



CITY OF TORONTO

2008 BUDGET SUMMARY



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..... A MESSAGE FROM TORONTO MAYOR DAVID MILLER



With the 2008 budget, Toronto has turned the corner towards fiscal sustainability. For more than a decade, Toronto has struggled to succeed because of the provincial downloading of social services and public transit, a funding structure that relied solely on property taxes and an inability to access to revenues that grow with the economy, like one cent of the GST. We've had to work hard to protect services while keeping up with incredible growth.

Since 2003, we have taken significant steps to put Toronto on strong financial footing. We launched the New Deal for Cities with the Big City Mayors Caucus, secured dedicated Gas Tax funding from the provincial and federal governments and negotiated a new City of Toronto Act.

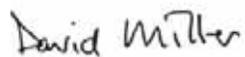
We are at the table with the Ontario government to address issues associated with the download of social services through the Provincial-Municipal Fiscal Service Delivery Review. We expect a report this summer, but we have already had some success, as the province began to upload the cost of the Ontario Drug Benefit and the Ontario Disability Support Program in 2008.

City Council made the difficult decision to implement two new taxes in 2008 to support city services and demonstrate that Toronto was doing its part. I'm pleased to say that these actions allowed the City of Toronto to introduce the first staff-recommended balanced budget since amalgamation. They also led international bond rating agency Standard and Poor's to upgrade Toronto's AA credit rating from "stable" to "positive."

With this balanced budget, City Council was able to make important investments in the priorities of Torontonians like climate change, transit, planning, culture and economic development like:

- Implementing Toronto's world-leading climate change strategy, including the Live Green Toronto program, which will empower neighbourhoods across the city make a real difference.
- Providing enhanced funding for the incredibly popular Nuit Blanche art event, which had about 700,000 people in attendance in 2007
- Improving service and cleanliness on the TTC with more buses, more cleaners and more maintenance staff.
- Implementing our strategy for 70 per cent of our solid waste by 2010, including bringing the green bin to condos and apartment buildings and creating new re-use centres.
- Improving our planning department with new front-line community planners.
- Supporting new economic development strategies for the green manufacturing and financial services sectors
- Increased funding for the city's community grants programs, supporting front-line community organizations in neighbourhoods across the city.

It is my hope that this budget will serve as a preview of future budgets. With the provincial commitment to upload social services and new tax revenues, the City of Toronto is in better financial shape than it has been in a decade. This budget is historic for the City of Toronto on many levels and an important indication of how we are building our great city together – a city that is prosperous, livable, and with opportunity for all.

A handwritten signature in black ink that reads "David Miller". The signature is written in a cursive, slightly slanted style.

David Miller, Mayor
City of Toronto

..... A MESSAGE FROM THE CITY MANAGER



It is my pleasure to present the City of Toronto's 2008 Budget Summary Book which provides Toronto's 2.6 million residents with detailed information on the City's Capital and Operating Budgets.

Last December, City Council approved the 2008 Capital Budget of \$1.6 billion as part of a five-year capital plan. Nearly two-thirds of this spending goes towards keeping Toronto's aging infrastructure in a state of good repair. Capital funding for the Toronto Transit Commission and the City's roads and bridges makes up 63 per cent of the total budget.

The approval in March for this year's \$8.2 billion Operating Budget marked a turning point for Toronto in that it was the first time since amalgamation that staff introduced a balanced budget to City Council. This budget was balanced due to a number of important strategies including savings from continuous improvement initiatives, new taxation revenues, increases in property taxes, a phased uploading of programs to the Province, as well as one-time funding for transit.

The budget protects existing services and contains important new investments in the City's highest priorities. New and enhanced services include:

- Providing improved public transit through the Ridership Growth Strategy which will see 100 new buses on the road
- Delivering on the vision for a new waterfront with plans to open new parkland and facilities this year
- Investing in communities and keeping a safe City safer by providing funding to the Community Partnership Investment Program
- Increased support for the successful Streets to Homes initiative to help people living on the street find and keep permanent housing

Toronto continues to be an economic engine for Ontario and Canada and contributes \$10 billion more in taxes than is reinvested here. Of all the taxes paid in the City, only six cents of every dollar goes toward funding the City. Toronto and all municipalities need stable and predictable funding that grows with the economy such as One Cent of the GST.

Despite these challenges, the City continues to deliver high quality programs and services that contribute to Toronto's high standard of living. Standard and Poor's has upgraded the City of Toronto credit rating outlook, has ranked Toronto as one of the top 10 economic centres in the world and recognized the City's efforts to build a culture of continuous improvement.

The City continues to operate efficiently and compares favourably to other municipalities in the delivery of services. Of the eighty-seven performance measurement results of efficiency, customer service and community impact included in Toronto's 2006 Performance Measurement and Benchmarking Report, 73 per cent of the measures examined had 2006 results that were either improved or stable relative to 2005.

Increased accountability and oversight mechanisms have also been implemented including the Auditor General, Lobbyist Registry, and the Integrity Commissioner. We are in the process of hiring an Ombudsperson to represent members of the public.

All of these measures ensure that Toronto remains a highly prosperous, competitive and liveable City. Of course, none of this would be possible without the contributions and commitment to excellence by the City's Toronto Public Service. I extend my sincerest appreciation for all of their efforts and look towards even greater success in the year to come.

A handwritten signature in black ink, appearing to read 'Shirley Hoy', with a stylized flourish at the end.

Shirley Hoy
City Manager

EXECUTIVE SUMMARY

TORONTO'S 2008 – 2012 CAPITAL BUDGET AND PLAN

The 2008 Capital Budget and 2009 – 2012 Capital Plan builds on the foundation established in the 2007 – 2011 Council Approved Capital Budget and Plan. The Capital Budget and Plan invests in capital projects that fulfil Council's strategic priorities, and maintain the City's existing infrastructure and physical assets in a state of good repair. Over the five years 2008 – 2012, capital spending totals \$8.491 billion (including Toronto Parking Authority of \$136.196 million) of which \$6.437 billion or 77% is allocated to health and safety, legislated and state of good repair projects. While emphasis has been placed on maintaining and protecting the City's infrastructure and physical assets, the capital budget and plan also provides for growth in strategic areas and priority service expansion projects in key Program areas to accommodate service demands and expectations of the public.

The Approved Tax Supported 2008 Capital Budget and 2009 – Staff report for action on 2007 Capital Budget and 2008 – 2010 Capital Plan 2 2012 Capital Plan totals \$8.354 billion (excluding 2007 carry forward projects) as shown in Table 1. TTC alone accounts for more than one-half of the five-year capital spending plan. As indicated in Table 1 below, the TTC 2008 Capital Budget and 2009 – 2012 Capital Plan (inclusive of Spadina Subway extension) is \$4.347 billion – 52% of the City's recommended capital spending plan; and Transportation Services totals \$1.132 billion or 14% of the total capital spending plan. Between them, TTC and Transportation Services comprise two-thirds of the Capital Budget and Plan.

What's in the 2008 Capital Budget – Project Category Highlights

The 2008 Capital Budget is listed under key themes, to satisfy the current and long term needs of the city as follows.

Public Spaces

- The City is investing in public spaces that are developed and maintained, clean and beautiful for the general community.

Environment

- City Council has recognized the need for improved environmental stewardship while achieving the City's infrastructure maintenance and development objectives.

Improve Public Service

- To provide residents with direct and simple access to City staff and services.

Community and Recreation Services

- The City offers programs and services that improve the quality of life of all its citizens and ensures opportunity for all.

Public Works and Infrastructure

- The City has an extensive and aging infrastructure which has to be managed effectively to ensure that the services required by its citizens continue to be provided.

Public Safety and Emergency Services

- Quality and effective emergency services and public safety constitute a major demand of the citizens of Toronto.

Transit

- A major priority of Council is to make Toronto a city that moves people by transit.

EXECUTIVE SUMMARY

2008 OPERATING BUDGET

The 2008 Operating Gross Expenditure Budget is \$8.171 billion and is funded primarily by Property Taxes (the net budget) totalling \$3.315 billion. Compared to 2007, the 2008 Recommended Gross Budget reflects an increase of \$311.064 million or 4.0%. The budget includes strategic investments in new and enhanced services of \$57.153 million gross and \$12.385 million net including public transit, waste diversion, public safety, community health and wellness, economic development and culture, and climate change.

In accordance with the Mayor's guidelines and directions, the 2008 Operating Budget continues the strategic process of balancing short-term needs against long-term objectives. For the first time since amalgamation, the 2008 Operating Budget was balanced when introduced by staff on January 28, 2008. This significant achievement was the culmination of Council's decision to introduce a municipal land transfer tax (MLTT) and a vehicle ownership tax (VOT) in the Fall of 2007; moderate increases in user fees without impairing access to services for the less privileged; savings from cost containment initiatives implemented in 2007 which will be continued in 2008; and successful negotiations for increased provincial assistance for public transit, in particular. The 2008 Operating Budget maintains services and service levels needed by residents and businesses.

2008 Operating Budget – Highlights

Despite the emphasis on cost containment and fiscal restraint in order to find permanent solutions for the structural deficit, limited and strategic investments in key initiatives that advance the Mayor's priorities and Council's policy agenda have been considered. The following highlights (by major themes) new and enhanced services and initiatives included in the 2008 Operating Budget which total \$57.153 million gross, and \$12.385 million net.

- Public Transit
- 70% Waste Diversion Target by 2010
- Climate Change
- Public Spaces
- Creative City
- Community Health and Wellness
- Public Safety and Security
- Improving the Business Climate

2009 OUTLOOK

Included in the 2008 Operating Budget is a number of items which will impact the estimated cost of providing the same level of services in future years. For instance, initiatives approved for part-year implementation in 2008 (for example, transit ridership growth strategy) will result in increased costs when the full-year financial impact is incorporated in future years. Similarly, unsustainable (non-recurring) revenues used as funding sources in the operating budget will result in budgetary pressures in future years when these revenue sources are no longer available.

EXECUTIVE SUMMARY

Expenditure increases to deliver the 2008 Council approved services and service levels in 2009 are primarily driven by inflation and cost of living allowances. It is estimated that inflation on goods and services, COLA, merit and step increases will approximate \$147 million, annualization of new and enhanced services and other initiatives introduced in the 2008 Operating Budget will increase 2009 costs by \$74.9 million. In addition, it is estimated that capital financing will increase by \$46.9 million based on Council's approval of the 2008-2012 Capital Plan. The incremental cost of providing the 2008 approved services and service levels in 2009 is estimated at \$268.8 million, which is the 2009 beginning budget pressure.

It is estimated that incremental revenues associated with the annualization of the Municipal Land Transfer Tax and the Vehicle Ownership Tax will generate an additional \$50 million of sustainable revenues; while projected increase TTC Ridership Revenues will result in incremental sustainable revenue of \$15.3 million, which will partially offset ridership growth expenditures. The Province has committed to upload the ODSP cost of administration which will reduce expenditures by \$20 million. The resulting 2009 Operating Pressure before the impact of unsustainable revenues is \$183.5 million.

Non-recurring revenues in the 2008 Operating Budget include: Provincial assistance for TTC of \$149 million; unsustainable City revenues such as Social Programs' reserve draws of \$37.5 million; and, the 2007 Surplus of \$85.3 million used as a revenue source in the 2008 Operating Budget. These non recurring revenues total \$271.8 million.

Thus, a number of one-time revenues will require permanent replacement in order to minimize the 2009 budget pressures. While the City's budgetary policies and good fiscal management practices preclude the use of one-time revenues in the operating budget, this was again necessary in 2008 because of the ongoing structural deficit problem. In effect, the non-recurring revenues will increase the beginning 2009 budget pressure to \$455.3 million.

It should be noted that these non-recurring revenue impacts assumes continued utilization of Toronto Hydro Revenues which, according to Council policy, should be used to finance the capital program

2009 and Beyond Implementation of the Long Term Fiscal Strategy Given a starting budget pressure of \$455.3 million, it is evident that implementation of the City's long-term financial strategies is required in 2009 and beyond in order to achieve fiscal sustainability.

2009 Outlook – Incremental Impacts

The City continues cost control measures and has introduced new taxation measures in moving toward fiscal sustainability. Some progress has been made with regards to uploading Social Services Programs and gaining recognition for increased transit operating funding. It is anticipated that the City's efforts to obtain fairer funding for provincially mandated services will be addressed in the Provincial/Municipal Fiscal and Service Delivery Review currently underway. Favourable resolution of the provincially mandated social services programs and the operating funding imbalance must resolve the prevailing fiscal deficit challenge for the City of Toronto in the short term.

In the longer term, to ensure growth and prosperity for the City of Toronto, we require a sharing of revenues that grow with the economy and the confirmation of a National Transit Strategy to meet strategic financing objectives.



INTRODUCTION

CITY OF TORONTO
2008 BUDGET SUMMARY



PROFILE OF TORONTO

Toronto in World Rankings

“Toronto’s continued placement alongside the world’s greatest cities confirms that the quality of life we enjoy is highly sought after and serves as a model for other urban centers.” – Mayor David Miller

- **One of the World’s Top Ten Economic Centres**
Standard & Poor’s 2007 Industry Report Card

Toronto’s role as a major economic hub in Canada, its depth of services, and deep and well-diversified economy has earned the city top marks. Toronto joins Chicago, London, Los Angeles, Madrid, Milan, Moscow, New York City, Paris and Yokohama on the list of over 15,000 local, state, and regional governments in the United States, and more than 340 others in 27 countries.

Criteria for selection include:

- economic importance of the countries in which they are located (all of which are G8 members)
- their role as the major economic centre(s) in their respective country
- the depth of services that each city provides economically to its provided to respective service area and to the country as a whole
- their size – all selected cities have a population of more than one million



A PROFILE OF TORONTO

- **2nd in the North American Cities of the Future 2007/2008 Competition**
London Financial Times' Foreign Direct Investment (fDi), April 2007

Toronto was rated for its good affordable housing, low crime rates, strong health and education sectors, and falling unemployment rates. One hundred and eight cities were evaluated on economic potential, cost effectiveness, human resources, quality of life, infrastructure, business friendliness, development and investment promotion.

- **15th in the Worldwide Quality of Living Survey**
Mercer Human Resources Consulting, April 2007

For the second year in a row, Toronto's quality of living was ranked fifteenth in the world by Mercer Human Resource Consulting. The 2007 Quality of Living Survey also placed Toronto second in North America, after Vancouver. Two hundred and fifteen cities were evaluated and 50 cities were selected based on 39 quality of living criteria, including political, social, economic and environmental factors, safety, public services and transportation, and recreation.

- **2nd in Business Competitiveness and Readiness Study**
Cities of Opportunity: Business-readiness indicators for the 21st Century, PricewaterhouseCoopers, March 2007

The ranking compiled by the Partnership for New York City and PricewaterhouseCoopers compared 11 cities – Atlanta, Chicago, Frankfurt, London, Los Angeles, New York, Paris, Shanghai, Singapore, Tokyo and Toronto – based on cost, intellectual capital, technology IQ and innovation, transportation assets, demographic advantages, financial clout, ease of doing business, lifestyle assets, and safety and security.

- **5th in the World for Liveability**
The Economist Intelligence Unit, Economist Magazine, December 2006

The Economist Intelligence Unit (the Economist Magazine) ranked Toronto fifth in the world for liveability. The December 2006 study surveyed 132 cities. Low crime, little threat from instability or terrorism, and a highly developed transport and communications infrastructure helped Toronto make the top five most liveable cities in the world.

- **2nd Best Canadian City in which to live**
The Conference Board of Canada, December 2007

The study, *"City Magnets: Benchmarking the Attractiveness of Canada's CMAs,"* compares the performance of 27 Canadian cities in seven different domains: Economy, Innovation, Environment, Education, Health, Society, and Housing. Each census metropolitan area (CMA) is given a report-card style ranking on each indicator, and an overall grade on attractiveness.

A PROFILE OF TORONTO

The City of Toronto is Canada's largest city with a population of 2.6 million residents. It is the heart of a large urban agglomeration of 5.7 million called the Greater Toronto Area (GTA)¹. The City has one of the most ethnically diverse populations in North America. Almost one in four visible minority persons in Canada resides in Toronto. Nearly half of the City's population (47%) is visible minorities.

