	2,596	—	1,266	—	2,420
Court Services	—	—	—	—	—	—	—	—	—	—	—	—	—	—
End of Lease Strategy	34,328	34,328	—	—	—	—	—	—	—	—	222	13,857	20,249	—
Facilities and Real Estate	66,739	34,655	21,352	7,901	2,535	296	—	—	—	—	—	4,967	—	61,772
Fleet Services	71,949	47,245	12,613	12,091	—	—	—	—	—	—	71,949	—	—	—
Information Technology	37,272	5,297	10,490	7,607	7,842	6,036	—	—	—	—	—	5,297	—	31,975
Department Total	216,570	124,541	46,955	27,815	10,377	6,332	550	—	—	2,596	72,171	25,387	20,249	96,167
Finance														
Finance	9,843	3,153	6,690	—	—	—	—	—	200	—	500	2,271	2,787	4,085
Department Total	9,843	3,153	6,690	—	—	—	—	—	200	—	500	2,271	2,787	4,085
Other														
Energy Retrofit Program	17,902	9,765	4,400	3,737	—	—	—	—	—	—	—	—	4,457	13,445
Union Station	13,942	6,563	7,379	—	—	—	—	—	—	—	—	—	7,931	6,011
Yonge-Dundas Project	478	478	—	—	—	—	—	—	—	—	—	—	—	478
Department Total	32,322	16,806	11,779	3,737	—	—	—	—	—	—	—	—	12,388	19,934
Total City Operations	1,282,219	543,783	371,673	160,750	93,908	36,926	75,179	27,070	78,662	2,848	113,454	89,759	102,476	867,950

2005 Cash Flow & 2006 - 2014 Commitments (Excluding 2004 Carry Forwards) (continued)

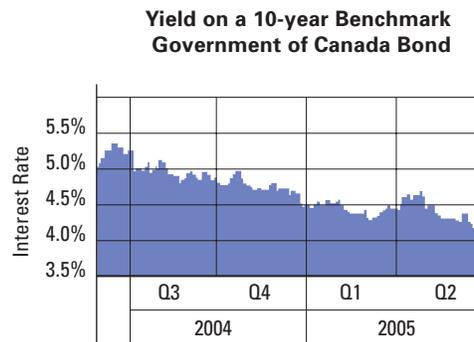
(\$000s)	Cash Flow							Financing Sources						
	Total Cash Flow 2005-2014	2005	2006	2007	2008	2009	2010 to 2014	Prov. Sub. & Grants	Develop. Charges	Reserves	Reserve Funds	Capital from Current	Other	Debt/ Internal Sources
Special Purpose Bodies & Other														
Exhibition Place	5,550	5,550	—	—	—	—	—	—	—	—	—	2,810	—	2,740
Toronto And Region Conservation Authority	6,778	5,946	832	—	—	—	—	—	—	—	3,362	315	—	3,101
Toronto Parking Enforcement Operations	4,534	4,534	—	—	—	—	—	—	—	—	434	—	—	4,100
Toronto Police Service	139,575	44,254	36,946	29,140	17,735	11,500	—	—	—	11,552	3,254	5,093	—	119,676
Toronto Port Authority	3,000	3,000	—	—	—	—	—	—	—	—	—	—	—	3,000
Toronto Public Health	2,302	2,302	—	—	—	—	—	465	—	—	—	534	8,855	(7,552)
Toronto Public Library	32,066	13,716	10,386	7,964	—	—	—	—	5,234	—	348	4,613	2,211	19,660
Toronto Zoo	5,643	5,039	604	—	—	—	—	—	—	—	—	1,611	—	4,032
Special Purpose Bodies & Other Total	199,448	84,341	48,768	37,104	17,735	11,500	—	465	5,234	11,552	7,398	14,976	11,066	148,757
TOTAL TAX SUPPORTED CAPITAL PROGRAM														
(Excl. TTC & GO Transit)	1,481,667	628,124	420,441	197,854	111,643	48,426	75,179	27,535	83,896	14,400	120,852	104,735	113,542	1,016,707
Transit														
GO Transit	19,437	19,437	—	—	—	—	—	—	—	—	—	19,437	—	—
Toronto Transit Commission - Sheppard Subway	16,981	16,981	—	—	—	—	—	—	—	—	—	—	—	16,981
Toronto Transit Commission (Excl. R.T.E.P.)	969,172	368,624	401,940	179,741	17,347	1,520	—	464,179	12,003	—	—	—	325,187	167,803
Total Transit	1,005,590	405,042	401,940	179,741	17,347	1,520	—	464,179	12,003	—	—	19,437	325,187	184,784
TOTAL TAX SUPPORTED CAPITAL PROGRAM														
(Incl. TTC & GO Transit)	2,487,257	1,033,166	822,381	377,595	128,990	49,946	75,179	491,714	95,899	14,400	120,852	124,172	438,729	1,201,491
RATE SUPPORTED PROGRAM														
Toronto Parking Authority	25,726	24,191	1,535	—	—	—	—	—	—	—	1,700	—	24,026	—
Water Program	359,291	187,792	131,353	34,683	5,413	50	—	—	—	—	314,332	—	44,959	—
Wastewater Program	363,586	110,168	119,200	83,314	42,356	8,548	—	—	—	—	363,586	—	—	—
TOTAL RATE SUPPORTED CAPITAL PROGRAM	748,603	322,151	252,088	117,997	47,769	8,598	—	—	—	—	679,618	—	68,985	—
TOTAL CAPITAL PROGRAM														
(Incl. TTC & GO Transit)	3,235,860	1,355,317	1,074,469	495,592	176,759	58,544	75,179	491,714	95,899	14,400	800,470	124,172	507,714	1,201,491

Capital Market Financing Activities during 2005

By-law No. 69-2005, as adopted by Council on February 3, 2005 authorized the Mayor and Treasurer to enter into agreements for the issue and sale of debentures during the year to authorize an amount not exceeding \$500,000,000 for purposes of the City and including the purposes of the former municipality of Metropolitan Toronto.

Financial Market Environment during 2005

North American economies have entered into a period of uncertainty with concerns regarding inflation and slowing growth forecasts. Higher oil and energy prices have also been a concern as well as the political uncertainty in Canada that has resulted in the under-performance of the Canadian dollar in the foreign exchange markets. While inflation in the United States appears to be increasing and the US Federal Reserve has gradually increased interest rates, the Bank of Canada is not increasing domestic interest rates to the same degree and but are not inclined to ease monetary policy during the year. However, it is being forecasted that long-term interest rates could rise by 25 (0.25%) to 50 (0.50%) basis points by end of the fourth quarter of 2005.



The Canada benchmark interest rate for a ten-year term fluctuated during the first five months of 2005 from a high of 4.35% in January 2005 to a low of 4.00% at the end of May 2005. There continues to be volatility during this trading range.

Debenture Issuance

During 2005 to the end of May, the City has issued a \$300 million in debentures consisting of the following:

Non-callable \$40,000,000 Instalment Debentures, as well as 3.75% Sinking Fund Debentures and 4.55% Sinking Fund Debentures dated: May 20, 2005

Principal Amount	Interest Rate	Maturity Date	Offering Price(1)	Offering Yield
\$40,000,000 Instalment Debentures				
\$ 10,000,000	2.90%	2006	\$ 99.980	2.920%
10,000,000	3.15	2007	99.920	3.190
10,000,000	3.40	2008	99.930	3.425
10,000,000	3.65	2009	100.000	3.650
\$260,000,000 Sinking Fund Debentures				
\$ 60,000,000	3.75%	2010	99.482	3.865%
\$ 200,000,000	4.55	2015	99.421	4.623
\$ 300,000,000				

The \$40,000,000 instalment debentures (the "Instalment Debentures"), as well as the 3.75% \$60,000,000 and the 4.55% \$200,000,000 sinking fund debentures (collectively, the "Sinking Fund Debentures") issued by the City of Toronto (the "City") will constitute direct, unsecured and unsubordinated obligations of the City in respect of the Instalment Debentures and direct, general and unsubordinated obligations of the City in respect of the Sinking Fund Debentures.

The structure and pricing of the transaction achieved the lowest cost of funds available relative to other potential structures, markets and currencies as permitted by provincial legislation.

The City's first debenture issue of 2005 received an excellent reception in an attractive and firm bond market. The overall net average cost of financing the \$300 million issue was approximately 4.54% for a weighted-average term-to-maturity of 8.00 years.

The issue's maturity structure blends current capital market conditions with the matching of the economic life of the capital expenditure with its financing term and budgeted requirements.

For the remainder of 2005, it is anticipated that the City will continue to review opportunities for financing and debt issuance based upon budgeted expenditure requirements and an evaluation of current capital market conditions.

Credit Ratings

The City of Toronto is recognized as an important participant in global financial markets. The maintenance of a high quality credit rating is essential to insure that the City's ability to access the most cost-effective world capital markets will continue.

A municipality's credit rating helps to determine the ability to borrow funds. Credit rating agencies assess the City's financial position by comparing it with other cities and regions. A number of factors affect the credit rating, such as quality of management; strength of economy; level of reserves, state of repair of assets, debt levels, etc. If a municipality's current debt levels and future trends appear to be high, this will have a negative impact on its credit rating. If debt levels are considered low, this will have a positive impact. The rating essentially indicates the City's ability to make payments on the debt now and in the future.

While the City's debt affects its rating, the rating affects the City's ability to borrow, as well as the cost of borrowing. A higher rating translates into a lower cost of borrowing, as well as a wider market for investors to invest in City debt. Below a certain rating, investors may have policies that don't allow them to purchase the City's debt. The City would then have to offer a higher interest rate to attract investors.

Currently, the City of Toronto's credit ratings are:

- › Dominion Bond Rating Service (DBRS) — AA with a stable outlook (reaffirmed May 17, 2004)
- › Standard and Poor's Canada (S&P) — AA with a stable outlook (reaffirmed December 2004)
- › Moody's Investor Service — Aa1 with a stable outlook (reaffirmed in January 2005)

Outlook for 2006

For 2006, the Province continues to offer the option of capital financing through the Ontario Strategic Infrastructure Financing Authority (OSIFA) to finance various capital expenditures. While the City has not chosen to finance through OSIFA to date, it remains another option for its consideration.

The City will continue to monitor the domestic and international capital markets as well as evaluating alternative financing vehicles to identify opportunities to achieve the lowest cost of capital funding for the City.

Toronto's 2003 Results

On October 3, 2000 the Province introduced the Municipal Performance Measurement Program (MPMP) indicating that "Ontario municipalities have more authority now than they had in the past and, with increased authority, comes the need for greater accountability." Additional provincial objectives for MPMP are to improve service delivery, share best practices within and among municipalities and to increase taxpayer awareness.

Results of MPMP for each calendar year are required to be reported to the Ministry of Municipal Affairs & Housing by June 30th and to taxpayers by September 30th of the subsequent year. Since the original introduction of the program for the 2000 reporting year, the program has been expanded from sixteen performance measures, to twenty-six (thirty-eight including component measures) for the 2003 reporting year. At the time of publishing the City of Toronto's 2005 Operating Budget Book, the 2004 MPMP results were still in development, therefore, 2003 results have been provided. For the most recent MPMP results, please refer to the City's web site http://www.toronto.ca/city_performance/index.htm

The ten service areas currently included under MPMP are:

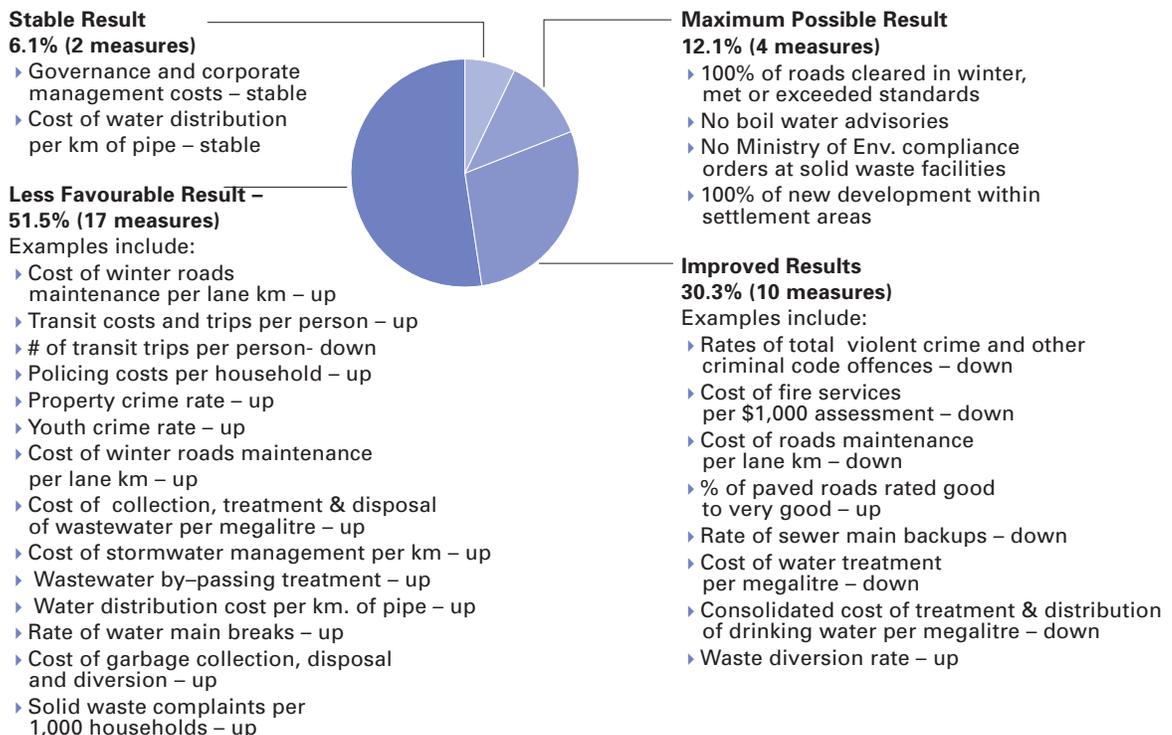
- | | |
|---------------------|-----------------------|
| 1. Local Government | 6. Wastewater |
| 2. Fire | 7. Stormwater |
| 3. Police | 8. Water |
| 4. Roads | 9. Solid Waste |
| 5. Public Transit | 10. Land Use Planning |

Very few changes have been made to the 2003 MPMP measures by the Ministry of Municipal Affairs and Housing, and they have been primarily to clarify technical definitions. For measures with 2003 definitional changes or where there have been changes in how Toronto's data has been compiled to match these technical definitions, the 2002 comparative results have also been restated to ensure comparability between the two years.

Toronto's 2003 Results in Relation to 2002

A summary of Toronto's MPMP results for both 2003 and 2002 is included at the end of this report. Of the 33 measures in MPMP, approximately 49% have results in 2003, that are either the highest possible result, an improved result or a stable result relative to 2002. These results are summarized in Chart 1:

Chart 1 – Toronto's 2003 vs. 2002 MPMP Results
(Total of 33 Measures)



Toronto's 2003 Results

For a number of efficiency measures, the cost per unit has increased in 2003. These increases are not however, an indication of inefficiency but usually have resulted from factors such as increased wage rates arising from collective agreements.

The one program area where there has been a significant change in 2003 is Solid Waste Management. As predicted in previous reports, there has been a significant, but expected, increase in their per tonne costs in 2003. This has resulted from:

- ▶ Increased disposal costs due to the provincially directed closure of the City's Keele Valley landfill site at the end of 2002. Disposal costs at Keele Valley were much lower than the more costly alternative of shipping solid waste to Michigan for disposal.
- ▶ In 2003, there was a large reduction in the tonnage of waste disposed of by the City. This is primarily related to:
 - ▶ A reduction of commercial industrial waste handled by the City that prior to 2003 was disposed of at Keele Valley but in 2003 has moved to other service providers. Prior to 2003, the City's fixed costs for waste disposal could be spread out over larger tonnages that included a sizeable commercial/industrial component.
 - ▶ A reduction in the amount of residential garbage collected and disposed of which has been replaced by increased diversion activities which are inherently more costly, on a per tonne basis, for collection and processing.
- ▶ There has also been a change in the mix of recyclable materials that are being diverted as organics programs have been introduced. The net cost per tonne to divert organics (green bin) is higher than those to divert paper, fibre and containers (grey and blue box) because:
 - ▶ There is little revenue (a component in the calculations) from composting organics but there is through the sale of processed paper, fibre and containers.
 - ▶ Composting organics is significantly more expensive on a per tonne basis than processing paper, fibre and containers.
 - ▶ Contracted processing of leaf and yard waste in 2003 much more expensive than in-house composting at the Keele Valley Composting Facility which closed at the end of 2002 to the receipt of any new material.

The costs of Solid Waste Management will continue to increase in future years as lower cost disposal tonnage is shifted to the more costly diversion stream. Diversion costs will also increase each year as more material types are added to the City's diversion programs. All material types that are easily processed and that have a high resale value are already part of our existing diversion programs. New material types that are added to increase our diversion rates in the future, will tend to be more costly to process, on a per tonne basis, and will likely have minimal residual market values.

External Comparisons of Results with other Similar Municipalities

In addition to internally comparing and monitoring the City's own year over year results, comparisons to other Ontario municipalities can also be made. Other organizations or municipalities may in turn, be comparing their results to Toronto. If Toronto's results are to be examined or compared to other municipalities, there are a number of factors that influence Toronto's performance measurement results that must be taken into consideration in any analysis or interpretation of results. There can be differences in municipalities between their respective service levels and standards, urban form, socio-demographics, form of municipal government (single versus two tier) and accounting policies, all of which can impact results. These factors are listed for each of the measures in the following report:

http://www.toronto.ca/city_performance/pdf/2003_mpmp_results_pf_june2804.pdf

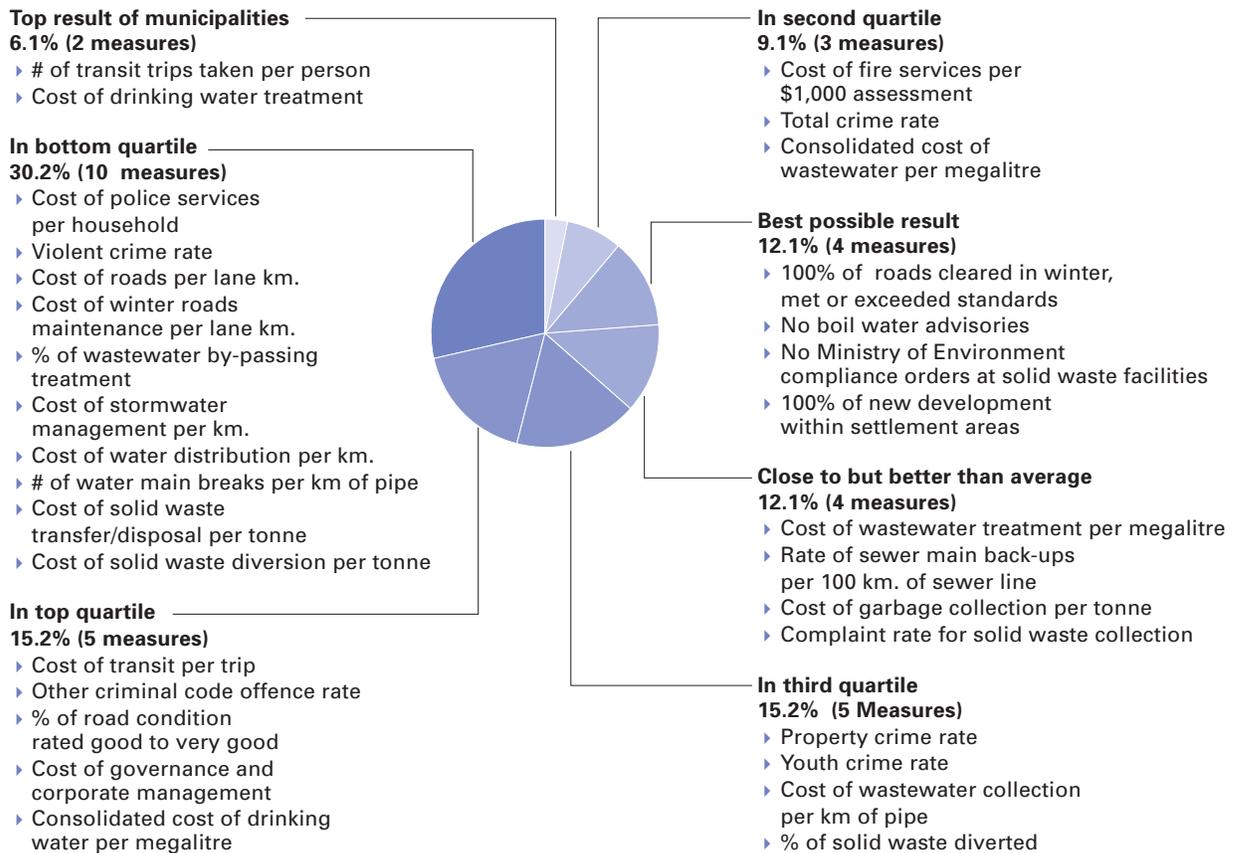
Toronto is also unique among Ontario municipalities because of its size and its role as the centre of business, culture, entertainment, sporting and provincial and international governance activities in the Greater Toronto Area. Approximately 17.8 million tourists visited Toronto in 2003 and there is an estimated daily influx of 299,100 vehicles and 357,500 persons from surrounding regions into Toronto during the morning rush hours in addition to non-residents entering the City through public transit. All of these factors pose special demands on Toronto's municipal services.

Toronto's 2003 Results

Summary of Toronto's 2003 MPMP Results in Relation to Other Municipalities

In total, 54.6 % or 18 out of 33 of Toronto's MPMP results are better than the municipal average as summarized in Chart 2 below.

Chart 2 – Toronto's 2003 MPMP Results Versus Other Ontario Municipalities
(33 Measures)



For details of Toronto's 2003 MPMP results in relation to other municipalities, visit City's web site:

http://www.toronto.ca/city_performance/pdf/2003_mpmp_results_public_sept04-update-jan05.pdf

Related Initiatives

Through other initiatives such as the Ontario Municipal CAOs Benchmarking Initiative (OMBI) and the Ontario Centre for Municipal Best Practices (OCMBP) described below, the City is working with its municipal partners to identify the underlying best practices that can lead to improved performance by municipalities. It is important to separate how much of the difference in municipal results is attributable to environmental and policy factors unique to each municipality such as differences in urban form or service levels and standards, and how much is attributable to the different ways in which municipalities operate, from an efficiency and effectiveness perspective.

There are also a number of program-specific initiatives Toronto is involved in that are examining benchmarking and performance measurement. One example is the Ontario Fire Service Performance Measurement & Benchmarking System (PMBS) that is a partnership between the Office of the Ontario Fire Marshal and municipal fire services. PMBS is in the process of defining meaningful performance outcomes and measures and developing a system to support their appropriate use.

Toronto's 2003 Results

Ontario Municipal CAOs Benchmarking Initiative (OMBI)

For a number of years the City has been an active participant in the Ontario Municipal CAOs Benchmarking Initiative (OMBI). This initiative includes the Regional Municipalities of Peel, Durham, York, Halton, Waterloo, and Niagara and the Cities of Toronto, London, Ottawa, Hamilton, Sudbury, Kingston, Guelph and Thunder Bay and represents approximately 80 per cent of Ontario residents for Upper Tier services.

Program areas currently under examination include Solid Waste, Roads, Water & Wastewater, Ambulance (EMS) and Long Term Care (Homes for the Aged). Expert panels are examining performance at the service and activity levels where best practices are most likely to be identified, as opposed to MPMP, which has established broad performance measures at the much higher program level.

The work undertaken by these expert panels will also be a key source of information for the Ontario Centre for Municipal Best Practices (OCMBP), discussed below. In recent months OMBI has also started to collect high-level performance measurement data for other program areas.

Ontario Centre for Municipal Best Practices (OCMBP)

The Ontario Centre for Municipal Best Practices (OCMBP) was launched in June of 2002 as a partnership between the Ministry of Municipal Affairs & Housing (MMAH) and the Association of Municipalities of Ontario (AMO).

Using the results of MPMP, OMBI and other data sources, the Centre is responsible for reviewing this data, identifying candidate "best practice" municipalities, performing due diligence reviews, and drafting reports on best practices. The best practice results are then communicated to municipalities offering guidance for municipal practitioners interested in applying them in support of continuous improvement in delivery of municipal services.

The City of Toronto's 2004 results will be posted on the internet subsequent to Council approval in September 2005.

For further information, please contact Lorne Turner, City Manager's Office at (416)-397-0533 or e-mail: lturner@toronto.ca

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Local Government				
(1) Operating costs for governance & corporate management as a percentage of total municipal operating costs	2.7%	2.7%	0%	▶ Results have remained stable
Fire				
(2) Operating costs for fire services per \$1,000 of assessment	\$1.44	\$1.23	(14.6)%	<ul style="list-style-type: none"> ▶ The significant reduction in this result is primarily attributable to a large increase in the assessment base of 15.8% (over \$3 Billion) primarily relating to market value increases as opposed to real growth. ▶ There was also a 1.6% decrease in gross costs due to one-time costs paid in 2002 relating to an arbitrator's award for the period prior to 2001 that harmonized the differing firefighter wage rates.
Police				
(3) Operating costs for police services per household	\$639.58	\$683.15	6.8%	▶ This increase is largely attributable to a contractual salary increase in 2003 of 3.5% plus retention pay increases and other inflationary increases.
(4) Crime rates				▶ Compared with 2002, the 2003 violent crime rate is down 4.5% due to a 6.7% decrease in non-sexual assaults, which constituted the bulk of violent crime, and a 10.8% decrease in sexual assaults, despite a 14.2% increase in robberies.
a) Violent crime per 1,000 population				
b) Property crime per 1,000 population	13.4*	12.8	(4.5)%	▶ The rate for property crime is up slightly by 1.1% primarily because of a 4% increase in thefts.
c) Youth crime per 1,000 youth population	44.9*	45.4	1.1%	▶ The youth crime rate increased from 44.1 in 2002 to 47.1 in 2003 as a result of a 9.4% increase in youths charged.
d) Other criminal code offences (non-traffic) per 1,000 population	44.1*	47.1	6.8%	▶ The overall crime rate, computed on the basis of arrest statistics, has decreased slightly.
e) Total (non-traffic) crime per 1,000 population	17.7*	16.9	(4.5)%	
	76.0*	75.1	(1.2)%	
Roads				
(5) Operating costs for paved (hard top) roads per lane kilometre	\$4,422 <i>(Restated)*</i>	\$3,816	(13.7)%	▶ This decrease is primarily attributable to a \$7.2 million reduction in roadway cut repair costs. These restoration costs arise from the installation of underground facilities by private fibre optic companies but are recoverable from these companies. User fees are however not a component of the MPMP calculations.

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Roads (continued)				
(6) Operating costs for unpaved (loose top) roads per lane kilometre	N/A	N/A	N/A	
(7) Operating costs for winter control maintenance of roadways per lane kilometre	\$3,803 <i>(Restated)*</i>	\$5,197	36.7%	This increase is primarily due to: <ul style="list-style-type: none"> ▸ abnormally higher costs for road salt due to more frequent applications as a result of severe winter conditions and low temperatures. ▸ higher staff (overtime) and contracted services costs for salting/sanding and ploughing operations in order to maintain safe road conditions.
(8) Percentage of paved lane kilometres where condition is rated as good to very good	78.1%	80.9%	3.6%	▸ Small improvement.
(9) Percentage of winter event responses that met or exceeded municipal road maintenance standards	100%	100%	0%	▸ All winter event responses have met or exceeded standards.
Transit				
(10) Operating costs for conventional transit per regular service passenger trip	\$2.01	\$2.20	9.5%	This increase is attributable to: <ul style="list-style-type: none"> ▸ An increase of 6.5% in total costs relating to a 3% contracted wage and salary increases, a full year's impact of operating the Sheppard Subway (opened Nov. 2002), higher energy and accident claims costs, compliance with the Employment Standards Act and higher plant and vehicle maintenance material costs. ▸ A drop of 2.4% in the number of conventional transit passenger trips as described below.
(11) Number of conventional transit passenger trips per person in the service area in a year	158.6	153.2	(3.4%)	▸ Relates to a drop of 2.4% (10.1 million riders) in the number of conventional transit passenger trips attributable to the impact of the SARS outbreak and economic under performance (3.5 million trips), hydro blackout (2.5 million trips) and one-time World Youth Day Event in 2002 (4.1 million trips) <ul style="list-style-type: none"> ▸ A 1% increase in population.

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Wastewater (Sewage)				
(12) Wastewater				
(a) Operating costs for wastewater collection per kilometre of wastewater main	\$5,323	\$194.36	7.7%	▶ This increase is attributable to a 3% increase in wage rates, as well as increased costs for haulage and disposal costs of catch basin material, (due to closure of Keele Valley Landfill Site at end of 2002), cut repair costs for permanent road restoration and an increased level of service for maintenance hole inspection and repair.
(b) Operating costs for wastewater treatment and disposal per megalitre of wastewater treated	\$302.14	\$5,734	15.3%	▶ This increase is due to a 3% increase in wage rates, a fire in the Pelletizer Facility disrupting the Biosolids Management Program and a 3.6% reduction in the number of megalitres of wastewater because of a reduction in tourism and travel to the City as a result of the SARS outbreak.
(c) Operating costs for wastewater (collection, treatment & disposal) per kilometre of wastewater main (integrated system)	\$224.15	\$344.65	14.1%	▶ This increase is due to a 3% increase in wage rates, a fire in the Pelletizer Facility disrupting the Biosolids Management Program, increased costs for haulage and disposal costs of catch basin material, (due to closure of Keele Valley Landfill Site at end of 2002), cut repair costs for permanent road restoration, an increased level of service for maintenance hole inspection & repair and a 3.6% reduction in wastewater volumes because of a tourism reduction due to SARS.
(13) Number of sewer-main backups per 100 kilometres of sewer line in the year	5.25 <i>(Restated)</i>	4.88	(7.0)%	▶ Decrease resulted from an increased sewer-cleaning program, CCTV program and drain installation.
(14) Percentage of wastewater estimated to have by-passed treatment	0.56%	0.71%	26.8%	▶ The City of Toronto experienced unusually high rainfalls during several storms in 2003, which were the cause of the most significant by-pass events that year.
Stormwater				
(15) Operating cost for urban storm water management per km of drainage system	\$1,498	\$1,933	29.0%	▶ This increase is attributable to an increased level (approximately 40%) of catch basin cleaning and maintenance.

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Water				
(16) Water				
(a) Operating costs for treatment of drinking quality water per megalitre	\$71.64	\$8,210	(14.4)%	▸ Decrease is due to savings realized from the Works Best Practice Program, lower expenditures out of reserve funds and a 1.6% decrease in the volume of drinking water produced.
(b) Operating costs for distribution of drinking quality, water per kilometre of water distribution pipe	\$258.17	\$61.35	(0.4)%	▸ Result has remained stable.
(c) Operating costs for the treatment and distribution of drinking quality water per megalitre (integrated system)	\$8,176	\$250.18	(3.1)%	▸ This decrease has arisen from a combination of a 4.7% reduction in costs, primarily through the Works Best Practice Program, and a 1.6% decrease in the volume of drinking water produced.
(17) Number of breaks in water mains per 100 kilometres of water main pipe in a year	28.62* <i>(Restated)</i>	30.46	6.5%	▸ This increase is attributable to a combination of cold temperatures along with the age and materials which make up the watermain system. More than 20% of Toronto's system is over 80 years old.
(18) Weighted number of days when a boil water advisory is issued by the Medical Officer of Health, applicable to a municipal water supply, was in effect	0 days	0 days	(0.0)%	▸ No boil water advisories in 2002 or 2003.
Solid Waste Management				
(19) Solid Waste (garbage)				
(a) Operating costs for solid waste (garbage) collection per tonne	\$57.05	\$61.47	7.7%	Gross collection costs are stable but there was a 7% reduction (48,926 tonnes) in the volume of garbage collected as a result of: <ul style="list-style-type: none"> ▸ expansion of the organics/green bin program (18,953 tonnes) in Etobicoke & Scarborough ▸ increased residential recycling (9,230 tonnes) partly as a result of full-year impact of recycling programs in apartments ▸ reduced commercial collection (8,327 tonnes) because of the yellow bag program and a change in the eligibility criteria for collection.

Toronto's 2003 Results

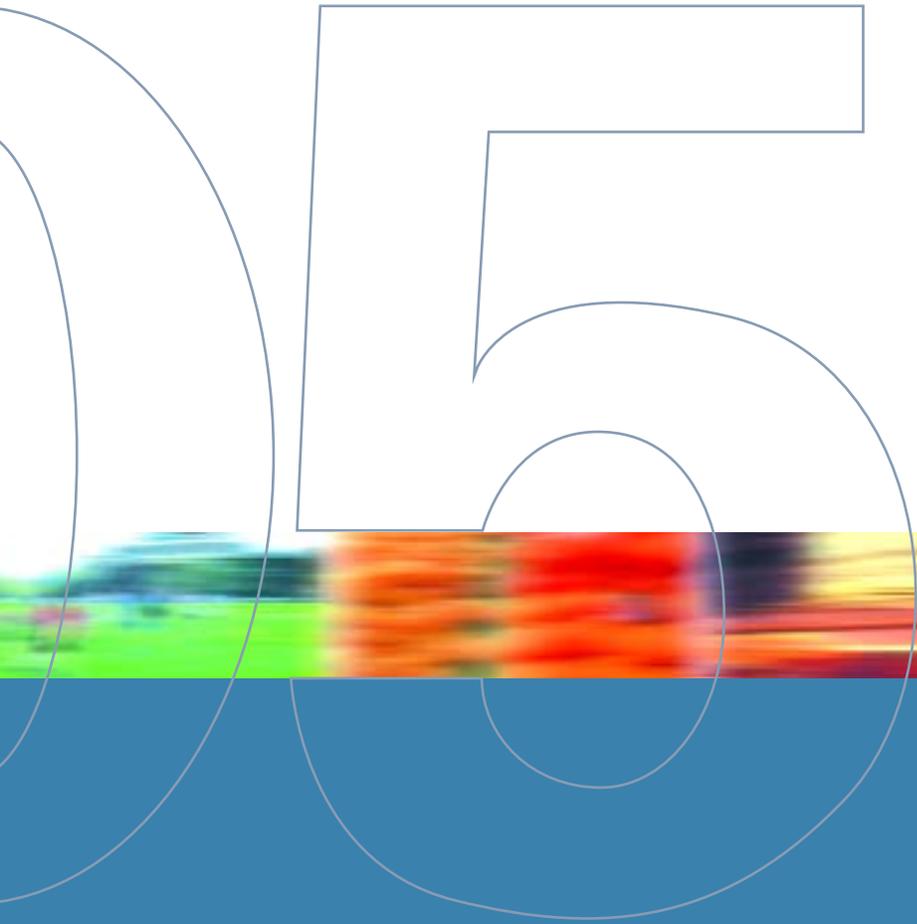
MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Solid Waste Management (continued)				
(b) Operating costs for solid waste (garbage) transfer and disposal per tonne	\$40.67	\$70.32	72.9%	<p>The significant increase in transfer & disposal costs relates to:</p> <ul style="list-style-type: none"> ▶ A 22 % increase in costs from higher shipping and waste disposal costs in Michigan in 2003 versus use of the City's own lower cost landfill site in 2002. ▶ A 30 % reduction (492,000 tonnes) in volumes of garbage disposed: <ul style="list-style-type: none"> ▶ A drop of 100,814 tonnes of commercial & industrial waste after the City's landfill site closed. ▶ Lower volumes of commercial/industrial waste collected (described above) ▶ Increased diversion programs (see below)
(20) Operating costs for solid waste diversion (recycling) per tonne	\$135.01	\$169.87	25.8%	<ul style="list-style-type: none"> ▶ The increase in this result was driven primarily by a change in the mix of recyclable materials that are being diverted as organics programs have been introduced. The net cost per tonne to divert organics (green bin) is higher than paper, fibre and containers (grey and blue box) because: <ul style="list-style-type: none"> ▶ there is little revenue from composting organics but there are sizeable revenues from the sale of processed paper, fibre and containers. ▶ Composting organics is significantly more expensive than processing paper, fibre and containers. ▶ More expensive contracted processing of leaf and yard waste with closure of Keele Valley.
(21) Average operating costs for solid waste management (collection, transfer, disposal & diversion) per tonne (integrated systems)	\$74.72	\$118.80	59.0%	<p>This significant increase is related to:</p> <ul style="list-style-type: none"> ▶ A 23% reduction (or approximately 444,000 tonnes) in the total number of tonnes managed (total of tonnes disposed and diverted) relating primarily to a reduction in tonnage disposed from the commercial/industrial sector. This arose from the closure of the City's landfill site at the end of 2002 forcing them to find alternative disposal sites.

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Solid Waste Management (continued)				<ul style="list-style-type: none"> ▶ A 22% increase in expenditures arising from the higher costs of hauling and disposing of waste in Michigan and the increased net costs, on a per tonne basis, from expanding diversion programs into more costly organics (no revenue from sales and more costly composing) as opposed to paper, fibre and containers (have a market value and lower processing costs).
(22) 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 solid waste management facility, by site and total number of sites in the municipality.	0 days	0 days	0.0%	<ul style="list-style-type: none"> ▶ No compliance orders in either 2002 or 2003.
(23) Number of complaints received in a year concerning the collection of solid waste (garbage) and recycled materials per 1,000 households	33.0	39.0	18.2%	<ul style="list-style-type: none"> ▶ This increase is attributable to the implementation and expansion of aggressive new waste diversion programs such as green bin and user fees for commercial residual waste (yellow bag) as well as severe winter conditions in the spring of 2003.
(24) Percentage of residential solid waste diverted	27.9%	31.6%	13.2%	<ul style="list-style-type: none"> ▶ The increase in the diversion rate in 2003 is attributable to: <ul style="list-style-type: none"> ▶ Improved recovery from existing diversion programs and public awareness of the various diversion programs and a mandatory recycling by-law which if violated may culminate in discontinued City collection. ▶ Full-year impact of recycling programs in multi-unit residential buildings. ▶ Expansion of the organics/green box program.

Toronto's 2003 Results

MPMP Measure	2002 Result	2003 Result	% Inc (Dec)	Explanations for Measures With Significant Change in 2003
Land-Use Planning				
(25)(a) Percentage of new development with final approval which is located within settlement areas	100%	100%	0%	▸ All new development is within settlement areas.
(b) The number of new lots, blocks and/or units	17,415	15,576	(10.6%)	
(26)(a) Percentage of land designated for agricultural purposes which was preserved and	N/A	N/A		▸ No agriculturally designated lands in Toronto's Official Plan.
(b) Number of hectares of land originally designated for agricultural purposes, which was re-designated for other uses during year.	N/A	N/A		



Operating & Capital Budget Summary



Program Summaries

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Children's Services

Mission Statement:

The Children's Services Division is the service system manager of childcare within Toronto. In partnership with the community, the division promotes equitable access to high quality care for children and support for families and caregivers. Children's Services are planned, managed and provided in ways that promote early learning and development, respond to families' needs and choices and respect the diversity of Toronto's many communities. An integrated approach to serving children and families ensures public value and benefit for all.

Children's Services (CSD)

- › Committed to Children
- › Supportive of Families
- › Developing Community Capacity

Program Objectives

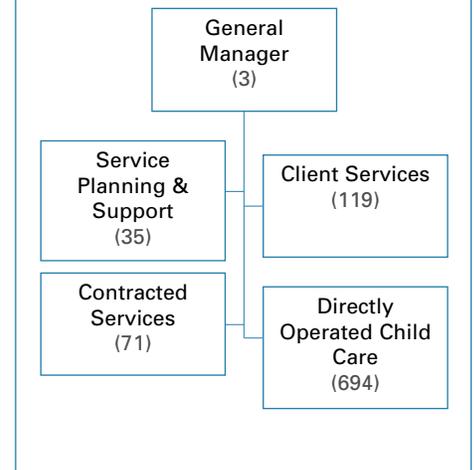
- › Provide strategic leadership to build public support for childcare, and negotiate funding with senior levels of government to stabilize and grow the child care service system to meet the needs of children and families.
- › Ensure that the Children's Services Division is structured and resourced to support achievement of service mandate and plan.
- › Through a focus on customer service and improvement in public service ensure that high quality childcare services are accessible, equitably available and strengthen at risk neighbourhoods.
- › Demonstrate financial prudence in the management of the childcare service system.

Key Stakeholders

- › Children of child care age and their families:
 - 290,000 children of child care age and their families
 - up to 22,745 children in subsidized child care and their families
 - 10,700 children in full fee paying families receiving care in child care programs under service contract with the City
- › Children of child care age from Ontario Works families
- › 607 licensed programs with fee subsidy contracts
- › 107 additional licensed programs with wage subsidy contracts
- › 28 programs providing service to children with special needs
- › 46 Family Resource Centres
- › Approximately 4,237 children aged 3 to 17 who attend a funded summer day program
- › 365 child care centres and 12 family resource centres located in school facilities in the City's four Boards of Education
- › 1130 staff in childcare programs receiving training
- › Boards of Directors of child care programs receiving management consultation
- › City Councillors and Officials
- › Ministry of Children and Youth Services
- › General public

Program Map

Children's Services Division is comprised of four services, with a total of 921.6 approved positions:



Children's Services

2005 Strategic Direction and Service Priorities

The strategic goals and objectives for the Children's Services Division in 2005 are:

1. Provide strategic leadership to build public support for childcare, and negotiate funding with senior levels of government to stabilize and grow the child care service system to meet the needs of children and families.
 - › Build public support and improve access to child care services through the development and implementation of a communication and public awareness campaign
 - › Advocate for appropriate flexibility of child care funding to support municipal service plans through participation on the Children's Services Sub-committee of the Provincial Municipal Social Services Working Group and Ontario Municipal Social Services Association.
 - › Improve the fiscal sustainability of the City's child care system by implementing the Multilateral Framework for Early Learning and Child Care and successfully negotiating the City's new Child Care Service Plan with the Province to address stabilization and growth of child care
 - › Rationalize the service plan and service models for school aged care in light of the federal funding targets for 0-6 year olds.
 - › Support the Roundtable on Children, Youth and Education in reviewing the City's Children's Strategy and development of strategies to support integrated children's services in Toronto
 - › In partnership with an interdepartmental team develop strategies to support improved child outcomes through the establishment of benchmarks
 - › Identify and pursue opportunities to showcase divisional innovations and research findings at professional conferences.
2. Children's Services Division is structured and resourced to support achievement of service mandate and plan and ensure Organizational Soundness.
 - › Implement the results of the Division's organizational review to streamline structure, and improve operational performance, accountability and internal control.
 - › Re-build the organization's strength and skills by replacing leadership lost through retirements
 - › Develop a learning organization by an audit of staff skills and the implementation of a comprehensive staff development strategy
 - › Increase interdepartmental partnerships and agreements to support Divisional needs
 - › Implement a communication strategy with staff to ensure staff are well informed
3. Through a focus on customer service and improvement in public service ensure that high quality childcare services are accessible, equitably available and strengthen at risk neighbourhoods.
 - › Implementation of the 2005-2009 Child Care Service Plan process to improve child care service access and equity
 - › Develop client services strategies to improve access to eligibility and placement services for each field office
 - › Develop ward based child care development plans to improve access in under-served wards
 - › Complete the evaluation of the seamless service model demonstrated in the First Duty pilot projects.
 - › Improve public service by publishing quality performance measures for child care programs under contract with the City
4. Demonstrate fiscal prudence and accountability in the management of the childcare service system.
 - › Rationalize and maximize childcare funding to address actual costs of service and preserve service levels
 - › Ensure timely financial payments to child care operators through the development of direct deposit system for operator payments
 - › Ensure organizational redesign addresses risk management by centralizing billing and payment functions
 - › Revamp and rationalize provider rates to promote home childcare as a flexible and cost effective service model.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Client Services	8,865.7	5,189.4
Contracted Services	6,552.9	2,954.2
Directly Operated Child Care	54,716.9	12,797.5
Divisional Office	511.3	313.3
Purchased services	227,327.7	41,888.9
Service Planning & Support	3,708.6	2,181.9
	301,683.1	65,325.2

Children's Services

2005 Budget Highlights

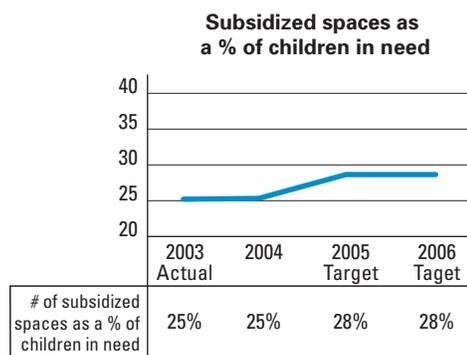
- ▶ \$195.3 M gross/\$37.2 M net – to maintain 22,465 subsidized childcare spaces.
- ▶ \$11.0 M gross/\$0 M net – to maintain 280 subsidized childcare spaces with the \$2.2 million City portion withdrawn from the National Child Benefit Supplement Reserve Fund.
- ▶ \$18.536 M gross/\$0 M net – to provide for additional 2,000 childcare spaces, subject to receipt of the 80% Provincial subsidy, with the City portion of \$3.707 million to be withdrawn from the Social Assistance Stabilization Reserve Fund.
- ▶ \$0.900 M gross/\$0 M net – to continue the First Duty Pilot Projects until the end of the year with funding available in the Child Care Expansion Reserve Fund.

2004 Achievements

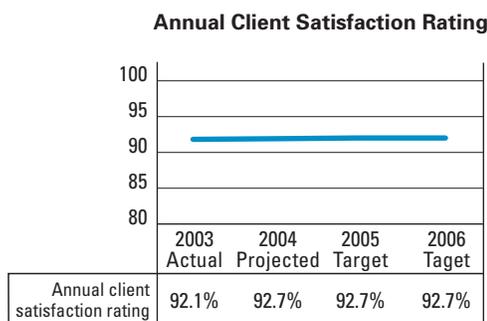
- ▶ Improved financial support to child care by implementing the provincially funded mediated settlement to the pay equity charter challenge.
- ▶ Implemented the first and second year installments of funding under the Multilateral Framework on Early Learning and Care to preserve child care service levels and support health and safety needs of child care programs.
- ▶ Demonstrated the merit of an integrated and seamless day model of service delivery for young children and families through the final service year of Toronto's First Duty Pilots.
- ▶ Completed the 5th edition of the Children's Report Card.
- ▶ Completed an organizational review to respond to a significant reduction in senior staff through retirements while ensuring performance targets were met.
- ▶ Improved access to service through implementation of a community outreach and a communication plan to raise public awareness of the value of child care.

Performance Measures

Subsidized spaces – This measure reflects the number of subsidized spaces as a % of children in need as defined by LICO (Low Income Cut Off). Number of children in need: 87,740. The measure of subsidized spaces as a % of children in need (as defined by Low Income Cut-off), is expected to increase to 28% as a result of 2000-space expansion in the year 2005.



Client Satisfaction – The Annual Client Satisfaction Rating is a division wide measure of client satisfaction and it is measured annually using a questionnaire sent to parents of directly operated child care centres, applicants and service providers. The Division continues to receive high ratings in customer satisfaction surveys.

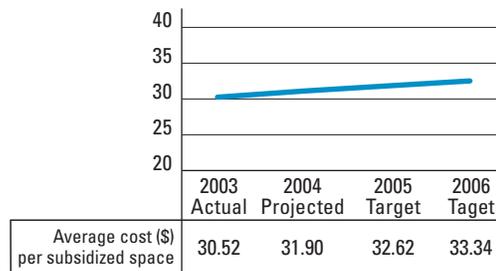


Children's Services

Performance Measures (continued)

Cost Per Subsidized Child Care Space – This measure reflects the annual average cost per subsidized space for all categories. The increase in the average cost per subsidized space is due to cost of living adjustments (COLA), and increments in per diem payments to service providers to advance towards meeting the level of actual cost of services provided.

Average Cost (\$) per subsidized space



2005 Capital Budget

2004 Major Accomplishments

- ▶ Completed the construction of a child care facility at 5176 Yonge Street to provide licensed space for 98 children of which 46 spaces are designated for infants and toddlers.
- ▶ Completed the renovation of a building at 610 Jane Street to provide licensed childcare for 62 children of which 30 spaces are designated for infants and toddlers.
- ▶ Continued to implement a seven year plan to retrofit all child care and family resource centre playgrounds and to address urgent health and safety concerns.
- ▶ Initiated a plan to build four childcare centres in areas of the City identified as under-served.

2005 Capital Budget Highlights

The total 2005 Gross Budget is: \$12.976 million [2004 Gross Budget - \$9.842 million]

- ▶ \$8.019 million for approximately 400 health & safety projects, including childcare centre playgrounds retrofit. \$4.0 million (200 projects) is conditional on the receipt of Provincial funding.
- ▶ \$1.882 million for the ongoing construction of a \$2.004 million childcare centre for 62 children at 118 Enderby, to be funded mostly from the Child Care Capital Reserve Fund.
- ▶ \$2.446 million to fund architectural designs and begin construction of the first of four new childcare centres to be built in under-served and high need areas over a five year period with funds from the Child Care Capital reserve Fund.
- ▶ \$0.490 M for capital maintenance required at the Dovercourt Child Care Centre facilities.

Incremental Operating Impact of the 2005 Capital Budget

The Children's Services Capital Program does not require incremental operating funds, with the exception of debt service costs.

Asset Inventory

Children's Services has no capital assets at present. The City owns facilities housing 13 childcare sites, representing an area of 106,491 sq. ft. with an insured value of \$34.6 million. As major occupant, Children's Services has operational jurisdiction for capital repairs of these facilities.

Children's Services

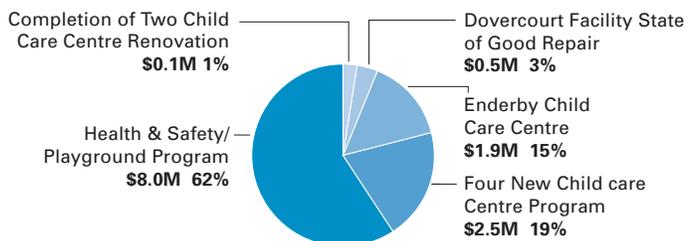
Five Year Capital Plan

- ▶ To complete the retrofit of all childcare and family resource centre playgrounds and address all health and safety concerns (years 2000 – 2007).
- ▶ To build four new child care centres in areas of the City identified as under-served for licensed child care (years 2004 – 2008).

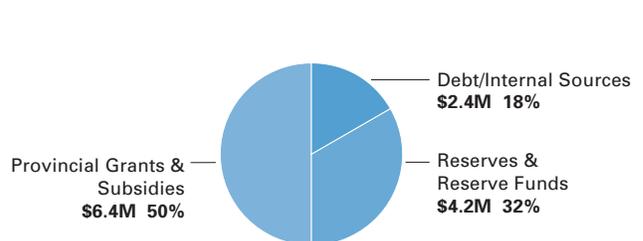
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Enderby Child Care Centre	482	—	—	—	482
Total Previously Approved	482	—	—	—	482
New					
Enderby Child Care Centre – Decontamination	300	—	—	—	300
Health & Safety / Playground Program	5000	—	—	—	5000
New Child Care Centre "A" – Construction	1459	—	—	—	1459
New Child Care Centre "B" – Design	487	—	—	—	487
Dovercourt Facility State of Good Repair	490	—	—	—	490
Total New	7,736	—	—	—	7,736
Total Children's Services	8,218	—	—	—	8,218

Where the money goes



Where the money comes from



Homes for the Aged

Mission Statement:

To develop and implement a continuum of care and services to eligible adults in long term care homes, at supportive housing sites and in clients' own homes through the provision of services in a manner that both supports and respects residents, clients, families, staff, volunteers and community stakeholders.

Program Objectives

- ▶ Provide high quality, resident and client-focused care and service in a manner that maintains public accountability and consumer confidence;
- ▶ Provide individualized care that respects, supports and enables people to be as independent as possible;
- ▶ Continue to improve services through a quality-improvement approach, achieving a high level of satisfaction in each program provided;
- ▶ Provide specialized services for residents with specific profiles who require care in a long-term care home;
- ▶ Develop, involve, and provide specialized services to better meet the needs of the community; and
- ▶ Advocate to all levels of government for improvements to the health care continuum and enhancements to the funding, resources and standards of long-term care.

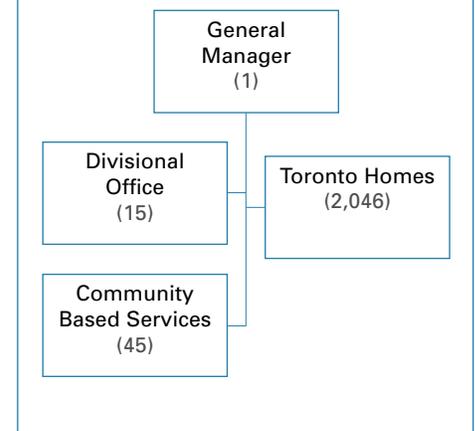
2005 Directions and Service Priorities

Toronto Homes – There are ten Homes for the Aged owned and operated by the City of Toronto.

- ▶ To provide a continuum of long-term care and services through both permanent admission and short-stay programs to 2,641 residents, primarily adults with varying degrees of physical frailties, cognitive impairment and complex care needs.
- ▶ To provide high quality client-focused care and service in a manner that maintains public accountability and consumer confidence, and continues to improve services through a comprehensive continuous Quality Improvement approach.
- ▶ To continue to improve and adapt the environments of the ten Homes, in order to respond to the care, comfort and safety needs of residents with higher acuity and dementia, and to enhance the safety systems in each of the Homes.
- ▶ To consistently provide a client-centred interdisciplinary approach to care and service. Services provided to clients include recreational programming, nursing and medical services, housekeeping maintenance, dietetics and food services, laundry, social work, volunteer services, spiritual and religious care, rehabilitative and therapy services, trust and administrative services;
- ▶ To further strengthen the effective functions of Residents Councils, Family Committees and the Advisory Committee recognizing the rapport keeps us grounded and is essential to good decision-making.

Program Map

The Homes for the Aged Division is comprised of three services, with a total of 1,295 full-time and 812 part-time approved positions for 2005:



Homes for the Aged

Community Based Services – Homemakers & Nurses Services – Homemakers & Nurses Services purchases homemaker hours from Homemaking Agencies on behalf of elderly, disabled and family clients who have ongoing needs and/or who may be experiencing a crisis.

- ▶ To support clients to remain at home preventing premature institutionalization and family break-ups through a process of initial and on-going assessment and monitoring of client need by program caseworker.
- ▶ To operate utilizing a population health approach, providing clients with the information, education and support necessary to maintain health and function as much as possible.
- ▶ To enhance community linkages and continuum of care by expanding collaboration and cooperation with the CCACs and other community practices.

Supportive Housing – The Supportive Housing Program is committed to the provision of quality personal support services to persons whose individual needs require the availability of 24-hour-on-site assistance.

- ▶ To provide options in affordable accommodation (with the availability of on-site support) primarily for seniors with fixed income.
- ▶ To provide individual assessment, case management and service co-ordination.
- ▶ To provide supportive services through purchase of service agreements with landlords, site operators, and service providers.
- ▶ To further develop linkages with the Toronto Community Housing Corporation (TCHC), to respond to the needs of existing and future tenants

Adult Day Centres – The Adult Day Centre programs offer clients living in the city the opportunity to achieve and maintain their optimal level of functioning.

- ▶ To provide services, which include planned social, recreational and physical activities as well as health promotion and nutritional meals, for which clients pay a daily fee based on ability to pay.
- ▶ To assist in preventing premature or inappropriate institutionalization.
- ▶ To provide respite and support for caregivers of clients.
- ▶ To examine the feasibility of providing specialized adult day program(s), to respond to specific unmet community need
- ▶ To maximize community knowledge of and participation in the four Adult Day Program sites to achieve/exceed a projected target of 11,000 client days

2005 Operating Budget by Service

The 2005 Approved Operating Budget for the Homes for the Aged is \$175.490 million gross and \$28.231 million net, which is comprised of:

Services	Gross (\$000s)	Net (\$000s)
Community Based Services	9,525.1	1,692.0
Divisional Office	1,476.5	398.1
Toronto Homes	164,488.5	26,141.2
Total Program Budget	175,490.1	28,231.3

2005 Budget Highlights

- ▶ \$3.697 M gross/\$0 M net –increase in funding from Ministry of Health and Long-term Care (MOHLTC) to implement new long-term care program standards, including funding for 40.7 new approved positions
- ▶ \$2.400 M gross/\$0 net – one-time grant from MOHLTC to enable the program to provide needed services and equipment for Homes residents
- ▶ \$1.025 M gross/\$0.344 M net – Increase in economic factors

Homes for the Aged

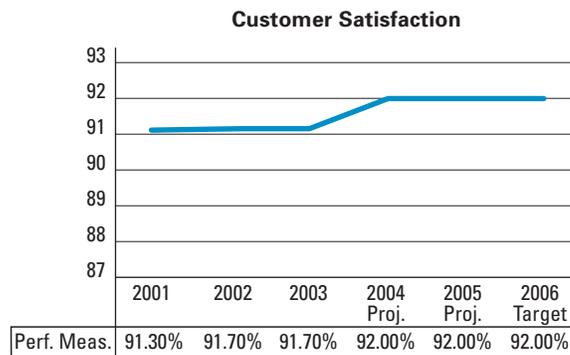
2004 Achievements

- ▶ Enhanced care and service to residents and clients based on national 'best practices' information and evidence-based care information, which resulted in improved clinical care in areas such as nutritional care, skin care, etc.
- ▶ Continued to expand the Division's ability to serve the "hard-to-serve" client, who is unable to easily secure services through other providers, working in partnership with community agencies to provide an effective continuum.
- ▶ Continued to improve care to cognitively impaired residents with behavioural response issues by implementing a formal theory of dementia care in day-to-day operations, and strengthening various therapeutic programs, including complementary care, and art and music therapies.
- ▶ Developed a coordinated Health Emergency plan in consultation with EMS, CCAC's, and the MOHLTC.
- ▶ Developed and launched a new Homes for the Aged website to enhance communications with stakeholders and the community.
- ▶ Continued to build community partnerships, achieving linkages with approximately 40 community groups, 14 service clubs, 10 schools and 86 faith groups/churches to enhance service to residents.
- ▶ Increased the focus on health promotion and health teaching, through family education sessions and the production of educational brochures.
- ▶ Continued to deliver a cost effective homemaking program to community clients, delivering service to approximately 33,400 community client.
- ▶ Achieved/maintained full three year accreditation status in all 10 Homes with the Canadian Council on Health Services Accreditation.

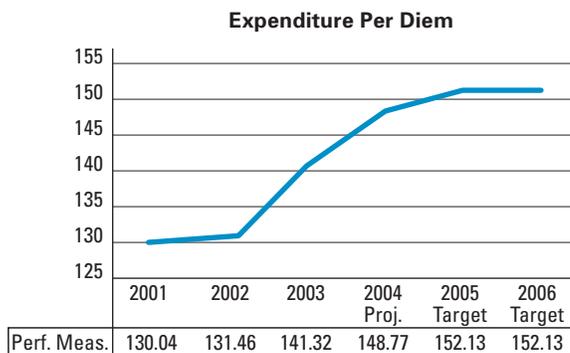
Performance Measures

The ten Homes for the Aged, which are owned and operated by the City of Toronto, provide a continuum of long-term care and services through both permanent admission and short-stay programs to 2,641 residents, primarily adults with varying degrees of physical frailties, cognitive impairment and complex care needs.

The Division collects customer satisfaction data towards identifying improvement opportunities as the division strives to provide client focused care and service through a Quality Improvement approach.

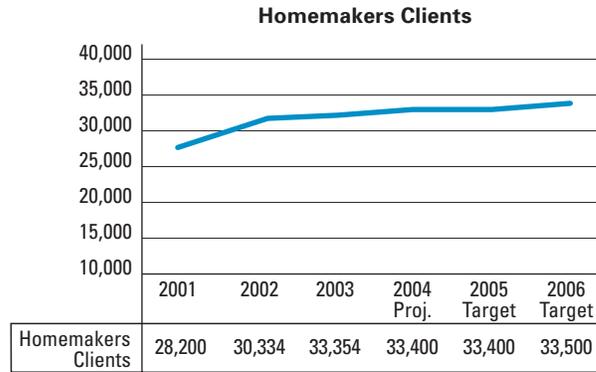


Changes in the expenditure per diem are due primarily to COLA increasing adjustments, Provincial LTC program standards and the fact that residents admitted to our homes are more frail and have more complex health care needs than in previous years.

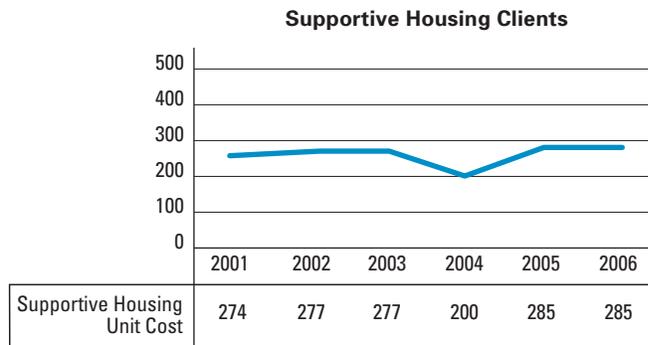


Homes for the Aged

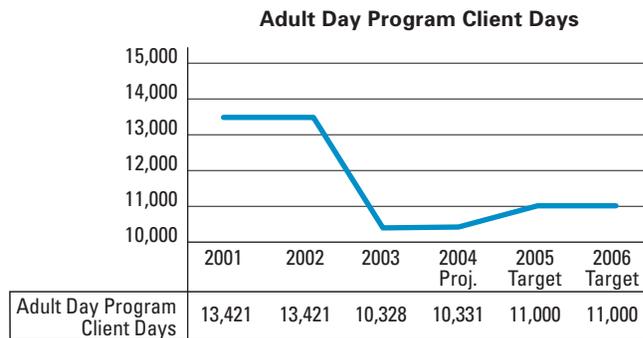
Funding for the Homemakers and Nurses Services program has been frozen by the Ministry of Health and Long-Term Care at \$3.47 million since 2002.



The Supportive Housing Program provides personal support services to clients whose individual needs require the availability of 24-hour on-site assistance. There is a growing need for supportive housing services within the City. The number of clients in 2004 were temporarily reduced due to program restructuring.



The Adult Day Program offers clients living in the City the opportunity to achieve and maintain their optimal level of functioning. The high demand for caregiver relief has added pressure on the resources of the Adult Day Program.



Homes for the Aged

2005 Capital Budget

2004 Major Accomplishments

- › Construction of Wesburn Manor was basically completed in 2003, with minor additional costs incurred during the first quarter of 2004, subsequent to program occupancy.
- › TDA phase I (East Side) was completed with occupancy in late November 2003, with minor additional costs incurred during the first quarter of 2004.
- › TDA phase II (West Side) commenced in 2004, with a significant portion of the construction completed by the end of the year.
- › As a result of construction delays, the program maintenance projects were approximately 50% completed in 2004.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$9.734 million [2004 Budget – \$5.04 million]

- › \$4.984 M for the completion in 2005 the \$24.5 M True Davidson Acres redevelopment.
- › \$3.5 M for ongoing maintenance projects, funded from the Homes for the Aged Capital Reserve Fund.
- › \$1.0 M for the final payment to Toronto Community Housing Company (TCHC) for the redevelopment of the existing Albion Lodge into a Supportive Housing facility, with total payments to TCHC totalling \$2.0 M
- › \$0.25 M for Furnishes and Equipment for Amity Space for Supportive Housing units

Incremental Operating Impact of the 2005 Capital Budget

There is no significant impact from the program's capital plan on the program's operating budget.

Asset Inventory

- › Facilities: The program operates ten homes for the aged across the City.
 - › Bendale Acres
 - › Carefree Lodge
 - › Castleview Wychwood Towers
 - › Cummer Lodge
 - › Fudger House
 - › Kipling Acres
 - › Lakeshore Lodge
 - › Seven Oaks
 - › True Davidson Acres
 - › Wesburn Manour

Homes for the Aged

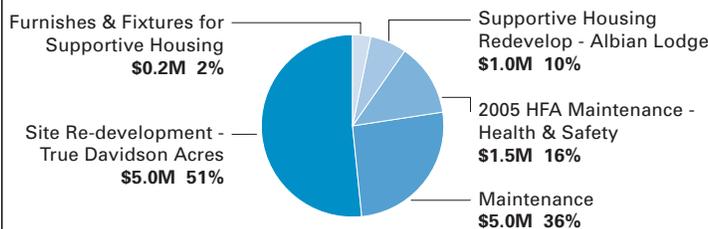
Five Year Capital Plan

- The Program’s Capital Plan does not extend into 2006, as 2005 is the final year for the multi-year reconstruction of True Davidson Acres and the final year for redevelopment of the Supportive Housing Project at Albion Lodge.
- The program has included future year estimates for ongoing facility maintenance, which are considered annually as part of the City’s capital budget process.

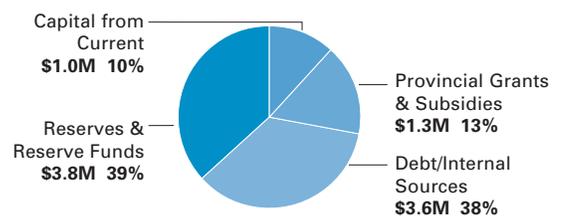
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Site Development - True Davidson Acres	4,984	—	—	—	4,984
Supportative Housing Redevelopment - Albion Lodge	1,000	—	—	—	1,000
Total Previously Approved	5,984	—	—	—	5,984
New					
2005 HFA Maintenance - Health & Safety	1,500	—	—	—	1,500
2005 HFA Maintenance - State of Good Repair	2,000	—	—	—	2,000
Furnishes and Fixtures for Supportative Housing	250	—	—	—	250
Total New	3,750	—	—	—	3,750
Total HFA	9,734	—	—	—	9,734

Where the money goes



Where the money comes from



Shelter, Housing and Support

Mission Statement:

The Shelter, Housing & Support Division contributes to healthy communities by ensuring that vulnerable people have a range of shelter and affordable housing options. We provide temporary shelter and support for homeless individuals and families while creating and maintaining permanent housing solutions.

Program Objectives

- ▶ Support and develop programs that fund and encourage the development of affordable housing
- ▶ Maintain programming that supports transitional housing to help people move from emergency shelter to more permanent housing
- ▶ Support programs that preserve the existing affordable housing stock and enhance the utilization of that housing
- ▶ Administer the City's social housing portfolio
- ▶ Provide emergency shelter, including provision of meals, childcare and counselling for homeless people
- ▶ Provide funding to community agencies that work to prevent homelessness and provide support services to homeless individuals and families
- ▶ Provide support to tenants and landlords with respect to rental housing issues with the aim of maintaining the supply and affordability of rental housing

2005 Strategic Direction and Service Priorities

Social Housing

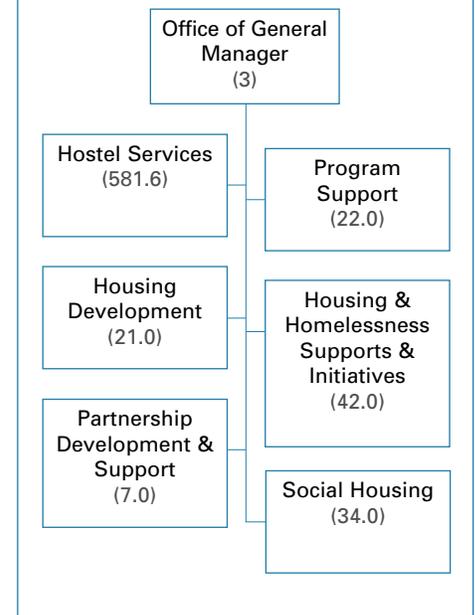
- ▶ Stewardship of the annual social housing budget.
- ▶ Continue to manage the City's risk associated with Projects in Difficulty.
- ▶ Develop effective communication and training materials to better deliver the social housing business.
- ▶ Develop a Capital Planning Strategy to mitigate the City's future risk associated with long term capital requirements of the social housing stock.
- ▶ Implement the prescribed Social Housing Benchmarks under the Social Housing Reform Act.
- ▶ Work with the province, other municipalities and key social housing stakeholders to ensure the continued viability of the social housing stock.

Shelter System

- ▶ Continue implementation of the shelter standards
- ▶ Initiate phase two of the Quality Assurance Initiative
- ▶ Review the appropriateness of the per-diem funding model for hostel services.
- ▶ Seek full 80 per cent provincial cost-sharing on all per-diems paid for hostel services.
- ▶ Seek funding from the Ministry of Health and Long Term Care for the health care and long-term care activities associated with the shelter system.
- ▶ Continue the development of the Shelter Management Information System

Program Map

Shelter, Housing & Support is comprised of requesting 710.6 approved positions for 2005. The program map is presented below:



Shelter, Housing and Support

Affordable Housing

- ▶ Facilitate the development of additional affordable housing units
- ▶ Negotiate with federal and provincial governments for the flexible use of funding to create affordable housing including the implementation of the new national housing program
- ▶ Allocate surplus City-owned development sites via the Housing First policy for community housing development
- ▶ Maximise creation of affordable housing under Residential Rehabilitation Assistance Program
- ▶ Align resources of housing rehabilitation programs to address pressures on the existing affordable housing stock
- ▶ Continue to work on the Regent Park redevelopment in collaboration with the Toronto Community Housing Corporation

Landlord/Tenant Issues

- ▶ Monitor and respond to the impact of rental market changes on low-income units to ensure that tenants and small landlords have adequate access to information about the law or referrals to appropriate services.
- ▶ Maximise the use of the Tenant Defence Fund to help tenants retain their housing and counter unwarranted above-guideline rent increases and work with City Planning where appropriate
- ▶ Continue to support tenant information and advisory services, outreach, advocacy and eviction prevention programs
- ▶ Assess the impact of the new residential tenancy legislation.

Policy and Community Development and Support

- ▶ Continue service planning to enhance the co-ordination of services to the homeless
- ▶ Continue to support city and community based initiatives to prevent and resolve homelessness including funding of housing help and eviction prevention support services, drop-in and street outreach programs and food access services
- ▶ Continue to administer the City of Toronto Homeless Initiative Fund, Community Partners Program, Supports to Daily Living Program and the Off the Street, Into Shelters fund
- ▶ Continue to administer the provincially funded rent bank and the City-funded rent bank
- ▶ Administer the second year of the second round of the federally funded Supporting Communities Partnership Initiative, (SCPI)
- ▶ Continue to work proactively with HRSD, the United Way and other community partners to support the implementation of the renewed SCPI program based on the updated Community Plan.

Emergency Preparedness/Response

- ▶ Continue to incorporate changes arising from the Seneca Reception Centre Drill to the CNS Emergency Plan.
- ▶ Participate in joint planning and development with Office of Emergency Management and Ontario Power Generation of the York Reception Centre Drill to be held at York University in 2005.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Divisional Office	1,743.4	1,743.4
Provincial Download – Social Housing	500,071.3	213,642.2
Housing Programs	5,900.8	2,573.0
Hostel Services	117,175.4	47,192.3
Social Housing & Support	37,201.5	4,536.4
Let's Build	12,040.0	0.0
Total Program Budget	674,132.4	269,687.3

Note: Let's Build Service has been transferred from the Capital Budget to the Operating Budget

Shelter, Housing and Support

2005 Budget Highlights

- ▶ \$6.633 M gross / \$0 M net increase in grants from Supporting Communities Partnership Initiative to fund a variety of community-based housing and shelter initiatives
- ▶ \$20.200 M gross / \$0 M net – increase in Provincial grant to support the Strong Communities Rent Supplement Program, a program that provides rent supplements to families and individuals with low income
- ▶ \$1.489 M / \$0 M net – to address Street Homelessness, including opening a referral centre for the homeless
- ▶ \$3.600 M gross / \$0 M net New Provincial Strong Communities Housing Allowance Program – Toronto Pilot that provides housing subsidy to low income families and individuals
- ▶ \$0.905 gross / \$0 M net increase in grants from Mayor's Homelessness Initiative Reserve Fund to help fund affordable housing projects, site development and other related expenses

2004 Achievements

Social Housing

- ▶ Provided program administration and direct funding to 90,000 social housing units.
- ▶ Received approval from Council on Next Steps Homelessness Rent Supplement Program.
- ▶ Participated in inter-municipal workgroups dealing with changes to the Social Housing Reform Act and the role of the Social Housing Services Corporation.
- ▶ Regular contact established with sector organizations that represent co-op and non-profit housing providers in the City in order to share information and discuss program administration issues.
- ▶ Served on a number of Provincial committees associated with social housing reform, GTA pooling, Homelessness Rent Supplement Program, Benchmarking and Service Level Standards.
- ▶ Assumed program administration responsibility for the Strong Community Rent Supplement Program.

Shelter System

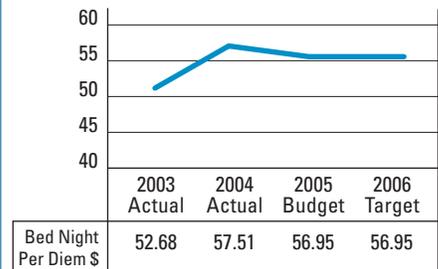
- ▶ Provided over 1,481,228 bed-nights of emergency shelter services for homeless people
- ▶ Administered and monitored contracts with 60 purchase of service shelters
- ▶ Provided 294,383 bed-nights of boarding home service to adults with psychiatric disabilities
- ▶ Implemented the development of the Shelter Management Information System.
- ▶ Participated in the City defence of the Municipal Shelter By-law at the Ontario Municipal Board
- ▶ Implemented the first phase of a quality assurance program that monitors agency compliance with the Shelter Standards.

Affordable Housing

- ▶ Through the "Let's Build" and "SCPI" programs, secured Council approval for housing projects to create affordable and transitional housing units.
- ▶ Worked collaboratively with City Planning to advance Council support for policies that lever affordable housing including:
 - ▶ Rental Housing Action Plan
 - ▶ Central Waterfront Plan
 - ▶ Housing policies for New Official Plan
 - ▶ City policies to control condominium conversion/demolition

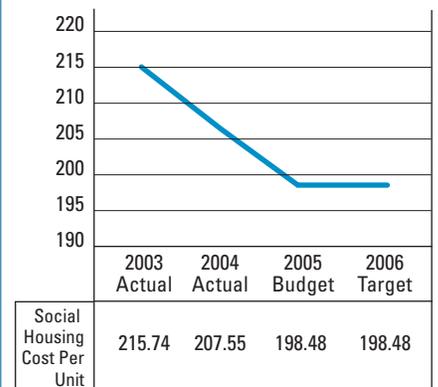
Performance Measures

Bed Night Average Per Diem



This measure records the gross cost of providing a hostel bed night.

Social Housing Monthly Cost per Unit



This measure records the average monthly cost to the City per social housing unit.

Shelter, Housing and Support

- ▶ Toronto Community Housing Corporation's redevelopment of Don Mount Court and Regent Park
- ▶ Continued to engage in ongoing dialogue with other levels of government regarding the delivery of the Community Rental Housing Program and engaged in ongoing dialogue with the Provincial government to ensure that program design meets the needs of the City of Toronto.
- ▶ Received Council approval for contracts with 8 private sector developers to build new affordable housing.
- ▶ Initiated, with the Toronto Society of Architects, a process to mount a nation-wide architectural proposal call for the design of a new form of affordable rental housing on a downtown Toronto city-owned site.
- ▶ Administered the city-wide delivery of the Residential Rehabilitation Assistance Program, (RRAP), which provides 171 loans with a value of \$1.6 million to homeowners to repair affordable houses and to landlords to modify affordable accommodation for disabled residents by administering the funding of these projects and then overseeing their completion.

Landlord/Tenant Issues

- ▶ Managed the Tenant Defence Fund to provide direct assistance and financial support to tenants disputing above-guideline rent increases as well as Divisional Court or Ontario Municipal Board condominium conversion and demolition appeals
- ▶ Facilitated the Rental Housing Advisory Committee to support the network of information and advisory service providers regarding landlord and tenant issues
- ▶ Facilitated the Rooming House working group supporting tenants, landlords and agencies working in the rooming house sector.
- ▶ Funded and supported tenant information and advisory services, outreach, advocacy and eviction prevention programs delivered through community agencies.
- ▶ Delivered an annual rent reduction notification program in accordance with the Tenant Protection Act on low income units to ensure that tenants and small landlords had adequate access to information about the law or referrals to appropriate services, and to advocate for improvements to the TPA.

Policy and Community Development and Support

- ▶ Managed the City of Toronto Homeless Initiatives Fund including providing grants and supports to 115 community-based projects operated by 78 agencies that provided supports to homeless people and those at risk of becoming homeless.
- ▶ Administered the provincially funded Supports to Daily Living Program that funds 13 housing programs providing support services that enable people with special needs to live independently in the community.
- ▶ Administered the provincially funded Community Partners Program that funds 10 agencies providing housing help services including eviction prevention, landlord-tenant mediation and housing vacancy information.
- ▶ Administered the Off the Street, Into Shelter fund that funds 9 agencies to provide high support street outreach focused on moving people into shelter or housing.
- ▶ Administered the first year of the second phase of the federally funded Supporting Communities Partnership Initiative (\$53 million over three years) including:
 - ▶ Receiving Federal Approval for the new Community Plan
 - ▶ Receiving Council approval for 54 programs, 31 small capital projects and 6 transitional housing projects
 - ▶ Implemented programs and initiated ongoing monitoring.
- ▶ Reviewed street outreach supports services and implemented changes including an increase in direct City participation in intensive street outreach.

Emergency Preparedness/Response

- ▶ Assisted displaced individuals who lost their homes either temporarily or permanently due to emergencies or natural disasters (fire, explosions, power outages, storms, chemical spills, etc.).
- ▶ Participated in the planning and development of the Seneca Reception Centre Exercise with Office of Emergency Management, Toronto Police Services, EMS, Toronto Fire, Public Health, Ontario Power Generation, community partners and school boards. Exercises and drills are required under the Provincial Nuclear Emergency Response Plan and the Toronto Nuclear Emergency Plan.
- ▶ Coordinated the Community and Neighbourhood Services participation of 110 staff including Red Cross, Salvation Army, St. John Ambulance and Amateur Emergency Radio Service in the Seneca Reception Centre Drill.
- ▶ Administered the Extreme Cold Weather alert program, daily monitoring of the Environment Canada Website and making decision on the calling of the Extreme Cold Weather Alerts including declaring 27 Extreme Cold Alert Days in January and February of 2004.
- ▶ Enhanced the Extreme Cold Weather Alert program by opening and operating a Warming Centre to support homeless services through the extended alerts.

Shelter, Housing and Support

2005 Capital Budget

2004 Major Accomplishments

- Spent \$5.9 million on Let's Build initiatives, reflecting spending at 68.5 % of program budget for 2004. (176 units were under construction at 2004 year end.)
- Planning and design work for Shelter Management Information System is well underway, with RFP issued in 2004; vendor to be chosen in 2005.
- Replacement bed shelters initiatives reflect continued efforts to locate appropriate sites in the community.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$5.347M (without carry forward)

- \$1.329 M to construct the \$2.200 million Bethlehem United Shelter scheduled for completion in 2006.
- \$1.248 M for the \$3.649 million client-information-reporting system to automate program operational-reporting requirements, expected to be completed in 2006.
- \$0.800 M to redevelop the \$2.500 million Metropolitan United Church Shelter projects, planned completion date in 2008.
- \$0.843 M to complete the construction of 28 Bathurst Street and for construction for Eva's Youth Shelter.
- \$0.300 M for shelter building maintenance as required to bring the facilities back into a state of good repair.
- \$0.640 M for replacement beds, to accommodate the new shelter standards, as approved by Council.

2005 Capital Budget

2004 Major Accomplishments

- Spent \$5.9 million on Let's Build initiatives, reflecting spending at 68.5 % of program budget for 2004. (176 units were under construction at 2004 year end.)
- Planning and design work for Shelter Management Information System is well underway, with RFP issued in 2004; vendor to be chosen in 2005.
- Replacement bed shelters initiatives reflect continued efforts to locate appropriate sites in the community.

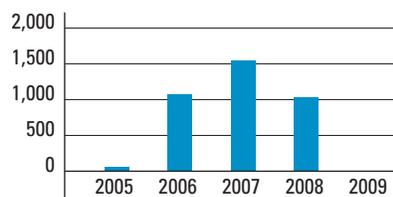
2005 Capital Budget Highlights

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Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact**
(Excl Debt Service Cost) \$3.797 Million



Asset Inventory

Facilities: The program's operations include provision of shelter services for single adults and families at 15 city-owned or leased sites.

Shelter, Housing and Support

Five Year Capital Plan

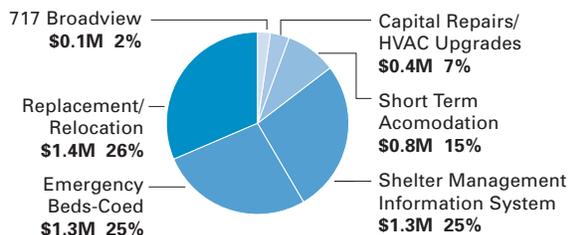
The program's 5-year capital plan is comprised of two components: capital maintenance and the Multi-year Shelter Strategy.

- ▶ The capital maintenance program includes \$1.0 million to upgrade the HVAC system at Seaton House, and \$0.6 million to bring City-owned shelters into a State of Good Repair.
- ▶ The program continues to locate new and expand/upgrade existing shelters, with current and future year commitments to open 630 beds (450 new and 180 replacement) by 2008.
- ▶ Let's Build is now part of the operating program for Shelter, Housing and Support, reflecting the appropriate application of the grant application process.

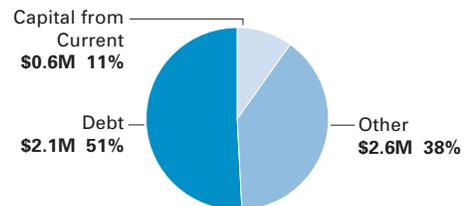
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Women's Harm Reduction	—	500	1,100	—	—	1,600
Shelter Management Information System	1,248	1,775	—	—	—	3,023
Emergency Beds Single Men	—	1,425	1,425	—	—	2,850
Emergency Beds Coed	1,324	4,130	1,375	—	—	6,829
Replacement Beds	640	3,110	1,620	1,620	—	6,990
Relocation Development	800	750	550	375	—	2,475
Client Group Non-Specified	—	1,425	1,425	—	—	2,850
717 Broadview	80	2,302	—	—	—	2,382
Short Term Accommodation	843	1,078	—	—	—	1,921
Seaton House	7	—	—	—	—	7
Total Previously Approved	4,942	16,495	7,495	1,995	—	30,927
New						
Emergency Beds Coed	5	(2,005)	—	—	—	(2,000)
Capital Repairs/Replacement	300	300	—	—	—	600
Seaton House HVAC Upgrade	100	900	—	—	—	1,000
Total New	405	(805)	—	—	—	(400)
Total SHS	5,347	15,690	7,495	1,995	—	30,527

Where the money goes



Where the money comes from



Social Development & Administration

Mission Statement:

The Division believes that the City's strength derives from its diverse community and that the Division's services must therefore be based on the principles of resident participation, accessibility and equity and be conducted with integrity, professionalism and accountability.

The Division's goal is to improve social prospects and conditions for residents of the City of Toronto by providing leadership, expertise, and professionalism in developing social policy, strengthening communities, and efficiently providing effective support to service delivery.

Program Objectives

- ▶ Effectively co-ordinating and directing social policy and planning, analysis and research
- ▶ Clearly identifying community social needs and responding by providing direct support
- ▶ Efficiently providing, facilitating and brokering effective administrative, professional and technical functions in support of client service delivery, Departmental accountability requirements and Corporate objectives
- ▶ Effectively delivering Council's Community Safety Plan

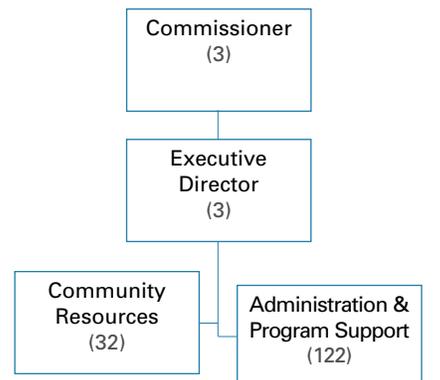
2005 Strategic Direction and Service Priorities

The key issue for the Division in 2005 will be maintaining the level of service standard and performance in the face of increasing expectations and demands for service.

- ▶ Work with community partners and other levels of government to develop new partnerships for strengthening the City social infrastructure (e.g., Tripartite agreements).
- ▶ Provide lead support to round tables and special initiatives to respond to Council priorities.
- ▶ Work in partnership with the CAO's office, Finance Department and operating Divisions to set policy direction and provide strategic leadership in asserting a new deal for the City as it relates to social programs.
- ▶ Continue providing high level support and services in all areas of financial management to the operating divisions/department for planning and efficient delivery of programs and services and compliance with the corporate accountability requirements. Work with corporate departments and programs to enhance all aspect of financial management, budget process and Corporate IT initiatives to improve service delivery.
- ▶ Pursue greater co-ordination and liaison of information between divisions, other departments, S D & A units, and community.
- ▶ Continue providing Departmental leadership and representation to key Corporate policy and administrative committees.

Program Map

The Social Development and Administration Division is comprised of two services, with a total of 160.0 approved positions:



Social Development & Administration

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Administration and Program support	13,706.5	7,788.9
Community Resources	4,801.5	1,229.5
Total Program Budget	18,508.0	9,018.4

2005 Budget Highlights

- \$0.151 M gross/\$0 M net – The Employment Preparation Program for Multi-Barriered Youth, funded by Human Resources and Skills Development Canada (HRSDC)
- \$0.012 M gross/\$0 M net – The Toronto Youth Cabinet Youth Engagement Strategy, funded by the Ministry of Youth and Children

2004 Achievements

- Developed and began implementing the City's Community Safety Plan including establishing the Community Safety Secretariat, supporting the Mayor's Panel, establishing neighbourhood action planning in 4 priority communities, and coordinating or implementing key employment training initiatives
- Provided lead project management, policy and research support to the Roundtable on Seniors, Roundtable on Children, Youth and Education, Food and Hunger Action Committee, Advisory Committee on Homeless and Socially Isolated Persons, Immigration and Settlement Work group, Strong Neighbourhoods Task Force, and Income Security Task Force
- Departmental lead on city-wide initiatives including city redevelopment (Waterfront and Regent Park), departmental access/equity plans, departmental accessibility plan (Ontarians with Disabilities Act), FACT, eCity Steering Committee, TELS Steering Committee, Payment Process Initiative Project, Procurement Review, Financial Policies and Guidelines, 311 initiative and Listening to Toronto.
- Coordinated and provided Departmental oversight for the timely submission of operating and capital budgets, preparation of monthly financial statements, corporate variance reports, expenditure reconciliation and monitoring, and for ensuring the Department has adequate internal controls and is meeting corporate by-laws, policies and procedures.
- Met all Departmental purchasing and telecommunication needs with less turnaround time, including handling 4,112 purchasing requests and 1,501 telecommunication requests, successfully implementing Contract Release Order and Contract Management Process for the Department and managing the petty cash coordination in the department, reimbursing 5,600 petty cash vouchers to 103 locations, and distributing in excess of 500,000 TTC tickets across the department.
- Accurately and timely submitted provincial subsidy claims (total of 483 claims with a value of \$1.2 billion) for the Department's cost shared programs, managed high volume accounts receivable balances and completed provincial audits with clean audit report
- Provided departmental and corporate coordination of social research, including the release of 140 neighbourhood profiles on income data and responding to 228 information requests, lead research co-ordination for Canadian Conference on Homelessness (May 2005) with York University, lead City support for University of Toronto's Research Conference on safety, FCM Quality of Life Reporting System - third report and lead for "Income, Shelter and Necessities" theme report
- Provided Departmental outreach and communication services by completing 815 design projects and 380 writing/editing projects for operating divisions, writing and designing websites for Homes for the Aged and Shelter, Housing and Support and creating new display systems and photo library for Social Services, Children's Services, Homes for the Aged, Emergency Response Team and Shelter, Housing and Support
- Provided Departmental marketing and communication support by providing and implementing a marketing plan for Children's Services, establishing communication protocols, visual identity and communication products for Strong Neighbourhoods Task Force, implementing communication training for staff in Social Services, Children's Services, Shelter, Housing and Support and Homes for the Aged
- Coordinated the Department's MFIPPA requests, successfully responding to approximately 290 requests
- Coordinated the Corporate Community Partnerships and Initiatives program, including the budget submission, corporate grants policy and follow-up to the Auditor General's recommendations regarding grants administration
- Delivered the Community Services grants programs, reviewing over 718 program/project funding requests and monitoring 546 program/project funding allocations
- Provided direct delivery of youth programs through Toronto Youth Job Corps, Youth Employment Toronto and the Toronto Youth Employment Job Development program, and the Street Involved Youth Program serving over 1300 youth and 30 employers

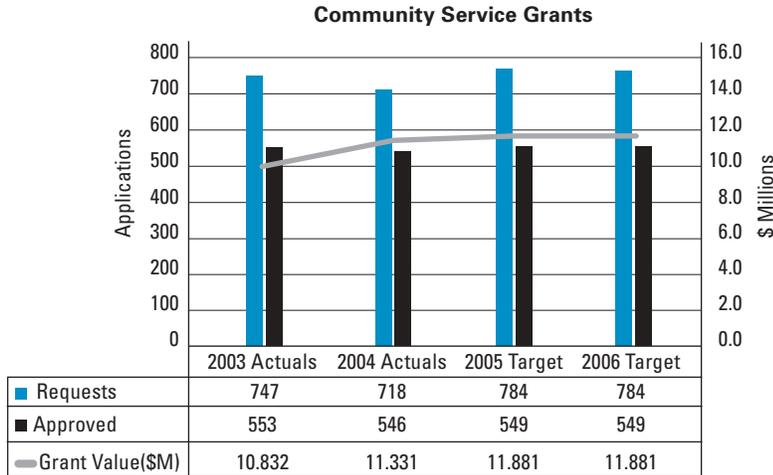
Social Development & Administration

2004 Achievements (continued)

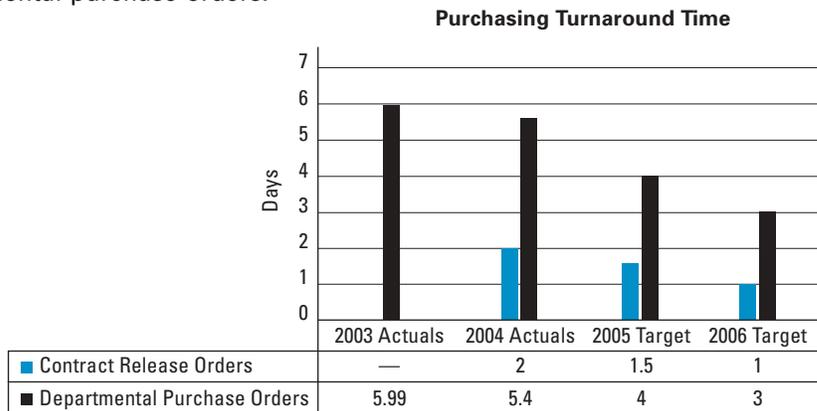
- Provided Corporate management support and oversight for the 10 boards of management operating city community centres (AOCC's).

Performance Measures

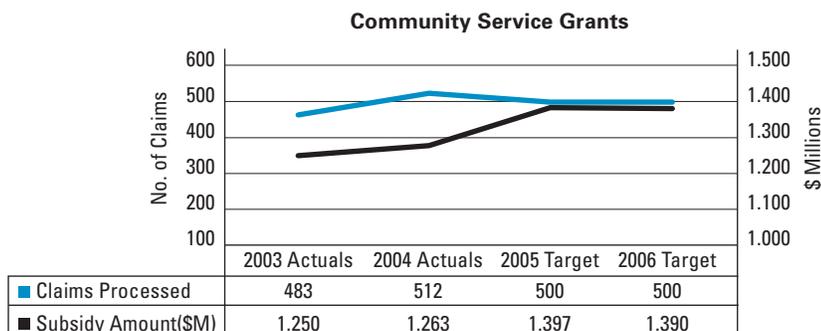
Community Impact Measure: This example illustrates the number of applications reviewed and approved to provide grants through the Corporate Community Partnership and Initiative Program.



Service Level Indicator: This example shows the turnaround time to process contract release orders and departmental purchase orders.



Output Measure: This example identifies the total number and value of subsidy



Social Services

Mission Statement:

Our Vision is a future in which all of our clients are moving toward greater self-reliance and eventual independence.

Our Mission is to:

- › Ensure a service and support system exists within the community and operates effectively to assist those in need.
- › Support clients as they fulfil their obligations to pursue opportunities and programs that will enable them to become more self-sufficient.
- › Advocate on behalf of those in the community who are most vulnerable and least able to obtain supports on their own.

Program Objectives

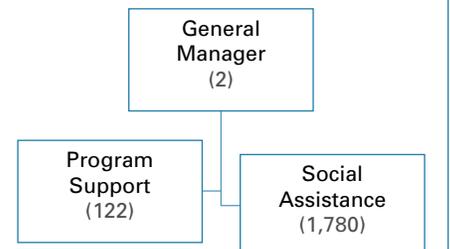
- › Toronto Social Services delivers the Ontario Works (OW) Program which is a mandatory province-wide program delivered by municipalities under the Ontario Works Act and Regulations. It provides employment assistance and financial support for people who are in financial need.
- › Employment Assistance provides opportunities for clients to engage in a variety of activities which lead to jobs, or which increase their employment prospects. Employment Assistance activities include:
 - › job search
 - › education and training
 - › paid and unpaid job placements
 - › access to other programs that enhance job readiness
- › Financial Assistance includes:
 - › funds to cover food, shelter, clothing and other household items
 - › a monthly drug benefits card to cover the cost of prescribed medications
 - › other benefits such as winter clothing, back-to-school allowance, dental services for children, eyeglasses and medical transportation
 - › assistance with employment-related expenses and child care costs

Key Stakeholders

- › Eligible City of Toronto residents
- › Community-based service delivery agencies, including not-for-profit and profit providers of employment, education and training programs
- › Provincial and Federal funding partners
- › Private Sector Employers
- › Ministry of Community and Social Services (MCSS) and other provincial, federal and municipal government agencies

Department Map

The Social Services Division is comprised of two services, with a total of 1,904 approved positions:



Social Services

2005 Strategic Direction and Service Priorities

Service Delivery

- ▶ Implement 3% OW rate increase introduced by the Province.
- ▶ Maximize provision of employment supports to clients including child care, employment-related expenses and community participation expenses.
- ▶ Based on consultation with key community stakeholders, monitor and assess performance of contracted agencies providing skills training and employment placement services to TSS clients, including reallocation of program funds based on demonstrated ability to meet performance targets.
- ▶ Improve front-line business processes through realignment of front-line staff functions, jobs and roles, and assessing appropriate service delivery options.
- ▶ Continue to collaborate with Human Resources and Skills Development Canada and Ministry of Training Colleges and Universities on the co-ordination of labour force development approaches, and ensuring OW clients receive maximum value from programs and services offered by senior levels of government.
- ▶ Support the implementation of the Next Steps Rent Supplement Demonstration by the Shelter, Housing and Support Division which seeks to help people to make the transition from the alternative housing and shelter systems to market rental housing.

Children on Social Assistance

- ▶ Support and sustain Kids@Computer's capacity to provide computers and related benefits to children of families on OW by facilitating public/private sector partnerships.

Efficiency and Best Practices

- ▶ Implement the Province's Advanced Case Management Training strategy.
- ▶ Conduct client feedback surveys across the Division as a basis for supporting Service Quality initiatives.
- ▶ Continue to manage the transfer from the Province of responsibility for the computer hardware and software required to deliver the OW program.

Program Integrity

- ▶ Through the Division's dedicated Quality Control and Assurance unit, continue to take all necessary steps to safeguard OW program against fraud, maximize overpayment recoveries, evaluate external agency contracts, and support municipal/provincial audit activities.
- ▶ Ensure OW program integrity by meeting and/or exceeding Provincial Consolidated Verification process (CVP) targets for the City, and by continuing to strengthen Divisional fraud prevention measures.

Corporate Initiatives

- ▶ Continue supporting efforts to strengthen at-risk neighbourhoods, including the Mayor's Community Safety Panel, the Jobs for Youth program, and other Youth-at-Risk initiatives.
- ▶ Continue to advocate to the provincial government for funding arrangements and levels that fairly reflect the costs of meeting provincial mandatory requirements and of delivering the OW program in a large urban centre.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Program Support	10,766.2	5,383.1
Social Assistance	956,485.7	212,129.2
	967,251.9	217,512.3

2005 Budget Highlights

- ▶ \$601.139 M gross/\$127.712 M net - to fund financial assistance for a projected average monthly Ontario Works caseload of 72,000 cases
- ▶ \$152.775 M - to fund the City's share of the Ontario Disability Support Program (ODSP) including mandatory benefits (e.g. Ontario Drugs Benefits), delivered by the Province
- ▶ \$56.262 M gross/\$11.252 M net - employment assistance funding for a monthly average of 88,300 Ontario Works participants

Social Services

2004 Achievements

Service Delivery

- ▶ Provided services, including financial and employment assistance to approximately 120,000 individual cases (220,000 people).
- ▶ Completed and/or updated over 220,000 OW client employment participation plans which are critical to clients' efforts to obtain the skills and supports necessary to re-enter the workforce.
- ▶ Assisted over 85,000 separate clients through TSS' Employment Resource Centres (ERCs) and supported 3,000 clients to upgrade their skills through a wide range of training courses.
- ▶ Assisted 10,300 vulnerable OW families to maintain or obtain housing through the Shelter Fund, using National Child Benefit Supplement municipal savings.
- ▶ Continue working with other OW delivery agents and community partners to propose innovative approaches to social assistance program delivery.

Children on Social Assistance

- ▶ Through the Kids @ Computers Scholarship Project, provided computers and training to 3,200 children.
- ▶ Through the TSS Christmas Bureau, co-ordinated the distribution of Christmas gifts to 92,899 low income children in Toronto on behalf of over 400 agencies and organizations such as the CHUM/City Christmas Wish Fund.

Program Integrity

- ▶ Through the Division's dedicated Quality Control and Assurance unit, introduced key initiatives including: consolidated standards for eligibility review investigations for use by the local offices; joint protocol with City Legal for cases referred for civil action; updating/streamlining of appeals policy and procedures, and; review of external Employment Placement agency contracts.
- ▶ Provided support to Provincial Compliance Reviews including: working with the Province to develop provincial protocol for reviews in TSS; co-ordination of activities pertaining to review of Learning, Earning and Parenting cases; and, co-ordination of activities pertaining to annual OW compliance review.

Community Outreach

- ▶ Worked with over 160 agencies and employers across the city to deliver employment and community placements and skill training courses.
- ▶ Sponsored and conducted 5 job fairs for OW clients in each TSS district, helping to connect thousands of clients with potential employers.

Efficiency & Best Practices

- ▶ Reviewed 31,000 OW cases under the Consolidated Verification Process (CVP) for ongoing eligibility for OW assistance.
- ▶ Through the Family Support program, collected \$4.0 million by supporting single parents to pursue child support arrangements.
- ▶ Conducted consultations with key stakeholders (e.g., clients, community agencies/ organizations, government partners) regarding the proposed Employment Assistance Renewal strategy.
- ▶ TSS was awarded a gold medal for its datamart project at the 2004 Public Service Quality Fair. The datamart enables all staff to easily access core service data, monitor key performance measures, analyze service trends and develop options/scenarios.

Corporate Initiatives

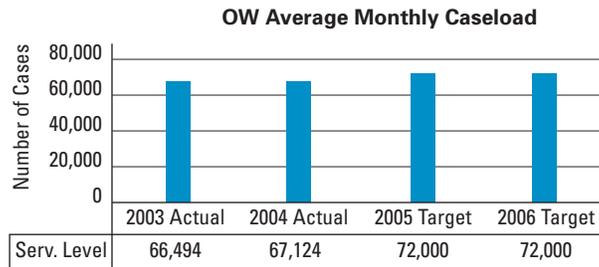
- ▶ Supported the Mayor's November "Listening to Toronto" public consultation session on the 2004 budget.
- ▶ Supported the efforts of the Mayor's Community Safety Panel to strengthen at-risk neighbourhoods through the Jobs for Youth program and other Youth-at-Risk initiatives.
- ▶ Delivered 7 presentations at the inaugural Toronto Public Service Learning Summit.

Social Services

Performance Measures

Performance Measure #1: Ontario Works Average Monthly Caseload

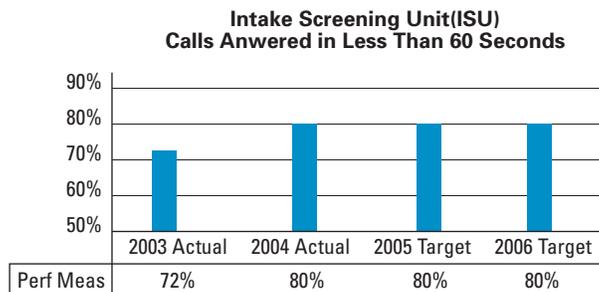
Explanation of Performance Measure Trend: Reflects the demand for Ontario Works and the volume of service provided.



Output/Outcome – The number of cases receiving OW is driven by economic and employment factors. Caseload volumes, in conjunction with Provincial requirements for program delivery, drive program and administration costs.

Performance Measure #2: % of Intake Screening Unit (ISU) calls answered within 60 seconds compared to Provincial standard

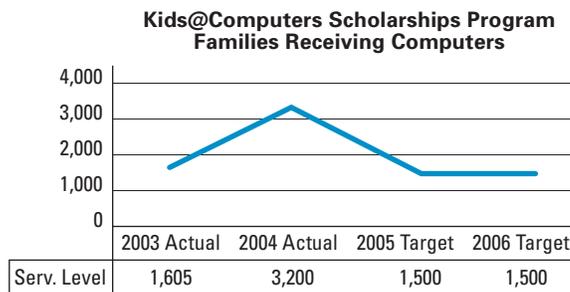
Explanation of Performance Measure Trend: To facilitate rapid response to OW applicants, the Province has established a requirement that client calls to the initial intake screening component of the OW application process be answered within 60 seconds. The increase in the number of OW inquiries coupled with both SARS and blackout emergency service requests have affected this measure for 2003. OW call volumes have likewise been increasing throughout the province.



Customer Service Quality/Satisfaction – Essential to the provision of rapid service to clients who are for applying for, or seeking information about, OW, through the ISU. TSS responds to 10,000 - 12,000 calls per month, or up to 140,000 calls per annum.

Performance Measure #3: Number of families provided computers through Kids @ Computers Scholarship Project

Explanation of Performance Measurement Trend: Using 100 percent Provincial funds awarded for exceeding provincial placement targets, TSS has developed the Kids @ Computers Scholarship Project.



Community Impact Designed to help bridge the digital divide in Toronto, Kids @ Computers provides eligible children on OW computers in their own homes. Evaluation of the program to date indicates that children and families receiving computers have benefited significantly. In 2004, TSS is piloting a mentoring project that will result in an increase in the number of families benefiting from this initiative.

Social Services

2005 Capital Budget

2004 Major Accomplishments

- › Initiated the process to completely replace the information and technology equipment and software that supports the Ontario Works Program.
- › Began scheduled repairs according to the Building Condition Assessment prepared by Facilities & Real Estate for the four City owned facilities occupied by Social Services.

2005 Capital Budget Highlights

The total 2005 Gross Budget is: \$2.708 million [2004 Gross Budget - \$5.532 million]

- › \$2.330 million to complete the IT Refresh initiative totalling \$7.304 million.
- › \$0.378 million for state of good repair of the Wellesley Street facility.

Incremental Operating Impact of the 2005 Capital Budget

The Social Services Capital Program does not require incremental operating funds.

Asset Inventory

- › Information and technology equipment and software, including 2308 desktop computers, 190 network lasers, 15 domain servers, 706 Microsoft Office Suite Licenses, etc.
- › 2 sites (1631 Queen St. E and 111 Wellesley St. E) totaling 117,120 sq. ft. with an insured value of \$21.7 million
- › 1 site (52 Hillcrest) covering an area of 4,588 sq. ft. with an insured value of \$0.4 million.
- › 1 site (455 Dovercourt) covering an area of 20,065 sq. ft. with an insured value of \$3.7 million.

Facilities are city-owned, but Social Services, as major occupant, has operational jurisdiction for capital repairs.

Five Year Capital Plan

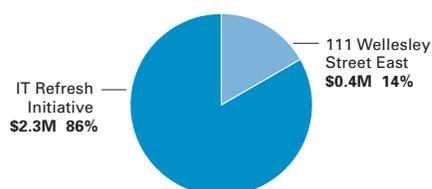
Future projections are comprised of two ongoing initiatives:

- › An IT refresh program on a five year replacement cycle; and
- › Scheduled State of Good Repair projects for City-owned buildings for which Social Services, as the prime tenant, has operational jurisdiction.

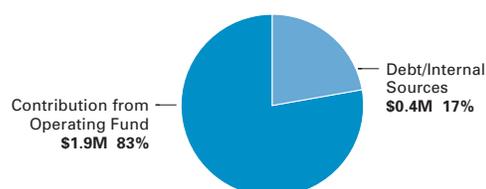
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
IT Refresh Initiative	2,330	—	—	—	2,330
Total Previously Approved	2,330	—	—	—	2,330
New					
IT Refresh Initiative	—	—	—	—	—
Total New	—	—	—	—	—
Total Social Services	2,330	—	—	—	2,330

Where the money goes



Where the money comes from



Emergency Management Plan

Mission Statement:

The Emergency Management Plan program was created to provide a co-ordinated approach by the City to deter and respond to terrorist threats and other catastrophes.

Program Objectives

- › To co-ordinate with Fire, EMS, Public Health and Police and to be the first responders to deal safely with hazardous substances.
- › To extract people from collapsed structures arising from natural or man-made disasters.
- › To provide leadership in the implementation of emergency preparedness activities.

Strategic Direction and Service Priorities

The Emergency Management Plan program is a temporary measure (originally for three years) to fund targeted improvements necessary in a post 9/11 environment to ensure that the City's emergency services are able to co-ordinate and respond to new and emerging threats.

2005 Operating Budget by Service

- › Not Applicable.
- › Prior to the 2005 budget process, the Emergency Management Plan operating budget was transferred to the appropriate program areas within the Works and Emergency Services Department.

2005 Capital Budget

2004 Major Accomplishments

- › The Emergency Operations Centre Phase 3 Upgrade project is on schedule with completion anticipated by year-end.
- › The Emergency Back-Up System project contract was awarded. The project will provide an uninterrupted power supply to the 703 Don Mills Road facility.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$2.836 million [2004 Budget – \$1.221 million]

- › \$1.400 million for the HUSAR (Heavy Urban Search and Rescue) facility located at the Special Operations Training Centre allowing for co-ordinated and safe training. The Centre will include a new building for the Base of Operations from which the Toronto HUSAR Taskforce will operate.

Incremental Operating Impact of the 2005 Capital Budget

Operating impacts from the capital budget will result in incremental operating costs of \$5,000 in 2005.

Asset Inventory

The Emergency Management Plan owns no assets. Assets funded from the Emergency Management Plan capital budget are managed by specific programs within the Works and Emergency Services Department and are designed to meet the needs of all emergency service responders.

Emergency Management Plan

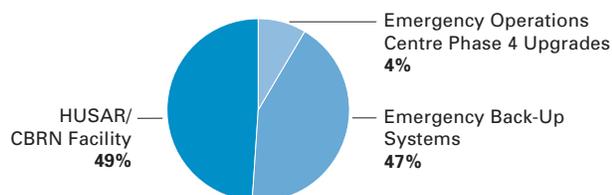
Five Year Capital Plan

- ▶ A multi-year capital plan for the Emergency Management Program was not undertaken as part of the 2005 budget process.
- ▶ During the 2005 budget review process, the Acting Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer, were requested to report back to the Budget Advisory Committee, prior to the 2006 budget process, on a proposal to transfer the entire Emergency Management Plan capital budget to the appropriate program areas within the Works and Emergency Services Department.

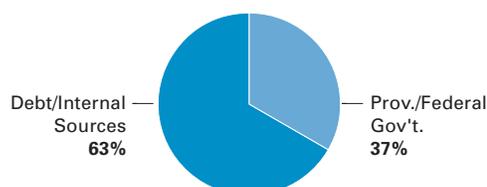
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
CBRN	—	1,647	—	—	—	1,647
HUSAR/CBRN Facility	800	—	—	—	—	800
Emergency Back-Up Systems	1,330	—	—	—	—	1,330
Total Previously Approved	2,130	1,647	—	—	—	3,777
New & Change In Scope						
HUSAR/CBRN Facility	600	500	—	—	—	1,100
Emergency Operations Centre Phase 4 Upgrades	106	—	—	—	—	106
Total New	706	500	—	—	—	1,206
Total Emergency Management Plan	2,836	2,147	—	—	—	4,983

Where the money goes



Where the money comes from



Emergency Medical Services

Mission Statement:

Toronto Emergency Medical Services (EMS) exists to safeguard the quality of life in our City through the provision of outstanding ambulance-based health services, responding in particular to medical emergencies and to special needs of vulnerable communities through mobile health care.

Program Objectives

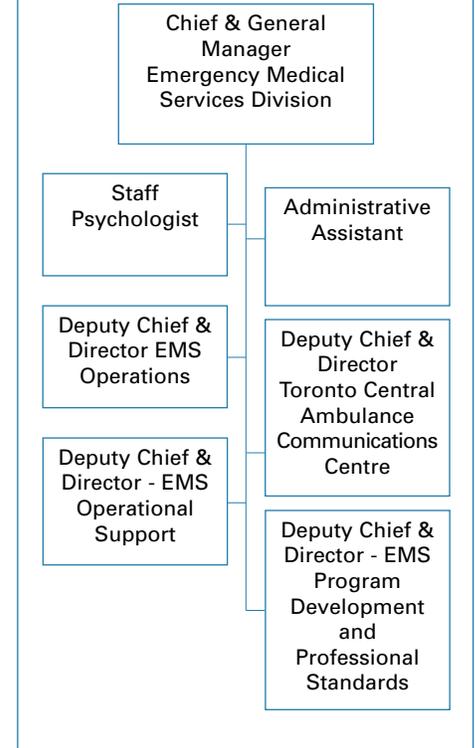
- ▶ Place Toronto EMS on a sound financial footing through the restoration of the Province of Ontario's historical percentage of operational funding.
- ▶ Continue to build partnerships within the City to improve services, particularly to the most vulnerable in the community such as the elderly and homeless.
- ▶ Improve emergency response times through process improvements and technology changes in dispatch process.
- ▶ Eventually eliminate delays in the transfer of care at hospital emergency departments from paramedics to the medical staff of the receiving facility.
- ▶ Bring efficiencies and service improvements through the consolidation of the station network into a limited number of "super-stations" where all paramedic shifts commence and end.
- ▶ Provide high quality paramedic crew "post locations" throughout the City to ensure staff comfort while ensuring neighbourhood-specific emergency coverage.

2005 Strategic Direction and Service Priorities

- ▶ Work with the Chief Administrative Officer and the Mayor's staff to ensure that restoration of proper provincial funding for EMS services in Toronto is made an important part of the intergovernmental finance negotiations.
- ▶ Complete a critical evaluation of the advantages and disadvantages of using consolidated ambulance facilities, and if justified, move to complete an overall system design by fourth quarter, 2005.
- ▶ Introduce our new bedside wireless computer system, designed to free paramedics from arduous manual paperwork and to improve the quality of emergency patient care.
- ▶ Complete the installation of the Toronto EMS on-board computer system in all frontline emergency vehicles to improve response times and improve communications with the paramedics.
- ▶ Conclude a complete re-design of the process by which EMS receives, prioritizes and dispatches ambulance calls in Toronto.

Program Map

The EMS is comprised of four services and one staff psychologist, with a total of 1,164 approved positions:



Emergency Medical Services

2005 Operating Budget by Service

Service	Gross (\$000s)	Net (\$000s)
CACC	11,452.8	550.8
Corporate Charges	8,001.1	8,001.1
EMS Operations Support Services	17,729.8	8,722.2
EMS Operations	86,444.6	43,757.3
Program Development & Service Quality	6,155.1	2,602.2
Total Program Budget	129,783.4	63,633.6

2005 Budget Highlights

- ▶ \$64.678 million Provincial Contribution reflecting a provincial funding shortfall of \$11.023 million from the requested 2005 provincial contribution of \$75.701 million.
- ▶ \$3.863 million net in Prior Year Impacts.
- ▶ \$0.200 million net directed towards parametric step allotments.
- ▶ \$0.254 million net attributed towards inflationary increases.
- ▶ \$0.623 million net in Other Base Changes, including \$0.226 million in "new normal" medical supplies biohazard disposal.

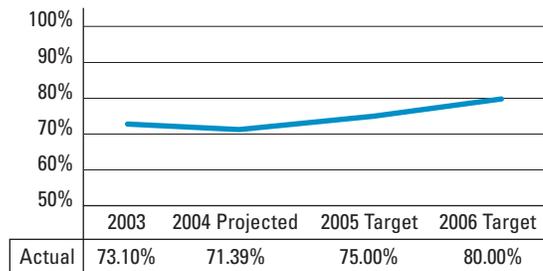
2004 Achievements

- ▶ Emergency paramedic care to approximately 143,000 patients, an increase of more than 2,000, over 2003. In addition, EMS provided medically non-emergency ambulance transportation to an additional 29,000 people.
- ▶ Commenced installation of industry-leading on-board computers to provide paramedics with instantaneous access to dispatch information and to easy-to-use mapping linked to geo-positioning satellite systems.
- ▶ Consolidated experience with SARS in 2003 into new processes, procedures and infrastructure for the management of epidemics in the community and for the management of major incident command.
- ▶ Continued to increase the percent of emergency calls to which full advanced life support paramedics responded through ongoing upgrade training for existing Level 1 paramedic staff.

Performance Measures

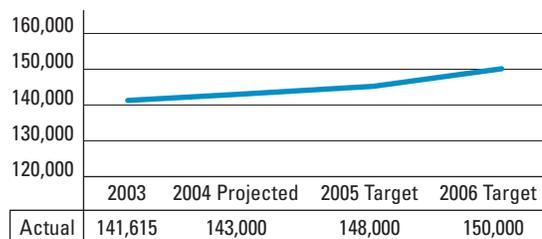
Percent of Life-Threatening Calls with A Response Time Of 8:59 Minutes or Less

Total response times and road response times have been impacted by decreased resources due to hospital off-load delays and increased call volume.



Emergency Patients Transported

The total number of emergency patients transported indicates an upward trend based on the ageing population.



Emergency Medical Services

2005 Capital Budget

2004 Major Accomplishments

- ▶ Made great strides with the implementation of the Mobile Data Terminal project, which involves the placement of computers into all ambulances and emergency response vehicles. MDTs are providing EMS crews with enhanced Automatic Vehicle Locating features, electronic displays of call incident or premises information, electronic map tracking, call messaging and on board access to SOPs.
- ▶ Completed construction and operationally activated new Ambulance Station # 25 (Morningside/Sheppard area) improving emergency service delivery to the northeast part of the community of Scarborough.
- ▶ Works and Emergency Services Department, with the assistance of Corporate Real Estate and Facilities, initiated a facility audit in 2002 that carried on in 2003 and 2004. The process has assisted the Department in establishing facility rehabilitation needs on an annual basis to provide sustained support for the state of good repair program.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$6.616 million [2004 Budget – \$5.761 million]

- ▶ \$1.258 million for asset management projects.
- ▶ \$1.200 million for the second phase of the electronic data collection project.
- ▶ \$0.450 million for the public access defibrillator project.

Incremental Operating Impact of the 2005 Capital Budget

Operating impacts from the capital budget will result in incremental operating costs of \$0.327 million in 2005.

Asset Inventory

The EMS asset inventory listing can be categorized into two major asset classifications that include the following:

- ▶ 40 EMS Stations
- ▶ 2 Service Districts

Five Year Capital Plan

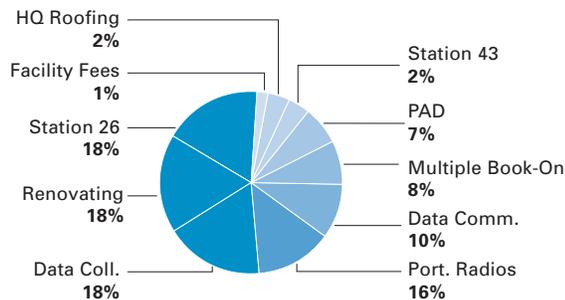
- ▶ The five year capital plan was based on the "stand-alone" ambulance station deployment model for service delivery.
- ▶ Completion of the ambulance multiple book-on utilization station feasibility study in September 2005 will provide EMS with a clearer understanding of future needs.
- ▶ Flexibility will be required in the adjustment of future year capital plans with respect to possible cancellation and reinvestment of assets from facility projects and lands into the larger multi-book on locations.

Emergency Medical Services

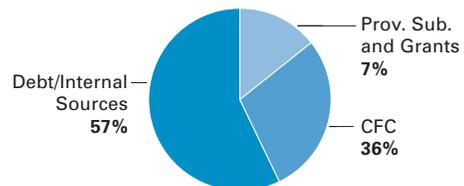
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Station 19	—	1,072	450	—	—	1,522
Mobile Data Communications	150	—	—	—	—	150
Station 26	1,260	—	—	—	—	1,260
Station 34 Vehicle Garaging	120	—	—	—	—	120
Total Previously Approved	1,530	1,072	450	—	—	3,052
New & Change In Scope						
Mobile Data Communications 2005	500	1650	200	200	—	2,550
Electronic Data Collection - Phase 2	1,200	100	—	—	—	1,300
Radio Infrastructure for Portable Radios II	1,078	1,422	—	—	—	2,500
4330 Dufferin HQ Roofing	100	—	—	—	—	100
Ambulance Multiple Book-On Utilization Station	500	100	100	100	—	800
Facilities Management Fee 2005	76	—	—	—	—	76
Renovating 2005	1,182	—	—	—	—	1,182
Public Access Defibrillator Program (PAD) 2005	450	—	—	—	—	450
Total New	5,086	3,272	300	300	—	8,958
Total Emergency Medical Services	6,616	4,344	750	300	—	12,010

Where the money goes



Where the money comes from



Fire Services

Mission Statement:

Toronto Fire Services is dedicated to protect life, property and the environment from the effects of fires, illness, accidents, natural disasters and other hazards. Toronto Fire Services is committed to enhancing fire safety and raising community awareness through education and involvement. Toronto Fire Services will pursue the acquisition and use of the most effective technology, equipment and resources to ensure performance in a competent and professional manner. The Service will always seek new opportunities to fulfil our mission. The Service is dedicated to building a cohesive, equitable and unified workforce. The Toronto Fire Service provides high quality and caring services to those who live in, work in, and visit our City....safely efficiently and effectively.

Program Objectives

- ▶ The Toronto Fire Service is committed to protecting life, property and the environment from fire, hazardous materials, natural disasters and other emergencies.
- ▶ The Fire Prevention Division of Fire Services provides information about emergencies, fire regulations, home inspections, and the Alarm for Life campaign emphasizing smoke alarms and carbon monoxide detection.
- ▶ Fire Services provides public education and school fire safety programs in accordance with the Fire Protection and Prevention Act, in addition to delivering fire and emergency training to all employees and appropriate outside organizations.
- ▶ Toronto Fire Services is a proactive leader in fire prevention, protection and emergency services to meet the diverse needs of the community.
- ▶ The Service operates within the framework of five core values: Integrity, Professional Development (Development of Human Resources), Accountability, Teamwork, and Innovation.

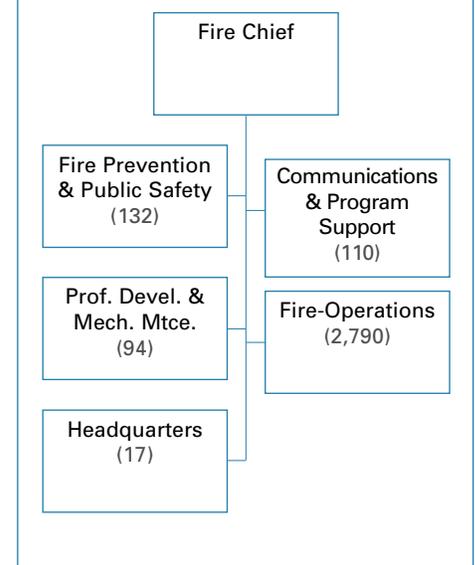
2005 Strategic Direction and Service Priorities

The Fire Service will continue to work towards reducing the number of false alarms. The War on Fire to reduce the incidents of preventable deaths and injury will continue.

The Strategic Plan of the Toronto Fire Services released in January 2003, follows guiding principles as outlined in the City's Strategic Plan 2001. The TFS Strategic Plan is based on seven Strategic Directions accompanied by goals to achieve them. The plan builds on post-amalgamation successes to provide a standard level of high quality service for the city. The areas addressed include leadership, roles and responsibilities, accountability, communication, standardization, the divisional planning process, and interdivisional coordination. Improvements in these areas will increase the efficiency and effectiveness of the Fire Service. Fire Operations will undertake a major initiative to train its HUSAR teams in 2005.

Program Map

The Toronto Fire Services is comprised of five services, under four deputy chiefs and the Headquarters function, with a total of 3,143 positions:



Fire Services

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Fire-Operations	246,619.4	242,180.3
Fire Prevention and Public Safety	12,031.1	11,731.1
Communications and Operational Support	23,955.8	23,464.7
Professional Develop. and Mechanical Support	21,366.8	21,142.4
Fire- Headquarters	3,207.8	3,207.8
Total Program Budget	307,180.9	301,726.3

2005 Budget Highlights

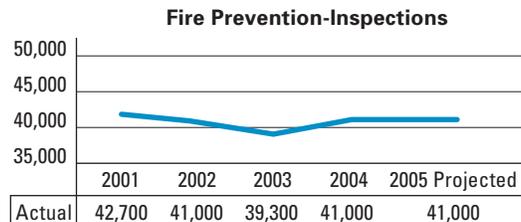
- › \$2.693 M – to fund the impact of firefighters’ recognition pay included in 2005 Budget.
- › \$1.345 M – Efficiency due to miscellaneous decreases in salary, materials & supplies and equipment.
- › \$1.600 M- Efficiency due to deferring the increase in contributions to Vehicle Replacement Reserve.
- › \$0.500 M- Adjustment to expected revenues from fees for false alarms and non-emergency elevator responses based on a continued volume of expected recoveries.
- › \$0.500 M – Efficiency due to delaying the replacement of portable radios.
- › 1 additional position for 2005 to improve management of resources by hiring a Captain for Mechanical Maintenance.

2004 Achievements

- › Fire Services ratified a new collective agreement, following successful negotiations between the City, TFS management and Local 3888.
- › Implementation of a pilot project for Fire Cause Determination, to provide a better understanding of public education and fire prevention requirements.
- › Participated in a new inspection program in the Entertainment District to ensure the public’s safety in bars and nightclubs in the City.
- › Recognized the 100th anniversary of the Great Toronto Fire with a public education display at the TD Centre and during the Canadian National Exhibition.
- › Implemented a revised Incident Management system (IMS).
- › Introduction of RIT (Rapid Intervention Teams) trucks to response capabilities.
- › The "Risk Watch" child injury prevention program was rolled out in January targeting the eight major risk areas for children, with Fire Services partnering with schools, Public Health and Police.
- › Trained 40 new recruits for the Operations Division.
- › Selected members for the City’s HUSAR Team and commenced team member training. Also provided training for Team Leaders through funding from Federal and Provincial partners.

Performance Measures

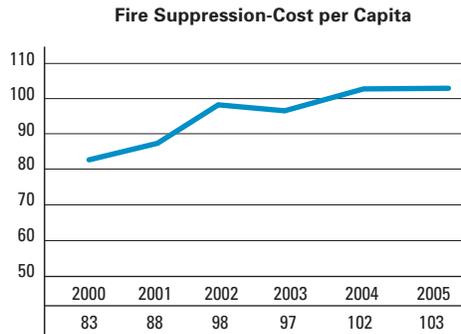
The number of inspections is not necessarily comparative from year to year, as the time commitments for a single inspection can vary greatly (e.g., hospital vs. convenience store). The qualitative analysis of inspection data is more important in preventing fire related damage than the number of inspections.



Fire Services

Performance Measures (continued)

The increase in the cost per capita of providing fire services is largely due to the impact of harmonization of the former six collective agreements, and the continuing allowances for salary increases from year to year (as salaries make up over 90% of the Fire Services Operating Budget)



2005 Capital Budget

2004 Major Accomplishments

- ▶ The 2004 capital program consisted of 21 projects with a 2004 cashflow total value of \$7.91 million in new funding. In addition, 6 projects were carried forward from the prior year with a value of \$3.011 million. Completion rate at year-end was 56.5% or \$6.17 million on an approved 2004 Capital Budget of \$10.92 million.
- ▶ One major project, the Rebuild of Etobicoke Station 1, the contract for which was tendered in late August will carryforward \$0.514 million of the approved 2004 cashflow of \$0.944 million to 2005.
- ▶ As well, another major project, the CAD/RMS (Computer Aided Dispatch /Record Management System) project with a 2004 cashflow of \$2.1 million spent \$1.3 million by year-end. Yearly completion was 59% while the total project completion was 66%. The issue in this case has been vendor performance problems associated with a difficult build. Only now is testing and training being done with the major expenditure coming with the equipment roll-out in early 2005 when acceptance testing and training is concluded. Achieving final project milestones on the resolved issues is allowing partial payments to begin.
- ▶ Asset Management which includes structural repair and maintenance on Fire Services' Facilities had an average completion rate of 69% spending \$1.7 million out of an approved budget of \$2.4 million.
- ▶ Training Facilities and equipment had an average completion rate of 86% or \$1.2 million on a budget of \$1.3 million.
- ▶ The new training projects: The Railway Hazmat Simulator, Crane Rescue and Fire Fighting Foam simulators are all underway but will carryforward portions of the approved 2004 cashflow of \$0.785 million.
- ▶ The new Training Pumpers and Water Tanker with an approved 2004 cashflow of \$1.031 million have been ordered but the build time will carry these projects into 2005.

2005 Capital Budget Highlights

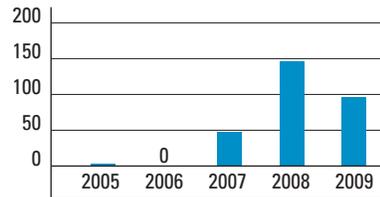
Budget: \$9.769 M Gross comprised of \$6.867 M previously approved and \$2.902 M new and on-going projects [2004 Gross Budget – \$10.92 M]

- ▶ \$5.075 M for a CAD/RMS Computer Aided Dispatch and Records Management System including completion of acceptance testing
- ▶ \$2.152 M for the Asset Management program to ensure Fire Services facilities are maintained in a state of good repair.
- ▶ \$1.088 M for the rebuilding of Station 1 –West Command and the design for Station C.
- ▶ \$0.904 M for the completion of training simulator and training pumper truck purchases.
- ▶ \$0.470 M for the purchase of additional portable radios.

Fire Services

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact**
(Excl Debt Service Cost) \$0.292 Million



Asset Inventory

Facilities:

- ▶ 81 Fire Stations
- ▶ 3 Training Facilities
- ▶ 1 Maintenance Facilities

Vehicles:

- ▶ 179 Heavy Fire Vehicles
- ▶ 185 Light Vehicles
- ▶ 1 Fireboat

Five Year Capital Plan

- ▶ The 5-year plan reflects all asset needs as presently determined by the Toronto Fire Services. Existing facility maintenance and new facility construction has been determined in consultation with Corporate Facilities.
- ▶ In order to improve public service and improve community safety, the 2005 Capital Budget includes Facility Initiatives that continue with the fire station rebuilds and relocations that were deemed necessary through the original KPMG study in 1999. That study identified service gaps and overlapping coverage affecting critical response times. Eight new stations and or relocations and co-locations with EMS are set forth in the 2005-2014 Capital Plan. Starting with Station C on Sheppard Ave in 2005 and the Chaplin Fire and Ambulance Station in 2007, the plan continues into the period 2010-2014 with six other locations.
- ▶ Also considered an integral part of contributing to public service and community safety, are the Training Initiatives currently planned by the Toronto Fire Services. These projects are based on a study from November 2000 that highlighted training deficiencies and also identified opportunities to enhance training systems beneficially for both the city and neighbouring regions. Chief among these projects is the acquisition of training equipment and simulators to aid in gaining technical excellence.
- ▶ The issue challenge within the 2005 Capital Budget and 2006-2014 Plan remains to be the emerging demand for new station/facility construction to rationalize and improve service to the public and the ability to schedule these based on competing city priorities and scarce resources.

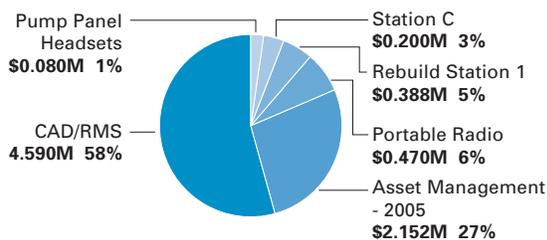
Fire Services

2005 Capital Budget (continued)

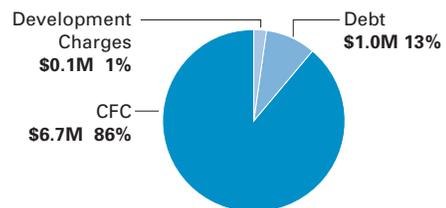
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
CAD/RMS	4,590	—	—	—	—	4,590
Rebuild Station 1 West Command	388	—	—	—	—	388
Total Previously Approved	4,978	—	—	—	—	4,978
New						
Asset Management - 2005	2,152	836	—	—	—	2,988
Portable Radio Addition	470	480	490	—	—	1,440
Station C	200	1,550	3,150	—	—	4,900
Pump Panel Headsets	80	—	—	—	—	80
Training Facilities Renovations	—	294	294	294	—	882
Total New	2,902	3,160	3,934	294	—	10,290
Total Fire Services	7,880	3,160	3,934	294	—	15,268

Where the money goes



Where the money comes from



Solid Waste Management Services

Mission Statement:

To provide effective and efficient waste management and resource recovery services to residents, visitors and businesses in the City of Toronto in order to maintain a clean and healthy City and to minimize the impact of waste on the environment.

Program Objectives

- › Collection of the City’s waste and recyclables to maintain a clean and healthy city.
- › Processing of recycled materials to protect the environment and to minimize the impact of waste on the environment.
- › Disposal of the City’s waste to maintain a clean and healthy city.

2005 Strategic Direction and Service Priorities

Solid Waste Management has identified the following direction and service priorities for 2005:

- › To increase residential waste diversion from 36% in 2004 to 40% – 42% in 2005
- › To ensure immediate and long term processing capacity for green bin and recycling materials. Explore and develop process capacity for durable goods (e.g. electronics).
- › To prevent and reduce litter and measure progress towards the 50% litter reduction goal by 2007
- › To implement the next diversion steps identified in the Solid Waste Business Plan, including the introduction of waste limits and levys and the enforcement of the mandatory diversion by-laws
- › To maintain access to residual waste disposal in Michigan and to develop short term contingency options and long term residual waste opportunities in Ontario

2005 Operating Budget by Service

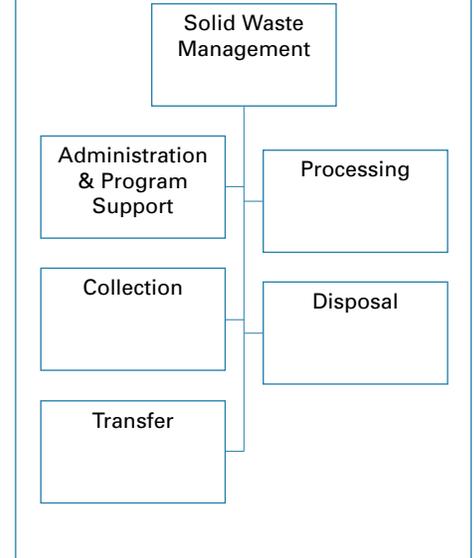
Services	Gross (\$000s)	Net (\$000s)
Administration & Program Support	31,820.3	16,898.9
Collection	88,195.7	84,828.2
Transfer	23,100.2	7,092.9
Processing	28,195.1	8,114.1
Disposal	49,523.2	44,104.3
Total Program Budget	220,834.5	161,038.4

2005 Highlights

- › Expansion of Three Stream Collection Program \$8.2M
- › Lower disposal cost due to lower waste tonnes \$14.0M
- › Decreased revenue related to Waste Disposal Fees \$10.7M
- › Increased revenues from the sale of recyclable materials \$4.9M
- › Increased revenue from the Waste Diversion Office \$1.9M
- › Increased leaf & yard waste processing costs \$1.0M
- › Clean & Beautiful City initiatives \$0.6M
- › Asian Long-Horned Beetle costs \$0.5M

Program Map

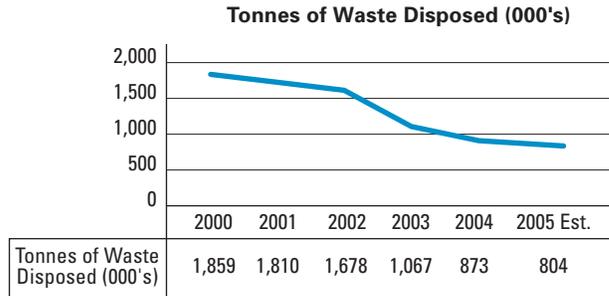
Solid Waste Management Services is comprised of five services, with a total of 1,343.5 Approved Positions:



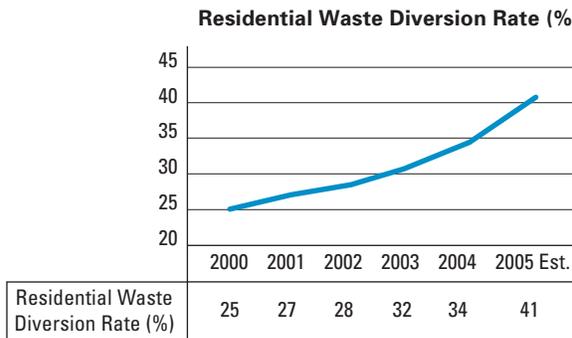
Solid Waste Management Services

Performance Measures

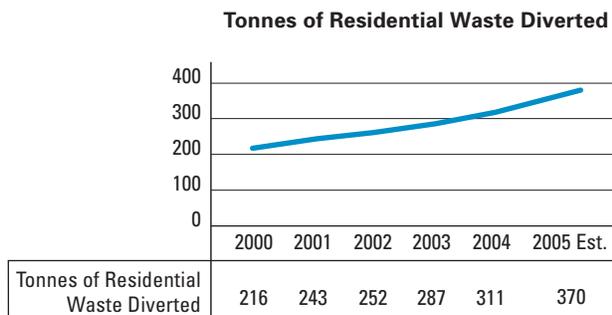
Total tonnage is decreasing as a result of the closure of the Keele Valley Landfill site in 2002. The City of Toronto no longer receives waste from York Region, Durham Region and the private sector that was previously received at the Keele Valley Landfill. Implementation of various initiatives towards higher diversion is also contributing to the continued decrease.



The residential diversion rate is currently on schedule to meet the Council-approved 46% diversion target in 2006 through the introduction of different diversion initiatives including Source Separated Organics implementation and rolling out of apartment recycling to all buildings receiving city collection services.



Similar to the diversion rate graph, the Tonnes of Residential Waste Diverted reflect the City's increased efforts on waste diversion each year.



Solid Waste Management Services

2005 Capital Budget

2004 Major Accomplishments

- ▶ Continued work on the final restoration stages of the Keele Valley Landfill
- ▶ Continued to monitor and undertake appropriate remedial measures at former landfills sites
- ▶ Continued to maintain the transfer station network in a state of good repair
- ▶ Continued the expansion of diversion activities in order to achieve the City's diversion target of 60%

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$35.987 million [2004 Budget – \$53.599 m]

- ▶ \$23.985 million is for the Diversion Facilities.
- ▶ \$5.692 million for Perpetual Care of Landfills.
- ▶ \$0.487 million for Keele Valley Development.
- ▶ \$4.404 million for Transfer Station Asset Management.
- ▶ \$1.419 million for Multi-Unit Residential Containers.

Incremental Operating Impact of the 2005 Capital Budget

The incremental operating impact of the 2005 Capital Budget is mainly associated with:

- ▶ Debt service costs
- ▶ Reserve contribution
- ▶ Contracted Service costs for the Dufferin Single Stream Processing Facility

Asset Inventory

- ▶ 7 Transfer Stations
- ▶ 2 Material Recovery Facilities (MRF)
- ▶ 1 Organic Processing Facility
- ▶ 1 Maintenance Yard
- ▶ 9 Collection Yards
- ▶ 158 Former Landfills
- ▶ 6 Household Hazardous Waste (HHW) Depots

State of Good Repair

- ▶ 2005 expenditure of \$5.8 million (3.1% of insured replacement value)

Insured/Replacement Value

- ▶ \$185.4 million

Solid Waste Management Services

2005 Capital Budget (continued)

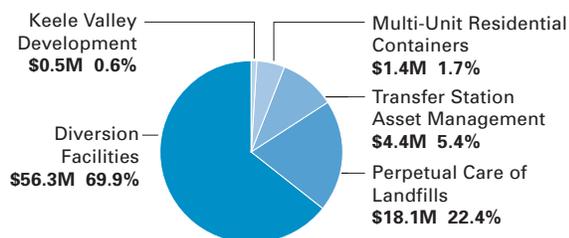
Five Year Capital Plan

- ▶ To complete the final restoration stages of the Keele Valley Landfill
- ▶ To monitor and undertake appropriate remedial measures at former landfills sites
- ▶ To achieve and maintain assets in a state of good repair.
- ▶ To continue the expansion of diversion activities in order to achieve the City's diversion target of 60%

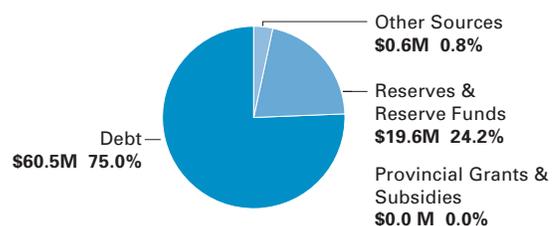
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Multi-Unit Residential Containers	1,419	—	—	—	—	1,419
Perpetual Care of Former Landfills	5,342	6,694	5,745	—	—	17,781
Keele Valley Development	487	—	—	—	—	487
Transfer Stations Asset Management	1,314	49	—	42	—	1,405
Diversion Facilities	19,425	22,451	9,758	—	—	51,634
Total Previously Approved	27,987	29,194	15,503	42	—	72,726
New						
Multi-Unit Residential Containers	—	—	—	—	—	—
Perpetual Care of Former Landfills	350	—	—	—	—	350
Keele Valley Development	—	—	—	—	—	—
Transfer Stations Asset Management	3,090	—	—	—	—	3,090
Diversion Facilities	4,560	—	—	—	—	4,560
Total New	8,000	—	—	—	—	8,000
Total Solid Waste Management Services	35,987	29,194	15,503	42	—	80,726

Where the money goes



Where the money comes from



Transportation Services

Mission Statement:

The Transportation Services Division’s mission is to safely, efficiently and effectively serve the mobility needs of the City in harmony with its neighbourhoods and the environment.

Program Objectives

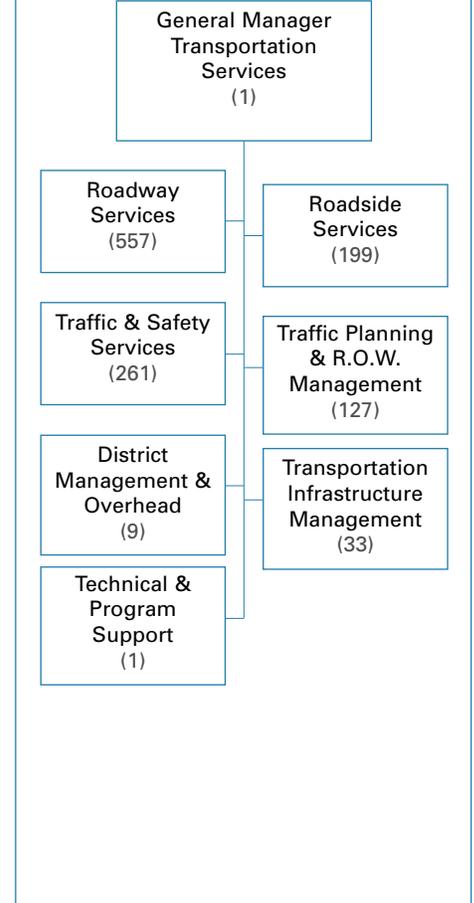
- ▶ Transportation Services objectives include maintaining the transportation infrastructure including roads, bridges, sidewalks and boulevards within the four geographical city districts in a state of good repair with regard to public safety and efficient movement of people, goods and services. This would include five services and district administration/technical support as listed below.
- ▶ Transportation Services is responsible for all aspects of traffic operations, roadway regulation, street maintenance and cleaning, transportation infrastructure management, road, sidewalk and boulevard occupation and snow removal.
- ▶ Transportation Services is committed to serving the mobility needs of the population in a safe and efficient manner.
- ▶ Transportation Services is committed to enhancing the safety of pedestrians, cyclists and drivers of all types of vehicles.

2005 Strategic Direction and Service Priorities

- ▶ In the short term, the Transportation Services Division will continue to focus on the harmonization of service levels across the City in response to Council directives and the need to adjust service delivery resources in accordance with fiscal and human resources available.
- ▶ In keeping with Council’s directive to make Toronto a clean and beautiful City, during the 2005 fiscal period ongoing efforts will be directed toward improving the aesthetics of the road system, in particular litter around parked vehicles and grassed and landscaped areas adjacent to roadways.
- ▶ The physical condition of the visible traffic plant such as signal heads, poles, pavement markings and signs will also be highlighted as part of our overall initiative to be more aware of the contextual nature of our responsibilities.
- ▶ As stewards of the roadway network including expressway, arterial, collector and local roads, the division is committed to ensure that the infrastructure assets are properly maintained and that public access is provided safely.

Program Map

Transportation Services is comprised of five services, with a total of 1,188 approved positions:



Transportation Services

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Roadway Services	120,547.7	87,280.6
Roadside Services	51,214.0	23,274.1
Traffic Planning/Row Mgmt	11,945.8	(4,536.7)
Traffic and Safety Services	53,312.3	48,421.2
Infrastructure Management	5,171.3	2,862.7
District Mgmt and Overhead	1,176.5	(1,555.5)
Technical And Program Support	20,766.2	20732.7
Total Program Budget	264,133.8	176,479.1

2005 Budget Highlights

- › \$1.200 M - Reduction in fleet maintenance based on 2004 actual experience.
- › \$0.883 M – Increase in revenue from increasing On Street Permit Parking from \$8.50 to \$10.00 per month.
- › \$0.600 M - Reduction in utility costs based on actual experience.
- › \$0.500 M - Reduction in roadway / roadside surface maintenance budget (reduced service).
- › \$0.407 M - Increase associated with the Clean & Beautiful City Initiative includes roadside maintenance of landscaped orphaned areas of City streets, boulevards and expressway ramps.
- › \$0.500 M - Reduction in cost for Traffic Management Centre contracted services based on actual experience.
- › \$0.188 M – Increase for provision of 3 temporary technologists to support the capital project converting traffic signals to LED based technology.
- › \$0.211 M - Increased contributions from Capital to fully offset the operating cost of the Red Light Camera program
- › \$0.066 M - Increased revenue due to harmonizing Off Street Parking applications and Instituting ownership transfer fees.

2004 Achievements

1. Infrastructure Management

- › Completed Transportation component of new Official Plan, Traffic Impact Study Guidelines, Infrastructure Cost Sharing Policies
- › Completion and/or commencement of 9 major planning studies
- › Initiation of 6 Points Interchange transportation/land use study
- › Installation of 2200 bike rings, bringing total to over 11,000

2. Traffic Planning and Right-of-Way Management

- › Managed major events – Molson Indy, Pride, Caribana, etc.
- › Implemented STAR development review timelines and monitoring process
- › Managed transportation elements of the Rolling Stones/Downsview Park Concert
- › First City implementation of 'e-Service' with the permit parking system renewals
- › Continued work on cut repair/restoration standards process
- › Completed transit shelter installation guidelines and inventory data base
- › Initiated review of newspaper vending boxes
- › Proposed policy for Front Yard Parking

3. Traffic and Safety Services

- › Maintenance of 1,965 traffic control signals, 600 pedestrian crossovers and 160,000 street lights
- › Continuation of Speed Watch Trailer Deployment
- › RESCU expansion on the Don Valley Parkway

4. Roadway and Roadside Services

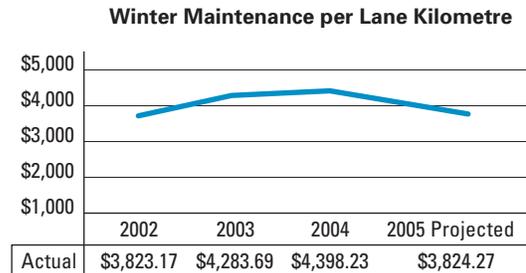
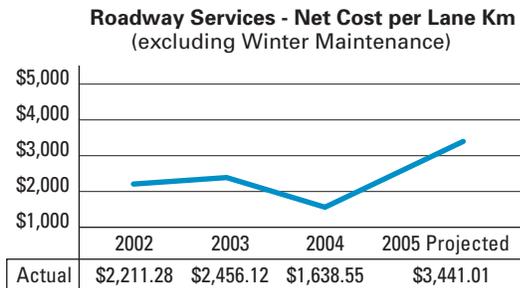
- › Implemented new winter control contracts with state-of-the-art anti-icing and pre-wetting units to better utilize road salts in accordance with the Salt Management Plan
- › Continued implementation and utilization of the Transportation Maintenance Management System (TMMS)
- › Implemented new harmonized Patrol Inspection services across the Division to meet the newly mandated Provincial Minimum Municipal Maintenance Standards
- › Implemented new district operating boundaries – also applies to Traffic Planning/Right of Way and Traffic and Safety Services noted above

Transportation Services

Performance Measures

The 2005 proposed level for Roadway Services reflects an increase in operating costs mainly due to economic factor adjustments affecting materials and contracted services.

The 2005 proposed level for Roadway Winter Maintenance services reflects an increase in operating costs mainly due to economic factor adjustments affecting materials and contracted services. The 2004 projected actual is higher than normal due to extreme winter conditions and frequency of snow events during the early part of the year.



2005 Capital Budget

2004 Major Accomplishments

1. Infrastructure Management

- Initiation of Waterfront Transportation Master Plan (Development of alternatives to the F. G. Gardiner Expressway)
- Front Street Extension
- Initiated Project Management
- EA and Preliminary Design completion and filing
- Worked closely with CN and GO Transit to resolve outstanding items Development and issuance of Design/Build REOI
- Programming and installation of over \$2M worth of new sidewalks on arterial roads
- Deployed new capital project tracking system
- Commenced year end capital performance measurement

2. Traffic and Safety Services

- Continuation of Red Light Camera Pilot Project
- Implementation of the "We're All Pedestrians" pilot project
- Initiation of the City-wide LED Traffic Signal Lamp Replacement Program
- Completion of the Traffic Signal System Upgrade, Phase 1
- RESCU expansion on the Don Valley Parkway
- Installation of traffic signals at 40 new locations

2005 Capital Budget Highlights

Budget: \$282.736 M gross comprised of \$108.821 M previously approved and \$174.015 M new and on-going projects [2004 Gross Budget - \$295.0 M]

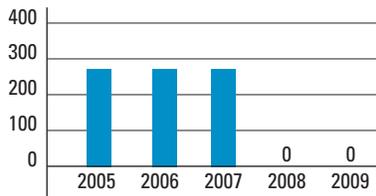
- \$172.693 M for maintenance of Bridges, expressways, roadways & system infrastructure
- \$13.349 M for Front Street Extension project to cover current obligations.
- \$11.618 M for Sidewalk installation and replacement
- \$11.270 M for Traffic Control Systems and Improvements
- \$8.799 M for the Dufferin Jog Elimination project
- \$4.124 M for grade separation projects at Morningside/Finch and Steeles/Kennedy
- \$3.649 M for Cycling Infrastructure
- \$2.727 M for Transit Priority signals
- \$2.568 M for converting traffic signals to LED based technology
- \$2.400 M for continuation of the Red Light Camera program
- \$1.345 M for Traffic Calming projects and \$1.276 M for Pedestrian Initiatives
- \$1.250 M for Street Tree Planting.
- \$57.760 M of 2004 funding has been carried forward into 2005 to complete 2004 projects.

Transportation Services

2005 Capital Budget (continued)

Incremental Operating Impact of the 2005 Capital Budget

2005 Council Approved Capital Budget
Incremental Net Operating Impact
 (Excl Debt Service Cost) \$0.810 Million



Asset Inventory

Facilities:

7 Transportation Yards	1 Consolidated Sign Shop
9 Works Yards (shared)	1 Traffic Management Centre/Safety Bureau and Data Centre
4 Winter Maintenance Depots	

Infrastructure:

535 Bridges/Underpasses	693 kms Major Roads (centerline)	1,792 Traffic Signals (intersections)
40kms Expressways (centerline)	4,480 kms Minor Roads (centerline)	662,010 Traffic Signs

Vehicles:

Trucks (Light)	265
Trucks (Heavy)	234
Trailers	159
Trucks (Attach)	108
Loaders	71
Snow Removal	71
Sweepers	56
Snow Removal (Attach)	45
Vans	40
Asphalt Equip.	30
Compressors	26
Automobiles	19
Painting Equip.	16
Tractor (Agr)	13
Generators	3
Various Equipment	146
Total Transportation Fleet	1,302

Five Year Capital Plan

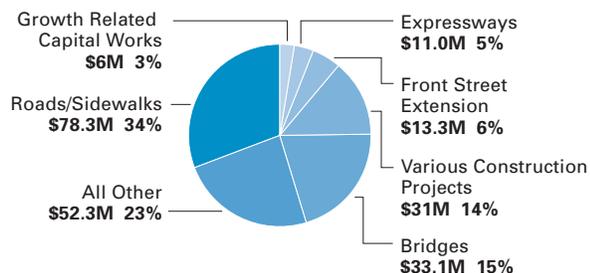
- ▶ The current 5-year plan reflects all asset needs as submitted by Transportation Services. A major element of the future year estimates is the state of good repair plan. Included in the plan is provision to make progress on eliminating the present backlog currently estimated at \$235 million.
- ▶ Growth related plans for the \$442 million capital works over 5 years consist of various projects driven mainly by projects for streetcar track replacements, \$101 million, community expansion and growth related projects \$92 million, North Yonge Centre Service Road \$37 million, Sheppard Ave \$34 million, Dufferin St. Jog Elimination \$32 million and the Steeles Avenue Grade Separation \$23 million. The Front Street Extension has been postponed until the future of the Gardiner Expressway is considered by Council in the Fall of 2005.
- ▶ The 5-Year Capital plan reflects all asset needs for projects related to Health & Safety, Legislated requirements, State of Good Repair and Growth/Service Improvement as presently envisaged by Transportation Services and reflect the Official Plan requirements.

Transportation Services

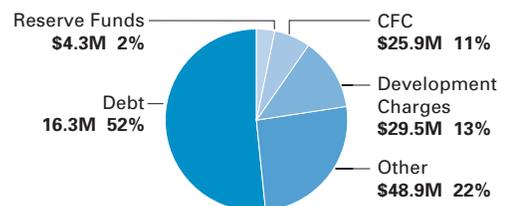
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Front Street Extension	13,349	—	—	—	—	13,349
City Bridge Rehabilitation	7,275	—	—	—	—	7,275
Dufferin Jog Elimination	6,859	14,327	8,344	—	—	29,530
Don Valley	5,820	—	—	—	—	5,820
Gardiner DVP to 427	4,552	50,509	970	970	—	57,001
Local Road Reconstruction	2,910	—	—	—	—	2,910
Local Road Resurfacing	2,066	—	—	—	—	2,066
Simcoe Street Underpass	2,013	—	—	—	—	2,013
Major Road Resurfacing	1,746	—	—	—	—	1,746
Major Road Reconstruction	1,358	—	—	—	—	1,358
Sidewalks	776	—	—	—	—	776
Sheppard Ave (Beecroft-Leslie)	0	15,000	1,005	—	—	16,005
All Other	2,237	—	—	—	—	2,237
Total Previously Approved	50,961	79,836	10,319	970	—	142,086
New						
Various Construction Projects	31,000	—	—	—	—	31,000
Local Road Resurfacing	19,850	2,150	—	—	—	22,000
City Bridge Rehabilitation	17,000	3,000	—	—	—	20,000
Major Road Resurfacing	17,000	1,000	—	—	—	18,000
Local Road Reconstruction	13,393	2,107	—	—	—	15,500
Major Road Reconstruction	10,215	4,125	—	—	—	14,340
Sidewalks	9,000	1,000	—	—	—	10,000
Leaside Bridge	8,800	12,200	1,000	—	—	22,000
Growth Related Capital Works	6,000	—	—	—	—	6,000
LED Signal Module Conversion	2,100	5,130	4,730	4,730	—	16,690
Steeles/Kennedy Grade Separation	750	5,600	8,060	8,260	—	22,670
Don Valley	605	1,000	—	—	—	1,605
All Other	38,302	16,310	150	—	—	54,762
Total New	174,015	53,622	13,940	12,990	—	254,567
Total Transportation Services	224,976	133,458	24,259	13,960	—	396,653

Where the money goes



Where the money comes from



Support Services

Mission Statement:

The Works and Emergency Services (WES) Department – Support Services Division provides value-added, customer-focused business support services to WES staff, to assist them in providing efficient and effective services to their clients.

Program Objectives

- › **Administrative Support:** Ensure all payroll is processed in a timely and effective manner and the provision of clerical and administrative support.
- › **Financial Planning:** Facilitate prudent financial management of resources to WES programs.
- › **Information Technology:** Ensure effective and efficient end-user computing to support the management and delivery of program services.
- › **Financial Services:** Continue to improve the timeliness and effectiveness of invoicing, billing and processing.
- › **Communication:** Provide public education for new initiatives and programs. Ensure public involvement and awareness of services and provide opportunities for public input on key initiatives.
- › **Customer Services:** Ensure the public receives accurate information regarding City services and respond to information and service requests from the public to assist programs in service provision.

2005 Strategic Direction and Service Priorities

Administrative Services: Provide continued value added, customer focused and timely administrative support services to WES staff and managers to assist them in delivering efficient and effective services to their clients.

Financial Planning: Design and implement the increased financial capacities needed to support the Commissioner in communicating financial information for decision support.

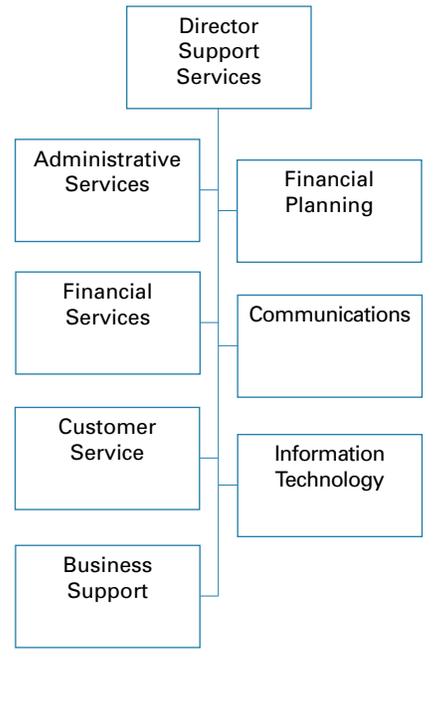
Information Technology: Upgrade the departmental information and technology infrastructure, staff skills and knowledge base in the use of new technology.

Financial Services: Provide value added customer focused financial services to the department in an effective and efficient manner to enable the program areas to deliver their services.

Customer Services: Provide value added front line customer services to the department in an effective and efficient manner to enable the program areas to deliver their services.

Program Map

Support Services Division is comprised of seven units, with a total of 477.9 approved positions:



Support Services

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Support Services	35,726.9	(50.0)
Total Program Budget	35,726.9	(50.0)

2005 Budget Highlights

- › \$0.189 million reduction as a result of service efficiencies.
- › \$0.046 million for the addition of a Blanket Contract Analyst to assist procurement in monitoring expenditures on blanket contracts.
- › \$0.052 million for the addition of a Systems Analyst for e-Commerce.
- › \$0.042 million for a Systems Integrator to participate in the development, implementation and support of the Document Management System.

2004 Achievements

Administrative Services

- › Developed and implemented the new WES Departmental Timekeeper/Program Assistant Reference Guide.
- › Implemented the WES Employee Information Line (1-800-416-9699).
- › Development of analytical reports for SMT (Quarterly) i.e. Attendance, overtime, vacation/lieu/sick banks.

Financial Planning

- › Provided input into the Municipal, Provincial and Federal performance measure and benchmarking initiatives.
- › Implemented a special financial unit devoted to the Water/Wastewater Business Unit incorporating budget support and long term financial planning.

Information Technology

- › Developed and installed phase 1.0 of the Project Tracking System for the Technical Services Division.
- › Deployed two Citrix servers and 200 laptops for Hansen application (Toronto Water) enabling remote access for primary responders to water infrastructure data.

Financial Services

- › Implemented a harmonized accounts receivable collection policy and procedure to manage the department's receivables.
- › Implemented new financial procedures in the monitoring of blanket contracts in the department to reduce the number of overspent contracts.

Communications/Public Consultation Accomplishments

- › Planned and implemented all promotional activities for inaugural 20-Minute Toronto Makeover.
- › Planned and carried out all promotion and public education for launch of Green Bin program in Toronto, East York and York to 223,000 homes.
- › Major role in planning, designing and implementing "Listening to Toronto".
- › Expanded the Toronto Environmental Volunteers program including doubling the number of partnerships and increasing volunteers by 120 percent.

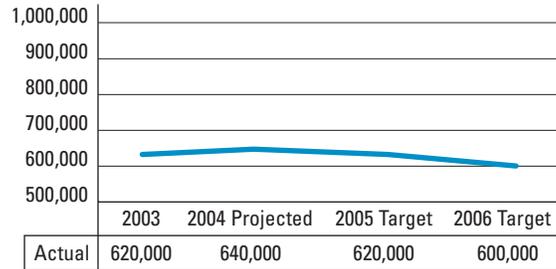
Customer Services

- › Implemented the Quality Coaching Programme for reviewing customer service employees' skills when interacting with the public.
- › Partnered with Toronto Water to implement the "First Responder" initiative by training all dispatchers in Toronto Water First Responder protocol.
- › Conceptual design of the WES 3-1-1 Pilot Programme to demonstrate the ability of new Corporate Customer Service intake software to integrate with existing WES Work Management Systems.

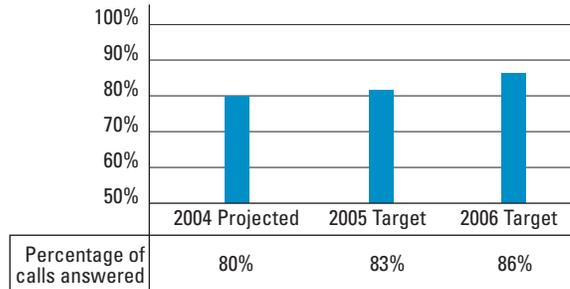
Support Services

Performance Measures

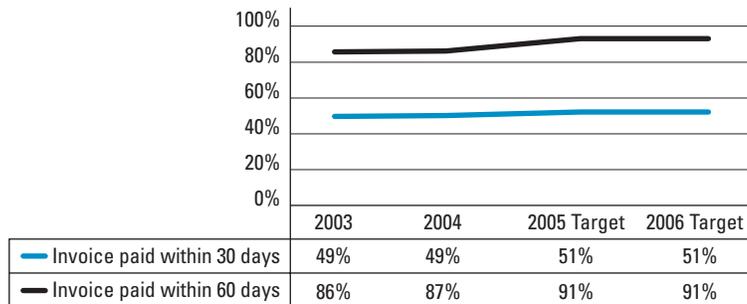
Number Of Service Calls Answered



Percentage of Calls Answered in Less than 120 Seconds



Percentage of Invoice Paid within 30 Days and 60 Days



Capital Budget

Not Applicable.

Technical Services

Mission Statement:

The Technical Services Program is committed to providing superior design and project management services, technical solutions and expert advice on municipal infrastructure, land information and environmental and emergency planning issues, in an efficient and cost effective manner, to promote Council’s strategic initiatives relating to the environment and the community.

Program Objectives

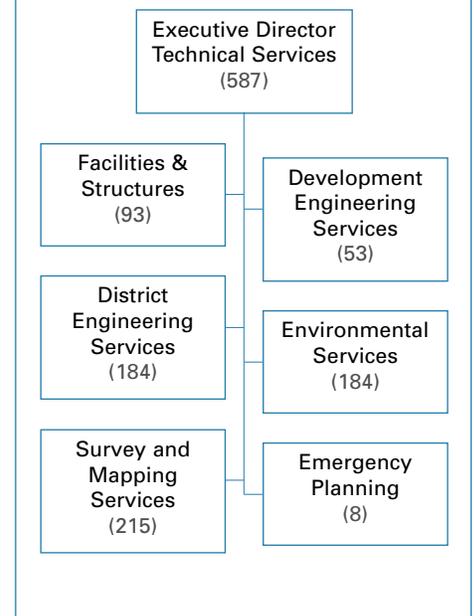
- ▶ Supply technical support to the Works and Emergency Services Department, other City departments and the Corporation;
- ▶ Provide strategic environmental and engineering leadership to the Corporation;
- ▶ Improve efficiency of the Corporation through variety of engineering services;
- ▶ Provide leadership in surveying, mapping and land information management;
- ▶ Help develop asset data bases for City’s infrastructure projects such as Transportation and Water and Wastewater;
- ▶ Support land development with direction, advice and approval on all WES servicing issues;
- ▶ Promote a clean Environment and sustainable City through Air and Soil monitoring and associated remedial initiatives;
- ▶ Co-ordination of the City’s emergency planning process.