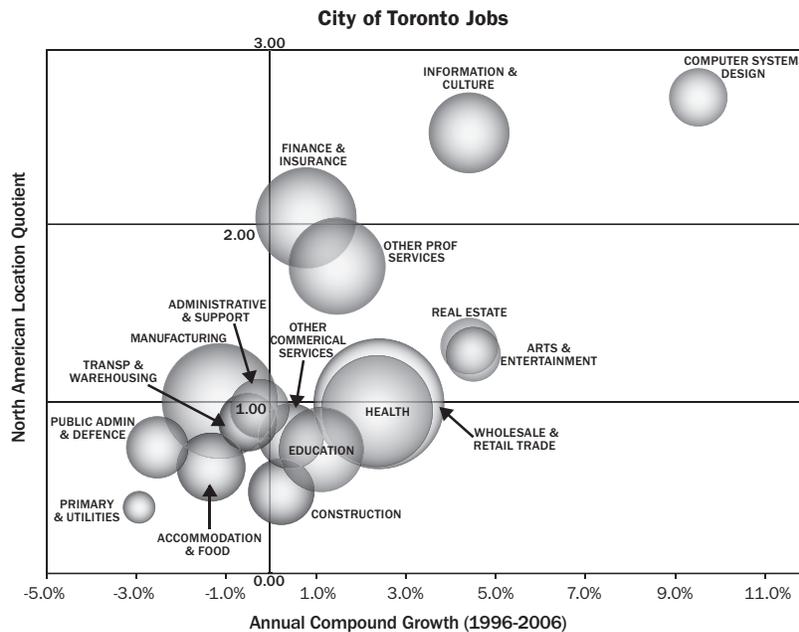
Toronto, with 82,000 businesses, is the major economic engine of the country. The City is both the political capital of the Province of Ontario and the corporate capital of Canada as well as the major centre for culture, entertainment and finance in the country. The City is the home to more national and internationally ranked companies than any other city in Canada.

The GTA is one of the most diverse economies in North America, characterized by highly specialized knowledge-based jobs. An estimated \$267 billion of goods and services (GDP 2007) are produced in the Toronto Census Metropolitan Area (CMA1). The City of Toronto accounts for half of this total (2007: \$133 billion).

Key Employment Sectors:

The following graphic recognizes the diverse nature of the City of Toronto's economy while providing some useful insights into the City's key employment sectors. The area of a sector bubble represents employment size. The horizontal position of a sector bubble on the graphic denotes industry growth rate. The vertical position on the graph denotes the concentration of the sector's employment within the City relative to other major cities in North America. Therefore upper right quadrant bubbles represent sectors with particular strength in Toronto while bottom left quadrant bubbles represent sectors that are stagnant or potentially on the decline.

From the graph it is noted that Wholesale and Retail Trade, Manufacturing, Health and Financial Services are the largest sectors in terms of employment. High growth industries include Computer System Design, Information and Culture, Real Estate and Arts and Entertainment. Finally Computer System Design, Financial Services and Information and Culture are sectors that have high concentrations of employment in Toronto in comparison to other North American cities.



¹Greater Toronto Area (GTA) refers to the City of Toronto plus the surrounding regions of Durham, York, Peel and Halton which include four upper tier and 24 lower tier municipalities.

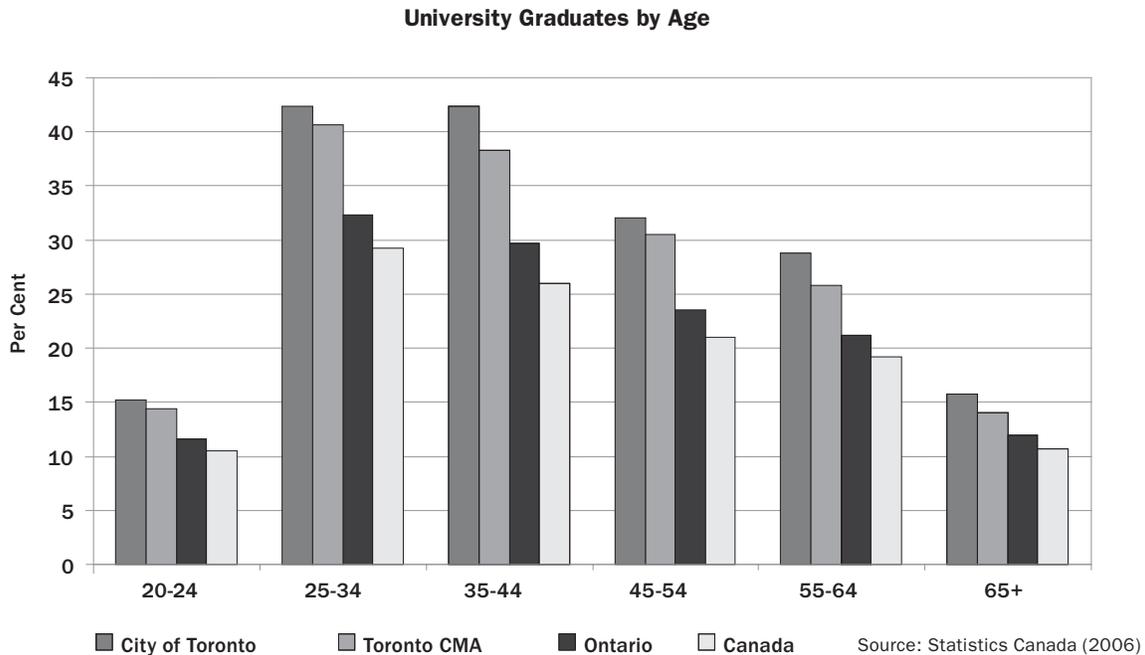
A PROFILE OF TORONTO

As part of the health sector, the biomedical and biotechnology cluster in Toronto is the fourth largest in North America. The Discovery District is a downtown research park with 7 million sq. ft. of facilities – Canada’s largest concentration of research institutes, business incubators and business support services. The Medical and Related Sciences (MaRS) project, a new Faculty of Pharmacy at the University of Toronto, and the Centre for Cellular and Biomolecular Research (CCBR) help give the Discovery District its name.

The information and culture sector is one of the fastest growing sectors in the City. Toronto has undergone a ‘cultural renaissance’ with the unprecedented building and architectural transformation of close to a dozen major arts and cultural institutions, including the Michael Lee–Chin Crystal (expansions to the Royal Ontario Museum), the Art Gallery of Ontario, the new home of the Toronto International Film Festival and the Four Seasons Centre for the Performing Arts, which is the new home of the National Ballet of Canada and the Canadian Opera Company.

Workforce:

Toronto has a large educated, skilled and multilingual workforce. Toronto is the home to four universities (University of Toronto, York University, Ryerson University, and Ontario College of Art and Design), and four community colleges (Centennial, Seneca, Humber and George Brown). In fact, it has the most educated workforce in North America. Close to 60% of workers have post-secondary degrees, diplomas or certificates.



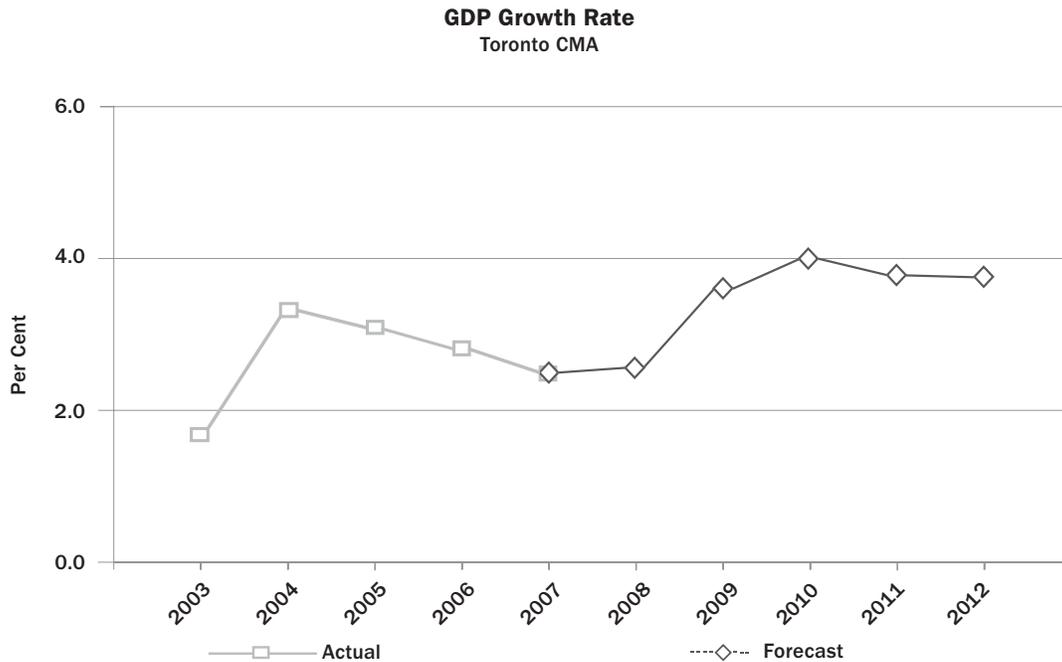
With an estimated 1.3 million people working in the City of Toronto, it continues to be a net importer of labour from the surrounding regions. However the surrounding regions are changing rapidly in that they are experiencing growth in manufacturing and other types of employment and thus transforming themselves from residential suburbs to employment destinations. The rest of the GTA has now also become a net importer of labour both from the City and surrounding regions.

A PROFILE OF TORONTO

Economic Growth:

The impact of the strengthening Canadian dollar on industries sensitive to foreign trade, especially manufacturing and tourism, has moderated overall economic growth in the Toronto region since 2001. Output in the transportation, storage and communications sector and the commercial services sector has been modest as compared with the vigorous growth in the wholesale and retail trade sector. The financial services sector has also grown at a steady pace. On the other hand, the manufacturing sector has struggled with plant closings and job cuts. In the construction sector, housing starts have held up relatively well compared to the United States but have started to drop-off more recently.

Non-residential investment activity is expected to stay healthy due in part to low office vacancy rates. Three major new office towers are under construction downtown – the RBC Centre, the Bay-Adelaide Centre and the Telus tower. The economy of the Toronto CMA expanded by 2.5% in 2007, and is forecasted by the Conference Board of Canada to grow by the same rate in 2008. The region's economy is forecast to grow at an average annual rate of 3.8% from 2009 to 2012.

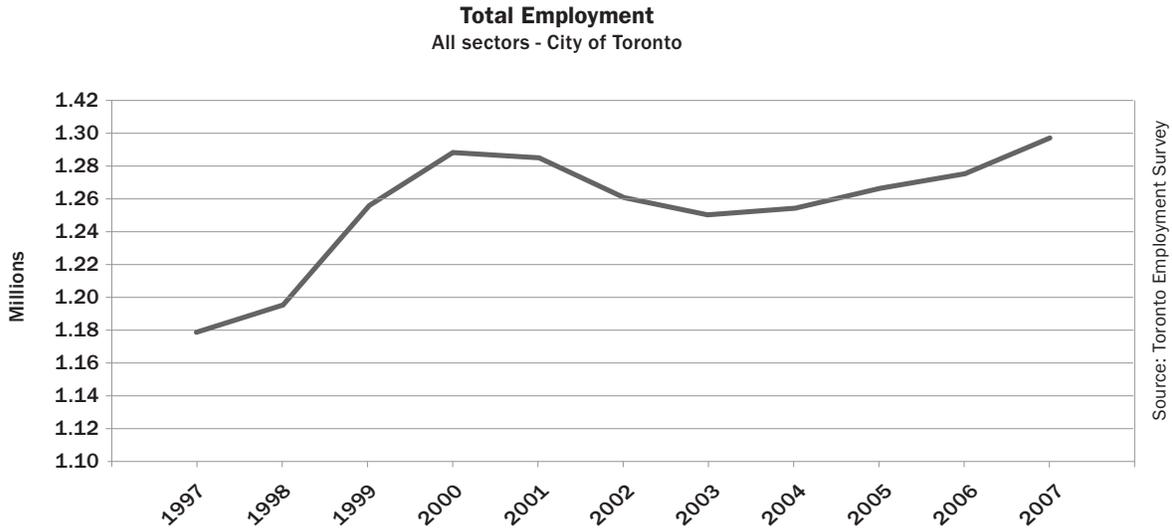


Source: Conference Board of Canada — Metropolitan Outlook — Spring 2008

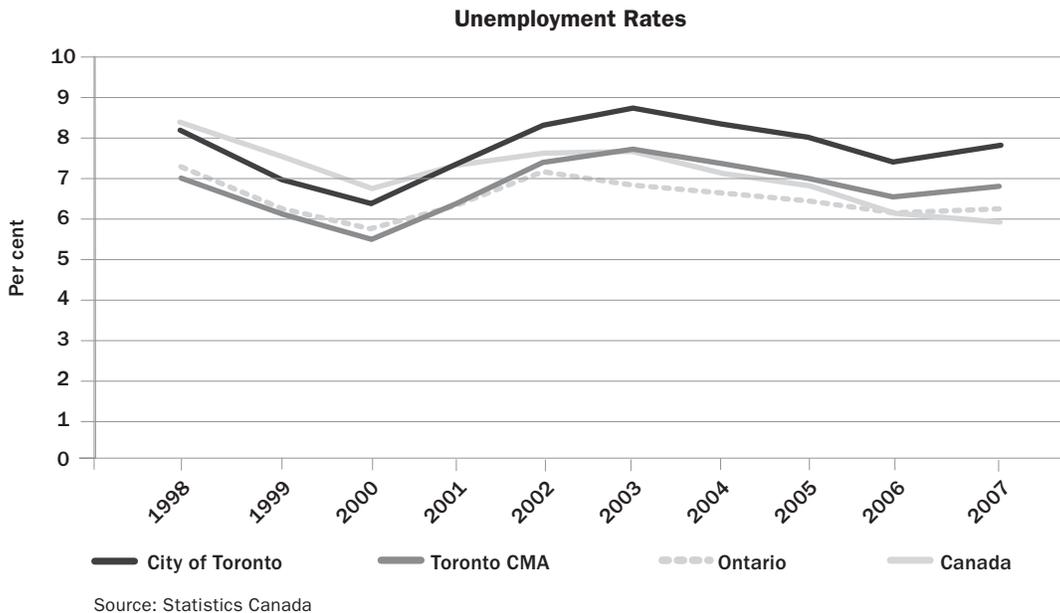
Employment:

One of the key indicators of economic strength is employment. From 1996 to 2000, the City's employment recorded strong growth. Total employment in manufacturing jobs expanded faster than all employment, as vacant industrial buildings in the City were quickly filled up. Within the Greater Toronto Area, the economic growth of the City has been lagging behind the rest of the region, particularly between 2000 and 2003 when employment in the City declined, with the majority of job losses in manufacturing, construction, transportation and warehousing as well as business services. Since 2003 the City's economy has bounced back with a services – based recovery, particularly in downtown Toronto (+35,000 jobs) and North York (+5,100 jobs) areas. Gains in the service sector have more than offset employment losses in the manufacturing sector, which has been negatively impacted by the strong Canadian dollar and high energy costs in recent years.