2005 Strategic Direction/Service Priorities and Challenges

- ▶ Maintain 90% achievement rate of the Capital Works Program –Transportation. Work towards further improvement to achieve 90% rate for the Toronto Water Capital Program.
- ▶ Increase the lineal meterage of Noise Barrier Walls-installed (this as per the councillors’ concerns about the number of Noise Barrier Walls within the City)
- ▶ Develop policies of a performance-based public tendering system for city capital and operation construction contracts
- ▶ Complete Toronto Infrastructure Data Standards program.
- ▶ Develop and implement certified as-built drawing standards for water and wastewater assets and private utilities in the road allowance (Infrastructure for a successful City).
- ▶ Implement the program to expand the composite utility mapping program across the City, with support for high standards on a regional, provincial and national basis (Safe City).
- ▶ Commence rejuvenation of horizontal and vertical control networks based on capital program recoveries and contracted services. (Infrastructure for a successful City).
- ▶ Implement Phase 3 to eliminate the duplicate and triplicate street names in Toronto (Safe City).
- ▶ Commence program to promote new provisions in the Municipal Code requiring the display of municipal building numbers (Safe City).
- ▶ Secure additional funding through topographic mapping agreements with utility companies.
- ▶ Improve compliance rate for established STAR development review timeframes.

Program Map

The 2005 Recommended Budget for the Technical Services Program is comprised of six major service activities, with a total of 587 positions:



Technical Services

2005 Strategic Direction/Service Priorities and Challenges (continued)

- › Improve project monitoring and performance measurement by tracking all project activities and staff time with the new Project Tracking Portal,
- › Conduct annual emergency response exercise.
- › Comply with Emergency Management Act requirements – Enhanced level, and regulations when published.
- › Provide Emergency Management Training for Workforce - deliver training on basic emergency management, incident management, and Emergency Operations Centre management, nuclear operations; annual exercise components of the plan.
- › Raise public awareness - maintain and keep current newly launched web site; produce public information pamphlets; Emergency Preparedness Week display.
- › Ensure a functional Emergency Operations Centre - training and exercises
Operational response to real events.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Facilities & Structures	8,626.4	6,686.8
Survey & Mapping	16,339.1	6,238.8
Environmental Services	3,215.6	2,965.5
Development Engineering Services	4,939.6	3,810.0
District Engineering Services	16,432.6	6,794.6
Emergency Planning	2,203.3	1,433.4
Program Administration	551.1	551.1
Inter-Divisional Charges	3,077.2	—
Inter-Divisional Recoveries	—	(23,126.9)
Total Program Budget	55,384.9	5,353.2

2005 Budget Highlights

- › Savings of \$1.088 M gross/\$1.088 M net from increased operational efficiencies
- › Hire 6 additional Engineering Inspectors at a cost of \$0.411 million gross and \$0 net to fund new initiatives and increased workload in Transportation and Water/Wastewater capital programs
- › For the same reason District Engineering has requested to hire 4 Project Engineers at a cost of \$0.405 million gross and \$0 net
- › Additional electrical inspector is required, at a cost of \$0.069 million gross and \$0 net, to carry out and inspect the quality and correctness of all aspects of construction work including electrical inspection from inception to completion.
- › A proposed fee structure to recover 100% of the costs of development review will be considered by Council in 2005.

2004 Achievements

- › Improved efficiency, effectiveness, consistency and accountability in the management of capital works projects. Implemented a departmental wide capital works project management procedural manual, including training.
- › Improved efficiency in Computer Aided Design and Drafting.
- › Streamlined preparation of tendering documents for construction contracts of capital works and operating projects.
- › Developed contractor performance measurement criteria and policies for a proposed performance-based contractor pre-qualification system for city capital and operation construction contracts. Co-ordinated the development of a Project Tracking Portal for managing Technical Services capital construction contracts.
- › Better Transportation Exposition
- › Fuel Cell Demonstration Project – Phase 2 – Exhibition Place
- › Better Buildings New Construction Program (Pilot)
- › Environmental Plan Status Report October 2004
- › Environmental Plan Implementation Plan December 2004

Technical Services

2004 Achievements (continued)

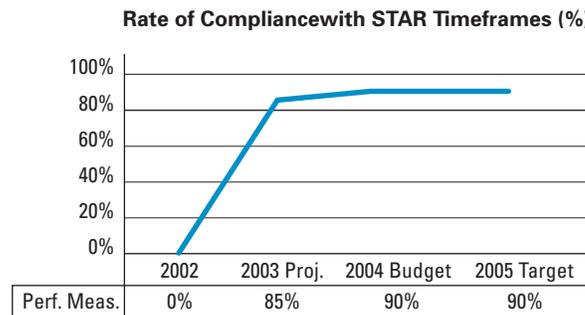
- › Sponsored the implementation of version 1 of the Technical Services Project Tracking Portal. (Software development effort and business process standardization for tracking capital projects)
- › Secured funding and kick-started infrastructure drawing conversion project for WES
- › Received two mapping awards URISA Silver Award- Best Municipal GIS; and Bentley Systems - First Place for "Extreme Mapping"
- › Completing Phase 2 of the process to eliminate the duplicate/triplicate street names in Toronto
- › Secured approval of Toronto City Council, with support from the Regional Public Works Commissioners of Ontario, to implement a composite utility mapping program illustrating underground services in the road allowance
- › Achieved approximately 65% compliance rate for the established STAR timeframes.
- › Increased delivery rate for the Capital Works Program to 80% overall.
- › Earlier completion of designs and more tenders out earlier leading to better prices, improved delivery and improved planning for 2005.
- › Council approval of revised and restructured Toronto Emergency Management Program, Emergency Plan and Emergency Management By-law.
- › Coordinated and delivered 18 training sessions on the Introduction to Emergency Management, Incident Management System, Emergency Operations Centres.
- › Provided support for the on-going development of Chemical, Biological, Radiological and Nuclear (CBRN) Response Team and Heavy Urban Search & Rescue (HUSAR) team, including chair of Joint Operations Steering Committee.
- › Phase 3 capital upgrades to Emergency Operations Centre.

Service Level Indicators

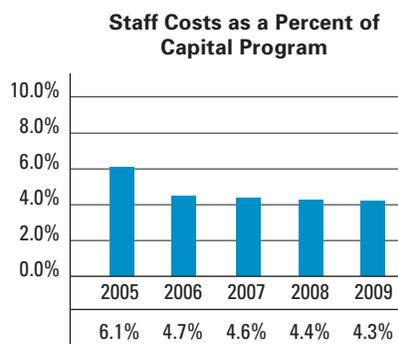
- › Rate of compliance with STAR timeframes established by Council for development application review.
- › Staff costs as a percentage of the capital program.

Performance Measures

Presently achieving 65% compliance with STAR timeframes.



The rate of growth of the capital program is not meeting demands, resulting in a growing backlog of work. An additional 10 positions are included in the new service request to address issue.



W.E.S. Departmental

2005 Capital Budget

2004 Major Accomplishments

- ▶ Most Initiatives related to the Toronto Information Data Standards project (TIADS) have been completed in 2004. Only the Phase IV, data conversion for the Water/Wastewater program, is scheduled to be completed in 2005.
- ▶ Completed Asset Inventory and 5 Year State of Good Repair Backlog Plan. As a result a firm multi-year plan for Asset Preservation is now in place and project priorities have been clearly identified.
- ▶ Development Application Tracking System – the Project Tracking portal is a capital project system harmonization initiative for Technical Services. Version 1 was rolled out in late June 2004. The system is to be fully implemented by the end of 2005.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$7.949 million, comprised of \$5.115 million previously approved and \$2.834 million new projects [2004 Gross Budget - \$9.872 M].

- ▶ \$1.999 million for Asset Preservation projects to address major maintenance requirements of Works and Emergency Services facilities
- ▶ \$0.862 million for development of a Project Tracking Portal to track development review applications and expenditures on projects funded by the capital and operating budgets
- ▶ \$1.856 million for the Toronto Infrastructure Data Standards project that provides management of the City's infrastructure assets including the transportation system, the water distribution network and the sewer systems.

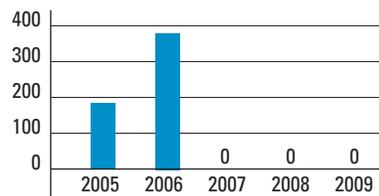
Strategic Direction

The Program has number of technology initiatives included in the 2005 Capital Budget. These initiatives will either implement or identify services and opportunities to enhance operations, decision-making, revenue generation and productivity. They are listed below:

- ▶ The Business Application Interface Phase 1 project totals \$0.792 million, with a 2006 cash flow of \$0.477 million and a 2007 cash flow of \$0.315 million, will interface the Transportation Maintenance Management System with SAP. The second phase of the project, also starting in 2006, has a cash flow of \$0.980 million, will interface various business systems with the Project Tracking Portal.
- ▶ Other departmental technology initiatives include \$0.290 million for the IT Implementation project, which will identify opportunities to enhance operations, decision-making, revenue generation and productivity and develop a plan to prioritize and maximize investment in information technology infrastructure in the department. The project will provide an overall framework for IT financial and resource management.
- ▶ The Harmonization of Survey, Design and Drafting Functions projects provides \$0.393 million to provide a standard CADD platform to benefit capital projects associated with the Transportation and Water/Wastewater programs.
- ▶ The Document Management System project, with a project cost of \$0.785 million, will provide an integrated system to enable posting, updating and monitoring of all project related documents, accessible by all stakeholders. The project is a pilot link with the Corporate Document Management System project.

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl Debt Service Cost) \$0.568 Million**



W.E.S. Departmental

Asset Inventory

WES 2005 Departmental Capital Budget Asset Infrastructure Inventory/SOGR Analysis

Facility Name	Location	Floor Area (Sq. Ft.)	Replacement Value (\$000s)	2005 SOGR Budget (\$000s)	% of Replacement Value
King Street Yard	1116 King Street	75,003	12,813.9	236.0	1.8%
Leslie Yard	7 Leslie Street	12,626	501.9	23.0	4.6%
Morningside Yard	891 Morningside Ave	13,223	2,047.2	0.0	0.0%
Murray Road Yard	64 Murray Road	40,012	4,898.7	187.0	3.8%
Northline Yard	30 Northline Road	39,398	6,045.0	0.0	0.0%
Oriole Yard	2740 & 2751 Leslie Street	518,206	81,495.2	472.0	0.6%
Toryork Yard	61 Toryork Drive	12,026	420.9	68.0	16.2%
Bering Yard	320 Bering Avenue	17,470	3,141.0	244.0	7.8%
Castlefield Yard	1401 Castlefield Ave	48,473	6,252.4	553.7	8.9%
Finch Yard	1026 Finch Avenue	105,205	9,659.2	164.0	1.7%
Eastern Yard	433 Eastern Avenue	181,388	28,378.0	439.0	1.5%
Richmond Street	505 Richmond Street	88,361	14,137.7	0.0	0.0%
TOTAL		1,151,391	169,791.1	2,386.7	1.4%

Five Year Capital Plan

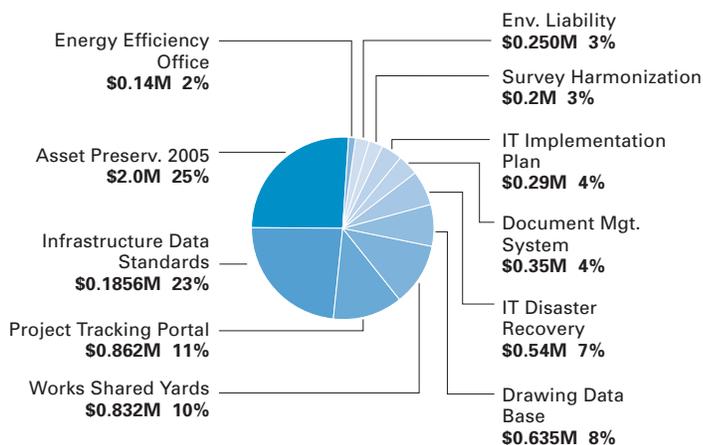
- ▶ The 2005 – 2009 Capital Plan totals \$23.779 million cash flow, which includes \$12.359 million for high priority Asset Preservation projects that address urgent Health & Safety and State of Good Repair requirements. The multi-year Asset Preservation program was developed through a detailed review of building condition assessments by Corporate Facilities and Real Estate. Priorities were developed for specific shared yard locations and the budget has been smoothed to reflect an average steady State of Good Repair of approximately \$2.5 million per year, which allows for predictability in budgeting and resource requirements.
- ▶ It is a long term maintenance program that is aimed at public service improvement such as various Transportation services, road clearing, etc. In addition, in many instances it involves the urgent repairs to buildings, roof structures, etc.
- ▶ As indicated in the Asset Infrastructure Inventory List on page 8, the shared yards have a total area of 1.15 million square feet, with a replacement value of \$169.8 million. The 2005 Asset Preservation recommended funding of \$2.0 million, represents more than 1% of the replacement value. This ratio is low by the industry standards (2%+) and it should be reassessed to ensure a State of Good Repairs for the facilities in question in the long run.

W.E.S. Departmental

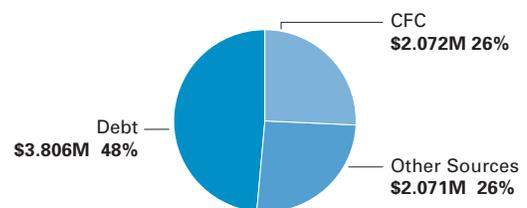
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Toronto infrastructure Data Standards	1,856	754	—	—	2,610
I/T Disaster Recovery Plan	540	210	—	—	750
Project Tracking Portal	862	—	—	—	862
Plan / Drawing Data Base	635	348	—	—	983
Environmental Liabilities	250	—	—	—	250
Works Shared Yards	832	—	—	—	832
Energy Efficiency Office	140	73	45	—	258
Total Previously Approved	5,115	1,385	45	—	6,545
New					
Asset Preservation - 2005	1,999	500	—	—	2,499
IT Implementation Plan	290	—	—	—	290
Harmonize Survey, Design and Drafting	200	193	—	—	393
Document Management System	345	440	—	—	785
Total New	2,834	1,133	—	—	3,967
Total WES Departmental	7,949	2,518	45	—	10,512

Where the money goes



Where the money comes from



Culture

Mission Statement:

To foster and maintain cultural growth and expression for citizens and visitors that contribute to Toronto as a dynamic, healthy and diverse city.

Program Objectives

- ▶ Foster health and development of the cultural sector through the creation of cultural policy, research and the maintenance of key cultural assets
- ▶ Develop and promote opportunities for cultural and artistic expression, education services and audience development
- ▶ Encourage access to the arts for all through community arts development initiatives
- ▶ Maintain and enhance the City’s fine arts collection for public enjoyment
- ▶ Conservation of Toronto’s archaeological resources
- ▶ Develop innovative programs to revitalize heritage in the City of Toronto and sustain existing museums, bringing in a new and diverse audience as well as increasing access to the City of Toronto Collection

2005 Strategic Direction and Service Priorities

Cultural Development

Foster the health and development of the cultural sector through the maintenance of key cultural assets.

- ▶ To reach a state of Good Repair with City owned Cultural Assets (built form)
- ▶ To develop a restoration plan for City owned heritage properties for the next 10 years
- ▶ To set the cultural policy direction for the City of Toronto for the next 10 years
- ▶ To revitalize major heritage properties through adaptive reuse and
- ▶ To maintain and promote the City’s collection of public art

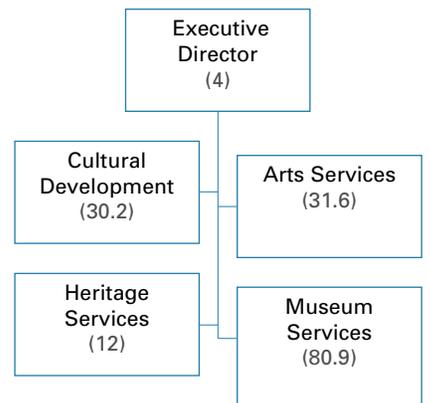
Heritage Services

Preservation, enhancement and defence of Toronto’s built and archaeological heritage resources to provide a sense of context, history and memory for the developing City.

- ▶ To review building permit applications within two days of notification pending permit
- ▶ To create opportunities to reach the wider community to educate and provide guidance on the value of preservation of built heritage
- ▶ To assist the Toronto Preservation Board and Preservation Panels to effectively fulfil their roles
- ▶ Secure and implement the Heritage Property Tax Rebate Program

Program Map

The Culture Division is comprised of four services, with a total of 158.7 approved positions:



Culture

2005 Strategic Direction and Service Priorities (continued)

Arts Services

Foster a vibrant artistic life in Toronto through its programs, facilities, partnerships and encouragement of arts development, arts education and artistic expression.

- ▶ To promote and support community arts development and best practices
- ▶ To align City grants with Culture Plan directions
- ▶ To promote quality cultural programs and opportunities at City facilities for the public
- ▶ To develop cultural sector leaders through city-wide initiatives
- ▶ To provide arts and culture opportunities for undeserved geographic areas and groups across the city and
- ▶ To promote the City's fine art collection

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Art Services	1,733.6	1,367.8
Cultural Development	5,523.3	3,689.9
Heritage Services	6,314.0	4,754.7
Total Program Budget	13,570.9	9,812.4

2005 Budget Highlights

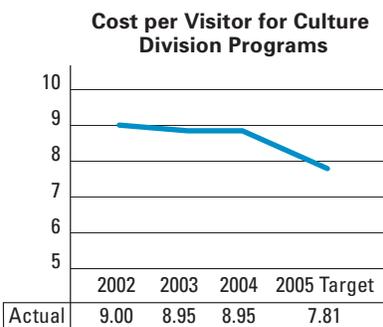
- ▶ \$0.885 million for the planning phase for the Year of Creativity celebrations in Toronto in 2006
- ▶ \$0.066 million to support art based community engagement to strengthen at-risk neighbourhoods through collaborations with internal and external partners
- ▶ Work with Mayor's Roundtable on Arts and Culture to implement the Culture Plan

2004 Achievements

- ▶ Exhibited close to 50% of the 3,000 pieces of the City's art collection developed and implemented collection management procedures related to the new approved Art Collection Management Policy
- ▶ Implemented the second year of the Creative Youth Envoy international cultural internship program with six international placements
- ▶ The Doors Open Toronto program attracted 185,000 visitors to Toronto buildings of architectural and heritage significance
- ▶ Implemented new programs for youth-at-risk through five projects with Ontario Works Incentive Fund, provided training for community arts organizations and City staff on working with street youth, and supported the Mayor's community safety initiatives in Malvern, Jamestown and Jane-Finch
- ▶ Attracted 700,000 visits to 21 museums, historical sites, cultural centres and art galleries
- ▶ Participated in waterfront planning initiatives related to East Bayfront, West Donlands and Commissioners Park to ensure that heritage, public art cultural activities and facilities are part of the approved plan

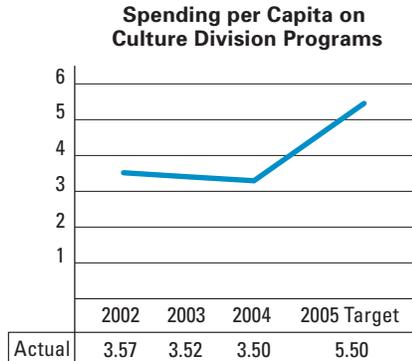
Performance Measures

Cost Per Visitor: This measure comprises attendance figures for all site/programs within the Museums Services Unit and Art Services Unit. Costs include salary and non-salary dollars attributed to each program.



Culture

Spending Per Capita: This measure relates to actual spending per capita on Culture division programs for a static population for the City of 2.5 million people.



2005 Capital Budget

2004 Major Accomplishments

- ▶ Completed Casa Loma exterior masonry repairs
- ▶ Completed Gibson House Right of Way Infrastructure
- ▶ Completed Phase 1 of the Franklin Carmichael Art Centre retrofit and the Trudeau and Lombardi Memorials

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$6.671 million [2004 Budget – \$6.154 million]

- ▶ \$4.819 million is for the restoration of heritage elements
- ▶ \$0.584 million for cultural infrastructure development projects including the Franklin Carmichael Art Centre retrofit project, the Guild revitalization project, and Public Art Development
- ▶ \$1.268 million for other projects such as major maintenance initiatives (\$0.124 million), service enhancement initiatives (\$0.861 million), collections care (\$0.175 million), and refurbishment and rehabilitation projects (\$0.108 million)

Incremental Operating Impact of the 2005 Capital Budget

The incremental operating impact of the 2005 Capital Budget is limited to debt service costs only.

Asset Inventory

- ▶ Facilities: 90 museums, art centres, theatres
- ▶ Other: 221 monuments, sculptures and 3,000 pieces of art work

Five Year Capital Plan

- ▶ To support arts, cultural and heritage programming
- ▶ To achieve and maintain assets in a state of good repair
- ▶ To continue to provide serviceable facilities and revitalize cultural sites

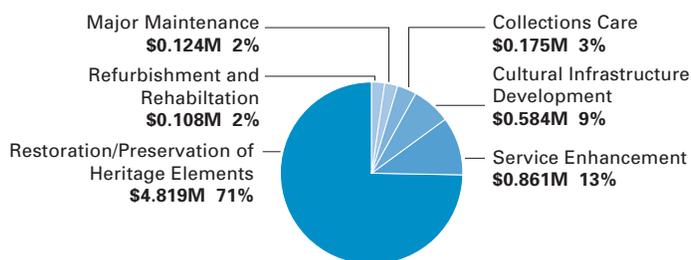
Culture

2005 Capital Budget (continued)

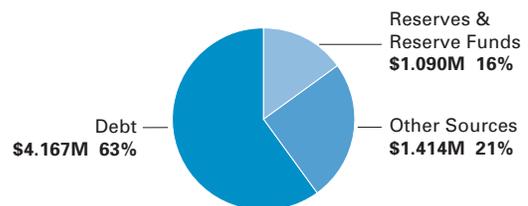
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Cultural Infrastructure Development	460	647	—	—	—	1,107
Service Enhancement	861	72	—	—	—	933
Restoration/Preservation of Heritage Elements	2,168	260	—	—	—	2,428
Refurbishment and Rehabilitation	48	—	—	—	—	48
Total Previously Approved	3,537	979	—	—	—	4,516
New						
Cultural Infrastructure Development	124	350	—	—	—	474
Service Enhancement	—	100	—	—	—	100
Restoration/Preservation of Heritage Elements	2,651	2,123	—	—	—	4,774
Refurbishment and Rehabilitation	60	—	—	—	—	60
Collections Care	175	300	—	—	—	475
Major Maintenance	124	50	—	—	—	174
Total New	3,134	2,923	—	—	—	6,057
Total Culture	6,671	3,902	—	—	—	10,573

Where the money goes



Where the money comes from



Customer and Business Support

Mission Statement:

The Customer and Business Support Program is comprised of two services – Administration and Support Services and Policy and Development.

Policy and Development

To provide client-based support in the areas of planning, development, design, land acquisition, policy and research to fulfil the Department’s mandate of delivering high quality, accessible park and recreational and cultural facilities and services that will improve the quality of life of the citizens of Toronto and preserve and enhance the natural environment and open space areas of the City.

Administration and Support Services

The Division works in partnership with corporate service providers to ensure the delivery of high quality, timely, cost-effective services to the Department and its external customers.

Division staff is key to District, Division and Department-wide management teams. They provide proactive advice and solutions and help achieve City-wide consistency and standards. Division staff embraces and promotes change and forms multi-skilled, flexible work teams to provide superior customer service to the Department and its customers.

The Division’s mission is achieved by the following goals:

- › provide one-stop shopping and accountability
- › establish effective business partnerships both outside and within the Department
- › ensure cost effectiveness by minimizing duplication, taking advantage of economies of scale, technology and working with corporate partners
- › provide strong technical expertise in all disciplines in order to provide effective, responsive services
- › focus on a Department perspective to assist in the integration and coordination of issues across divisional lines
- › establish consistency and standardization of those services that require a high degree of control

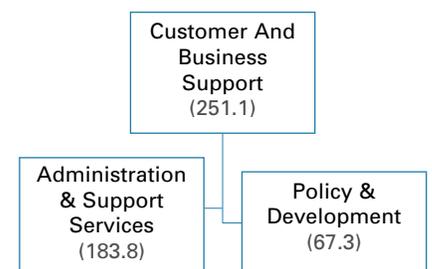
Program Objectives

Policy and Development

- › Provide effective and efficient capital planning
- › Provide capital project management
- › Provide park planning and design services at the city, district and community level
- › Develop long term plans and strategies for the provision of parks and recreation facilities
- › Acquire appropriate lands and cash-in-lieu for the parks and recreation system through land acquisition and the development application review process
- › Develop policies/plans/strategies
- › Develop statistical tools for the review and analysis of Parks & Recreation and Culture division programs and services

Program Map

The Customer and Business Support Program is comprised of two services with a total of 251.1 approved positions.



Customer and Business Support

Program Objectives (continued)

Administration and Support Services

- ▶ Develop internal management control policies and procedures, provide corresponding training to staff, review and monitor compliance to manage risks and enhance accountability of supported programs
- ▶ Provide effective and quality call centre support on general information, permitting and registration
- ▶ Provide cost-efficient registration for recreation programs through multi-channels and effective permitting service for Parks and Recreation facilities
- ▶ Provide effective and efficient financial control systems, operating budget monitoring and financial reporting in the Department
- ▶ Develop and implement effective departmental accounts payable and purchasing procedures to support corporate policies and systems
- ▶ Optimize department's connectivity and efficiency with its IT infrastructure and support the corporate e-City strategy
- ▶ Increase awareness of the department's programs and services, enhance staff morale through effective internal communications and implement a pro-active issue management process
- ▶ Ensure optimal efficiency and accuracy in the payroll process
- ▶ Improve the outreach program for the recruitment of recreation workers and provide optimal support to the recall/layoff process of seasonal parks employees
- ▶ Coordinate training requirements for Parks and Recreation for Full-time, Part-time and Seasonal staff

2005 Strategic Direction and Service Priorities

Policy and Development

Strategic Direction

The strategic direction for Policy and Development are aligned with corporate priorities and departmental strategic plans, including:

- ▶ Council Priorities for Term 2003 to 2006
- ▶ Capital Plan
- ▶ Recreation Facilities Report
- ▶ Parkland Acquisition Study – Phase II
- ▶ Culture Plan
- ▶ Parks and Recreation's Strategic Plan
- ▶ Department and Division Mission

Service Priorities

- ▶ Implementation of the 2005 Capital Works Program
- ▶ Development of the FY2006 – 2015 Capital Plan
- ▶ Continued development of the Capital Asset Management Plan (state of good repair priorities)
- ▶ Completion of the Indoor Pool Provision Study
- ▶ Completion of the Indoor Ice Provision Study
- ▶ Provide ongoing input and guidance for the redevelopment of Toronto's waterfront inclusive of the Portlands area, Cherry Beach redevelopment, West Donlands and East Bayfront areas
- ▶ Participate in the Development Application Review Process (maximize land dedication and/or cash-in-lieu contributions)
- ▶ Search out opportunities to acquire new parkland especially in areas of parkland deficiency and areas of high population growth
- ▶ Lead Department and Divisional teams in policy review and development
- ▶ Update program comparisons to reflect the new Parks and Recreation district and region boundaries
- ▶ Compare the catchment area estimates developed for 2001 and 2003 program years

Administration and Support Services

Strategic Direction

Administration and Support Services support the Department's operating divisions in delivering programs and services aligned with the Council's nine priorities, as well as their divisional strategic plan.

In addition, the service directly supports the following Council and corporate priorities:

- ▶ Improve Public Service – active participation in the 3-1-1 initiative
- ▶ e-City initiative in providing e-Service and e-Business solutions, e.g. on-line registration
- ▶ Strengthen Our At-Risk Neighbourhoods – recruitment and outreach at at-risk neighbourhoods to recruit staff for Parks and Recreation
- ▶ Increase public involvement in the civic process – communications support and call centre operations

Customer and Business Support

Service Priorities

- ▶ Support corporate projects, including the 3-1-1 initiative, Technology End of Lease, procurement process review and payment process improvement, purchasing cards and contract management
- ▶ Support Parks and Recreation's organizational review, *ReActivate TO!* and the administration process required to remap budget, cost centre, payroll, accounts structure, etc. to reflect the new organizational structure
- ▶ Continue support to significant departmental projects, e.g. Branding, Year of Creativity, Humanitas, etc
- ▶ Continue effective and efficient delivery of payroll services as the city discontinues the use of the TES payroll system and the unit implements the pilot program to improve the transfer of payroll information across the department
- ▶ Enhance the outreach program for recruitment of recreation workers with a focus on high-needs areas of the City
- ▶ Enhance internal management controls and procedures with the general rollout of the CLASS membership module to some 140 EDCT locations. Implement training and implementation of the fuel dispensing policy and procedure on all 16 sites and of the material and supplies inventory system and small equipment and tools inventory system at four district yards
- ▶ Review cash collection locations with Parks and Recreation and determine strategy re rollout of Point of Sale units
- ▶ Develop protocols and manuals for telecommunications and staff moves. Update manuals for Customer Service Representatives and Permit Officers
- ▶ Support the implementation of the harmonized permit allocation policy and harmonized fees for Parks and Recreation facilities
- ▶ Streamline registration dates to reflect the introduction of internet registration. Review registration model and in-person locations
- ▶ Review Toronto FUN and its effectiveness in marketing Parks and Recreation programs and alternative methods of promotion
- ▶ Enhance the Department's presence on the City's internet site, especially in view of the anticipated web redesign with 3-1-1 and the branding project. Develop and implement an improved media relations protocol

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Administration and Support Services	14,356.1	14,156.1
Policy and Development	5,579.1	3,308.7
Total Program Budget	19,935.2	17,464.8

2005 Budget Highlights

- ▶ \$0.182 million gross and \$0.0 million net for the addition of five new temporary capital project management positions to improve the annual completion rate of Parks & Recreation capital projects.

2004 Achievements

Policy and Development

- ▶ Developed and submitted the Parks and Recreation FY2004 – 2013 Capital Budget & Plan. The 2004 Capital Budget was approved at \$73.6 million
- ▶ Continued Capital Asset Management Plan (CAMP) an electronic database including plans, agreements and photographs of assets in the system. Completed 1,240 state of good repair audits related to arenas, pools, community centres and trails to ensure the optimization of their life span and the maximization of their service to the public
- ▶ Undertook six community level studies to identify strategic directions for community parks and open space. Studies included: Sheppard Corridor (Phase II for East and North Districts), Midland-St. Clair, Scarborough City Centre, Victoria Village, Yonge-Eglinton and Lakeshore Avenues and completed approximately 50 parks/facility designs throughout the city
- ▶ Developed the Recreation Facilities Report that assessed specific recreation facility needs for the next 20 years and made recommendations with respect to specific facility needs for the next five to 10 years

Customer and Business Support

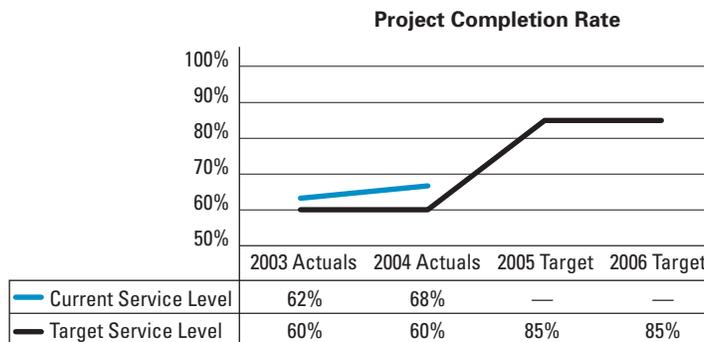
2004 Achievements (continued)

Administration and Support Services

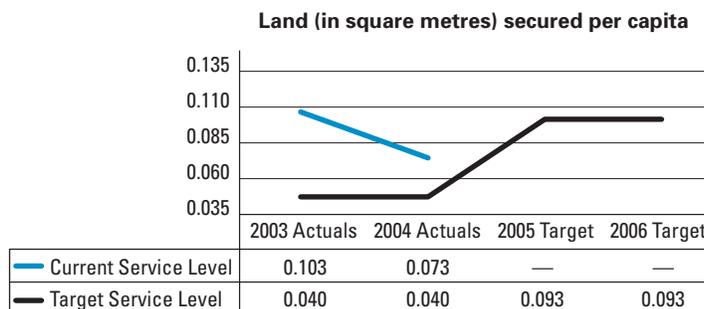
- ▶ Provided support to Parks and Recreation's district boundary change in the areas of finance, customer service, payroll and communications. Remapped cost centres and budgets to reflect the new boundaries
- ▶ Launched internet registration for recreation programs, with a pilot in June and a full launch in September. More than 25,000 registrations, or about 10% of total registrations, were completed on the internet
- ▶ Issued 28,000 permits for Parks and Recreation facilities and processed more than 400,000 registration-related transactions for various recreation programs. Responded to more than 250,000 calls for registrations, permitting and general inquiries
- ▶ Implemented CROs for the management of open contracts. Participated in the corporate purchasing review and in various corporate purchasing teams, including the P-card implementation team and the corporate payment process improvement project
- ▶ Provided support to operational staff in areas of cash handling, internal controls and cash management. Investigated incidents and recommended remedial measures to enhance internal management controls. Reviewed Parks and Recreation fuel dispensing sites, reported and implemented fuel-dispensing procedures. Developed policy and procedures on fuel dispensing
- ▶ Co-ordinated 1,614 communication projects, including two issues of Toronto FUN, each with a distribution of 400,000. Developed 43 communication plans and 62 briefing, issue and speaking notes, co-ordinated 70 events, openings and conferences, issued 202 media advisories and releases, responded to 564 media calls, and initiated 470 contacts with the media. Co-ordinated 742 Intranet and Internet projects (including updates)
- ▶ Launched Police Reference Check program for Parks and Recreation new hires

Performance Measures

This measures the efficiency of the Policy and Development service in terms of the completion of the capital projects in the Parks and Recreation annual capital plan.



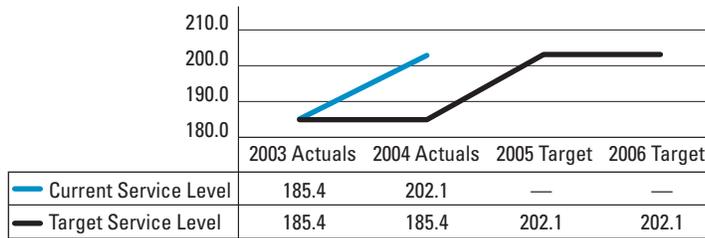
This measures the Community Impact of the Policy and Development service in the amount of land acquired for park development purposes.



Customer and Business Support

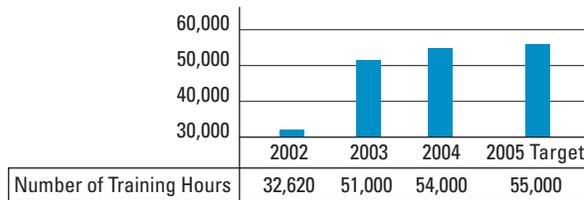
This measures the efficiency of the Policy and Development service in compiling research and statistical reports for the Department.

Number of Research Statistical Summaries per Staff



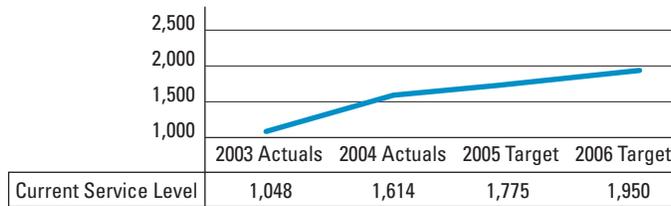
This measures the output of the Administration and Support Services service in providing training coordination to Parks and Recreation.

Training Hours Delivered



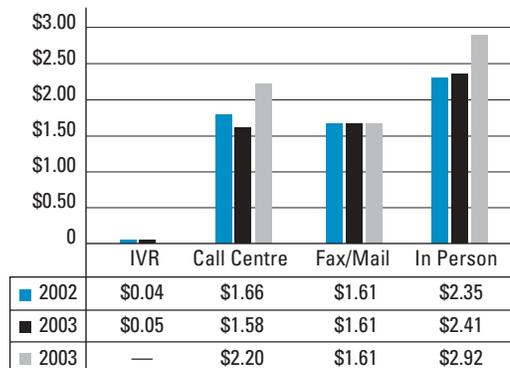
This measures the output of the Administration and Support Services division in providing communications support to the Department. This measure is being refined to measure Customer Service in future years.

Number of Communication Projects Completed



This measures the efficiency of the different types of registration methods.

Cost per Registration Method



Economic Development

Mission Statement:

To promote and support a sustainable economy that attracts businesses, investments, increases employment and enhances public services.

Program Objectives

- ▶ Support existing businesses and attract new businesses through a retention and expansion program
- ▶ Support the start-up of new businesses and foster the entrepreneurial spirit of small business
- ▶ Promote the City's competitive position in order to attract new business investments
- ▶ Develop long-term strategies to support and promote Toronto's competitive economic cluster
- ▶ Facilitate doing business in the City through services and assistance to investors, business owners and companies
- ▶ Advocate and collaborate in promoting a business-friendly environment at City Hall

2005 Strategic Direction and Service Priorities

Business Development & Retention

To retain and increase the number of companies and employment in Toronto.

- ▶ To develop and implement a three-year investment attraction and promotion strategy for the City's key economic clusters
- ▶ To increase access to a greater proportion of businesses that produce traded goods and services by producing a value added workshops and business networking events
- ▶ To improve information resources with books and magazine
- ▶ To enhance the web site with more information about content and interactivity features
- ▶ To increase the number and improve the quality of business plan reviews

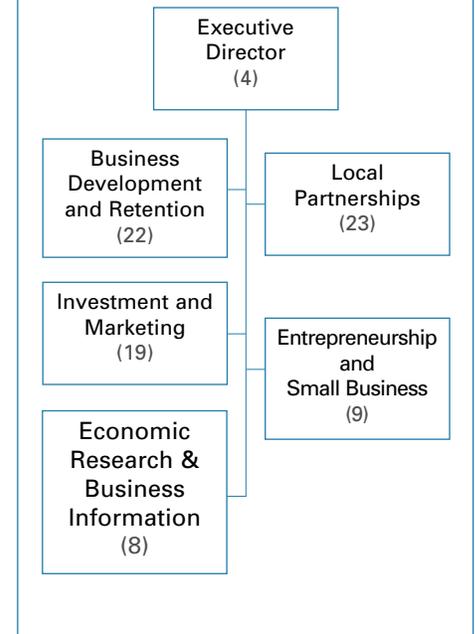
Investment & Marketing

To co-ordinate filming activity in Toronto through the issue of permits; to market and promote Toronto as a location destination of choice; and enhance industry infrastructure.

- ▶ To maintain and enhance the relationships between Toronto and its partner cities
- ▶ To promote the advantages of doing business in Toronto and build the connections and relationships that assist in the attraction of new businesses and investment in the local economy
- ▶ To contribute to the understanding and expression of the Toronto Brand and work towards expanded recognition of the brand globally
- ▶ To provide the strategy, communications advice and support needed to produce the communication vehicles and marketing materials for the Economic Development Division

Program Map

The Economic Development Division is comprised of five services, with a total of 85 approved positions:



Economic Development

Economic Research & Business Information

To collect, analyze and disseminate information related to the Toronto Economy.

- To increase accessibility to economic and labour force data by establishing a web-based information retrieval system
- To increase awareness of other orders of government of local labour force issues
- To develop long-term strategies to support Toronto's economic financial sustainability
- To implement recommendations contained in the Toronto Labour Force Readiness Plan

Small Business & Local Partnerships

To stimulate the revitalization of targeted employment areas through local partnerships and investment incentives.

- To facilitate new Business Improvement Areas (BIAs) development as a means to enhance and promote main street commercial areas as clean, safe and vibrant places to do business, unique destination for tourists, and focal points for neighbourhood activities
- To continue to support community festivals and events as a means of promoting main street commercial areas and attracting tourist to Toronto
- To improve the management of BIAs by assisting them in AGM preparation, business plans, operating budgets, marketing plans and event planning

Entrepreneurship & Small Business

To facilitate new business start-up and support growth of small businesses.

- To provide one-stop source for information, services and programs that meet the need of new and existing small business
- To provide high quality business events on a variety of subjects that are targeted to Toronto's diverse business population
- To provide programs and services to new business immigrants, youth, women and Toronto's urban Aboriginal people

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Business Development & Retention	3,372.0	2,767.0
Entrepreneurship & Small Business	899.3	666.7
Economic Research & Business Information	1,039.7	979.7
Investment Marketing	2,572.5	2,252.5
Local Partnership	1,918.9	1,148.7
Total Program Budget	9,802.4	7,814.6

2005 Budget Highlights

- \$0.160 million to launch and manage the Toronto Brand
- \$0.100 million for the Toronto Financial Services Alliance to implement a communication/marketing strategy
- \$0.080 million for a "Shop Local campaign on St. Clair Avenue West"

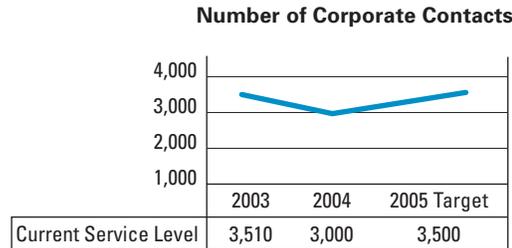
2004 Achievements

- Field and sector staff handled 650 corporate calls and 2,000 service requests, resulting in 38 business investment projects, total investment value of \$400 million and the creation of 1,000 new jobs
- Launched Toronto's first Tax Incremental Financing Project in South Etobicoke
- Provided input to the Federation of Canadian Municipalities nation study on immigration issues
- Co-organized the 2004 Internationally Educated Professionals Conference with more than 800 attendees
- Handled over 20,000 film inquiries, resolved 138 community issues related to filming, responded to 212 international leads and issued 4,340 permits, resulting in \$864 million impact on the Toronto economy
- Attracted five new international firms in establishing operations in the City of Toronto, resulting in the creation of 515 jobs and occupying 103,500 square feet of space, estimated to generate \$215,000 in new municipal taxes and \$37 million impact on Gross Domestic Product

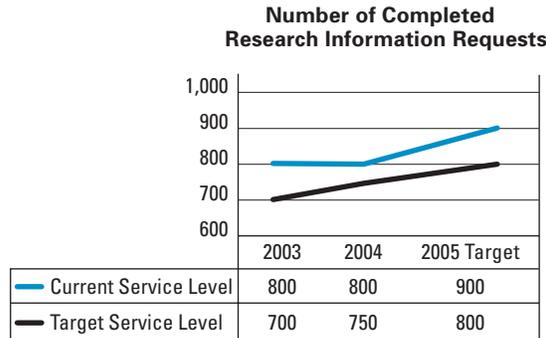
Economic Development

Performance Measures

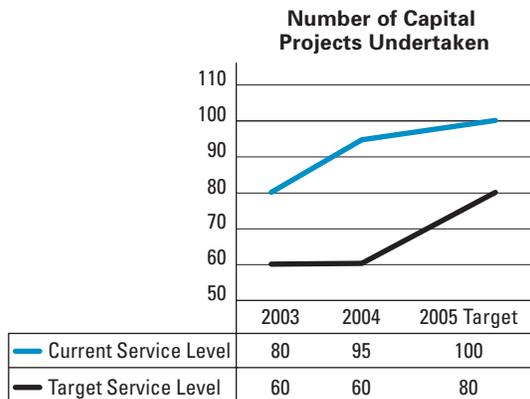
Number of Corporate Contacts: The following measure shows the extent of activities in the Economic Development Program.



Number of Research Information Request: This measure tracks the number of requests for research information responded to annually. The goal is to provide timely and accurate information in an efficient manner.



Number of Capital Projects Undertaken: This measure tracks the distribution of economic development capital projects in new and emerging BIA's and Employment Revitalization Areas.



2005 Capital Budget

2004 Major Accomplishments

- › Completed façade renovations for 55 buildings under the Commercial Façade Improvement Program
- › Worked with 95 Business Improvement Areas to complete projects such as pedestrian scale lighting, landscaping, sidewalk improvements and street furnishings and gateway features
- › Completed streetscape master plan to revitalize the Yonge Dundas area

Economic Development

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$5.515 million [2004 Budget – \$4.818 million]

- ▶ \$4.170 million for ongoing and new streetscape improvements in Business Improvement Areas
- ▶ \$0.573 million to improve commercial building facades in Commercial Revitalization Areas
- ▶ \$0.772 million for revitalization of employment areas

Incremental Operating Impact of the 2005 Capital Budget

The incremental operating impact of the 2005 Capital Budget is limited to debt service costs only.

Asset Inventory

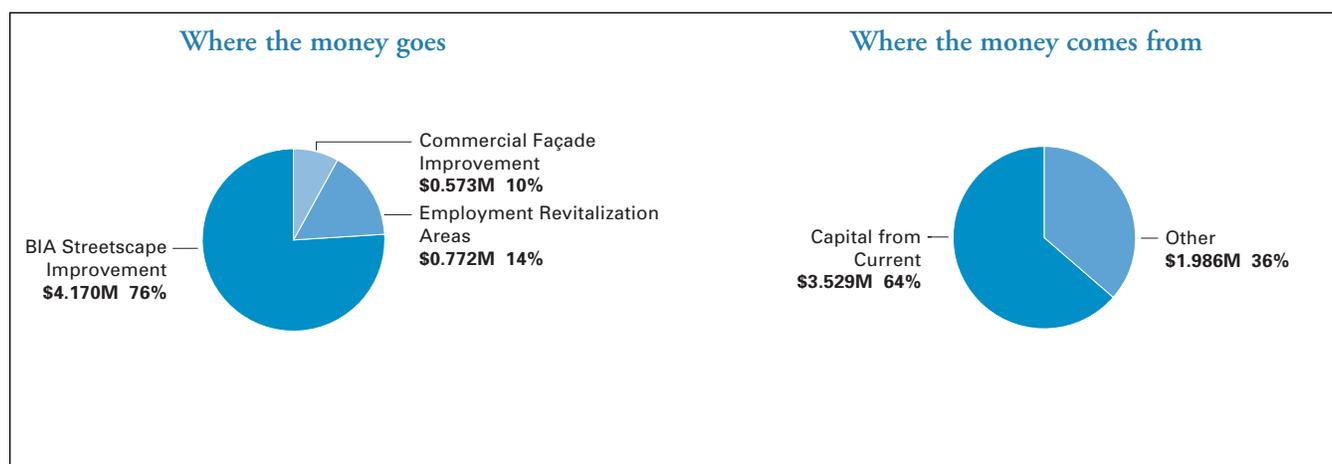
Economic Development does not have accountability for the assets funded by its capital program, as the focus of this program is improvement to City streets, walkways and infrastructure improvements to public spaces and the revitalization of commercial and industrial areas.

Five Year Capital Plan

- ▶ To create vibrant, safe retail and employment areas with potential for increased property tax revenues and new employment
- ▶ Revitalization of commercial and industrial areas and improvement to property appearance
- ▶ To enhance Toronto’s image as a safe, healthy and vibrant City

2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
BIA Streetscape Improvement	839	282	—	—	—	1,121
Commercial Façade Improvement	246	30	—	—	—	276
Employment Revitalization Areas	306	—	—	—	—	306
Total Previously Approved	1,391	312	—	—	—	1,703
New						
BIA Streetscape Improvement	3,331	354	—	—	—	3,685
Commercial Façade Improvement	327	417	—	—	—	744
Employment Revitalization Areas	466	825	—	—	—	1,291
Total New	4,124	1,596	—	—	—	5,720
Total Economic Development	5,515	1,908	—	—	—	7,423



Parks and Recreation

Mission Statement:

Parks & Recreation will bring together all of Toronto's diverse communities on a common ground. We will provide a wide variety of leisure and recreational opportunities that will include everyone. In our centres, parks and playing fields, we will encourage communities to help themselves, and aid Torontonians to become the best they can be. We will measure our success by quality, satisfaction and community development outcomes. Our parks, playing fields and recreation centres along with our trails, forests, meadows, marshes, and ravines, will be beautiful, clean, safe, and accessible, meeting all our communities' needs.

Program Objectives

Parks & Recreation's objective is to promote environmental stewardship, lifelong active living, and child and youth development by providing a variety of green spaces, green services, and sports and recreational facilities and programs.

To measure progress, Parks & Recreation has set the following long-term targets:

Environmental Stewardship

- › Expand the tree canopy cover from 17% to 30-40% of the city's land area
- › More than 80% of park visitors very satisfied with their visits
- › Extend natural area stewardship (protection and restoration) from 5% to 100%

Lifelong Active Living

- › 20% increase in recreation program enrolment by 2020
- › 1,000% increase in people with a disability enrolled in programs by 2010
- › 40% increase in seniors participating in programs by 2010
- › 20% increase in Torontonians who are physically active by 2020

Child and Youth Development

- › 20% increase in children participating in registered recreation programs
- › 40% increase in youth participating in programs

2005 Strategic Direction and Service Priorities

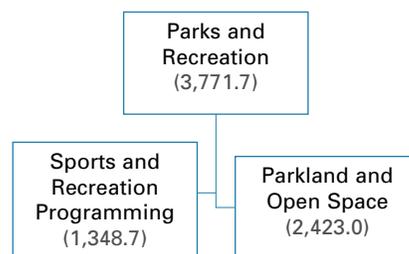
In 2005, the Division will begin integrating and implementing Council's priorities for the 2003-06 term, the recently adopted Parks & Recreation Strategic Plan, and the Division's emerging priorities for 2005-07.

To spend for impact, the following priorities have been resourced in 2005:

- › Parks Renaissance Program (congruent with Council's focus on improving public services and creating a clean and beautiful city)
- › Youth Recreation Strategy (congruent with Council's focus on strengthening our at-risk neighbourhoods)
- › Reducing service call backlog for street and park trees (congruent with Council's focus on improving public services, creating a clean and beautiful city, and improving the business climate along main streets)
- › Expanding our capacity for community engagement in recreation (congruent with Council's focus on increasing public involvement in civic affairs)

Program Map

The Parks & Recreation Division is comprised of two services, with a total of 3,771.7 approved positions:



Parks and Recreation

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Parkland and Open Space	108,747.8	93,029.3
Sports and Recreational Programming	139,455.9	85,829.8
Total Program Budget	248,203.7	178,859.1

2005 Budget Highlights

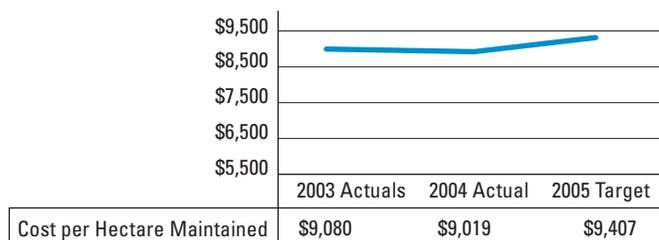
- ▶ \$2.500M – to increase litter pick up and grass cutting to once a week in the spring (part of the "Clean and Beautiful City" initiative)
- ▶ \$0.900M – for the enhancement of City horticultural displays and the rejuvenation of its garden beds (Clean and Beautiful City)
- ▶ \$1.000M – to reduce tree service delays and improve management of the urban forest (Clean & Beautiful City)
- ▶ \$0.045M – one-time funding for developing and implementing new City standards for street tree-planting
- ▶ \$0.126M – to implement the city-wide Private Tree By-law
- ▶ \$0.367M – to improve the Youth Outreach Worker Program
- ▶ \$0.376 M - to increase the City's capacity to serve new immigrant youth and youth with disabilities
- ▶ \$2.500M – for additional funding to compensate for eroding registration revenues due to increased use of the "Welcome Policy"
- ▶ \$2.079M - to fulfil collective agreement, health and safety obligations
- ▶ \$1.300 M – for the funding of increased utilities including hydro costs, economic factors and new facilities coming on stream (i.e. Wellesley Community Centre)
- ▶ \$0.430M – to ensure the timely spring opening of park drinking fountains City-wide
- ▶ \$0.400M – to fund the increase in financial service charges brought about by greater usage of credit and debit cards by clients when registering for programs
- ▶ (\$0.126M) – to reflect, in line with the inflation rate, a 2% increase to specific recreation user fees
- ▶ \$3.000M gross (\$0 net) - for the Asian Long Horn Beetle Program, to be recovered from the federal government

2004 Achievements

- ▶ Launched *ReActivate TO!*, the Parks & Recreation Organizational Review
- ▶ *ReActivate TO!* consultations on service directions included over 730 public and 690 staff participants, nearly 100 submissions and nearly 4,000 completed surveys
- ▶ Council unanimously adopted *Our Common Grounds*, the Parks & Recreation Strategic Plan
- ▶ Completed a service review and developed draft service priorities for 2005-07

Performance Measures

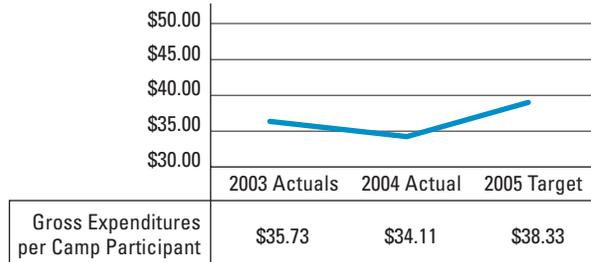
Cost per Hectare Maintained: This measures the cost per hectare maintained for Parks & Open Space.



Parks and Recreation

Performance Measures (continued)

Gross Expenditure per Camp Participant: This measures the gross expenditure per Camp Participant for Sports & Recreation.



2005 Capital Budget

2004 Major Accomplishments

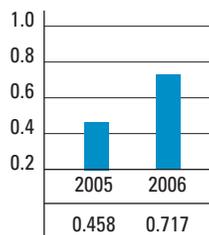
- ▶ New Services: Allan Gardens Children's Conservatory; completion of Wellesley Community Centre; Port Union Village Common; the renovated Ourland Community Centre; Alexandra Park Diversity Garden; skateboard facilities at Greenwood Park and Weston Lions Park; and water play facilities at Talbot Park, Chalkfarm Park and Woodbine Park
- ▶ *The Recreation Facilities Report*, which reviews the current status of, and need for, major recreation facilities, was approved at Council in September 2004

2005 Capital Budget Highlights

- ▶ The major portion of the work is State of Good Repair
- ▶ \$0.333 M is earmarked to take advantage of parkland acquisition opportunities as they become available throughout the City
- ▶ \$4.958 M for the development and improvements of outdoor recreation centres
- ▶ \$17.245 M for park development and improvements
- ▶ \$1.506 M for the repair and renovation of parking lots and tennis courts city-wide
- ▶ \$3.044 M to construct new playgrounds and waterplays and to enhance existing ones
- ▶ \$3.413 M for renovations and upgrades to indoor and outdoor pools
- ▶ \$9.053 M to repair and refurbish indoor and outdoor arenas
- ▶ \$1.757 M for the general restoration and expansion of trails and pathways
- ▶ \$3.254 M for environmental initiatives
- ▶ \$3.965 M for the development and overhaul of various special facilities
- ▶ \$4.510 M to begin the development of new community centres and to renovate existing ones

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl Debt Service Cost) \$1.175 M**



Parks and Recreation

Asset Inventory

The following is a listing of assets that support the Parks & Recreation program:

Indoor Pools	30	Tennis Courts	725
Outdoor Pools	59	Service Buildings	97
Community Centres	144	Clubhouses	76
Indoor Arenas	52 (total of 63 ice pads)	Greenhouses	16
Outdoor AIRs pads	63	Public Washrooms	43
Skateboard Parks (incl. temporary)	7	Field houses	83
Indoor Bocce Courts	35	Concession Facilities	12
Outdoor Bocce Courts	173	Island Buildings	40
Soccer Fields	249	Parks Buildings	604
Ball Diamonds	363	Parks Bridges	314
Cricket pitches	47	Parks Parking Lots	820

Five Year Capital Plan

- ▶ Parks & Recreation's Five-Year Capital Plan has been developed based on asset audits, development initiatives, official plan and community needs assessments. While the Plan does incorporate some projects arising from *Our Common Grounds* and the *Recreation Facilities Report*, additional demands from these strategies are expected
- ▶ The assets of this program have accumulated a total SOGR backlog of \$190.0 million due to funding limitations over the last five years. However, not all SOGR audits have been completed to date. It is anticipated that present and future assessments could boost current estimates by as much as \$200 million
- ▶ Approximately \$162 million of this total \$190 million backlog is reflected in the Five-Year Capital Plan and the subsequent Five-year estimates
- ▶ In its 2004 Budget, the Program maximized the application of reserves and other offsetting funding to reduce the demand on debt where possible. As a result, there is a significant higher reliance on debt financing in 2005 and beyond

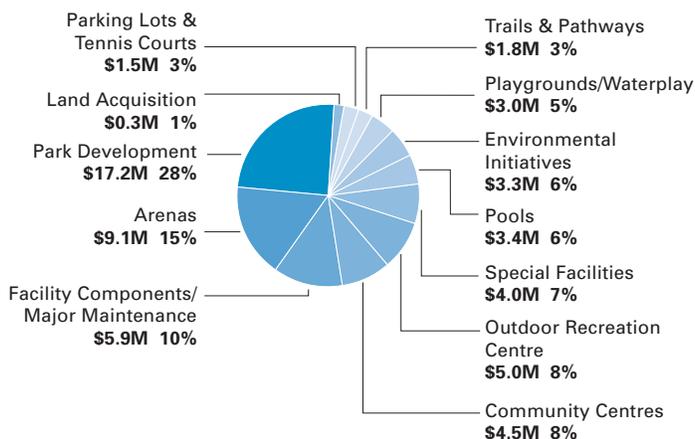
Parks and Recreation

2005 Capital Budget (continued)

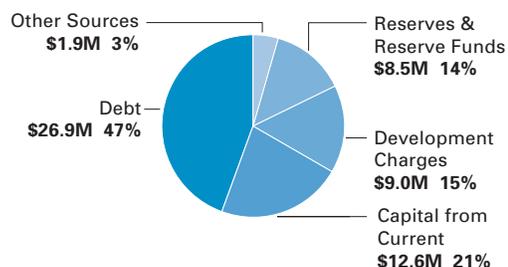
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Facility Components/Major Maintenance	219	—	—	—	—	219
Land Acquisition	283	—	—	—	—	283
Outdoor Recreation Centre	483	194	194	—	—	871
Park Development	6,536	1,648	—	—	—	8,184
Parking Lots and Tennis Courts	21	—	—	—	—	21
Playgrounds/Waterplay	727	—	—	—	—	727
Pools	58	—	—	—	—	58
Arenas	3,003	61	—	—	—	3,064
Trails and Pathways	32	—	—	—	—	32
Environmental Initiatives	29	—	—	—	—	29
Special Facilities	1,345	—	—	—	—	1,345
Community Centres	645	1,748	—	—	—	2,393
Total Previously Approved	13,381	3,651	194	—	—	17,226
New						
Facility Components/Major Maintenance	5,662	3,496	—	—	—	9,158
Land Acquisition	50	—	—	—	—	50
Outdoor Recreation Centre	4,475	150	—	—	—	4,625
Park Development	10,709	2,550	—	—	—	13,259
Parking Lots and Tennis Courts	1,485	165	—	—	—	1,650
Playgrounds/Waterplay	2,317	—	—	—	—	2,317
Pools	3,355	—	—	—	—	3,355
Arenas	6,050	2,100	—	—	—	8,150
Trails and Pathways	1,725	—	—	—	—	1,725
Environmental Initiatives	3,225	475	—	—	—	3,700
Special Facilities	2,620	780	—	—	—	3,400
Community Centres	3,865	610	—	—	—	4,475
Total New	45,538	10,326	—	—	—	55,864
Total Parks & Recreation	58,919	13,977	194	—	—	73,090

Where the money goes



Where the money comes from



Tourism

Mission Statement:

The Tourism Division’s mission is to accelerate opportunity, promote excellence and liberate the potential that exists in the tourism sector. The Tourism Division will strive to position Toronto as a dynamic and culturally vibrant international destination and foster the development and rejuvenation of innovative attractions, facilities and globally significant events and festivals that will enhance the quality of life for citizens and visitors.

Program Objectives

- › Lead the development of long-term strategies to support Toronto’s tourism sector
- › Increase awareness about the significance of the tourism sector and advocate and represent the tourism industry in Toronto
- › Enhance the tourism product offering and strengthen Toronto’s appeal to tourist markets
- › Promote investment in the tourism industry
- › Effectively promote Toronto’s tourism products and visitor experiences
- › Advocate on behalf of and provide consultation and integrated event support service to the festival and event industry
- › Develop and promote innovative, professionally produced large scale events and festivals that engender civic pride, increase visitation and generate positive economic impact
- › Identify opportunities and create alliances with key stakeholders on bids to host international and national sport, cultural, social and business events

2005 Strategic Direction and Service Priorities

- › Implement the second year of the five-year Tourism Action Plan
- › Concentrate tourism development initiatives on making noticeable progress on improving the visitor experience in Toronto
- › Commence development of a Strategic Tourism Plan for the City of Toronto
- › Deliver and implement the Tourism Event Strategy to improve the viability of Toronto’s festivals and major events and to improve Toronto’s reputation as a destination for innovative and attractive events
- › Provide assistance to independent festival and event producers
- › Work in collaboration with the Culture Division on the Year of Creativity
- › To continue to modify and deliver signature events that generate tourism impact and engender civic pride
- › Develop a long-term strategy to proactively bid to host events of significance with input from key stakeholders
- › Focus on exploring opportunities to potentially host two major global events
- › Enhance the potential of future events scheduled for Toronto and bid for appropriate events of significance

Program Map

The Tourism Division is comprised of three services, with a total of 43.3 approved positions:



Tourism

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Special Events	6,940.1	3,598.2
Tourism Development & Research	1,492.2	1,262.2
Toronto International	497.3	497.3
Total Program Budget	8,929.6	5,357.7

2005 Budget Highlights

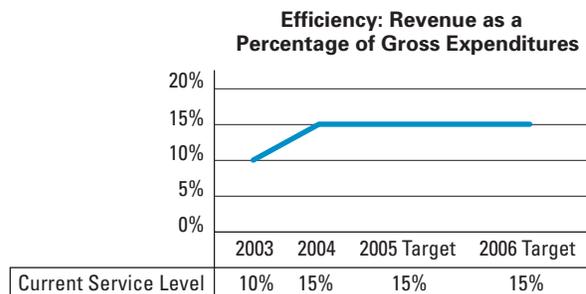
- \$(2.50) M – Reduced payment to Tourism Toronto
- \$0.100 M – One time funding for Expo feasibility study
- \$0.050 M – Cavalcade of Lights to meet increased costs

2004 Achievements

- Produced and promoted 6 annual tourism event products and marketing campaigns including the first annual WinterCity festival (including Winterlicious), the Celebrate Toronto Street Festival (including Summerlicious), Fresh Wednesdays, Tasty Thursdays and the Cavalcade of Lights Festival and Exhibit which collectively attracted and entertained over 2.2 million residents and tourists in 2004
- Provided consultative support to over 800 external event producers and organizers and provided consultative and logistical support to 128 event producers and organizers requesting use of Nathan Phillips Square
- Enhanced the Cavalcade of Lights Exhibit and Festival - a month-long holiday event packaging and tourism promotion strategy that will act as an anchor for Toronto holiday events
- Secured a total of \$1.5 million in cash sponsorship and secured over \$1.2 million of in-kind valued sponsorship for events
- Developed partnerships and framework needed to launch first phase of Strategic Plan by applying the "Premier-Ranked Destination" assessment tool that has been developed by the Province of Ontario
- Co-ordinated a tourism development plan for the Walk of Fame involving the co-operation of three departments that includes a framework for a new partnership with the Walk, a physical plan and cost estimates, and an identification of needed tourism development elements
- Developed partnership with the Province of Ontario to improve face-to-face visitor counselling services and launch a volunteer greeter program and a summer mobile information service in 2005
- Assisted in bidding and securing four national and international events and facilities (2006 IDBF (Dragon Boat) Club Crew World Championships; 2007 FIFA Under-20 (Men's) World Cup; 2008 NBA All-Star Game; Multi-Sport Watercourse)
- Development of 2015 World Expo bid including research of previous events and host cities, engaging national partners and seeking development of an advisory committee and feasibility study
- Researched and analysed of 150 international and national events and bidding opportunities

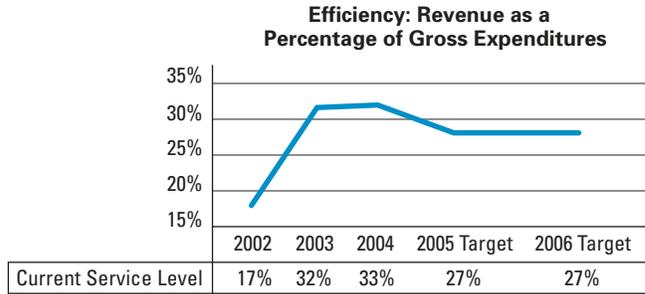
Performance Measures

This measures the effectiveness of the Tourism Development and Research Service in securing alternative funding for program expenditures.

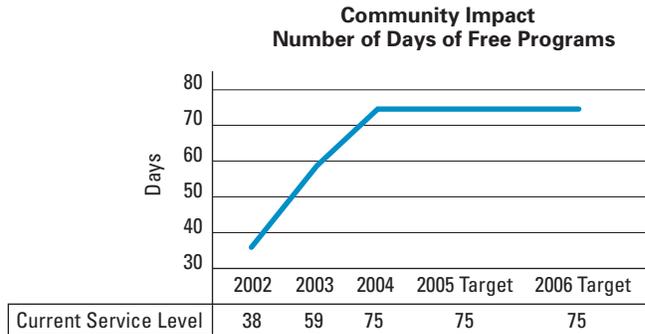


Tourism

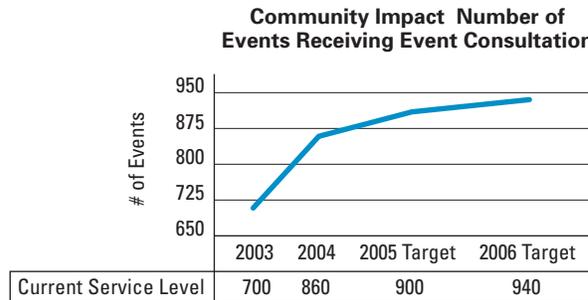
This measures the efficiency of the Special Events service in securing alternative funding, including sponsorships and grants, towards the gross expenditures of the service.



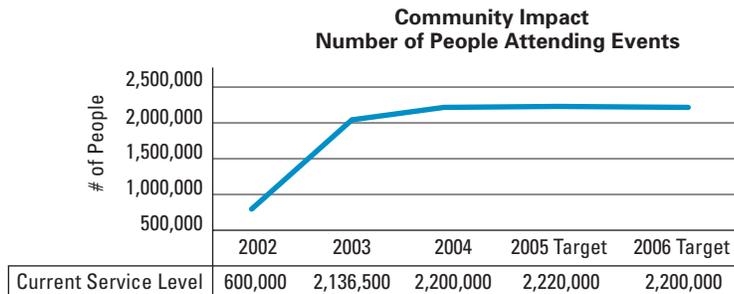
This measures the community impact of the Special Events Service in providing free programs for the Toronto public, as represented by the number of free programming days.



This measure represents the level of service offered by the Special Events service in providing consultation and advice to community and other event organizers in the City.



This measures the community impact of the Special Events service as represented by the number of people attending events organized by the service.



Tourism

2005 Capital Budget

2004 Major Accomplishments

2005 is the first year for Approved Capital Projects in the Tourism Division.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$0.075 million [2004 Budget – \$0.0 million]

- \$0.075 million is for the redesign of Canadian Walk of Fame.

Incremental Operating Impact of the 2005 Capital Budget

There is no Incremental Operating Impact resulting from the 2005 Capital Budget.

Asset Inventory

The Canadian Walk of Fame is built on City Streets. The Streets are listed as an asset in the Transportation Program.

Five Year Capital Plan

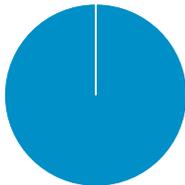
- A product of the redesign of the Canadian Walk of Fame will be a five year plan for the walk and will be submitted in any future capital requests.

2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Total Previously Approved	—	—	—	—	—
New					
Canadian Walk of Fame	75	—	—	—	75
Total New	75	—	—	—	75
Total Tourism	75	—	—	—	75

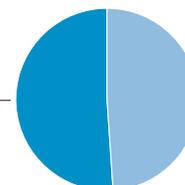
Where the money goes

Canadian Walk of Fame
\$0.075M 100%



Where the money comes from

Debt — \$0.038M 51%
Other Sources — \$0.037M 49%



Program Overview: The Department comprises four Divisions: City Planning; Building; Municipal Licensing and Standards; and Business Support Services.

The City Planning Division focuses on the city's growth and physical form, and reviews and processes development applications from urban design as well as community planning perspectives. The Building Division ensures the suitability of buildings for occupancy, and the completion of structures according to approved plans. The Municipal Licensing and Standards Division regulates, licenses, inspects and educates to ensure that property owners and municipal license holders comply with acts, bylaws and regulations in order to maintain a high level of public safety, neighborhood integrity, consumer protection and sound business practices. Business Support Services assists each division of UDS in the areas of administration, communications, financial management and information technology.

These principles always guide the activities of the department: citizen participation, sensitivity to Toronto's diverse community neighborhoods, and concerns for our city's current needs and future interests.

Mission Statement:

"Proud Partners in Planning, Building and Sustaining Toronto"

With our community and business partners, Urban Development Services enhances public safety and quality of life. We guide change and manage growth, regulate construction and demolition of buildings, license trades and services, and ensure compliance with by-laws.

Key Customers

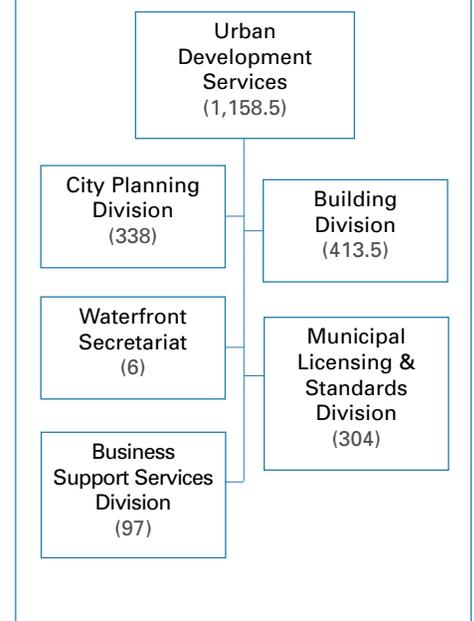
- › People who live and work in the City
- › City Council and Councillors
- › Property owners and businesses
- › Public and private institutions
- › Development industry and construction industry
- › Non-residents and other visitors
- › Other city departments
- › Agencies, board and commissions, including Waterfront Revitalization Corporation
- › Other governments

Program Objectives

- › To guide and manage change and growth of the City's physical environment while seeking to enhance the quality of life for Toronto's diverse residential and business communities.
- › To guide, support and monitor building construction, renovation and demolition to ensure the health, safety and accessibility through their compliance with all provisions of the Building Code Act and other applicable law.
- › To enhance the quality of life in the City of Toronto for all residents, businesses and visitors, through the delivery of quality services designed to maintain a high level of public safety, community integrity, consumer protection, and responsible business activities.
- › To ensure that all City departments, boards, agencies, commissions, and corporations assist in implementing the Waterfront Revitalization Initiative in a coordinated, efficient, and cost-effective manner.

Department Map

Urban Development Services
Program Map



Service Profiles

City Planning

- ▶ The Community Planning Section is responsible for development applications, Committee of Adjustment, area-based policy studies, Avenue Studies, community liaison and input into city-wide policy studies.
- ▶ The Policy and Research Section is responsible for city-wide planning policy development and implementation (the Official Plan and Zoning By-law) and directly supports the development approval and local planning study activity in Community Planning through, among other things, research and attendance at the OMB. The Section also is responsible for maintaining a variety of information services and systems used by UDS and other Departments. The Research unit provides ongoing monitoring and assessment of trends affecting the City. The Policy and Research Section supports Council's decision-making with policy advice on Provincial initiatives such as Growth Management, Greenbelt protection and Planning Act Reform.
- ▶ The Urban Design Graphics and Presentation Section is responsible for five key areas: Community Urban Design; Guidelines and Implementation; Improving the Public Realm; Design Promotions and Public Engagement; Mapping and Visualization of Design Options. The Section provides design direction, graphic materials and advice to the Planning Division, Urban Development Services and other Departments on the evolving physical form of the city.

Building

- ▶ The Building Division helps make the buildings where we live, work and play healthy and safe.
- ▶ The division reviews permit applications, issues permits and conducts inspections in accordance with the Ontario Building Code, the City of Toronto's zoning by-laws and other legislation.
- ▶ The division also performs preliminary reviews as part of the city's development approval process, provides zoning and building code information to the public and technical advice to City Council, committees, departments and agencies.

Municipal Licensing & Standards

- ▶ The Licensing Unit licenses and regulates businesses, occupations and trades, and vending, cafes and marketing in the right of ways to ensure compliance with applicable Acts, By-laws and regulations in order to maintain a high level of public safety and consumer protection.
- ▶ The Investigations Unit inspects and investigates properties, Municipal licensed premises and permitted businesses to ensure compliance with Acts, By-laws and regulations in order to maintain a high level of public safety, neighborhood integrity and cleanliness, consumer protection and sound business practices.

Waterfront Project Secretariat

- ▶ The Waterfront Project Secretariat is the liaison between City departments, agencies, boards, commissions, and corporations, and the Toronto Waterfront Revitalization Corporation (TWRC).
- ▶ It oversees and facilitates all processes related to the Waterfront Revitalization Initiative, ensuring that the City's interests and priorities are protected and reflected in revitalization efforts.
- ▶ It also works with the provincial and federal orders of government to support the efforts of TWRC.

Business Support Services

- ▶ The division provides timely, efficient and effective services to our internal clients, to allow them to achieve their goals in their program areas.
- ▶ It provides services to each division of UDS in the areas of administration, communications, financial and budget management, and information technology.
- ▶ It is responsible for integrated business planning for UDS, is the departmental lead on corporate administrative issues, and develops and supports IBMS, the department's Integrated Business Management System.

2005 Strategic Direction/Service Priorities and Challenges

Core Business

- › Official Plan – OMB hearing
- › Area-based study work – Scarborough Centre, Secondary Plan, review of York University Secondary Plan, Kings West Review
- › Zoning Bylaw Review – public consultation process

- › Responding to legislative changes:
 - › Ontario Municipal Board Reform
 - › Municipal Act
 - › Planning Act
 - › Tenant Protection Act
 - › Prepare strategy to implement Brownfields Statute Law Amendment Act
 - › Manage changes associated with Development Charges Bylaw

- › Enhance the organizational infrastructure
 - › IBMS Upgrades
 - › Align IBMS functionality with Bill 124
 - › Complete reports and data quality enhancement projects
 - › Implement Remote Computing Pilot
 - › Commence web based Applications Status Pilot
 - › Staff Training and Qualification
 - › Technical courses to be offered to all staff to achieve provincial qualification under Bill 124
 - › All staff to attend in-house administrative, procedural and policy training
 - › Maintain required Health & Safety training for all field and supervisory staff
 - › Inspection Services
 - › Consolidate South District inspection, investigation satellite offices and Road Allowance enforcement (Esplanade) to improve operational efficiency
 - › Administrative Review of Licensing Tribunal
 - › A project to review governance, mandate and the operations matters of the Tribunal
 - › Development Infrastructure Policy and Standards Review – an interdepartmental initiative to promote public streets in all new developments and develop a range of new standards for application throughout the City.

Make Toronto a Clean and Beautiful City

- › Approximately 48 initiatives, including 13 new proposals, to implement plan

- › 5-Point Program Action Plan:
 1. Sweep It
 - › Clean/Beautiful City Team to oversee and coordinate public and private property enforcement – waste and debris, long grass and weeds, posterage and graffiti.
 - › Programs primarily directed at achieving a Clean City, including: roadway and roadside cleaning, litter removal, graffiti management and sustainable maintenance
 - › Annual Graffiti Mural Program to hire youth to divert them away from graffiti related activities and to participate in neighborhood improvements and revitalization initiative.
 2. Design It
 - › Beautiful Places campaign to obtain resources to achieve capital beautification projects beyond the usual departments modest improvements to streetscapes.
 - › Beautiful City Initiative Resources to enhance the UDS Capital Projects Program Routes and Places to create additional beautiful streetscapes and squares, and urban plazas throughout the City.
 3. Grow It
 - › Activities related to restoring and enhancing the system of parks, gardens, ravines and trees that make Toronto green and healthy.
 4. Build It
 - › "Bricks and mortar" activities, including the Orphan Space Spring Makeover.
 5. Celebrate It
 - › Events to recognize the work of all in beautifying Toronto, including: Architecture and Urban Design Awards, Doors Open Toronto, ribbon-cutting to celebrate new public art, lectures and symposia.

2005 Strategic Direction/Service Priorities and Challenges

Improve the planning process

- Listen-Learn-Lead Three-Point Action Plan:
 - Combines new programs and enhancements with ongoing planning initiatives to clarify the planning process.
 - Improve communication among staff, Councilors and the public.
 - Provide one-window service where feasible.
- Ensure planning decisions reflect Council objectives.

Continue progress with Waterfront Revitalization Initiative

The Waterfront Project Secretariat will continue to advance waterfront revitalization by providing one window access for TWRC and other governments to all municipal programs, services, departments and agencies involved in waterfront renewal. The Secretariat will ensure that the City effectively undertakes all steps necessary for the TWRC to achieve the deliverables outlined in its five-year plan, following approval of this plan by Council, and will ensure that City priorities and issues are effectively reflected and addressed in all waterfront initiatives. In addition its ongoing coordination and facilitation role, in 2005 the Secretariat will:

- Submit a TWRC five-year plan, with deliverables, to Council for approval.
- Develop and implement a framework for achieving recommended improvements to waterfront governance that includes service agreements and a Public Land Management Protocol.
- Facilitate agreement between Departments, Agencies, Boards, Commissions and Corporations and other stakeholders on precinct development plans for East Bayfront and West Donlands, submitting these plans and their implementation strategies to Council for approval.
- In consultation with all impacted stakeholders, assemble, for Council approval, the tool kit of incentives required to achieve revitalization in East Bayfront, and West Donlands.
- Recommend to Council those legislative changes required to effectively implement a development permit system in selected waterfront precincts.
- Continue to support development of a class EA for transit programs in the waterfront area.
- Develop contribution and other legal agreements required to ensure effective and efficient implementation of the revitalization initiative.

Improve services to the public

- Implement Bill 124
 - Service improvements in staffing, program changes and technology to meet new legislative requirements for Building Code enforcement
 - Improve Customer Service
 - New protocol for access to building plans at Customer Service counters
 - Provide better access to planning and building information through the internet, electronic message boards and additional brochures
- Continuous improvements to processing development review applications:
 - Ongoing enhancements to streamlining the application review process
 - Complete improvements Phase II (Construction Approvals) and Phase III (Inspections)
- Harmonize Site Plan, Condominium and Subdivision Agreement processes city-wide
- Bylaw Review and Harmonization
 - Alternate Dispute Resolution Framework
 - A comprehensive by-law compliance program has been developed by an external consultant. Full program implementation, including staff training, is expected to take place in 2005
 - Phase One of the Sign By-law Review – A-frames and Mobile Signs
 - To develop an enforcement strategy regarding A-frame and mobile signs, that responds quickly to repeat by-law offenders, and to investigate the establishment of a response team
 - Administrative Suspensions
 - To make recommendations with respect to the administrative suspensions of business licences under extraordinary circumstances where the health and safety of the general public are threatened
- Web Disclosure of violations in multi-unit residential properties in Toronto

2005 Operating Budget by Service

Services	Gross (000's)	Net (000's)
Building	\$ 36,073.5	\$ (12,199.1)
City Planning	\$ 28,133.9	\$ 12,035.6
Municipal Licensing & Standards	\$ 26,928.4	\$ 4,105.8
Business Support Services	\$ 10,318.6	\$ 9,511.8
Total Program Budget	\$ 101,454.5	\$ 13,454.2

2005 Budget Highlights

URBAN DEVELOPMENT SERVICES

Budget: \$101,454.5 M gross and \$13,454.2 net [2004 Gross Budget - \$94.062 M gross and \$16.076 M net]

- ▶ \$4.175 M gross and net-Service Improvement and staffing (40.5 positions), required to implement Bill 124, Building Code Statute Law Enforcement Act 2001, effective July 1, 2005. Funding provided for program changes and technology to meet new legislative requirements and time frames for Building Code Enforcement.
- ▶ \$5.542 M gross and net-Increase in Planning Fees (effective Feb. 21, 2005) for Rezoning and Official Plan Amendments in order to achieve 100% cost recovery.

2004 Achievements

Activities	Volumes
Building permits issued (\$4.0 billion value)	36,096
Building inspections	158,112
Development approval applications	4,277
Business, trades and vehicle licenses	60,909
MLS investigations	36,088
MLS on-road vehicle inspections	32,767

Development Application Review Process

- ▶ Phase I completed
- ▶ Developed recommendations for Phases II and III, related to Bill 124 implementation
- ▶ Released the Development Review Guide to staff and the development industry

Zoning Bylaw

- ▶ Developed a "common language" for zoning categories across the City
- ▶ Conducted staff and public consultations on proposed definitions
- ▶ Created a Zoning Bylaw Review web site

Case management of planning and building approvals

- ▶ Case management of planning and building approvals of large cultural, institutional, industrial and residential projects including ROM, MaRs, Opera House, University Projects including U of T Downtown and Scarborough Campuses, York University-Tennis Canada and Tribute at York U., Morningside Heights, North York and Scarborough City Centres, Regent Park, Don Mount Court, AGO, Apotek Laboratories, CINRAM, Humber Bay Shores and the Sheridan Nursery Site.

Coordinated and provided professional planning and urban design expertise

- ▶ Coordinated and provided professional planning and urban design expertise to a range of major planning studies including Scarborough Transportation Corridor Phase III, Phase I of the Sheppard Corridor Study, Warden and Victoria Park Station Land Use Study, St. Lawrence West Charrette, Union Station, and the West District Design Initiative, and completed public realm plans for the Fort York Neighborhood and the Railway Lands West.
- ▶ Settled and facilitated the withdrawal of 40 appeals from the City's Official Plan, with an additional 20 settlement positions awaiting OMB approval, and 5 undertakings to withdraw. Three pre-hearing conferences held.
- ▶ Completed the St. Clair Avenue environmental assessment.
- ▶ Engaged the public about the choices and consequences of new development in Toronto through 4 Avenue studies, 14 charettes, and 450 neighborhood workshops and regular community planning meetings on development applications.

2004 Achievements (continued)

- › Implemented initiatives of the Official Plan including Avenue Studies, Tall Building Study and Harmonized Phase 1, Site Specific, Area-based Urban Design Guidelines.
- › Facilitated the Committee of Adjustment reconfiguration to a 4-district model.
- › Responded to Provincial discussion papers on Tenancy Reform.
- › Responded to substantial Provincial Planning initiatives, including :
 - Bill 26 – the Strong Communities Act
 - Planning Act Reform Discussion paper
 - Draft Provincial Policy Statement
 - Places to Grow
 - Bill 135 and the Draft Greenbelt Plan
- › Residential Tenancy Reform as it relates to Rental Housing preservation and condominium conversion
- › Population and Employment Forecasts for the GGH
- › Organized interdepartmental Urban Tree Symposium
- › Developed service improvement strategy and costing framework to meet new legislative requirements of Bill 124 by July 2005.
- › Established the Residential Rental Preservation Strategy to ensure that private, multi-unit residential buildings are safe and maintained for tenants. The strategy includes the development of enforcement protocols, the creation of a website listing violations in these buildings and the licensing of the buildings or operators supported by pro-active inspections.

In-house training courses for Division staff

- › Delivered in-house training courses to 267 building division staff to be qualified by July 2005, saving over 75% of costs of outside training.

In-house vehicle inspection operation for Taxis

- › Partnered with Fleet Services to provide an in-house vehicle inspection operation for taxis and others licensed vehicles, achieving \$275,000 in annualized savings when fully implemented.

Business Licensing Thresholds

- › Implemented business licensing thresholds adopted by Council, to identify and eliminate or mitigate problem business operators.

Waterfront

- › Completed contribution agreements between TWRC and other orders of government for a diversity of waterfront initiatives including Mimico and Port Union Linear Parks, Harbourfront Waters Edge, Precinct Planning requirements, Commissioners Park, Cherry Beach improvements and the four Waterfront Priority Projects.
- › Undertook due diligence review of TWRC five-year plan, negotiating consensus between the orders of government and TWRC on short and intermediate term deliverables on the waterfront.
- › Undertook a comprehensive review of waterfront governance in consultation with the orders of government and TWRC and provided recommendations for improvements to Council.
- › Evaluated the feasibility of applying a development permit system in waterfront precincts, including overseeing consultants study, consultation with internal and external stakeholders and identifying required legislative changes for consideration by Council and the Province of Ontario.
- › Led the City's review and refinement of draft precinct development strategies for East Bayfront, West Donlands and Commissioners Park.
- › With TWRC and other internal and external stakeholders, including orders of government, undertook a review of incentives required to encourage revitalization in specific waterfront precincts.

In support of Council's Clean and Beautiful City Initiative

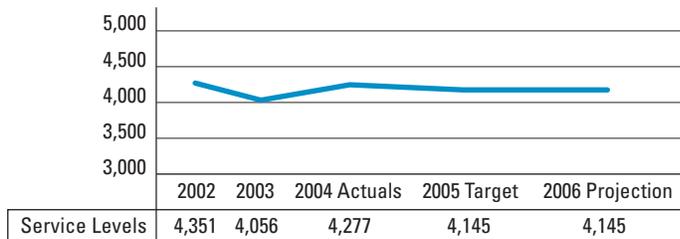
- › Consolidated and harmonized the Litter and Debris By-law and the Long Grass and Weeds By-law, both adopted by Council, to provide a seamless and consistent framework for the enforcement of these issues city-wide.
- › Led in the development of the Clean and Beautiful City Integrated Enforcement Team, which combines inspection staff from UDS (MLS), WES (Solid Waste Management and Transportation) and EDCT (Parks) that will address the primary concerns of litter, dumping, graffiti, postering, household garbage and waste in public right-of-way, parks and on private property in identified priority areas in a comprehensive manner.

Performance Measures

City Planning

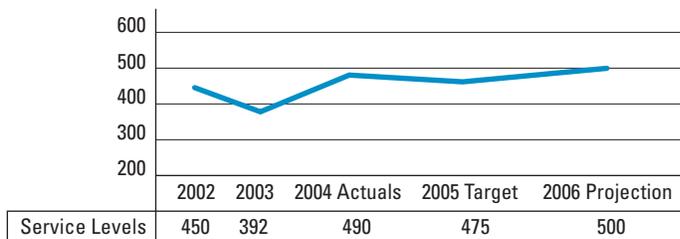
This measure indicates the number of applications received and processed annually by the City Planning Division, and includes all applications (Committee of Adjustment, Official Plan and Zoning By-law amendments, Site Plan, Plans of Sub-division, Condominium approval and Part Lot Control). The number of applications received has tended to remain fairly stable over the years, with a slight increase in 2002 as a result of a very robust economy. It is expected that application levels will remain stable over 2005-2006, based upon the general economic forecasts for the GTA Region.

Output: Development Application Review
 Number of Planning applications and Committee of Adjustment applications processed



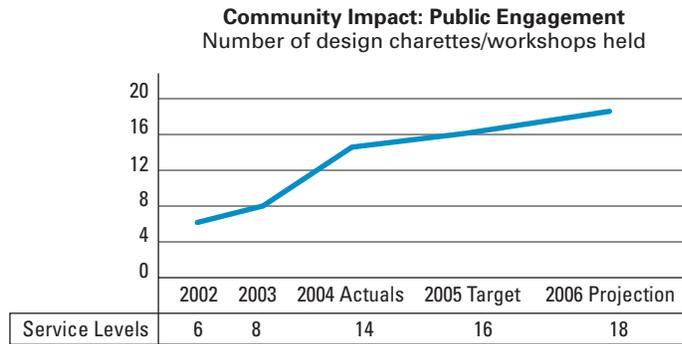
This measure is a general indicator of community engagement carried out by staff of the City Planning Division. It includes non-statutory public meetings held on development applications, meetings conducted as part of Avenue Studies, Waterfront planning and other local area studies, as well as workshops on community planning issues. Also included are public consultations held on City-wide matters, such as the Zoning By-law Project. The decrease in the number of meetings in 2003 was largely the result of completing the new Official Plan in 2002. 2004 saw a gain in numbers as consultation on the Zoning By-law Project commenced, and as the number of local studies, especially in the East, increased. The target for 2005 and projection for 2006 are based on an increasing level of meetings, in a variety of formats, in response to Council’s priorities of greater Civic Engagement and Improving the Planning Process.

Community Impact: Public Engagement
 Number of non-statutory civic engagement community meetings attended by City Planning staff

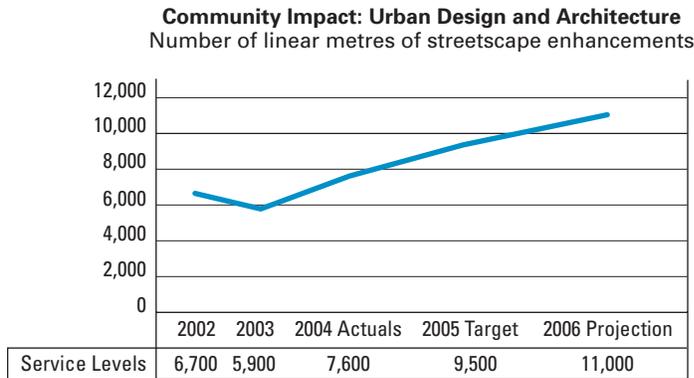


Performance Measures (continued)

This indicator shows the increase in the number of design charettes and workshops held since 2002. This form of civic engagement has proven to be most effective in achieving consensus around design and development issues as it brings together stakeholders in a constructive exercise. Councilor requests for charettes has increased given the overall success of the format. Consistent with Council’s priorities for Improving the Planning Process, Beautiful City, and Civic Engagement, we are projecting that these activities will increase over 2005 and 2006.

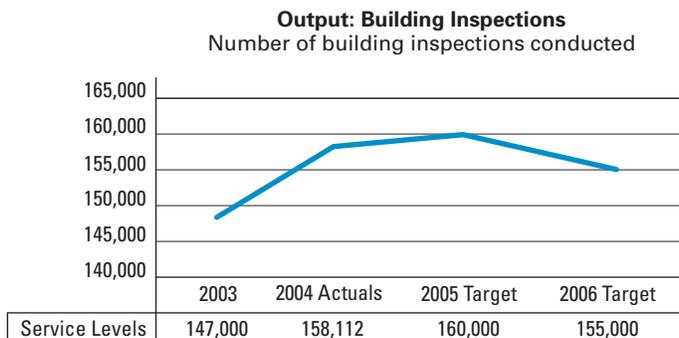


This measure roughly shows the extent of community impact of civic improvement activities across the City. With limited resources, the Civic Improvement Program leverages design improvements to streetscapes being reconstructed by other Departments and ABCs (e.g. TTC). Since amalgamation, the number of kilometres of streetscape enhancements has remained fairly stable, reflecting budget allocations. However, we are forecasting an increase in the number of kilometers of enhancements over 2005 and 2006 in response to Council’s priority for achieving a Beautiful City.

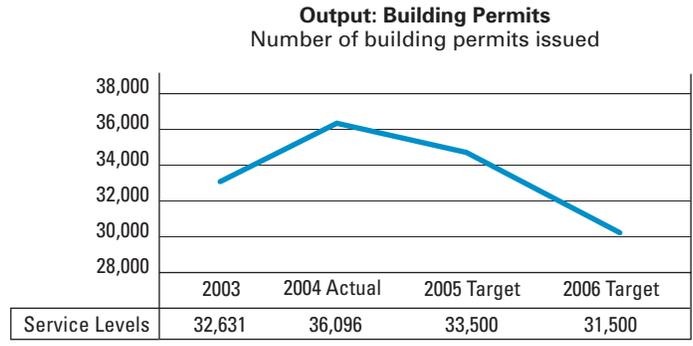


Building Division

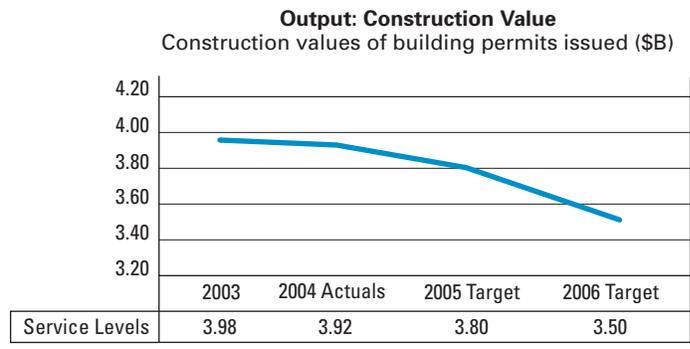
This measure indicates the number of building inspections conducted not including the number complaints investigated annually by the Building Division. This indicator shows a steady increase in inspection activity, peaking in 2005 commensurate with the volume of building permit issuance.



This measure indicates the number of building permits issued annually by the Building Division. Since amalgamation, there has been a steady increase in the number of permits issued with a peak output occurring in 2004. Construction industry forecasts indicate a slight reduction in development will occur over the next two years, which will result in slightly reduced permit output by 2006 as indicated in this measure.



This measure indicates the estimated construction value of the building permits issued annually by the Building Division. This measure fluctuates in accordance with the type of development occurring within a given period. Since amalgamation, there has been a steady increase in the construction value of permits issued principally due to the large number of high-rise residential developments that have transpired across the city peaking in 2003. Construction industry forecasts indicate there will be a slight cooling in condominium development over the next two years with other types of development remaining steady. This will result in a slight downward trend in the value of construction associated with building permit issuance.



Performance Measures (continued)

The Building Permit Issuance measure indicates the percentage of permit applications meeting the time frames established by Bill 124. With additional requested resources, by the end of 2005, 60% of permit applications are being projected to meet the Bill 124 time frames.

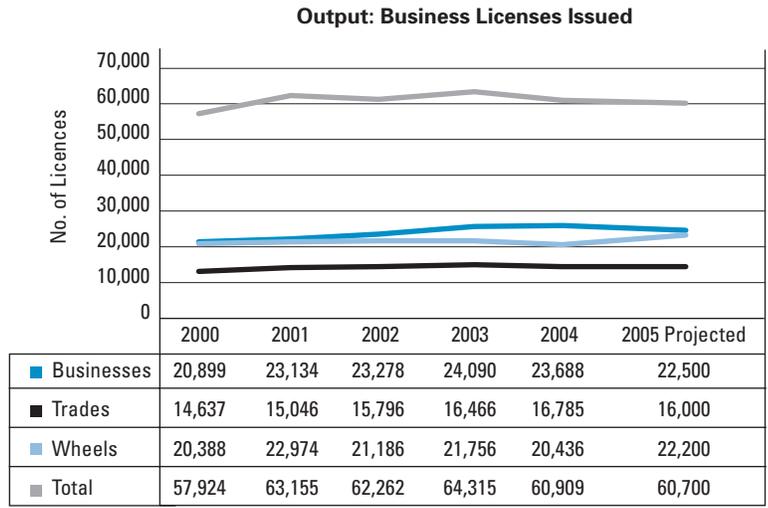
The Inspection measure looks at the percentage of mandatory demand inspections completed within 48 hours. The prescribed time frames introduced under Bill 124 are consistent with the current mandatory inspections in the Building Division. With additional requested resources, by 2005, it is projected that 90% of inspection will be completed within the prescribed time frames.

The Development Application Guide measure establishes targets that indicate an anticipated increase in client satisfaction with the usefulness of this tool. The indicated steady increase in satisfaction is primarily based on the planned increase in circulation of the guide along with an increase in use and familiarity of the guide.

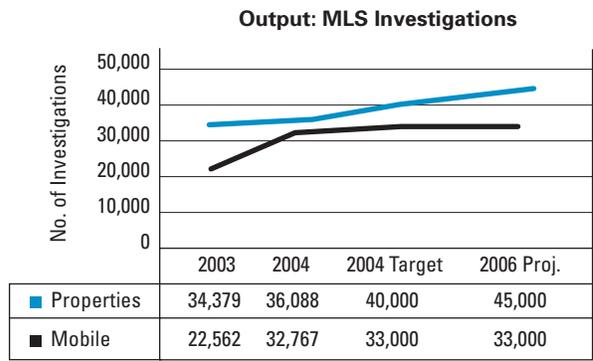
Major Activity	PM #	PM Type	Performance Measure Description	PM	Category	2003 Actual	2004 Actual	2005 Target	2006 Outlook
Building Permit Issuance	1	E	Percentage of permit applications meeting Bill 124 time frames by category * all applications prior to July 2005 **complete applications after July 2005	10 days	Residential *	36%	40%	N/A	N/A
				20 days	Residential Highrise *	40%	52%	N/A	N/A
				20 days	Mixed Residential	40%	52%	N/A	N/A
				30 days	Other Part 3 *	54%	60%	N/A	N/A
				10 days	Residential **	N/A	N/A	60%	80%
				20 days	Residential Highrise **	N/A	N/A	60%	80%
				20 days	Mixed Residential **	N/A	N/A	60%	80%
				30 days	Other Part 3 **	N/A	N/A	60%	80%
Volume of Work	2	O	Number of inspections			147,000	158,112	160,000	155,000
			Number of Building Permits Issued			32,631	36,096	33,500	31,500
			Construction Value of Permits Issued			\$3.98 B	\$3.92 B	\$3.80 B	\$3.50 B
Inspection	3	E	Percentage of mandatory demand inspections completed within 48 hours and complaint investigations completed within performance standard	48hr	Residential	85%	85%	90%	95%
				48hr	Residential Highrise	85%	85%	90%	95%
				48hr	Mixed Residential	85%	85%	90%	95%
				48hr	Other Part 3	85%	85%	90%	95%
				< 1 day	Emergency	100%	100%	100%	100%
				2 days	Build W/O permit	60%	80%	100%	100%
				5 days	Zoning	50%	60%	100%	100%
Development Application Guide	4	CQ	Client Satisfaction Survey regarding the usefulness of the information on the Building Toronto Together Web Site and Guide	1	Not useful				
				2	Somewhat useful	N/A	N/A	3.0	3.5
				3	Useful				
				4	Very useful				
				5	Exceptional				

Municipal Licensing & Standards

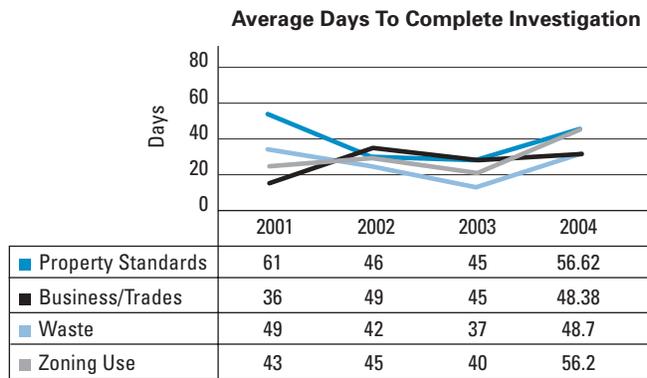
The measure indicates the number of business licenses issued and processed annually by category. The number of licenses has remained fairly stable over the period represented, with a slight downturn in new business applications in 2004 and 2005.



The measure is a general indicator of the increasing demand of the community and residents on the Division. The complexity of the issues has resulted in a larger carry-over of files.

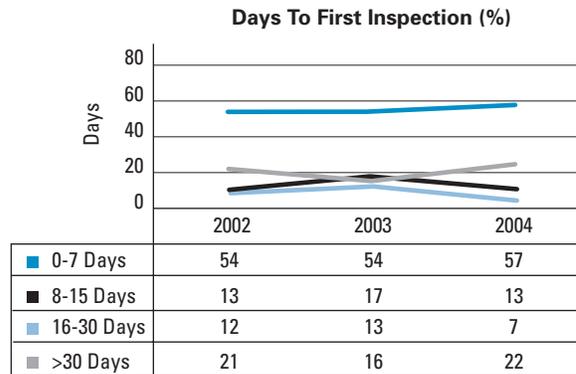


The measure is an indicator of the average time trend to complete an investigation in regard to the four largest by-law issues addressed by the Division. The trend has been to resolve the matter in a more timely manner.

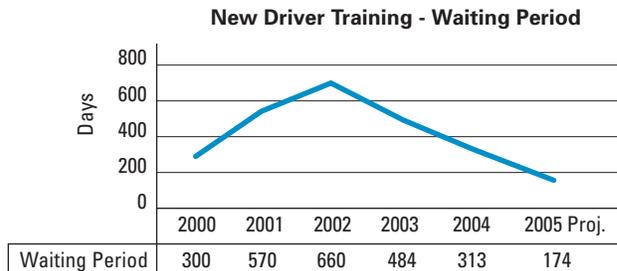


Performance Measures (continued)

This graph indicates that staff have slightly improved their response time to address complaints over the past couple of years. In 2004, staff are responding to nearly 75% of all complaints within 15 days of receipt.



The measure indicates that the waiting period for new driver-training peaked in 2002 and has progressively decreased, notwithstanding the introduction of additional refresher courses and additional Ambassador training.



2005 Urban Development Services - Capital Budget

2004 Major Accomplishments

URBAN DEVELOPMENT SERVICES

Budget: \$7.471 M gross comprised of \$4.648 M previously approved and \$2.823 M new and on-going projects. [2003 Gross Budget - \$8.779 M]

- ▶ \$2.332 M for streetscape improvement projects in the City, including enhancements to Lower Sherbourne Street, Port Union Road, Danforth Avenue, Royal York Road, Weston Road and College Street
- ▶ \$1.762 M for the continued development of a new City-wide Zoning By-Law
- ▶ \$0.926 M for OMB consideration of the City's new Official Plan
- ▶ \$0.663 M for facility improvements at Scarborough Civic Centre and 1530 Markham Road
- ▶ \$0.410 M for enhancements to the Program's Integrated Business Management System

2005 Capital Budget Highlights

2005 Capital Budget – Urban Development Services

Total 2005 Urban Development Services gross budget is \$7.554 million (2004 budget - \$7.471 million)

- ▶ \$2.792 million for Civic Improvement projects
- ▶ \$1.750 million for the implementation and enhancement of the Integrated Business Management System (IBMS)
- ▶ \$0.964 million for the Official Plan
- ▶ \$0.500 million for Union Station Urban Design Study
- ▶ \$0.100 million for Natural Heritage Inventory Study
- ▶ \$1.448 million for DC Charge Funded Studies

Incremental Operating Impact to the 2005 Capital Budget

The 2005 Urban Development Services Department’s Operating Budget includes 27 approved positions funded from Capital:

- 17 temporary positions for the New Zoning By-Law project
- 10 temporary positions for IBMS base system and enhancements

Asset Inventory

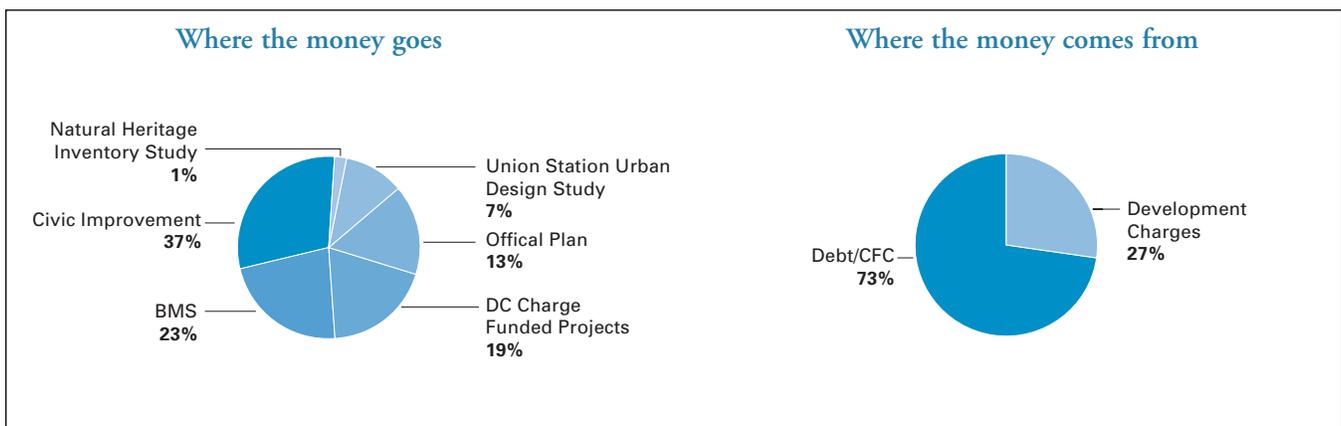
- The Urban Development Services Department’s 5 year plan includes most asset needs (ie. commitments for city-wide beautification, New Zoning By-Law, New Official Plan, Natural Heritage Inventory creation, planning studies for Avenues, and transportation environmental assessments.)

5 Year Capital Plan

- The Urban Development Services Department’s long term objectives are to implement Council’s Clean and Beautiful City priority through annual Civic Improvement Projects, New Zoning By-Law Completion, and successful defense of the New Official Plan.

5 Year Capital Work Plan

(000’s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Legislative	991	—	—	—	—	991
Service Improvement	—	—	—	—	—	—
Total Previously Approved	991	—	—	—	—	991
New						
Health & Safety	—	—	—	—	—	—
Legislative	—	—	—	—	—	—
State of Good Repair	—	—	—	—	—	—
Service Improvement	5,631	—	—	—	—	5,631
Growth	932	—	—	—	—	932
Total New	6,563	—	—	—	—	6,563
Total UDS	7,554	—	—	—	—	7,554



2005 Waterfront Revitalization- Capital Budget

2004 Major Accomplishments

WATERFRONT REVITALIZATION INITIATIVE

Budget: \$26.325 M gross comprised of \$26.246 M previously approved and \$0.079 M new and on-going projects. [2003 Gross Budget - \$19.529 M]

- ▶ \$26.159 M City share (\$78.236 M total contribution from Federal, Provincial and Municipal governments) for Waterfront Revitalization initiative activities including the Front Street Extension, Union Station Subway Platform Expansion, Portlands Preparation, Naturalization of the Mouth of the Don River East, East Bayfront and West Donlands Precinct Development Projects, Port Union and Mimico Strategic Parks Projects, and Parks and Public Spaces, and Studies

2005 Capital Budget Highlights

- ▶ \$20.028 M gross and \$19.830 debt. The Capital budget reflects a realignment of 2005 cashflow and revised 5 Year Business Plan to address City Council's policies regarding "making progress on the Waterfront" and "Transit First". This year's projects include improvements to the Martin Goodman Trail and Leslie Street Corridor, the development of Parks and other public amenities, and the implementation of East Bayfront and West Don Lands Precinct Plans, including construction of a light rapid transit to service these precincts.

Asset Inventory

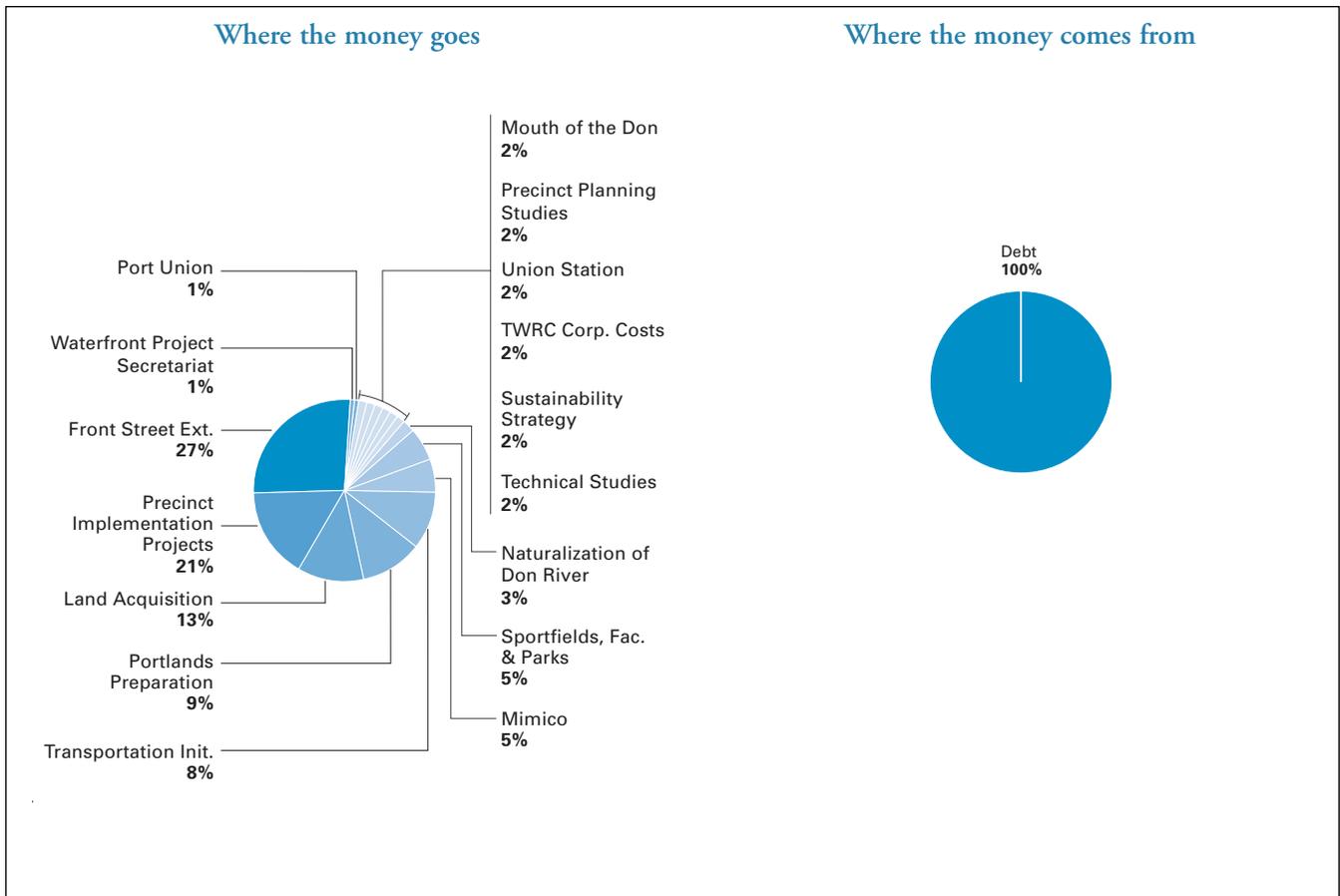
- ▶ The Capital Program for the Waterfront Revitalization Initiative is categorized as growth, given that all projects are intended to support the revitalization of the Waterfront; the Secretariat does not control any City assets or have any state of good repair projects.

5 Year Capital Plan

- ▶ To address Council's priorities regarding "making progress on the Waterfront", and "transit first", the TWRC has revised its 5 Year Business Plan to accelerate "shovel in the ground" projects from 2010-2014 to 2005-2009. These projects include improvements to the Martin Goodman Trail and Leslie Street Corridor, the development of Parks and other public amenities, and the implementation of East Bayfront and West Donlands Precinct Plans, including construction of a light public transit to service these precincts.
- ▶ Staff of the Waterfront Secretariat are currently undertaking a due diligence process of the 5 Year Plan, including discussions with other orders of government. A report outlining the results of this process will be presented to Council in 2005.

5 Year Capital Work Plan

(000's)	Commitments				2009
	2005	2006	2007	2008	
Previously Approved					
Growth Related	20,028	93,086	75,380	66,940	30,594
Total Previously Approved	20,028	93,086	75,380	66,940	30,594
Total Waterfront	20,028	93,086	75,380	66,940	30,594



Corporate Services

City Clerk's Office

Mission Statement:

The purpose of the City Clerk's Office is to support effective governance in the City of Toronto by facilitating City Council's decision-making processes and promoting stewardship of corporate information.

Program Objectives

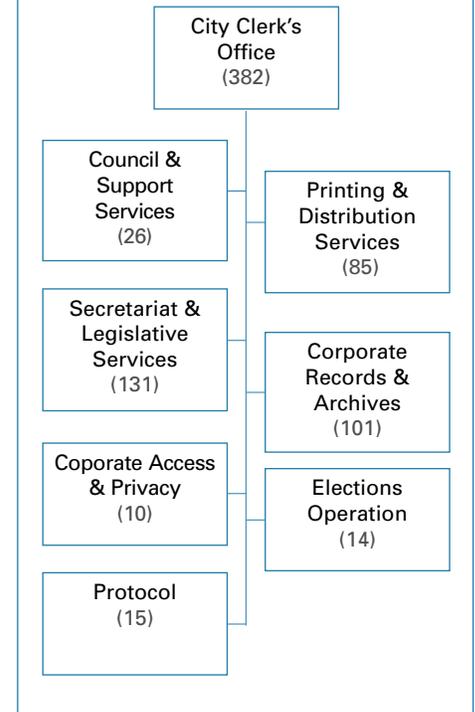
- ▶ Provide budgetary and administrative support to the City Clerk's Office and Members of Council;
- ▶ Manage the legislative process of City Council, the Standing Committees, Community Councils, and other deliberative bodies, including the appointment process for Members of Council and citizens, as well as by-law management;
- ▶ Provide City printing, document reproduction and distribution services;
- ▶ Issue marriage licences and registers births and deaths in accordance with the *Marriage Act* and the *Vital Statistics Act*;
- ▶ Amend assessment rolls from assessment appeals in accordance with the decisions of the Assessment Review Board, and Ontario Municipal Board;
- ▶ Develop and administer gaming and lottery licensing and compliance programs. Administer the reservation of wedding chambers;
- ▶ Develop and administer all activities related to corporate records management, and identify, select, describe, and preserve records of enduring value;
- ▶ Receive and process all requests for information in accordance with the Municipal Freedom of Information and Protection of Privacy Act;
- ▶ Manage the City's Protocol services; organize official visits, ceremonies, awards and recognition programs; produce scrolls, proclamations, greetings and correspondence for the Mayor and Council; and
- ▶ Administer the conduct of impartial, non-partisan regular elections as well as by-elections for positions on Toronto City Council and the City's school boards. Also provides election services to others governments on a contract basis.

2005 Strategic Direction and Service Priorities

- ▶ Continue various eGovernment projects;
- ▶ Continue Meeting Management Initiative project to create open, accessible, and understandable government, including the development of a new procedures by-law, improved Secretariat business processes and information management, and enhanced public accessibility to Council's legislative process;
- ▶ Continue the renewal of Corporate Access and Privacy;
- ▶ Implement Public Service Delivery Project, a new service delivery model, across the Program;
- ▶ Democratic Renewal Initiatives – Ward Boundary realignment;
- ▶ Develop 2006 - 2009 Municipal Election projects/program/contribution rebate program and by-laws (reserve funds);
- ▶ Consolidation of Secretariat Services and a renewed organizational structure;
- ▶ Increased advice to charitable, non-profit organizations and bingo hall owners and operators to enhance economic viability; and
- ▶ Strengthen role for Protocol in international relations and activities.

Program Map

The City Clerk's Office Division has a total of 382 approved positions in the following services:



City Clerk's Office

2005 Operating Budget by Service

Services	Gross (\$000's)	Net (\$000's)
Secretariat	7,386.8	6,820.5
Printing and Distribution	13,503.8	1,838.1
Council and Support Service	2,355.3	1,855.3
Corporate Access and Privacy	984.1	934.1
Corporate Records and Archives	6,568.8	5,976.6
Elections Operating	1,816.3	1,816.0
Elections Event	2,261.3	2,083.8
Elections Contracting	182.0	—
Legislative Services	3,739.5	(3,468.0)
Protocol	1,430.5	1,430.5
Total Program Budget	40,228.4	19,286.9

2005 Budget Highlights

- › No change to 2004 service and funding levels.

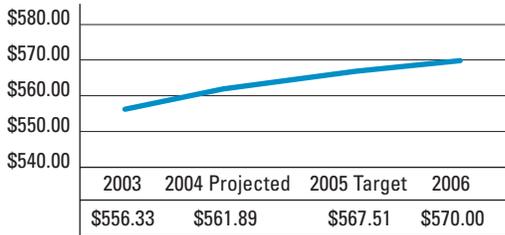
2004 Achievements

- › Managed the post 2003 Municipal Election issues and policies including the filing of election campaign financial statements and the contribution rebate program. Produced 2003 election wrap up report;
- › Prepared Final Report from the Toronto Election Finance Review Task Force with recommendations on amendments to the Municipal Elections Act, 1996;
- › Completed contract election services for Saint John, New Brunswick; working on Contract elections in Alberta in November 2004;
- › Established Meeting Management Initiative project team with Council approved budget;
- › Initiated Corporate Access and Privacy Project with secondment of Provincial expert and the establishment of a reference group and Terms of Reference for an Access and Privacy committee;
- › Undertook review of City Clerk's Office services to the public and the management of those services in the Civic Centres;
- › Implemented citizen roundtables (established by the Mayor) and developed simple meeting procedures for Council's various advisory bodies;
- › Coordinated various citizen appointments to Council's deliberative and advisory bodies;
- › Completed service improvement review of Printing and Reproduction Services;
- › Implemented new high speed networked digital photocopiers;
- › Retention Schedule By-law for Administrative Records developed and approved by Council;
- › Harmonized Traffic Polling Procedures, including parking and BIA polls. Working team established and review to be completed in late 2004;
- › Established by-law reference resource to facilitate research capabilities and continued implementation of the By-law Status Register project;
- › Enhanced web presence. City Clerk's Office intranet and web page established and revised;
- › Standardization of practices/procedures for administration of gaming, lottery licensing and compliance and vital statistics initiated; and
- › Facilitated or managed 260 Protocol events and produced 5,000 congratulatory messages.

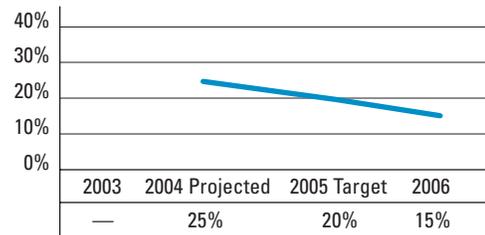
City Clerk's Office

Performance Measures

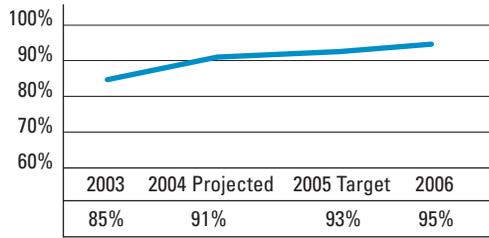
Efficiency - Average Cost to Process an Item at City Council



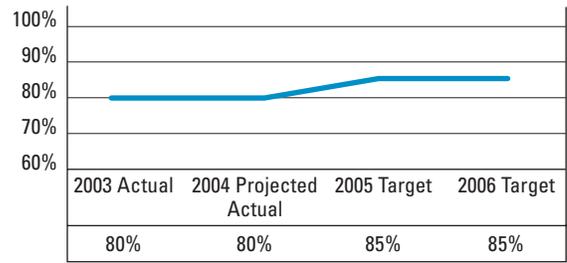
Community Impact - Percentage of Agenda Items Late for Main Meeting Agenda



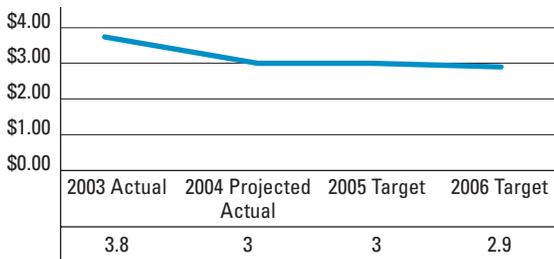
Customer Service - Percentage Immediate Responses to Inquiries and Research Requests



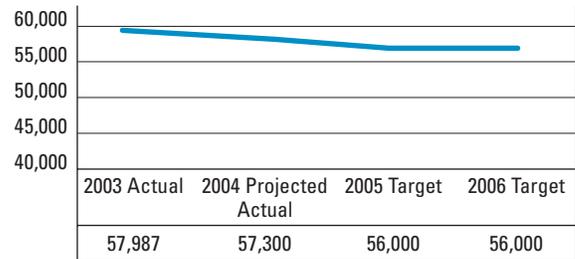
Customer Service - Percentage of Inactive Records Retrieved Within Clients Deadline



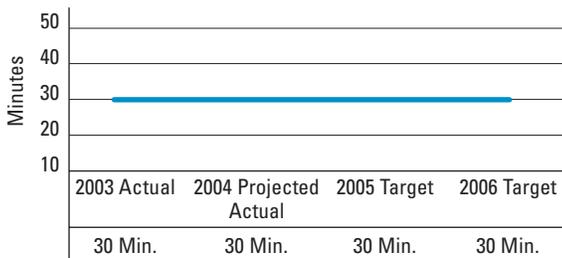
Efficiency - Average Cost to Manage a Cubic Foot of Inactive Records



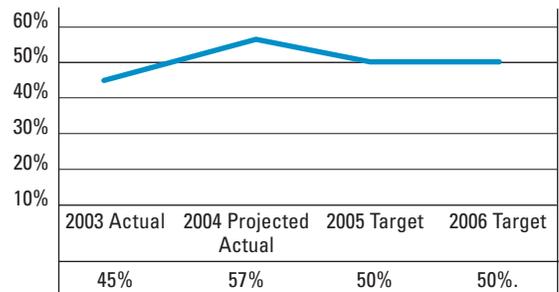
Customer Service - No. of Birth & Death Registrations



Customer Service - Processing Time per Council Staffing Transaction



Customer Service - Percentage of Repeat Requests for Letters of Greetings & Proclamations



City Clerk's Office

2005 Capital Budget

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$3.995 million [2004 Gross Budget - \$1.331 M]

- ▶ \$2.068 million for Council automation/meeting management systems
- ▶ \$1.500 million for Printing equipment replacement
- ▶ \$0.200 million for Freedom of information software
- ▶ \$0.050 million for Archives Forklift (Order Picker)
- ▶ \$0.979 million funding of 2004 budget has been carried forward to 2005 to complete the 2004 projects.

Asset Inventory

Asset Category/Classification	Quantum	Asset Value (Replacement/Insured)	Comment on General State of Asset
Printing Equipment	Printing Equipment	Insured value of \$4.427 million	The large format printing presses, and collators and bindery equipment are over 20 years old, and reliability and dependability is impacted, thereby affecting the quality of service to Printing clients.
Freedom of Information and Privacy Management Software	Software	Insured value of \$0.200 million	The current CAP STAT system is an old Metro system, over 10 years old, and it is fragmented and limiting.
Order Picker	Lift Truck	Insured value of \$0.50 million	The Records Centre Services presently uses two order picker machines to support its operation, and with New Provincial Legislation increasing clients' requests, a third lift truck is required to keep up with business demands.

Five Year Capital Plan

- ▶ To complete the Council automation and meeting management systems by 2006.
- ▶ To continue addressing essential life cycle replacements.
- ▶ To implement a 10 year plan for Printing equipment replacements in accordance with essential life cycle assets management.
- ▶ To ensure that cash flow plan is managed in an effective way.

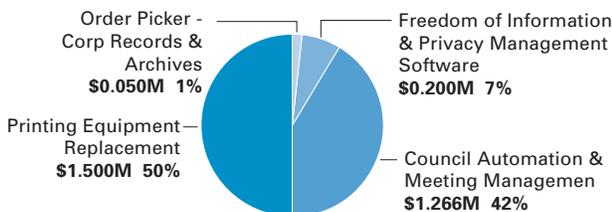
City Clerk's Office

2005 Capital Budget (continued)

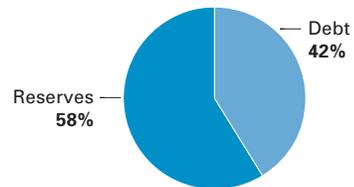
2005 Approved Capital Budget (Excludes 2004 carryforward)

(\$000s)	2005	Commitments			Total	
		2006	2007	2008		2009
Previously Approved						
Council automation/meetings management	1,266	2,420	—	—	—	3,686
Total Previously Approved	1,266	2,420	—	—	—	3,686
New						
Freedom of Information & Privacy software.	200	—	—	—	—	200
Records and Archives Forklift	50	—	—	—	—	50
Printing equipment replacements	1,500	80	216	—	—	1,796
Total New	1,750	80	216	—	—	2,046
Total City Clerk's Office	3,016	2,500	216	—	—	5,732

Where the money goes



Where the money comes from



Corporate Communications

Mission Statement:

To provide excellent corporate communications services and strategies to ensure the public, members of the Toronto Public Service, media, national and international communities have a clear understanding of the City of Toronto’s programs and services, how they may be accessed and how to participate in municipal government.

Program Objectives

The division is comprised of three services:

Corporate Communications and Media Services

- ▶ Promotes awareness and understanding of Toronto City Council activities and City programs, services and emerging issues by creating and implementing numerous communications strategies and activities.
- ▶ Promotes community awareness of, and access to City programs and services.
- ▶ In the event of a major incident or declared emergency, Corporate Communications leads and coordinates the resources across the City to provide a wide range of communications services and products to support the City’s key messages.
- ▶ Negotiates stable competitive advertising rates for each Council term and places all legal and statutory advertising for the City.
- ▶ Supports management and staff actions to increase the effectiveness of employee communications.
- ▶ Provides media relations services to all news media including ethnic, community, radio, TV and web based that seek information about City programs and services

Public Information Services

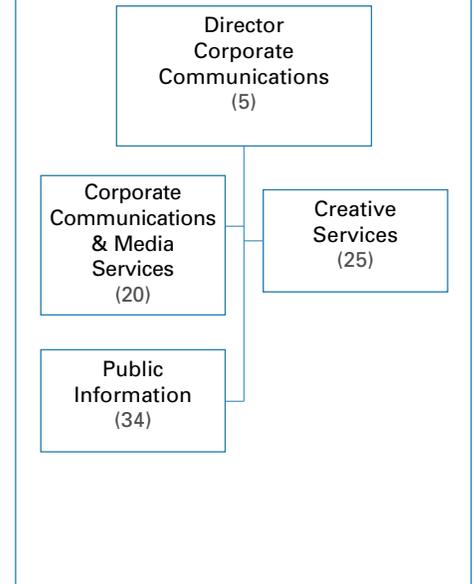
- ▶ Increases timely access by the public to all municipal services offered by the City of Toronto through one point of contact (Access Toronto’s Call Centre, email and counter service at City Hall and Civic Centres).
- ▶ Increases student awareness and understanding of municipal government by delivering a civics presentation program that educates Grade 5 and 10 students, and new residents, to the workings of Toronto’s municipal government. This popular service encourages active citizenship and satisfies curriculum requirements.
- ▶ Promotes immigrants’ understanding of and access to city programs and services by continually expanding City information communicated to residents through the multilingual program.

Creative Services

- ▶ Manages the City of Toronto Web site, the City’s most used channel of public access to services and information for residents, visitors, employees, businesses and City stakeholders.
- ▶ Ensures the accuracy, consistency and timeliness of online content by planning and implementing an enterprise Web content management system.
- ▶ Facilitates public access to City services through the continued development of online information, transactions and civic participation.
- ▶ Strengthens and expands a professional corporate image (City of Toronto corporate identity) clearly recognized by the public and stakeholders.
- ▶ Provides cost efficient and effective professional graphic design services to communicate Council programs and major city-wide programs.

Program Map

The Corporate Communications program is comprised of three services, with a total of 84 approved positions for 2005, as shown below:



Corporate Communications

2005 Strategic Direction and Service Priorities

The resources available to the division will be prioritized to support the established nine priorities of Toronto City Council.

3-1-1:

- › Improving ease of access to City services by the launch of an on-line services portal and the first stage of implementing Web assisted technology for the disabled.
- › Implementation of a content management system for the City's Web site and intranet site which will ensure the posting and maintenance of content that is timely, consistent, and uniformly representative of City policies, programs and services.
- › Further development of customer service standards to ensure consistent service response at time of 3-1-1 implementation.
- › Continue support for the Clean City Beautiful City initiative by implementing communications activities and tactics that further the goals of this Council priority.
- › Continue to support the public consultation for the St. Clair transit project to ensure the public has access to information and opportunity for input.
- › Enhance the understanding of Council's priorities, city programs and issues through the implementation of communication activities that support initiatives such as Listening to Toronto, the City's budget planning process and strengthening at risk neighbourhoods by utilizing a wide range of tools to reach Toronto's diverse population, including a community safety portal.
- › Contribute to the ongoing success of the Toronto Corporate Identity Program, Toronto Web site, staff training and city communications products through the provision of professional photography and video services.
- › Support the Toronto Public Service Initiative by further implementation of the employee communications strategy and specific tactics to support and publicize the capabilities of the Toronto Public Service.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Public Information	2,284.1	2,284.1
Creative Services	1,965.8	1,965.8
Corporate Communications & Media Services	2,583.2	2,526.2
Total Program Budget	6,833.1	6,776.1

2004 Achievements

- › Provided strategic, corporate, creative, web and public information communications support on major projects and issues of interest to residents and business. Examples include the Mayor's Summit, Listening to Toronto, Waterfront, Budget 2004, St. Clair Streetcar Consultations, Union Station, youth campaigns, city awards, smog summit, Clean City, Beautiful City.
- › Under the CAO's direction, developing strategy service design and identification of standards that must be in place prior to implementing the 3-1-1 service; co-lead with I&T for 3-1-1 Web portal design and development.
- › Assumed the lead for the development of the content of the Knowledge Base for the 3-1-1 Project: researched best practices, established inter-departmental team, began work on City of Toronto taxonomy and developed templates for the collection of data across the corporation.
- › Access Toronto introduced new procedures in order to successfully serve as the point of contact for registrations for a number of City initiatives such as UDS' Building Forums, CNS' Information Sessions and Listening to Toronto.
- › Provided logistical, Web, public information and media event support to the Office of the Mayor throughout the transition and into the term to assist with the launch of several new initiatives and the communication of the City's messages to the widest possible audience.
- › Development of several new special interest Web portals and partner in successful launch of more online services: Parks & Recreation program registration and parking permit renewals.
- › Substantially advanced the implementation of the Web content management system; content and information management standards developed.
- › Toronto's Web site rated as one of the Top 10 in Digital Governance Worldwide, as assessed by independent evaluators.

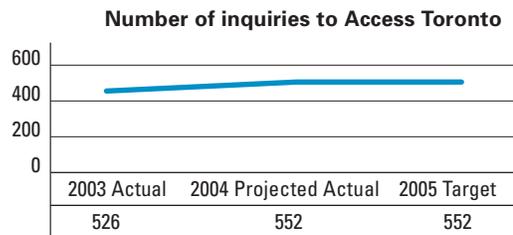
Corporate Communications

- › Development and implementation of the Employee Communications strategy and tactics.
- › Conducted a complete assessment of the signage needs for the York Civic Centre and coordinated, with Facilities and Real Estate staff, the design, production of new indoor and outdoor signage for this facility.
- › Achieved city-wide savings by establishing fixed advertising rates for 2004-2006 term of Council.
- › Expand the City’s multilingual capacity by providing training to departmental and agency staff on the multilingual services available for communicating City programs services.
- › Co-ordinated the development and implementation of a city-wide communications plan to promote the multilingual 911 emergency service.

Performance Measures

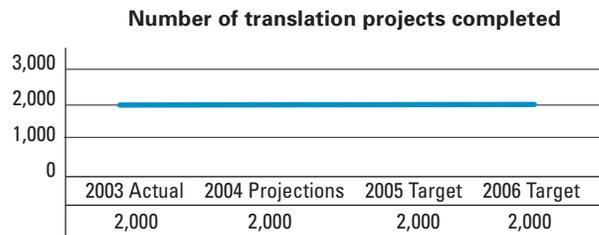
Performance Measure #1 – Number of Inquiries to Access Toronto

Explanatory Information of Performance Measure Trend: Facilitates access by the public to all municipal services offered by the City of Toronto by providing one point of contact (Access Toronto's Call Centre, email and counter service at City Hall and Civic Centres) The importance of this communications link to the public was evident in 2003 during the SARS outbreak(s) and the hydro blackout when Access Toronto's phone number was widely publicized as a one-stop source of information for residents and businesses about the status of city services. In 2004, Access Toronto assumed the responsibility for registering residents for the Listening to Toronto public meetings in 2004 and will do so again in 2005.



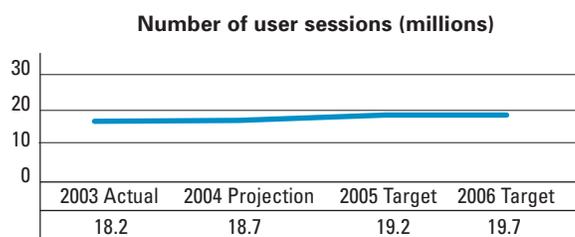
Performance Measure #2 – Number of Translation projects completed

Explanatory Information of Performance Measure Trend: Promotes immigrants' understanding of and access to city programs and service by expanding City information communicated to residents in the appropriate language.



Performance Measure #3: Number of user sessions on the City's Web site

Explanatory Information of Performance Measure Trend:z The number of user sessions recorded has increased by 104% between 2002 and 2003. A further increase is anticipated in 2004 and beyond as on-line services are added to the city's Web site allowing residents to conduct their business with the city in the format most convenient to them. (A user session = approx. 11 minutes).



Court Services

Mission Statement:

The Court Services Division provides services to the public using the Provincial Offences Courts in Toronto. Court administration and courtroom support services are delivered in accordance with the Provincial Offences Act and the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General.

Program Objectives

- Provide court services to stakeholders that are fair, co-ordinated, timely, efficient and accessible.

2005 Strategic Direction and Service Priorities

- Provide significant numbers of new staff with training on key objectives and operating procedures that will assist in the relatively new Division (created in early 2002) to manage anticipated growth in service demand.
- Priority emphasis to be placed on obtaining Provincial support for additional fine enforcement sanctions to reduce the level of unpaid fines experienced by all Ontario municipalities.
- Identify opportunities to improve service delivery to stakeholders in the South service district considering options to consolidate service under one roof and to increase number of courtrooms.
- Monitor caseload trend and demand for service identifying and discussing with the judiciary options to manage workload.
- Obtain clarification from Provincial staff on their technology/information management strategy with a view to improving the ability to report on business metrics.

2005 Operating Budget by Service

Services	Gross (\$000's)	Net (\$000's)
Finance and Administration	16,544.1	16,219.1
Court Administration	6,151.9	(31,986.0)
Court Support	3,973.4	3,937.4
Planning and Liaison	2,157.1	2,157.1
Total Program Budget	28,826.5	(9,636.4)

2005 Budget Highlights

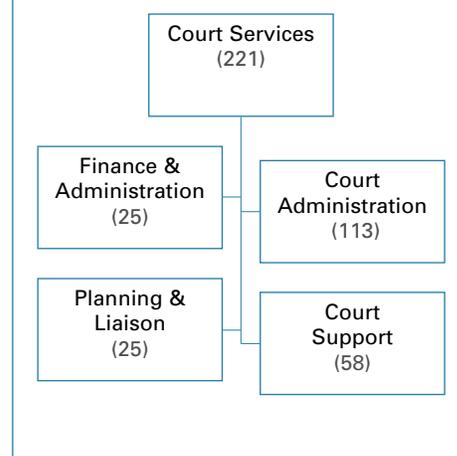
- No change to 2004 service and funding levels.

2004 Achievements

- Expanded services in the West service district by moving from rented premises into the renovated former York Civic Centre.
- Expanded services in the East service district by adding an additional 2 courtrooms.
- Commenced telephone payment service in March 2004 to allow individuals to pay fines by phone using credit cards.

Program Map

Court Services Division has a total of 221 approved positions in the following services:

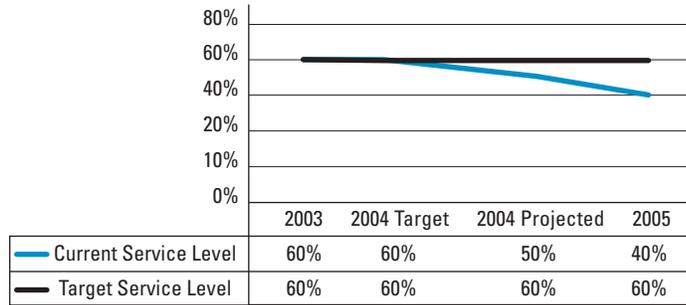


Court Services

- ▶ Commenced collection project in June 2004 engaging 3 collection agencies in an effort to collect outstanding fines inherited by Province at time of program transfer.
- ▶ Consolidated trials from North office (smallest site) to new West and East courthouses and opened administrative counter service at North York Civic Centre.

Performance Measures

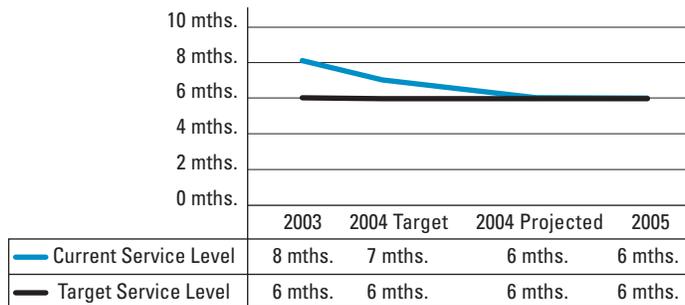
Abandonment rate (%) for public calls to call centre.



Time span (minutes) to service customers at counter.



Average number of months from offence date to trial for all courts.



2005 Capital Budget

2005 Capital Budget Highlights

Court Services does not have a Capital Budget in 2005.

Five Year Capital Plan

- ▶ To continue efforts to obtain approval from the Province of Ontario, Ministry of Attorney General for a new systems application to enhance efficiencies.

Information & Technology— End of Lease Strategy

2005 Capital Budget

2004 Major Accomplishments

- Established a City-wide project organization
- Completed implementation plans, application testing
- Completed major contract RFP for desktops, peripherals and related services
- Equipment rollout in CNS, Social Services and Toronto Public Library
- Commenced pilot deployment in other City Divisions
- RFQ and installation of many servers as part of information technology refresh and server consolidation program
- Developed and implemented the Corporate Technology Asset Management application as the interim solution for Technology End of Lease Strategy acquisitions

2005 Capital Budget Highlights

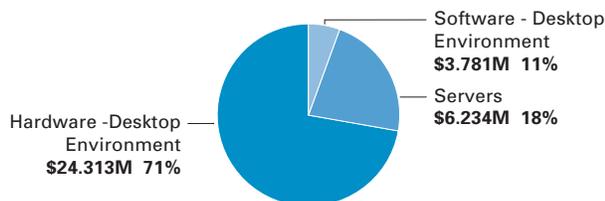
Total 2005 Gross Budget is \$34.328 million [2004 Gross Budget - \$48.147 million]

- \$34.328 to purchase hardware, software and servers in order to replace equipment currently leased.

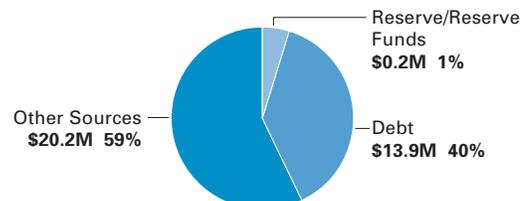
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Hardware	24,313	—	—	—	24,313
Software	3,781	—	—	—	3,781
Servers	6,234	—	—	—	6,234
Total Previously Approved	34,328	—	—	—	34,328
Total Information & Technology	34,328	—	—	—	34,328

Where the money goes



Where the money comes from



Facilities & Real Estate

Mission Statement:

To contribute to the strategic goals and business priorities of the City of Toronto by providing a comprehensive range of effective and efficient real estate and facility management services with an emphasis on service, stewardship, and commitment.

Program Objectives

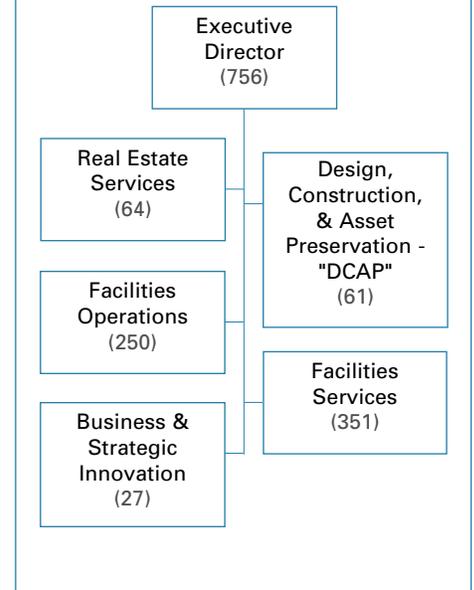
- ▶ Evaluate and improve the Divisional processes to meet customer needs with greater responsibility and reliability;
- ▶ Deliver essential utilities without interruption;
- ▶ Ensure facility systems and equipment operate effectively, efficiently, and safely;
- ▶ Manage City property strategically and provide innovative approaches to portfolio development;
- ▶ Provide a well-trained, informed workforce which demonstrates excellence and efficiency in the use of equipment and technology;
- ▶ Provide a governance role with facility environmental issues;
- ▶ Provide effective project management services that are accountable to both budget and schedule; and
- ▶ Engage in sound, long-term financial and resource planning thereby maintaining the integrity of our physical assets.

2005 Strategic Direction and Service Priorities

- ▶ Realignment of the district’s building operational resources to match the new Community Council boundaries.
- ▶ Implement the SAP asset management and work order system.
- ▶ Implement projects that address at least five of the nine council objects i.e. "improve public services" (MAP), "progress on the waterfront" (environmental projects), "improve business climate" (SAP), "making Toronto a clean and beautiful city" (deep water cooling project and heritage projects), and "strengthening our at risk neighbourhoods" (community centre projects).
- ▶ As part of a multi-year assessment and review of staffing resources and requirements, DCAP will be implementing a "centres of expertise" model. The expertise will be divided into accepted industry divisions within construction and will "improve the business climate" with respect to vendors pricing of projects.
- ▶ Work with other city departments to develop site-specific procedures for environmental issues and implement the plan to ensure that the Corporate Services facilities are in compliance with applicable legislation.
- ▶ Provide acquisition services to City departments, agencies, boards and commissions as required to assist them in accomplishing their part of Council’s nine priorities established for the 2003-2006 Term and specifically the priorities of "making progress on the waterfront," "improving public services" and "ensuring housing is affordable."
- ▶ Review the Real Estate portfolio and streamline lease management services.
- ▶ Implement the custodial service improvement objectives.

Program Map

The Facilities and Real Division is comprised of five sections, with a total of 756 approved positions:



Facilities & Real Estate

2005 Strategic Direction and Service Priorities (continued)

- › Complete final phase of audio/video connectivity between all Civic Centres, Metro Hall and City Hall.
- › Implement Deep Lake Water Cooling for Old City Hall and Metro Hall.
- › Select winner of the Nathan Philips Square design competition.
- › Finalize and update Service Level Agreements with all clients.
- › Implement "Triple Bottom Line" approach to management.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Facilities	73,707.9	45,160.4
Real Estate	14,836.7	(10,376.5)
Total Program Budget	88,544.6	34,783.9

2005 Budget Highlights

- › \$2.414 M – revenue from Toronto Hydro dividends previously applied to maintenance of Toronto Hydro properties reversed in full to be utilized corporately and not directed specifically to Facilities and Real Estate
- › (\$0.123 M) – increase in net revenues from fully cost recoverable client services

2004 Achievements

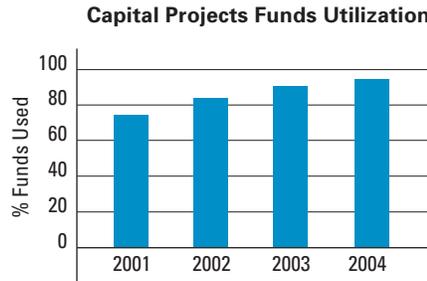
- › Implemented a new purchasing strategy for natural gas procurement valued at \$20 million annually.
- › Obtained approval from Federation of Canadian Municipalities for a loan of \$8.75 million to undertake energy efficiency retrofits in City facilities.
- › Completed renovations of 250,000 sq.ft. of space including York and Scarborough Civic Centre locations.
- › Established detailed redevelopment parameters for the St. Lawrence Market North site.
- › Led the DOTS initiative (Development of Transit Sites) to review existing properties owned by the City and occupied by the TTC, with the aim of maximizing value.
- › Compiled and verified inventory of all City buildings.
- › Established a single less expensive City-wide agreement with the Electrical Safety Authority for electrical safety and inspections.
- › Developed building maintenance standards for use in City facilities.
- › Restructured time and material maintenance contracts and replaced with fixed price per unit contracts to reduce annual costs.
- › Successfully implemented a pilot project that allowed F&RE to commit 100% of all new projects in 2004, but with a cash flow plan of only 80% of the total cash flow for the projects, culminating in efficiencies and effective management of the cash flow plan.
- › Completed 47 detailed building condition assessments, 20 cursory building condition assessments and 561 capital project validation inspections.
- › Carried out 40 environmental reviews and completed an audit on approximately 106 Corporate Services facilities for PCB's, asbestos, underground storage tanks/aboveground storage tanks and several other designated substances. This audit forms the basis of a remedial action plan that will be implemented over the next five years and ensures that the Corporate Services facilities are in compliance with applicable legislation.
- › Completed Custodial Services, Service Improvement Work Plan in response to the Alternative Service Delivery Review.
- › 100% of all Building Cleaning Audits completed quarterly for each building serviced.
- › Connectivity between Civic Centres, Metro Hall and City Hall completed, allowing for Council meetings and Committee meetings to be viewed using internal cable system.
- › The Division's year-end expenditures were within 1% and revenue collections met annual target.
- › Reported to Council over \$15.5 million in property sales.
- › Completed 460 property appraisals.
- › Purchased 50 interests in property.

Facilities & Real Estate

Performance Measures

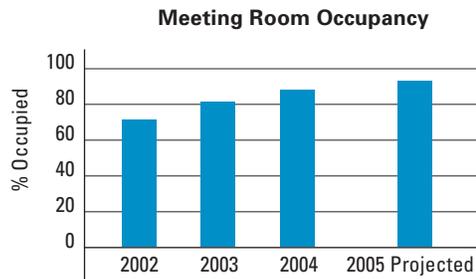
Capital Projects Funds Utilization

This measure indicates rate of available funds used for capital projects implemented by Facilities and Real Estate Division.



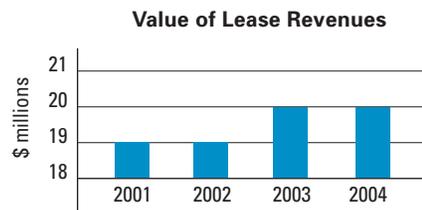
Meeting Room Occupancy

This measure relates to the rate at which meeting rooms were occupied.



Value of Lease Revenues

This measure compares values of lease revenues achieved by the Facilities and Real Estate Division.



2005 Capital Budget

2004 Major Accomplishments

- ▶ Facilities and Real Estate worked on 284 capital projects and approximately 600 on-demand work orders on a city-wide basis.
- ▶ Completed audit assessments of actual conditions for about 80% of corporate buildings.
- ▶ Effectively managed cash flow and achieved an 85% spending rate.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$41.820 million [2004 Gross Budget - \$55.760 M]

- ▶ \$30.121 million or 72% of the 2005 Facilities and Real Estate Division's Capital Budget is allocated to address health and safety projects
- ▶ \$3.355 million for the restoration of the Old City Hall sandstone masonry
- ▶ \$0.275 million for Nathan Philips Square Design Competition
- ▶ \$0.508 million for the St. Lawrence Hall Masonry Reconstruction project.

Facilities & Real Estate

2005 Capital Budget (continued)

Asset Inventory

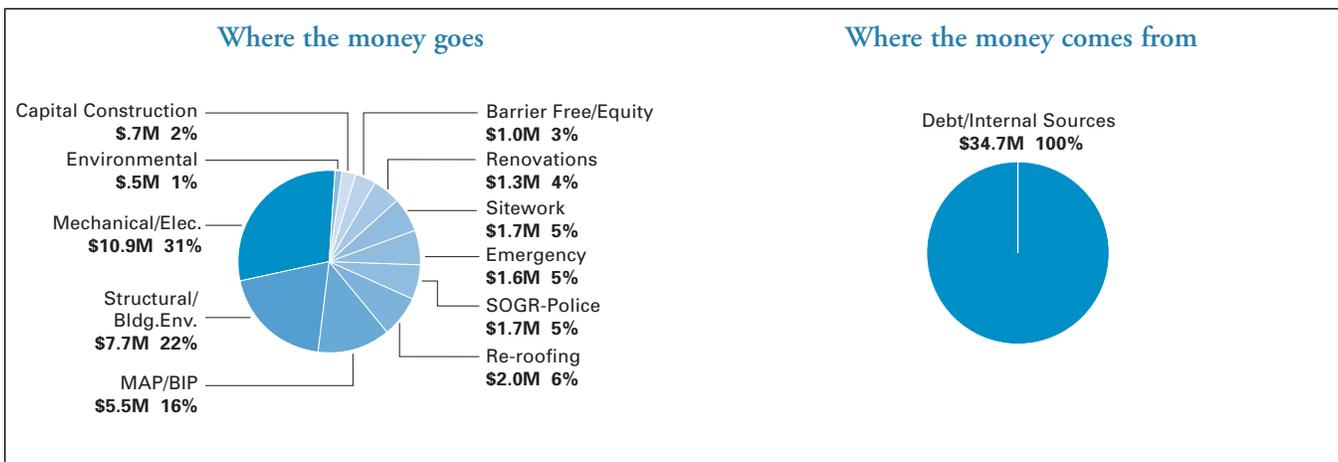
Facilities and Real Estate maintain 274 corporate buildings. Their asset categories correspond to individual buildings.

Five Year Capital Plan

- › To continually and proactively maintain corporate facilities in a state of good repair and ensure that they provide a safe and functional environment for all users.
- › To complete the remaining 20% of building audits to assess actual conditions of all corporate buildings.
- › To reduce the current backlog of essential projects of \$120 million by approximately \$18 million per year.
- › To continue addressing essential life cycle replacements in an average amount of \$19.5 million per.
- › To ensure that cash flow plan is managed in an effective way.

2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Structural/Building. En.	5,213	1,571	393	—	—	7,177
Mechanical/Electrical	5,837	2,195	584	469	94	9,179
Emergency & SOGR Police	1,744	267	—	—	—	2,011
Other	11,769	6,225	231	—	—	18,225
Total Previously Approved	24,563	10,258	1,208	469	94	36,592
New						
Structural/Building. En.	2,507	582	133	—	—	3,222
Mechanical/Electrical	5,102	4,569	4,351	866	—	14,888
Emergency & SOGR Police	1,582	443	—	—	—	2,025
Other	901	5,500	2,209	1,200	202	10,012
Total New	10,092	11,094	6,693	2,066	202	30,147
Total Facilities and Real Estate	34,655	21,352	7,901	2,535	296	66,739



Fleet Services

Mission Statement:

To provide responsive, flexible, efficient and comprehensive Fleet Services to support the delivery of public programs and services.

Program Objectives

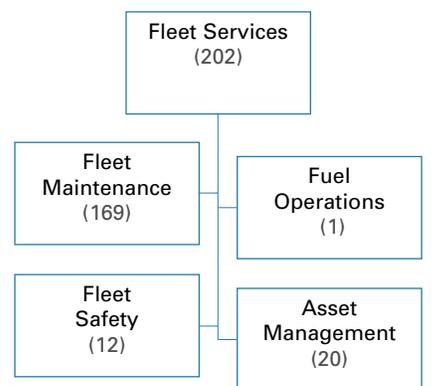
- ▶ Improve public services by reducing vehicle downtime. Fleet Services will partner with a large-scale parts provider, integrating the existing systems with those of the supplier. The inventory will be released via consignment or direct order. This will expedite the procurement of parts and reduce the turnaround time for repairs. It is also expected that, by contracting with a sole provider, the cost for parts will be reduced through bulk discount.
- ▶ Help make Toronto a clean and beautiful City by implementing the recommendations of the Green Fleet Plan. The plan will expand the City's hybrid fleet and dispense bio-diesel at Fleet operated fuel sites. It is expected that the plan will reduce carbon dioxide emissions by 10-15 million kilograms over the 4 years of the plan and reduce other pollutants from vehicle exhaust
- ▶ Improve public services by ensuring all City fuel sites are TSSA compliant (Technical Safety and Standards Authority). Fleet Services will co-ordinate the city wide TSSA review and make recommendations regarding possible closures and estimate the cost associated to any possible closures. This will help to streamline the number of pumps in operation, thus improving efficiency, and identify areas that could potentially be hazardous to the environment.

2005 Strategic Direction and Service Priorities

- ▶ Implement the second phase of the Taxi/Limousine inspection. An additional 4 mechanics (6 FTE in total, 2 in 2004 and 4 in 2005) will be hired to handle the increased volume. As mentioned above, this service initiative is expected to save the City \$275,000.
- ▶ As per the Green Fleet Transition Plan, dispense bio-diesel fuel from the Fleet managed fuels sites to help reduce the negative effects of vehicle emissions. Coupled with the capital plan for additional hybrid vehicles, the target for carbon dioxide emission reductions is 23% by the end of 2007
- ▶ From the RFP for parts, begin the implementation of system integration and parts consignment. This plan will significantly decrease the turnaround time for parts, enhance the billing process and may provide additional savings (depending on supplier discounts).
- ▶ Action the Council recommendations from the Reserve Report, the first phase would begin the collection of the reserve component, of the vehicle chargeback rate, for any new assets purchased in 2006. The plan will build consistency into the process for reserve replenishment and greatly improve future planning.
- ▶ Expand on existing agreements for warranty recovery to other manufacturers.
- ▶ Continue Fleets leadership role on safety and maintain our exceptional commercial vehicle rating with the Province
- ▶ Improved exception reporting to provide better customer service. The M4 application is scheduled for upgrade in the 4th quarter of 2004. The enhanced functionality of the new version will provide better reporting capabilities. The improvements will be incorporated into the Fleet web-site to provide on-line access to clients.
- ▶ Present the findings of the Fuel Site Review to the Administration Committee. Recommend a fuel system, which strengthens dispensing, controls and provides operational efficiencies.

Program Map

Fleet Services Division has a total of 202 approved positions in the following services:



Fleet Services

2005 Operating Budget by Service

Services	Gross (\$000's)	Net (\$000's)
Fleet Maintenance	20,270.9	—
Fuel Operation	7,501.1	—
Fleet Safety	1,003.3	—
Fleet Management	3,029.6	—
Total Program Budget	31,804.9	—

2005 Budget Highlights

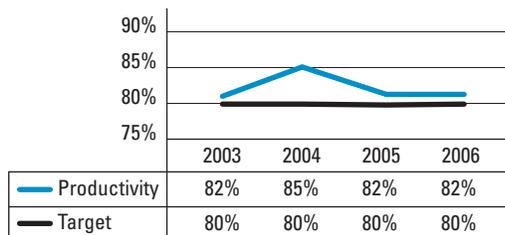
- Increased use of bio-diesel fuel to reduce carbon dioxide emissions.

2004 Achievements

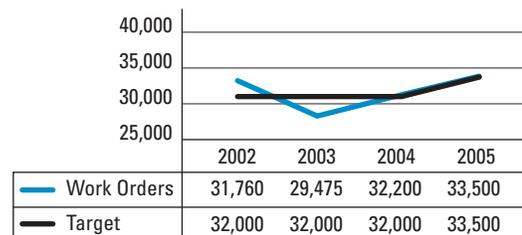
- Successfully implemented the first phase of the Taxi Inspections. Council approved a new program, which utilizes Fleet mechanics to complete the vehicle inspections prior to the issuance of a City Taxi or Limousine License. Previously, an external garage did this task. By providing the service in-house, it is estimated that the City has saved \$275,000.
- Fleet Services introduced a long-range plan to stabilize vehicle & equipment reserve contributions. The plan would secure the necessary funds to finance timely replacement of vehicles/equipment and eliminate the current backlog of vehicles (estimated at \$51.4 million). The plan would, also, bring all of the City's Fleet assets into their expected lifecycle. This would enhance the reliability of the fleet and reduce downtime due to maintenance.
- Fleets Services received Council authority to proceed with the Green Fleet Transition Plan. A plan aimed at making Toronto a clean and beautiful city by actioning initiatives that reduce vehicle emissions.
- The final phase of the Fleet reorganization was rolled out, enabling the program to provide better customer service and a greater response time to client needs.
- Council approved Fleet Service's plan to issue an RFP seeking partnership with a large parts distributor. The RFP is scheduled for release in early 2005. The benefit will be a quicker turnaround time for parts procurement, which will reduce repair downtime.
- Successfully integrated the apprentice program as part of the maintenance workforce. The job responsibilities have been formalized and the salary rate has been set. The apprentice program will provide new mechanics with the experience needed to fulfill their hours worked requirement and help fill the growing void of certified mechanics in Ontario.
- Facilitated the corporate wide fuel site review. The review will ensure TSSA compliance, strengthen dispensing controls, and highlight possible areas for improvement.

Performance Measures

Maintenance Productivity

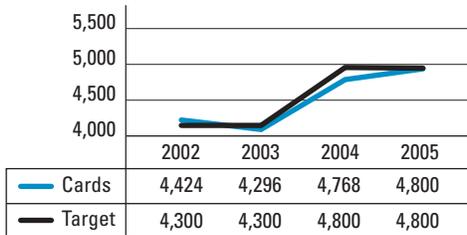


Number of Work Orders Completed

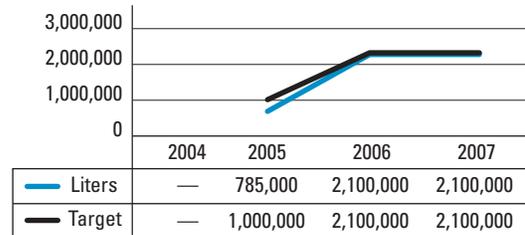


Fleet Services

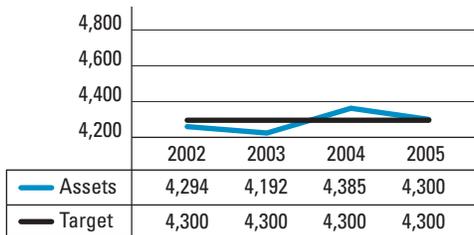
Number of Fuel Cards in Circulation



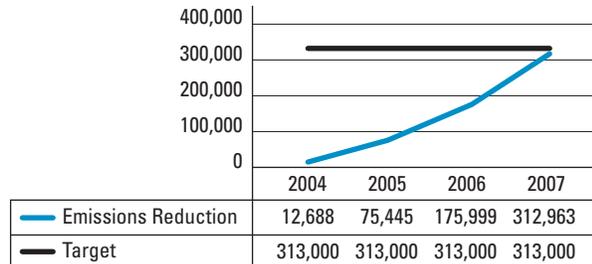
Biodiesel Additive



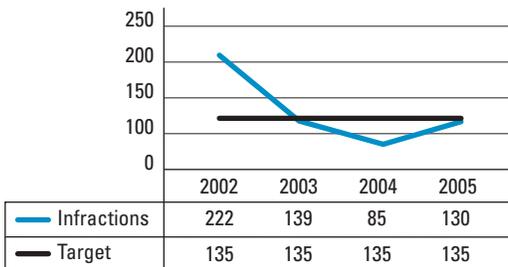
Number of Assets Managed



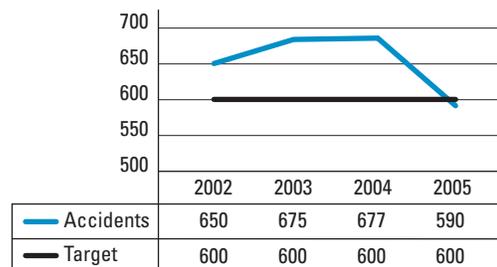
Emission Reductions from Hybrid and Natural Gas Vehicles in kilgroams



Number of Infractions from Spot Checks



Number of Accidents



2005 Capital Budget Highlights

Total 2005 Gross Budget is \$67.304 million [2004 Gross Budget - \$66.356 M]

- ▶ \$67.304 M for vehicle and equipment replacement across City program areas
- ▶ \$20.059 M funding of 2004 budget has been carried forward to 2005 to complete the 2004 projects.