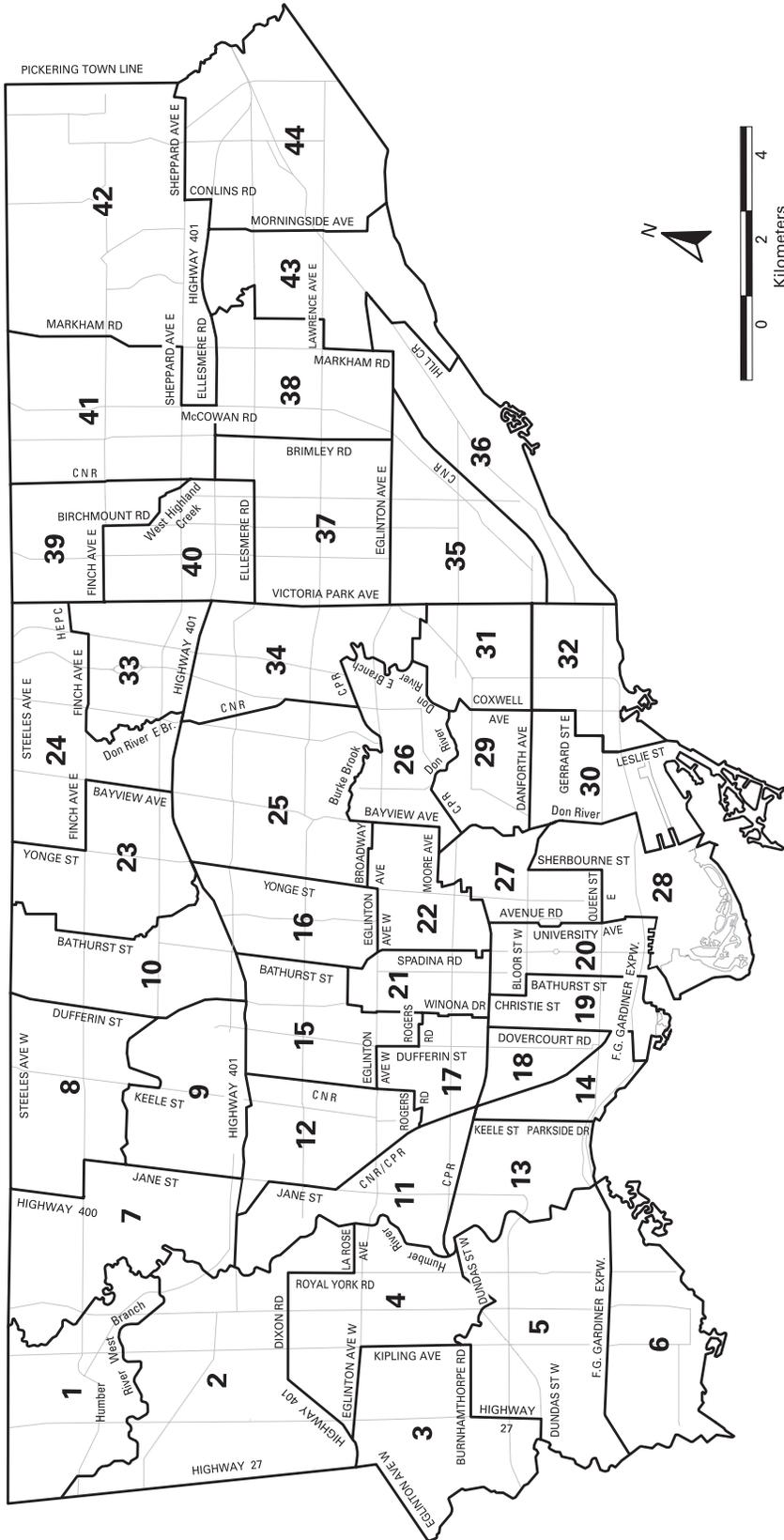
A PROFILE OF TORONTO



In the last ten years, Toronto’s annual unemployment rates ranged between 6.5% and 8.7%. Starting at 8.2% in 1998, the unemployment rate came down to 6.5% in 2000 (a low level not seen since the early 1990’s) while the economic condition improved. Then with the information technology “bubble burst”, unemployment rate moved up and reached a decade high of 8.7% in 2003, but has since enjoyed three years of declining unemployment due to improved economic condition between 2003 and 2006. In 2007 unemployment edged slightly upward to 7.9%. In the latter months of 2007, Toronto’s unemployment rate reversed direction and has since moved to below 7% in the early months of 2008.



MAP OF ELECTORAL WARDS



Municipal Wards 2006 - 2010

Revised January 2007



Mayor David Miller



Ward 1
Suzan Hall



Ward 2
Rob Ford



Ward 3
Doug Holyday



Ward 4
Gloria Lindsay Luby



Ward 5
Peter Milczyn



Ward 6
Mark Grimes



Ward 7
Giorgio Mammoliti



Ward 8
Anthony Perruzza



Ward 9
Maria Augimeri



Ward 10
Michael Feldman



Ward 11
Frances Nunziata



Ward 12
Frank Di Giorgio



Ward 13
Bill Saunderson



Ward 14
Gord Perks



Ward 15
Howard Moscoe



Ward 16
Karen Stintz



Ward 17
Cesar Palacio



Ward 18
Adam Giambrone



Ward 19
Joe Pantalone



Ward 20
Adam Vaughan



Ward 21
Joe Mihevc



Ward 22
Michael Walker



Ward 23
John Filion



Ward 24
David Shiner



Ward 25
Clifford Jenkins



Ward 26
John Parker



Ward 27
Kyle Rae



Ward 28
Pam McConnell



Ward 29
Case Ootes



Ward 30
Paula Fletcher



Ward 31
Janet Davis



Ward 32
Sandra Bussin



Ward 33
Shelley Carroll



Ward 34
Denzil Minnan-Wong



Ward 35
Adrian Heaps



Ward 36
Brian Ashton



Ward 37
Michael Thompson



Ward 38
Glenn De Baeremaeker



Ward 39
Mike Del Grande



Ward 40
Norman Kelly



Ward 41
Chin Lee



Ward 42
Raymond Cho

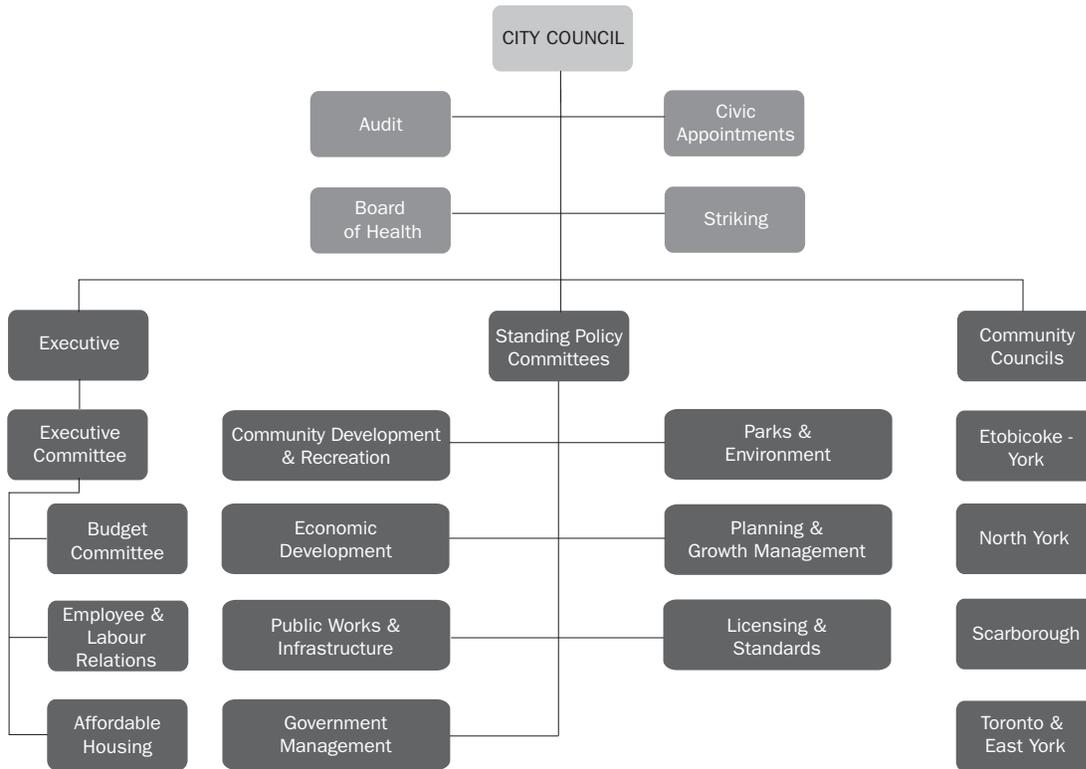


Ward 43
Paul Ainslie



Ward 44
Ron Moeser

COUNCIL-COMMITTEE STRUCTURE AND MANDATES



2006-2010 EXECUTIVE COMMITTEE AND STANDING COMMITTEE MANDATES

EXECUTIVE COMMITTEE:

The Executive Committee's mandate is to monitor and make Recommendations on the priorities, plans, international and intergovernmental relations, and the financial integrity of the City.

The responsibilities of the Executive Committee include:

- (1) Council's strategic policy and priorities in setting the agenda;
- (2) Governance policy and structure;
- (3) Financial planning and budgeting;
- (4) Fiscal policy including revenue and tax policies;
- (5) Intergovernmental and international relations;
- (6) Council and its operations; and
- (7) Human resources and labour relations.

The Executive Committee makes recommendations or refers to another committee any matter not within the Standing Committee's mandate or that relates to more than one Standing Committee.

STANDING COMMITTEES

The standing committees are organized along seven broad policy areas:

Economic Development Committee – will focus on the economy and undertake work to strengthen Toronto's economy and investment climate

Community Development and Recreation Committee – will focus on social inclusion and undertake work to strengthen services to communities and neighbourhoods.

Public Works and Infrastructure Committee – will focus on infrastructure and undertake work to deliver and maintain Toronto's infrastructure needs and services

Planning and Growth Management Committee – will focus on the urban form and undertake work related to good city planning and sustainable growth and development

Licensing and Standards Committee – will focus on consumer safety and protection and undertake work related to licensing of businesses and enforcement of property standards

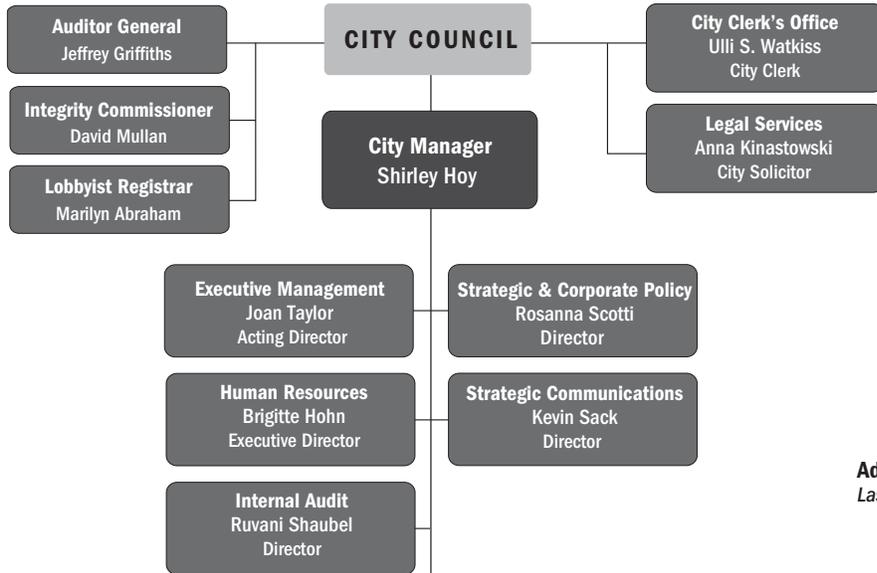
Parks and Environment Committee – will focus on the natural environment and undertake work to ensure the sustainable use of Toronto's natural environment

Government Management Committee – will focus on government assets and resources and undertake work related to the administrative operations of the City

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

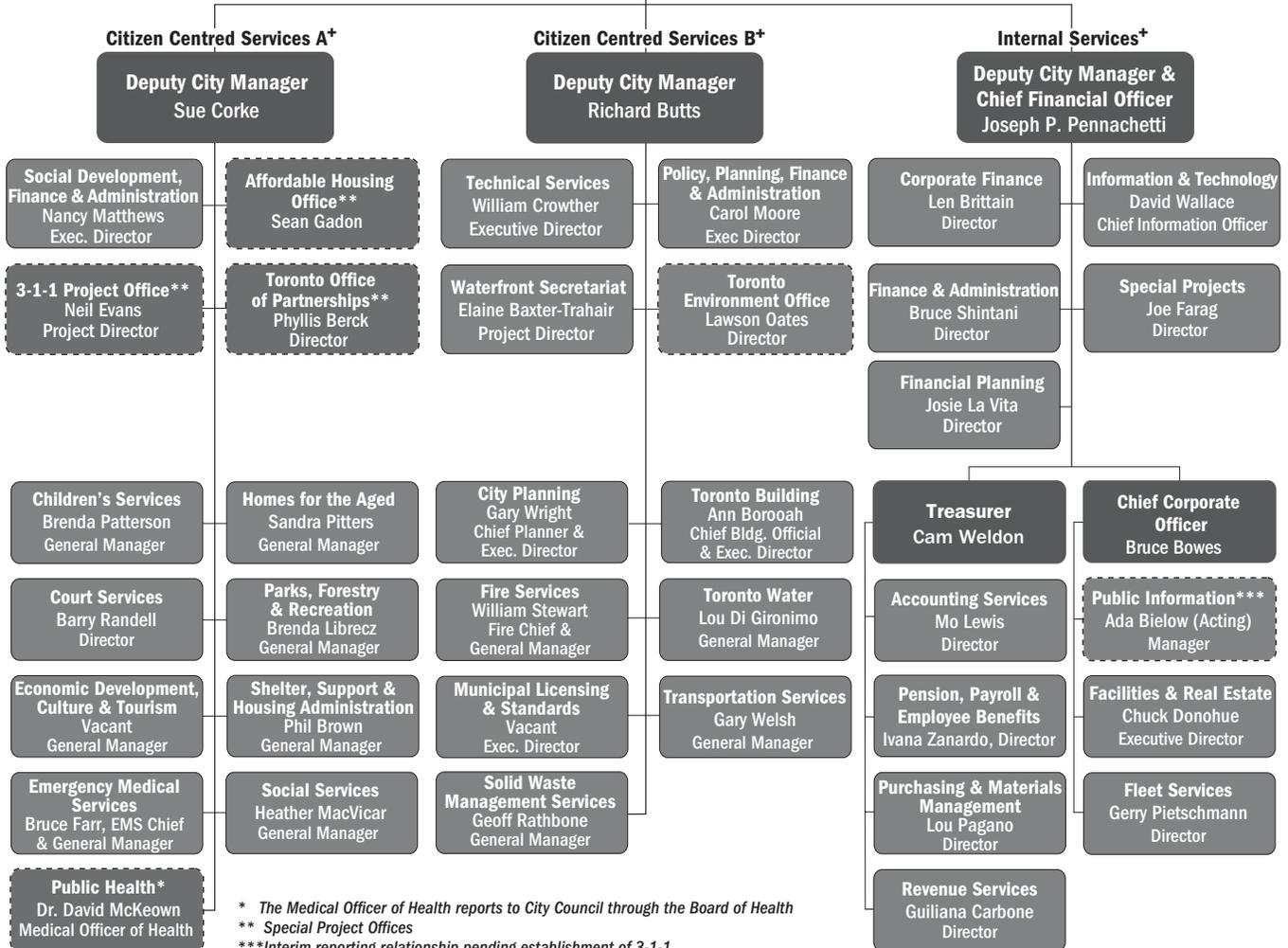
CITY ADMINISTRATIVE STRUCTURE

Note: The Auditor General, Integrity Commissioner and Lobbyist Registrar report directly to City Council.