Fleet Services

Asset Inventory

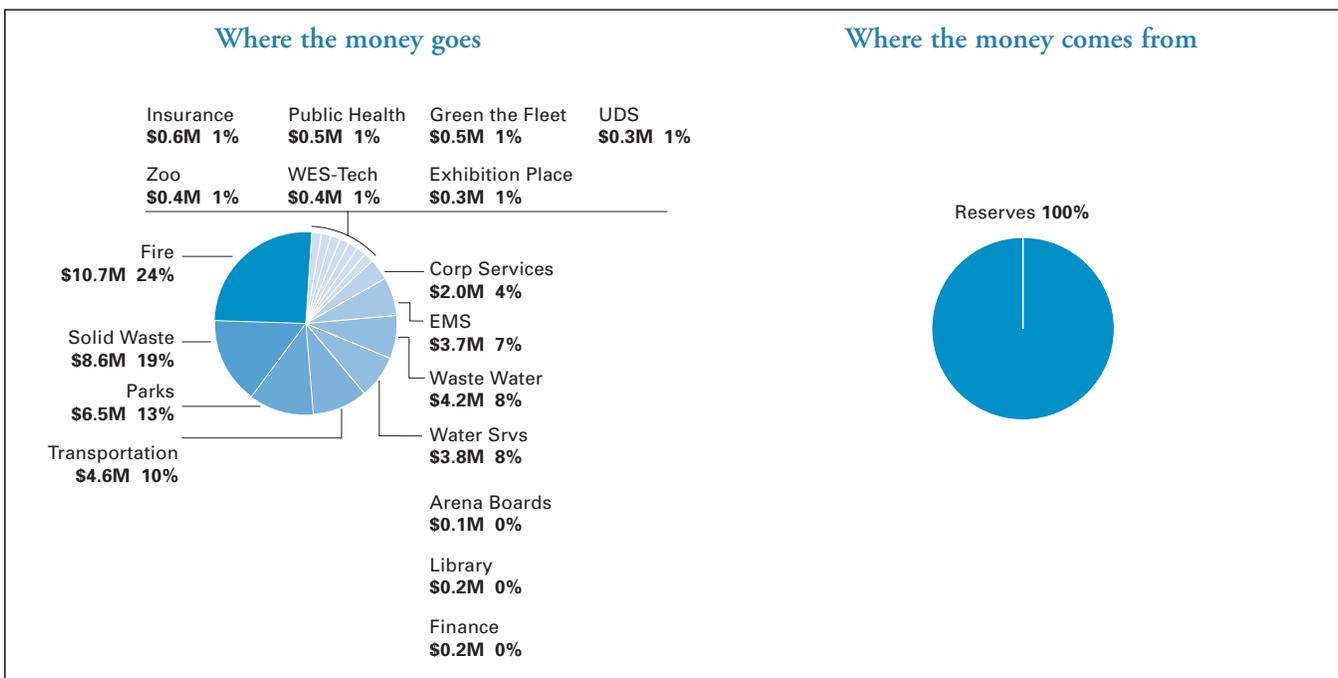
Asset Category/Classification	Quantum	Asset Value (Replacement/Insured)	Comment on General State of Asset
Vehicles and equipment	Heavy Duty	Insured value of \$96.48 million	An estimated \$17.9 million worth of vehicles and equipment backlog is overdue for replacement.
Vehicles and equipment	Light Duty	Insured value of \$180.76	An estimated \$33.5 million worth of vehicles and equipment backlog is overdue for replacement.

Five Year Capital Plan

- › Ensure that vehicle and equipment meet health and safety standards.
- › Ensure that vehicle and equipment which are beyond useful and economical repair are replaced in a timely manner.
- › Maintain and enhance ability to sustain adequate fleet renewal to provide safe and reliable transportation in the support of service delivery.
- › To maximize the City’s purchasing power and leverage bulk discounts through firm multi-year pricing and ensure that the City meets manufacturer build out schedules.

2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Vehicles and equipment replacements	18,238	—	—	—	—	18,238
Total Previously Approved	18,238	—	—	—	—	18,238
New						
Vehicles and equipment replacements	29,007	12,613	12,091	—	—	53,711
Total New	29,007	12,613	12,091	—	—	53,711
Total Fleet Services	47,245	12,613	12,091	—	—	71,949



Human Resources

Mission Statement:

The mission of the Human Resources division is to provide leadership and promote excellence in human resources management to enable the City to achieve its service and business objectives.

Program Objectives

The staffs of Human Resources provide corporate leadership, meet client service requirement and strengthen Human Resources Division’s service capacity by building a strong corporate organisation; fulfilling corporate governance responsibilities; developing and implementing key corporate programs; establishing policy, standards and procedures to achieve corporate objectives; enhancing HR core services to expand capacity to better meet client and organizational needs; developing, using and sharing the right tools; developing staff expertise; understanding our clients’ business and their needs; and managing service expectations.

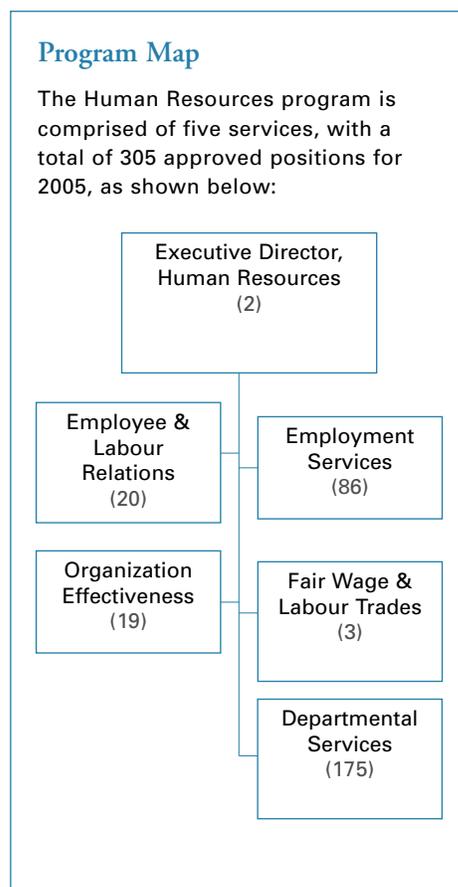
Giving consideration to the above, the following **Strategic Directions, Service Priorities and Challenges are anticipated in 2005** in order to support the established nine (9) priorities of Toronto City Council:

- ▶ **3-1-1 Project**
Development, collaboration, design and implementation of a comprehensive Human Resources Plan dealing with recruitment options, labour relations issues, training and development, change management, compensation and employee communications without which the launch of the Toronto 3-1-1 Customer Service initiative cannot be successful.

Executive Director participation on the Steering Committee and participation of staff on the 3-1-1 Implementation Committee will ensure that expert advice and direction with respect to policies, collective agreements and other legal obligations as well as consistent practices are followed.
- ▶ Continue to **meet client service requirements** and provide support to operating divisions, corporate stakeholders and other clients in their efforts to successfully address City Council priorities and operational needs. This would include the provision of all HR services including but not limited to such special projects as Listening to Toronto; Waterfront renewal; Film and Fashion industry facilitation; service improvement initiatives and development of service measures and standards.
- ▶ Continue to **provide corporate leadership** through the identification of external factors, trends and outcomes impacting the organization and in meeting governance responsibilities. This would include for example: implementation of new collective agreement language and obligations; implementation plans to address Provincial legislation abolishing mandatory retirement age; research on the impact of an ageing workforce population; development of a TPS Learning Strategy; recruitment and retention strategies including outreach with immigrant and other at risk groups; compliance with health and safety legislation; and support to the TPS Steering Committee in its culture building activities.

Program Map

The Human Resources program is comprised of five services, with a total of 305 approved positions for 2005, as shown below:



Human Resources

Program Objectives (continued)

- ▶ Continue to **build service capacity** within Toronto Public Service through the enhancement and expansion of core services. This would include increasing staff career mobility through succession management initiatives; development of new customer service training curriculum; implementation of new corporate employee orientation program; piloting of workplace wellness initiatives and an emphasis on enhancing supervisory and management capacity throughout the TPS.

2004 Strategic Priorities and Accomplishments

1. Promote the People Strategy as a framework for the organization.

The People Strategy is an organization change initiative adopted by City Council in 2003. The People Strategy provides strategic guidelines, directions and key result areas for Divisions for managing our investment in people – our employees. It is the foundation for the HR Division's strategic planning efforts to partner with our clients to create a people-oriented work environment.

- ▶ Three major initiatives in 2004 that reflect an investment in people include;
 - the establishment of a new Employee and Labour Relations Committee of Council chaired by the Mayor
 - progress on wage harmonization for CUPE Local 79 jobs
 - the successful implementation of the Learning Summit 2-day event in which staff "showcased" innovative and creative projects that illustrated the Toronto Public Service pillars of Service, Stewardship and Commitment. The 2-day event had a total attendance of almost 1000 employees.

2. Promote the development of a Corporate Learning Strategy

Healthy organizations have at their heart a commitment to ensure they are skilled at creating, acquiring and transferring knowledge and at modifying their behaviour to reflect new knowledge and insights. This is our understanding of what a learning organization is.

- ▶ Feedback received through the Learning Summit in 2004 and other data confirms that the TPS is ready to address issues related to investing in learning and development. A TPS Learning Strategy will not only reinforce two of the pillars of the Toronto Public Service framework – Stewardship (by investing in our employees), and Commitment (by ensuring staff are skilled and competent to deliver services), but it can also provide guidelines and directions for specifically aligning learning strategies with corporate directions and operational needs. The Workforce Strategy Team enthusiastically supports the concept of a TPS Learning Strategy and of a consultative process to solicit input from a variety of stakeholders beginning in 2005. In addition, several mid and senior level managers have already expressed their interest in assisting WST and HR with the process.

3. Support a Healthy, Safe, Equitable Workplace

A healthy and safe workplace is supported through training and education, Health and Safety policy development and implementation, support for Joint Health Committees, disability management and the provision of Ergonomics and Occupational Hygiene services.

- ▶ Actions for 2004 included:
 - Audit of Health and Safety policy implementation completed
 - Local 416 Protective Clothing, Equipment and Apparel policy finalized
 - Local 79 Modified Work Program finalized
 - Training completed for senior managers and ongoing requirements met for supervisors and middle managers
 - Health & Safety Orientation Training Policy and Program Standards developed and approved
 - Due diligence Framework and Checklist developed and distributed to Departments to determine the status of their health and safety programs and identify any deficiencies
- ▶ Actions to support an equitable workplace included:
 - Workplace employment equity survey rolled out in 2003/2004
 - Council approval of the Accommodation policy

Human Resources

4. Develop a Labour Relations Strategy

Employee and Labour Relations introduced a strategy to change the City's labour relations culture from an adversarial approach to problem-solving and to move collective bargaining from position-based to a more collaborative, co-operative approach. The principles of the new strategy are:

1. To use engagement and involvement by others
2. To act in an open manner, sharing information
3. To measure our progress
4. To give respect and recognition to all
5. To enjoy the journey of our work
6. To empower people to make decisions

▸ Throughout 2004 actions included:

- Successful negotiations with Toronto Professional Fire Fighters' Association Local 3888 using a facilitated bargaining approach and concluding with a collective agreement for the period January 1, 2002 to December 31, 2006.
- Sponsored joint union-management with Fire Services in an interest-based approach to problem solving.
- The adoption of the new approach to bargaining was funded by the Human Resources Development Canada Labour-Management Partnerships Program (\$100,000) whose mandate is to fund projects that encourage co-operation between labour unions and employers and promote productive, fair and innovative workplaces.
- Presentation of the Employee & Labour Relations Strategy and Goals to the Executive Management Team and each departmental Senior Management Team.
- Built capacity within Human Resources and Departments to deliver labour relations services by sponsoring a "facilitated bargaining" training opportunity.
- Significantly decreased use of external legal counsel resulting in lower operating costs for legal expenses. It is anticipated this cost will continue to decrease, as the backlog of 'arbitration continuations' are complete.
- The establishment of joint labour-management committees with the various union executives.
- Employee and Labour Relations Committee, Executive Management of the City of Toronto, the Executives of Locals 79 and 416 with specific action plans for improving the labour relations environment.
- Printed the four CUPE, Local 79 collective agreements and the TCEU Local 416 collective Sponsored a productive Labour Relations Summit attended by the Mayor, members of the agreement for the first time since amalgamation.
- Resolved 32 of 56 longstanding pre-amalgamation and long-standing collective agreement obligations as part of the Mayor's "Clearing the Path" initiative with facilitation/mediation assistance from Mr. Tim Armstrong between April and June 2004. The initiative was cost-shared between the City of Toronto (50%) and CUPE, Locals 79 and 416 (25% each)
- Selected and trained management teams for collective bargaining with CUPE Local 79 and TCEU Local 416.
- Published and distributed the first Employee & Labour Relations Bulletin to all TPS employees.
- Produced a monthly publication of Human Resource Highlights for distribution within Employee & Labour Relations and Human Resources.

5. Implement strategic people management approaches

Broadly defined, as the quality of people and their engagement are seen to be critical factors in corporate vitality, strategic people management can only be achieved through the forging of a greater alignment between the HR function and the strategic objectives of the organization.

- The focus throughout 2004 was the strategic alignment of HR services, increased focus on developing and sustaining sponsor and stakeholder relationships and conducting environmental scans of internal and external factors. For example;
 - The Non-Union Pay for Performance program underwent further review in 2004 to ensure there was strategic alignment with directions of the newly appointed City Council and Employee and Labour Relations committee; the Workforce Strategy Team priorities and Executive Management Team. Focus group meetings and consultation with COTAPSAI and other stakeholders were also conducted. Program design changes have been introduced and approved in preparation for the 2005 Performance Planning cycle to begin in January 2005.
- The HR division introduced a strategic planning model in 2003 which has as its framework the five (5) key result areas of the City's People Strategy. The model utilizes an environmental scanning process. In 2004 this process involved the HR management team in two planning sessions. These efforts also resulted in the production of the first formal HR Strategic Plan and HR Annual Report.

Human Resources

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Employment Services	8,450.4	8,093.5
Organizational Effectiveness	1,740.8	1,740.8
Employee & Labour Relations	3,778.0	3,734.0
Departmental Services	13,487.1	12,093.4
Fair Wage & Labour Trade Office	240.8	226.2
Total Program Budget	27,697.2	25,888.0

2005 Budget Highlights

- Contributed HR expertise and advice to ensure success of the mentoring pilot "Profession to Profession"
- Successfully implemented 3-1-1 Customer Service project "People Plan" components according to project schedule.
- Reduced the 2004 workplace accident and injury rate by 10 percent
- Completed collective bargaining with Local 416 and Local 79 without any labour disruption.

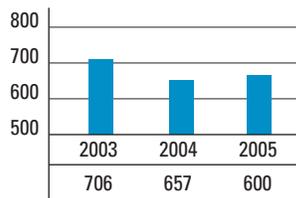
Performance Measures

Performance Measure #1: Staffing cost per hire/termination.

	2003	2004	2005
Number of exits	4074	3106	3200
Number of hires	6690	5938	5900

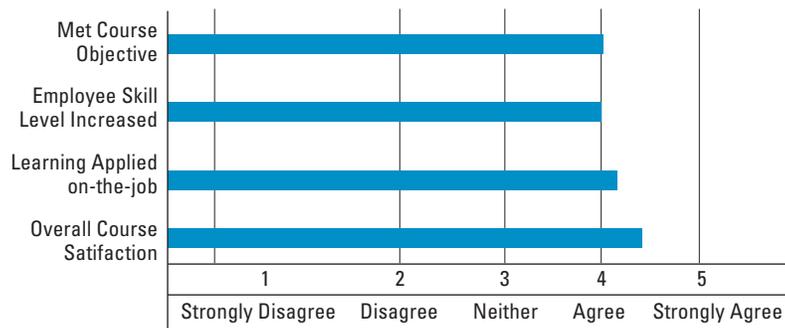
Human Resources has maintained the same number of staff positions to support the hiring/termination of City employees.

Performance Measure #2: Number of postings in Resumix.



Performance Measure #3: Employee satisfaction with City training course

Survey Results of Participant Satisfaction



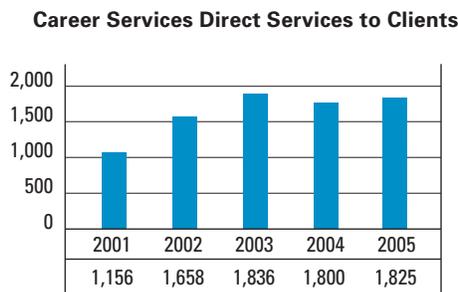
Explanatory Information of Performance Measure Trend: The following chart represents survey results of employee/participant satisfaction with training courses offered by the Organization Development & Strategic HR Planning Unit at the TPS Learning Centre in 2004. This level of satisfaction is consistent with previous year's results.

Performance Measure #4: Number of City Staff attending City offered training and development programs projected to 2005.



Explanatory Information of Performance Measure Trend: The following chart demonstrates a 3.2% decrease of City staff attending training courses at the Learning Centre in 2004 over the previous year. This is likely due to the increased amount of intact team training co-sponsored by Divisions.

Performance Measure #5: Career Services - Improved efficiency and effectiveness.



Explanatory Information of Performance Measure Trend: Career Development Services supports clients in corporate initiatives related to restructuring and redeployment; coaches and counsels employees in career and retirement planning; provides vocational, interest, skills and aptitude assessments for employees. The chart above demonstrates the increased number of participants utilizing this group format service.

Performance Measure #6: Human Rights Program Activities.

	2003	2004	Projected for 2005
Enquiry's	348	246	251
Interventions	46	210	215
Formal Complaints	—	2	2
OHRC Complaints	14	2	2
Total Employees trained	378	700	750

Explanatory Information of Performance Measure Trend: The following chart represents level of activity related to City's Human Rights program over 3 year period. Overall # of enquiry's, interventions and complaints are at same level as previous year and the # of employees trained in the area of Human Rights & Harassment is consistent with previous year.

Information & Technology

Mission Statement:

The Information & Technology Division provides City-wide services to enable and support responsive and innovative public services by assisting City Divisions in re-designing business operations, translating business needs into information and technology solutions, and implementing those solutions.

Program Objectives

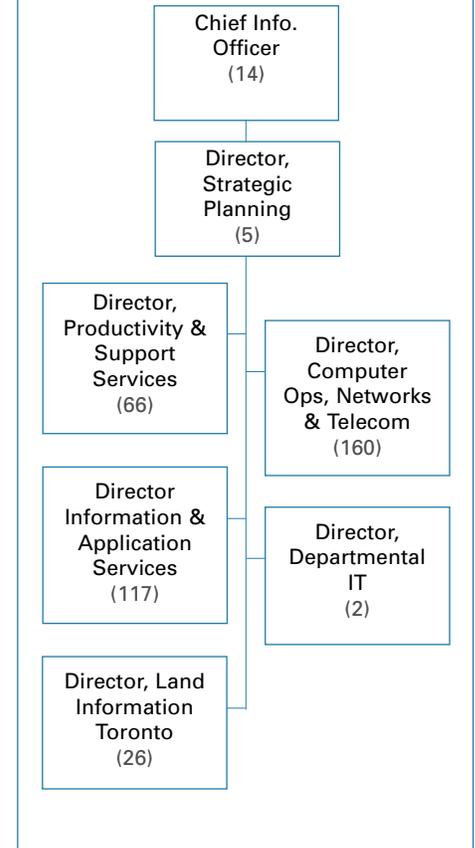
- ▶ To align Information and Technology services and projects to those that are most critical to achieving the priorities of Council and the Program areas, notably:
 - ▶ Service improvements to Toronto's residents, businesses and visitors, including 3-1-1 and many other online services
 - ▶ Increasing citizen involvement in local government
 - ▶ Maintaining the technology infrastructure in a state of good repair
- ▶ To provide high-value IT products, services and training that will help end users most productively deploy and use technology to achieve their business objectives
- ▶ To develop a strong client/customer service focus, based on teamwork and a passion for serving customers and meeting commitments
- ▶ To increase the technical, communications and customer service skills of Information & Technology staff
- ▶ To create an environment that is motivating and rewarding for I&T staff to promote higher morale, productivity, teamwork and customer service, and to be a workplace of choice to retain and attract top IT talent
- ▶ To work towards process maturity, so that the job gets done right the first time
- ▶ To create a reliable and robust technical environment with the highest possible levels of availability, performance, and security
- ▶ To design and implement applications, databases and associated technologies that promote flexibility and integration through an architectures-based approach

2005 Strategic Direction and Service Priorities

- ▶ To continue support to the business operations of the City, with special emphasis on achieving Council priorities, notably related to improving services to residents and businesses, and access to City government through our eService (notably 3-1-1) and eGovernment programs. We will continue along our planned Path to Service Excellence by embracing 'best practice' process improvements in the areas of:
 - ▶ Service Quality
 - ▶ Performance Measurement
 - ▶ Vendor & Contract Management
 - ▶ Project Management
 - ▶ Information Security

Program Map

The Information & Technology Division has a total of 390 approved positions:



Information & Technology

2005 Operating Budget by Service

Services	Gross (\$000's)	Net (\$000's)
Desktop Computing	32,610.5	24,045.8
Application Delivery	14,708.2	13,234.3
Voice and Messaging Services	2,511.1	2,511.1
Information and Products	2,925.7	2,707.3
Total Program Budget	52,755.5	42,498.5

2005 Budget Highlights

- › \$4.904 million gross; \$0.00 million net – funding for staff costs related to the desktop computer replacement project City Wide.
- › \$1.017 million gross; \$0.795 million net – ongoing maintenance and licensing costs for capital projects.
- › \$0.793 million gross; \$0.793 million net – final implementation of the City’s SAP Competency Centre to provide centralized internal SAP expert support and further development of the SAP system.

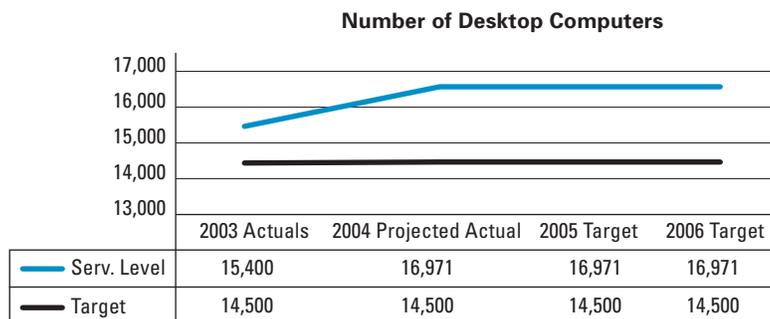
2004 Achievements

- › Established and managed the e-City Committee by working with the Chair on agenda planning, bringing reports and presentations to the Committee.
- › Established the eCity Strategic Planning Team, terms of reference, program management office, and planning framework.
- › Participated in eGovernment Steering Committee, and Meeting Management Initiative – led by the City Clerk.
- › Participated with Customer Service Improvement Initiative (CSII) team to develop concept, strategy, business case, development of multi-year implementation plan, development of technical requirements for RFP.
- › Implemented the Toronto FUN Online registration service for Parks and Recreation programs.
- › Established the SAP Competency Centre.
- › Provided effective first line information technology support to all Divisions, managing approximately 60,000 calls and 24,000 e-mails in 2004
- › Repository migration to a new version of core technologies for Corporate Geospatial Data.
- › Provide 305 instructor-led training courses to approximately 4000 participants in 2004, about 25% of which were customized for specific business units
- › Re-designed Corporate Information Technology intranet web site: IT Web
- › Participated in the IT Procurement Review for Vendor and Contract Management.

Performance Measures

Number of Desktop Computers

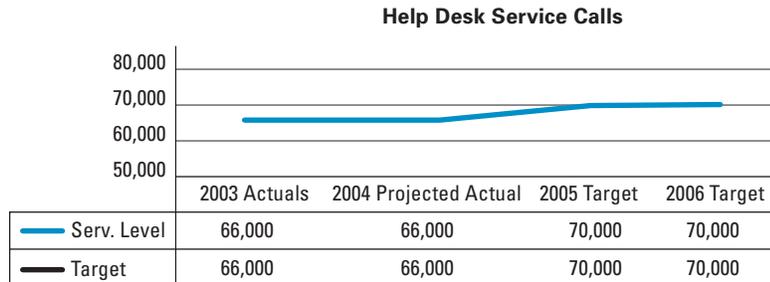
The number of desktop computers on the network impacts on our desktop support capabilities, our help desk services and our contract management functions. Each computer represents a minimum of one user, requiring support. This measure does not include maintenance of peripheral equipment such as printers, scanners and laptops.



Information & Technology

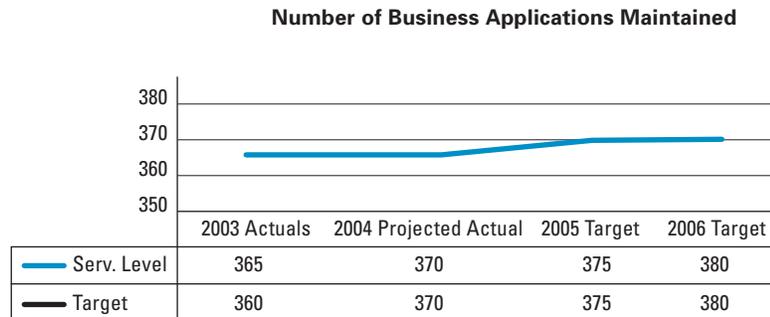
Help Desk Service Calls

The Help Desk's ability to respond to additional calls is due to recent enhancements, to provide additional user assistance support, combined with upgrades to the Help Desk management tools. The rollout of replacement equipment and software from TELS is expected to increase demand for Help Desk services.



Number of Business Applications Maintained

This measure represents the volume of static/routine application change requests for operational systems. As new applications are developed the annual overhead for day -to-day maintenance continues to increase. The trend to replace consultants/contractors with permanent employees contributes to the increased workload for staff.



2005 Capital Budget

2004 Major Accomplishments

- ▶ Participated in commencement of the project to add a work order and real estate module in SAP for the Facilities and Real Estate Division.
- ▶ Technology End of Lease (TELS)
- ▶ Established a City-wide project organization
- ▶ Completed implementation plans, application testing
- ▶ Completed major contract RFP for desktops, peripherals and related services
- ▶ Equipment rollout in CNS, Social Services and Toronto Public Library
- ▶ Commenced pilot deployment in other City Divisions
- ▶ RFQ and installation of many servers as part of information technology refresh and server consolidation program
- ▶ Developed and implemented the Corporate Technology Asset Management application as the interim solution for Technology End of Lease Strategy acquisitions
- ▶ Implemented the Change Management software for Tax and Water applications
- ▶ Completed ITIL process maturity assessment, strategy and Implementation plan
- ▶ Anti-virus Gateway – completed the implementation for e-mail scanning (inbound and outbound) and an eTrust anti-virus client software upgrade on 9,000 desktops/notebooks
- ▶ Internet Penetration Test for vulnerability assessment of the City's Internet infrastructure - conducted the first vulnerability assessment & exploitation test
- ▶ Internet/Intranet Security Infrastructure Upgrade- replaced obsolete infrastructure and added in redundancy
- ▶ Disaster Recovery Plan – Phase 1 Business Impact Analysis assessing the impact on the business units' ability to perform their current work processes in the absence of technology due to a failure or disaster, and, whether the current technology strategy meets the business units' demand for availability

Information & Technology

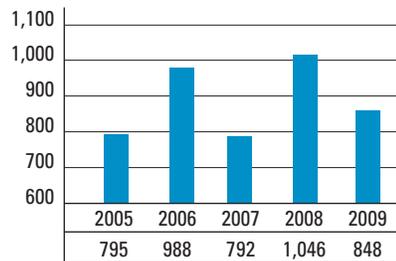
2005 Capital Budget Highlights

Total 2005 Gross Budget is \$5.297 million [2004 Gross Budget - \$12.158 million]

- ▶ \$2.945 million for Network Upgrade to continue maintaining and upgrading the City’s multi-platform environment to meet growing demands.
- ▶ \$0.832 million to establish service measures and standards of performance.
- ▶ \$0.817 million to provide the infrastructure to integrate and interface the core systems for quicker and more consistent response to the public.
- ▶ \$0.457 million to improve case reporting and reducing the City’s exposure to liability.

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl Debt Service Cost) \$4.469 Million**



Five Year Capital Plan

- ▶ The Information & Technology 5-Year Capital Plan has been developed based on affordability and the lifecycle of the City’s main technology infrastructure assets.
- ▶ The 5-year plan requires future years’ commitments of \$10.490 million in 2006; \$7.607 million in 2007; \$7.842 million in 2008 and \$6.036 million in 2009 all funded from debt. The City is dependent on the access and processing of information in electronic form and as such must take advantage of the rapid changes in information technology by upgrading its corporate technology infrastructure to accommodate these changes. The 5-year plan provides for a long term strategy, direction and implementation for the City’s technology infrastructure and ensures that the corporate infrastructure will host and facilitate new application systems development.

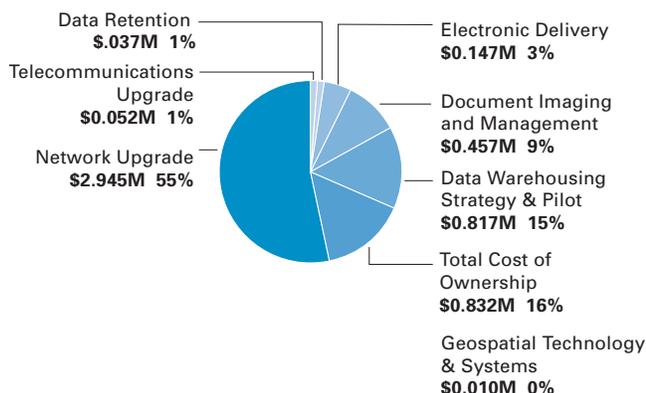
Information & Technology

2005 Capital Budget

2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Electronic Service Delivery	—	95	—	—	—	95
Data Retention	37	727	671	—	—	1,435
Data Warehousing Strategy & Pilot	817	—	—	—	—	817
Network Upgrade	1,158	622	200	566	187	2,733
Telecommunications Upgrade	52	1,178	1,107	—	—	2,337
Document Imaging and Management	457	655	137	—	—	1,249
PMO Quality Assurance - Standard Tool Set	—	220	226	20	20	486
Platform Upgrades	—	200	—	—	—	200
Total Cost of Ownership Project	232	120	225	492	—	1,069
SAP Archiving	—	1,000	—	—	—	1,000
Total Previously Approved	2,753	4,817	2,566	1,078	207	11,421
New						
Electronic Service Delivery	147	—	—	—	—	147
Data Warehousing Strategy & Pilot	—	200	200	200	200	800
Network Upgrade	1,787	5,373	3,436	3,864	2,729	17,189
Document Imaging and Management	—	—	205	1,500	1,900	3,605
Geospatial Technology & Systems	10	100	200	200	—	510
Total Cost of Ownership Project	600	—	—	—	—	600
SAP Archiving	—	—	1,000	1,000	1,000	3,000
Total New	2,544	5,673	5,041	6,764	5,829	25,851
Total Information & Technology	5,297	10,490	7,607	7,842	6,036	37,272

Where the money goes



Where the money comes from

Total 2005 cash flow applies funding as Capital from Current 100%.

Legal Services

Mission Statement:

To provide the highest quality of legal services to the Corporation and to function as a strategic resource to Council, staff and agencies, boards and commissions.

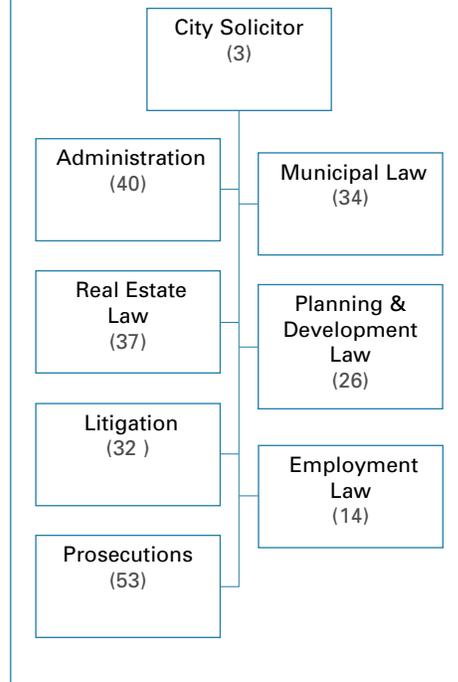
Program Objectives

The Legal Services Division seeks to defend and advance the interests of the Corporation in a manner that is timely and cost-effective. It will do so by influencing policy decisions in the context of providing independent legal advice, participating in interdisciplinary committees, and providing strategic legal research, advice, opinions, counsel, negotiation and drafting services to facilitate major corporate initiatives. It provides high-quality strategic legal services through the following practice areas:

- ▶ **Employment Law:** Effectively represents the City and its Agencies, Boards and Commissions in matters related to employment law.
- ▶ **Municipal Law:** Provides expert legal advice, contract drafting and opinions related to various issues dealing with the City's operations.
- ▶ **Real Estate Law:** Provides expert legal advice and services in the area of real estate law including purchases, sales, expropriations, leasing and licensing, discharges, tax sales and road closings.
- ▶ **Litigation:** Provides expert legal advice and effectively represents and defends the City of Toronto in litigation matters and Charter challenges to City by-laws and actions.
- ▶ **Prosecution:** Prosecutes violations of provincial statutes and regulatory by-laws, provides training to City inspectors, and negotiates agreements respecting provincial offences.
- ▶ **Planning & Development Law:** Provides expert advice related to planning and development law (Official Plan and zoning by-laws), drafts development agreements and represents the City's interests at the Ontario Municipal Board.

Program Map

The Legal Services Division has a total of 239 positions in 2005.



2005 Strategic Direction and Service Priorities

Resources will be prioritized according to the needs and interests of the Corporation that will have the most impact to the City it serves. Specific emphasis will be placed on providing proactive strategic legal advice, achieving a high rate of client satisfaction, and delivering services in a timely and effective manner.

Legal Services

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Municipal Law	4,836.6	2,608.4
Litigation	4,609.1	3,052.1
Administration	1,572.1	1,335.1
Planning	3,936.4	3,591.4
Real Estate	4,281.7	3,593.4
Employment Law	2,023.0	1,973.0
Prosecutions	4,371.7	1,532.9
Total Program Budget	25,630.4	17,686.1

2005 Budget Highlights

The 2005 budget provides for two additional solicitors in the Litigation Practice to deal with defence work relating to increased insurance claims.

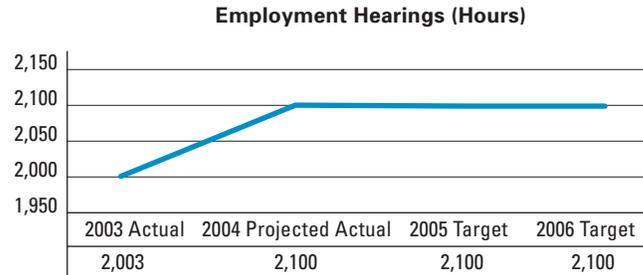
2004 Achievements

- ▶ Provided strategic legal research, advice, opinions, counsel, negotiation and drafting services to facilitate major corporate initiatives, including participation in the implementation or roll-out of major corporate projects including:
 - Toronto Computer Leasing Inquiry and Toronto External Contracts Inquiry / Litigation with MFP;
 - Island Airport Fixed Link;
 - Official Plan Appeals - a number of Official Plan appeals have been settled and/or withdrawn; Ontario Municipal Board prehearings have been held and City complimented on its strategic and organized approach;
 - Procurement Review – provided strategic legal advice and drafted Municipal Code amendments to implement proposal
 - Pesticide By-law Challenge - Divisional Court upheld the City's pesticide by-law and the appeal was heard by the Court of Appeal;
 - City-wide Shelter By-law and Drive-Thru By-law were upheld by the Ontario Municipal Board; and
 - Court of Appeal upheld City's voluntary exit provisions.
- ▶ Office Consolidation
 - Legal Division consolidated at Metro Hall; and
 - New court facilities opened and Prosecutions section consolidated at York Civic Centre, 1530 Markham Road and Old City Hall.
- ▶ Client Education
 - Educational seminar held for UDS, WES and EDCT staff on roles and responsibilities of being a witness at OMB hearings.

Legal Services

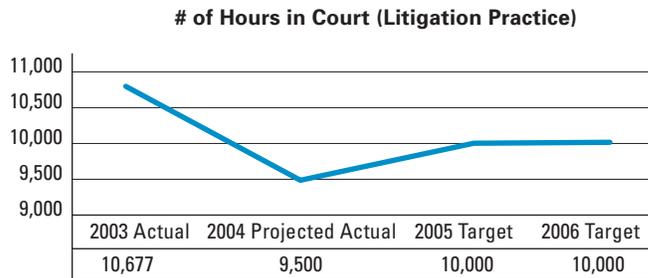
Performance Measures

Performance Measure #1: The number of hours spent at employment hearings; grievances, arbitrations, appearances before the Ontario Labour Relations Board, Ontario Human Rights Commission and other tribunals.



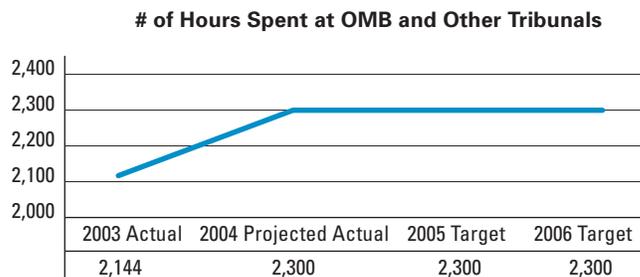
Docketing and the collection of statistics is an ongoing project. Statistical significance will be apparent in subsequent years. Level of service demand driven by the Labour Relations environment in the city influences the hours dedicated to Employment Law Services.

Performance Measure #2: The number of hours spent in court on motions, applications, pre-trials, and appeals.



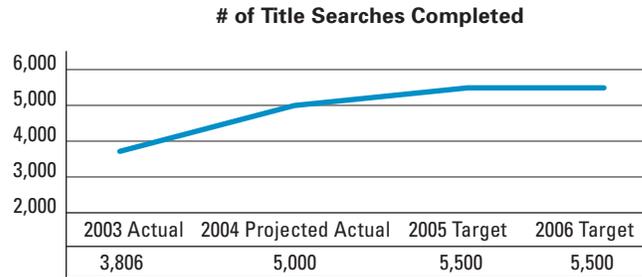
The variation in the reported statistics reflects the nature of the Legal Division's services which cater to the clients' work plans. Accordingly, fluctuations are to be expected.

Performance Measure #3: The number hours spent at OMB and other administrative tribunals

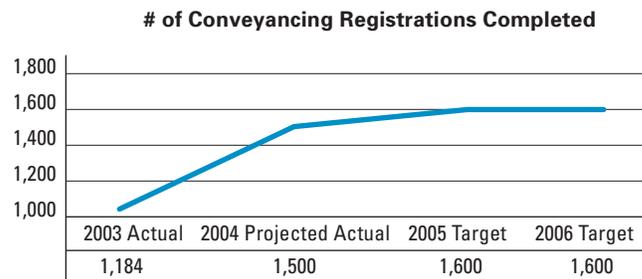


Legal Services

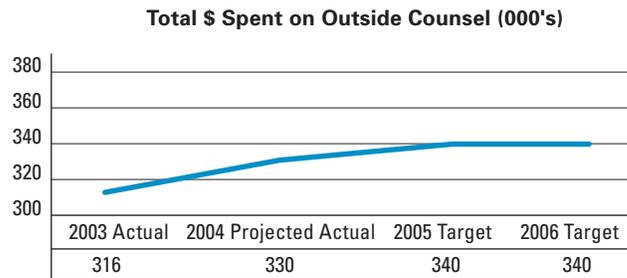
Performance Measure #4: The total number of title searches completed.



Performance Measure #5: The total number of conveyancing registrations completed.



Performance Measure #6: The total number of dollars spent on outside Counsel (in 000's).



Since amalgamation, all new legal work has been sourced internally where practical.

Service Improvement and Innovation

Mission Statement:

To lead positive organizational change in the City of Toronto through service improvement and innovation initiatives and to provide effective support to the Corporate Services department and the Commissioner through the highest quality Communications, Information and Technology, Budget and Financial services.

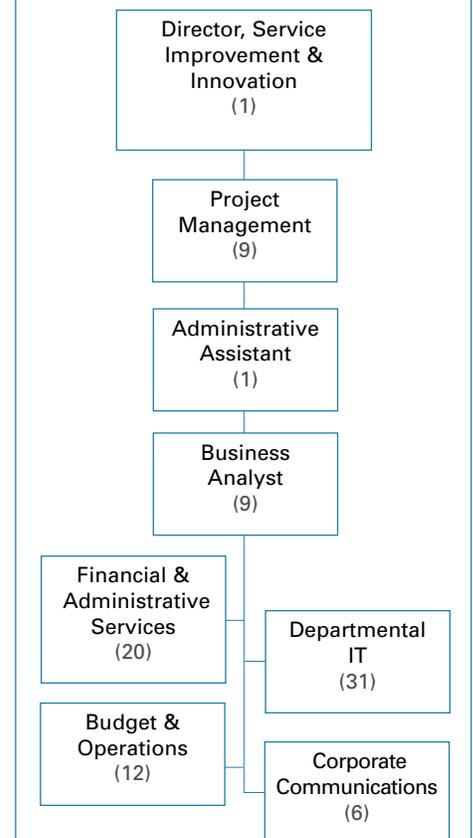
Program Objectives

The objectives of the Service Improvement and Innovation Division are dually focused on leading positive change in the Toronto Public Service and on providing effective support and risk management to the Commissioner and to all divisions of the Corporate Services Department as well as Information & Technology support to members of Council and their staff.

- ▶ **Service Improvement:** To lead and/or support the review and improvement of key corporate and departmental services, by analysing and developing solutions to implement best practices in structure, business processes and organizational design.
- ▶ **Innovation:** To lead and act as a catalyst for organisational change. To work with clients to find and develop new and creative solutions to address problems or to take advantage of new opportunities in the pursuit of business goals and/or operational excellence.
- ▶ **Communications:** To support communication about the department. To provide support to staff within the department. To enhance staff commitment, assist clients in meeting service requirements, and demonstrate commitment to corporate communication standards.
- ▶ **Information & Technology:** To provide and support creative, innovative, cost effective and appropriate information management solutions and desktop services to all Divisions within the Corporate Services Department, the Mayor and Council offices. To work with clients to develop and implement controls and standards and act as a quality assurance agent for new technologies on their behalf.
- ▶ **Budgets Services:** To prepare accurate, appropriate, and timely budgets for all of the divisions of Corporate Services and to assist in the defence, explanation and analysis of these budgets through the Administrative and political review processes.
- ▶ **Finance and Administration:** To improve and enhance financial controls through regular review of their effectiveness; to standardise departmental processes and policies related to financial and administrative functions throughout the department; to deliver efficient financial, procurement and payroll services, maintaining customer service excellence while adhering to corporate and departmental policies, goals and objectives.
- ▶ **Policy Development and Co-ordination:** To lead and/ or support inter-departmental and intra-departmental activities in the co-ordination, development, application, compliance and monitoring of corporate and/or departmental policies; strategic advice and support to programs.

Program Map

The Service Improvement and Innovation division is comprised of five services, with a total of 81 approved positions for 2005. The budget for the Commissioner's office, with a compliment of three staff, is also included in the total count of 84 staff reported.



Service Improvement and Innovation

2005 Strategic Direction and Service Priorities

Project Management/Management Consulting

- › Assume a more strategic role in organizational change and innovation by proactively identifying opportunities to lead and/or participate in issues that cross City departments.
- › Support major strategic initiatives such as 311, changes to SAP and Toronto Public Service by providing project management, business process review and other consulting services
- › Support departmental initiatives by providing project management, business process review and other consulting services.

Communications

Building service capacity/employee communication

- › Formalization of best practices and approaches for communication to TPS.
- › Follow up on employee communication survey with enhancements to distribution of messages, redesign and clarified mandate of @corpserv (including an improved working process with Design Services).
- › Develop and launch employee orientation intranet site.

Meet client service requirements

- › Ongoing support as needed with an increased emphasis on strategic communication that links divisional work to departmental and corporate goals.
- › Support of SAP competency centre and eCity program office.

Service improvement

- › Conduct user testing of departmental intranet sites as revised in 2004 and plan further improvements (consolidation of work started in 2004).

Information Technology

Integration of services and technologies

- › Review existing IT processes and technologies and recommend change where appropriate.
- › Streamline client support services to provide a more consistent cost effective process for client request for desktop services.
- › Provide consistent and standard application development tools and methodologies.

Provide strategic direction in the acquisition and implementation of new technologies

Innovation and business process re-engineering through the use of current technologies

- › Work with clients to develop and implement a technology framework to replace existing manual processes.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Executive Office	386.1	386.1
Departmental Program Support	6,931.6	6,401.0
Total Program Budget	7,317.7	6,787.1

2005 Budget Highlights

- › Begin process towards multi-year budgeting
 - › firmer 2006 and 2007 outlook in operating
 - › establish 5 year capital plan in 2005; in preparation of approval in 2006
- › Link resource requirements to service levels and community impact

Present budget decision making information to Committee and Council based on program/service profiles

Service Improvement and Innovation

2004 Achievements

1. Led and/or supported the following inter-departmental corporate activities
 - › Co-ordinated ASD/SI Program that reviewed Building Cleaning and Printing and Reproduction. Completed studies and reports on both targeted for Fall Administration Committee.
 - › Completed the development of and approval by Council for the SAP governance structure and Competency Centre.
 - › Successfully task-managed the On-line Parks and Recreation registration system for the June 2004 registration.
 - › Initiated a review of all city-wide fuel sites for ABC's and Departments. Workplan developed and approved by Council, project manager assigned by SII, Phase One report to Administration Committee in October 2004, inspection process initiated.
 - › Co-ordinated emergency planning and management framework for Department as part of corporate initiative (launched Fall 2004).
2. Led Toronto Public Service initiative implementation planning and delivery
 - › Convened and led 7 staff workshops with staff from across the organization.
 - › Learning Summit successfully completed with 900 attendees sharing stories of improvement in Stewardship, Service and Commitment.
3. Provided ongoing risk management support to Commissioner.
 - › Assisted staff in meeting requirements of corporate and departmental procedures and protocols.
 - › Completed departmental workplan and protocols.
4. Utilized Project Manager expertise to undertake business process reviews to improve service quality and capacity and reduce processing time lines, in the following service areas:
 - › Initiated work on "Toronto Approach" to business process review at the City.
 - › Successfully completed development phase of Meeting Management initiative. Transitioned to Office of the City Clerk for project implementation.
 - › Participated in Corporate Access and Privacy service delivery review in Office of the City Clerk. Ongoing throughout 2004. Expected completion in 2005.
 - › Completed background work for the development of an ePrint Strategy. Draft Strategy to be completed by end of 2004.
 - › IT Procurement Review study completed and recommendations being implemented.
 - › Court Collection Strategy completed and report forwarded to Administration Committee in November.
5. Implemented recommendations from departmental Internal Services Review (ISR).
6. Delivered effective departmental communication through the newly established communications unit:
7. Developed a preliminary strategy to deliver information technology solutions and services with the newly established IT unit.

Service Improvement and Innovation

Performance Measures

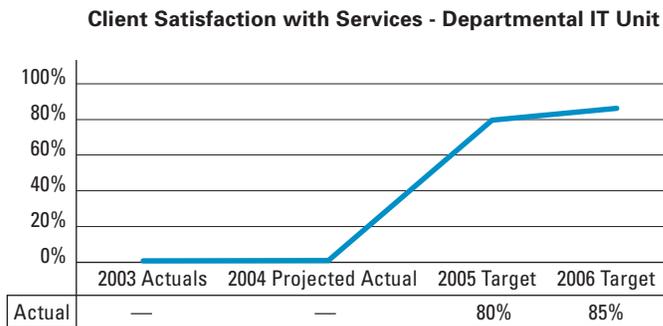
Client Satisfaction with Project Management Services:

The satisfaction rating of services provided by this unit is expected to increase with the hiring of staff to fill the vacancies in this unit. The turnaround time for completion should increase, providing greater positive feedback for services provided.



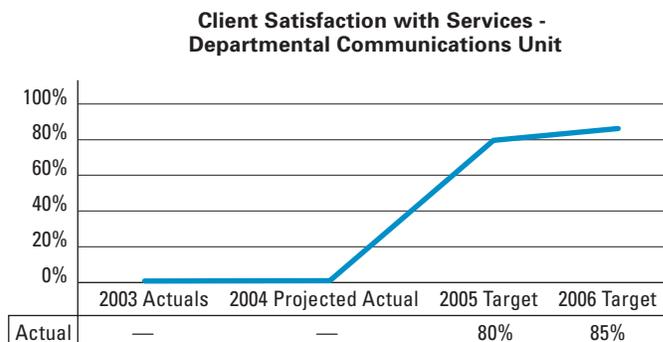
Client Satisfaction with Departmental IT Services:

The centralization of this unit will result in greater access to IT initiatives and skills that, until centralization, may not have been accessible by many divisions in Corporate Services.



Client Satisfaction with Departmental Communications Services:

The centralization of this unit will result in greater access to communication skills and services, that may have been available to many divisions in Corporate Services. Since its inception, this unit has managed the Intranet sites for each division within Corporate Services, and has assisted with the development of many business-related materials circulated within the City as well as to external parties.



Department Overview: The Finance Department provides quality financial services to the City of Toronto and effectively manages its financial assets and resources. These services are provided through the following divisions: Support Services, Corporate Finance, Financial Planning, Pension, Payroll & Employee Benefits, Purchasing & Materials Management, Accounting Services, Revenue Services, and Special Projects.

Mission Statement:

The Finance Department ensures effective use of the Corporation’s financial resources by providing sound financial management and advice; maintaining financial controls; developing and implementing effective financial strategies; and by providing timely, accurate and efficient services to Departments, Agencies, Boards, Commissions and the public.

Key Stakeholders

The Department is a team dedicated to the following customers:

- ▶ Mayor and Members of Council
- ▶ Chief Administrative Officer, Chief Financial Officer and Treasurer and the Executive Management Team
- ▶ Departments, Agencies, Boards & Commissions
- ▶ Employees and Retirees
- ▶ Property owners/taxpayers
- ▶ Federal & Provincial Governments
- ▶ Financial Institutions
- ▶ City’s debenture holders
- ▶ Credit rating agencies
- ▶ Business Improvement Area Associations
- ▶ Vendors
- ▶ Land Development Community
- ▶ Insurance claimants
- ▶ Media

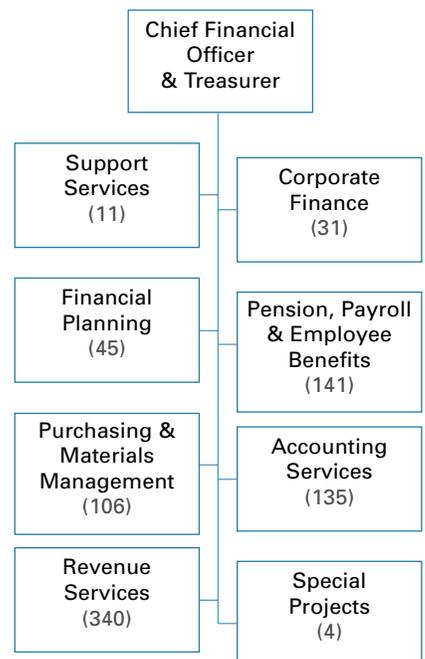
2005 Strategic Direction & Service Priorities

The Finance Department is committed to the on-going review and continuous improvements that are required to ensure the effective use of the Corporation’s financial resources. The major corporate initiatives for 2005 include the following:

- ▶ Review financial controls and policies to ensure compliance with accounting/budgeting/purchasing principles, policies and by-laws as an integral component of the City’s accountability framework
- ▶ Implement a firm 5-year Capital Budget and Plan for Council approval as well as move towards multi-year service planning and operating budgets
- ▶ Continue implementation of Auditor General recommendations arising from the Procurement Review
- ▶ Review and implement major new tax policies for 2005, including system and process modifications to meet new legislative requirements and/or City by-laws
- ▶ Provide research and support for the establishment of new financial partnerships with other orders of government
- ▶ Review and restructuring of cost centre structure/program mapping to enhance financial reporting and information

Department Map

The Finance Department is comprised of eight divisions, with a total of 813 approved positions



2005 Operating Budget by Service

The 2005 Approved Operating Budget for the Finance Department is \$68.360 million gross and \$34.754 million net, which is comprised of:

Divisions	Gross (\$000s)	Net (\$000s)
Support Services	1,323.4	1,064.9
Corporate Finance	3,266.2	1,375.5
Financial Planning	4,317.1	3,499.7
Pension, Payroll and Employee Benefits	10,464.2	8,857.5
Purchasing & Materials Management	7,358.7	6,155.1
Accounting Services	10,352.8	7,982.9
Revenue Services	30,861.3	5,402.4
Special Projects	416.3	416.3
Total Program Budget	68,360.0	37,754.3

2005 Budget Highlights

- › 2005 budget has been flatlined at the 2004 budget level
- › \$0.234 million generated from net service efficiencies achieved to reduce budget pressures
- › \$0.190 million revenue generated from vendor early payment discounts
- › New \$25 fee charged to banks for mortgage verification
- › New \$35 fee for special charges added to property tax account for collection

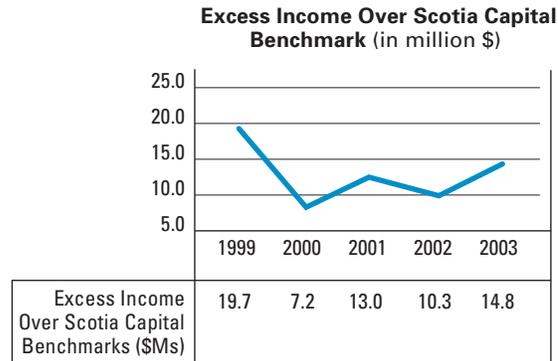
2004 Achievements

- › Presented tax policy options
- › Implemented a pre-authorized payment program for water accounts
- › Council approval of RFP for water meter replacement and introduction of new radio technology for remote water meter reading
- › Implemented 70% of the recommendations from the Auditor General's report on the Procurement Process including new procedures on contract management
- › Updated Purchasing and Financial Control By-laws
- › Significantly improved the presentation, content and format of the 2003 Annual Financial Statements
- › The 2004 Operating Budget meets Council's objectives
- › Helped to plan and deliver the "Listening to Toronto" public consultation process
- › Enhancement of Finance web site to improve communication
- › Completed Development Charges Background Study and implemented new By-law
- › Implemented new internet based OMERS annual reporting system
- › Completed comprehensive reserve fund review, including consolidation of accounts and creation of new accounts
- › Issued debentures totaling \$375 million to support the City's capital works program

Performance Measures

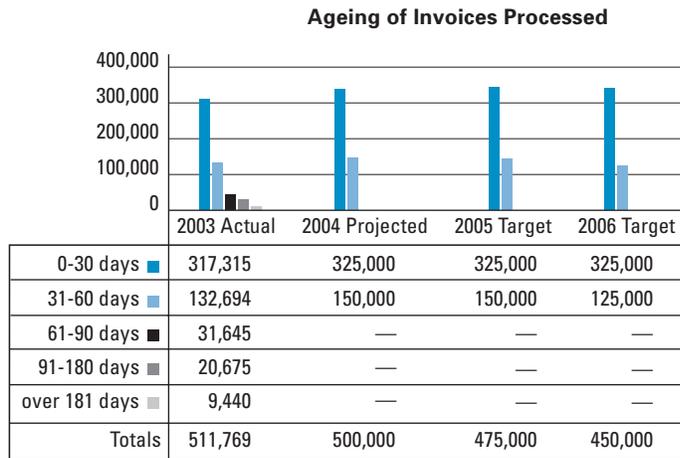
Excess Income over Scotia Capital Benchmark

The City's investment management strives to achieve a market valuation equivalent to that of the industry benchmark (Scotia Capital All Government Index). Although valuations have exceeded this target in each of the past 5 years the forecast for future investment performance remains consistent with achieving a level equal to the industry benchmark.



Ageing of Invoices Processed

In 2003, approximately 88% of invoices were processed within 60 days. With the implementation of 3-Way Match, it is anticipated that all invoices will be paid within 60 days.



2005 Capital Budget

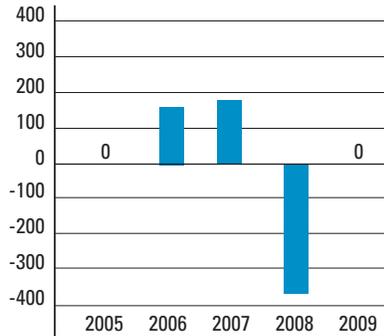
2005 Capital Budget Highlights

Total 2005 Gross Budget is \$3.153 million [2004 Budget – \$4.034 million]

- ▶ \$1.128 million for the Time Entry System- Replacement project where current time entry system will be replaced by SAP resulting in a single harmonized system for the City.
- ▶ \$0.500 million for the Financial Planning Analysis & Reporting System to implement multi-year financial planning and support Council priority setting.
- ▶ \$0.500 million for the Revenue System – Phase 11 to implement the Unified Cashiering System for Tax and Water Collection.
- ▶ \$0.200 million for Development Charges By-Law Appeal project.

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact**
(Excl Debt Service Cost) (\$0.064) Million

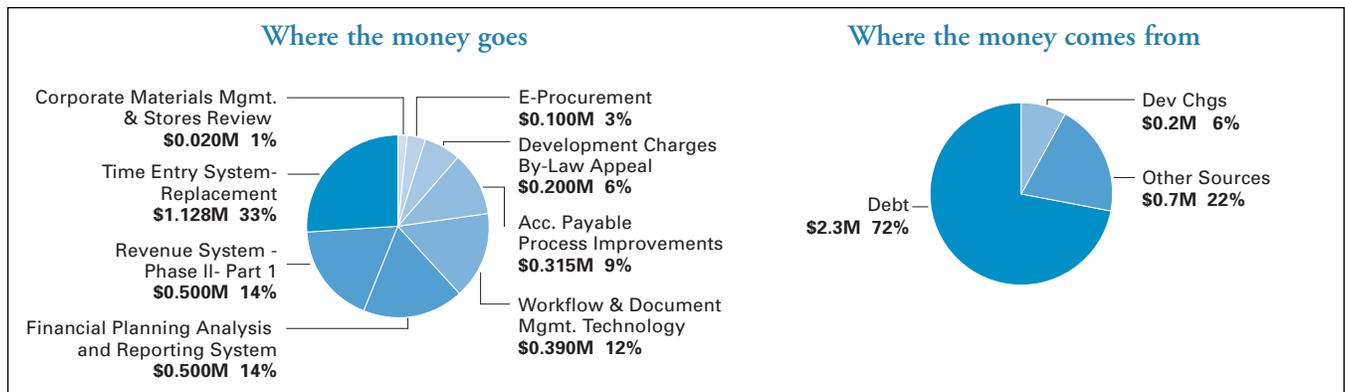


Five Year Capital Plan

▶ The 5 - Year capital plan is adequate for this program as the investments required over the 5 year period are based on projects that address periodic upgrades to existing systems. The Program has deferred many of the previously approved projects, resulting in increased debt levels in 2006 to \$5.785 million from \$3.869 million in 2005. This exceeds the 2005 debt affordability level of \$4.910 million. Since the program is focusing on completing previously approved projects, many of which have been deferred to 2006, the program should consider smoothing out the 2006 projects across future years.

2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
New & Change in Scope						
Revenue System - Phase 11-Part 11	500	1187	—	—	—	1687
Accounts Payable Process Improvements	315	1080	—	—	—	1395
Financial Planning Analysis & Reporting System	500	1427	—	—	—	1927
E-Procurement	100	300	—	—	—	400
Time Entry Systems Replacements	1128	—	—	—	—	1128
Collective Agreements Implementation- FS	—	500	—	—	—	500
Corporate Materials Mgmt & Stores Review	20	60	—	—	—	80
Workflow & Document Management Technology	390	2136	—	—	—	2526
Development Charges Background Study	200	—	—	—	—	200
Total New	3,153	6,690	—	—	—	9,843
Total Finance	3,153	6,690	—	—	—	9,843



Auditor General's Office

Department Overview: City of Toronto By-law No. 1076-2002 enacted November 28, 2002, and set out in Chapter 169 of the Municipal Code, established the Auditor General's Office. The Auditor General is appointed by City Council and is independent of the City Administration. The Auditor General is responsible for evaluating City programs, activities and functions of Departments and Agencies, Boards and Commissions, and the Office of the Mayor and Members of Council, and assisting City Council in holding itself and its administrators accountable for the quality of stewardship over public funds and for the achievement of value for money in City operations. The Auditor General is independent of City administration with no responsibility for assurance services to management and reports directly to Council through the Audit Committee.

The 2002 By-law requires that an annual audit work plan be submitted to City Council and provides that no deletions or amendments to the audit work plan be made, except by the Auditor General. Council, however, may add to the audit work plan by a two-third's majority vote.

In relation to financial attest audits of the City, Section 296 (4) of the Municipal Act states that "the auditor of a municipality shall not be an employee of the municipality or of a local board of the municipality". An external public firm of practising accountants, Ernst & Young, now conducts the annual statutory attest audits of the City itself, and various City entities, including the Boards of Management of Community Centres and Committees of Management for Arenas. Consequently, these audits are excluded from the 2005 Audit Work Plan. However, the Auditor General continues to maintain an oversight role in these audits as the administrator over public accounting firm contracts.

An Internal Audit Division that reports to the Chief Administrative Officer is responsible for providing internal audit services and direct support to senior management in the City. The internal audit function provides impartial and objective assurance, consulting services designed to improve the administration of municipal operations, and promote compliance with policies and regulations.

Mission Statement:

The Mission of the Auditor General's Office is to assist Council in fulfilling its responsibilities by conducting independent risk-based assessments of City operations and to report to Council on how well the City manages its resources and delivers services as well as to make recommendations to enhance the accountability of Council and its administration.

Auditor General's Office

Mandates and Responsibilities

The Auditor General's Office is independent of management, and has the authority to conduct financial, operational, compliance, information systems, forensic and other special reviews of all City Departments, Agencies, Boards and Commissions, as well as other entities the City is related to or has an interest in.

The Auditor General has full responsibility for the conduct of the Auditor General's Office and is responsible for carrying out financial (excluding attest), compliance and performance audits of all programs, activities and functions of all City Departments, Agencies, Boards and Commissions.

The mandate empowers the Auditor General to:

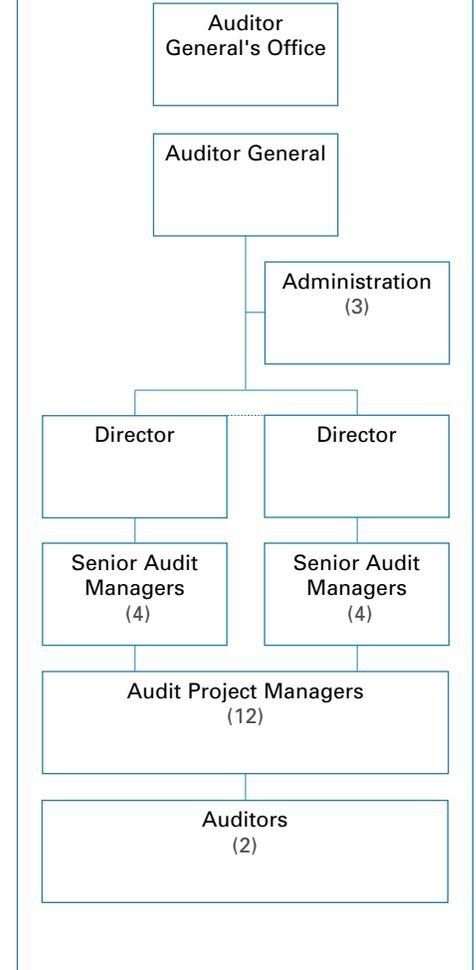
- (a) conduct or cause to be conducted operational audits, defined as evaluating the management of public funds and resources from a standpoint of economy, efficiency and effectiveness, and making recommendations on operating improvements;
- (b) examine and evaluate the adequacy of the City's policies and systems of internal control, both financial and operational;
- (c) evaluate the procedures used by management to measure and report on program effectiveness. A review of the results of such programs or activities will include an evaluation relating to the results or benefits achieved, and whether the programs or activities are meeting established objectives of providing value-added services to the City businesses, tax payers and residents;
- (d) conducting special assignments identified by the Auditor General, or approved by a two-thirds majority resolution of Council;
- (e) conducting of forensic investigations including suspected fraudulent activities;
- (f) providing assurance that the information technology infrastructure contains adequate controls and security including business continuity (emergency) planning;
- (g) overseeing the work and the contract of the external auditors performing financial statement/attest audits;
- (h) coordinating audit activities with internal auditors and any contracted work to ensure the efficient and effective use of audit resources; and
- (i) managing the Fraud and Waste Hotline Program, including the referral of issues to departmental management and the Internal Audit Division.

Access to Records by the Auditor General

The Auditor General has complete and full access to any records within the City, including its Agencies, Boards and Commissions, as well as other entities the City is related to or has interest in. Staff of those organizations within the Auditor General's scope have a duty to cooperate with the Auditor General and to not obstruct audit activities.

Department Map

The Auditor General's Office has a total of 28 approved positions for 2005 as depicted in the map below:



Auditor General's Office

Annual Audit Work Plan and Budget

The Auditor General submits an audit work plan each year to Council through the Audit Committee, and as such, no deletions or amendments to the Audit Work Plan can be made, except by the Auditor General. Council may only add to the Audit Work Plan pursuant to a two-thirds majority vote.

2005 Audit Work Plan

The 2005 Audit Work Plan for the Auditor General's Office recognizes the fact that audit resources of personnel and dollars do not allow for 100 per cent audit coverage each year. This limiting factor is inherent in the concept of utilizing risk assessment to help prioritize audits. The 2005 Audit Work Plan also considers the planned work to be performed by the internal audit function reporting directly to the Chief Administrative Officer the work to be conducted by the respective audit groups at both the Toronto Police Service and the Toronto Transit Commission.

The 2005 Audit Work Plan for the Auditor General's Office is based on the results of the Corporate-wide risk assessment and priority setting exercise conducted in 2003. The assessment directs the use of audit resources to the Auditor General's focus on value for money reviews in those areas which potentially pose the greatest risk or provide the greatest value/return to the City.

This assessment included several risk factors such as the magnitude of gross expenditures and revenues; political and public sensitivity; legislative requirements; complexity of the operation; and system of internal controls. The 2005 Audit Work Plan for the Auditor General's Office has been developed with an awareness that there are inherent risks and limitations associated with any method or system of prioritizing audits. The risk factors and scoring process will be periodically evaluated and modified, if necessary, in order to improve the 2005 Audit Work Plan.

Although the primary objective is to complete the activities in accordance with the 2005 Audit Work Plan, the Auditor General also recognizes the need to shift resources and priorities in response to changing needs, issues and risks within the City. The goal of the Auditor General's Office is to provide maximum value to the City.

Values and Professional Audit Standards

The audit process is an independent, objective assurance activity designed to add value and improve an organization's operations. The audit process assists an organization in accomplishing this objective by bringing a systematic, disciplined approach in evaluating and improving the effectiveness of risk management, control and governance processes.

The Auditor General's Office conducts its work in accordance with generally accepted Government Auditing Standards. Audits are conducted in accordance with these standards, which relate to independence, objectivity, professional proficiency, scope and performance of work, and departmental management. Staff are also bound by the professional standards, values, attitudes and ethics of their respective professional organizations, which include the Institute of Chartered Accountants of Ontario, the Certified General Accountants Association, the Society of Management Accountants, the Information Systems Audit and Control Association, the Institute of Certified Fraud Examiners and the Canadian Environmental Auditing Association.

All non-administrative members of the Auditor General's Office have at least one professional designation. In the past twelve months, certain staff have obtained a Certified Internal Auditors designation. Certain other staff are working towards a Certified Fraud Examiner designation.

The level of proficiency and professional standards maintained by the Auditor General's office exemplifies the City's values and vision and the department is committed to ensure the City organizations deliver value added services by improving controls, policies and procedures to increase economy, efficiency, and effectiveness. In addition, the deterrent effect of the on-going Fraud monitoring and control function implemented by the Auditor General's Office has successfully created a direct impact in reducing fraud and waste in the City.

Auditor General's Office

Key Stakeholders

The Auditor General's Office is an independent organisation reporting to the City Council through the Audit Committee. In carrying out its activities it has authority to gain required information from all City Departments, Agencies, Boards and Commissions as well as other entities the City is related to or has interest in

2005 Operating Budget by Program

The 2005 Approved Operating Budget for the Auditor General's Office is \$3.510 million gross and \$3.510 million net, which is comprised of:

Divisions	Gross (\$000s)	Net (\$000s)
Auditor General's Office	3,509.9	3,509.9
Total Program Budget	3,509.9	3,509.9

Budget Comparisons With Other Municipalities

The Auditor General's Office has benchmarked its costs with those of major municipalities across Canada, as well as those of a number of municipalities in the United States. The following comparison of 2004 costs with other major municipalities for comparable levels of audit services indicates that, as a percentage of total municipal budgets, the audit costs at the City of Toronto are at the lower end of the scale.

Table 1

	Municipal Operating Budget \$	Audit Costs (in \$000s) (in \$000s) \$	Audit Costs as a % of Municipal Operating Budget %
Los Angeles County	17,127,000	15,000	0.09
City of Ottawa	1,889,000	1,203	0.06
City of Toronto (2005)	6,478,000 ⁽¹⁾	3,908 ⁽²⁾	0.06
Calgary	1,600,000	1,300	0.08
San Jose	2,860,000	2,200	0.08
Winnipeg	1,141,000	1,000	0.09
Detroit	3,105,000	3,294	0.11
Edmonton	1,148,000	1,660	0.14
Phoenix	2,447,000	3,677	0.15
Philadelphia	4,627,000	11,253	0.24

(1) Excludes TTC

(2) Excludes external attest audit and includes the internal audit group

In prior years, the Auditor General's Office has placed emphasis on the fact that the extent of audit resources compared to the City's overall municipal budget is on the low end of the scale compared to other municipalities. The intent was to demonstrate that the office operates in a fiscally responsible manner and that its level of resources was not out of line with other municipalities.

In view of the budgetary difficulties at the City since amalgamation, requests for additional resources by the Auditor General's Office during that time have been minimal even though the demand for audit services has been increasing.

2005 Capital Budget by Program

There is no Capital Budget.

Auditor General's Office

2004 Achievements

Potential Economic Impact

During 2004, the Auditor General's Office generated approximately 150 recommendations in various audit reports and other communications to Commissioners. Certain of these recommendations have resulted in improved internal controls, and enhanced protection of the City's assets. The potential economic impact of these specific recommendations is not quantifiable.

Other recommendations have resulted in the potential for increased revenue and also for the reduction of costs. In many of these cases, it is difficult to quantify savings to the City particularly those relating to fraud investigations. For instance, while certain investigations have identified quantifiable losses the extent of the future losses would have been much more significant if such frauds had remained undetected for a significant period of time.

In other situations, certain recommendations have benefits to the City but only in specific circumstances. For instance, the extended reliance on external consultants by the City could have had significant repercussions if these consultants were suddenly not available. The recommendation that the City reduce its reliance on such consultants, while extremely significant and important nevertheless at the present time, has no quantifiable monetary benefit to the City.

Where it is possible, the Auditor General's Office has estimated the following potential economic impact to the City generated by the Auditor General's Office.

Savings from Fraud and Fraud Related Investigations

Estimated savings and recoveries as a result of fraud and fraud related investigations are in the range of \$500,000. Savings have been as a result of identifying excessive overtime, excessive consulting expenses, inappropriate disbursements and grants, etc. As part of our coordination of audit work with the City's external auditors Ernst & Young, we have reviewed our findings with them as well as the forensic audit unit of Ernst & Young. Ernst & Young has advised us that their estimate of the amount of savings would be significantly greater than the \$500,000 identified. For instance, in the case of excessive overtime Ernst & Young take the view that if the excessive overtime had not been identified the extent of the loss to the City would have continued for a significant period.

Other Quantifiable and Non Quantifiable Savings

Many of the savings identified are annual recurring amounts and over a period of time have accumulated significantly. The savings identified below are for the most part annual savings. Specific background information to each of the following is contained in the relevant appropriate reports to Audit Committee and to City Council.

- Potential increase in Provincial subsidies relating to Hostel operations in the range of \$750,000.
- Reduction of maintenance and licensing costs relating to excess software licenses and other recoveries of approximately \$545,000. The recommendations resulting from this review will likely have significant savings in regard to future information technology contracts.
- Increased revenue of approximately \$750,000 relating to changes to the Courtesy Parking Ticket program at the Toronto Parking Authority.
- Potential increases in parking tag revenues relating to improved collection procedures, the need to focus on preventing "drive aways" and the requirement for reciprocal collection agreements for out-of-province parking offenders. The Chief Financial Officer and Treasurer estimated the potential increase in revenue to be somewhere in the range of \$1 million.
- Increased revenues from the introduction of hand held parking ticketing equipment is estimated by independent staff to be in the range of \$300,000.
- The savings resulting from the audit report entitled "Review of the Selection and Hiring of Professional and Consulting Services" have been significant. On a conservative basis, it is likely that savings, which have accrued as a result of the report, are somewhere in the range of \$500,000 on an annual basis. It is extremely difficult to quantify such savings and the estimate of \$500,000 is very much a best estimate.

Auditor General's Office

- The Auditor General conducted a review of payroll overtime at the Toronto Police Service in early 2000. Overtime decreased in 2000 by approximately \$4.7 million when compared to 1999. Recognizing the fact that improved management of overtime occurred the impact of the audit report was significant.
- In regard to one particular contract compliance audit, it was determined that the City was paying for advertising space, which should have been receiving for no charge. The savings related to this have not been quantified.
- Savings resulting from improved controls relating to the dispensing of fuel, potential rationalization of fuel sites, etc.
- Improved controls relating to the supervisory approval of overtime, reviews relating to various grant programs.

2005 Objectives

The Auditor General, in addition to the development of a risk-based 2005 Audit Work Plan, has developed the following objectives for 2005:

1. Ensure that adequate organizational supports and quality assurance measures are in place for a successful peer review of the Auditor General's Office in 2006;
2. Develop a systematic formal process that will ensure timely follow-up to audits within an approximate two-year time frame;
3. Ensure that communication and coordination of audit resources with the external auditors are properly managed and in compliance with the terms and conditions of the service agreement;
4. Complete projects that are in process, as well as those projects that have been planned for the first quarter of 2005;
5. Ensure that relationships with all audit entities external to the City are continued;
6. Increase the use of information technology by staff in carrying out audits. Such technology to include the use of the data extraction program called ACL. Continue to communicate with other North American audit organizations that operate ACL in order to determine where the software is most effective;
7. Complete a project to identify key "red flags" for the detection of potential fraud or operational problems, which will lead to the implementation of reports to be run on a regular basis;
8. Explore and, where possible, expand the use of information technology in support of the new framework being implemented to administer the follow-up of audit recommendations;
9. Facilitate the audit process through the creation of an electronic working paper file;
10. Ensure that all staff have the necessary technical and management skills as well as an adequate knowledge of City operations, to effectively carry out their duties and responsibilities;
11. Keep current with issues related to auditing, accounting or other fields related to the program areas that are subject for review through various training opportunities;
12. Ensure that all staff attain at least 80 hours of training and continuing education over a two-year period, in accordance with generally accepted professional standards for auditors. This standard is required for peer review purposes and unless this is met the office will not pass the peer review process;
13. Encourage and support Audit staff in obtaining professional designations in specific academic fields related to environmental auditing, fraud investigations or information technology;
14. Require the administrative group to provide ongoing input to the revised Auditor General's Policy and Procedures Manual;
15. Maintain and update the Auditor General's Web site in order to ensure that it continues to be rated as one of the best audit Web sites in North America; and
16. Establish and maintain links and associations with various municipal audit administrators within Canada and throughout the United States.

Chief Administrator's Office

Department Overview: The Chief Administrator's Office leads the City's Executive Management Team (EMT), consisting of the Chief Administrative Officer (CAO) and the six Departmental Commissioners, which sets overall broad direction and strategy for the corporation. The Office of the CAO oversees corporate, interdepartmental and intergovernmental business activities, responds to the requests and needs of City Council, and provides business, operational and administrative support to the CAO and the EMT. The CAO's Office facilitates the integration of the City's departments and programs, provides corporate policy advice and guidance to the CAO and Council, coordinates diversity management and healthy city objectives across the corporation, and provides risk and business consulting services to senior management to strengthen controls. The CAO's Office is comprised of three divisions: the Executive Management Division, Strategic and Corporate Policy Division/Healthy City Office and the Internal Audit Division.

Executive Management: This division provides day-to-day advice, coordination and support to the CAO. It monitors and ensures the resolution of Council and other directives and communiques, provides issues management support, provides office management support to the CAO's office and supports the EMT. The division is also involved in corporate integration and improvement initiatives such as the 311 strategy, e-service and corporate customer service improvement initiative (CSII), multi-year program (business) planning, performance measures and benchmarking.

Strategic & Corporate Policy/Healthy City Office: The Strategic & Corporate Policy Division provides independent advice to the CAO and Council on matters related to governance and corporate performance, strategic planning, corporate policies, diversity management, citizen engagement, and intergovernmental relations.

Most of the division's assignments are project based, usually involving interdepartmental consultation or project teams. Significant divisional resources are devoted to supporting Council-established task forces, reference groups, citizen advisory committees and other bodies, including policy and research development and meeting management.

Internal Audit: The Internal Audit Division's primary purpose is to help senior management identify and evaluate exposures to risk and to help strengthen risk management and controls in program areas across the City. The division provides objective assurance and advice to senior management to help mitigate risks, improve operations, as well as ensure fiscal responsibility, accountability and compliance with applicable policies and legislation.

Mission Statement:

The Chief Administrative Officer leads the municipal administration and provides guidance and advice to Council on the City's fiscal, organizational, intergovernmental and service challenges. The CAO is accountable to Council for the policy direction and program delivery of all departments and programs.

The mission and mandate of the Department:

- Strategic Direction & Leadership
 - Mission and mandate clearly articulated with specific objectives and success factors outlined for every Program/Service; and to ensure that they meet Council approved directions
 - An Administration committed to service quality and cost effectiveness, and promotes teamwork and open communication
 - Responsibility, accountability and leadership for performance and improvement communicated throughout the organization
 - Ensure that the Administration at all levels is open and encourage public participation and input
- Organizational Management
 - Fiscal & Financial Accountability - Demonstrate improved accountability for management of taxpayers dollars
 - HR & Labour Relations - Increase overall morale of City Administration at all levels and improve relationship with Local 79 and 416
- Forge New Relationships with Federal & Provincial Governments
- Undertake Key Corporate Initiatives

Chief Administrator's Office

Key Customers

Work priorities of the three divisions are at the direction of the CAO. The CAO, EMT and Council are the primary clients.

However, the work of the department is conducted through a variety of relationships, including: standing and advisory committees of Council, other departments, agencies, boards and commissions, and City staff; federal, provincial, regional and municipal governments, community-based organizations, service agencies and advocacy groups; businesses, academic institutions and associations; the people of Toronto and international cities and communities.

2005 Operating Budget by Program

The 2005 Approved Operating Budget for the Chief Administrator's Office is \$5.837 million gross and \$5.542 million net, which is comprised of:

Divisions	Gross (\$000s)	Net (\$000s)
Executive Management	1,330.1	1,330.1
Strategic & Corporate Policy/ Healthy City Office	3,804.0	3,804.0
Internal Audit	702.6	407.6
Total Program Budget	5,836.7	5,541.7

2005 Strategic Directions/Service Priorities and Challenges

Executive Management Division

Provide Corporate Leadership and Build and Promote Corporate Accountability

- Review and evaluate the recommendations arising out of the judicial inquiry into computer leasing in order to determine if further improvements in internal controls are necessary

Corporate Customer Service Initiative

- 311 strategy – obtain CRTC approvals, develop service design and business specifications, launch prerequisite pilots, re-engineer business processes where required, development of supporting knowledge base, development of service level requirements and agreements, consolidation of inquiry lines and the opening of the 311 Call Centre.
- On-line e-service development – develop corporate web business strategy, pilot new on-line services, expand existing services

Facilitate Multi-Year Program Planning, Benchmarking and the Use of Performance Measures

- Lead corporate team in developing information for year 5 (2004 results) of the Municipal Performance Measurement Program (MPMP) to examine Toronto's year-over-year performance as well as comparisons to other municipalities. As part of the MPMP Advisory Committee to the Province, provide input and advice on changes to improve the program in the future.
- Promote a greater use of performance measures in 2005 resource allocation processes such as the budget and business plans, placing greater reliance on measures of efficiency, customer service and community impact.
- Assess the results of 2005 pilot business plans for Solid Waste Management, Parks & Recreation and Water & Wastewater Management that were submitted to standing committees in the last quarter of 2004. Develop strategy for updating these plans, and determine corporate support requirements for expansion to other program areas.

Department Map

The Chief Administrator's Office is comprised of three divisions, with a total of 59 approved positions:



Chief Administrator's Office

2005 Strategic Directions/Service Priorities and Challenges (continued)

- ▶ Lead and co-ordinate Toronto's participation in the next phase of the Ontario Municipal CAOs Benchmarking Initiative (OMBI) with eighteen other municipalities in five service areas. Expand the collection of data in 2005 to additional service areas.
- ▶ Lead and coordinate Toronto's participation in the Ontario Centre for Municipal Best Practices (OCMBP). As part of the OCMBP Steering Committee to the Province and AMO, and as a participant in working groups, assist in identifying best practices in Ontario municipalities.