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

Administrative Structure
Last updated May 2, 2008

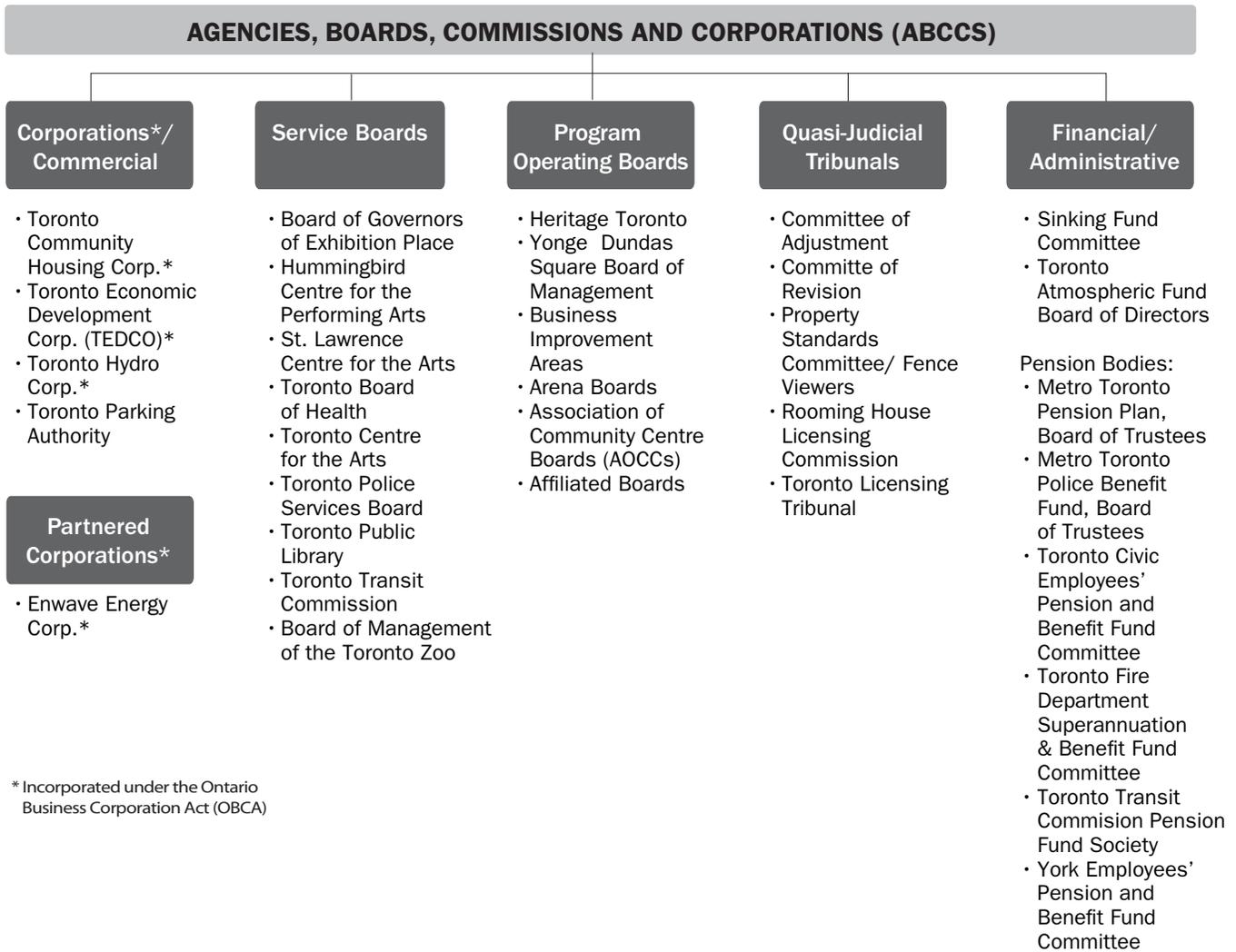


* The Medical Officer of Health reports to City Council through the Board of Health

** Special Project Offices

***Interim reporting relationship pending establishment of 3-1-1

CITY OF TORONTO'S SPECIAL PURPOSE BODIES



EXTERNAL AND PARTNERED ORGANIZATIONS

12 Alexander Street Project

Art Gallery of Ontario

Arts Etobicoke

Arts York

Association française des municipalités de l'Ontario
(Francophone Association of Municipalities of
Ontario)

Bridgepoint Hospital, Board of Governors

Campbell House, Board of Management
Canadian Film Centre

Canadian National Exhibition Association

Canadian Opera House Corp.

Canadian Stage Company

Caribbean Cultural Committee

Crescent Town Club Inc.

Design Exchange

Dora Mavor Moore Awards

Dragon Boats 2006 – Great White North
Dragon Boat Challenge

East Metro Youth Services

East York Foundation Nominating Committee

Foodshare

Friends of Maple Leaf Cottage

George R. Gardiner Museum of Ceramic Art

Greater Toronto Airports Authority

Greater Toronto Marketing Alliance

Green Tourism Association

Harbourfront Centre

Hockey Hall of Fame, Board of Directors

ICLEI – Local Governments for Sustainability

Lorraine Kimsa Theatre for Young People

Metropolitan Toronto Convention

Centre Corporation
Moving the Economy

Municipal Property Assessment Corporation
Museum of Contemporary Canadian Art

National Ballet of Canada

North York Historical Society

Rouge Park Alliance

Royal Agricultural Winter Fair

Runnymede Hospital, Board of Directors

Scarborough Arts Council

Social Housing Services Corporation
The Scarborough Hospital, Board of Directors

The Salvation Army Toronto Grace Health Centre,
Board of Trustees

Toronto and Region Conservation Authority

Toronto Arts Council

Toronto Artscape

Toronto Business Development Centre

Toronto Child Abuse Centre

Toronto Financial Services Alliance

Toronto Foundation for Student Success

Toronto Humane Society

Toronto International Film Festival Group

Toronto Public Library Foundation

Toronto Symphony Orchestra

Toronto Waterfront Revitalization Corp.*

Toronto Zoo Foundation

Tourism Toronto

Town of York Historical Society

Urban Arts Community Arts Council

Woman Abuse Council

York Community Information

Young Ambassadors Selection – Committee for
Learnx Foundation

* Incorporated under the Ontario Business Corporation Act (OBCA)

TORONTO'S OFFICIAL PLAN

Toronto is a great city! It has evolved into a special place that people care about deeply. It is a wonderful city in which to live, offering a diversity and richness of urban life that nurtures creativity, entrepreneurial spirit and a concern for each other and for future generations. Together, these characteristics have shaped a city that attracts people from every corner of the world.

What kind of city will Toronto be in the 21st century?

This is an important question affecting us all. Toronto faces a complex and challenging future and the decisions we make today will shape the kind of city we will live in tomorrow.

This Official Plan is about making the right choices and shaping Toronto's collective future. The Plan is about getting the fundamentals right. It is about having a clear vision for the City – grounded in durable principles that assure a successful future.

VISION

This Official Plan rests on strong foundations that can weather the test of time. It builds on the vision of those who have helped us travel from our early roots as a settlement on the shores of Lake Ontario to a vibrant and modern city. It is grounded in principles of:

- diversity and opportunity;
- beauty;
- connectivity; and
- leadership and stewardship.

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 promote 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 astonish and inspire.

TORONTO'S OFFICIAL PLAN

PRINCIPLES

This Plan is about the basics of successful city-building. Holistic and integrated thinking is a fundamental requirement for planning a modern city like Toronto. Integrated thinking means seeing, understanding and accounting for all the connections as we go about our decision making. Sometimes it means thinking differently about solutions. Always it means searching for outcomes that demonstrate integration, balance and interdependence and that earn social, environmental and economic rewards.

A successful city is one with a competitive advantage over others locally, nationally and internationally. It has a quality of life that will attract and retain people who have capital, skills, knowledge, ingenuity and creativity. A successful city with an enviable quality of life is diverse, equitable and inclusive; it astonishes with its human-made and natural beauty; it thrives on making connections and it inspires great leadership and stewardship. Toronto has these attributes now. We will have to consolidate and build on these strengths as we grow. Success will come by seizing new opportunities based on these principles.



FINANCIAL CONDITION & PERFORMANCE

CITY OF TORONTO
2008 BUDGET SUMMARY

..... MESSAGE FROM THE DEPUTY CITY MANAGER & CHIEF FINANCIAL OFFICER



In 2008 the City of Toronto made financially strategic advancements for establishing long-term financial plans and faced significant financing challenges all of which are reflected in the 2008 Capital and Operating Budgets.

For the first time since amalgamation, staff introduced a balanced operating budget in 2008. This significant achievement was the culmination of Council's decision to introduce a municipal land transfer tax (MLTT) and a personal vehicle tax (PVT) in the Fall of 2007; moderate increases in user fees without impairing access to services for the less privileged; savings from cost containment initiatives implemented in 2007 which continued in 2008; and successful negotiations for increased provincial assistance for public transit.

The 2008 budget includes strategic investments in new and enhanced services including public transit, waste diversion, public safety, community health and wellness, economic development and culture, and climate change.

The 2008 Operating Budget achieves the major goals of maintaining services while controlling expenditures and addressing the structural deficit challenge that has prevailed since amalgamation. It is anticipated that the ongoing Provincial/Municipal Fiscal and Service Delivery Review will result in permanent funding for transit operations and increased upload of social services costs. Should this materialize, the structural deficit problem will be substantively addressed beginning with the 2009 Operating Budget.

The City introduced a planning process in 2008 which is based on sound financial and service planning principles and best budgeting practices. The process was designed to provide a longer-term view, and to emphasize the need for upfront priority-setting to guide the formulation of the City's budget. It focuses on linking resource allocation decisions to results and outcomes. Service Planning is the stage of the City's financial planning process where service directions, objectives, priorities, strategies and challenges are established and/or confirmed. Furthermore, it is at this stage that service levels are defined, reviewed or validated in the context of City priorities and strategies, public demands and resource availability. Service Planning is a process through which high-level strategies are operationalized, and City and community objectives are aligned with service delivery plans. It is a key tool that supports informed decisions about services and service levels, and ensures the best use of available resources to achieve strategic directions.

The City continues cost control measures and has introduced new taxation measures in moving toward fiscal sustainability. Some progress has been made with regards to uploading Social Services Programs and gaining recognition for increased transit operating funding. It is anticipated that the City's efforts to obtain fairer funding for provincially mandated services will be fully addressed in the Provincial/Municipal Fiscal and Service Delivery Review currently underway. Favourable resolution of the provincially mandated social services programs and the operating funding imbalance must resolve the prevailing fiscal deficit challenge for the City of Toronto in the short term.

While emphasis has been placed on maintaining and protecting the City's infrastructure and physical assets, the capital budget and plan also provides for growth in strategic areas and priority service expansion projects in key program areas to accommodate service demands and expectations of the public. Until the City has a share of revenues that grow with the economy, the growth and service improvement requirement will continue to receive limited funding and minimize debt financing.

Notwithstanding significant funding challenges, the 2008 Capital Budget and Plan is fiscally prudent because it balances the capital spending needs for infrastructure maintenance with the objective of ensuring that the City's debt burden is kept within the Council approved debt service charge to property tax ratio of 15%. In order to stabilize the increase in debt financing and to maintain/enhance the City's credit rating, the City will increase contribution from current funding by 10% annually.

The City's credit rating remains among the highest of comparably sized or larger North American cities such as Chicago, New York, Vancouver and Montreal. Currently, the City of Toronto's credit rating is AA with stable trend from Dominion Bond Rating Service Ltd. and with a positive outlook from Standard and Poor's Canada as well as Aa1 rating with stable outlook from Moody's Investor Service.



Joseph P. Pennachetti
Deputy City Manager and Chief Financial Officer

..... FISCAL CAPACITY

Toronto enjoys a highly diverse economy which positions it to be internationally competitive. Yet every year, the City faces the challenge of matching its spending needs to its ability to raise revenues. There is a permanent or “structural” mismatch between spending and revenues. This has been caused by three main reasons:

- The City’s primary revenue sources, property taxes and user fees, do not grow with the economy like income and sales taxes do. Residential property taxes and user fee increases over the years have generally followed the rate of general inflation. As well, high property tax yielding industrial properties are being converted to low tax yielding residential properties.
- The City’s operating costs have been increasing faster than the rate of general inflation because of unique and diverse needs, higher construction, energy and labour costs, and because of increasing demands for service and service enhancements.
- The City’s physical infrastructure is getting older and is now beginning to be replaced with increased debt and concurrent tax and rate pressures. At the same time, the City’s unfunded liabilities are growing, particularly in the area of employee benefits.

The Conference Board of Canada provided a clear and objective analysis of this issue. In its June 2005 report titled “Measuring Toronto’s Fiscal Capacity: An Executive Summary,” it indicated that the City faced a combined capital and operating annual fiscal shortfall of \$1.1 billion in 2006 to fulfill its current program responsibilities and begin to address its infrastructure gap. The study also indicated that the imbalance would grow by over \$100 million each year unless property taxes were able to grow by the same amount. The study identified an upload of financial responsibilities and/or transfer of sales or income tax revenue capacity from the provincial or federal government as a solution to the shortfall.

City Council in 2007 approved two new taxes under the provisions of the new City of Toronto Act, for implementation in 2008. These two new taxes are: Municipal Land Transfer Tax and Personal Vehicle Ownership Tax. Although the revenue generated from these new taxes will not be a significant proportion of the City’s revenue budget, they will help improve the City’s fiscal capacity by reducing the City’s reliance on the property tax base.

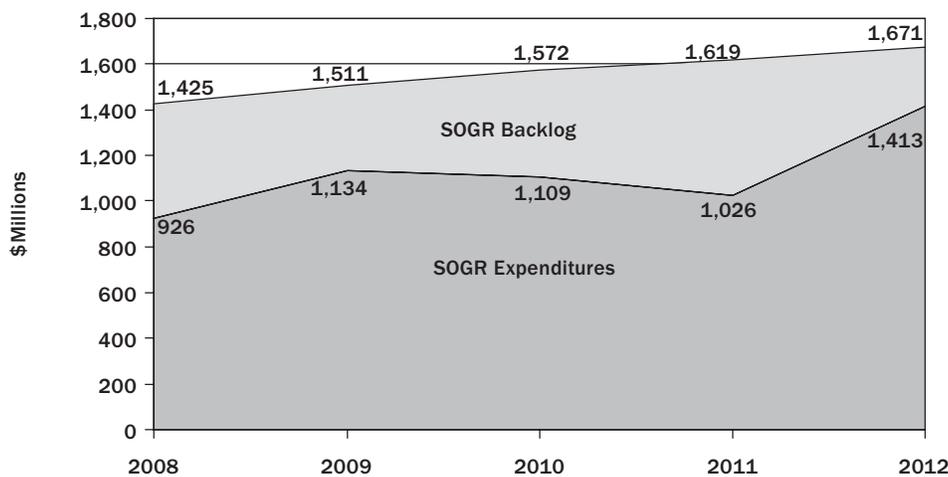
PHYSICAL INFRASTRUCTURE

The City owns a significant amount of physical assets, comprising roads, expressways, bridges, street lighting and traffic signal controls, water and wastewater treatment facilities, distribution and collection pipes, reservoirs, pumping stations, subways, streetcars, buses, civic centres, recreation facilities, public housing buildings, parkland and other lands. This infrastructure, excluding land, is currently estimated to be worth in excess of \$61 billion. The City's capital program is driven largely by the costs of maintaining its physical assets in a state of good repair.

	Estimated Asset Value
Transportation Infrastructure	\$10 Billion
Water & Wastewater Infrastructure	\$27 Billion
Public Transit System	\$10 Billion
Buildings, Facilities & Fleet	\$9 Billion
Housing Infrastructure	\$6 Billion
Total	\$61 Billion ++

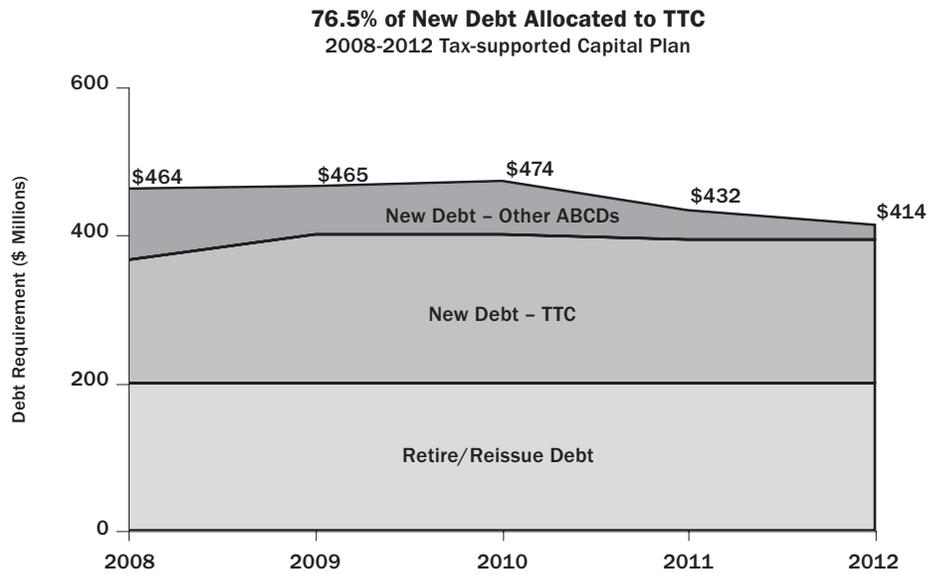
The City's road network, the majority of which was constructed in the 1950's and 1960's, is in need of major repair and rehabilitation. The City's water and wastewater network is similarly aged – 50 % of the water pipes and 30 % of wastewater pipes are more than 50 years old, while 7 % of watermains and 3 % of wastewater infrastructure are more than 100 years old. Due to fiscal constraints, the City's current spending in the capital program is less than ideal. Despite planning on spending two-third of the total capital expenditures on the State-of-Good-Repair (SOGR) in the next five years, the City still faces mounting backlog, which is estimated to be over \$1.43 billion. This SOGR backlog is estimated to escalate to \$1.67 billion by 2012, as shown in the chart below. In addition, capital requirements resulting from population growth and demographic changes will add financial pressures. The City's 2002 Official Plan projects population growth of up to a million people in the City of Toronto, raising the population to 3.5 million people in 30 years. More buses, social housing, recreation centres, etc. are required, which will put pressures on the City's capital and operating budgets.

**Backlog Significant Despite 2008–2012
Commitment of \$5.6 Billion to SOGR**

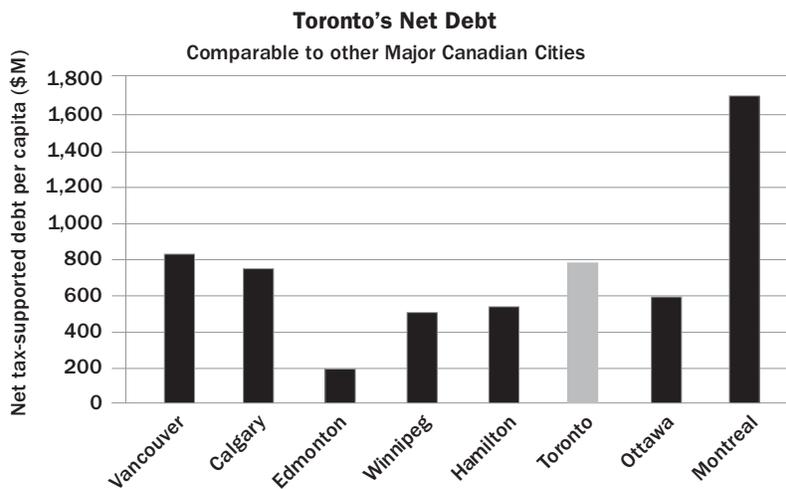


... CAPITAL FINANCING AND DEBT

The City borrows to fund capital expenditures. (It cannot borrow to fund operating expenditures under the City of Toronto Act). Toronto has enjoyed relatively low debt levels; however, there is a sizeable gap between future capital expenditure needs and ongoing sustainable revenue sources. The City does not have the financial capacity for necessary growth related expenditures, e.g. TTC, Transportation, Social Housing, etc. For the next five years, the TTC is driving the majority of the new debt required to fund the City's capital requirement. In fact, 76.5% of the new debt is allocated to the TTC.



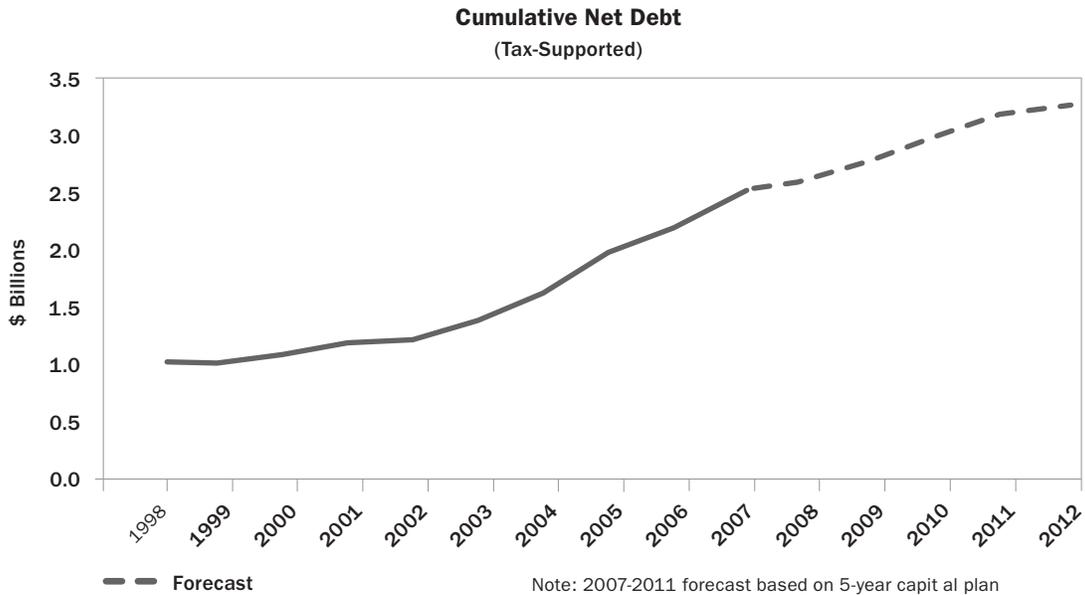
Overall, the City's debt burden is relatively modest and its net tax-supported debt per capita is comparable to other major Canadian municipalities.



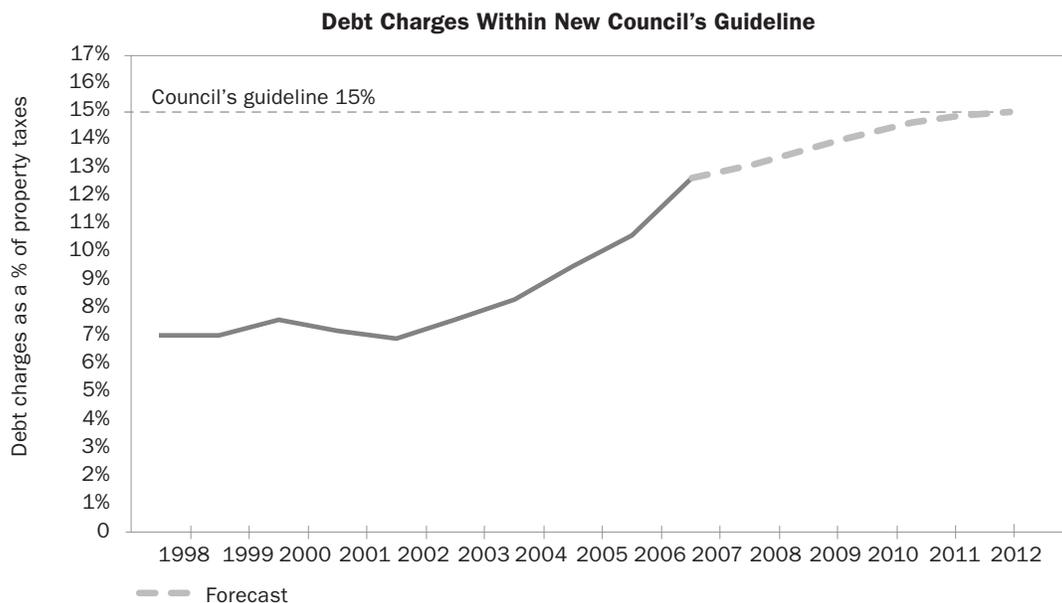
Source: DBRS Canadian Municipal Government Fact Sheet February 2007

CAPITAL FINANCING AND DEBT

Going forward, preliminary estimates as at the end of 2007 showed that the City's net long-term outstanding debentures would increase by 16% in five years. Gas tax funding from the federal and provincial governments, as well as provincial transit funding has alleviated some of the capital financing pressures and will help to lessen future debt requirements. In 2007 Council approved the Financial Planning Process and a pilot of the 2008 Service Planning Process, which set the framework for developing multi-year capital and operating budgets, and ensured that limited resources are aligned to priorities to maximize the benefits for Toronto's residents.



Debt charges are the second largest component of the property tax bill (behind police services). In 2006, City Council approved a new debt service guideline such that the debt service cost should not exceed 15 per cent (up from 10 per cent) of property tax revenues in a given year. Although only a guideline, this limit means that at least 85 cents on each tax dollar raised is available for operating purposes. Current forecast shows that the City's debt charges will fall within this guideline in the next few years.



.....: **CAPITAL MARKET FINANCING ACTIVITIES**

At the beginning of 2007, the City authorized the issuance of up to \$500 million in debentures in order to fulfill a portion of its capital financing requirements.

In July 2007, the City issued \$200 million sinking fund debentures with a term of 10 years and an interest rate of 5.05% per annum and a \$100 million amortizing debenture with a term of 20 years and an interest rate of 5.34%. The proceeds of this issue were used to partially finance the purchase of the Green Lane Landfill and will be recoverable from revenue generated by the landfill. In November 2007, the July 2007 debenture issue was reopened. Also, \$200 million in sinking fund debentures with a 10 year term and an interest rate of 5.05% per annum were added to create a \$400 million issue. This issue was used to finance the City's capital projects and will serve as a benchmark for the pricing of future debt issues. These transactions were well-received in an attractive and stable bond market and achieved the lowest cost of funds available relative to other potential structures, markets and currencies as permitted by provincial legislation.

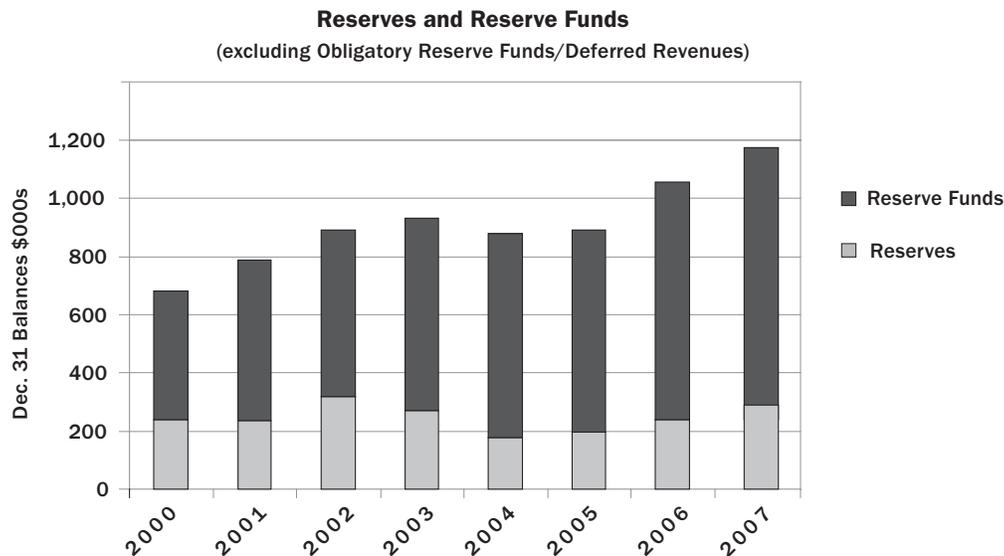
The Financial Market Environment:

In 2007, the Canadian economy faced several challenges, including stronger-than-expected domestic demand, high energy prices, and a rapid rise in the value of the Canadian dollar against the U.S.-dollar. The Bank of Canada was successful in keeping the average rate of CPI inflation within the 1 to 3 per cent target range and close to the 2 per cent target.

After strong economic growth and inflation in the first half of 2007, the economy began to experience slower growth in the second half of the year due to turbulence in the global financial markets. Credit conditions in Canada and the US began to tighten in response to the volatile market conditions and the cost of borrowing increased during this period. Credit spreads continued to widen because of losses in the sub-prime lending market. Nevertheless, during 2007 the City was able to issue debt with two successful bond issues with ten-year terms and an all-in cost of less than 5.00%. It should be noted that the City did not have any exposure to the sub-prime mortgage lending market.

RESERVES AND RESERVE FUNDS

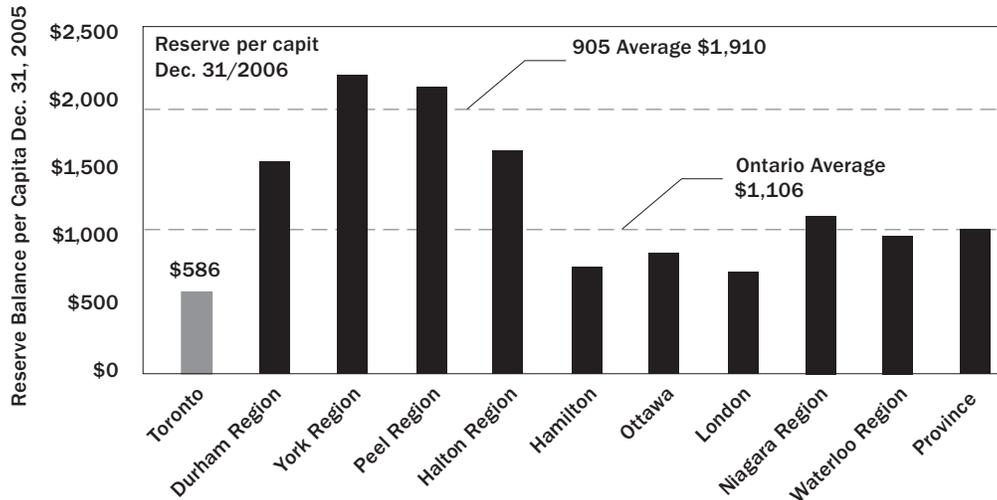
As at December 31, 2007, the City had \$1,177.5 million in Council-directed reserves and reserve funds, comprising \$254.9 million in Reserves and \$922.5 million in Reserve Funds. These funds have been set aside by Council to earmark revenues to finance a future expenditure for which it has authority to spend money, to defend the City against unbudgeted or unforeseen events that may result in a budget deficit such as an economic downturn, to smooth out future program expenditures which may fluctuate from one year to the next, or to accumulate funds for future capital requirements. While the reserve and reserve fund balance in Council-directed funds would appear to be a large sum, it should be noted that the majority of these funds are committed. Due to its structural financial deficit mentioned earlier, the City has relied on reserve draws as a one-time revenue source to offset annual operating pressures. Since amalgamation, the total reserve draw to fund the operating budgets was estimated to be over \$1 billion, with \$282 million withdrawn in 2007 alone. These one-time draws have limited the City's future financial flexibility in responding to risk and adverse circumstances.



On a comparative basis, the City's overall fund balance on a per capita basis is much lower than most Ontario municipalities – just over half of the Ontario average and just over a quarter of the average of the rest of the Greater Toronto Area (GTA), as shown in the following figure. If the City were to have the same reserve per capita as the average of the rest of GTA, it would have over \$5 billion in reserves, or almost three times the current balance, with enough funds to offset its outstanding debt and fully fund its employee liabilities. The City is in the process of establishing a long-term reserve strategy to address and mitigate the inadequacy, including determining needs and establishing contribution policies.

RESERVES AND RESERVE FUNDS

Reserve Levels are Lower than Other Municipalities



Source: Ontario Ministry of Municipal Affairs & Housing, City of Toronto
 Regional data consolidated for upper and lower tiers
 Balances include Obligatory Reserve Funds/Deferred Revenues

DEFERRED REVENUES

Funds that are set aside for specific purposes by legislation, regulation or agreement and may only be used in the conduct of certain programs or the completion of specific work are reported as Deferred Revenues (previously Obligatory Reserve Funds). These include funds set aside relating to Development Charges, Parkland Acquisition, Homes for the Aged, and Social Housing. These amounts are recognized as liabilities in the year the funds are deposited, and received into revenue in the fiscal year the related expenditures are incurred or services performed. The balance of such funds categorized as Obligatory Reserve Funds as at December 31, 2007 was \$981.4 million. These funds are all committed and are not available at Council's discretion.

2007 PROPERTY TAXES AND ASSESSMENT

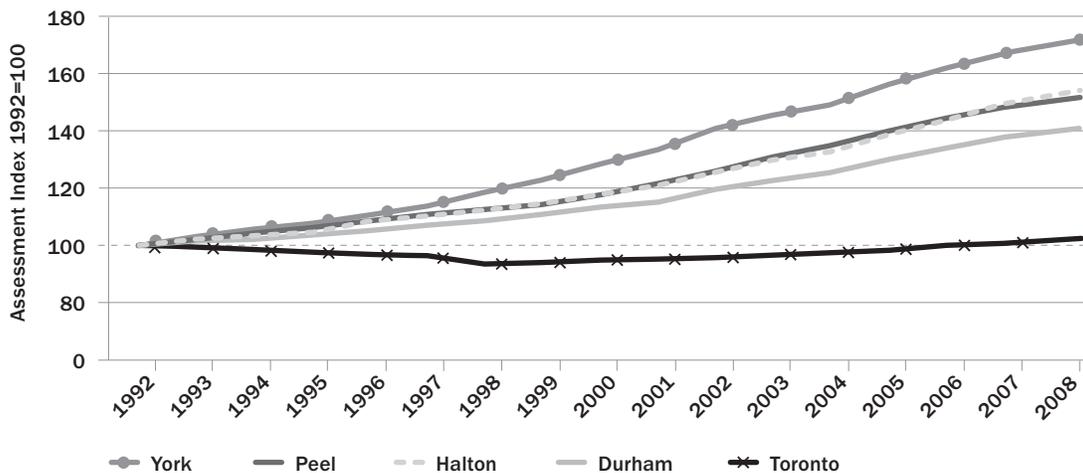
Property tax revenue is the City’s single largest source of revenue. The City collects \$3.3 billion from residential and business property owners, which represented 42% of the total operating revenues.