Strategic & Corporate Policy/Healthy City Office

Intergovernmental Relations

- ▶ Continue emphasis on achieving the right powers, funding and intergovernmental relationships for the City of Toronto
- ▶ Continuing negotiations on all aspects of the New Deal
- ▶ Continuing leadership and collaboration with the Hub City Mayors
- ▶ Establishment of a strong partnership with the Ontario Federal Council (including joint projects)

Corporate Policy

- ▶ Implement Council decisions resulting from the administrative structure review.
- ▶ Continue management of Council's strategic planning and term priority setting processes.
- ▶ Produce one or more Listening to Toronto sessions as required by the Mayor and Council.
- ▶ Respond to Council directives for policy development.
- ▶ Improve policy coordination

Diversity Management and Community Engagement

- ▶ Manage and co-ordinate Roundtable on Access, Equity and Human Rights, the Disability Issues Committee, the Aboriginal Affairs Committee, and Working Groups on (a) Language Equity and Literacy, (b) Hate Activity, (c) Employment Equity and (d) Immigration and Refugee Issues
- ▶ Manage and administer the expanded Access and Equity Grants Program (approx. 100) agencies, including providing capacity support, and community liaison
- ▶ Facilitate the inter-departmental network on community engagement and development of tools for use by departments
- ▶ Continue monitoring of legislative and policy proposals regarding diversity issues
- ▶ Continue implementation of research program arising from Census data, including follow up on Ornstein study
- ▶ Ongoing development of an Urban Aboriginal Strategy
- ▶ Continue implementation of the Accessibility Plan, the Recommendations of the Task Force on Access and Equity, the Plan of Action on Racism and Discrimination, the Auditor General's recommendations regarding access and equity and the preparation of annual Access and Equity Plans
- ▶ On-going public education, awareness, awards, and scholarship programs regarding the full range of diversity issues
- ▶ Implement specific projects such as the Profession to Profession mentoring project, involvement with the Metropolis Conference planning

Governance Structures & Corporate Performance

- ▶ Continue to improve relationship of ABCCs with the City by:
 - Continuing to develop relationship framework for each ABCC
 - Clarifying City policy applicability to ABCCs
 - Identifying City staff liaison positions
 - Conducting City/ABCC workshops
- ▶ Improve public accountability of ABCCs by:
 - Redesigning City website for ABCCs and links to ABCC sites
 - Implementing training programs for ABCC boards
 - Implementing performance reporting for ABCCs
- ▶ Update governance structures by:
 - Consultation and reporting on Arena Governance Review and implementation
 - Assisting the Toronto Centre for the Arts and EDCT in undertaking a study of the governance and management of the Hummingbird and the TCA
- ▶ Improve public accessibility to ABCC decision-making processes by:
 - Improving ABCC websites and linkages to the City
 - Coordinating the development of Licensing Tribunal decision database available on website

Chief Administrator's Office

- Improve corporate performance by:
 - Implementing corporate performance measurement program
 - Co-ordinate preparation of agreements to implement Council directives for Hummingbird Centre Redevelopment.

Internal Audit Division:

- Increase audit presence and staff understanding of risks/controls across the City, by performing reviews to assess controls over various administrative areas (e.g. revenue, procurement processes, contract management, payroll, accounts payable, etc.), as appropriate.
- Complete audits/special projects requested by departmental senior management.
- Respond to requests from departments for audit services and advice, in a timely manner.
- Provide support from a risk and control perspective, on new initiatives, such as the Telecommunications End of Lease Strategy (TELS) project, the Purchasing Card implementation, the Water Meter project, as well as major information systems such as the Shelter Housing Information System.
- Leverage Internal Audit's limited resources by piloting of Control Self Assessments (CSA) with divisions to more quickly identify areas requiring attention and promote risk/control awareness, and utilizing Computer Assisted Auditing Techniques (CAATS).

2004 Accomplishments

Executive Management Division

Provide Corporate Leadership and Build and Promote Corporate Accountability

- Provided a comprehensive report to the Long-term Fiscal Planning Committee reflecting Council's budget priorities since amalgamation by providing details of changes in the number of staff positions in all City programs from 1997 to 2004 as well as changes in gross expenditures for major programs
- Prepared report on the purpose and timing of financial variance reports and the development of mid-year and year-end reports by Commissioners to Standing Committees regarding how well programs are doing or progressing in terms of performance and achievements
- In consultation with departments, developed a summary of initiatives or requests for provincial and federal funding and developed a system for departmental leads to maintain this information on an ongoing basis
- The Executive Management Team (EMT) directed that additional controls be implemented through the expanded use of contract release orders
- EMT endorsed the establishment of an SAP Competency Centre
- Worked with external lawyers to ensure that information is shared with the Inquiry in a timely manner

Corporate Customer Service Initiative

- Identified best practices in US cities with 311 systems, developed an implementation plan for the 311 Customer Service Strategy that incorporates all services to be mapped from departments in 2005, and identified space requirements and facility options for the 311 Call Centre
- Co-ordinated the Toronto Counts project on a semi-annual basis with all customer service units
- Coordinated the service strategy for new e-commerce transactions in the city
- Developed a communication strategy to support all new initiatives and educated the public and staff about new directions

Facilitate Multi-Year Program Planning, Benchmarking and the Use of Performance Measures

- Led corporate team in developing information for year 4 of the Municipal Performance Measurement Program (MPMP) and examined and reported on Toronto's year over year performance as well as comparisons to forty other Ontario
- Provided advice, guidance and assistance to staff in Solid Waste, Water & Wastewater and Parks and Recreation in the development of Business Plans that are to be submitted to Standing Committees
- As part of the MPMP Advisory Committee to the Ministry of Municipal Affairs, presented options for performance measures in Parks and Recreation to be added to the program in 2004
- Presented options and illustrations to the Police MPMP expert panel regarding an improved efficiency measure
- Led and coordinated Toronto's participation in the next phases of the Ontario Municipal CAOs Benchmarking Initiative (OMBI) with 18 other municipalities in 5 service areas. Contrasted results for over fifty different performance measures in these service areas. In concert with staff from Thunder Bay, Halton and York developed a list of a few key performance measures in additional program areas that are to be collected by municipalities in the future
- Provided a status report on Toronto's performance measurement framework.

Chief Administrator's Office

2004 Accomplishments (continued)

- › Led and coordinated Toronto's participation in the Ontario Centre for Municipal Best Practices (OCMBP) which released nine best practices in early 2004
- › Responded to requests for information or presentations on Toronto's amalgamation to the general public and other public sector organizations throughout the world

Strategic & Corporate Policy/Healthy City Office

Intergovernmental Relations

- › Ensured strong Toronto representation and leadership within key intergovernmental forums including FCM, AMO, Big City Mayors Caucus, LUMCO, GTA Mayors and Chairs, Regional Chairs and Single Tier Mayors, Great Lakes Cities Initiative
- › Facilitated the City's participation in the inauguration of the new United Cities and Local Governments Organization
- › Organized Hub City Mayors Summits in January and September
- › Established a City position on fuel tax allocation
- › Established a City position on a Greater Toronto Transportation Authority
- › Coordinated the City's applications for access to the Green Municipal Funds
- › Established joint City-Province task force to review the City of Toronto Act and related legislation
- › Monitored and briefed Council and senior staff on provincial and federal initiatives, elections, throne speeches, budgets and announcements, etc.
- › Established the planning structure and program framework for the international Metropolis Congress to take place in Toronto in 2005

Corporate Policy

- › Produced Listening to Toronto events in January and November 2004 in conjunction with the 2004 and 2005 budget processes
- › Conducted a review of the administrative structure
- › Completed the transition and orientation for the Mayor and new members of Council
- › Managed the recruitment and establishment of the Integrity Commissioner
- › Assisted City Council in developing term priorities and co-ordinated the responses from the public service on each of nine priorities
- › Developed terms of references for various roundtables, advisory committees and related bodies resulting from the streamlining of committees at the beginning of the term
- › Co-ordinated the development of policy across departments by chairing the Policy Co-ordinating Team

Diversity Management & Community Engagement

- › Completed a working draft access equity and diversity action plan guide/work book to provide support to departments to incorporate diversity management principles in program and service delivery. Supported departments in development of action plans and initiated preparation of the corporate access and equity action plan.
- › Completed the corporate response to the Auditor General's recommendations on the implementation of the recommendations of the Task Force on Community Access and Equity; on-going monitoring of departmental implementation; initiated preparation of training program.
- › Continued development of an urban aboriginal strategy
- › Continued work on implementing the research and collection of diversity data and information, including Census updates and preparation of the diversity report card
- › Completed Accessibility Design Guidelines and prepared and submitted the status report on the Accessibility Plan as required by the Ontarians with Disabilities Act
- › Worked on the establishment of community advisory structures and functions (Roundtable on Access, Equity and Human Rights appointment of Disability Issues and Aboriginal Affairs Committees and four (4) working groups)
- › Monitored diversity issues and legislative proposals and responded to inter-governmental and corporate policy/program issues related to diversity groups
- › Completed first pilot project involving 29 participants for the Profession to Profession program which provides mentoring to immigrants
- › Provided presentations to 10 international delegations on the City's diversity programs
- › Processed applications under the Access and Equity Grant Program including expanded eligibility criteria and monitored 2003 funding recipients.
- › Provided capacity building support to external organizations and communities

Chief Administrator's Office

- Facilitated Interdepartmental Community Engagement Network
- Administered the Access Equity and Human Rights Awards Program
- Facilitated interdepartmental planning process for Caribana

Governance & Corporate Performance

- Improve relationship of Agencies, Boards, Commissions and Corporations (ABCCs) with the City
 - Developed relationship framework template to be used to document governance relationships between the City and each of its ABCCs
 - Continued ABCC liaison and consultation to ensure positive City/ABCC relationships
- Improve public accountability of ABCCs
 - Developed Citizen Nomination Policy and Procedures which was adopted by Council and also monitored implementation
 - Managed staff support for the recruitment process for the Library Board and Toronto Community Housing Corporation (TCHC)
 - Drafted report recommending appropriate remuneration levels for ABCCs (by year end 2004)
 - Initiated training/orientation program for ABCC boards
 - Organized ABCC citizen board recognition event
 - Reported on TCHC tenant election process and recommended tenant appointments to Board
- Update governance structures
 - Developed Project Charter and Work Plan, for comparison of departmentally-operated and Board-operated arenas and skating programs. Developed comparative analysis of costs, service levels, and customer satisfaction for consultation in 2005
 - Completed governance review of Licensing Tribunal, updated municipal code, and developed relationship framework.
 - Initiated review of TCHC shareholder direction.
 - Reported on TCHC Annual Report and Shareholder Direction implementation.
 - Completed updates to Municipal Code for Heritage Toronto
 - Completed TAF Act revisions and relationship framework.
 - Reviewed all provincial legislation respecting governance of ABCCs and recommended restructuring
 - Worked with Toronto Economic Development Corp. (TEDCO) to revise legislative context
- Improve corporate performance
 - Managed the City's response to the Hummingbird Centre redevelopment proposal
 - Led team to develop the business deal to reconfigure the Hummingbird Centre (by year end 2004)
 - Completed reporting on the ASD Program. Future initiatives will be reported departmentally under the Continuous Improvement Program approved by Council
 - Reported on status of City response to Regent Park redevelopment proposal
 - Drafted context framework for corporate performance measurement program

Internal Audit Division

- Performed the following audits:
 - Public Health's tuberculosis program – operational audit
 - Court Services' financial control
 - UDS – Licences and permits cash control
 - 2004 CNE Fair (Exhibition Place) – Review of cash/revenue controls
 - Non-union employee overtime – review of controls city wide
 - Contract management audits of selected contracts (e.g. safety shoes, Canadian Linen)
- Completed special audits and projects requested by Senior Management
 - Led staff team that performed final review of 2004 Police Operating Budget at the request of the Toronto Police Services Board and Budget Advisory Committee
 - Performed review of Eastview Community Centre's financial records to assess audit readiness
 - Performed an attest audit of waste haulage quantities transferred to landfill sites and issued report to the Ministry of the Environment
 - Reviewed specific Request for Proposal Processes (e.g. TELS) as requested by senior management.

Chief Administrator's Office

2004 Accomplishments (continued)

- ▶ Provided risk and controls advice to Departments as follows:
 - Support from a risk and control perspective on initiatives, issues and reports
 - Support on the implementation of the Auditor General's recommendations with respect to the Procurement Review and also as a member of Procurement Implementation Steering Committee
 - Risk and controls advice on Purchase Card implementation
 - Advice and input to departments regarding their management responses to various Auditor General's reports.
- ▶ Provided risk and controls advice to management pertaining to new information systems and on-line initiatives:
 - Training and support to EDCT Grants staff with respect to financial statement analysis
 - Prepared article with Pension, Payroll and Employee Benefits on Employee Benefits Fraud
 - Followed-up of various fraud allegations
 - Developed audit protocols for Auditor General reports and Management's Response/Implementation Plans.

Service Profiles: Executive Management Division

Service Description

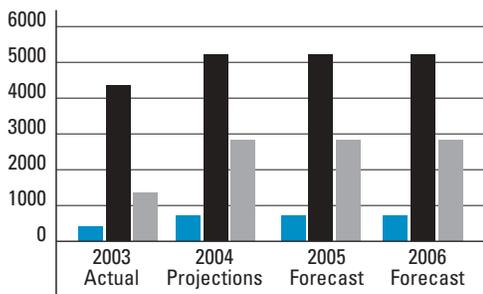
This division provides day-to-day advice, coordination and support to the CAO. It monitors and ensures the resolution of Council and other directives and communiques, provides issues management support, provides office management support to the CAO's office and supports the EMT. The division is also involved in corporate integration and improvement initiatives such as the 311 strategy, e-service and corporate customer service improvement initiative (CSII), multi-year program (business) planning, performance measures and benchmarking.

Service Level Indicators

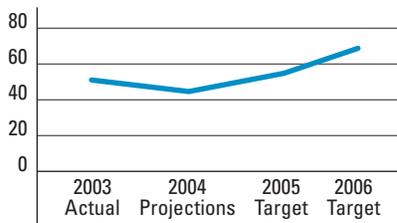
- ▶ Number of Council reports written
- ▶ Number of requests responded to from external, internal or political sources
- ▶ Number of papers, reports, research items completed
- ▶ Number of presentations made
- ▶ Number of meetings attended
- ▶ Number of directives received/cleared in year

Performance Measures

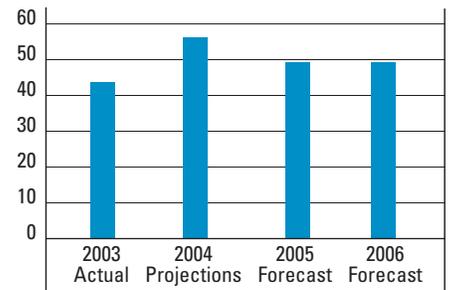
Requests from Internal, External and Political Sources



Percentage of Directives Received and Cleared Within the Same Calendar Year



Number of Internal and External Presentations



- Received by Mail
- Received by #-mail
- Received by Phone

Chief Administrator's Office

Service Profiles: Strategic & Corporate Policy Division

Service Description

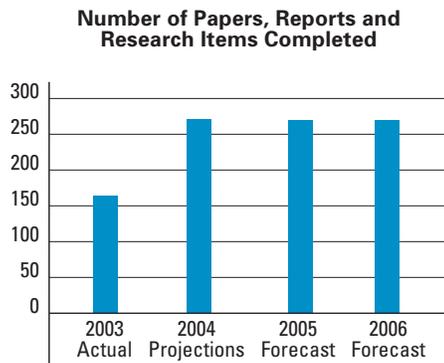
The Strategic & Corporate Policy Division provides independent advice to the CAO and Council on matters related to governance and corporate performance, strategic planning, corporate policies, diversity management, citizen engagement, and intergovernmental relations.

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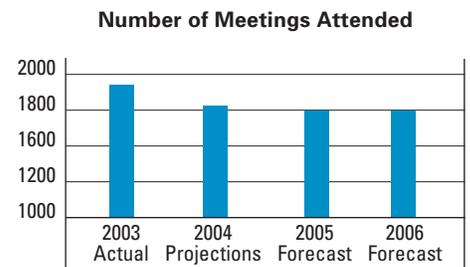
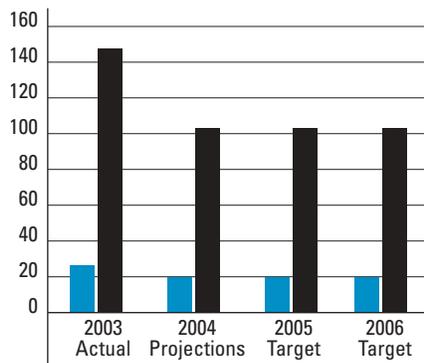
Service Level Indicators

- › Number of Council reports written
- › Number of requests responded to from external, internal or political sources
- › Number of papers, reports, research items completed
- › Number of presentations made
- › Number of meetings attended
- › Number of directives received/cleared in year

Performance Measures



Committees and Task Force Supported



- Number of Committees/Task Force Supported
- Number of Meetings of Committees/Task Forces Supported

Chief Administrator's Office

Service Profiles: Internal Audit Division

Service Description

The Internal Audit Division provides objective risk and business consulting services to senior management with respect to the adequacy and effectiveness of controls in program areas/functions across the City, as well as on corporate initiatives, programs, processes and policies.

Service Level Indicators

- Percentage of Internal Audit work plan completed.

The purpose of tracking this indicator is to measure the efficiency at which service is provided. The Division's objective is to complete 80% of its work plan in 2005.

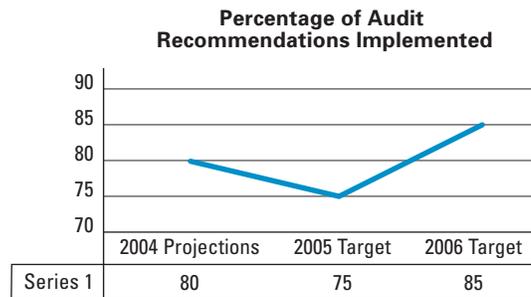
- Percentage of requests responded to versus requests received.

The purpose of tracking this indicator is to measure how efficient the Division is in responding to requests. The division expects to respond to 90% of the requests received in 2005.

Performance Measures

- Percentage of Audit recommendations implemented.

The purpose of tracking this measurement is to measure the effectiveness of recommendations made by Internal Audit. The division is anticipating that, in 2005, departments will be able to implement 75% of recommendations and 85% by 2006.



- Overall departmental satisfaction with Internal Audit services.

The purpose of this measurement is to measure the satisfaction level of customers for service received from Internal Audit. As the Division is relatively new, on a scale 0 (not satisfied) to 5 (very satisfied), its objective is to achieve a 3.5 favourable rating in 2005.

- Value of Internal Audit services provided.

The purpose of tracking this measurement is to measure the satisfaction level of customers for services received from Internal Audit. As the Division is relatively new, on a scale of 0 (no value) to 5 (high value), the Division's objective is to achieve a 3.5 favourable rating in 2005.

2005 Capital Budget by Program

There is no Capital Budget for the Chief Administrator's Office.

City Council

Program Overview: The City of Toronto Council sets corporate strategic direction, priorities and policies; authorizes the raising of revenues and approves the expenditures of funds for the provision high quality and affordable services that respond to the needs of the community and invest in infrastructure to create a thriving, vibrant city. It ensures a system of responsible and accountable governance where the interests of individuals and communities are balanced with those of the city as a whole.

The City Council program staff provide the administrative and other resources that Councillors require to carry out their duties.

Mission:

City Council at its meeting on November 23, 24 and 25, 1999 adopted, without amendment, Council's Strategic Plan - Part I, Clause 22 embodied in Report No. 10 of the Policy and Finance Committee which contained the following mission statement:

The Government of the City of Toronto champions the economic, social and environmental vitality of the city. The City strives to provide high quality and affordable services that respond to the needs of our communities and invests in infrastructure to support city building. The City is a leader in identifying issues of importance and in finding creative ways of responding to them.

The City of Toronto promotes and maintains a system of responsible and accountable governance where the interests of individuals and communities are balanced with those of the city as a whole. Public participation is an integral part of the City's decision-making processes.

Our actions are guided by the following principles:

Advocacy: We are advocates on behalf of our city's needs with other orders of government

Community

Participation: We facilitate active community involvement in all aspects of civic life, both locally and citywide

Equity: We respond to and support diverse needs and interests and work to achieve social justice

Effectiveness: We set and accomplish objectives, pursue innovative approaches, safeguard public assets and make efficient use of our resources

Leadership: We plan for change and take a leadership role on issues of importance to the City

Partnerships: We actively seek out partnerships with constituents, community groups, businesses and other public institutions and orders of government

Sustainability: We integrate environmental, social, economic and fiscal perspectives in our actions

City Council

Program Objectives

Continue to provide high quality affordable services to our community, with public participation, while maintaining a system of responsible and accountable governance and to develop the City of Toronto to make it a more desirable place for the community to live in.

2005 Strategic Directions and Service Priorities

The City of Toronto Council sets corporate strategic direction, priorities and policies; authorizes the raising of revenues and approves the expenditures of funds for the provision of services in the City. The Council program provides the administrative and other resources that Councillors require to carry out their duties.

2005 Operating Budget by Service

The 2005 operating budget for the City Council is \$18.007 million gross and net, which is comprised of:

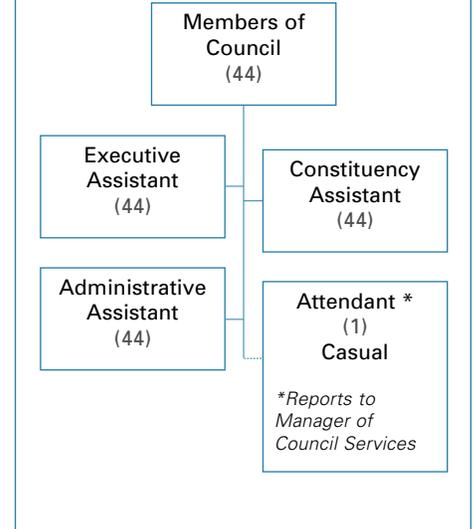
Divisions	Gross (\$000s)	Net (\$000s)
Councillor's Salaries & Benefits	4,364.88	4,364.88
Councillor's Staff Salaries & Benefits	9,690.30	9,690.30
Councillor's Office Budget	2,256.40	2,256.40
Councillor's General Expenses	1,495.20	1,495.20
Integrity Commissioner's Office	200.00	200.00
Total Program Budget	18,006.78	18,006.78

2005 Highlights

- Set individual Member's Office Budget at \$53.1k
- Service provided to constituents will remain at 2004 levels.

Department Map

The City Council Program is comprised of four divisions with a total of 177 approved positions:



Office of the Mayor

Mission Statement:

The Office of the Mayor leads and represents the City of Toronto in dealings with residents, elected officials, dignitaries, and staff. The Mayor's office has a duty to conduct the business of the City in ways that are transparent, honest, efficient, and inclusive. It is the responsibility of the Mayor to ensure that City Council remains accountable and accessible to the public, so that Torontonians can be sure they are receiving the highest possible standard of City services.

Program Objectives

In 2005 the Office of the Mayor continues to work to enable Toronto to take its place on the global stage as one of the world's great cities. Other initiatives include:

- Negotiating a new deal with the other orders of government that will provide Toronto with the revenue sources and legislative tools it needs to succeed.
- Re-engaging residents by increasing the involvement of the public in the processes and decisions of City Hall.
- Building strong neighbourhoods and beautiful streets and parks, so as to give every Torontonian a sense of safety, pride, and belonging in their city.

2005 Strategic Direction and Service Priorities

- Enable Torontonians to have input into budgetary and other Council-related initiatives through extensive public meetings, which will allow City Council to remain in tune with the priorities of the residents of Toronto.
- Continue the development of sustainable neighbourhoods along Toronto's waterfront, the key area for Toronto's economic and cultural rejuvenation.
- Reinvest in the public realm, including public transit, green spaces, affordable housing, and public health.

2005 Operating Budget by Service

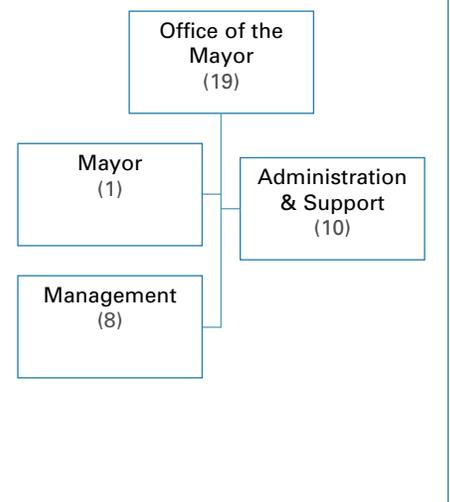
Service	Gross (\$000s)	Net (\$000s)
Office of the Mayor	1,768.3	1,768.3
Total Program Budget	1,768.3	1,768.3

2005 Highlights

- Move forward on initiatives around affordable housing, waterfront rejuvenation, and the Clean and Beautiful Cities programme. These initiatives are mutually supportive, and all are guided by principles of sustainability, transparency, and accessibility by all Torontonians.
- Continue to negotiate new powers and sources of revenue for the City of Toronto as part of the New Deal for Cities. This includes working with the Province to create a new City of Toronto Act, and securing for the City new revenues that grow with the economy.
- Maintain our commitment to investing in public realm, including public transit, green spaces, affordable housing, and public health. This ensures that all Torontonians have access to the services and resources that make this city a great place to live.

Department Map

The Office of the Mayor is comprised of one service, with a total of 19 approved positions as follows:



3-1-1 Customer Service Initiative

Mission Statement:

The Toronto Public Service provides 3-1-1 services that are 'high quality, well-coordinated and easy to access' to the public, with respect, professionalism and integrity.

Program Objectives

"3-1-1 Customer Service Initiative" is a new customer service delivery model, which will be implemented by the City of Toronto over a three year period. In the United States, the "3-1-1" service delivery is universally recognized as a municipal brand of service excellence.

- ▶ The project will improve public access to City services and provide consistent customer service delivery across all available channels (telephone, web, counter, e-mail).
- ▶ It is expected that about 70% of calls will be resolved at the first point of contact.
- ▶ Electronic capacity to track service requests from start to finish will be developed and the general public will be able to track their own service requests.
- ▶ The project is also expected to improve the allocation of internal resources and public perceptions of City Hall due to more efficient service delivery and potential time savings for the general public.

2005 Strategic Direction and Service Priorities

- ▶ Provide research support to CSWG.
- ▶ Refine scope of Toronto 3-1-1 project in conjunction with CSWG.
- ▶ Refine the 3-1-1 operational model based on CSWG scope.
- ▶ Develop a schedule and project plan for implementation of 3-1-1 based on CSWG approved scope.
- ▶ Develop a realistic budget for implementation of 3-1-1 based on CSWG approved scope.
- ▶ Obtain Council approval of multi-year capital and operating budget.
- ▶ Initiate full implementation of the approved 3-1-1 model.
- ▶ Effective issues management arising from project implementation.
- ▶ Implement internal staff communication strategy.
- ▶ Regular progress reports to internal Steering Committee and Council.

Program Map

The Project Management Office for "3-1-1 Customer Service Initiative" was approved and established in February 2005. It is comprised of eight positions. Four of these positions are funded through the PMO budget. Three positions are "donated" by divisions. A business analyst position is funded through the Service Improvement and Innovation Unit. Future year capital and operating requirements, including the project implementation and operations related positions are currently under review of the Council-Staff Working Group (CSWG).

3-1-1 Customer Service Initiative

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Project Management Office	503.1	503.1
Total Program Budget	503.1	503.1

2005 Budget Highlights

- ▶ Recruitment and selection of initial 3-1-1 Project Management Office staff.
- ▶ Creation of physical office space at City Hall for Project Management Office staff.
- ▶ Presentation of 3-1-1 operational model, project schedule of deliverables and budget to Council Staff Working Group.
- ▶ Provision of background research documents and staff support for Council Staff Working Group as required.
- ▶ Development of Council reports and presentations on an ongoing basis for approval.
- ▶ Arrangement of logistics for site visits by Council Staff working group to Baltimore and Miami-Dade County.
- ▶ Co-ordination of national 3-1-1 Joint Applicant response and meetings to Bell Canada tariff application.
- ▶ Liasion with Departments/Divisions to review and refine original budget estimates, project options, project plans and schedule.
- ▶ Act as City representatives and spokesmen at national customer service meetings, conferences, GTA based meetings

Energy Retrofit Program

Overview:

Council's Strategic Plan and the Environmental Plan identify the need to encourage energy efficiency in the City of Toronto's portfolio of facilities. Reduced energy consumption will yield financial savings and environmental benefits to the City. The Energy Retrofit Program (ERP) was started in 2004, with an initial capital investment of \$20 million. In March 2005, Council reiterated its commitment to the Energy Retrofit Program and recommended that a report back during the 2006 budget process on the next phase of the ERP.

Program Objectives

- › To finance energy retrofit projects in City-owned facilities with the potential for favourable investment returns
- › To facilitate achievement of the City's carbon dioxide and energy consumption reduction targets

2004 Major Accomplishments

- › Completed feasibility study report for the Exhibition Place Buildings
- › Submitted tenders for equipment for the Exhibition Place Tri-generation project

2005 Capital Budget Highlights

Phase Two of the ERP is expected to start in 2006, hence no new funding was allocated in 2005. The figures below represent the revised cash flow and future year commitment for the 2004 budget allocation carried forward into 2005.

- › \$10.213 million for retrofitting 100 City arenas
- › \$3.624 million for retrofitting 85 fire stations
- › \$4.400 million for a Tri-generation project at Exhibition Place
- › \$1.365 million for retrofitting 5 buildings at Exhibition Place

Incremental Operating Impact of the 2005 Capital Budget

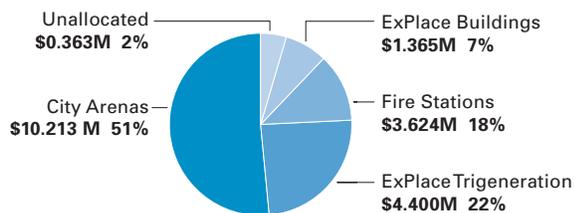
Energy savings resulting from the Energy Retrofit Project are to be applied to retirement of the debt related to the project. There are no net operating impacts until full debt retirement is achieved.

Energy Retrofit Program

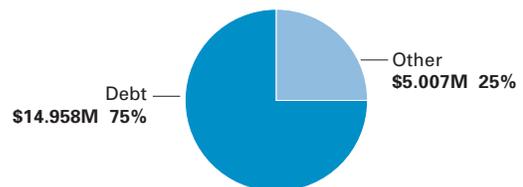
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total	
		2006	2007	2008		2009
Previously Approved						
City Arenas	4,000	3,100	3,113	—	—	10,213
Fire Stations	2,200	800	624	—	—	3,624
Exhibition Place -Tri-generation	4,400	—	—	—	—	4,400
Building Retrofits - Exhibition Place	865	500	—	—	—	1,365
Unallocated balance	363	—	—	—	—	363
Total Previously Approved	11,828	4,400	3,737	—	—	19,965
New						
None						
Total New	—	—	—	—	—	—
Total Energy Retrofit Program	11,828	4,400	3,737	—	—	19,965

Where the money goes



Where the money comes from



Union Station

2005 Capital Budget

Budget: \$7.528 M Gross comprised of \$5.783 M previously approved and \$1.745 M new and on-going projects [2004 Gross Budget - \$1.305 M]

- \$0.225 M for the replacement of the York Street expansion joints
- \$1.888 M for the replacement of the pedestrian bridges along Front Street.
- \$1.490 M for urgent safety and state of good repair needs at Union Station
- \$0.943 M for the repairs to the skylights at Union Station

2004 Major Accomplishments

In addition to the ongoing negotiations with Union Pearson Group and creation of a Master Plan for the revitalization of Union Station, a Fire Life Safety Audit and Fire Safety Plan were completed for the Station. The RFP for design and contract administration services for the necessary capital repair projects was completed and design work commenced.

2005 Capital Budget Highlights

The majority of the design work will be completed in 2005 including all necessary heritage approvals and two of the identified projects will proceed to construction.

Incremental Operating Impact of the 2005 Capital Budget

There are no Incremental Operating Impact of the 2005 Capital Budget for Union Station.

Asset Inventory

Union Station is part of Facilities & Real Estate and the property itself is considered as an asset.

Five Year Capital Plan

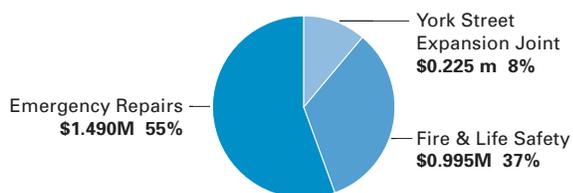
- Future Year projections for Union Station are all pending the conclusion of lease agreement negotiations between the City and the Union Pearson Group.

Union Station

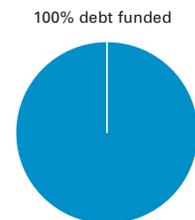
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total	
		2006	2007	2008		2009
Previously Approved						
Replace Skylights on flat roof	943	316	—	—	—	1,259
Install new roof anchors	207	—	—	—	—	207
Exterior façade repairs	910	910	—	—	—	1,820
Replace west window wall	870	—	—	—	—	870
York Street Expansion	225	1,976	—	—	—	2,201
Replace pedestrian bridges	1,888	1,887	—	—	—	3,775
Emergency Repairs	740	—	—	—	—	740
Total Previously Approved	5,783	5,089	—	—	—	10,872
New						
Copper roof repairs	—	2,290	—	—	—	2,290
Fire & Life Safety	995	—	—	—	—	995
Emergency Repairs	750	—	—	—	—	750
Total New	1,745	2,290	—	—	—	4,035
Total Union Station	7,528	7,379	—	—	—	14,907

Where the money goes



Where the money comes from



Arena Boards of Management

Mission Statement:

The Arena Boards of Management provide safe, full and equitable access to high quality indoor and outdoor ice sport recreational facilities that are managed effectively and efficiently to provide opportunities for physical fitness and sport skill development through individual and team activities in response to local community needs.

Program Objectives

The Arena Boards of Management are in business to do the following:

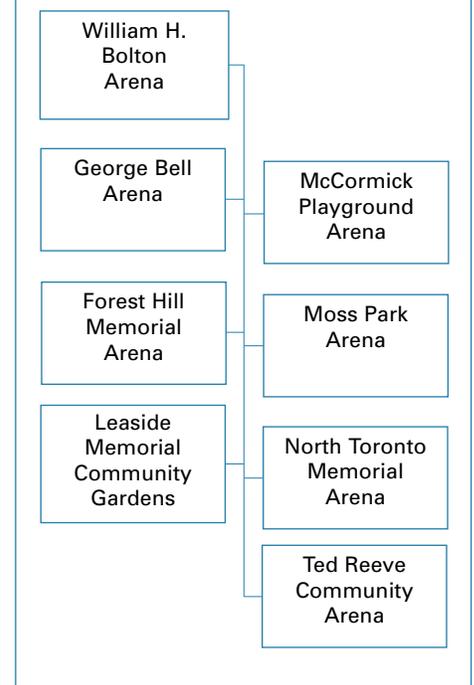
- ▶ Provide equitable access to high quality indoor and outdoor ice sport recreational opportunities by:
 - ▶ maintaining physical facilities at a high standard
 - ▶ maintaining a high level of responsiveness to community needs
 - ▶ providing a high standard of public service to the community
 - ▶ ensuring that program offerings reflect present and emerging community interests and requirements
- ▶ Effectively and efficiently manage operations without imposing operating costs on the taxpayer by:
 - ▶ minimizing operating expenditures by using the best management practices available
 - ▶ pursuing present and emerging revenue opportunities to minimize support from the taxpayer
 - ▶ pursuing opportunities to provide new or improved programs or services in response to emerging community needs
 - ▶ maximizing opportunities to generate supplementary revenues from accessory operations to support arena operations

2005 Strategic Direction and Service Priorities

- ▶ Continue to provide high quality facilities and recreational opportunities that respond to community needs
- ▶ Manage operations using the best available practices to minimize the need for operating support from the taxpayer

Program Map

The program is comprised of eight Arena Boards of Management, with a total of 63.5 approved positions:



Arena Boards of Management

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
George Bell Arena	463.1	27.0
William H. (Bill) Bolton Arena	698.1	(0.9)
Forest Hill Memorial Arena	862.3	(1.2)
Leaside Memorial Community Gardens	892.1	91.0
McCormick Playground Arena	575.5	(0.7)
Moss Park Arena	512.9	124.0
North Toronto Memorial Arena	717.9	(0.4)
Ted Reeve Community Arena	754.9	9.4
Total Program Budget	5,476.8	248.2

2005 Budget Highlights

- Funding of \$0.124 million to offset the revenue loss arising from the Moss Park Arena shutdown for major renovations
- Four Arenas (Bill Bolton, Forest Hill, McCormick and North Toronto) plan on breaking even or generating a net surplus
- A normalized 4.2% revenue growth through expanded programs, incremental ice time rentals, selected ice rate increases and additional accessory operation revenues to offset increasing operating costs and higher fringe benefits costs

2004 Achievements

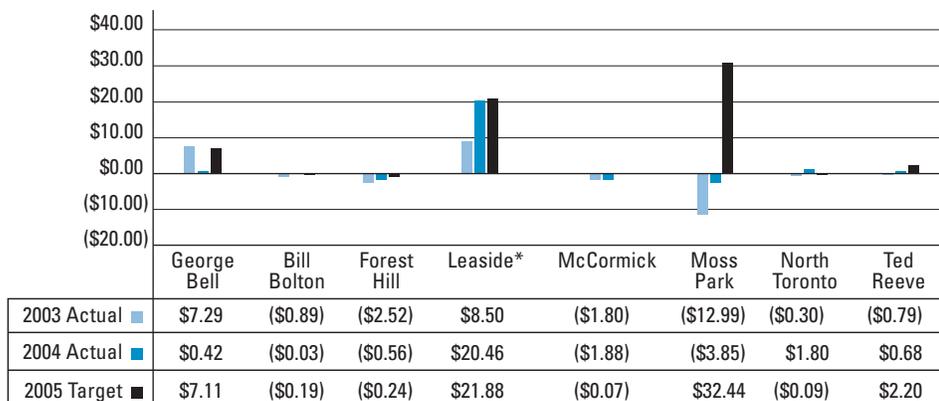
- Implemented a policy and funding mechanism for ice resurfacer replacements at the Arena Boards of Management beginning with a 2004 contribution of \$0.075 million to the Vehicle & Equipment Replacement Reserve
- Four Arenas (Bill Bolton, Forest Hill, McCormick and Moss Park) generated net surpluses from operations

Performance Measures

Net Cost per Hour of Operation

A key mandate of an Arena Board of Management is to manage and operate the arena (a City-owned asset) effectively and efficiently at no cost to the City. The goal is to have a neutral impact on City finances by generating sufficient revenue to fund operations. The "net cost per hour of operation" measurement is a common performance measure in the industry and is applicable to the Arena Boards to determine how each arena is performing, from an operational efficiency and financial perspective.

Net Cost (Surplus) Per Hour of Operation



*Leaside's net cost per hour of operation includes historical capital financing of \$25.7K annually or \$6.18 per hour.

Association of Community Centres

Mission Statement:

The Association of Community Centres, which is made up of ten community centres, is to implement City’s Social Development Strategy by fostering a sense of community, promoting civic engagement and enhancing the quality of life through the development, provision and support of activities, services and programs responsive to local needs.

Program Objectives

- ▶ Strengthen individual and community capacity.
- ▶ Contribute to social infrastructure, quality of life and community safety.
- ▶ Act as a social hub and gathering place.
- ▶ Encourage residents to participate in community life.

2005 Strategic Direction and Service Priorities

- ▶ Provide a wide range of quality programs and services to meet residents’ needs.
- ▶ Maintain a community base that is representative of the neighbourhood.
- ▶ Provide opportunities for local residents to improve their communities.
- ▶ Provide and preserve community access to space.

2005 Operating Budget by Service

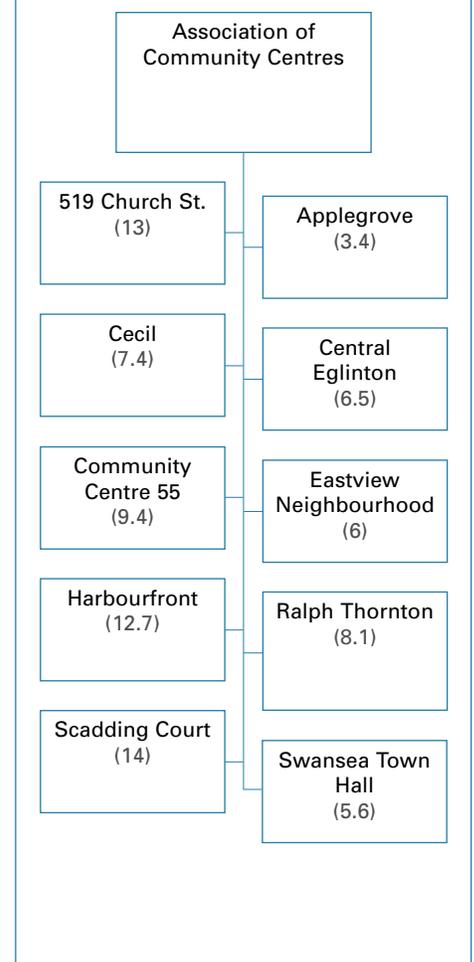
Services	Gross (\$000s)	Net (\$000s)
519 Church Street	986.8	986.8
Applegrove Complex	306.7	306.7
Cecil	544.9	544.9
Central Eglinton	453.9	453.9
Community Centre 55	521.3	521.3
Eastview Neighbourhood	411.5	411.5
Harbourfront	906.8	906.8
Ralph Thornton	546.3	504.2
Scadding Court	676.1	676.1
Swansea Town Hall	346.6	227.9
AOCC - General	15.0	15.0
Total Program Budget	5,715.9	5,555.1

2005 Budget Highlights

- ▶ \$0.015M gross/\$0.015M net – Undertake a review of IT requirements in conjunction with corporate IT for 10 community centres
- ▶ \$0.023M gross/\$0.023M net – Increase in Volunteer Co-ordinator hours for Central Eglinton Community Centre

Program Map

The Association of Community Centres is comprised of ten community centres, with a total of 86.1 approved positions:



Association of Community Centres

2004 Achievements

- Served over 187,000 individuals with increased participation of 6,115 volunteers contributing over 147,670 voluntary hours, in 2004
- Substantially increased revenues from business community to support centres.
- Started construction of 9,000 square feet of additional space in response to public demand for programs.
- Provided leadership and ongoing support to communities during the on-going SARS crisis from previous year.

Performance Measures

Community Centre	# of Clients Contact	# of Individuals Served	# of Volunteers
519 Church St.	159,000	37,035	1,600
Applegrove	27,000	1,620	164
Cecil	80,800	25,500	210
Central Eglinton	66,500	6,600	345
Community Centre 55	152,513	37,159	2,446
Eastview Neighbourhood	170,000	5,300	180
Harbourfront	299,648	15,625	143
Ralph Thornton	78,620	9,370	575
Scadding Court	357,000	46,410	252
Swansea Town Hall	80,000	3,000	200
Total	1,470,880	187,619	6,115

There are a number of factors that may impact on the above performance measure data of each community centre, such as the number and the nature of services and programs delivered at each community centre; the size of the community centre; the proportion of the user groups; and the demographic of the local community.

Exhibition Place

Mission Statement:

To provide an opportunity for business stimulation and economic development in the community and across the country and to provide a focus for public celebrations and events while preserving the architecturally and historically significant structures on the grounds.

Overview

Consisting of approximately 192 acres of parkland with many historical buildings that are owned by the City of Toronto and managed by the Board of Governors, Exhibition Place is venue to more than 300 events and trade and consumer shows annually. Exhibition Place has matured from a day-stay attraction to a year-round diversified destination attracting over 5.2 million visitors to the grounds each year. We work with our clients to build their events from the ground up. Our seasoned event management team is fully supported by a complete range of in-house services.

The Exhibition Place

Program is responsible for the general management and operation of the 192-acre urban park and promotes new business opportunities on the grounds. Exhibition Place is home to 25 historic (designated or listed) buildings and structures.

The National Trade Centre

Program manages this state-of-the-art trade and consumer show facility which is the largest in Canada and sixth largest in North America. It has over one million square feet of contiguous space and is managed by O&Y/SMG on behalf of Exhibition Place and the City of Toronto. The Ricoh Coliseum is part of The National Trade Centre Complex and is Toronto’s newest sports and entertainment facility. With 10,000 seats, 38 luxury suites and full-service concession areas, the Ricoh Coliseum is a prime venue for sporting events, concerts, corporate events and trade and consumer shows.

The Canadian National Exhibition

Program presents the CNE, one of the largest annual Fairs in North America. The fair is held each year for the 18 days prior to and including Labour Day and attracts visitors from the GTA, southern Ontario and beyond.

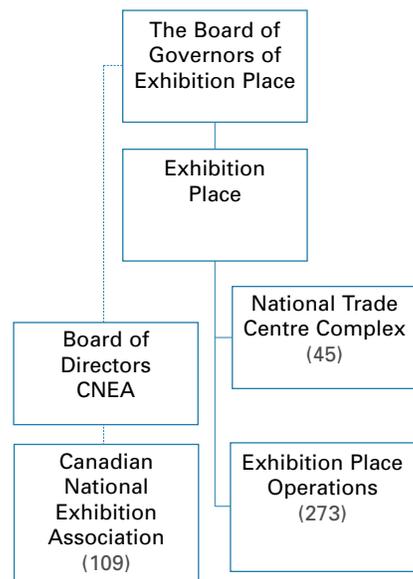
Key Stakeholders

Exhibition Place’s key customers are:

- ▶ The local community members who enjoy the grounds as a public park facility
- ▶ The citizens of the City of Toronto who attend the various events (CHIN picnic, Molson’s Car Race, Caribana Event, numerous charitable and special purpose events, the Royal Agricultural Winter Fair and others) that are held on the grounds each year
- ▶ The business clients and the general public who attend the various corporate and consumer shows presented by the National Trade Centre each year. For example the following events have recently taken place at the National Trade Centre – The Clothing Show, Perfect Man Film Shoot, Mount Sinai Charity Ball, Building Trades Conference, Wireless & Mobile World Expo, Annual Latvian Song & Dance Festival and the Jewellery World Expo

Program Map

Exhibition Place is comprised of three services, with a total of 427 approved positions:



Exhibition Place

2005 Strategic Directions

The following are some of the key challenges for the 2005 fiscal year:

- › Very competitive show venue environment in the Toronto area (Metro Toronto Convention Centre, the Congress Centre) and the need to combat the lingering effects from the 2003 SARS and the general sluggish economic climate for trade shows and corporate events
- › Most collective agreements for Exhibition Place hourly paid workers are being negotiated in 2005 and this causes cost pressures and some degree of cost uncertainty for business planning
- › Adjust to the revisions to the Ricoh Coliseum lease structure and re-launch the marketing of this venue
- › There are increasing cost pressures for Exhibition Place for salaries and wages and utilities and these have to be absorbed or offset by other revenues to maintain the level of income that has been committed to the City of Toronto

The following are some of the organizations important goals and objectives for 2005:

- › Begin construction of the tri-generation project at the Exhibition Place which will introduce state-of-the-art energy technology and ultimately result in energy cost savings
- › Diversification of target customer group for future shows and events to include more film shoots, religious and cultural events and private functions
- › Introduction of electronic turnstiles at the Canadian National Exhibition for 2005 fair for faster, more reliable gate information and better control of admissions
- › Continue to finalize negotiations with hotel proponent on the eastern sector of the grounds to support the show and convention activity at the National Trade Centre
- › Continue to emphasize health and personal safety on the grounds and the importance of an accident free workplace
- › Complete negotiations with Toronto Hydro Energy Services Inc. to develop a strategy for energy efficient capital upgrades for the non-tenanted buildings
- › Complete the preliminary work necessary in order to issue a public proposal for an aquarium development

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Canadian National Exhibition	18,445.2	(676.4)
Exhibition Place	14,500.3	1,717.2
National Trade Centre	12,999.5	(1,289.8)
Total Program Budget	45,945.0	(249.0)

2005 Budget Highlights

- › The 2005 Approved Budget for Exhibition Place represents no change from the 2004 Approved Budget

2004 Achievements

Exhibition Place achieved many significant accomplishments in 2004, some of which are as follows:

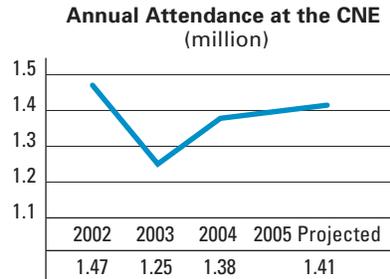
- › Staged a successful 2004 Canadian National Exhibition with over 1.4 million in attendance and preliminary indications of exceeding budget targets of \$650,000 of income
- › A key venue for the Dali Lama's visit to Toronto (Kalachakra for World Peace) and hosted many other culturally significant and commercially successful events
- › Finalized leases and other arrangements for year round development opportunities/tenants in the Horticulture Building and Bandshell restaurant
- › Continued the integration of the Ricoh Coliseum into the Exhibition Place Plan of business activity
- › Welcomed a new tenant to Exhibition Place – Aerophile S. A. – a helium filled balloon attraction for the grounds
- › Developed a traffic management program for British Columbia Drive (the western sector of the grounds)
- › Implemented a comprehensive fire prevention program
- › Continued to be a world class demonstration site for advanced "Green" energy technology with the opening of a hydrogen generation and refuelling facility
- › Continued the implementation of a new financial information system to provide more focused and timely management information to make better operating and resource allocation decisions

Exhibition Place

Performance Measures

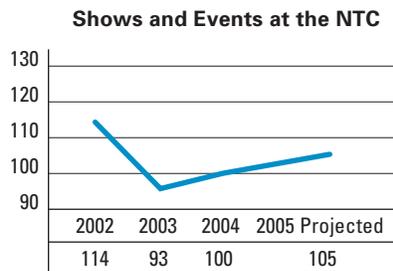
Canadian National Exhibition

This measure comprises attendance figures for Canadian National Exhibition (CNE).



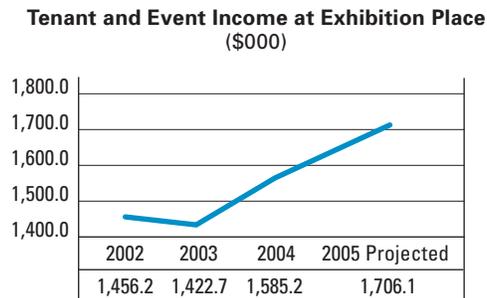
National Trade Centre

This measure relates to the total numbers of Shows and Events held annually at the National Trade Centre (NTC).



Exhibition Place

This measure relates to the total income from Tenants and Events at Exhibition Place.



2005 Capital Budget

2004 Major Accomplishments

- ▶ \$0.445 M - to replace the Fire Alarm System in the Queen Elizabeth Building
- ▶ \$0.520 M - to replace the Flat Roof of the Automotive Building
- ▶ \$0.075 M - to replace and dispose the old PCB Transformers in the Arts, Crafts & Hobbies Building
- ▶ \$0.200 M - to repair the exterior brick and replace the entrance lighting at the Better Living Centre Building

Exhibition Place

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$5.550 million [2004 Budget – \$5.619 million]

- › \$0.540 M - for completion of the repair of the Prince's Gates
- › \$0.900 M - for replacement of the Bandshell Canopy
- › \$0.470 M - for enclosing the court yard at the Better Living Building
- › \$1.515 M - for repairs to the Parking Security System, Electrical and Transformers
- › \$0.500 M - for replacement of windows and various repairs in the Queen Elizabeth Building
- › \$0.480 M - for repairs to parking lots, roads and the irrigation system
- › \$0.300 M - for Landscaping to the Food Building Entrances

Incremental Operating Impact of the 2005 Capital Budget

There is no Incremental Operating Impact resulting from the 2005 Capital Budget.

Asset Inventory

- › 192 acre site
- › 7,416 indoor and aboveground parking spaces (including 1,320 indoor spaces at NTC)
- › 5.5 kilometers of public roads on site
- › 9 buildings and structures designated under the Ontario Heritage Act
- › 16 buildings and structures listed within inventory of Heritage Toronto

Facilities

- › 34 acre of landscaped parks at west end of the grounds
- › 12 short/long-term tenants operating year-round businesses
- › The National Trade Centre completed in March 1997 at a cost of \$180 million as part of the Canada/Ontario Infrastructure Works program
- › Location of the first Wind Turbine in Toronto in 2002, generating 1,400,000 KWh green energy
- › Ricoh Coliseum, a \$38-million entertainment/consumer-trade show/sports centre developed as a public-private partnership opened November 1, 2003.

Exhibition Place will require external professional resources in order to develop a thorough assessment of the buildings and other structures. This work would enable staff to prepare the firm five-year capital plan that will be required for the 2006 budget cycle.

These studies are not ready at the current time but it is planned that this work would be completed in 2005

Five Year Capital Plan

- › Exhibition Place has developed a ten-year capital plan the result of a careful review of the existing needs and deficiencies of the buildings on the site. It also contains spending allocations for new initiatives which are consistent with the long-term development concept for the site and its potential for successful year round business activity
- › It should be kept in mind that new priorities could emerge over the next five years such as an increasing number of energy efficiency projects, the construction of a new Conference centre and hotel on the grounds and other significant developments. Additionally given the age of many of the buildings on the grounds, major urgent needs could occur on short notice

Significant Issues and Challenges within the Capital Plan

- › The 2005 capital budget was a difficult process of matching limited resources to competing needs for maintenance and repairs. Many worthwhile projects had to be deferred in order to develop an affordable capital budget program for 2005. This gap between needs and resources will be identified by the analysis of asset inventory and state of good repair summary
- › Exhibition Place Capital Works staffs have to deal with a compressed construction period, as there are many periods throughout the year when construction cannot take place on the grounds or within The National Trade Centre because of major events

Exhibition Place

2005 Capital Budget (continued)

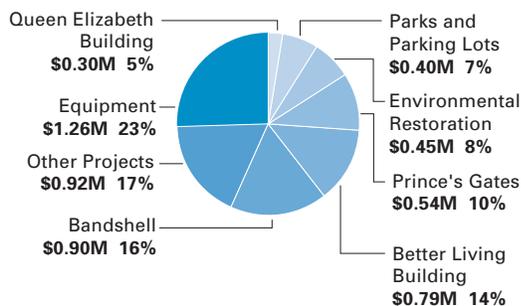
Energy Retrofit Projects

- Exhibition Place is developing a number of energy and water saving projects to provide energy efficient improvements through participation in the City's Energy Retrofit Program. Design work started in 2004 with Construction beginning in July 2005. The objective of the Energy Retrofit Projects will be to recover the capital costs over eight years.

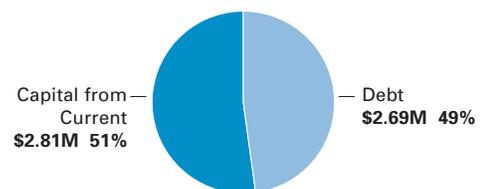
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Prince's Gates	540	—	—	—	540
Total Previously Approved	540	—	—	—	540
New					
Pre-Engineering	125	—	—	—	125
Equipment	1,255	—	—	—	1,255
Colliseum	120	—	—	—	120
National Trade Centre	185	—	—	—	185
Other Buildings	1,125	—	—	—	1,125
Automotive Building	215	—	—	—	215
Better Living Building	785	—	—	—	785
Environmental Restoration	450	—	—	—	450
Food Building	50	—	—	—	50
Queen Elizabeth Building	300	—	—	—	300
Parks and Parking Lots	400	—	—	—	400
Total New	5,010	—	—	—	5,010
Total Exhibition Place	5,550	—	—	—	5,550

Where the money goes



Where the money comes from



Heritage Toronto

Mission Statement:

Heritage Toronto is committed to the development of a shared sense of place and memory among the citizens of Toronto, and believes that community involvement is essential in achieving this. Working with the people of the City, Heritage Toronto will interpret, support and act as an advocate on behalf of the City's historic buildings as well as its natural, archaeological and cultural heritage.

Program Objectives

- ▶ Provide advice and public information for the conservation of Toronto's heritage assets
- ▶ Organize and carry out fundraising activities for the purpose of heritage research, education and the delivery of community focused heritage programming
- ▶ Enhance the public's appreciation for and understanding of Toronto's built, cultural and natural heritage

Key Stakeholders

As one of Canada's largest and oldest volunteer-driven heritage charities, Heritage Toronto depends on the generosity of individuals, foundations and corporations for their support in making annual donations.

2005 Strategic Direction and Service Priorities

Conservation Promotion

Secure conservation of physical aspects of Toronto's built, natural, cultural and archaeological heritage through enhanced public knowledge and awareness.

- ▶ Implementation of principles to guide decisions on activities affecting heritage assets
- ▶ Improve the Heritage Toronto website to permit faster up-dates, membership applications, and program registration
- ▶ Increase total membership by 15%
- ▶ Increase program activity
- ▶ Enhance the level of service to community heritage groups
- ▶ Deliver position paper to Province on tax incentives for heritage properties, and heritage property insurance issues

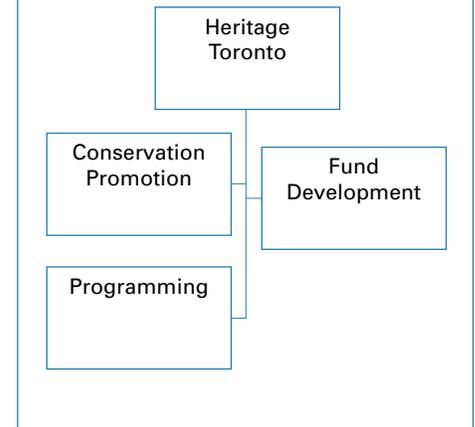
Fund Development

Support eligible fundraising objectives of City museums, Preservation Board and Panels, as well as provide administration for volunteer driven community heritage organizations and increase the number and amount of donations to Heritage Toronto.

- ▶ Implement efficiencies to cut cost of providing services to community heritage groups by 40%
- ▶ Increase the number of corporate donors for Heritage Toronto activities by 30%
- ▶ Ensure the ability and capacity of local community heritage groups to undertake fundraising activities and increase the level of corporate donations by 40%

Program Map

Heritage Toronto is comprised of three services, with a total of 5 approved positions:



Heritage Toronto

2005 Strategic Direction and Service Priorities (continued)

Programming

To provide a variety of heritage programs that collectively recognize the diversity of Toronto’s heritage and the cultures that created that heritage.

- Increase participation in the Walking Tour program by 31%
- Re-design walking tour training program to improve level of service over five years
- Increase participation in Open Doors program in co-operation with corporate sponsors
- Fully roll out heritage plaque marker program with four or five commemorative plaques and up to 40 designation/inventory property identification plaques

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Programming	174.9	26.9
Advocacy	245.1	241.9
Fund Development	99.0	39.1
Total Program Budget	519.0	307.9

2005 Budget Highlights

- \$0.015 million - donation to provide for the maintenance and promotion of existing inventory of heritage plaques
- Increase in membership through recruitment activity and programming to members

2004 Achievements

- Heritage principles adopted by Heritage Toronto Board
- Tripled the number of visits to Heritage Toronto website
- Increased membership by 16%
- Adopted policies for the Heritage Plaque and Marker Program

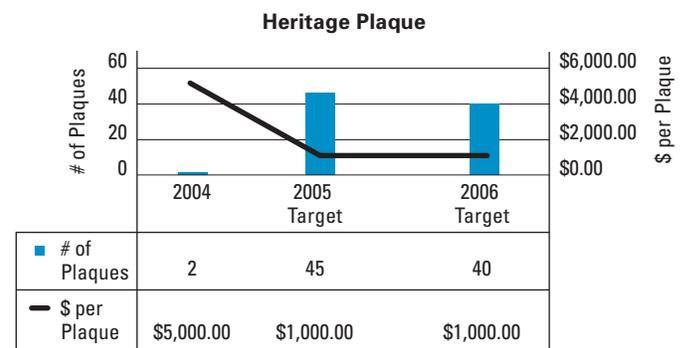
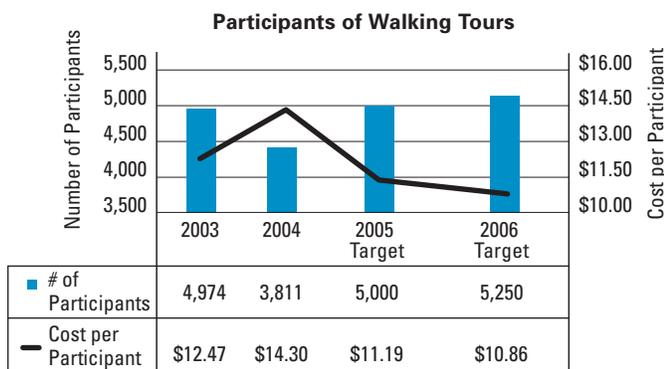
Performance Measures

Walking Tours

Heritage Toronto, partnered with 24 community organizations across Toronto in the presentation of 47 neighbourhood heritage walking tours each weekend from mid-April to late October to over 3,500 participants with the additional support of 105 Heritage Toronto Walking Tours volunteers who wrote, presented or assisted with each walk. The program is anticipating 5,000 participants in 2005 and 5,250 in 2006.

Heritage Plaque Program

The Heritage Plaque program initiated in 2004 includes; the identification, creation, installation and maintenance of commemorative and heritage property identification plaques as well as heritage information plaques. The program is anticipating the installation of 45 plaques in 2005, the first full year implementation of the program.



Parking Tag Enforcement & Operations

Mission Statement:

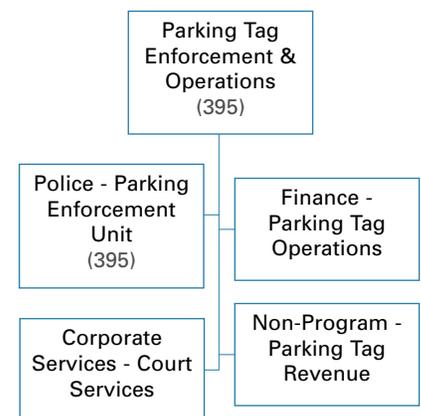
The Parking Tag Enforcement and Operations Program contributes towards the enhancement of the quality of life in the City of Toronto. Through its various responsibilities, it contributes to the safe and orderly flow of vehicular traffic by enforcing the City's parking by-laws and responds to the parking concerns of the community.

Program Overview

The Parking Tag Enforcement and Operations consolidates four program areas to facilitate Council review of these related operations: Toronto Police Service – Parking Enforcement Unit, Finance – Revenue Services Division (Parking Tag Operations), Corporate Services – Court Services, and Non-Program – Parking Tag Revenue.

- ▶ Toronto Police – Parking Enforcement Unit is made up of parking enforcement officers who are responsible for administering and enforcing the City's transportation / parking by-laws across the City. Responsibilities include issuing parking tickets to illegally parked vehicles and towing of illegally parked vehicles where necessary.
 - ▶ In addition to its own parking enforcement officers, the Parking Enforcement Unit trains and certifies staff from other independent agencies to serve as Municipal Law Enforcement Officers (MLEOs). Trained and certified by the Toronto Police Services, MLEOs are empowered to write parking tickets on private or municipal property.
- ▶ Finance – Revenue Services Division (Parking Tag Operations) is responsible for the processing and collection of fines for all parking infraction notices (i.e. parking tickets) issued in the City of Toronto. Responsibilities include data entry of parking ticket information; providing service at first appearance facilities; payment processing; pursuing unpaid fines; and filing trial requests with courts.
- ▶ Corporate Services - Court Services is responsible for the scheduling and supporting of approximately 90,000 Provincial Offence Act part II (parking tickets) trials per year. If convicted, the offender has the option to appeal to a Judge, ask for an extension of time to pay, or pay the fine. The courts manage the filing of these Provincial Offences Act matters including appeals, re-openings and extensions of time to pay.
- ▶ Non-Program – Parking Tag Revenues generated by the parking tickets issued. Approximately 3.0 million parking tickets are issued each year, and fines of approximately 81 percent of the tickets issued are collected.

Program Map



Note: Parking Tag Operations' 45 positions are accounted for in the Finance Department's Operating Budget.

Parking Tag Enforcement & Operations

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Parking Enforcement Unit	31,873.9	31,408.9
Parking Tag Operations	9,216.4	9,216.4
Court Services	990.0	990.0
Parking Tag Revenue	—	(82,787.0)
Total Program Budget	42,080.3	(41,171.7)

2005 Budget Highlights

- Increase of \$10.119 million in Parking Tag revenues resulting from the impact of eliminating Voluntary Payment Amount and increasing set fine amounts for parking offences.
- Increase of \$0.990 million in expenditures to reflect Court Services' recovery from the Parking Tag Enforcement and Operations commencing year 2005, for costs incurred for the judiciary processing of parking tickets.

2005 Capital Budget

2004 Major Accomplishments

- Issued Request for Proposals for handheld parking devices. Based on the responses received, it became apparent that the total project cost of \$2.815 million associated with the technical requirements was not sufficient to meet the tender requirements. As a result, the project was deferred until 2005.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$4.534 million [2004 Budget – \$3.249 million]

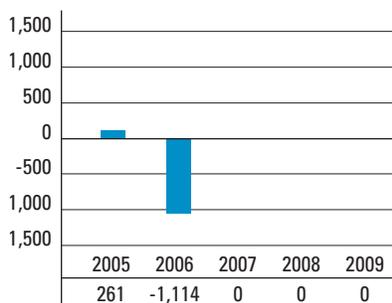
- \$4.100 million for Handheld Parking Devices to provide the Parking Enforcement Unit with more expedient data transfer, increased ability to locate stolen vehicles and an increased rate in processing tickets.
- \$0.434 million for the Vehicle and Equipment Replacement program.

Incremental Operating Impact of the 2005 Capital Budget

Implementation of the new handheld parking devices project results in an increase in the 2005 Toronto Parking Enforcement Unit Operating Base Budget of \$0.261 million, with an incremental net savings of \$1.114 million in 2006, for a net savings of \$0.853 million. The incremental net operating savings of \$1.114 million in 2006 include the following:

- Toronto Parking Enforcement Unit – net savings of \$0.130 million
- Finance Department, Revenue Services Division, Parking Tag Operations – net savings of \$0.450 million
- Parking Tag Revenue – revenue increase of \$0.534 million

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl Debt Service Cost)
\$0.853 Million Savings**



Parking Enforcement Unit

Asset Inventory

None.

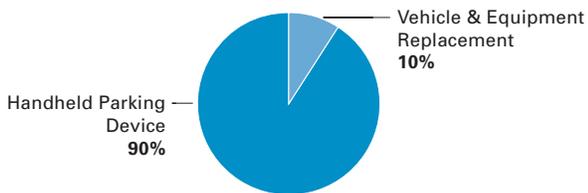
Five Year Capital Plan

- › Implement the handheld parking device project in 2005.
- › Continue the annual vehicle and equipment replacement program.

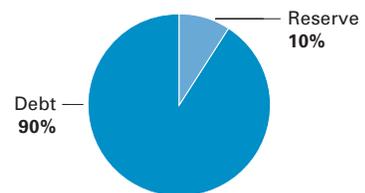
2005 Approved Capital Budget

(\$000s)	2005	Commitments			2009	Total
		2006	2007	2008		
Previously Approved						
None.	—	—	—	—	—	—
Total Previously Approved	—	—	—	—	—	—
New						
Handheld Parking Devices	4,100	—	—	—	—	4,100
Vehicle & Equipment Replacement	434	—	—	—	—	434
Total New	4,534	—	—	—	—	4,534
Total Parking Enforcement Unit	4,534	—	—	—	—	4,534

Where the money goes



Where the money comes from



Theatres

Mission Statement:

Hummingbird Centre

To provide a home for the Canadian Opera Company and the National Ballet of Canada until the summer of 2006. To continue to present a broad variety of entertaining and profitable theatrical and concert events for the enrichment of the diverse public in Toronto.

St. Lawrence Centre for the Arts

To provide state of the art performance facilities and services for Toronto's "not-for-profit" performing arts organizations at an affordable cost.

Toronto Centre for the Arts

To ensure that the (City owned) Toronto Centre for the Arts functions as a first class venue for a full range of performing arts, to enliven and enrich the cultural life of the citizens of Toronto.

2005 Strategic Direction and Service Priorities

Hummingbird Centre

- ▶ To reinvent One Front Street East as City Centre – a location for residents and tourists to celebrate the diversity and cultural interchange that is Toronto

St. Lawrence Centre for the Arts

- ▶ To reflect the City's rich multicultural mosaic by providing a welcoming, professional, service-oriented theatrical and entertainment facility.
- ▶ To host and provide services for non-theatrical events, such as corporate business meetings, seminars and product launches

Toronto Centre for the Arts

- ▶ To implement the new Toronto Centre for the Arts operating and governance models and processes approved by City Council

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Hummingbird Centre	12,873.9	—
St. Lawrence Centre for The Arts	3,494.3	1,435.1
Toronto Centre for The Arts	3,475.2	1,396.3
Total Program Budget	19,843.4	2,831.4

2005 Budget Highlights

Hummingbird Centre

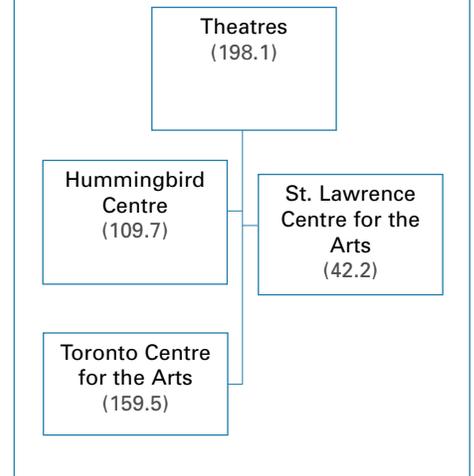
- ▶ Implementation of a comprehensive business plan for the "City Centre" – a window to the world for residents and tourists to celebrate the diversity and cultural interchange of Toronto

St. Lawrence Centre for the Arts

- ▶ To develop financing strategy for the capital maintenance of the Centre

Program Map

Theatres is comprised of three services, with a total of 198.1 approved positions:



Theatres

Toronto Centre for the Arts

- To implement action plan to achieve the approved 2005 operating budget

2004 Achievements

Hummingbird Centre

- Achieved budget target for the year with transfer of \$24,815 to Stabilization Reserve Fund
- Continued to refine preparation of CityCentre™ development business plan for presentation to City Council

St. Lawrence Centre for the Arts

- Implemented a new governance model for the Centre
- Commissioned a new building automation control system to achieve better heating and cooling efficiencies

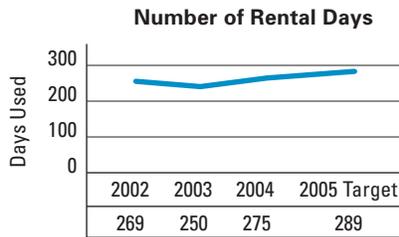
Toronto Centre for the Arts

- Completed a new operating and governance model for the Centre

Performance Measures

Hummingbird Centre

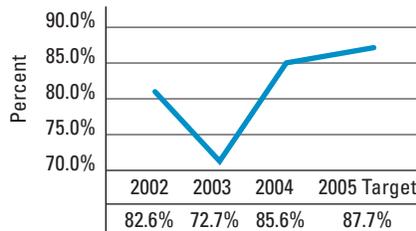
Volume Indicator – Days Used: The number of rental days by year.



St. Lawrence Centre for the Arts

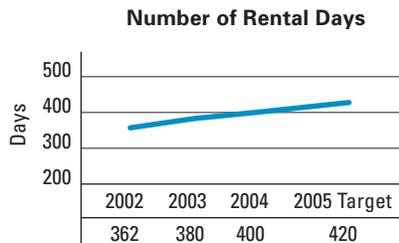
Days Booked As Percentage of Availability.

Percentage of Number of Days Booked/Availability



Toronto Centre for the Arts

Volume Indicator – Days Used : The number of rental days by year.



Toronto and Region Conservation Authority

Mission Statement:

Our mission is to work with our partners to ensure that The Living City is built upon a natural foundation of healthy rivers and shorelines, green space and bio-diversity, and sustainable communities.

Program Objectives

▸ **Healthy Rivers and Shorelines**

To restore the integrity and health of the region’s rivers and waters from the headwaters in the Oak Ridges Moraine, throughout each of the nine watersheds in TRCA’s jurisdiction, to the Toronto waterfront on Lake Ontario

▸ **Regional Biodiversity**

To protect and restore a regional system of natural areas that provide habitat for plants and animal species, improve air quality and provide opportunities for the enjoyment of nature.

▸ **Sustainable Communities**

To facilitate broad community understanding, dialogue and action toward integrated approaches to sustainable living and city building that improves the quality of life for residents, businesses and nature.

▸ **Business Excellence**

To pursue continuous improvement in the development and delivery of all programs through creative partnerships, diverse funding sources and careful auditing of outcomes and effectiveness.

2005 Strategic Direction and Service Priorities

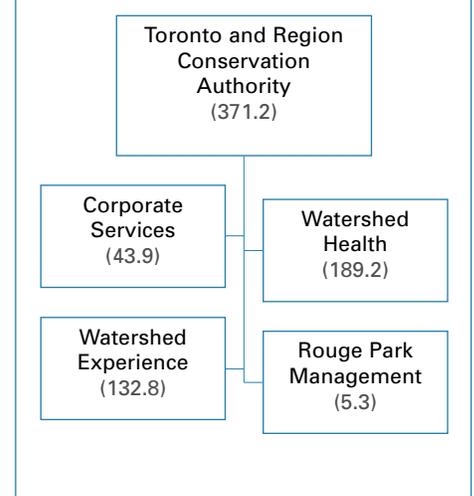
Flat-lined service level in general but more emphasis on completing baseline science and monitoring work in support of restoration strategies.

Corporate Services - the mandate of Corporate Services is to provide high quality administrative support services to organizational programs and staff. Activities include accounting and budgets, HR, Information Systems, Legal services, corporate communication, Board and committee support, printing and office services, and head office maintenance. This service is located at the head office site at Downsview.

Watershed Health - the products and services of this category are at the core of the TRCA’s environmental protection mandate. The purpose of this service is to deliver preventative and regenerative services supported by specialized expertise. In addition, the service provides Asset Management related to the costs of maintaining the lands and infrastructure held in trust by the TRCA on behalf of residents. This would include activities such as Municipal Planning Services to analyze the impact to the Watershed for land use planning and ensure environmental quality and management of risk. Also included in the mandate of this service are Resource Science for research and studies, Watershed Strategies focusing on coordinated stakeholder environmental planning. Watershed Health comprises numerous other products and services such as:

Program Map

The Toronto and Region Conservation Authority is comprised of four divisions, with a total of 371.2 approved positions:



Toronto and Region Conservation Authority

- Geographic info systems, cartography
- Engineering
- Plant material, planting and forestry
- Habitat rehabilitation
- Water control structures: operation and maintenance
- Heritage artifact collection, storage and research
- Water level monitoring
- Capital project management
- Greenspace management
- Conservation education
- Environmental education
- Water quality
- Rental property management

This service is located at various locations within the TRCA's jurisdiction including specific sites such as the head office at Downsview, the Kortright Conservation Centre, 3 residential conservation field centres, the Conservation Services Workshop and Nursery. The jurisdiction of the TRCA includes over 34,000 acres of land holdings as well as dams and water control structures.

Watershed Experience - This service represents outdoor recreation and programming at the TRCA's public use facilities. The mandate of this service is to make the land and resource holdings of the TRCA available to the public for recreational and educational opportunities including hiking, skiing, swimming and camping for over 450,000 visitors annually. Educational and heritage programming includes the top rated Black Creek Pioneer Village which is visited by 180,000 people annually.

Rouge Park Interim Management - The mandate of this service is to oversee the assembling of the land base and restoration of the watershed for areas incorporated into the Rouge Park. This is a joint initiative between the Federal, Provincial and Municipal governments meant to increase land holdings for conservation along the Rouge River corridor and create the largest urban park in North America.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Corporate Services	4,189.2	2,110.2
Watershed Health	16,335.1	2,230.6
Public Use Recreation	8,849.6	1,786.2
Rouge Park Interim Management	468.1	75.2
Subtotal	29,842.0	6,202.2
Toronto Water Contribution to 2005 TRCA Operating Program		(3,393.1)
Total Program Budget	29,842.0	2,809.1

2005 Budget Highlights

- ▶ \$16.335 million - Watershed Health Services, contributing to public safety from the harmful effects of flooding and erosion.
- ▶ \$8.850 million - public use recreation, promoting conservation education.
- ▶ \$0.468 million - Rouge Park Interim Management Services.
- ▶ (\$3.393) million - contribution from the Water Capital Reserve Fund directed towards the funding of watershed protection related programs at the TRCA.

Toronto and Region Conservation Authority

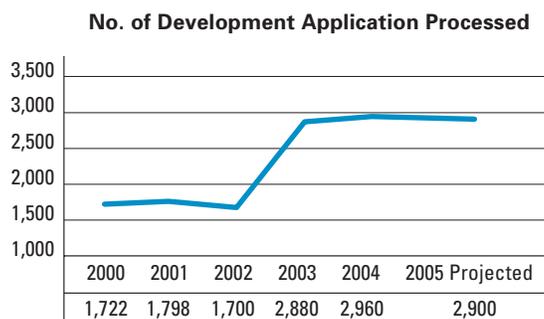
2004 Achievements

- ▶ To help us achieve our natural heritage goals, TRCA planted 138,300 native trees and shrubs within our watersheds in 2004. All plants were propagated from locally collected seed sources. An additional 12,448 plants were supplied to other conservation authorities in the Greater Toronto Area (GTA) and our partnering NGOs. From 2001 to 2004, TRCA planted 718,052 native trees and shrubs, exceeding our four-year goal of 700,000.
- ▶ Helped Make Toronto a Clean and Beautiful City by 16% of additional land acquisitions (up to 11,857 acres of Toronto greenspace), participation in Mayor's cleanup, Greening Healthcare, stewardship and environmental programs.
- ▶ Strengthened Neighbourhoods through environmental education, participation on Asian Longhorned Beetle eradication program, and West Nile Virus monitoring.
- ▶ Improved Planning process through Watershed Councils & Strategies, by providing input into Greenbelt Plan, Source Water Protection planning, and Oak Ridges Moraine Conservation Plan.
- ▶ Improved Public Services through turnaround time improvements in the Development Review program.

Performance Measures

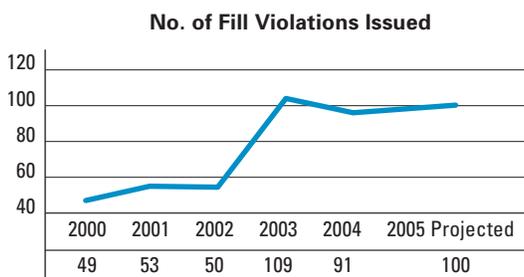
Development Applications Processed

The Authority is an agency with a legislated mandate to enforce regulations concerning the impact a proposed development or expansion may have in terms of the impact of storm water run-off in terms of increasing flood risk and associated water quality issues. It should be noted that the numbers presented do not tell the whole story in that though absolute volumes appear to be fairly constant, because of a better pre-screening process worked out with area municipalities, the applications that do come are more complex and demanding than 5 years ago.



Number of Fill Violations Issued Annually

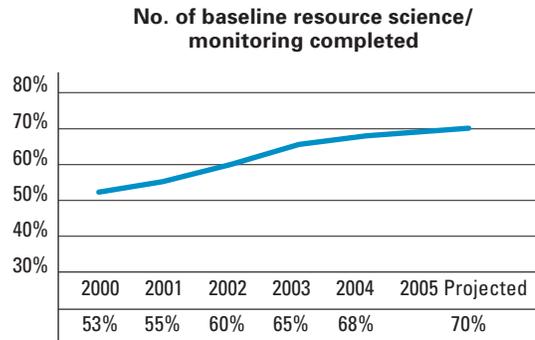
In addition to administering its regulations through the process of screening applications, the Authority also directly inspects for compliance and monitors its areas of jurisdiction for infractions committed outside of the application process. A fill violation represents a situation where a party has illegally dumped fill into a river or valley system creating the potential for flooding of the site, an unstable site on the edge of a valley, or blockages that create heightened flood vulnerability upstream. The Authority employs its own group of trained officers to inspect and charge as necessary. It is assumed that for every discovered infraction there are other undiscovered ones and others prevented by the possibility of detection.



Toronto and Region Conservation Authority

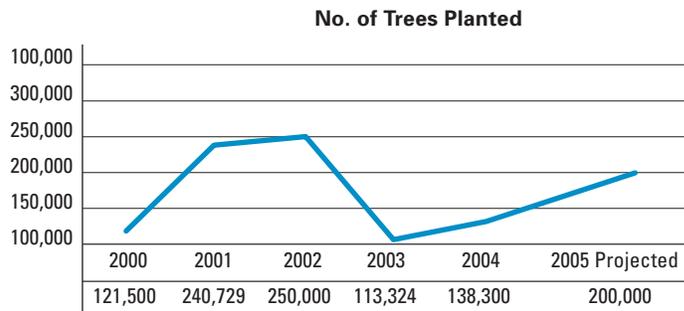
Baseline Resource Science Monitoring

The many environmental protection and regeneration activities of the TRCA require scientific information to plan and carry out. The Authority employs biologists, engineers, ecologists, hydrologists, etc., to carry out such work. The TRCA has a framework around what studies and monitoring activities are required to put in place what is referred to as an Integrated Watershed Plan, the comprehensive context for decision making. It encompasses items ranging from hydrological and water hydraulics studies to inventories of aquatic species, terrestrial landform data, some 30-40 items in all. The measure above describes how much of that base science has been completed to date and is planned for this key strategic activity.



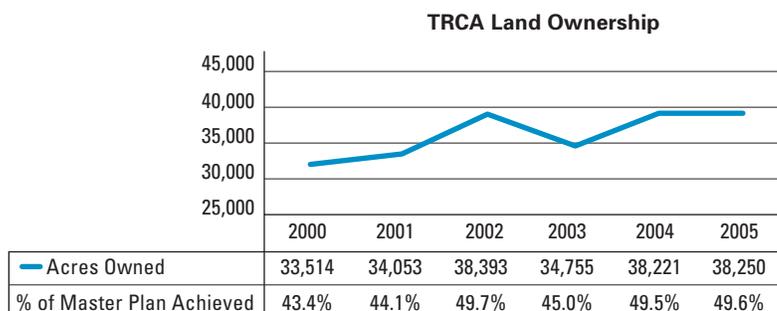
Number of Trees Planted

While the planting of trees is only one activity among many of the kinds of things the TRCA does to regenerate the watersheds of our jurisdiction, it provides some insight into the substantial volume. As can be seen, the trend is upward reflecting the Authority's goal of planting 1 million trees over each 4-year cycle.



Land Ownership

The TRCA is one of the largest landholders in the GTA. While there is more than one way to protect environmentally important, it has been found that outright ownership, particularly in headwater areas, is often advisable. It may be of interest to mention that much of the Toronto Parks system is actually TRCA owned land managed by Toronto Parks. The pace of Land acquisition is dependent on availability of a willing seller and the necessary funding.

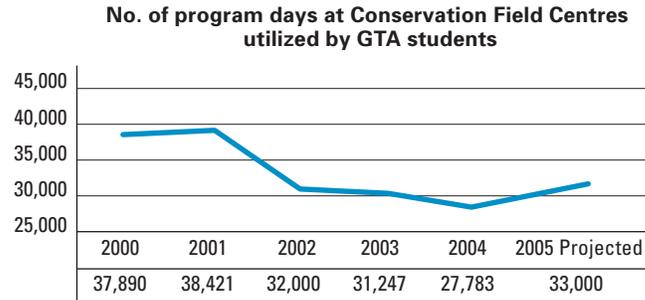


Toronto and Region Conservation Authority

Performance Measures (continued)

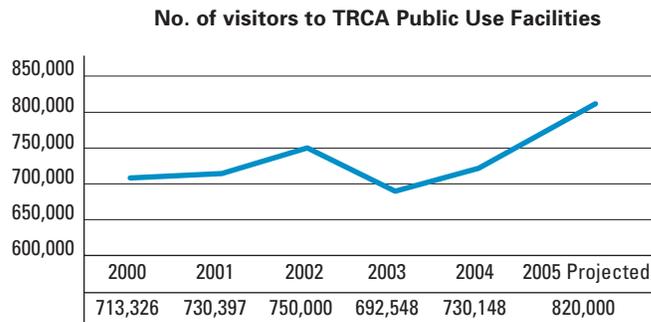
Students Using Environmental Education Programs

The Authority runs 3 Field Centres, which are used by GTA students. A fourth was closed in mid-2001 when the Toronto District School Board did not renew its contract for usage, an arrangement in place for 25 years.



Visitors to TRCA Public Use Facilities

The TRCA operates 9 Conservation Areas, the Kortright Centre for Conservation and Black Creek Pioneer Village, all used extensively by the public. Actual attendance is very influenced by seasonal weather.



2005 Capital Budget

2004 Major Accomplishments

- ▶ Continued major erosion control works at Fishleigh Drive, Wicksteed Drive, various Toronto Parks and other valley & shoreline sites.
- ▶ Continued works on Lake Ontario Waterfront at Tommy Thompson Park, Ashbridge's Bay, Humber Bay, Port Union, Mimico, and others.
- ▶ Continued remediation works, plantings, wetland creation, water flow and quality initiatives on the Don, Humber, Etobicoke-Mimico, Highland and Rouge watersheds.
- ▶ Continued retrofits of Black Creek Pioneer Village historic buildings.
- ▶ Continued flood protection of Lower Don River area.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$5.946 million [2004 Budget – \$5.826 million]

- ▶ \$1.800 million is for Waterfront and Valley Erosion Control
- ▶ \$1.193 million for Waterfront Development, including Ashbridge's Bay, Tommy Thompson Park, Arsenal Park Development, East Point Park, and Colonel Smith Park
- ▶ \$1.592 million for the implementation of the Toronto Remedial Action Plan.
- ▶ \$1.361 million for other projects including, BlackCreek Pioneer Village Retrofit (\$0.350 million); Major Facilities Retrofit (\$0.342 million); TRCA Information Technology (\$0.240 million); Kortright/Living City Centre (\$0.208 million); Public Use Infrastructure (\$0.171 million); and Greenspace Land Acquisition (\$0.05 million).

Toronto and Region Conservation Authority

Asset Inventory

► Conservation Authority's Properties/Facilities:

137 identified properties, facilities, etc.; Market Value estimated at \$9.487 million.

► TRCA Property Holdings:

302 identified property holdings; Market Value estimated at \$33.484 million.

► Black Creek Pioneer Village:

49 identified buildings (houses, sheds, garages, washrooms, tents, etc.); Insurable value of \$20.3 million.

► Education Facilities

52 identified buildings, facilities, centres; Market Value estimated at \$9.842 million.

► TRCA Head Office

5 core assets; one main facility; Market Value estimated at \$6.089 million.

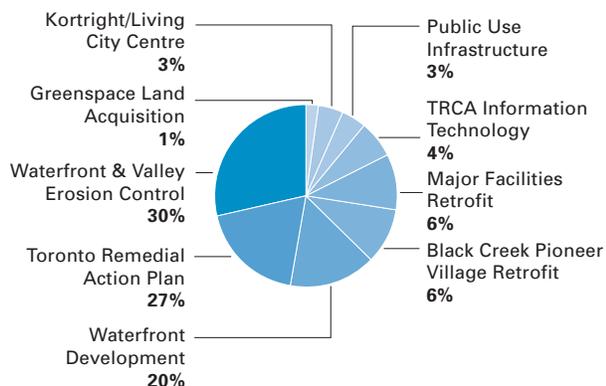
► Maintenance Facilities

36 maintenance shops, sheds, and storage facilities; Market Value estimated at \$4.376 million.

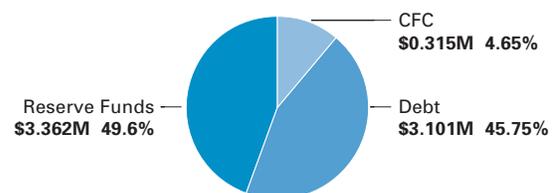
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Total Previously Approved	—	—	—	—	—	—
New						
Waterfront & Valley Erosion Control	1,800	—	—	—	—	1,800
Waterfront Development	1,193	—	—	—	—	1,193
Toronto Remedial Action Plan	1,592	—	—	—	—	1,592
Black Creek Pioneer Village Retrofit	350	—	—	—	—	350
Major Facilities Retrofit	342	—	—	—	—	342
TRCA Information Technology	240	—	—	—	—	240
Public Use Infrastructure	171	—	—	—	—	171
Kortright/Living City Centre	208	832	—	—	—	1,040
Greenspace Land Acquisition	50	—	—	—	—	50
Total New	5,946	832	—	—	—	6,778
Total Culture	5,946	832	—	—	—	6,778

Where the money goes



Where the money comes from



Toronto Atmospheric Fund

Mission Statement:

TAF's mandate is to promote:

- › Global climate stabilization through the reduction of greenhouse gas emissions such as CO2 and methane;
- › Local air quality;
- › Energy conservation and efficiency;
- › Public understanding of global warming and its implications for the urban environment;
- › "Carbon sinks" such as Toronto's urban forest that absorbs CO2 from the air;
- › Related scientific research and technology development; and
- › Partnerships with non-governmental organizations, other levels of government, business and academic institutions.

Overview

Toronto City Council established the Toronto Atmospheric Fund (TAF) in 1991 with an endowment of \$23 million to finance local initiatives to combat global warming and improve air quality in Toronto.

The Toronto Atmospheric Fund is a financially self-sustaining not for profit corporation. It supports, through grants and loans, projects that address its mandate. Eligible grant applicants include City of Toronto agencies and departments; non-profit organizations; registered charities; public institutions and schools.

Program Objectives

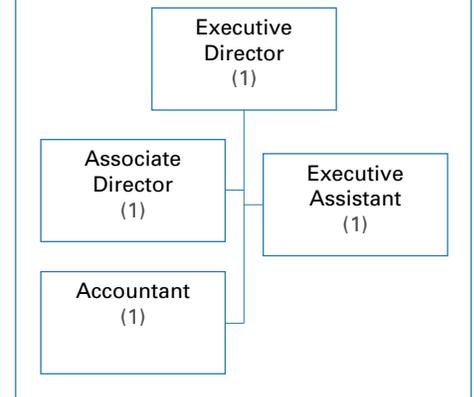
- › Assist the City of Toronto in achieving stated greenhouse gas emission reduction targets
- › Incubate new techniques and approaches to addressing climate change at the municipal level
- › Ensure the transfer of new knowledge among relevant community players
- › Provide support to the City and community emission reduction efforts in the form of grants and loans

2005 Strategic Direction and Service Priorities

- › Continue to complete its governance renewal process by establishing an Operating Directive with the City and developing a mutually satisfactory grant application process for projects proposed by City departments and agencies;
- › Continue to refine the new granting programs to ensure they effectively engage a broad range of community and City applicants and result in measurable outcomes.
- › Continue to increase mandate related financing activity - loans, leases, and other innovative financing approaches for public and private bodies – including for-profit sector players - and to test and refine TAF's new guidelines for loan and financing applications.
- › Manage the performance of TAF's assets to maximize total return and to further TAF's mandate.

Program Map

The Toronto Atmospheric Fund fulfills a multi-service mandate, with a total of 4 approved positions:



Toronto Atmospheric Fund

- Develop a projects database to streamline grant administration and reporting functions.
- Quantify, in a consistent manner, the environmental and economic benefits of projects that TAF has supported.
- Undertake an emissions inventory project in collaboration with City staff and use the resulting data to inform the development of a community-wide reductions strategy.
- Design a two-year strategic communications plan to enhance TAF's public visibility to help attract suitable grants and loans clients and potential funders.
- Establish the Toronto-London Environment Exchange in partnership with the City.

2005 Operating Budget by Service

Service	Gross (\$000s)	Net (\$000s)
Toronto Atmospheric Fund	1,649.3	—
Total Program Budget	1,649.3	—

TAF 2004 Highlights

- Increase mandate related financing activity – In 2004, TAF consolidated a loan agreement with the Toronto Renewable Energy Co-operative to establish a large windfarm and also initiated a potential loan to support a tri-generation facility at Exhibition Place. Both of these innovative endeavours assist in achieving the City of Toronto's green energy goals
- Refine the new granting programs – TAF implemented two new innovative granting programs – the Business Development Program and the Incubation Program designed to foster innovation, support project planning, and focus TAF's resources more intensively on fewer, higher-impact projects.
- Increase public visibility – TAF created case studies of 8 key projects undertaken in 2002 and 2003 and published them in a biennial report. In partnership with the City of Toronto, TAF also supported a major international conference that brought together key emission reduction practitioners from across North America, Europe, and Australia to share experiences. The Conference of the Reducers took place in May 2004 and attracted several hundred participants.
- Develop a community-wide economic development and energy efficiency strategy – TAF's incubation of a coalition of Toronto groups focused on emission reduction activities resulted in the establishment of "One Tonne Toronto". This group received \$200,000 in funding from the federal One Tonne Community Challenge program to support enhanced participation among Toronto residents and businesses in practical emission reduction efforts. TAF also entered into a partnership with Works and Emergency Services to support the country's largest community-wide greenhouse gas inventory project. The project integrates air quality and greenhouse gas emission factors. TAF has provided \$100,000 in funding, and has spear-headed an application to FCM for matching funds.
- Innovative granting – In 2004, TAF granted \$225,000 in multi-year support to the University of Toronto's comprehensive greenhouse gas reduction project; granted \$250,000 to Exhibition Place to pilot a large photovoltaic generation plan on top of the Horse Palace; and supported a coalition of tenants rights and environmental agencies in drawing public attention to the need to retrofit low-income homes to offset looming energy poverty problems in Toronto.

Toronto Atmospheric Fund

TAF Achievements

Since TAF's establishment,

- › TAF has provided over \$7.5 million in grants and over \$21 million in loans, loan security and other financing to community and City organizations
- › TAF's endowment has grown from \$23 million originally, to over \$25 million today;
- › Projects financed by TAF loans now save the City over \$2.7 million annually in cumulative energy and maintenance costs.
- › TAF has provided essential development and start-up funding for many priority activities across the City Corporation including:
 - › City-wide air quality strategy;
 - › Black Creek Regional Transportation Management Association;
 - › Heat-health watch warning system;
 - › Tree Advocate's program;
 - › Annual Smog Summit;
 - › GTA Clean Air Council

Key Program Performance Measures and Indicators

TAF uses a number of Board-approved measurements of success to direct its planning and to monitor its organizational performance:

Investments

- › Loans portfolio: Up to 1/3 of TAF's investment portfolio to be placed in mandate-related financing projects
- › Return on mandate-related loans: 1.5-3.0% above Canada Bond benchmark rate

Grants

- › Grant & Special Projects payout: 4.5% of assets measured on a four-year rolling average basis

Administration

- › Total administration costs: Not to exceed 1.5% of assets per year

Support to the City

- › Grant and loan funding for City departments and special purpose bodies to support City priorities that fall within TAF's mandate areas
- › Special intergovernmental initiatives benefiting the City including the annual Smog Summit and the GTA Clean Air Council
- › Staff participation on various City committees, including the Sustainability Roundtable, the Air Quality Strategy Group, Toronto Grants Coordinating Committee and Toronto Inter-departmental Environment Committee
- › Fundraising for City initiatives
- › Project development, fundraising and technical assistance to City staff

Toronto Police Service and Toronto Police Services Board

Mission Statement:

Departmental Overview

The Toronto Police Service is mandated by the Police Services Act (Section 4 (2)) to provide:

(2) Adequate and effective police services must include, at a minimum, all of the following police services

1. Crime prevention
2. Law enforcement
3. Assistance to victims of crime.
4. Public order maintenance.
5. Emergency response

We are dedicated to delivering police services in partnership with our communities to keep Toronto the best and safest place to be.

Our Service is committed to being a world leader in policing through excellence, innovation, continuous learning, quality leadership and management.

We are committed to deliver police services which are sensitive to the needs of the community, involving collaborative partnerships and teamwork to overcome all challenges.

We take pride in what we do and measure our success by the satisfaction of our members and our communities.

To support this mission, the Toronto Police Service adheres to the following core values:

Honesty

We are truthful and open in our interactions with each other and with members of our communities.

Integrity

We are honourable, trustworthy, and strive to do what is right.

Fairness

We treat everyone on an impartial, equitable, sensitive and ethical manner.

Reliability

We are conscientious, professional, responsible and dependable in our dealings with each other and our communities.

Respect

We value ourselves, each other and members of our communities, showing understanding and appreciation for our similarities and differences.

Teamwork

We work together within the Service and with members of our communities to achieve our goals, making use of diverse skills, abilities, roles and views.

Positive Attitude

We strive to bring positive and constructive influences to our dealings with each other and our communities.

Toronto Police Service and Toronto Police Services Board

Key Customers

- › Police Services Board
- › Chief and Command Officers
- › members of the Police Service, past and present
- › members of other police services or law enforcement agencies
- › members of government ministries, departments, agencies
- › members of the public

2005 Operating Budget by Program

Program	Gross (\$000s)	Net (\$000s)
Chief of Police	12,574.2	12,572.2
Corporate Support Command	180,908.2	161,744.8
Policing Operations Command	350,737.1	342,807.3
Policing Support Command	177,227.8	171,735.2
Total	721,447.3	688,859.5

2005 Budget Highlights

What does \$688.9M do for us?

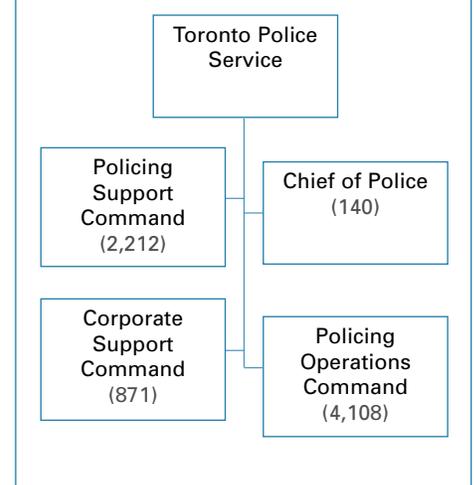
- › Continue existing programs, at a 2004 level of service;
- › Provides funding for additional staffing for the new 43 Division (39 Uniform and 16 Civilian);
- › Provides funding for 3 requests above the base budget (see Police Service’s Board Minutes P386/04 and P3/05 for further details):
 1. Implementation of the Ferguson Report Recommendations (including 7 additional Uniform staff and 10 Civilian staff);
 2. Implementation of Major Case Management to meet legislated requirements (including 10 additional Civilian staff); and
 3. Additional Court Security to staff additional court rooms (including 8 additional Civilian staff)
- › Allows us to maintain our Human Resource strategy (at a revised uniform target strength of 5,306 including 46 approved additional Uniform positions) with the hiring of 270 officers (224 replacement and 46 additional);
- › Allows us to deliver a Community Action Policing (CAP) program based on approved funding of \$0.54M;
- › Budget reductions approved by the Board that are incorporated into the approved 2005 budget, include a reduction to premium pay of \$1.0M and a reduction in the Corporate Communications budget of \$0.15M

2004 Achievements

- › Increased enforcement activities and prevention initiatives that focused on decreasing the victimisation of youth by robberies (in particular, those involving swarming) and sexual assaults.
- › Continued to develop and improve the processes by which the Service responds to all organised crime.
- › Through increased training, improved the Service's ability to respond to organised crime.
- › Improved the Service’s ability to identify and disrupt international and domestic terrorist groups active within the City.
- › Used a crime analysis or intelligence-driven approach to identifying traffic safety issues to be addressed.
- › Formed or strengthened partnerships with community and government agencies to improve traffic safety.
- › Increased and strengthen partnerships with local agencies to provide a multi-faceted response to drug issues.

Department Map

The Toronto Police Service is comprised of four commands with a total of 7,296 approved full time equivalent positions.



Toronto Police Service and Toronto Police Services Board

- › In partnership with other City emergency services and agencies, improved and expanded disaster management response.
- › Developed and implemented a formal special event planning process.
- › Increased public awareness of crime prevention through environmental design principles.
- › Ensured officers continue to display a high level of professionalism during any type of contact with members of the public.
- › 5,700 callers for Crime Stoppers making it a record year.
- › Retired Judge Ferguson works with Service to assist in implementation of professional standards reforms
- › Members of Fraud Squad receive Bank of Canada Law Enforcement Award for Counterfeit Deterrence.
- › Full ecops functionality implemented resulting in improved criminal information processing and reduced staffing requirements
- › Project Impact targeting gang warfare results in 68 arrests and a decrease in gang activity
- › Aboriginal Peacekeeping Unit unveils new office at TPS headquarters to increase community access.

Service Description

Chief of Police

The Chief of Police is charged with managing the operations of the Service, which is structured into four broad program areas: Professional Standards, Corporate Support Command, Policing Operations Command, and Policing Support Command. The Chief is required by the Police Services Act to administer the Police Service and oversee its operation in accordance with the objectives, priorities and policies established by the Board; ensure that the members of the Police Service carry out their duties in accordance with the Police Services Act and the regulations, and in a manner that reflects the needs of the community, and ensure that discipline is maintained in the Police Service; ensure that the Police Service provides community-oriented Police Services; and administer the complaints system. Units within this Command include:

- › Chief of Police
- › Executive Officer
- › Corporate Communications
- › Disciplinary Hearings Officer
- › Professional Standards
- › Professional Standards Investigative Unit
- › Professional Standards Risk Management Unit

Corporate Support Command

The purpose of Corporate Support Command is to contribute to the achievement of the Toronto Police Service's mission, goals, and objectives by assisting in the development of Service policy and providing advice to the Chief of Police and the Police Services Board on matters pertaining to all areas of the organization. This Command also provides corporate administrative support to serve the operational needs of the Service in the areas of Executive Support, Finance & Administration, Human Resources, and Information Technology Services. This Command is responsible for co-ordinating the efficient and effective operation of the units under its Command; providing administrative support to Policing Operations and Support Commands; co-ordinating and facilitating corporate budget management strategies; managing the administration, access and security of Service records and information; co-ordinating and administering the acquisition and maintenance of materials, facilities and the Service fleet; and co-ordinating and facilitating the Service's corporate information technology strategy. Units within this Command include:

- › Executive Support
- › Corporate Planning
- › Training and Education
- › Property and Evidence Management
- › Video Services
- › Corporate Information Services - Information Access
- › Corporate Information Services - Operations
- › Human Resources
- › Compensation and Benefits
- › Employment
- › Enterprise Resource Management
- › Labour Relations
- › Occupational Health Services
- › Finance & Administration
- › Facilities Management
- › Financial Management
- › Fleet and Materials Management
- › Budgeting & Control
- › Purchasing Support Services
- › Information Technology Services
- › Information Systems Services
- › Police Liaison Services
- › Radio and Electronics Services
- › Communications and System Operations Services

Toronto Police Service and Toronto Police Services Board

Service Description (continued)

Policing Operations Command

The purpose of Policing Operations Command is to contribute to the achievement of the Toronto Police Service's goals and objectives by providing efficient and effective uniform, investigative and specialised policing services to meet the needs of all communities in the City of Toronto. The Command is responsible for apprising the Chief of Police and Command Officers of all pertinent matters occurring within Policing Operations Command, to ensure appropriate information exchange and Service response to major issues; the efficient administration and operation of 16 Field Divisions; ensuring adequate financial and staffing levels are maintained in all Field Units, to secure the safety of the citizens of those communities and the proper investigation, apprehension and prosecution of offenders as outlined in the Police Services Act; annually setting the goals and objectives for Policing Operations Command, assist in the development of Service policy and work on all executive committees; participating in Police Service Board meetings and committees; providing a leadership role internally and externally at social, political, community meetings and events. Units within this Command include:

- Policing Operations Command
- Central Field
- 11 Division
- 12 Division
- 13 Division
- 14 Division
- 51 Division
- 51 Division
- 53 Division
- 54 Division
- 55 Division
- Area Field
- 22 Division
- 23 Division
- 31 Division
- 32 Division
- 33 Division
- 41 Division
- 42 Division
- Community Programs

Policing Support Command

The purpose of Policing Support Command is to contribute to the achievement of the Toronto Police Service's mission, goals and objectives by delivering an effective, efficient and economical support service. This Command is split into two support areas: Operational Support and Detective Support.

Operational Support is responsible for: providing an exemplary Mounted Unit that serves as a positive reinforcement to the public by effectively managing crowd control and addressing everyday policing issues; representing the Service at public events; providing timely and accurate information to police field units; overseeing the operations of the Emergency Measures and the Duty Desk; enforcing the Criminal Code, Canada Shipping Act, Provincial Offences Act and related Regulations on the water in an area stretching for 27 miles, and including inshore and offshore rescues; ensuring adequate court security for Judges and all persons taking part or attending proceedings as defined in Section 127(1) of the Police Services Act; and monitoring and evaluating the level of internal and external service provided by members of Communications Services (911; CAD). Units within Operational Support include:

- Operational Support
- Mounted and Police Dog Services
- Marine
- Emergency Task Force
- Public Safety
- Parking Enforcement
- Community Liaison
- Traffic Services
- Communication Services
- Communications Centre
- Duty Operations Centre
- Court Services
- Area Courts
- Central Courts

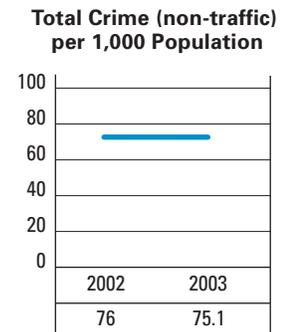
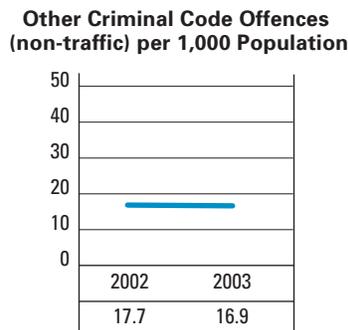
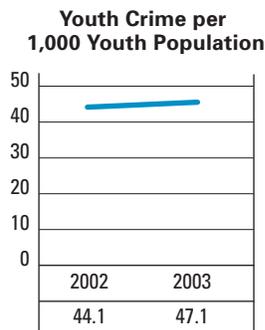
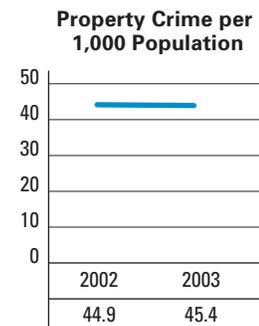
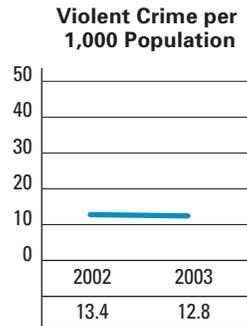
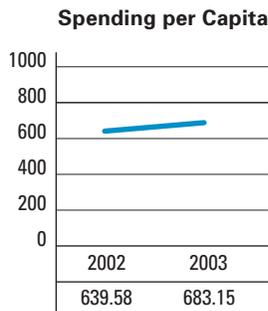
Detective Support group's mission is to contribute to the fulfilment of the Toronto Police Service's goals and objectives by providing efficient and cost-effective, specialised criminal investigation of major and/or complex crimes occurring within the geographical boundaries of the City of Toronto, providing centralised investigative service to field units, working with other police and/or governmental agencies to encompass the cohesive and competent investigation of criminal matters.

Toronto Police Service and Toronto Police Services Board

This Support group is responsible for developing and implementing investigative strategies; providing support to investigative units throughout the Service; conducting investigations; ensuring the appropriate level of Forensic Identification support is provided to the Service; providing the information and education required as it relates to the function of the Reporting Centre; and performing such activities as directed by the Chief of Police. Units within Detective Support include:

- › Fraud Squad
- › Hold-Up Squad
- › Homicide Squad
- › Detective Services
- › Sex Crimes Unit
- › Forensic Identification Services
- › Provincial Community Safety Liaison

Performance Measures



Capital Budget – Toronto Police Service

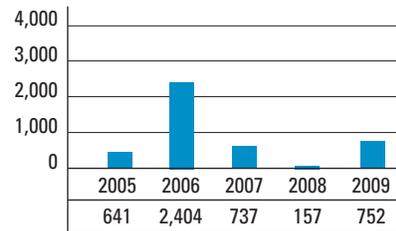
Total 2005 Gross Budget is \$45.454 million [2004 Budget – \$54.175 million]

- › \$11.552 million for IT, Vehicle and Equipment Replacement plan from Reserve Funds.
- › \$3.254 million from Land Acquisition Reserve Fund for 41 Division.
- › \$12.682 million for Long - Term Facility and Renovation projects of 43 Division (\$4.0 million), 23 Division (\$5.732 million), 11 Division (\$0.500 million), 14 Division (\$0.750 million) and State Of Good Repair (\$1.700 million).
- › \$3.500 million for the construction of the Traffic Services and Garage Facility.
- › \$3.800 million for the New Training Facility that will replace the C.O. Bick College.
- › \$4.835 million for IT and other Technology system (Smartzone, Centracome, Replacement of Call Centre, Strong Authentication, Jetforms Replacement, Police Integration).
- › \$1.050 million for HRMS and TRMS Additional Functionality.
- › \$2.331 million for other projects (In car camera, Radio lifecycle, Automated Vehicle location system, Police Command Centre, Voice Logging, Facility Fencing).

Toronto Police Service and Toronto Police Services Board

Incremental Operating Impact of the 2005 Capital Budget

2005 Council Approved Incremental
Net Operating Impact from Capital (000'S)



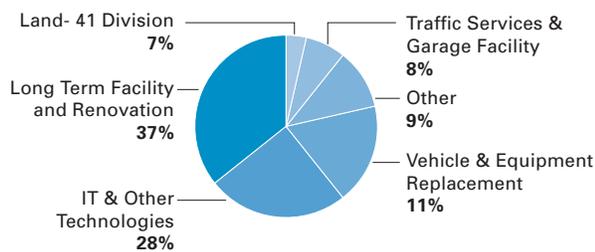
1.1.1 5 Year (2005-2009) Capital Work Plan

Description	2005	2006	2007	2008	2009	2005-2009 Total
Traffic Services & Garage Facility	3,534.0	—	—	—	—	3,534.0
43 Division	5,448.0	—	—	—	—	5,448.0
Police Command Centre	681.0	—	—	—	—	681.0
Voice Logging Recording System	641.0	131.0	—	—	—	772.0
Facility Fencing	1,509.0	915.0	915.0	—	—	3,339.0
Furniture Lifecycle	762.0	750.0	750.0	—	—	2,262.0
New Training Facility	4,579.0	4,700.0	14,720.0	12,780.0	11,500.0	48,279.0
Police Integration Systems	2,286.0	—	—	—	—	2,286.0
Investigative Voice Radio System	1,200.0	1,200.0	—	—	—	2,400.0
State of Good Repair - Police	1,761.0	—	—	—	1,900.0	1,761.0
23 Division	6,132.0	6,700.0	—	—	—	12,832.0
Boat Replacement	567.0	—	—	—	—	567.0
11 Division	3,000.0	8,300.0	5,300.0	2,000.0	—	18,600.0
SmartZone Upgrade	500.0	—	—	—	—	500.0
Centracom Upgrade	400.0	—	—	—	—	400.0
Replacement of Call Centre Management Tools	590.0	296.0	—	—	—	886.0
In Car Camera	538.0	24.0	—	—	—	562.0
Radio Lifecycle	100.0	—	—	—	—	100.0
Automated Vehicle Location System	385.0	395.0	405.0	405.0	—	1,590.0
Strong Authentication	595.0	960.0	—	—	—	1,555.0
Jetforms Replacement	1,200.0	—	—	—	—	1,200.0
14 Division	4,980.0	9,350.0	7,050.0	2,550.0	—	23,930.0
HRMS Additional Functionality	500.0	1,300.0	—	—	—	1,800.0
TRMS Additional Functionality	550.0	1,925.0	—	—	—	2,475.0
41 Division Land Acquisition Cost	3,254.0	—	—	—	—	3,254.0
Total 2005-2009	44,254.0	36,946.0	29,140.0	17,735.0	11,500.0	139,575.0

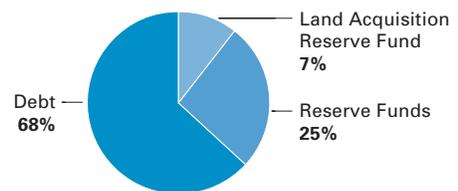
Toronto Police Service and Toronto Police Services Board

Description	2005	2006	2007	2008	2009	2005-2009
						Total
1.2 Reserve Funding						
Vehicle & Equipment Replacement	5,033.0	5,033.0	5,033.0	5,033.0	5,033.0	25,165.0
Digital Photography	668.0	—	—	—	—	668.0
Workstation. Laptop, printer Lifecycle	2,918.0	1,900.0	—	—	—	4,818.0
Servers- Lifecycle Plan	1,279.0	1,589.0	—	—	—	2,868.0
IT Business resumption	1,654.0	1,910.0	—	—	—	3,564.0
Total Reserve Funding	11,552.0	10,432.0	5,033.0	5,033.0	5,033.0	37,083.0
Total	45,454.0	56,111.0	41,006.0	29,701.0	29,566.0	201,838.0

Where the money goes



Where the money comes from



Public Health

Mission Statement:

Our Toronto will be the healthiest city possible, where all people enjoy the highest achievable level of health.

We strive for excellence and innovation in public health practice. We work to enhance the health of all communities and individuals that live, work, and play in Toronto.

We pledge to work with the people of Toronto to make our programs and services effective, efficient and responsive to the health needs of all people in Toronto.

Program Objectives

As a Division of the City of Toronto, with responsibilities under the provincial Health Protection and Promotion Act, we achieve our mission through:

- › **Health Promotion.** Raising awareness and educating people about health issues and working with communities to meet their health needs.
- › **Advocacy.** Encouraging and enabling policymakers to recognize possible health consequences of their activities and to develop policies that promote the health of the public.
- › **Health Protection.** Controlling infectious diseases, reducing exposure to health hazards in our environment, and enforcing laws that protect the health of the public.
- › **Prevention.** Reducing the risk of disease, injury and premature death.
- › **Health Assessment.** Monitoring community health, identifying health trends and needs, and effectively communicating this information.

Key Stakeholders

Toronto Public Health promotes the health of all communities and individuals who live, work and visit Toronto according to the health priorities established by the Board of Health and the Province of Ontario.

2005 Strategic Direction and Service Priorities

Communicable Disease Control

- › Reduce incidence of vaccine preventable disease.
- › Control of infectious disease and infection control.

Healthy Families

- › Promote and support healthy behaviours and environments, healthy birth outcomes, and readiness to parent for people in their reproductive years.
- › Promote the physical, cognitive, communicative, and psychosocial development of children and support effective parenting.

Healthy Environments

- › Ensure food safety.
- › Reduce health hazards from man-made or natural environmental emergencies, exposure to toxic chemical and physical agents, and unsafe water.

Healthy Living

- › Promote chronic disease prevention and sexual health.
- › Foster injury and substance abuse prevention.

Public Health

Planning & Policy

- ▶ Provide community health status information, epidemiological and planning services in support of the planning, monitoring and evaluation of programs.
- ▶ Ensure that Public Health programs address the diverse health needs of Toronto, are equitable and accessible, and are based on evidence of need, efficiency and effectiveness.

Dental/Oral Health Services

- ▶ Provide dental treatment services to low income seniors and children.
- ▶ Community Education to prevent early childhood tooth decay.
- ▶ Reduce waiting lists for dental appointments in clinics.

Support Services

- ▶ Develop and implement effective financial management, information management and operational business infrastructure services.
- ▶ Enhance public access to Public Health information, services and programs.
- ▶ Improve the capability and capacity of the division to link priorities, planning, resource management and results.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Office of the Medical Officer of Health	1,298.4	553.4
Public Health Policy & Planning	10,216.1	4,492.4
Healthy Families	49,992.4	10,242.9
Communicable Disease	35,400.2	12,395.4
Healthy Environments	27,499.0	15,731.3
Healthy Living	28,954.6	12,214.3
Dental/Oral Health	17,725.4	8,271.8
Support Services	16,772.4	5,336.9
	187,858.5	69,238.4

2005 Budget Highlights

- ▶ \$1.056M gross/\$0.475M net – to strengthen the delivery of Sexual Health education, disease prevention, treatment and case management.
- ▶ \$1.335M gross/\$0M net – to increase the Preschool Speech and Language program to provide children with communication disorders the opportunity to arrive at school ready to learn. This program is part of the provincially funded Best Start Plan.
- ▶ \$1.037M gross/\$0M net – to undertake a mass immunization campaign to prevent the onset of invasive meningococcal disease, targeting grade 7 students and youth 15 to 19 years of age.
- ▶ \$0.991M gross/\$0.446M net – to reduce the risk of tuberculosis transmission by implementing a program of early identification, treatment and follow-up among the homeless and underhoused population.
- ▶ \$0.651M gross/\$0.293M net – to enhance the nutritional status of children by providing dietary, food selection, purchasing and food preparation skill training to the volunteers involved in student nutrition programs and also to families of ethnically diverse at-risk communities.

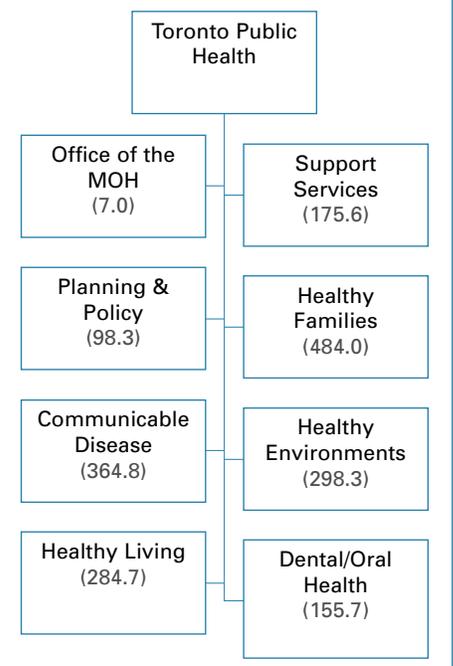
Program Map

In Ontario, the Health Protection and Promotion Act requires Boards of Health to provide public health programs and services in specified areas. The Mandatory Health Programs and Services Guidelines, issued by the Ministry of Health and Long-Term Care, set out minimum requirements for core programs and services targeted at disease prevention, health promotion and health protection.

In Toronto, the Board of Health also ensures that Toronto Public Health delivers programs and services in response to local needs. The Board of Health determines and sets public health policy and advises City Council on a broad range of health issues.

Recommendations with city-wide or financial implications are forwarded to City Council for final approval. The Board of Health has 13 members - six Toronto City Councillors, six citizen representatives and an elected school board representative. The Medical Officer of Health for the City of Toronto is the Executive Officer of the Board.

The Council is recommending 1,868.4 approved positions in 2005 for Toronto Public Health. The program map is presented below:



Public Health

2004 Achievements

Communicable Disease Control

- Responded to 42,800 notifications of reportable/communicable diseases and investigated and managed 280 disease outbreaks

Healthy Families

- Provided 41,000 Healthy Babies Healthy Children home visits by Public Health Nurse and Family Home Visitors to high-risk families.

Healthy Environments

- Completed the implementation of the final phase of the Toronto Tobacco control By-law and conducted more than 10,000 compliance inspections which revealed more than a 97% compliance rate.

Healthy Living

- Provided training, consultation and site support to 335 student nutrition programs serving 64,000 children.

Planning & Policy

- Provided research, policy, evaluation, professional practice and communication support to Toronto Public Health’s programs, including information and quality assurance management, epidemiology, public education, and media relations.

Dental/Oral Health Services

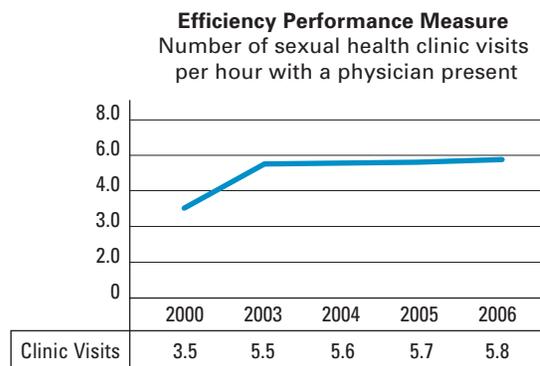
- Provided dental treatment and preventive services to approximately 31,000 children and adolescents of low-income families, low-income independent living seniors, and high-risk parents referred from other public health programs.

Support Services

- Implementation of the Toronto Health Connection pilot that provides the public with a coordinated method for accessing information, services and programs provided by TPH and its service partners.

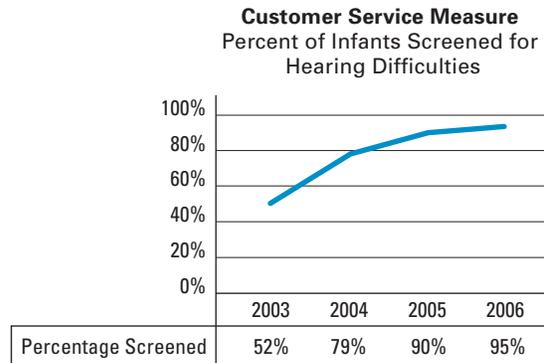
Performance Measures

TPH’s sexual health clinics have been able to increase the number of clients seen per hour through a number of efficiencies developed and implemented as part of the sexual health clinic redesign since 2000. The redesign includes the relocation of some clinics to high need areas that are geographically accessible, offering accessible clinic hours and adequate space in clinics. Staff were trained to work in an expanded role with medical directives. All of these measures have increased our capacity to provide service using the same level of resources, resulting to an increasing trend in the number of visits per hour with a physician present from 3.5 in 2000, 5.5 in 2003 to 5.6 in 2004. TPH targets 5.7 and 5.8 in 2005 and 2006, respectively.

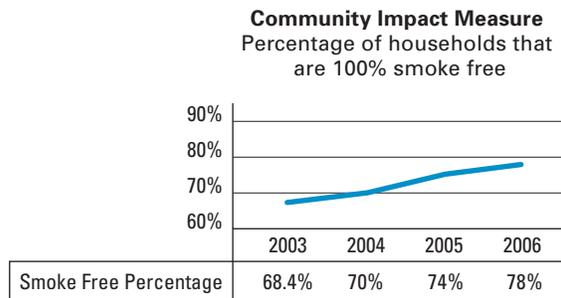


Public Health

The percentage of infants born in Toronto who are screened for hearing difficulties has increased from 52% in 2003 to 79% in 2004. TPH expects to increase the target to 90% and 95% in 2005 and 2006, respectively by investing more resources to infant screening.



The Toronto community has gained health benefits as the percentage of households that are smoke-free increased from 68% in 2003 to 70% in 2004. TPH targets a further increase in smoke-free households to 74% in 2005 and 78% in 2006 by continuing to pursue targeted no-smoking educational campaigns.



2005 Capital Budget

2004 Major Accomplishments

- ▶ Completed the implementation of the Toronto Healthy Environment Information System to support the reporting and inspection management of the Healthy Environments program.
- ▶ Continued the implementation of the Toronto Community Health Information System that will provide a centralized point of access to Public Health services and information to improve the delivery, management, tracking and reporting of services and activities provided to Public Health clients.
- ▶ Completed the replacement of systems to support delivery of Communicable Disease Control and tracking of student immunization records.
- ▶ Attended to capital maintenance of City owned facilities occupied by Public Health, as required by the Building condition assessment prepared by Facilities and Real Estate.

2005 Capital Budget Highlights

The total 2005 Gross Budget is: \$4.545 million [2004 Gross Budget - \$6.208 million]

- ▶ \$3.043 M for the final phase of the \$7.5 M Toronto Community Health Information System designed to replace 30 existing systems, funded from operating savings generated by the implementation of this system.
- ▶ \$0.628 M subject to receipt of the \$0.345 M Provincial share of funding, for the third phase of the ongoing replacement and integration of seven additional legacy systems and enable Toronto Public Health to access a national database for communicable disease control.
- ▶ \$0.874 M for state of good repair of City owned facilities occupied by Public Health.

Public Health

2005 Capital Budget (continued)

Incremental Operating Impact of the 2005 Capital Budget

The Public Health Capital Program does not require incremental operating funds, with the exception of debt service costs.

Asset Inventory

- › 10 sites covering an area of 94,899 sq. ft. with an insured value of \$17.946 million. These facilities are City-owned, but Public Health, as major occupant, has operational jurisdiction for capital repairs.
- › Information and technology equipment with a total insured value of \$4.532 million, as follows:
 - › 1,350 desktop computers
 - › 300 laptop computers
 - › 30 tablet computers and printers
 - › 155 network printers
 - › 25 personal printers
 - › 75 PDA devices
 - › 11 Windows 2000 Intel servers
 - › 13 Unix servers
 - › 100 Network switches

Five Year Capital Plan

Public Health's proposed five-year plan continues to support its strategy to invest in technology to improve efficiency and service delivery and to provide the necessary funding to maintain the City owned facilities it occupies in a good state of repair.

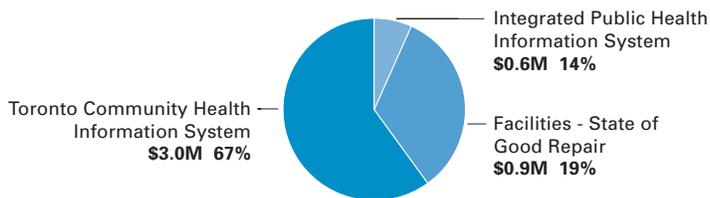
- › The proposed I&T projects included in the 5-year plan focus on the integration and replacement of multiple legacy systems, development of a co-ordinated information environment, adoption of wireless technology, web based systems, document management systems, data warehousing, an emergency preparedness support system and support to mandatory guideline changes anticipated for release in 2005.
- › Maintenance of City-owned buildings for which Public Health has operational jurisdiction is specified in the Building Condition Assessment produced by Facilities & Real Estate. Currently, 10-year building condition assessments are produced every five years, and validated annually.

Public Health

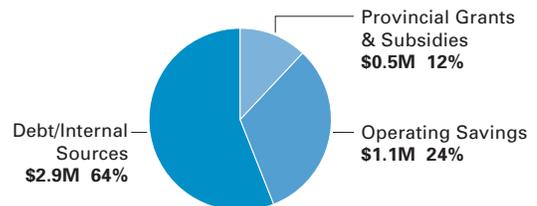
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Toronto Community Health Information System	1,070	—	—	—	—	1,070
Facilities State of Good Repair- Building Env.	51	—	—	—	—	51
Facilities State of Good Repair- Health & Safety	69	—	—	—	—	69
Total Previously Approved	1,190	—	—	—	—	1,190
New						
Integrated Public Health Information System	628	—	—	—	—	628
Facilities State of Good Repair- Emergency	150	—	—	—	—	150
Facilities State of Good Repair- Building Env.	72	—	—	—	—	72
Facilities State of Good Repair- Sitework	262	—	—	—	—	262
Total New	1,112	—	—	—	—	1,112
Total Public Health	2,302	—	—	—	—	2,302

Where the money goes



Where the money comes from



Toronto Public Library

Mission Statement:

Toronto Public Library (TPL) provides free and equitable access to library services that meet the changing needs of the people of Toronto.

Toronto Public Library preserves and promotes universal access to a broad range of human knowledge, experience, information and ideas in a welcoming and supportive environment. New technologies extend access to global information beyond library walls. Toronto Public Library upholds the principle of intellectual freedom.

Effective partnerships enhance library service throughout the City. Toronto Public Library is accountable for the effective management of library resources and for the quality of library service offered to the people of Toronto.

Key Customers

Toronto Public Library serves the entire City of Toronto including any person who lives, works, attends school or owns property in the City of Toronto.

Program Objectives

Toronto Public Library's new Strategic Plan 2004-2007 - Urban Stories: the Next Chapter outlines four key priorities that were identified through an extensive public consultation process.

Books & Culture: addresses Toronto residents' first priority of books and culture for the library. It addresses the Toronto Public Library's contribution to the ongoing cultural renaissance in the City. It highlights the importance of access to collections that meet the diverse interests, cultures, languages and needs of Toronto residents. Specific goals are:

- › Increase spending to build collections and improve access;
- › Champion and promote reading: contribute to Toronto's literary culture; and
- › Broaden Torontonians' access to the City's civic and cultural life.

Low Income Neighbourhoods: focuses on the Library's role in addressing the issue of growing income disparity in the City. Specific goals are:

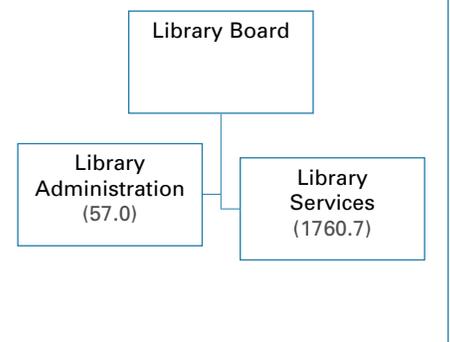
- › Provide library service that meets the needs of low income neighbourhoods in identified areas; and
- › Increase the Library's contribution to community capacity building.

Newcomers: addresses the Library's role in meeting the needs of newcomers to the City and barriers they face in finding employment. Specific goals are:

- › Contribute to the successful adaptation of newcomers to Toronto; and
- › Help address barriers to employment for immigrants.

Program Map

The Toronto Public Library is comprised of two services, with a total of 1,817.7 approved positions.



Toronto Public Library

Youth: addresses the Library's role in meeting the changing needs of youth in the City including: issues of youth alienation and violence, the need to support youth in improving literacy skills, being successful in school and finding employment. Specific goals are:

- › Create library services which address the needs of youth;
- › Encourage youth to read;
- › Support youth in school, career development and employment; and
- › Expand access to high quality volunteer experiences throughout the City.

2005 Strategic Direction and Service Priorities

Strategic Plan Implementation

- › Ensure priorities of plan are integrated with the budget and planning process
- › Support governance structure and strategic plan
- › Support the essential role of staff in achieving strategic objectives
- › Continue upgrading of the technological environment to support TPL's web services
- › Preserve and maintain legacy of public space and buildings
- › Enhance outcome measures for targeted programs and services

Books and Culture

- › Build collections that reflect the diversity of interest, cultures and languages in the city
- › Provide access to library collections
- › Continue collection assessment process
- › Provide online and mediated information services
- › Become a centre for literary events
- › Preserve and promote special collections through the development of the Virtual Reference Library and digitization program
- › Improve the online catalogue

Low Income Neighbourhoods

- › Expand access to computers, electronic resources and training
- › Participate in inter-departmental and other initiatives to develop solutions to neighbourhood issues
- › Expand access to library service and quiet study space in targeted neighbourhoods
- › Provide innovative literacy & reading support programs
- › Partner with community agencies

Newcomers

- › Improve access to English as a second language (ESL) collections and materials related to accreditation and employment
- › Enhance outreach and expand access to services and programs in languages other than English
- › Expand access to settlement services
- › Expand access and referral to volunteer opportunities

Youth

- › Enhance collections for youth
- › Increase the number of youth who are regular users and who have library cards
- › Outreach to agencies serving youth
- › Involve youth in planning and delivery of youth programs and collection selection
- › Enhance support for youth in school
- › Provide direct youth employment through targeted programs and as pages

Toronto Public Library

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Library Administration	5,194.7	4994.7
Library Services	146,818.7	132,587.7
Total Program Budget	152,013.4	137,582.4

2005 Budget Highlights

- › \$0.629 M or 4% increase in library materials (to \$16.413 M or \$6.6 per capita) to provide an estimated 22,000 additional items to the library collection
- › Re-opening of Runnymede, Malvern, Beaches and Long Branch libraries, in 2005
- › Implementation of harmonized wage rate and job classification for unionized workforce

2004 Achievements

Strategic Plan Implementation

- › Engaged in extensive public consultation in the formulation of the new strategic plan.
- › Integrated the priorities of the Strategic Plan with the budget-planning process.
- › Implemented staff training and development programs that support customer service.
- › Engaged in extensive public consultation on the 2004 budget process and branch renovations using a variety of methods.
- › Obtained Board approval of the Plan.

Books and Culture

- › Received Canadian Urban Institute Award for City Livability.
- › Improved library collections in specific priority areas including children's, youth, and multilingual collections.
- › Built on the collection assessment process by completing the first phase of inventory, resulting in improving access to library materials via the online catalogue.
- › Completed the Virtual Reference Library redesign, improving user friendliness and providing streamlined access to the library's e-services.
- › Continued the kindergarten outreach campaign "Start Smart" that introduces children and their families to library service.
- › Continued the revitalization of Toronto Reference Library.
- › Completed the construction of the new St. James Town neighbourhood branch.

Low Income Neighbourhoods

- › Contributed to the Strong Neighbourhoods Initiative.
- › Developed community capacity by participating in the Working Together Project that develops models for working with marginalized or economically disadvantaged communities.
- › Re-opened Malvern District Branch and McGregor Park Neighbourhood Branch after reconstruction, completed state of good repair at several neighbourhood branches.
- › Opened the new St. James Town Neighbourhood Branch.
- › Opened a Le@rning Centre at Malvern neighbourhood branch.
- › Expanded Kids@Computers program to reach more children.

Newcomers

- › Expanded outreach aimed at newcomers by translating library information.
- › Explored partnership with Industry Canada in providing accreditation manuals.
- › Introduced RFID screens into several languages.
- › Continued SEPT partnership at 30 locations.

Youth

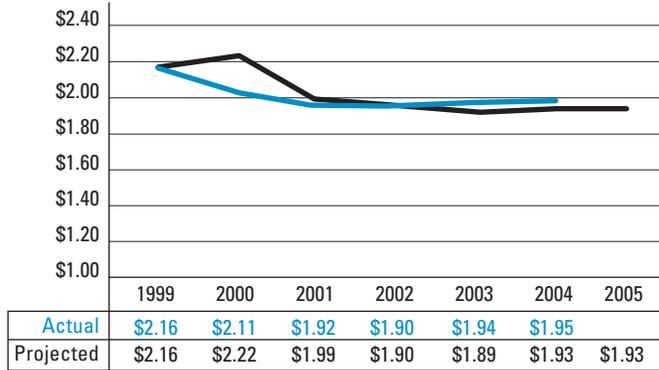
- › Established youth homework clubs and study centres in high needs areas of the City.
- › Launched the new Ramp gateway for teens, focusing on teen issues, interests and information needs. Introduced online book clubs.

Toronto Public Library

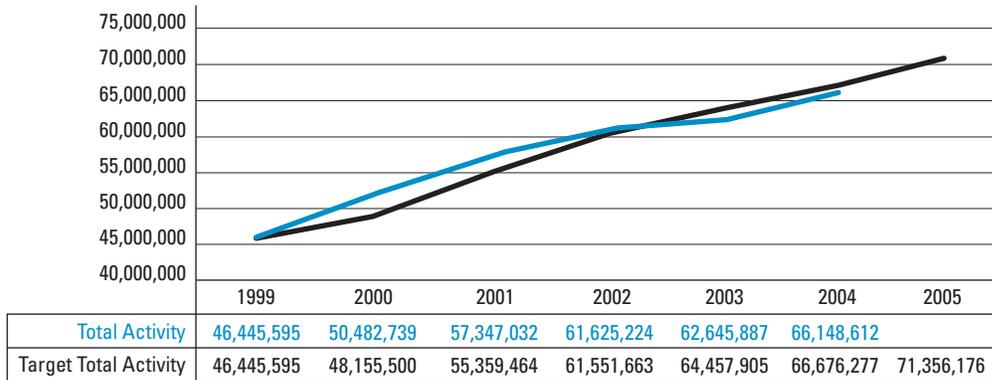
Performance Measures

Three Measures: Efficiency, Customer Service, and Community Impact Measures.

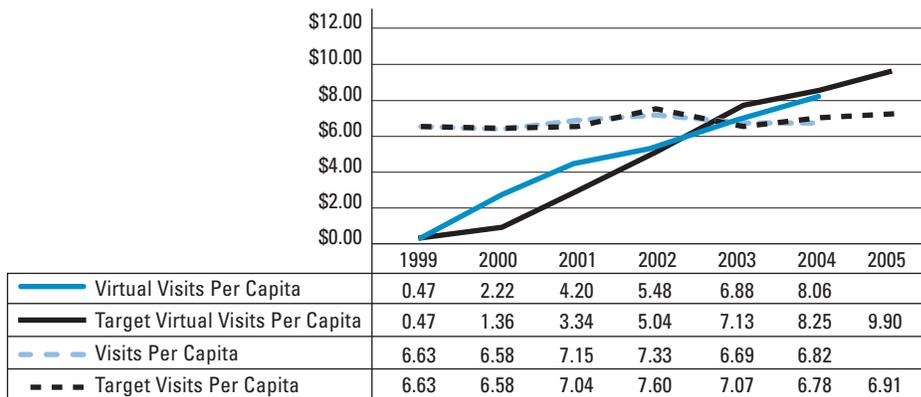
Efficiency - Cost Per Activity



Customer Service - Total Activity



Community Impact - Visits & Virtual Visits Per Capita*



Toronto Public Library

2005 Capital Budget

2004 Major Accomplishments

- ▶ Opening of the reconstructed McGregor Park Neighbourhood Branch
- ▶ Renovation and expansion of Malvern District Branch
- ▶ Opening of St. James Town Neighbourhood Library located in a shared use facility with a community centre and daycare
- ▶ Upgrades to TPL websites which included improved searching capabilities, provision of news digest service and better visibility for specialized gateways; introduction to self-serve checkout and security at two branches using Radio Frequency Identification (RFID) technology.

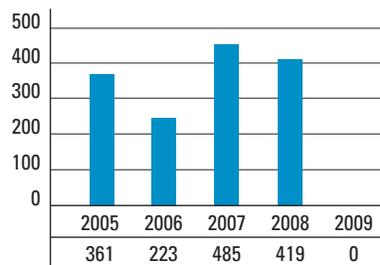
2005 Capital Budget Highlights

Total 2005 Gross Budget is \$13.716 million [2004 Budget – \$10.895 million]

- ▶ \$0.675M first year funding for design and drawings for: Thorncliffe Library/Jenner Jean-Marie Community Centre Project \$0.090M; Bloor/Gladstone Renovation and Expansion \$0.345 M; and S.W. Stewart Renovation \$0.240M
- ▶ \$2.557M to renovate Pape/Danforth \$1.044M; Jane/Sheppard \$0.483M; and Morningside \$1.030M
- ▶ \$1.624M for on-going capital maintenance of library facilities including; roofing, building systems, flooring and shelving
- ▶ \$1.624M for continuing renovation and retrofit of the Toronto Reference Library
- ▶ \$2.713M for completion of Runnymede Renovation \$0.640M; Beaches Renovation \$0.845M; Long Branch Renovation \$1.140M; and Fairview Theatre Renovation \$0.088M, in 2005
- ▶ \$3.711M for IT equipment replacement and upgrades, web site upgrades and replacements, upgrade to the Children’s web sites, additional disc space and the start of the replacement of the Integrated Library System

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl Debt Service Cost) \$1.488 Million**



Asset Inventory

- ▶ **Facilities:**
17 district libraries;
80 neighbourhood libraries;
2 research and reference libraries;
3 service buildings; and,
Includes approximately 1.8 million square feet of building space.
- ▶ **Collections:**
Approximately 11 million collection items;
Special collections include Osborne Children’s Books, Merrill Science Fiction;
Baldwin Historical, Audubon Bird and Arthur Conan Doyle Collections.
- ▶ **Vehicles:**
25 vans;
16 cube vans;
2 bookmobiles; and,
2 pickups.

Toronto Public Library

Five Year Capital Plan

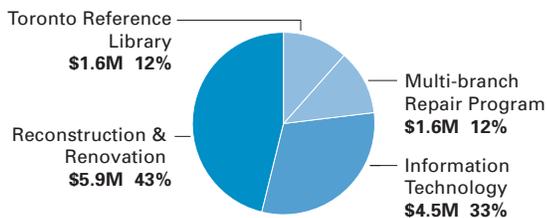
The five-year capital planning framework includes:

- ▶ Responding to demand for new branches and for enhancement of existing branches, including, planning for additional branches in the Scarborough City Centre and Waterfront areas.
- ▶ Upgrading and replacing Information Technology equipment and software through TPL's Technology Asset Management Program (TAMP) and Integrated Library System.
- ▶ Implementing the Radio Frequency Identification (RFID) project in all branches.
- ▶ Relocating branches from leased sites to City-owned land whenever feasible.
- ▶ Addressing an estimated \$10.0 M State of Good Repair backlog.

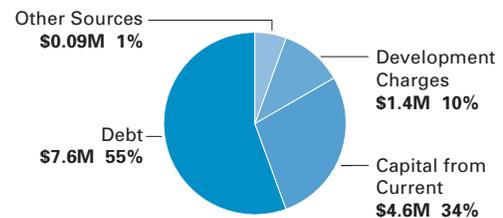
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Runnymede Neighbourhood Renovation	290	—	—	—	—	290
Beaches Neighbourhood Renovation	845	—	—	—	—	845
Long branch Neighbourhood Renovation	1,140	—	—	—	—	1,140
Morningside Neighbourhood Construction	1,030	1,152	—	—	—	2,182
Pape/Danforth District Renovation	1,044	895	—	—	—	1,939
Fairview Theatre Renovation	88	—	—	—	—	88
Public Database Remediation	500	—	—	—	—	500
Intranet/Document Management Project	312	—	—	—	—	312
Jane Sheppard Neighbourhood Reconstruct	483	967	—	—	—	1,450
Total Previously Approved	5,732	3,014	—	—	—	8,746
New						
Technology Asset Management Program	2,211	—	—	—	—	2,211
Runnymede Renovation-Change in Scope	350	—	—	—	—	350
Multi-branch Minor Renovation Prog 2005	1,624	—	—	—	—	1,624
Toronto Reference Reno & Retro 2005	1,624	—	—	—	—	1,624
Bloor/Gadstone District Reno & Expansion	345	3,069	4,418	—	—	7,832
S.Walter District Library Renovation	240	1,803	3,046	—	—	5,089
Information Technology 2005	1,000	—	—	—	—	1,000
Intergrated Library System Replacement	500	2,500	500	—	—	3,500
Thorncliffe Lib/Jenner Jean-Marie C.C Reno	90	—	—	—	—	90
Total New	7,984	7,372	7,964	—	—	23,320
Total Toronto Public Library	13,716	10,386	7,964	—	—	32,066

Where the money goes



Where the money comes from



Toronto Transit Commission

Mission Statement:

The Toronto Transit Commission (TTC) is the third largest transit property in North America based on ridership after New York City and Mexico City. TTC carries about 418 million riders per year and operates heavy and light rail, streetcar and bus services totalling over 2400 vehicles throughout the City of Toronto. In addition, TTC provides special door-to-door transit service (Wheel-Trans) for persons with mobility restrictions. TTC carries 90 percent of all local transit trips in the Greater Toronto Area and over 68 percent of the Toronto population uses the TTC at least once per month. Fully 96 percent of Toronto residents live within 400 metres of at least one TTC service.

Program Objectives

- Provides and maintains transit infrastructure and service in the City of Toronto;
- Operates and maintains a highly integrated transit system and a multi-modal fleet;
- Provides special door-to-door transit service (Wheel-Trans) for persons with the greatest need for accessible transit as established by eligibility criteria based upon an individual's level of functional mobility.

2005 Strategic Direction and Service Priorities

TTC Conventional

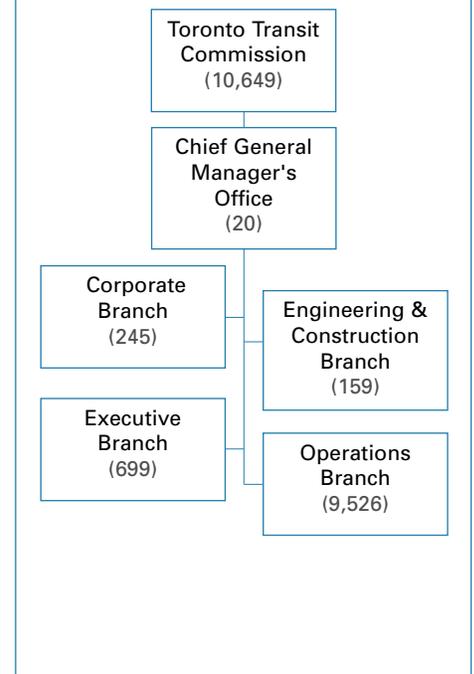
- The Toronto Transit Commission essentially offers two main services: TTC Conventional and Wheel-Trans. TTC Conventional consists of transit services provided to the general public on surface routes, utilizing buses, streetcars, RT vehicles (rapid transit) and subways. The TTC operates a system comprising almost \$9 billion in fixed assets, providing service on over 6600 kilometres of bus routes, 306 kilometres of streetcar routes and 68 kilometres of subway including the Scarborough Rapid Transit line;
- The TTC accomplishes its objectives with a staff of 10,649 (including 930 staff working on capital projects and 33 staff assigned to the Toronto Coach Terminal) and 397 staff for Wheel-Trans;
- On an average business day there are approximately 1.3 million revenue passengers (2.3 million revenue passengers including transfer fares). Of the 149 surface routes, 148 make 243 connections with the subway/Scarborough RT system during the morning rush period. The 2005 Service budget is based on service levels for 424 million riders.

Wheel-Trans

- Wheel-Trans Operations is the division of TTC responsible for provision of specialized door-to-door transportation service for persons with the greatest need for accessible transportation as established by a set of eligibility standards based upon an individual's physical functional mobility. Transportation services are provided within the City of Toronto boundaries, to the Airport, and to established boundary transfer points in order to co-ordinate trips with specialized transit services to and from the Greater Toronto Area (GTA);

Program Map

The TTC is comprised of five major branches with a total of 10,649 positions including the Toronto Coach Terminal and Wheel-Trans. Of this amount, 930 positions are for capital projects and 397 positions are for Wheel-Trans:



Toronto Transit Commission

- ▶ Wheel-Trans operates and maintains a high capacity bus service accommodating 50% of all trips while the balance of the door-to-door trips are carried on contracted taxi services using both accessible and sedan taxis. In addition to the door-to-door service, Wheel-Trans operates fixed route community bus service. These four routes serve local community areas populated with a concentration of hospitals, senior homes, malls, and medical facilities. Integrated trip planning continues with accessible Conventional TTC subways and bus routes. Wheel-Trans trip booking, planning, scheduling, and dispatch functions are handled in-house; Customer demand in 2005 increased by 5.5 percent over the 2004 budget;
- ▶ Door-to-door service is provided by 140 large capacity buses as well as 79 accessible and 32 sedan contracted taxis to serve both peak and off-peak period. Community Bus service is provided by five Orion II buses on four routes;
- ▶ Overall vehicle productivity on door-to-door service is enhanced through service initiatives and service design such as expanding zone service and sectoral scheduling.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Conventional System	956,066.2	213,880.0
Wheel-Trans	55,870.9	53,060.5
Total Program Budget	1,011,937.1	266,940.5

2005 Budget Highlights

Toronto Transit Commission: Conventional

- ▶ \$732.186 million in transit revenues based on 426 million riders in 2005;
- ▶ Service levels set to accommodate an anticipated increase in riders from 410 million riders budgeted in 2004 to 426 million riders budgeted in 2005, an increase of 16 million riders;
- ▶ \$10.0 million in additional revenue attributed to the 2005 fare increase while freezing the price of monthly passes;
- ▶ \$4.257 million net for the funding of annualized costs arising from the approval of the 2004 Budget, including a 3% wage increase and other annualized increases;
- ▶ \$19.996 million net to fund inflationary increases, of which \$7.5 million is attributable to various employee costs; \$2.499 million attributed to utility costs; \$1.579 million to increased vehicle energy requirements (traction power); \$3.823 million attributable to increases in taxes and licenses; material price increases of \$2.579 million; and insurance claim increases of \$2.015 million;
- ▶ \$2.700 million gross to fund the Off-Peak Service Improvement component of the Ridership Growth Strategy.
- ▶ \$3.0 million to fund the Weekly Pass component of the Ridership Growth Strategy.

Toronto Transit Commission: Wheel-Trans

- ▶ \$2.542 million total net increase over 2004. The 2005 Approved Budget provides for an anticipated increase in service demand of 5.3%, or 96,400 trips maintaining an unaccommodated rate of 2%. The increase in net expenditure over last year includes:
- ▶ \$0.073 million net increase in prior year impacts that includes the annualization of the April 1, 2004 of 3% wage increase of \$0.221 million net, and a full-year savings of \$0.148 million net for reversal of the leap year cost in 2004;
- ▶ \$0.495 million net to fund inflationary increases including employee costs of \$0.250 million (increase in health benefits including healthcare and dental; increases in CPP contributions); \$0.445 million increase for material increases, partially mitigated by a \$0.200 million reduction in expected accident claims.
- ▶ Wheel-Trans operates a fleet of 140 large capacity Economical Low-Floor Buses and 79 accessible and 32 sedan taxis under contract to service 1.898 m riders in 2005.

Toronto Transit Commission

2004 Achievements

Toronto Transit Commission: Conventional

- ▶ TTC is the third largest transit authority in North America after New York city and Mexico City;
- ▶ Ridership on the TTC was 418 million, exceeding expectation by 8 million riders and was due primarily to improving economic conditions in Toronto;
- ▶ The TTC began the Ridership Growth Strategy designed to improve service in the off peak hours;
- ▶ The TTC ran 6.99 million hours of service and ran a total of nearly 199 million kilometres of service combined for all vehicle modes;
- ▶ TTC has the highest revenue/cost ratio (operating costs recovered by revenues) of any transit authority in North America at 78%.

Toronto Transit Commission: Wheel-Trans

- ▶ With demand increasing over budgeted levels and unanticipated expenses in 2004, Wheel-Trans balanced the 2004 Operating Budget and kept the unaccommodated rate between 2-3%
- ▶ Achieved a peak period service demand of 123 buses;
- ▶ Increased the registrant base by 5% over budget;
- ▶ Achieved a 96% on-time system performance;
- ▶ Added three new Zone services; and
- ▶ Community Bus service carried 101,800 passengers, 2% over target.

Performance Measures

Ridership

A key performance measure for the Conventional System is ridership, the amount of rides taken by passengers on all conventional modes of transportation operated by the Commission. Ridership projections are based on a number of factors including economic activity both locally and in relation to the national economy and the U.S. economy focusing on such factors as growth in employment and consumer spending. Ridership in 2004 was 8 million riders over budget, or 418 million riders.

A key service indicator for the Wheel-Trans Operation is the unaccommodated rate defined as the percentage of trips lost due to inability to meet demand. This is projected to be 2% in 2005 representing a 75% improvement since 1994. Budgeted ridership in 2005 is 1.89 million riders.

2005 Capital Budget

2004 Major Accomplishments

- ▶ The TTC continued to maintain its infrastructure in a state of good repair with expenditures of \$100.3 million on vehicle replacements and refurbishment including the delivery of 130 new Orion VII Low Floor buses.
- ▶ In 2004 the TTC spent nearly \$84 million on infrastructure, \$29 million on signals and electrical systems and \$42 million on track replacement.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$385.605 million [2004 Budget – \$285.0 million]

- ▶ \$122.0 million gross for the acquisition of 250 Orion VII buses.
- ▶ \$45.5 million for Vehicle Overhaul Programs, including buses, Scarborough Rapid Transit cars and streetcars.
- ▶ \$44.9 million for surface track projects.
- ▶ \$13.5 million to begin the new Mount Dennis Bus Facility.
- ▶ \$103.3 million for numerous facility projects including \$16.8 million for Bridges and Tunnels, \$19.7 million for structural upgrades, \$8.3 million for accessibility projects and \$10.1 million for fire ventilation upgrades in the subway.
- ▶ \$30.5 million for various equipment including shop and computer equipment
- ▶ \$25.9 million for capital projects including non-revenue fleet replacement at \$9.0 million and the Sheppard Subway project at \$16.9 million.

Toronto Transit Commission

Asset Inventory

Infrastructure - \$5.2 Billion

- ▶ 114 miles of Subway & SRT track & 398 switches/cross overs
- ▶ 280,000 double track feet (DTF) & 80 Special Track layouts along with streetcar overhead and pole systems
- ▶ Traction power feeder and distribution systems comprised of 56 substations, 32 breaker rooms and 550 cable chambers and 80 km of traction power cables for the supply of traction and AC power
- ▶ Communication systems
- ▶ Subway and SRT signal control systems
- ▶ 70 Subway and SRT stations with integrated bus terminal facilities
- ▶ Bridges and Tunnel Structures comprised of 103 Bridges/166 Retaining Walls/68 Stations / 359 Misc. Structures/74 km of running structures/1056 Special Beam Spans
- ▶ 9 garages and 6 carhouses
- ▶ 4 heavy maintenance shops and 4 yards
- ▶ 10 divisions and 5 administrative buildings
- ▶ 27 Commuter Parking lots with 13,478 spaces
- ▶ Transit traffic signal equipped intersections and vehicles

Vehicles & Equipment - \$3.8 Billion

- ▶ 1489 conventional buses
- ▶ 145 wheel trans buses
- ▶ 248 Streetcars (CLRV & ALRV)
- ▶ 684 Subway Cars
- ▶ 28 SRT Cars
- ▶ 64 Rail Non Revenue vehicle workcars
- ▶ 361 Automotive Non-Revenue vehicles including: 60 sedans, 195 light trucks and vans, 25 medium duty trucks, 60 heavy duty trucks, 15 swingloaders and front end loaders and 42 trailers
- ▶ Shop and maintenance equipment
- ▶ Revenue and Fare handling equipment

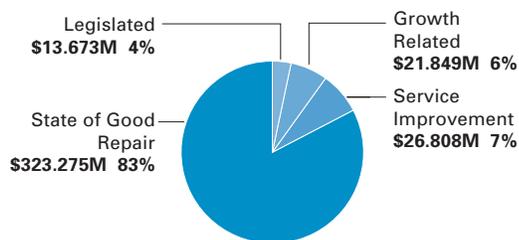
Toronto Transit Commission

2005 Capital Budget (continued)

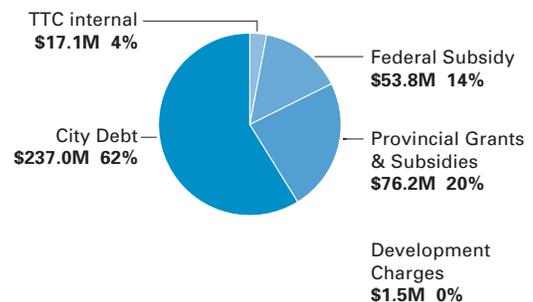
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Legislated/City Policy	11,857	12,338	5,475	383	143	30,196
State of Good Repair	260,537	91,384	20,410	256	2	372,589
Service Improvement and Enhancement	15,209	5,480	—	—	—	20,689
Growth Related	5,807	325	3,983	30	30	10,175
Total Previously Approved	293,410	109,527	29,868	669	175	433,649
New						
Legislated/City Policy	1,816	2,156	4,210	—	632	8,814
State of Good Repair	62,738	266,751	126,999	10,678	713	467,879
Service Improvement and Enhancement	11,599	15,327	—	—	—	26,926
Growth Related	16,042	8,179	18,664	6,000	—	48,885
Total New	92,195	292,413	149,873	16,678	1,345	552,504
Total TTC	385,605	401,940	179,741	17,347	1,520	986,153

Where the money goes



Where the money comes from



Toronto Zoo

Mission Statement:

The Toronto Zoo is Canada's premier zoo, known for its interactive education and conservation activities. As a unique wildlife experience, we inspire people to live in ways that promote the well being of the natural world.

Program Objectives

- ▶ Provide an experience of the natural world that is so exciting and amazing that it inspires change in public attitudes and behaviours
- ▶ Demonstrate environmental leadership by preserving and restoring plants, animals and habitats and establish collaboration with related organizations
- ▶ Communicate the Zoo's multi-disciplinary conservation and scientific programs to engage the support and involvement of the City and community
- ▶ Create learning opportunities that inspire interest in and respect for nature
- ▶ Create a guest experience that is accessible, safe, and enjoyable
- ▶ Attract, retain and develop staff and volunteers who support and endorse the Vision of the Zoo

2005 Strategic Direction and Service Priorities

In early 2001, a Strategic Plan was approved by the Board of Management to carry the Zoo forward for the next ten years. The Plan sees the Zoo positioned as a leader in conservation, a centre for education and research and a respected community institution.

Following through on this vision, the Zoo must:

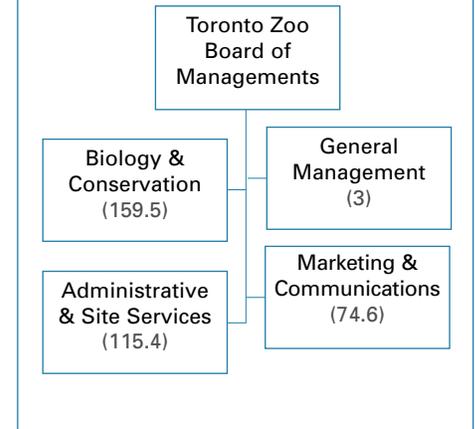
- ▶ Offer exciting experiences that inspire visitors to care about nature and commit to personal action
- ▶ Build a higher profile in wildlife education, conservation and research by actively promoting the work that goes on behind the scenes
- ▶ Strengthen community involvement to increase public pride in and ownership of the Zoo

In summary, the Zoo has the following service priority goals in 2005:

- ▶ Achieve an attendance level of 1,165,000, by promoting the Zellers Discovery Zone and a program of family-oriented summer events
- ▶ Develop a concept for the Learning Centre, explore partnerships and define the themes and programs for the Centre
- ▶ Implement operational changes to improve customer service in parking, admissions and site cleanliness on busy days
- ▶ Continue to improve the animal shows and explore the feasibility of expanding the animal outreach program
- ▶ Introduce a formal animal enrichment program, to meet accreditation standards

Program Map

The Toronto Zoo is comprised of four services, with a total of 352.5 approved positions:



Toronto Zoo

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Biology & Conservation	9,937.1	9,401.0
Marketing & Communications	9,658.8	903.0
Administrative & Site Services	14,054.3	13,869.3
General Management	1,078.1	1,042.2
Animal & Endangered Species	136.0	—
Revenue & Recoveries	—	(14,146.5)
Total Program Budget	34,864.3	11,069.0

2005 Budget Highlights

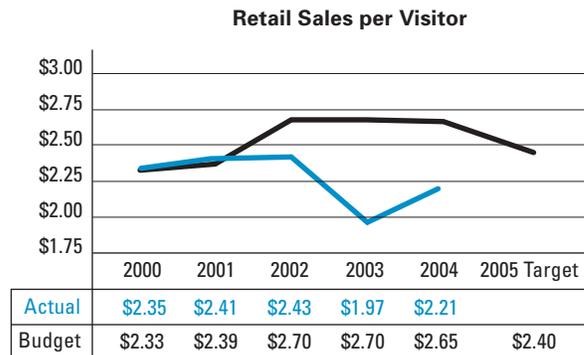
- ▶ \$0.110M – to address the Zoo’s most pressing accreditation concerns: site maintenance and repair as well as animal health and welfare
- ▶ \$0.090M – for the annual maintenance of the Zoo’s new Enterprise Resource Planning system
- ▶ (\$0.637)M – to reflect the incremental revenue to be generated by raising admission prices by \$1 for adults, children and seniors

2004 Achievements

- ▶ Officially opened the "Kids Zoo", an outdoor children’s area with animals and interactive elements, as the third phase of the Zellers Discovery Zone
- ▶ Organized a series of events to celebrate the Zoo’s 30th anniversary and a summer schedule of family-oriented events
- ▶ Developed and implemented the zooarts Festival, featuring several unique art works that focus on animals and the environment
- ▶ Increased Zoo memberships to 27,917 households, a record high, representing a growth of 20% compared to five years ago

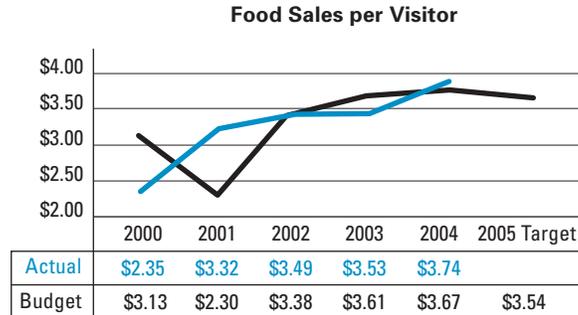
Performance Measures

Retail Sales: Actual retail sales have been predominantly flat since 2001. The budgeted target for 2005, while lower than previous years, is 9% higher than the 2004 actuals.

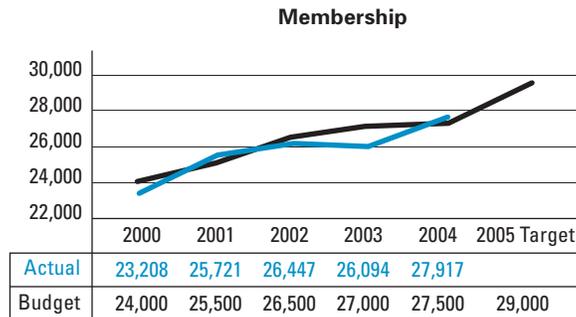


Toronto Zoo

Food Sales: The 2005 budget for food sales per visitor is slightly above the average attained over the last four years. Since 2000, food sales per visitor have significantly increased by 59%.



Memberships: The Zoo has had great success in securing memberships. Over the past five years, memberships have grown by 4,709 or 20%. An additional 1,100 memberships are projected to be sold in 2005.