Every 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. 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.

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 property 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.

Over the last sixteen years, the GTA experienced quite remarkable economic and population growths following the recession of the 1990’s. The Toronto region (CMA) contains a number of the fastest-growing municipalities in Canada with respect to population between 2001 and 2006, such as Milton (71.4%), Brampton (33.3%), Vaughan (31.2%), Markham (25.4%), Richmond Hill (23.2%) and Ajax (22.3%). The bulk of the new construction and the associated assessment increase are located in the surrounding areas in the GTA. For example, from 1992 to 2008 York Region’s total assessment increased by 72%, Halton Region (which contains Milton) saw a 53% increase, Peel Region’s increased by 51%, and Durham Region’s increased by 41%. By comparison, the City of Toronto saw a gradual decline in assessment from 1992 to 1998, and there has been only a minimal increase since then. In fact, Toronto’s property assessment has just returned to its 1992 level.

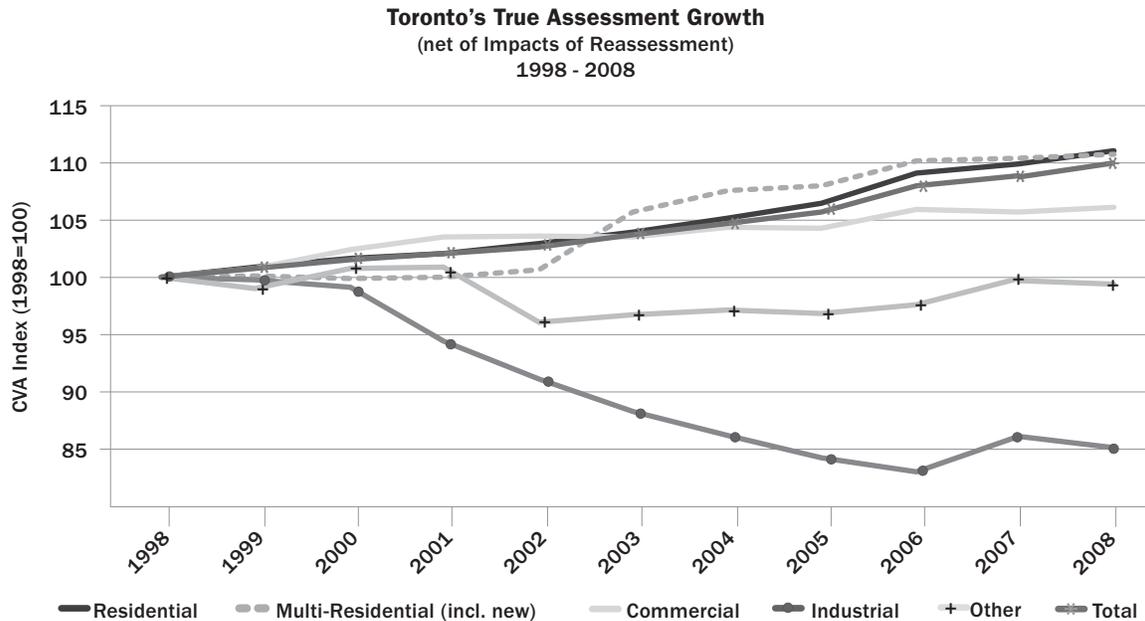
Unlike the Rest of GTA Enjoying Sizable Assessment Growth, Toronto Has Just Returned to its 1992 Level



Source: MMAH’s MARS, MPAC, Annual Financial Reports of the respective regions and survey.

REVENUES

From 1998 to 2008, the total CVA of the City's properties saw a total true net growth of 10% when the impacts of property reassessment are removed. Within the various property classes, the residential and multi-residential property classes each saw an increase of about 11%. For the non-residential properties, while commercial properties increased by a modest 6%, industrial properties saw a net decrease of over 15%. This is illustrated in the chart below.



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. The Municipal Property Assessment Corporation (MPAC) is responsible for property assessment in Ontario and preparing the assessment rolls for municipalities.

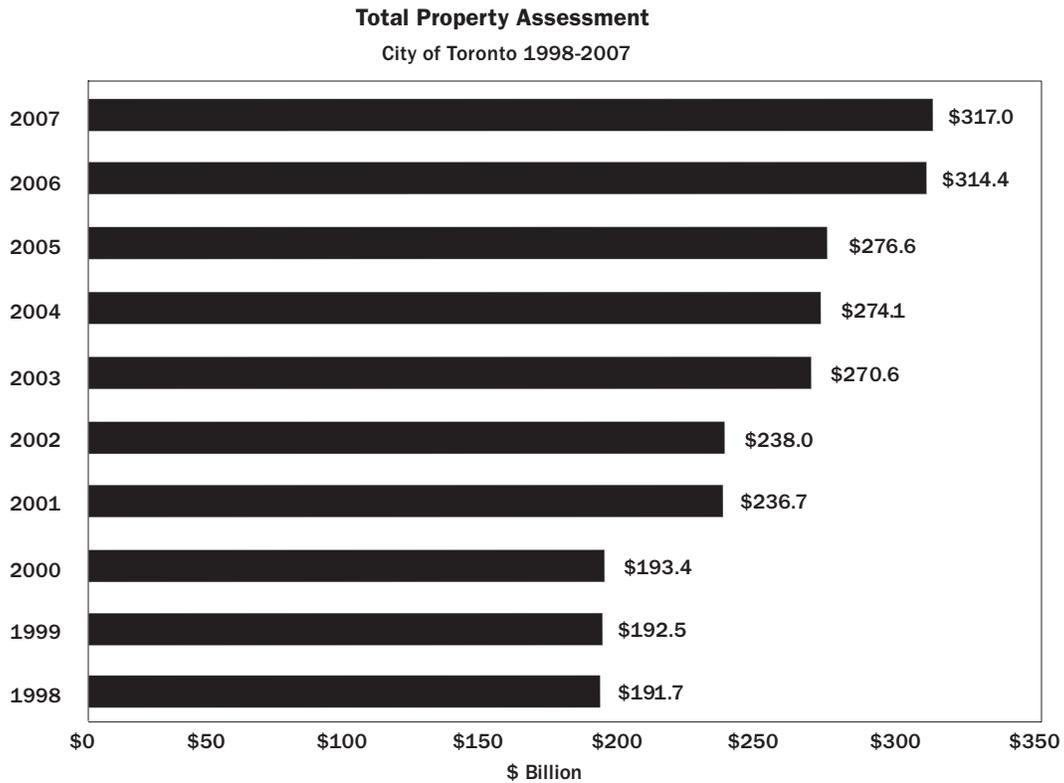
Up until 2004, Toronto had been the only municipality in the GTA that was prohibited by provincial legislation from increasing property tax levies on businesses for budgetary reasons. Ontario municipalities whose commercial, industrial or multi-residential tax ratios exceed threshold ratios established by the Province, are restricted from passing on municipal levy increase to those classes. In Toronto, tax ratios for the commercial, industrial and multi-residential tax classes all exceeded the provincial thresholds which meant that no municipal levy increases could be passed on to these classes. This meant that instead of accessing the full assessment base, the City could increase tax rates only on the residential class. While each one percent property tax increase would generate \$32 million if the whole assessment base could be accessed, when the budgeting increases are not levied on businesses, the City could raise only \$12 million from the residential class.

Since 2004, the Ontario Government has on an annual basis passed special regulations which allowed Toronto's tax rate increases on the non-residential classes to be no more than 50% of the rate for the residential tax class. However, as part of a plan to improve business competitiveness, starting in 2006, Toronto's commercial, industrial and multi-residential tax rate increase is limited to one-third of any year-over-year increase in residential tax rates.

REVENUES

In 2006 the Provincial Ombudsman reviewed the Municipal Property Assessment Corporation (MPAC), and the Province subsequently suspended all property reassessment until 2009, at which time the values will be updated to reflect the January 1, 2008 valuation date. Reassessments will take place every four years thereafter. With each reassessment, tax rates are adjusted to reflect CVA changes. For 2006 and 2007 property values were based on January 1, 2005 valuation date and were used to calculate property taxes.

The City of Toronto Act mandates limits on re-assessment related tax increases to 5% per year for the commercial, industrial and multi-residential property classes. Special provisions to provide tax relief for low-income seniors and disabled persons, as well as charities and similar organizations, are also required.



REVENUES

The chart below illustrates the 2008 taxes payable for the average household in Toronto with an assessed value of \$365,468.

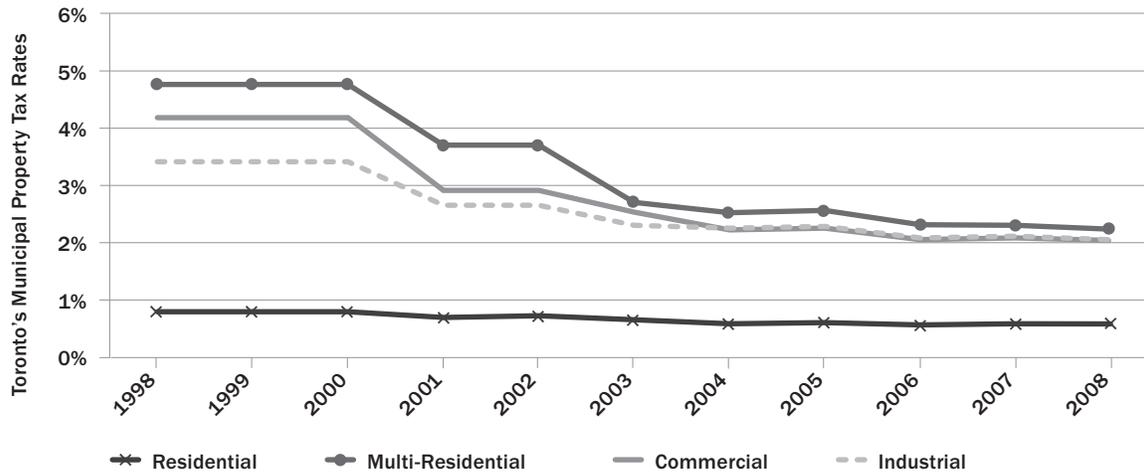
2008 Average Household Property Taxes Average residential assessed value – \$365,468

	2007 Tax Rate	2007 Property
Municipal Purposes	0.6109226%	\$2,233
Education Purposes	0.2640000%	\$965
Total	0.8749226%	\$3,198

Toronto's Tax Ratios Vs. Provincial Threshold Ratios

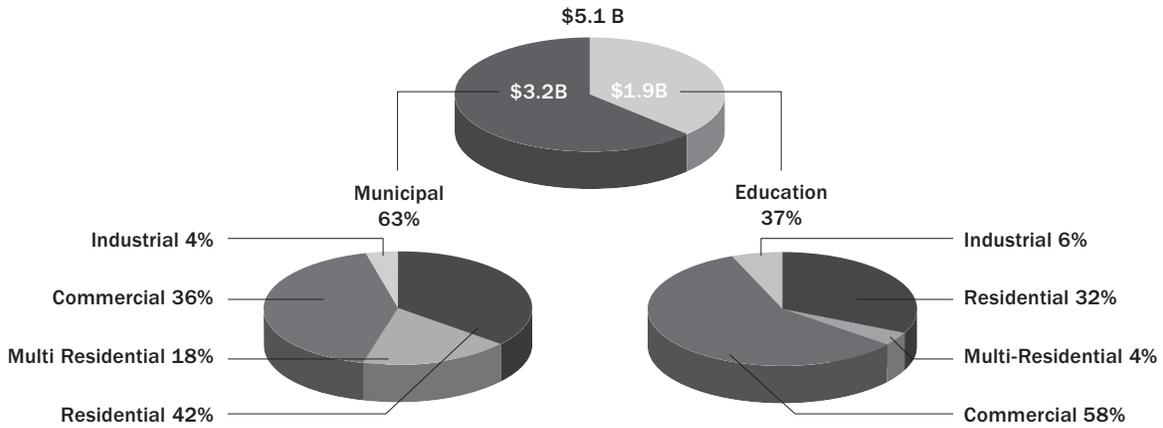
	2001 Taxation Year	2002 Taxation Year	2003 Taxation Year	2004 Taxation Year	2005 Taxation Year	2006 Taxation Year	2007 Taxation Year	2008 Taxation Year	Provincial Threshold Ratios
Multi-residential	4.174	4.001	3.870	3.802	3.761	3.635	3.546	3.469	2.74
Commerical	3.798	3.513	3.516	3.762	3.802	3.674	3.584	3.506	1.98
Commerical Small								3.410	1.98
Industrial	5.301	4.120	4.120	4.273	4.273	4.090	3.920	3.740	2.63

Toronto's Tax Rates Reduced 1998 - 2008



REVENUES

Toronto 2007 Total Property Tax Levy



Enhancing Toronto's Business Climate:

In late 2005 Council approved a comprehensive property tax policy contained in the Plan titled “Enhancing Toronto’s Business Climate – It’s Everybody’s Business”. The fairness principles and business cost competitiveness initiatives contained in the plan were intended to help to level the playing field with the surrounding municipalities and make Toronto’s businesses more competitiveness globally. These initiatives would create the conditions to maintain and expand the City’s property tax assessment base with a net positive impact on the City over the long term. In 2006 the City implemented, amongst other things, the policy of allowing for up to one-third of any residential tax rate increase to be applied to the Commercial, Neighbourhood Retail, Industrial, and Multi-Residential tax classes (i.e. a one percent non-residential tax increase for a residential tax increase of three percent), which would reduce its non-residential tax ratios to 2.5 times the residential rate over 15 years. This tax policy would reduce Toronto businesses’ taxes by an estimated \$300 million.

On October 22, 2007, City Council approved the “Update to Enhancing Toronto’s Business Climate” status report that highlighted 12 new initiatives to enhance the City’s economic competitiveness over the long term. The report recommended property tax relief measures for small and medium-sized neighbourhood retail properties, and for non-retail office, hotel and industrial developments to be implemented in 2008. It included a new property tax program to provide relief to a new residual commercial class (neighbourhood retail) for implementation in 2008, which would provide an accelerated phase-in over a maximum 8-year period, commencing in 2008, to reduce the target tax ratio for the first band of assessed value in the residual commercial class to 2.5-times the municipal residential tax rate by 2015.

Other City efforts to enhance competitiveness have resulted in a successful agreement with the provincial government to reduce business education tax (BET) rates for the City of Toronto businesses closer to the average of the surrounding GTA municipalities, creating a new, fair water rate structure for industrial and manufacturing companies and continuing the relief of development charges for the city’s commercial industry.

REVENUES

Property Tax Relief for Seniors and Charities:

In addition to providing tax relief for businesses, the City also provided tax relief for seniors and disabled people, as well as charities. Tax relief policies in effect for 2008 include:

- The cancellation of any tax increase for seniors aged 65 or older, or disabled person living with a household income of \$26,000 or less, which residential property assessed value is less than \$454,000 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 \$40,000 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.

USER FEES

User fees are the City's second largest source of revenue. Total user fee revenues including water and wastewater charges were \$2.0 billion, representing 25% of total operating revenues. The City's current user fee structures, such as transit fares, public swimming and skating fees, and water and wastewater rates, are at levels generally comparable to, and competitive with, the surrounding municipalities. There is very limited room for rate increases or significant additional sources of revenues.

OTHER REVENUES

The City receives other revenues such as grants and subsidies from other orders of government which are mainly for mandated programs such as Social Assistance, Child Care, Public Health and Social Housing, as well as other income such as earnings from business enterprises and investment income. The total of these revenues in 2007 was \$2.6B (or 33% of total operating revenues).

NEW TAXATION

In 2007 the City undertook an intensive consultation process to solicit public and stakeholder feedback on the new revenue tools under the provisions of the City of Toronto Act, 2006, with the intent to diversify the City's revenue base. As a result of those consultations and further research, in October 2007 City Council approved new taxes:

- Municipal Land Transfer Tax (MLTT); and
- Personal Vehicle Ownership Tax (PVT)

Billboard tax and liquor tax on sales to non-licensed customer were recommended for further consideration. Subsequently, the liquor tax option eliminated by Council.

Parking tax and road pricing were found to be more suitable for application on a coordinated GTA wide basis. Funding options such as these are being studied by the newly formed Greater Toronto Transportation Authority (Metrolinx).

Both new taxes (MLTT and PVT) will be implemented in 2008 (MLTT – February 1, 2008 and PVT – September 1, 2008). It was estimated that these two new taxes would generate a total of \$175 million in 2008.

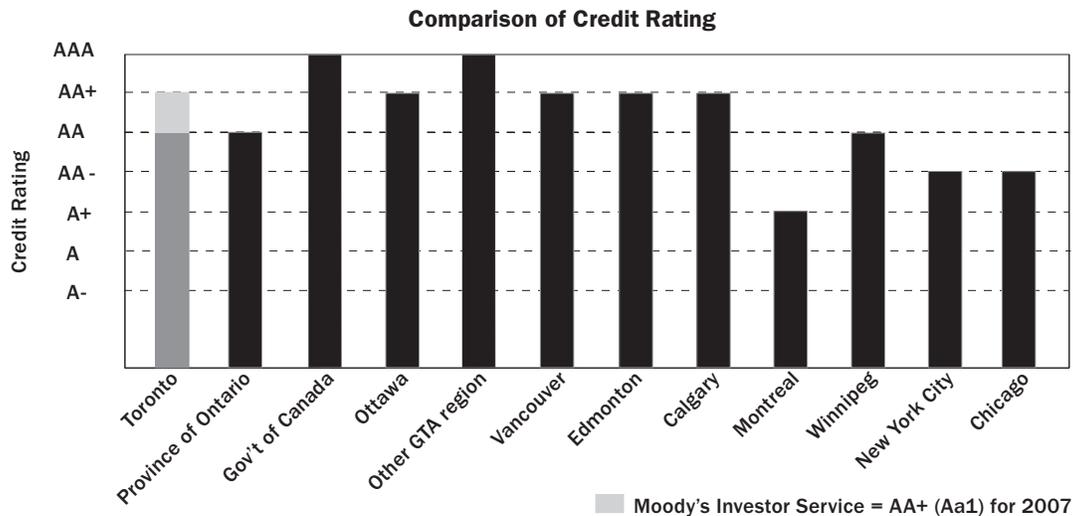
..... CREDIT RATING

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. Then the City would have to offer a higher interest rate to attract investors.

The City's credit rating remains among the highest of comparably sized or larger North American cities such as Chicago, New York, Vancouver and Montreal.



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

- AA with a stable trend from the Dominion Bond Rating Service Ltd.(DBRS) reaffirmed July 26, 2007
- AA with a positive outlook from Standard and Poor's Canada (S&P's) upgraded March 19, 2008
- Aa1 with a stable outlook from Moody's Investor Service reaffirmed February 12, 2008

CREDIT RATING

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
DBRS	AA	AA	AA	AA	AA	AA	AA (high)	AA (high)	AA (high)	AA (high)	AAA
Standard and Poor's	AA	AA	AA	AA	AA	AA	AA+	AA+	AA+	AA+	AA+/AAA
Moody's Investors Service	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa2	Aa2	Aa2	Aa2	Aa2

In its March 12, 2008 Research Update “*City of Toronto Outlook To Positive On Robust Economic Performance; ‘AA’ Ratings Affirmed*” Standard & Poor’s wrote: “The positive outlook reflects our expectation that the city will implement two new taxes and that the new tax revenues, coupled with increasing grants from senior governments, will significantly improve operating and after-capital results. Debt issuance should not exceed what the current capital plan forecasts. We also expect that the local economy will continue to produce solid results and positive taxable assessment base growth. Cash and investment balances should remain in line with 2006 year-end totals at a minimum. A significant and sustained increase in operating surpluses leading to a reduction of planned debt issuance in the next three years, coupled with material progress on the city’s infrastructure deficiency, could lead us to raise the ratings.”

Moody’s February 2008 Credit Analysis Report stated: “Toronto’s stable rating outlook reflects management’s commitment to maintaining fiscal discipline, ensuring that the city’s debt burden remains manageable and consistent with the current high rating Toronto’s debt rating of Aa1 reflects positive operating results over the past several years despite numerous challenges requiring budgetary adjustments. Debt has remained relatively low, despite the challenges, providing support to the rating. Furthermore, the Aa1 rating reflects a large, diversified economy. The city retains an important economic role as Canada’s largest urban center and its financial capital. It is also a focal point of the Province of Ontario’s industrial and commercial heartland.....As a reflection of the application of Moody’s Joint-Default Analysis (JDA) rating methodology for regional and local governments, Toronto’s Aa1 rating is composed of two principal inputs: a baseline credit assessment (BCA) of 2 on a scale of 1 to 21, in which 1 represents the lowest credit risk, and a very high likelihood that the Province of Ontario (Aa1, stable) would act to prevent a default by the city. The very high likelihood of support reflects Moody’s assessment of the risk to Ontario’s reputation as a regulator of municipalities if Toronto, or any municipality, were to default.”

..... TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

This City of Toronto provides service level and performance measurement results in nineteen of the City of Toronto's service areas. The following information includes up to seven years of Toronto's historical data to examine trends, and compare results externally to fourteen other municipalities through the Ontario Municipal CAOs Benchmarking Initiative (OMBI).

It often takes a year or more for performance measurement information to be collected, compared to other municipalities, analyzed and reported. By examining past performance this provides context for resource allocation and target setting decisions in forward looking processes such as the annual budget process.

At the end of the calendar year the City's general ledger and annual financial statements must first be finalized. At this point we commence the blending of this financial information along with non-financial data to develop performance measurement results.

Once these results are derived, discussions then take place between Toronto staff and those of other Ontario municipalities we benchmark with, to ensure that the results are as comparable as possible. This in turn is followed by analysis to better understand Toronto's results in relation to other municipalities so that this information can be provided along with the raw data.

Toronto is 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. The most accurate comparison for Toronto is to examine our own year-over-year performance and longer-term historical trends.

All of Toronto's service areas continue to look for opportunities to improve operations and performance and a number of these initiatives completed in 2007 and planned in 2008, have been described in this report.

There is also value in comparing Toronto to other municipalities. In December 2007, the fifteen OMBI member municipalities released a joint report entitled OMBI 2006 Performance Benchmarking Report (OMBI Joint Report) www.ombi.ca.

The OMBI Joint Report provides 2005 and 2006 summary data in sixteen service areas.

The report includes:

- Three service areas not covered in the OMBI Joint Report (Children's Services, Hostel Services and Governance and Corporate Management).
- Additional performance measures and service level indicators not included with the sixteen service areas in the OMBI Joint Report.
- Up to seven years of Toronto's historical data, to better understand trends in our own internal service levels and performance, and the description of Toronto's 2005 to 2006 change as either favourable, stable or unfavourable.
- Ranking of Toronto's results, by quartile in relation to the other municipalities, to assist in interpreting how well Toronto is doing.
- Factors that have been identified as significantly influencing Toronto's results.
- Achievements from 2007 and initiatives planned for 2008 that could further improve Toronto's operations in the future.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

OMBI has developed detailed technical definitions and standardized methodologies to collect consistent performance information to ensure results are as comparable as possible between municipalities.

The Performance Measurement and Benchmarking report is intended to strengthen accountability and enhance the level of transparency in the way performance of Toronto's services is reported.

Toronto's Performance Measurement Framework for Service Delivery

The City of Toronto's performance measurement framework for service delivery is similar to that used by other OMBI municipalities and includes the following four categories of indicators and measures:

- **Service Level Indicators** – provide an indication of the service levels, or amount of resources approved by Council or volumes of service delivered to residents. For the purposes of comparing to other municipalities it is often expressed on a common basis, such as the number of units of service per 100,000 population.
- **Performance Measures**
 - > *Efficiency* – compares the resources used to the number of units of service provided or delivered. Typically this is expressed in terms of cost per unit of service.
 - > *Customer Service* – measures the quality of service delivered relative to service standards or the customer's needs and expectations.
 - > *Community Impact* – measures the outcome, impact or benefit the City program is having on the communities they serve in relation to the intended purpose or societal outcomes expected. These often tie to the mission statements of the program or service.

It is the responsibility of staff, with the financial resources and associated service levels and/or standards approved by Council, to deliver service as efficiently, and with the highest customer service and/or positive impact on the community, as possible.

Balancing the optimal combination of efficiency and customer service is an ongoing challenge. Too much focus on efficiency, in isolation, may have an adverse impact on customer service or community impact, and vice versa.

With respect to community impact measures, it is also a challenge to separate the portion of these impacts or outcomes that are related to City programs versus the efforts or responsibilities of partners, such as other orders of government or the private sector.

Using this performance measurement framework, Toronto's results can be examined from an internal perspective over a period of years, and from an external perspective in relation to other municipalities.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Comparing Toronto's Results Externally

Despite the unique characteristics of Toronto, such as our much higher population density, there is also value in making comparisons of performance measurement results to other municipalities to assist in understanding how well Toronto is doing.

For a number of years Toronto has been an active participant in the Ontario Municipal CAOs Benchmarking Initiative (OMBI.) The fifteen municipalities that comprise OMBI, serve more than 9.1 million residents or 72% of Ontario's population for regional services. OMBI's members are comprised of the following eight single-tier cities/counties and seven regional or upper tier municipalities which are listed in the table below along with the abbreviations of their names.

Single-Tier Municipalities	
Bran	County of Brant
Ham	City of Hamilton
Lond	City of London
Ott	City of Ottawa
Sud	City of Greater Sudbury
T-Bay	City of Thunder Bay
Tor	City of Toronto
Wind	City of Windsor
Upper Tier Municipalities	
Durh	Regional Municipality of Durham
Halt	Regional Municipality of Halton
Musk	District of Muskoka
Niag	Regional Municipality of Niagara
Peel	Regional Municipality of Peel
Wat	Regional Municipality of Waterloo
York	Regional Municipality of York

Through the OMBI partnership, performance measurement results are shared between municipalities and can be used in reports such as this.

In order to determine Toronto's ranking relative to other municipalities, OMBI data has been sorted according to what would be considered as the most desirable result (the highest service level or levels of efficiency, customer service or community impact) to the least desirable result. The purpose of this is to provide context to Toronto's own results.

It is important to note that the presentation of sorted municipal data in the charts in no way intended to make inferences on the relative service levels or performance of other municipalities. Each of the OMBI municipalities have different factors that influence their results to varying degrees. It would therefore be unfair to interpret or make conclusions about the efficiency or effectiveness of their operations without that understanding and without speaking to staff in those municipalities.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Once the municipal data has been sorted, the median (middle) result of the data set is identified and Toronto's result is placed in the appropriate quartile, with a quartile dividing the municipal results into quarters. The first/top quartile, represents municipalities falling within the top 25% of the results. The second quartile includes municipalities falling within 26% to 50% of the sample meaning they are still better than, or at the median value. Results falling in the third or fourth quartile are below the median. The third quartile includes municipalities falling within 51% to 75% of the sample and the fourth/bottom quartile represents municipalities falling within the bottom 76% to 100% of the sample.

The example the chart below, provides an illustration of medians and quartiles using a set of nine numbers. In this example, the number 1 would be the most desirable result indicative of the highest service levels or the highest level of efficiency, customer service or beneficial impact on the community. Conversely, the number 9 would be the least desirable result. The number in the middle of the data set (5 in this case) is referred to as the median. The data set is divided into quartiles (quarters) and each quartile is identified by a different colour. Toronto's result is placed in the applicable quartile, with each quartile identified by a colour and description.

The quartiles have been associated with a colour scheme to provide a visual aid to assist in reviewing Toronto's results in summaries provided at the beginning of each service section.

The two shades of green (the 1st and 2nd quartiles) represent:

- Service level indicators – service levels or resources higher than the median.
- Efficiency, customer service and community impact measures – results better than the median.

The colours of yellow (3rd quartile) and red (4th or bottom quartile) represent:

- Service level indicators – service levels or resources lower than the median.
- Efficiency, customer service and community impact measures – results below the median.

How to Interpret Summaries of Toronto's Performance Measurement Results

Each of the nineteen service areas included in the report, includes a summary of Toronto's internal and external performance measurement results using the colour code schemes described earlier, as well as text describing the result. There is also a consolidated summary by service area on pages 1-23. An illustration of these summaries.

Measure Category	Measure Name	Internal Comparison of Toronto's 2006 Vs. 2005 Results		External Comparison to Other Municipalities (OMBI) By Quartile		Chart Ref.
		Service Level (Resources)	Efficiency/ Effectiveness (Results)	Service Level (Resources)	Efficiency Effectiveness (Results)	
Section 1 - Service Name						
Service Level	Units of Service per 100,000 population	Favourable Increase in units of service provided	-	1 Higher service levels	-	1.1
Efficiency	Cost per unit of service	-	Unfavourable Cost per unit has increased	-	4 High costs	1.2
Customer Service	Response time	-	Stable Response time shows little change	-	2 Lower response time	1.3
Community Impact	Rate of Incidence	-	Favourable Incidence rate has decreased	-	3 Higher rate of incidence	1.4

Category of Measure

Name of measure and ref. to figure number in report.

Toronto's results, are compared internally from 2006 to 2005 to identify trends.

Toronto's results compared externally to other municipalities in these 2 columns. Results are presented by quartile.

Chart reference in report for more detailed information

Toronto's 2006 vs. 2005 trends in for efficiency, customer service and community impact/outcomes results, are described as stable, favourable (where results are improving), or unfavourable (where results are not as good).

Toronto's 2006 vs. 2005 trends in service levels are described as stable, favourable (where there is an increase), or unfavorable (where there is a decrease).

Toronto's service levels are compared to other municipalities. If in 1st or 2nd quartile, service level is higher than the OMBI median. If the 3rd or 4th quartile service level is lower than the OMBI median.

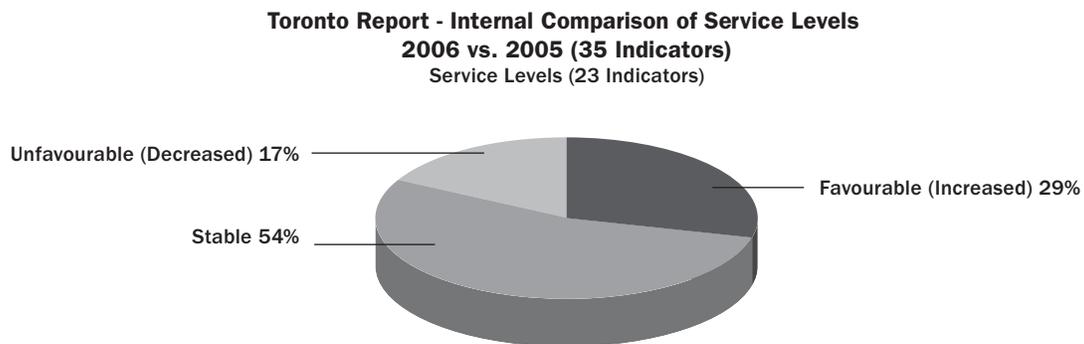
Toronto's efficiency, customer service and community impact/outcome compared to other municipalities. If in 1st or 2nd quartile, result is better than the OMBI median, and if in 3rd or 4th quartile is worse than OMBI median.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

- Columns 1 and 2 indicate the category of measure or indicator and the name of the measure.
- Columns 3 and 4 summarize results of Toronto's internal comparison of service levels and performance measurement results between 2006 and 2005.
- Columns 5 and 6 summarize results of the external comparison of Toronto's service levels and performance measurement results to other municipalities, based on 2006 results of the Ontario Municipal CAOs Benchmarking Initiative (OMBI).
- Column 7 provides a reference to the appropriate chart in each service section graphing the results.

Internal Comparison – How Have Toronto's Service Levels changed between 2006 and 2005?

Of the thirty-five service level indicators included in Toronto's 2006 Performance Measurement and Benchmarking Report, 2006 service levels have been maintained (stable) or have increased (favourable) for 83% of the indicators in relation to 2005.