2005 Capital Budget

2004 Major Accomplishments

- › Completed site-wide generator installation
- › Opened the Kids Zoo, Phase 3 of the Zeller's Discovery Zone
- › Completed Animal Health Facilities Feasibility Study
- › Completed ERP Computer System Evaluation
- › Completed washroom renovation project
- › Started detailed design of Animal Quarantine Facility
- › Started Elephant exhibit improvements
- › Started design of North Zoo Site Redevelopment Project

2005 Capital Budget Highlights

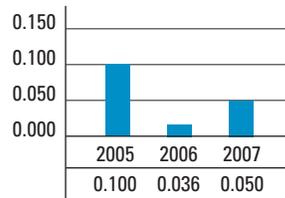
- › \$1.152 M for the completion of the detailed design phase of the North Site Redevelopment project
- › \$1.330 M to fund the addition of a new Quarantine Facility that is needed to hold off-exhibit animals
- › \$1.191 M for the refurbishment of buildings and systems including improvements to electrical, mechanical and roofing infrastructure
- › \$0.404 M to continue with the phased implementation of the Enterprise Resource Planning information system
- › \$0.537 M for the completion of exhibit refurbishments
- › \$0.325 M to continue with grounds and visitor improvements
- › \$0.100 M to begin the development of a learning centre

Toronto Zoo

2005 Capital Budget (continued)

Incremental Operating Impact of the 2005 Capital Budget

**2005 Council Approved Capital Budget
Incremental Net Operating Impact**
(Excl Debt Service Cost) \$0.186M



Asset Inventory

The following assets have been identified in the Toronto Zoo’s Capital Master Plan:

- | | |
|------------------------------------|----------------------------|
| Main Entrance | Gorilla Outdoor Exhibit |
| Orangutan Exhibit (Indoor/Outdoor) | IndoMalaya Pavilion |
| Quarantine Facility | Animal Health Centre |
| Fish and Marine Exhibit | Zoomobile Replacement |
| Giraffe Exhibit | Indo-Africa Bridge |
| Themed Rides | Australasia Pavilion |
| Elephant Paddock | Australasia Paddocks |
| Canadian Wilderness | Africa Rainforest Pavilion |
| Eurasia | Food Services |
| Tundra Exhibit | Special Exhibit Facility |
| Tropical Americas Pavillion | Breeding/Holding Facility |

Five Year Capital Plan

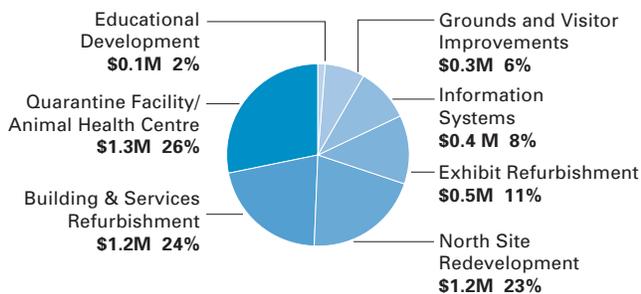
- ▶ The Zoo’s five-year plan reflects the implementation of six major Board approved reports: the Building Audit Report and Site Services Study, the Revenue and Visitor Experience Enhancement Study, the report on Information Needs 2000, the North Zoo Site Redevelopment Feasibility Study, and the Animal Health Facilities Feasibility Study. The plan arises from the continuation of the Zoo’s 25-year Master Plan of 1990 and directions provided in the 2001 Strategic Plan
- ▶ The five-year estimates represent an envelope including most of the Zoo’s asset needs, although specific projects may change
- ▶ State of Good Repair (SOGR), Legislated and Health and Safety projects represent 77% of the five-year plan. Service Improvement projects account for the balance
- ▶ The Toronto Zoo has identified a current total SOGR backlog of \$79.335 million. The five-year Plan addresses \$18.083 million of this amount with an average of \$3.617 million annually. However, this requirement combined with planned service improvement projects make future year capital estimates difficult to fund given current affordability constraints
- ▶ The five-year estimates include the North Zoo Site Redevelopment Project construction phases totalling approximately \$28 million over 2006-2009 for the construction of a new Tundra Exhibit and Canadian Wilderness, a renovation of the Eurasia area and the Americas Pavillion. This represents half of the overall cash flow for the five-year period

Toronto Zoo

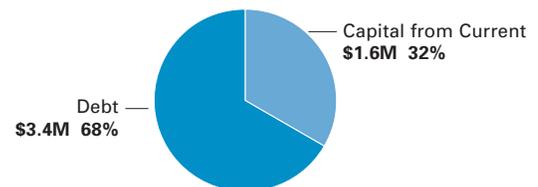
2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Building & Service Refurbishment	439	—	—	—	439
Information Systems	404	—	—	—	404
Exhibit Refurbishment	537	—	—	—	537
North Site Redevelopment	1,072	—	—	—	1,072
Grounds and Visitor Improvements	—	—	—	—	—
Quarantine Facility/Animal Health Centre	1,330	96	—	—	1,426
Educational Development	—	—	—	—	—
Total Previously Approved	3,782	96	—	—	3,878
New					
Building & Service Refurbishment	752	—	—	—	752
Information Systems	—	—	—	—	—
Exhibit Refurbishment	—	—	—	—	—
North Site Redevelopment	80	—	—	—	80
Grounds and Visitor Improvements	325	—	—	—	325
Quarantine Facility/ Animal Health Centre	—	508	—	—	508
Educational Development	100	—	—	—	100
Total New	1,257	508	—	—	1,765
Total Zoo	5,039	604	—	—	5,643

Where the money goes



Where the money comes from



Yonge Dundas Square

Overview

The City of Toronto’s Official Plan sets out the vision for a vibrant, competitive, safe and livable downtown. To support this vision, the area surrounding Yonge and Dundas was targeted for significant neighbourhood revitalization. The cornerstone of the Yonge Street Regeneration Program was the development of a new public space that would provide a vibrant community space for local residents, workers and visitors to the area as well as creating a catalyst to attract new development and increased assessment. Yonge Dundas Square was created to meet these objectives.

In its second full year of operation Yonge Dundas Square has contributed to the transformation of Yonge Street and it is well positioned to support Council’s priorities to improve the business climate; to make Toronto a clean beautiful city; and to strengthen our at-risk neighbourhoods.

The Square’s Board of Management combines the interest of the local community with entrepreneurial energy and experience in the management of this strategic city asset. The Board is responsible for overseeing the maintenance, operation and programming of the Square.

Program Objectives

The one-acre Square is designated for use as a public open space. It is also designated as an event venue that can accommodate events of various sizes. The facility is operated by a volunteer Board of Management that includes representation from the Downtown Yonge BIA, local resident groups, the Toronto Theatre Alliance, Yonge Street Mission and Ryerson University. The Board is responsible for operating a high profile facility at one of the busiest intersections in the country, providing a quality event venue and delivering programming that appeals to a wide range of audiences.

2005 Strategic Directions

The following are some of the key challenges for the 2005 fiscal year:

- Establish a stable and sustainable financial structure for Yonge Dundas Square
- Continue to position Yonge Dundas Square as a premier outdoor urban venue for commercial events
- Source and install custom designed stage canopy to facilitate commercial and community events

2005 Operating Budget by Service

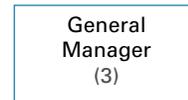
	Gross (\$000s)	Net (\$000s)
Yonge Dundas Square	1,008.2	571.2

2005 Budget Highlights

- \$0.020 M – additional funding for inflationary costs

Program Map

Yonge Dundas Square is comprised of one service, with a total of 3 approved positions:



Yonge Dundas Square

2004 Achievements

Yonge Dundas Square achieved many significant accomplishments in 2004, some of which are as follows:

- ▶ Programming produced by the Board of Management attracted 73,000 visitors and included the weekly 'Friday Funk' concerts, 'Summer Serenades' lunchtime jazz performances, 'City Cinema' outdoor film screenings and 'Street Scenes' busker entertainment
- ▶ Created a new Community Use Policy that resulted in 61 community events -an increase of 42 percent over 2003
- ▶ Issued 95 permits for commercial events versus 43 in 2003
- ▶ Improved relationships with commercial event agencies thereby increasing the number of promotional events from which permit fees were levied. Included the successful DVD launch of 'Lord of the Rings: Return of the King' which drew a large audience and great media attention
- ▶ Continued to work with and host major Toronto festivals including Caribana, Wintercity, Pride Toronto and Celebrate Toronto Street Festival
- ▶ Hosted new landmark event for Canadian Walk of Fame
- ▶ Hosted events during 2004 Summer Olympic games presented by Olympic Spirit, a new attraction built as part of area redevelopment. Thousands of people came together to watch the Olympic broadcast at the Square daily
- ▶ Became regular location for local television remotes including CityTV, CTV, Toronto 1, Global, CBC and the Weather Network. Facilitated commercial and student filming
- ▶ BIA and TOTIX collaborated to open new Tourist Information centre onsite
- ▶ Regular food service established onsite to offer service to patrons of the Square and generate regular source of revenue
- ▶ Completed installation of light masts on the Square
- ▶ Completed installation of video advertising signage

2005 Capital Budget

2004 Major Accomplishments

- ▶ Significant progress on the completion of the original Capital Redevelopment Program

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$0.478M [2004 Gross Budget - \$3.135M]

- ▶ \$0.128M - to complete the Yonge Dundas Square Redevelopment Project
- ▶ \$0.350M - to construct a permanent canopy over the stage

Incremental Operating Impact of the 2005 Capital Budget

There is no Incremental Operating Impact resulting from the 2005 Capital Budget.

Five Year Capital Plan

Yonge Dundas Square will develop a Five Year Capital Plan for 2006 that will include the ongoing repair and development of the Square.

Yonge Dundas Square

2005 Capital Budget (continued)

2005 Approved Capital Budget

(\$000s)	2005	Commitments			Total
		2006	2007	2008	
Previously Approved					
Total Previously Approved	—	—	—	—	—
New					
Redevelopment settlements	128	—	—	—	128
New Canopy	350	—	—	—	350
Total New	478	—	—	—	478
Total Yonge Dundas Square	478	—	—	—	478



Corporate Accounts

Community Partnership and Investment Program

Mission Statement:

The Community Partnership and Investment Program contributes to the enhancement of the quality of life in the City of Toronto. Through its various responsibilities, it guides change and manages growth with the objective of promoting general social, cultural, recreational and economic prosperity. Each service area within the Community Partnership and Investment Program is linked to the City's Strategic Plan, and addresses specific Council Priorities. Grant-making activities are guided by the principles of accessibility, fairness and equity, openness and transparency, accountability and responsiveness.

Program Objectives

- ▶ Provide strategic tools to achieve Council's social, cultural, recreational and economic goals through the delivery of specific services, projects and programs.
- ▶ Assist communities in drawing upon their own talents and resources to identify needs and develop appropriate programs and services.
- ▶ Encourage residents to engage in civic life and participate in decision-making by supporting a City-wide network of community organizations.
- ▶ Help leverage other resources from the community, business and other governments.

2005 Strategic Direction/Service Priorities and Challenges

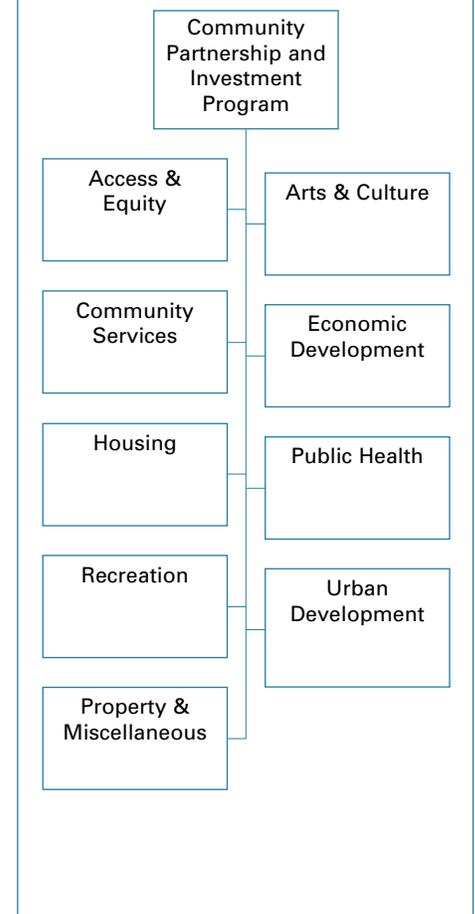
- ▶ Continue implementation of the Grants Accountability and Risk Management Framework.
- ▶ Implement grants program standards to support program delivery.
- ▶ Implement grants program performance measures to support the evaluation and planning of grants programs.
- ▶ Develop the Corporate Grants Information System to increase the ability of grants programs to manage data and records electronically.
- ▶ Continue the implementation of the "City-Owned Space at Below Market Rent" Policy.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Arts & Culture	15,762.1	15,512.1
Community Services	11,880.7	11,880.7
Recreation	1,280.4	1,280.4
Public Health	4,924.6	4,724.6
Housing	6,927.0	2,398.3
Access & Equity	773.8	773.8
Economic Development	581.3	581.3
Urban Development	309.3	309.3
Miscellaneous	1,639.0	1,539.0
Total Program Budget	44,078.2	38,999.5

Program Map

The Community Partnership and Investment Program is comprised of nine service areas:



Community Partnership and Investment Program

2005 Budget Highlights

- › Increase of \$0.400 million for Toronto Arts Council Grant Program to \$8.913 million.
- › Increase of \$0.094 million for Toronto Arts Council Operations Program to \$0.889 million.
- › Increase of \$0.275 million for the second year of a five-year plan to restore funding to 1990 level for Major Cultural Organizations to \$3.837 million.
- › Provide funding of \$0.100 million for Toronto Pride as a new participant to Major Cultural Organizations Grant Program.
- › Increase of \$0.400 million for the School Nutrition Program to \$2.399 million.
- › Increase of \$0.080 million for Royal Agricultural Winter Fair to \$0.885 million.
- › Increase of \$0.150 million for Aids Prevention Grant Program to \$1.514 million.
- › Provide funding of \$0.200 million to support community groups in preparation for the 2006 International Aids Conference to be held in Toronto in August 2006.
- › Increase of \$0.100 million for Culture Build Grant Program to \$0.250 million.
- › Increase of \$0.025 million for Toronto Artscape grant to \$0.231 million.
- › Increase of \$0.025 million for Local Arts Service Organizations Grant Program to \$0.330 million.

2004 Achievements

- › Continued implementation of the Grants Accountability and Risk Management Framework to ensure due diligence, effectiveness, consistency and fairness.
- › Developed common components and standards for a well managed grant program.
- › Developed grants program performance measures framework.
- › Completed Phase One of the implementation of the "City-owned Space Provided at Below Market Rent" Policy.

Performance Measures

The performance measures shown below include information from recreation programs, arts and culture activities, community festivals, street outreach for the homeless, outreach to at risk youth, health education, children's breakfast programs etc. Due to the variety of activities funded within the Community Partnership and Investment Program, various service level indicators were collected from the grant programs and are presented within a common framework. Service statistics are separated into three categories; individuals served, client contacts, and attendance numbers. The appropriate category is used based on the nature of the funded activities. Two current initiatives: the Corporate Grants Information System and the Grants Program Performance Measures, will further standardize the service level indicators used across grants programs.

Administrative and Customer Service Measures

- › Applications Distributed: The number of application packages distributed by the grants programs.
- › Applications Received: The number of completed applications submitted to the grants programs.
- › Awards made: The number of applications that were funded.
- › Amount Requested: The total funding amount that was requested by applicants.
- › Amount Funded: The total amount that was allocated by the Community Partnership and Investment Program.

	2003	2004	2005 Target
Applications Distributed	4,748	4,660	4,710
Applications Received	3,036	3,125	3,145
Awards Made	1,991	1,993	1,991
Amount Requested	\$58,477,919	\$59,911,123	\$60,491,085
Amount Allocated	\$33,416,890	\$38,971,836	\$39,002,756

Community Partnership and Investment Program

Community Impact Measures

- ▶ Individuals Served, Client Contacts, and Attendance numbers: Service statistics collected from grant recipients, based on the nature of the funded activities.
- ▶ Volunteers and Volunteer hours: The number of volunteers involved in funded activities and the number of volunteer hours contributed to funded activities.
- ▶ Funding Leverage: A ratio of the funding provided by the Community Partnership and Investment Program to funding matched by other sources.

	2003	2004	2005 Target
Individuals Served	1,558,296	1,851,790	1,874,020
Client Contacts	867,690	1,465,743	1,465,743
Attendance Numbers	12,124,199	13,006,796	13,024,674
Volunteers	102,974	107,506	108,584
Volunteer Hours	2,490,867	2,589,341	2,592,316
Funding Leverage	\$1:\$7.08	\$1:\$6.95	\$1:\$6.95

Capital & Corporate Financing/Non-Program

Program Overview:

Corporate and Capital Financing provides the financing for the City of Toronto's 2005 Capital Budget and other assets that are financed corporately. Non-Program Expenditures consist of corporate items, of which 73% are Tax Related and Employee Related. Non-Program Revenues consist of corporate revenue items, of which 86% fall into the following categories: Tax Related Revenues; Parking Tags Revenue; Toronto Hydro Revenues; Provincial Assistance; and Investment Income.

2005 Operating Budget by Service

Services	Gross (\$000s)	Net (\$000s)
Capital and Corporate Financing	453,073.8	429,573.8
Non-Program Expenditures	437,080.4	362,149.8
Non-Program Revenues	—	(740,581.7)
Total Program Budget	889,154.2	51,141.9

Capital and Corporate Financing

City Council approved the 2005 Tax Supported Capital Program with capital expenditures and future year commitments totalling \$2.713 billion. The 2005 cash flow requirement (excluding the 2004 carry-forward of \$226.288 million) is \$1.033 billion. The 2005 Debt Financing budget provides support for the capital program through net debt charges of \$284.6 million and capital from current funding of \$124.2 million.

The 2005 Capital Financing budget provides funding for computer hardware and software totalling \$20.8 million.

The following chart summarizes the 2005 Approved Budget for Capital and Corporate Financing, with comparative figures for 2004. The Capital and Corporate Financing budget has increased by \$43.044 million or 11.1% from the 2004 Budget:

Capital and Corporate Financing Summary

	\$000's			
	2004 Budget	2005 Approved	Increase (Decrease)	% Incr. (Decrease)
Debt Financing				
Debt Charges	245,088.2	308,132.1	63,043.9	25.7%
Housing Company Recovery	(3,500.0)	(3,500.0)	0.0	0.0%
Contribution from Reserve Fund	—	(20,000.0)	(20,000.0)	n/a
Net Debt Financing	241,588.2	284,632.1	43,043.9	17.8%
Capital from Current	124,172.0	124,172.0	0.0	0.0%
Capital Financing				
Computer Hardware & Software	20,769.7	20,769.7	0.0	0.0%
Total Capital & Corporate Financing	386,529.9	429,573.8	43,043.9	11.1%

Capital & Corporate Financing/Non-Program

Non-Program Expenditures

This budget consists of expenditure items considered to be corporate in nature. The following chart summarizes the 2005 Approved Budget for Non-Program Expenditures, with comparative figures for 2004. Non-Program Expenditures budget has increased by \$143.959 million or 66.0% over the 2004 Budget:

Non-Program Expenditure Summary

	\$000's			
	2004 Budget	2005 Approved	Increase (Decrease)	% Incr. (Decr.)
Tax Related				
Tax Deficiencies/Write-Offs	72,100.0	92,608.6	20,508.6	28.4
Assessment Function (MPAC)	29,200.0	31,200.0	2,000.0	6.8
Vacancy Rebate Program	12,000.0	14,000.0	2,000.0	16.7
Total Tax Related	113,300.0	137,808.6	24,508.6	21.6
Other				
Temporary Borrowing	400.0	400.0	0.0	0.0
Employee Related Liabilities	25,482.6	35,182.6	9,700.0	38.1
Programs Funded from Reserve Funds	58,315.7	64,528.7	6,213.0	10.7
Insurance Premiums & Claims	16,300.0	21,300.0	5,000.0	30.7
Parking Tag Enforcement & Operations	39,972.8	41,615.3	1,642.5	4.1
Corporate Utilities	28,453.0	31,053.2	2,600.2	0.1
Other Corporate Expenditures	22,291.6	104,192.0	81,900.4	367.4
Recoveries				
Corporate Utilities	(5,641.7)	(6,464.9)	(823.2)	14.6
Programs Funded from Reserve Funds	(58,315.7)	(64,528.7)	(6,213.0)	10.7
Other Corporate Expenditures	(22,367.0)	(2,937.0)	19,430.0	(86.9)
Total Non-Program Expenditures	218,191.3	362,149.8	143,958.5	66.0

- ▶ The Tax Deficiencies expenditure has been increased by \$20.509 million or 28.4% to reflect 2004 actual experience.
- ▶ The fee charged by Municipal Property Assessment Corporation (MPAC) has increased by \$2.000 million or 6.8%. This provides for assessment services across the City.
- ▶ The Employee Related Liabilities has increased by \$9.700 million or 38.1% to replenish the Employee Benefits Reserve Fund for the 2004 withdrawal.
- ▶ The Vacancy Rebate Program expenditure has increased by \$2.000 million or 16.7% based on 2004 actual experience.
- ▶ The Non-Program contribution to the Reserve Fund for Insurance Premiums and Claims has increased by \$5.000 million or 30.7% to ensure a stable level is achieved to fund future claims.
- ▶ Parking Tag Enforcement and Operations expenditure has increased by \$1.643 million or 4.1% to reflect Court Services' recovery from the Parking Tag Enforcement and Operations commencing year 2005, for costs incurred for the judiciary processing of parking tickets.
- ▶ Corporate Utilities net expenditure has increased by \$1.777 million or 7.8% resulting from inflationary pressures.
- ▶ Other Corporate Expenditures budget includes a corporate fund of \$0.159 million for hosting conferences of international significance.

Capital & Corporate Financing/Non-Program

Non-Program Revenues

This budget consists of tax related and other revenue items considered to be corporate in nature. The following chart summarizes the 2005 Approved Budget for Non-Program Revenues, with comparative figures for 2004. Non-Program Revenues budget has increased by \$169.683 million or 29.7% over the 2004 Budget.

Non-Program Revenue Summary

	\$000's			
	2004 Budget	2005 Approved	Increase (Decrease)	% Incr. (Decr.)
Tax Related				
Payments in Lieu of Taxes	83,674.2	83,929.9	255.7	0.3
Supplementary Taxes	27,000.0	37,000.0	10,000.0	37.0
Tax Penalty Revenue	29,000.0	26,500.0	(2,500.0)	(8.6)
Other Tax Revenues	17,030.0	14,260.1	(2,769.9)	(16.3)
Total Tax Related	156,704.2	161,690.0	4,985.8	3.2
Other				
Interest/Investment Earnings	61,000.0	62,000.0	1,000.0	1.6
Prior Year Surplus	15,184.0	—	(15,184.0)	(100.0)
Toronto Hydro Revenues	91,655.7	195,055.7	103,400.0	112.8
Provincial Revenue	90,000.0	136,600.0	46,600.0	51.8
Parking Authority Revenues	29,394.0	27,295.4	(2,098.6)	(7.1)
Woodbine Slot Revenues	15,700.0	15,700.0	—	—
Corporate Recoveries - Water	18,973.0	18,973.0	—	—
Corporate Recoveries - Health/Emerg Med. Serv	17,302.0	17,302.0	—	—
Parking Tag Enforcement & Operations	72,667.6	82,787.0	10,119.4	13.9
Other Corporate Revenues	2,318.1	23,178.6	20,860.5	899.9
Total Non-Program Revenues	570,898.6	740,581.7	169,683.1	29.7

- ▶ Supplementary Taxes revenue has increased by \$10.000 million or 37.0% based on the 2004 actual level.
- ▶ No Prior Year Surplus is brought forward into 2005 to fund operations.
- ▶ Toronto Hydro revenue of \$195.056 million includes \$66.656 million interests on Notes Receivable, payment of dividends of \$38.400 million, and special dividend and sale of City street and expressway lighting assets of \$90.000 million.
- ▶ Provincial Revenue of \$136.600 million includes \$91.600 million City's share of the provincial gas tax revenue; \$20.000 million towards improvements to the Toronto Transit Commission, and \$25.000 million to promote a competitive business climate.
- ▶ Parking Authority revenue has decreased by \$2.099 million or 7.1%, reflecting the 2004 one-time contribution of \$2.000 million.
- ▶ Parking Tag Enforcement and Operations revenue has increased by \$10.119 million or 13.9% resulting from the elimination of voluntary payment amount and the increase in set fine amounts for parking offences.
- ▶ Other Corporate Revenue includes contribution of \$19.760 million from reserve funds to offset Provincial funding shortfall for cost-shared programs.

Non-Levy Operations

Toronto Parking Authority

Mission Statement:

The Toronto Parking Authority (TPA) exists to provide safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street parking as an integral component of Toronto's transportation system.

Program Objectives

- ▶ **Short-Term Parking:** Satisfying the short-term parking needs identified within the various business areas of Toronto.
- ▶ **Supporting Local Business:** Achieved by the following:
 - a) Satisfying short-term parking needs.
 - b) Providing alternative payment options for customers.
 - c) Constantly enhancing customer service.
 - d) Innovative solutions to specific parking problems.
- ▶ **Innovative and Economic Expansion of Services:** Examine/utilize new technology to enhance services and reduce operating costs; expansion via joint partnerships with the private sector which reduces our capital costs.
- ▶ **Self-Funding:** Constantly seeking ways to enhance revenue and provide services at lower costs through technology (solar power) and automation.

2005 Strategic Direction and Service Priorities

The TPA exists to provide safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street public parking as an integral component of Toronto's transportation system.

2005 Operating Budget by Service

The 2005 Approved Operating Budget for the TPA included revenues of \$97.169 million, expenses of \$54.282 million and a budgeted net income of \$42.887 million. The budget is broken down further as follows:

Service	Gross (\$000s)	Net (\$000s)
On-Street Parking	10,332.5	(25,988.5)
Off-Street Parking	43,949.3	(16,898.7)
Total Program Budget	54,281.8	(42,887.2)

2005 Budget Highlights

Approved in principle, the transfer of parking enforcement on-street meter/pay-and-display areas from the Toronto Police Service – Parking Enforcement Unit to the Toronto Parking Authority and requested the Chief Administrative Officer and the Chief Financial Officer and Treasurer to work with the Toronto Parking Authority and the Toronto Police Service to facilitate the transfer with the objective of improving service and achieving savings to take effect in the 2006 fiscal year or earlier.

2004 Achievements

- ▶ Addressed off-street parking shortfall in five new neighbourhoods.
- ▶ Introduction of e-commerce payment options.
- ▶ Completed all major maintenance projects planned.
- ▶ Introduced the TPA corporate convince card – "Fastrack" for corporate customers.
- ▶ Contributed \$36.3 million to the City in 2004.

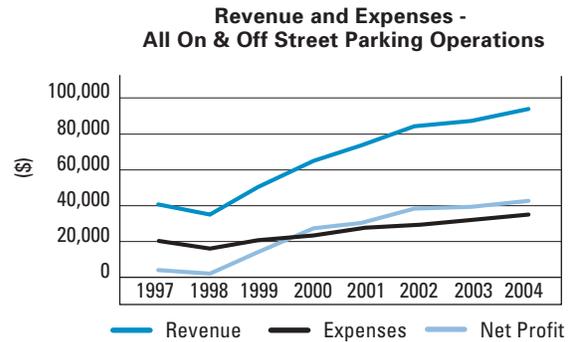
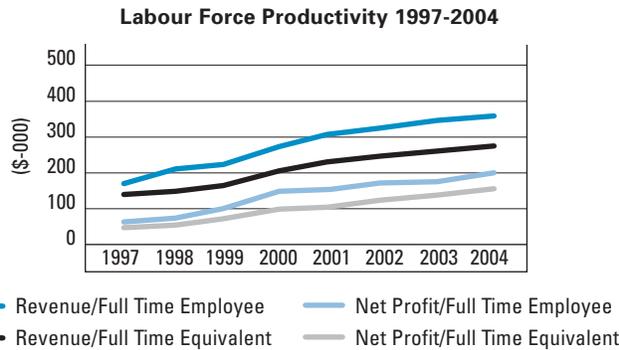
Program Map

The Toronto Parking Authority is comprised of two services with a total of 315.1 approved positions:



Toronto Parking Authority

Performance Measures



2005 Capital Budget

2004 Major Accomplishments

- Converted approximately 1,700 on-street spaces to pay and display machines from old-style meters to improve customer service and enhance revenue generation.
- Successfully concluded a joint venture development project with the private sector to provide needed short-term parking spaces at minimal cost to the TPA.

2005 Capital Budget Highlights

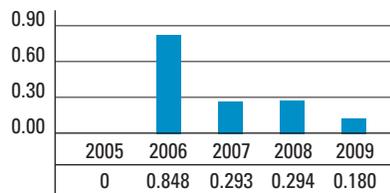
Total 2005 Gross Budget is \$24.191 million [2004 Budget – \$22.744 million]:

- \$1.886 million for replacement of single space meters with on-street pay and display machines has proven very successful and will continue with an annual increment of 130 machines in 2005, 2006 and 2007.
- \$7.500 million for development of parking to service the Medical and Research Services (MARS) facility.

Incremental Operating Impact of the 2005 Capital Budget

Incremental operation revenue generated from additional user fees of \$0.000 million for 2005, \$0.848 million for 2006, \$0.293 million for 2007, \$0.294 million for 2008, and \$0.180 million for 2009.

**2005 Council Approved Capital Budget
Incremental Net Operating Impact
(Excl. Debt Service Cost) \$1.615 Million**



Asset Inventory

On-Street Facilities:

- Over 18,000 metered parking spaces.
- Inventory of 4,100 "old style" meters and 2,100 pay and display machines.

Off-street Facilities:

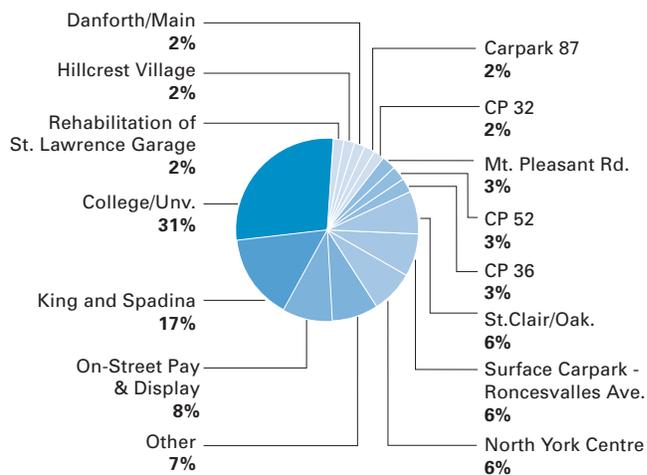
- Over 20,000 spaces in 168 parking lots.
- 19 attended lots.
- 6 fully automated garages.
- 22 garages in total.
- 136 unattended facilities ("pay & display").

Toronto Parking Authority

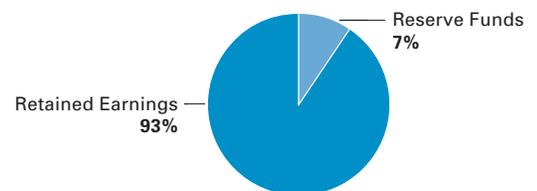
2005 Approved Capital Budget

(\$000s)	2005	Commitments				Total
		2006	2007	2008	2009	
Previously Approved						
Dundas Square Garage	200	—	—	—	—	200
Yorkville - Property Acquisition	50	1,535	—	—	—	1,585
Chester/Danforth - Carpark 87 Expansion	500	—	—	—	—	500
Queen Street East Carpark (East of Woodbine)	160	—	—	—	—	160
Roncesvalles Avenue CP	1,500	—	—	—	—	1,500
North York Centre	1,000	—	—	—	—	1,000
Vicinity of CP 111	100	—	—	—	—	100
Bathurst/St. Clair W.	150	—	—	—	—	150
Re-Development of CP 32	500	—	—	—	—	500
St. Clair/Oakwood	1,500	—	—	—	—	1,500
Hillcrest Village	500	—	—	—	—	500
Lakehore/29th St.	100	—	—	—	—	100
CP 205 Huron Street Land Purchase	300	—	—	—	—	300
Mt. Pleasant/Hillsdale Joint Venture	675	—	—	—	—	675
Total Previously Approved	7,235	1,535	—	—	—	8,770
New and Change In Scope						
North York Centre	500	—	—	—	—	500
Bathurst/St. Clair W.	120	—	—	—	—	120
Lakehore/29th St.	200	—	—	—	—	200
King/Spadina	4,000	—	—	—	—	4,000
Rehabilitation of CP 2	500	—	—	—	—	500
Lawrence/Elinor	250	—	—	—	—	250
Danforth/Main	500	—	—	—	—	500
Electronic Parking Equipment	1,886	—	—	—	—	1,886
CP 52 Major Repairs	750	—	—	—	—	750
CP 36 Major Repairs	750	—	—	—	—	750
College/University	7,500	—	—	—	—	7,500
Total New	16,956	—	—	—	—	16,956
Total Toronto Parking Authority	24,191	1,535	—	—	—	25,726

Where the money goes



Where the money comes from



Toronto Water

Mission Statement:

The Toronto Water Program is committed to providing its customers with quality water services through supplying drinking water and treatment of wastewater essential for protecting public health and safety, in an environmentally responsible manner. By providing superior water quality and sewage services at reasonable prices, the Program will become the service provider of choice, and renowned worldwide as a centre of expertise.

Program Objectives

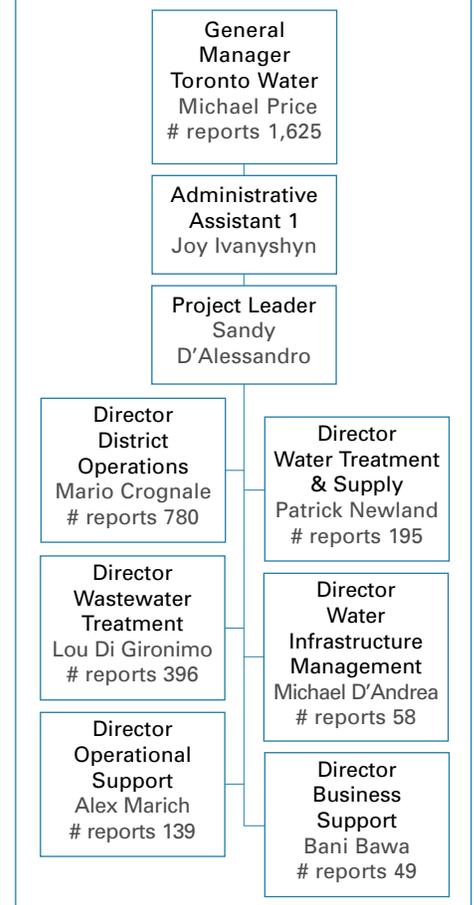
Toronto Water needs to re-position itself and establish objectives that would allow the program to meet new and emerging demands. Key objectives based on new demands include:

- ▶ Renew and rehabilitate ageing infrastructure. This is a recognized problem around the world requiring significant long-term infrastructure investment;
- ▶ Establish a rate structure that would enable the City to finance the accelerated capital investment needed to address the system’s significant infrastructure deficit;
- ▶ Respond effectively to recent and anticipated changes in the legislative environment, many of which result from the Walkerton tragedy.
- ▶ Provide adequate and effective attention to source water protection as a key component of our water system to protect the quantity and quality of surface and ground water supplies before they are captured for human use;
- ▶ Meet stringent new provincial reporting requirements, including the pending full cost accounting, reporting of said costs, and full recovery;
- ▶ Improve capacity of our current system to provide water and wastewater services to meet projected population growth;
- ▶ Standardize and harmonize processes and practices, both in the plants and in the district operations areas of the Division, with continuous improvement initiatives, some of which require implementation of appropriate, updated technology infrastructure and replacement of outdated aging assets, with all of these changes ultimately having an impact on customer service delivery;
- ▶ Increase strategic policy focus on water and wastewater long term issues.

Drinking water quality is a critical area for the division. However, it is not emphasized in the program changes or objectives, as Toronto already has achieved a high quality standard of drinking water that exceeds provincial legislative requirements. This standard has become an ongoing operational norm for Toronto Water while practicing continuous improvement to ensure these high standards are maintained if not enhanced.

Program Map

The Program Map below provides a summary of programs and activities of the Toronto Water Division. Over the next year, the program map will be revised to reflect the newly organized accountabilities of the business unit. Based on the approved 2005 Toronto Water Operating and Capital Budgets there are six major service activities, with a total of 1,626 positions:



Toronto Water

2005 Strategic Direction and Service Priorities

Council designated Water & Wastewater as "Business Unit" effective January 1, 2004, and approved use of name "Toronto Water". As a new Business Unit it is responsible for the distribution and supply of drinkable water, the collection and treatment of wastewater and stormwater management. The strategic direction of the Unit is to:

- Deliver excellence in Environmental Stewardship
- To achieve ongoing financial vitality and sustainability as a world leader in the Water business
- To enhance service delivery to meet and exceed client expectations
- Addressing Renewal Needs of Ageing and Deteriorating Infrastructure
- Increasing Total System Capacity to Keep Pace With Population Growth

The following are some of the planned activities for 2005 to support the Strategic Goals:

- Commencement of design work on a new outfall and ultra violet disinfection facilities at Ashbridges Bay Treatment Plant
- The Biosolids Master Plan plan will establish the long-term strategy that Toronto Water will follow for the handling of biosolids. The environmental assessment will be completed in 2005
- A study at Ashbridges Bay Treatment Plant looking specifically at biosolids odour with the purpose of developing odour reduction strategies will continue in 2005 for possible implementation in 2005 or 2006
- As a result of the conclusion of the Best Practises Program, delivery of training and development programs is being planned for all staff to ensure the high performance of the staff and plants
- The Districts will achieve operational efficiencies through harmonization of services and the implementation of internal and industry best practices through the implementation of Phase II of the District Service Improvement initiative (DSI). The Phase II of DSI will include a study to assess an expanded SCADA System for the District pump stations using phone lines and remote telemetry to the personned control room at the Ashbridges Bay Treatment Plant.
- A new harmonized Spills Contingency Plan has been developed to manage a range of spill incidents from single vehicle gasoline spills to major industry spills, including major chemical fires. The plan takes into account the combined resources and expertise of the Water and Wastewater Operating Sections to minimize the environmental impacts of such spills. Further the expertise and resources of the Emergency Services groups will be called upon as required to ensure the public and workers health is not compromised at spill sites. Training has been provided to staff as part of the Plan implementation and will continue in 2005
- Where appropriate, trenchless rehabilitation techniques will be used to extend the useful life of the City's Sewer Infrastructure and minimize the impact on adjacent homes and businesses. The City will continue to offer a harmonized Drain Grant Program to assist homeowners with the replacement of service connections blocked by City tree roots.

2005 Operating Budget by Service

Service	Gross (\$000s)	Net (\$000s)
Water - Treatment and Distribution	114,896.4	—
Water – Administration	46,669.5	—
Water – Debt Charges	410.6	—
Wastewater – Collection and Treatment	130,216.4	—
Wastewater – Administration	47,169.0	—
Wastewater – Debt Charges	1,454.3	—
Other – Support Services	2,855.2	—
Total Program Budget	343,671.4	—

2005 Budget Highlights

- The 2005 Approved Base Budget reflects the continued implementation of Water Efficiency Plan. It was adopted by Council in 2004 and it will continue to rollout in 2005 and subsequent years. The overall Plan is estimated to be completed in 2012. It has been designed to reduce water use across the City by 15% of the 2012 projected demand. It will improve operating efficiency of the Water Production and Distribution and will be eventually reflected in improved performance measures. In addition the program is estimated to save an equivalent of \$220 million in water and wastewater treatment infrastructure expansions.

Toronto Water

- ▶ Works Best Practices Program (WBPP) is a major initiative that was designed to modernize Water Production and Wastewater Treatment and improve efficiencies. The Program will be completed in 2005. District Services Improvement Program is a similar Program that was initiated throughout the rest of the Division work areas. These are areas not covered by WBPP such as water distribution and sewage collection systems and stormwater conveyance and treatment. It also involves review of existing technologies, organizational design and related work practices to improve efficiencies, evaluate service levels, etc.
- ▶ Staff also continues to work with Fleet Services and Purchasing on the early delivery of vehicles and equipment replacements to ensure crew efficiency and productivity.
- ▶ The implementation of the Deep Lake Cooling Project, in partnership with Enwave District Energy was enabled through the development of an Energy Transfer Agreement. Construction is well underway and the energy transfer began in 2004. To date the City has incurred approximately \$25.0 million of associated costs related to this project including the Winterization/Summerization of the Island Filtration Plant. This will have an impact on operating expenditures that would be partially offset by Service Rate revenues from increased water consumption.
- ▶ The Biosolids (stabilized sludge) Beneficial Use program was initiated in accordance with the Council mandate to end incineration at the Ashbridges Bay Treatment Plant (formerly Main Treatment Plant) and beneficial use of all the sewage sludge solids processed at the Ashbridges Bay, North Toronto and Humber Treatment Plants. Unfortunately due to a major fire at the Pelletizer plant additional volumes of Biosolids have been redirected temporarily to the landfill disposal stream. Several new facilities such as biosolids truck loading facility, facility odour control system were constructed and are in operation. A BioSolids Master Planning process is currently under way to assess and recommend the options for BioSolids Management.

2004 Achievements

Given a long term nature of its initiatives and projects it is often difficult to isolate significant achievements into any single year. The Toronto Water Division successes are often of a cumulative nature and accomplished over number of years. The following are only some of the divisional achievements over the past few years that either are of a continuous nature, culminated in 2004, or there has been a significant progress in the past few years.

Stewardship of the Environment

- ▶ In 2002, staff conducted 87,205 tests on wastewater samples collected from the four wastewater treatment plants, industrial sectors around the City, and the Keele Valley landfill site.
- ▶ Completion of a Divisional Spills Response Plan that outlines staff responsibilities when dealing with a spill in order to minimize the impact of a spill on the public, properties and the environment. The Division responded to 511 spill events in 2002 and 496 hazardous spills in 2003.
- ▶ The Wet Weather Flow Management Master Plan (WWFMMP) was completed and approved in 2002. The Wet Weather Flow Management Policy was drafted to support the implementation of the WWFMMP. It is a 25 year long term plan.
- ▶ Toronto Water's Sewer Use By-law has won awards and is recognized as one of the most restrictive of its type in Canada.

Increase Capacity for Growth

- ▶ Completed the Joint Optimization Study with the Region of York to determine future infrastructure requirements while beginning to plan and implement the required capital works that will meet water demands for growth.
- ▶ In the past two years have started to implement the Water Efficiency Plan, which received Council approval in December 2003.
- ▶ Began piloting a new wastewater treatment technology called the *Moving Bed Biological Reactor (MBBR)* at the Highland Creek Treatment Plant in 2002. The Norwegian firm, Kaldnes, developed the technology, which can increase treatment capacity or provide more thorough treatment of wastewater (i.e., removal of ammonia) without increasing the number of process tanks. The technology will help the City meet predicted increased treatment capacity needs and the new regulatory requirements regarding treatment level in a more economical way.

Toronto Water

2004 Achievements (continued)

Water Quality

- ▶ Managed the largest drinking water treatment system in Canada and at the same time, have consistently had a record for water quality with standards above those required by provincial regulations. Toronto Water was in compliance with provincial standards 100% of the time.
- ▶ Completed improvements to the Western Beaches Tunnel. The tunnel system will capture and hold wastewater from combined sewer overflows and storm sewers for up to 10 hours to allow the heavier particles to settle to the bottom. With the heavier particles separated out, the water is then disinfected using ultra-violet disinfection before being returned to the lake. The tunnel will help to improve water quality and reduce the number of days the western beaches are posted unsafe for swimming during the summer.
- ▶ Completed licensing of staff that test drinking water as Water Quality Analysts and increased the scope of the City's laboratory accreditation.

Customer Service Delivery

- ▶ Have been implementing The Water Service Replacement Program, which received Council approval in 2002. It involves replacing single-family residential non-copper water service pipes or replacing pipes with flow capacity of less than 18 litres per minute (measured at the water meter). Replaced 8,858 water service pipes in 2002 and 7,776 water service pipes in 2003.
- ▶ Repaired 1,551 broken water mains in 2002 and 1,683 in 2003; investigated 3,569 low pressure complaints in 2002 and 5,364 in 2003; responded to 714 rusty water complaints in 2002 and 845 in 2003; relined 146.9 km of watermains in 2002 and 150.6 km in 2003.

Optimizing Our Work Process and Workforce

- ▶ Commenced the implementation phase of the Works Best Practices Program (WBPP). It involves organizational development, improved work practices, and major technology and capital upgrades. The year 2001 was focused on practices improvement. The year 2002 was focused on leveraging technology. The year 2003 focused on Process Control System improvements and the Process Control System was fully implemented at the Humber Treatment Plant. This program will provide a savings of approximately \$36 million per year. Year 2005 is the final year of implementation.
- ▶ Completed the District Service Improvement (DSI) Project Phase I, which lays out the business case for changes associated with the non-plant, linear, field-related operations of the Division. Implementation began in 2004.
- ▶ Completed the class Environmental Assessment (EA) for residue management facilities at the Harris Filtration Plant. This innovative plan uses the existing hill slopes at the plant to house the residue system underground and preserves the heritage architecture.
- ▶ Reduced hydro usage by approximately 20% through optimization of pump time of use.

Technology Efficiencies & Improvements

- ▶ Implemented a new computer program called the Laboratory Information Management System (LIMS) to improve lab staff efficiency in managing day-to-day work.
- ▶ New technology was put to work and efficiencies improved by installing combination sewer cleaners, vacuum excavation equipment, and closed circuit camera equipment for sewer inspections.
- ▶ Installed four new anaerobic sludge digesters and a new gas control building at the Ashbridges Bay Treatment Plant.
- ▶ Began odour control and heating system improvements at the Ashbridges Bay Treatment Plant.

Toronto Water

Service Level Indicators

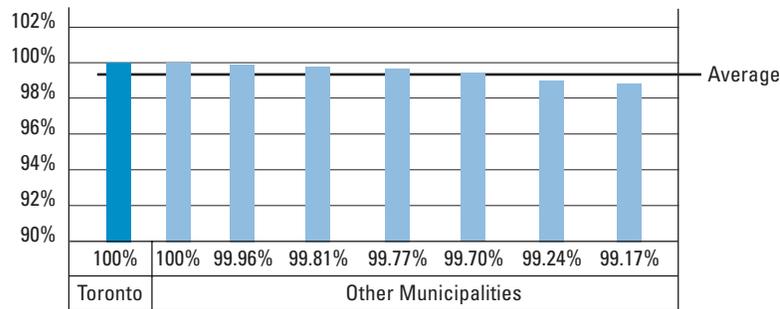
There are a number of key performance measures used by Toronto Water to ensure that customers receive efficient and effective service. Currently Toronto Water actively participates in the provincial Municipal Performance Measurement Program (MPMP), Ontario Municipal CAO's Benchmarking Initiative (OMBI) and the National Water and Wastewater Benchmarking Initiatives with the purpose of enhancing accountability in the municipal sector, sharing best practices within and among municipalities, and increasing taxpayer awareness. The measurements are consistent with provincial and water industry standards. They demonstrate commitment to accountability, service excellence and good governance.

There are two ways in which performance measures can be used to evaluate Toronto Water's performance:

- (a) Internally through comparing the City's own year-over-year results; and
- (b) Externally by comparing Toronto's results with the trends of other Ontario municipalities while taking into consideration factors unique to Toronto that influence the City's results.

The following series of figures provide both types of comparisons. They include year-over-year comparison of Toronto's results for the period of 2001 through 2003, as well as 2003 comparative data from other OMBI municipalities in Ontario. Complete data for 2004 have not been available at the time of writing this report.

Figure 1 - Water "Customer Service" External Comparison % of Compliance with Drinking Standards



Factors Influencing Municipal Comparisons in Figure 1

The City of Toronto regards the provisions of the Ontario Drinking Water Protection Regulation and Ontario Drinking Water Standards as a minimum to be met rather than a goal. Where feasible and desirable, the City's standards are more stringent than the regulation. As an example, the City's target for finished water turbidity (a measure of the cloudiness of water) is 10 times lower than the Provincial standard.

Figure 2 - Water "Efficiency" Internal Comparison

Toronto's Annual Operating Cost for Treatment of Drinking Water Per Megalitre

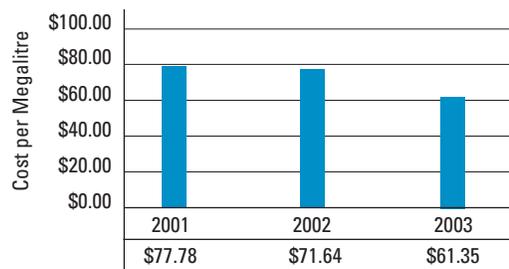


Figure 2 shows that the operating costs for treatment of drinking water per megalitre has been decreasing, primarily due to savings realized from the Works Best Practice Program (WBPP)

Toronto Water

Figure 3 – Water "Efficiency" External Comparison

2003 Operating Cost for Treatment of Drinking Water Per Megalitre in Comparison with Other OMBI Municipalities

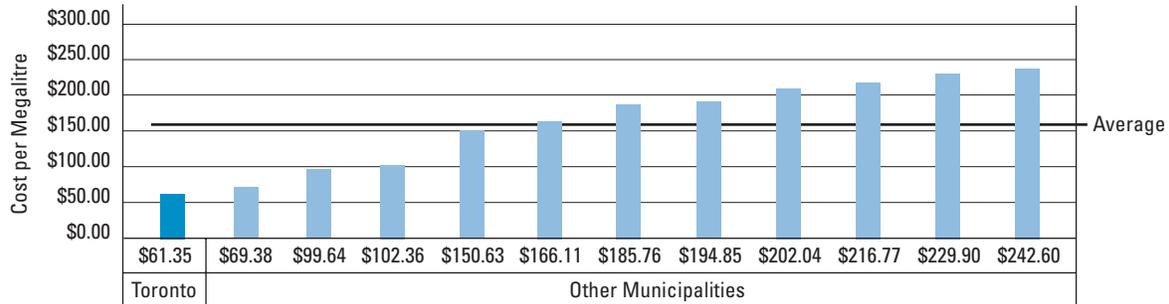


Figure 3 illustrates that Toronto has the lowest cost of water treatment of the OMBI municipalities in 2003 and is well below the average of \$160. Key factors influencing Toronto's result in relation to other municipalities include:

- ▶ **Service Standard** - Toronto's water quality standards are more stringent than the requirements under the Ontario Drinking Water Protection Regulation and Ontario Drinking Water Standards. At present, Toronto's list of chemical and microbiological parameters tested exceeds 300 while only 79 such parameters are regulated and 72 actually require testing. For many of these parameters, sampling and testing are significantly more frequent than what is formally required.
- ▶ **Economies of Scale** - Toronto's water treatment plants are large and there can be a benefit from economies of scale.
- ▶ **Water Source** - Above ground water sources such as lakes and rivers tend to be less costly to use than below ground sources (wells). Toronto's source of drinking water is Lake Ontario.

Figure 4 - Water "Customer Service " External Comparison

Number of Watermain Breaks Per 100 Kilometre of Water Pipe in 2003 in Comparison to Other OMBI Municipalities

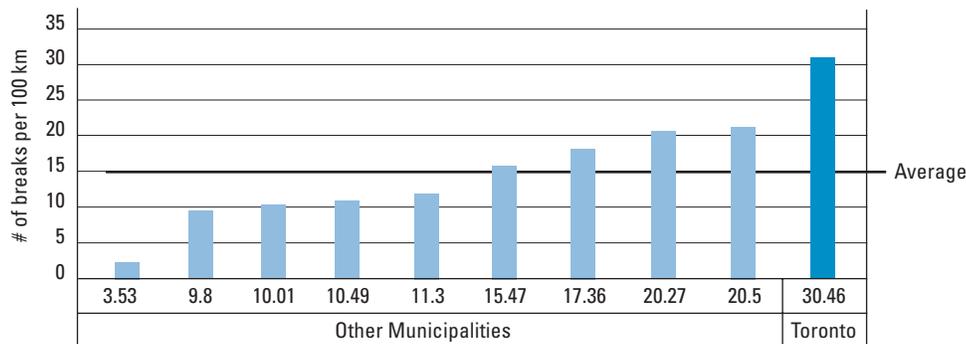


Figure 4 illustrates that Toronto has the highest rate of watermain breaks of the OMBI municipalities, well above the average of 14.9 breaks per 100 km of watermain pipe. Toronto's result is significantly higher due to the following factors:

- ▶ **Age of infrastructure** - Toronto's system of watermains is fairly old which can lead to a higher rate of watermain breaks than municipalities with newer infrastructure.
- ▶ **Urban form** - Stray currents from the vast number of other co-located utilities as well as subway and streetcars, accelerate electrostatic pipe corrosion.
- ▶ **Type of pipe materials** - Toronto suburbs used ductile iron pipe and these are very susceptible to corrosion.

Toronto Water

Figure 5 - Wastewater "Efficiency" Internal Comparison
 Toronto's Operating Costs for Wastewater Collection Per Kilometre of Sewer

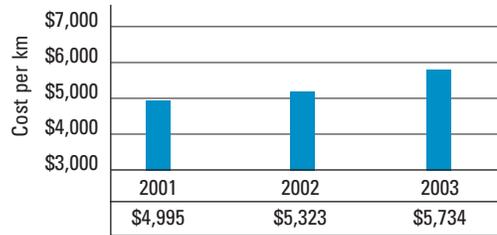


Figure 5 shows that the costs of wastewater collection per km of sewer have been increasing. This increase has been attributable to wage increases, modifications to control centres at pumping stations (2002), increased energy costs, increased costs of haulage and disposal of catch basin material (due to closure of the Keele Valley Landfill Site) in 2003, cut repair costs for permanent road restoration and an increased level of service for maintenance hole inspection and repair in 2003.

Figure 6 - Wastewater "Efficiency" External Comparison
 2003 Operating Costs for Wastewater Collection Per Kilometre of Sewer in Comparison to OMBI Municipalities

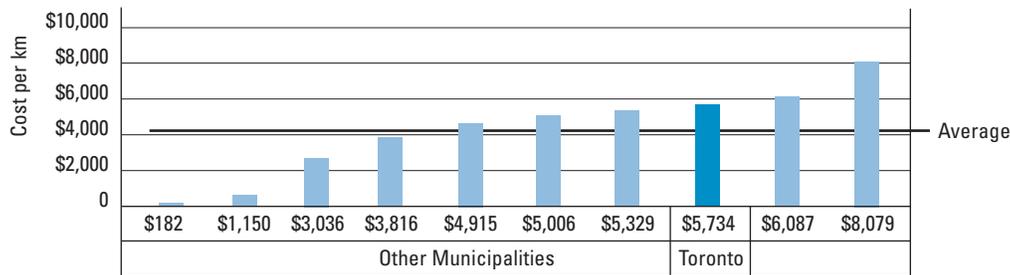


Figure 6 shows that Toronto's cost of wastewater collection per km of pipe is above the OMBI municipal average of \$4,334 per km. The key factors influencing Toronto's result in relation to others are:

- ▶ Combined sewers - Toronto has an extensive combined sanitary and storm sewer system (over 24%).
- ▶ Urban form - Toronto's sewer system is located in highly urbanized areas with extensive utility services in the same vicinity as well as on-street parking and narrow streets in some areas. These factors make the system more difficult and costly to maintain.
- ▶ Age of system - More than 30% of the Toronto sewer system is over 50 years old and is more costly to maintain while many other municipalities have newer infrastructure.

Toronto Water

Figure 7 - Wastewater "Customer Service" External Comparison

Number Of Sewer Main Backups Per 100 Kilometre of Sewer Line in 2003 in Comparison to OMBI Municipalities

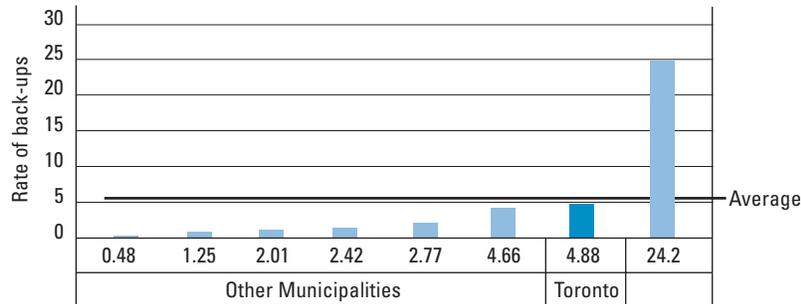


Figure 7 shows Toronto's rate of sewer main back-ups per 100 km of sewer to be slightly better than the OMBI average of 5.3, however it would be well above the median value.

Key factors influencing Toronto's result in relation to other municipalities include:

- ▶ Age of Wastewater System - More than 30% of the Toronto sewer system is over 50 years old, consequently older construction and material standards along with the aging condition of the pipe system results in a high inflow and infiltration condition.
- ▶ Combined Sewers - Toronto has an extensive combined sewer system (over 24%) resulting in high flows in the local and trunk systems. There are approximately 80,000 homes which have downspouts directly connected to the combined sewer system in the older areas of the city resulting in a significant inflow of stormwater into the combined sewer system.

2005 Capital Budget

2004 Major Accomplishments

Some of the activities accomplished by the Unit in 2004 were:

- ▶ Into final year of implementing the Works Best Practices Program and started implementing District Service Improvements Program
- ▶ These programs are bringing in new technology, new practices and a new organization structure for 2005 as part of the new Business Unit
- ▶ Positioned the Humber Sewage Treatment Plant to be able to produce green energy from digester gases in 2005
- ▶ Purchase of 60 Tiffield Road from Toronto Hydro – to be used as yard and support facility
- ▶ Completed construction at the Island Filtration Plant to retrofit the plant for 12-month operation (instead of summer operation only). The construction project, dubbed the 'Winterization' Project, is part of the larger Deep Lake Water Cooling Project, which began in 2002. The City partnered with Enwave District Energy Limited to provide an ecologically friendly alternative to air-conditioning for cooling buildings during the summer months by using the chill from cold lake water to cool high-rise office buildings in downtown Toronto.

2005 Capital Budget Highlights

Total 2005 Gross Budget is \$338.5 million [2004 Budget – \$249.5 million]

- ▶ \$186.7 million or 55% of the total is allocated to State of Good Repair projects, \$92.7 million or 27% of the total to Service Improvement Projects, and \$55.5 million or 17% is allocated to Legislated or Policy projects;
- ▶ The Toronto Water Division of the Works and Emergency Services Department was designated a "Business Unit" by Council. The Program has a separate budget, which does not have a direct impact on the tax levy. No new debt will be required in 2005.
- ▶ \$7.2 million is allocated to the Water Efficiency Program in 2005. This Program was developed as a way of deferring expensive capital works expansions in water and wastewater treatment infrastructure. The total cost to implement the program over 11 years is \$74.3 million.
- ▶ \$21.3 million is allocated for the Wet Weather Flow Master Plan. The Plan is estimated to cost \$1.047 billion over the next 25 years.
- ▶ The Water Metering and Meter Reading Technology project has been incorporated in the 2005 approved Capital Budget. The 2005 cash flow is estimated at \$4.0 million.

Toronto Water

Asset Inventory

Water:

- 4 water production plants
- 10 reservoirs and 4 elevated storage tanks
- 5,015km of distribution watermains and 510km of trunk watermains
- 52,900 valves and 40,460 hydrants
- 470,202 water service connections, plus York Region (population served 400,000)
- 18 water pumping stations
- 1 water laboratory
- 9 maintenance yards

Wastewater:

- 4 wastewater treatment plants
- 5 storage and detention tanks
- 4,397km of sanitary, 1,301km of combined, and 358km of trunk sewers
- 4,305km of storm sewers and 546km of roadside ditches
- 120,000 maintenance holes
- 463,300 sewer service connections
- 82 wastewater pumping stations
- 371km of watercourses, 43 stormwater management serviced ponds
- 1 wastewater laboratory
- 8 maintenance yards
- 2,300 outfalls and 122,500 catchbasins

Five Year Capital Plan

The 5 year capital plan is fully funded through water and sewer rates, sale of water to the York Region, reserve funds including development charges, and other revenues. It is a significant undertaking that requires capital investments in the maintenance of the City's water and sewage ageing and deteriorating infrastructure and in infrastructure replacement and expansion for new development. It should be noted that 50% of the water network is at least 50 years old and 30% of the sewage network is also at least 50 years old.

The issue is Program's ability to complete the work according to this ambitious plan. It is estimated that the Program will invest \$2,315.3 million over the next five years and \$5,073.4 million over the next ten years to address the City's water and sewage infrastructure through rehabilitation, replacement and expansion.

The Program's ability to increase its capital program delivery from the current capital spending of about \$195 million to \$338 million in 2005 will require restructuring of the organization and internal re-arranging of some of the work procedures. Some of it has already taken place as part of the Business Unit re-organization.

The future year commitments arising from the 2005 Capital Budget for Toronto Water are outlined in the table below. These projects will be fully funded from user fee revenues, Water and Wastewater reserve funds including development charge reserve funds and other revenues.

2005 Recommended Capital Budget and Future Year Commitments

(\$millions)

2005	2006	2007	2008	2009	Total Project Costs
338.5	250.6	118.0	47.8	8.6	763.5

Toronto Water

2005 Capital Budget (continued)

Projected Capital Budget Requirements

	Projected Capital Budget Req. in \$Thousands				
	2005	2006	2007	2008	2009
Water					
Underground Infrastructure	95,544	97,045	122,086	154,758	172,466
Plants & Facilities	34,727	28,807	21,208	29,578	26,435
Water Efficiency Program	7,160	9,673	10,596	10,420	10,186
Water Loss Reduction Strategy	TBD	TBD	TBD	TBD	TBD
Water Meter Program	3,972	13,315	18,905	16,092	16,501
York Region Cost Sharing	17,213	31,326	52,785	55,211	20,516
Environmental Protection	38,127	48,750	22,448	422	50
Best Practices & DSI	2,686	4,303	768		
	199,429	233,219	248,796	266,481	246,154
Wastewater					
Underground Infrastructure	31,059	31,689	33,983	35,043	54,249
Plants & Facilities	64,948	115,889	127,637	139,363	99,133
Wet Weather Flow Management	20,988	15,671	21,984	42,408	63,059
Biosolids Management	TBD	TBD	TBD	TBD	TBD
Environmental Protection	8,580	31,293	36,358	43,887	28,010
Basement Flooding Relief	3,118	3,997	8,432	8,336	11,392
Best Practices & DSI	10,338	15,494	14,788		
	139,031	214,033	243,182	269,037	255,843
Total Capital Requirements	338,460	447,252	491,978	535,518	501,997
Financing Needs					
Total Capital Requirements	338,460	447,252	491,978	535,518	501,997
Less York Region Cost Share	17,213	31,326	52,785	55,211	20,516
Net City Requirements	321,247	415,926	439,193	480,307	481,481
Anticipated Cash Expenditure Percentage	80%	80%	85%	85%	85%
Anticipated City Share Cash Needs (A)	256,998	332,741	373,314	408,261	409,259
York Region Share (B)	17,213	31,326	52,785	55,211	20,516
Total Financing Needs (A+B)	274,211	364,067	426,099	463,472	429,775
Funding Sources					
Capital Contribution from Operating	246,047	287,539	318,306	358,109	402,547
Capital Reserves	10,951	45,202	55,008	50,152	6,712
Other (York Region)	17,213	31,326	52,785	55,211	20,516
Total Financing Needs	274,211	364,067	426,099	463,472	429,775
Incremental Operating Budget Impact					
Operating Costs		2,300	3,100	3,550	4,250

Operating

Activity

An activity is an individual function that is identifiable and measurable; supporting the delivery of internal or external services. A grouping of activities comprises a service.

Agency

An agency is an organization associated with the City, but operating at arm's-length. An Agency often operates under an independent body of Directors. An agency is referred to in the acronym ABC - Agencies, Boards and Commissions.

Approved Position

An Approved Position is equivalent to a single permanent position regardless of whether it is full-time or part-time.

Approved Position Year

An Approved Person Year is an equivalent for a temporary, seasonal, casual or trade position that is calculated in one of three ways:

1. A single 35 hour per week position
2. A single 40 hour per week position, or
3. A combination of part-time positions (less than 35 hours per week) equating to 1820 hours per year (35 hours per week x 52 weeks), or 2080 hours per year for positions less than 40 hours per week (40 hours per week by 52 weeks).

Benchmarking

An exercise whereby one organization's results are compared to those of another comparable organization providing the same or similar services based on similar methods of accounting for costs.

Budget

The financial, operating and management plan for the City that establishes annual appropriations in accordance with the Municipal Act.

Budget Advisory Committee

A committee formed by the City Council of appointed Councillors that plays a key role in coordinating the budget process and submitting a final budget to Council for its consideration. The committee also monitors any variances that might occur in the budget throughout the year. The Budget Advisory Committee is a sub-committee of the Policy and Finance Committee.

Budget Scenario

The term used in SAP to describe a particular data set reflecting all budget detail at a particular point in the review process (as submission, CAO recommended, etc.). Each scenario includes a number of budget versions in the CO SAP module that represent such analytical categories as projected actuals, adjusted base, new service changes, total budget, future year outlook.

Budget Versions

In each budget scenario, the categories of analysis and presentation are in separate structures in the SAP budget module known as versions. The projected actuals, the prior year base budget, the categories of change, service changes, new services, total request, and future year outlook all exist as versions in the SAP CO budget module.

Capital Budget

A multi-year program adopted by Council comprising of an approved capital program for the current year and a planned program for the succeeding four years. The multi-year plan covers longer term and one-time expenditures for fixed assets that are more than fifty thousand dollars. It also entails the assumption of debt by the Corporation.

Capital Financing

Represents the portion of the operating budget required to service the debt assumed by the City from capital expenditures of the current and previous years. Composed of Capital from Current expenditures and debt charges.

Operating

Capital from Current (CFC)

Funding allocated from the current (operating) budget to support the capital budget program.

Categories of Change

Descriptive categories are used in analysis of the 2004 Operating Budget at the submission phase, as well as analysis and reporting during the review and approval phases of the process. In SAP each category of change is maintained as a separate budget version and a particular stage in the budget version is referred to as a budget scenario. The Operating Budget Impact of Capital Projects will be included in these categories according to how the definitions apply to the nature of these costs. Examples of categories of change are: Base Budget, Adjusted Base Budget, Revenue Change, etc.

Clerical/Technical/Professional Position

A clerical/technical/professional position is an Approved Position, which is generally affiliated with Local 79. A clerical/technical/professional position may be either Full-time or Part-time in status.

Community Impact Measure

A measure of the public benefit derived from a service, or the impact on a community of providing the particular service. It is the stated program output achieved.

Complement

The number of permanent positions plus funding for temporary, seasonal, casual and/or trade positions, all expressed in Approved Positions that are required to provide the approved level of service for a particular program or agency of the City.

Complement Management

Complement Management is the administration of the range of positions, people and structures related to the City as an organization in adherence to its established business processes and operational needs.

Cost Element

A cost element is a numerical reference to a particular kind of expense or revenue. For instance, 6030 is the cost element denoting 'contributions to reserve funds'.

Customer Service Quality Measure

A measure of customer satisfaction with the service that they receive relative to their needs and expectations.

Debt

The amount of all obligations for the payment of interest and principal due by certain agreements and by-laws as incurred by the City of Toronto such as debentures, promissory notes, leases, letters of credit and other financial commitments and guarantees.

Debt Charges

The principal and interest payments necessary to retire outstanding debt arising from capital expenditures.

Efficiency Measures

The ratio between the amount of service or product delivered and the amount of input, either in terms of cost or resource use. Efficiency is often expressed in terms of gross cost or output per unit of service or output per employee.

Effectiveness/Customer Service Measures

A measure of whether and how well goals and objectives are being achieved in terms of achieving the intended community service objective, delivery of quality service through key result areas such as productivity, timeliness, resource utilization, compliance with standards, and customer satisfaction levels.

Exempt Professional & Clerical Position

Any position which is not affiliated with a union and acts as an individual contributor but does not have direct reports.

Operating

Expenditure Category (Cost Element) Group

Expenditure Categories, now called Cost Element Groups in the SAP environment are the high level categories of expenditure and revenue as seen on the budget templates. They are Salaries & Benefits, Materials & Supplies, Equipment, Services and Rents, Contributions and Transfers, Interdepartmental Charges and Other on the Expenditure side. On the Revenue side they are Grants from Others, Interdepartmental recoveries, User Fees and Other.

Fiscal Year

The period for which budgets are prepared and financial records are maintained. The fiscal year for the City is the calendar year (January 1st to December 31st).

Full Time Position

A full time position is a position approved as part of the organizational structure for a particular service or program working 35 or 40 hours per week for the full year.

Gapping

Gapping represents the amount of potential reduction in the requirement for salary dollars as a result of (a) vacancies not intended to be filled for a full or part year (known gapping) and (b) unplanned or unanticipated turnover (unknown gapping).

Goals

Goals specify where the organization desires to be in the future within the scope of the stated key business service as it relates to the Program's mission. Goals provide a framework for the identification of specific, well-defined objectives to be accomplished within specific time frames. Goals are to be pursued over time. The goals that a Program develops should be in support of the key business services and help establish the Program's direction. These goals provide a unifying theme for activities. Each goal should have at least one objective.

Grant

A contribution to the City to support a particular function, service or program.

Head Count

The total number of staff individuals employed by a unit at a particular time, regardless of the nature of their employment: full-time, part-time, seasonal or casual/trades. Currently, the City is using the terminology 'Approved Position'.

Hourly/Operations

A position which is either paid on an hourly basis or works directly in operations (maintenance, waste collection, etc.). These positions are often associated with Local 416.

Key Business Services

These are the fundamental services critical to the Program's mandate and success. Performance of these services in an exemplary manner will result in the Program achieving its mission.

Key Customers

Key Customers are the direct beneficiaries of the service or product provided by a particular program or agency. Key customers may be clients or customer groups, either inside or outside the City, including members or the public or other external entities.

Objectives

Objectives are linked directly to Program goals and are specified, quantified, time-based statements of accomplishments or outcomes which should clearly state the specific results the Program seeks to accomplish. The development of objectives aids decision making and accountability by focusing on issues and the accomplishment of outcomes and sets the direction for strategies. A Program may have multiple objectives under a single goal. The target indicated for each objective should focus on 2003 budgeted results. Example of an objective – develop and implement a cross-shelter case management plan for homeless clients that tracks their visits to all Toronto shelters in a given year by end of fiscal 2004.

Operating

Operating Budget

The financial, operating and management plan for the City that establishes annual appropriations in accordance with the Municipal Act for a short term, (e.g., a fiscal year).

Operating Impact of Capital

The Operating Budget impact of Capital projects is the changes in operating expenditure and/or revenue, which is projected to occur during the course of a Capital Project and/or when a Capital project is completed. These changes should be documented on a Business Case Form in the appropriate category.

Other Revenue

Represents all revenues other than property tax levy, provincial grants, interdepartmental recoveries and prior year's surplus. Other Revenue is made up of user fees, fines, interest earnings, and revenues from other governments excluding the Province, and revenues from any other source.

Outlook

The Outlook is the anticipated financial plan for the following fiscal year, based on Council approved decisions.

Output Measure

These measure the number of units of a service or product produced. An example is the tons of curbside waste recycled or cubic metres of water pumped at Pumping Station X.

Part Time Position

A part time position is a position approved as part of the organizational structure for a particular service or program working less than 35/40 hours per week.

Performance Measures

Performance measures seek to express, usually in quantifiable terms, how well a Program is discharging its responsibilities. These measures may be applied to the service as a whole, or to the activities involved.

Program

A Division of a Department or an Agency, Board or Commission, which constitutes a service delivery unit and may encompass one or more related municipal services (e.g., the Solid Waste Management program includes a number of services and is a division of Works and Emergency Services Department) and satisfies the following:

- › aimed at one or more target groups (e.g., households);
- › has program goals defined in social terms with outcomes of public good (e.g., public health); and
- › is either mission-driven, (e.g., recreation, or mandate-driven, law-enforcement).

Program Map

A program map provides a visual summary of how the various functional levels - program > service > activity - of program operations are categorized and relate to each other.

Projected Actuals

Refers to the expected, or anticipated, outcome of the year's expenditure and revenue activities. A recommended approach for departments is to combine actuals year to date as of June 30, plus the balance of the calendarized Council-approved current fiscal year budget. Departments can adjust and update the projected actuals as they see fit. The Projected Actuals are often compared with the current year Budget to determine variances.

Reserve/Reserve Funds

Reserves and reserve funds have designated purposes and are created through the specific authorizations of Council. All earnings from the investment of reserve funds must form part of the reserve fund, whereas the earnings from reserves flow to the operating budget. The assets of reserve funds are segregated and restricted to the purpose of the reserve funds.

Revenue

Income received by an organization for the fiscal year. In the City of Toronto revenue includes tax payments, service (user) fees, transfers from other governments, fines, interest income, etc.

Operating

Service

A series of activities that deliver the things your customer is expecting, or fulfills the requirements of other stakeholders. Grouping below Program. The Service level has, since amalgamation, been the approval level for the City's program budgets. When defining and quantifying cost per unit measures for services, programs should give consideration to more meaningful interpretations of service—for example, in the Transportation Program, the cost per unit of winter maintenance is more informative than cost per unit of Roadway Services.

Service Level Indicators

Service Level Indicators express the level and the standard of service provided to key customers or customer groups. Service level indicators may reflect an agreed standard of service (e.g., processing time), a quantitative level of resources or the frequency of service provided (e.g., hectares of parkland per capita), or the supply of service as a percentage of need (e.g., number of subsidized day care spaces provided as a percentage of the number of children in low income families).

Strength

The number of actual filled staff positions at a specific point in time, whether permanent, seasonal or casual expressed as approved position years.

Student/Recreation Worker

A student or recreation worker is one who is employed on a temporary, seasonal or casual basis.

Tax Rate

A rate used to determine the amount of property tax payable. Taxes on individual properties are calculated by multiplying a property's current value assessment (CVA) by the applicable tax rate.

Total Gross Expenditures

Includes all expenditures properly incurred by the Program Area and charged to the Program Area's Budget.

Total Revenues

Includes all program-generated revenues (e.g., User Fees), subsidies and grants, internal recoveries and internal financing (e.g., Funding from reserves).

Units of Service

Reflects the measurable components of each service deliverable, which illustrates how much service is being provided.

These can be identified both in terms of costs and volumes.

User Fees

Includes all program-generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various city permits), encompassing cost elements 8500 to 8680. Donations are not included.

Variances

Programs/agencies are expected to clearly detail all assumptions with respect to year-over-year changes, which are greater than \$250,000 or 5% of total gross expenditures. Rationale provided should be based on changes in service levels, objectives or funding requirements.

Zero Based

The requirement for all expenditures to be fully justified each year without reference to the prior year budget level. All office furniture and consultants are zero based and must be fully supported and justified by an operating budget case and supporting detailed listing.

Capital

Cash Flow Carry Forwards - The projected year-end unspent amount of Council approved previous year cash flow that is necessary to carry forward, in full or part, to complete the capital sub-project/project in the subsequent budget year. Refer to Capital Budget Policy FS-FP-003 in the Capital Policy Section of this manual for details.

Capital from Current (CFC) - Funds allocated from the current Operating Budget for the funding of capital projects in the Capital Budget.

Capital Program - A multi-year plan adopted by Council for long term capital investments in assets and entails the financing of such long term expenditures with capital assessment and assumption of appropriate funding sources. This program lets Council determine long term expenditure priorities, and enables the City to plan long term debt requirements. The capital program should be linked to individual Program Business Plan.

Capital Project - Expenditure for major rehabilitation, replacement and/or expansion of existing assets and infrastructure, and acquisition or creation of new assets. A capital project is a one-time activity with a well-defined set of desired outcomes or end results. It must bring benefit to the organization for one year or longer, the decision usually cannot be changed, and investments are over \$50K. A capital project can be divided into capital sub-projects or sub-tasks that must be performed in order to achieve the desired result. Capital Projects are Classified according to the following 5 categories listed in the order of importance – Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related.

Capital Sub-project - Subset or logical components/stages of a major capital project. Individual sub-projects could vary depending on the nature of the project. Examples:

- A Park Improvement project could have sub-projects showing individual parks at which the improvement work will be undertaken.
- Main Treatment Plant Upgrade project could have sub-projects showing different stages of the treatment plant process being upgraded such as Primary Treatment, Secondary Treatment, etc.

Commitments - the following 2 examples illustrate the definition of a capital budget commitment: (i) any capital project approved by Council in the current year which results in current and/or future year cash flow requirements needed to complete the project; (ii) cash flow carry forward estimates that are based on known liabilities, with a liability defined as an obligation for goods or services received and may be recorded as an accrual at year-end. (see Capital Budget Policy FP-FS-003).

Encumbrance - Upon approval of projects/sub-projects, programs can begin the RFP process to determine the vendor that will provide goods/services required. Once the vendor's bid is approved, it becomes a legally binding contract hence the value of the bid is an encumbrance and considered spent.

Estimated Useful Life - This is an estimation of the time period, usually expressed in years, that the capital asset (project) brings benefit to the organization or a community. This may apply to new sub-project/projects or an addition, alteration or improvement of an existing capital asset.

External Financing - Financing from sources external to the City of Toronto (such as Provincial or Federal subsidy, Corporate Sponsorships, etc.). In addition it includes debt financing as well (see Debt Financing definition below).

Growth Related - A capital project is categorized as growth related if it supports growth and development across the City. Potential development charge revenues could apply to, and be identified for these projects.

Health and Safety - A capital project is categorized as health and safety if there is an urgent requirement for repairs due to demonstrated concerns for a health and safety hazard.

Internal Financing - Financing from sources internal to the division or program submitting a capital project including reserve funds, development charges, and other program generated revenues.

Capital

Legislated or City Policy - Capital Expenditures required by Provincial or Federal legislation or compliance with City Policy (i.e., environmental initiatives). In the capital project justification section of each business case, the specific legislative or City Council reference will be provided as well as the action required to meet the requirements and timeframe.

Debt Financing - The amount of capital project gross cost that is to be financed with long-term debentures. This is the net amount determined after all other financing sources including GST refunds are considered.

Priority - A priority shows how important a project is to the Program in achieving the Program's objectives for the planning period. Prioritization may differ from Ranking such that any two projects cannot have the same priority preference number though they may have an equal ranking. Priority shows which projects the Program would prefer over the others if not all projects were allowed for approval. Priorities also show the areas of focus and the strategic direction the Program is heading to. Prioritization should be consistent with the mission and goals of the Program and any deficient areas that need to be addressed during the budget period. Priority numbers should only consist of integers other than zero. Assignments like 0, 1A, 1B, 1.5, 1.75 are not valid priority numbers.

Ranking - Ranking is an evaluation of a project based on certain criteria. This year it also incorporates and quantifies five Capital Project Categories, (i.e., Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related).

Each criteria must be assigned a weight from the given range/points. The system would then automatically calculate the overall weight of the project. Care should be taken while inputting weight's as there is a lot of subjectivity involved. Every weight entered or point assigned must be backed by sound reasoning and where possible, supported by working papers. Additionally, a sensitivity analysis could be performed in order to identify the extra efforts/resources that would be required in order to make the project a higher ranked one without ignoring the relevant economic and social costs associated with the increased ranking. (This will be helpful in case an audit is performed to investigate the basis used to rank a particular project at any point of time. This kind of detailed approach would also be immensely helpful in situations where there is a change in the nature/scope of the project or if the project is being affected in any way by other projects going on along side. Ranking based on logical reasoning and solid groundwork helps establish standards for future project appraisals. It is possible that more than one project have the same ranking though they may/may not differ in their individual criteria ratings.)

Replacement Cost - Is the cost of replacing the original asset on the basis of current prices (cost). It is not related to the original asset cost.

Service Improvement and Enhancement - A capital project is categorized as service improvement and enhancement if it improves service delivery above the current Council-approved standard or provides for the introduction of new services.

State of Good Repair - A capital project that allows for the maintenance, repair or replacement of existing assets. This includes asset rehabilitation that extends the useful life of the asset by 10 or more years before replacement is necessary. Asset replacement should be considered, if rehabilitation is not feasible and delayed replacement could result in potential safety hazards. Asset rehabilitation required to meet health and safety issues should be categorized as "Health and Safety".

Capital

Status - The sub-projects/projects are classified into six types:

1. Prior Year - (No **2004** and/or Future Year Cost/Cash flow)
This pertains to a sub-project/project that was previously approved, is completed, and has no cost/cash flow requested for the year 2004 and/or future years.
2. Prior Year - (With **2004** and/or Future Year Cash flow)
This pertains to a sub-project/project that was previously approved and has a year 2004 and/or future year **cash flow** but no **2004** and/or future year **cost**.
3. Prior Year - Change of Scope (**2004** and/or Future Year Cost/Cash flow)
This pertains to a sub-project/project that was previously approved, but there are changes in cost or the nature of the project requested in the year **2004** and/or future year commitments. Project must be revisited if there is a change in scope. Budget only the incremental change.
4. New - Stand-alone Project (Current Year Only)
This pertains to a new sub-project/project, which is discrete/stand-alone, in the year **2004**.
5. New - On-going or Phased Project
This pertains to a new sub-project/project that is on-going in nature or has distinct phases. Approval in **2004** does not necessarily result in a future year commitment, but must be reassessed each year relative to current priorities and/or service standards.
6. New - Future Year (Commencing in **2005 & Beyond**)
This pertains to any new (future year) sub-project/project planned beyond the current year time frame.

WBS (Work Breakdown Structure) - The Work Breakdown Structure is the hierarchy that is used within SAP for recording the approved project/sub-project transactions including the budget, plan, expenditures and revenues. It is within these WBS Elements that the financial status of a project/sub-project can be monitored through system generated reports.