Examples of some of the areas in which Toronto's service levels or levels of activity have increased in 2006 are:

- More ICI (Industrial, Commercial and Institutional) building permits were issued
- There was an increased investment in Children's Services and increased number of both regulated and subsidized child care spaces
- An increase in the number of emergency medical calls responded to by EMS
- There are more hostel beds in shelters
- Increased kilometres of trails in the Parks system
- Additional police officers
- The capacity for registered sports and recreation programming was increased
- More public transit vehicle hours were provided

The areas where Toronto's service levels have decreased is related to lower number of service units delivered in 2006 such as:

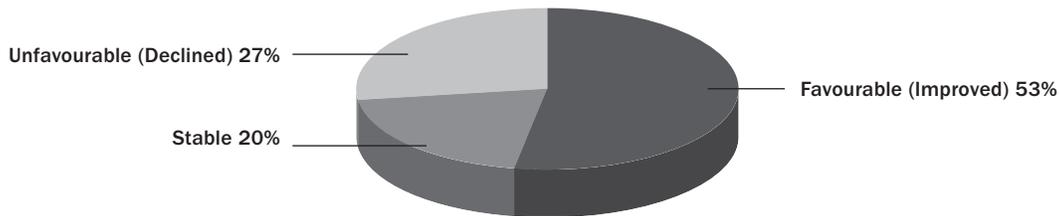
- Fewer residential building permits were issued by Building Services
- Lower levels of EMS vehicle hours
- Fewer incidents responded to by Fire Services
- Lower volumes of drinking water distributed and wastewater treated

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Internal Comparison – How Have Toronto's Performance Measurement Results Changed Between 2006 and 2005?

Of the eighty-seven performance measurement results of efficiency, customer service and community impact included in Toronto's 2006 Performance Measurement and Benchmarking Report, 73% of the measures examined, had 2006 results that were either improved or stable relative to 2005.

**Toronto Report - Internal Comparison of Performance Measures
2006 vs. 2005 (87 Measures)**



Examples of areas in which Toronto's 2006 performance has improved include:

- Increasing construction value of ICI building permits issued
- Increasing supply of regulated and subsidized child care spaces relative to the child population
- Shorter EMS response times and a decreasing cost per patient transported
- Decreasing rates of residential structural fires, and fire related injuries and fatalities, and a shorter response time to emergency calls
- Increasing usage by residents of both electronic and non-electronic library services
- Reduced/shorter length of stay for families in shelters
- Continuing high rate of resident satisfaction in homes for the aged
- Decreasing total (non-traffic) crime and violent crime rates and an increased clearance rate for total (non-traffic) crimes
- Decreasing vehicle collision rate
- Improving pavement condition of Toronto's roads system
- Decreasing costs of winter maintenance on roads
- Decreasing (improving) length of time clients are receiving social assistance, and decreasing administration costs per case
- Decreasing cost of social housing per unit
- Increasing solid waste diversion rates and reduced rate of complaints regarding collection
- Increasing use of registered sports and recreation programs
- Decreasing amounts of property tax arrears
- Increasing public transit trips per person
- Decreasing costs of wastewater collection
- Decreasing rates of drinking water used in homes, fewer water main breaks and lower costs of water treatment and distribution

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

The areas where the internal trends in Toronto's performance measurement results are unfavourable or have declined include:

- Ten efficiency measures, where the costs of providing a unit of service have increased in 2006, due to wage increases in collective agreements
- Decreasing construction value of residential building permits issued
- Increased costs of solid waste disposal arising from contractual agreements with haulers of the waste to Michigan
- Increased costs of solid waste diversion as new programs are introduced in order to achieve higher diversion rates
- Higher costs of wastewater treatment relating to higher costs of energy and the disposal of biosolids

Continuous Improvement Initiatives – What Actions are Toronto's Service Areas Taking to Further Improve Operations and Performance?

The City continues to look at ways to improve Performance. Examples of some initiatives from the service areas are:

- In early 2008, the Children's Services Division introduced a quality ratings system for all child care centres that have a service contract with the City of Toronto.
- In 2007, EMS implemented a new wireless electronic patient charting system that will make paramedics more efficient and effective in terms of patient care paperwork processing time, which in turn will increase their availability for response to other calls.
- In 2008, Fire Services will implement mobile data terminals and software to improve the efficiency of fire prevention inspectors.
- In 2008, the Parks, Forestry and Recreation Division will be analyzing the proximity of parkland in relation to Toronto's population and Toronto's Capital Plan proposes the development of trails and may include the utilization of bicycle lanes on streets as part of the City's bike plan.
- Since 2006, the Toronto Police Service has redeployed 200 officers to front-line operations.
- The Solid Waste Management Division has a pilot project underway in 30 high-rise apartment complexes to test the feasibility and cost effectiveness of collecting organics.
- The Revenue Services Division will be introducing new user fees related to tax collections (i.e. statement fees and fees for notification), which is expected to result in lower costs for the collection process and improvements in the overall collection rate for tax arrears.
- In 2008, the Toronto Transit Commission is expanding to match service to ridership in order to both address overcrowding on some routes and accommodate the expected increase in ridership.
- For Wastewater Services (Toronto Water), the Wet Weather Flow Master Plan over the next 25 years will help reduce the amount of wastewater that bypasses treatment during rain storms.
- In 2007, Water Services (Toronto Water) completed a water loss detection study that identified a number of measures that can be implemented during 2008 and beyond to reduce the amount of water lost throughout the distribution system.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

External Comparison – How Do Toronto's 2006 Service Levels Compare to Other Municipalities?

There are forty-three service level indicators, in Toronto's 2006 Performance Measurement and Benchmarking Report where Toronto's results can be compared and ranked with other municipalities and placed in quartiles. Between Toronto's 2005 and 2006 Benchmarking Reports, there has been very little change in Toronto's quartile ranking for each of the service level indicators in relation to other municipalities. Changes in Toronto's quartile ranking for individual service level indicators would likely only occur over much longer time periods.

Some of the key factors that influence Toronto's results and rankings, such as Toronto's much higher population density are common to multiple service areas. Results have been grouped by these key influencing factors and are described below.

- Services where Toronto's size and high population density requires higher service levels, which are indicative of large densely populated cities
 - > the highest number of police staff (officers and civilians) per 100,000 population
 - > the highest number of transit vehicle hours per capita, because of Toronto's multi-modal system and high transit use
 - > the highest number of library holdings (collection) per capita, due to our extensive research and reference collections, electronic products and multilingual collections
- Services where there is a higher need or demand for social programs in large cities
 - > the highest childcare investment per child aged 12 and under
 - > the highest number of social assistance cases per 100,000 households
 - > the highest number of emergency shelter beds per 100,000 population
 - > the highest number of social housing units per 1,000 households
- Services where a different service delivery model may be used in Toronto than in other municipalities.
 - > Toronto has a higher number of medical incidents and high number of total incidents responded to by fire services per 1,000 population
 - > Toronto has the highest proportion (53%) of paramedics that are qualified as Advanced Care Paramedics
 - > Toronto has a lower proportion of municipally operated long term care beds in relation to all beds in the community from all service providers

Areas where Toronto's service levels or levels of activity are lower (3rd or 4th quartile) relative to other municipalities, are primarily related to much higher population densities in Toronto than in the other OMBI municipalities. This includes:

- Fewer facilities or less infrastructure required in densely populated municipalities like Toronto because of proximity and ease of access, while other less densely populated municipalities require proportionately more facilities or infrastructure to be within a reasonable travel distance of their residents.
 - > lower numbers of large and small sports and recreation community centres, and indoor ice pads per 100,000 population (in contrast Toronto has a higher number of indoor pools)
 - > lower number of library hours per capita (resulting from a lower number of library branches)
 - > lowest number of road lane kilometres per 1,000 population
 - > lowest hectares of parkland and kilometres of trails in relation to population
 - > the lowest number of residential building permits and lower levels of ICI permits issued per 100,000 population because most of Toronto's geographic area is fully developed

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

- Fewer emergency services vehicle-hours may be required in densely populated municipalities like Toronto for emergency response because of the close proximity of vehicles and stations to residents. Those municipalities with lower population densities (including rural areas in some municipalities) may require proportionately more vehicle hours in order to provide acceptable response times.
 - > lower number of fire vehicle hours per capita
 - > lower number of EMS vehicle hours per 1,000 population
- Older age of Toronto's infrastructure in relation to other municipalities.
 - > Toronto's indoor ice pads and indoor pools are older
 - > Toronto's underground water distribution and wastewater collection pipes are older

External Comparison – How Do Toronto's 2006 Performance Measurement Results Compare To Other Municipalities?

There are eighty-nine performance measures of efficiency, customer service and community impact, in Toronto's 2006 Performance Measurement and Benchmarking Report where Toronto's results can be compared and ranked with other municipalities and placed in quartiles. Between Toronto's 2005 and 2006 Benchmarking Reports, there has been very little change in Toronto's quartile ranking for each of the performance measures in relation to other municipalities. Changes in Toronto's quartile ranking for individual measures is more likely to occur over a five-year or longer period.

Areas where Toronto has the top/best result of the OMBI municipalities are:

- Shortest EMS response time to emergency calls.
- Lowest rate of residential fire related injuries per 100,000 population.
- Lowest rate of governance and corporate management costs as a percentage of total operating expenditures (single-tier municipalities).
- Highest rate of total library uses, electronic library uses and non-electronic uses per capita, as well as the highest turnover rate (number of times an item is borrowed) of the circulating collection.
- Highest percentage of a municipality's geographic area that is parkland (both maintained parks and natural areas).
- Highest rate of decrease in the 2006 total non-traffic crime rate.
- Highest pavement quality rating for our roads system.
- Highest possible result (100%) for the number of winter event responses on roads meeting standard.
- Lowest social housing administrative cost per social housing unit.
- Highest rate of residential solid waste diversion for single unit homes/houses.
- Lowest amount of current and prior years property tax arrears outstanding.
- Highest rate of transit trips per capita and the highest number of transit trips per vehicle hour.
- Lowest cost of drinking water treatment per megalitre.
- Best possible result for drinking water quality (no boil water advisories).

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Performance measures where Toronto's result is better than the OMBI median (1st or 2nd quartile) include:

- Higher number of regulated child care spaces per 1,000 children and higher number of subsidized spaces per 1,000 children from low income families, as well as lower child care costs per subsidized space.
- Lower rate of residential structural fires, lower rate of fire related fatalities and a lower fire response time (at median) to emergencies.
- Higher occupancy rate of beds in emergency shelters.
- Lower cost per library use.
- High rates of long term care resident satisfaction and low costs per bed day.
- Lower property crime rate and lower youth crime rate and a higher rate of decrease in the 2006 rate of reported violent crime.
- Lower administration cost of social assistance per case, and lower (shorter) response times for eligibility notification of social assistance clients.
- Lower overall residential (single-unit homes/houses and apartments) solid waste diversion rate and lower solid waste collection cost per tonne.
- Higher usage (visits) of registered sports and recreation programming per capita and a higher percentage of the available capacity utilized in these programs.
- Lower cost of providing transit services per passenger trip.
- Lower water use per household.

There are also a number of the areas in which Toronto's performance measurement results fall below, the OMBI median. Some of the key factors that influence Toronto's lower rankings, such as Toronto's much higher population density are common to multiple service areas. Measures where Toronto falls below the OMBI median in the 3rd or 4th quartile have been grouped by these key influencing factors described below.

Measures in social programs that Toronto has little control over:

- The highest percentage of children that are in low income families.
- High length of stay in Toronto's emergency shelters due to shortage of available social housing and the availability of transitional shelter beds in Toronto, which have longer stays.
- A lower rate of long term care beds (both municipal and other providers) as a percentage of the population age 75 and over.
- Higher benefits costs per social assistance case due to a greater percentage of Toronto's clients reaching the maximum of the shelter component resulting from higher housing costs in Toronto.
- Low percentage of the social housing waiting list is placed annually (longer wait times) because of a shortage of social housing.
- Higher subsidy costs per social housing unit because initial land and construction costs were higher in Toronto (resulting in higher mortgage costs) and a higher proportion of Rent Geared to Income (RGI) units with RGI costs directly related to the high market rents in Toronto.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Measures impacted by Toronto's high population density and urban form include:

- Lower residential and ICI construction values per capita of building permits issued and lower levels of new residential housing is being created because of Toronto's fully developed urban form.
- Higher violent crime and total (non-traffic) crime rate and a higher rate of increase in the 2006 property and youth crime rates. Densely populated municipalities tend to have higher violent crime rates. Toronto's results compare favourably to other heavily urbanized municipalities in Canada and the United States.
- Highest rate of traffic congestion on roads and the highest vehicle collision rate on these congested roads.
- Higher cost of solid waste transfer/disposal per tonne. Without our own local municipal landfill site, which is not practical in this urban setting, Toronto's cost of waste transfer and disposal will always be higher than those municipalities that have the advantage of a local landfill site.

Measures where Toronto's less favourable results are heavily influenced by the advanced age of our infrastructure include:

- Higher cost of wastewater collection per km. of pipe, higher rate of sewer back-ups per 100 km. of sewer line and higher percent of wastewater by-passing treatment – more than 30% of the Toronto sewer system is over 50 years old and 24% of it is combined sanitary/storm sewers, requiring higher and more costly maintenance levels. There are also approximately 80,000 homes, which have downspouts connected to the sanitary/storm sewer system, contributing to sewer back-ups and by-pass events, especially during rain storms.
- Higher costs of wastewater treatment per megalitre, due the age of our plants (the oldest has been in operation since 1929) and the costs of disposing of biosolids.
- Higher cost of water distribution per km. of pipe and higher number of water main breaks per km. of pipe – more than 20% of Toronto's water system is over 80 years old, leading to more watermain breaks and higher costs relative to municipalities with newer water distribution systems.

Measures with high costs required for more effective service delivery or because of the service delivery model used:

- Higher costs of shelters per bed night due to the operation of our own shelters (36% of beds), while most other municipalities contract out or purchase all of their shelter beds.
- Toronto has high costs of roads maintenance but also has the highest pavement condition rating of the OMBI municipalities.
- Higher cost of winter roads maintenance per lane km. but Toronto also has high winter maintenance standards, the driveway windrows clearing program and our urban form, including narrow streets, on-street parking and traffic congestion during storm events, add to our costs.
- High costs for solid waste diversion per tonne but Toronto also has the highest diversion rate for single unit homes/houses of the OMBI municipalities.
- High transit cost per vehicle hour and per revenue vehicle hour, however this is due to Toronto's multi-modal system with subways, streetcars and the light rail transit being more expensive to maintain than buses, which are used exclusively in other municipalities. This multi-modal system leads to the highest transit use per capita of the OMBI municipalities.

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

Other performance measures where Toronto's results fall below the OMBI median and where improvements in efficiency and effectiveness can be made over time include:

- Higher EMS cost per in-service vehicle hour and per patient transported.
- Higher fire costs per in-service vehicle hour.
- Highest cost of parks maintenance per hectare.
- Lower clearance rates for violent and total non-traffic criminal code incidents and a lower number of Criminal Code incidents in the municipality per police officer.
- Higher average time period that an individual or family receives social assistance – Toronto staff that support social assistance cases, carry a high case load in relation to other municipalities which could be a factor.
- Lower solid waste diversion rates in apartments and higher level of complaints regarding solid waste collection often associated with the introduction of new diversion programs.
- Higher costs of maintaining a property tax account and a lower percentage of accounts enrolled in pre-authorized payment plans.
- Lower percentage of the population using registered sports and recreation programs at least once.

World Bank Initiative to Develop City Indicators

Toronto also recognizes the value in extending its benchmarking work beyond Ontario and is one of nine North and South American cities involved in a pilot project with the World Bank to develop city indicators of quality of life and service delivery

- Canada – Cities of Toronto, Montreal and Vancouver
- United States – King County, Washington
- Brazil – Cities of São Paulo, Belo Horizonte and Porto Alegre
- Columbia – Cities of Bogotá and Cali

City Services	Quality of Life
Education	Civic Engagement
Energy	Culture
Finance	Economy
Fire and Emergency Response	Environment
Governance	Shelter
Health	Social Equity
Recreation	Subjective Well-Being
Safety	Technology & Innovation
Social Services	
Solid Waste	
Transportation	
Urban Planning	
Wastewater	
Water	

TORONTO'S 2006 PERFORMANCE MEASUREMENT AND BENCHMARKING REPORT

The objective for the indicators developed in this pilot process was that they would be applicable to all cities in the world regardless of geography, culture, affluence, size, economic strength, or political structure. The indicators identified to date cover a total of twenty-two theme areas, fourteen of which relate to services provided by city governments and eight, which are quality of life indicators.

Commencing in May 2008, the City Indicators Initiative will be managed by a newly established "City Indicators Facility" within the Cities Center at the University of Toronto and discussions are taking place on expanding the pilot program to cities in a number of other countries.

It is expected that this initiative will take a number of years before comparable results will become available, but if successful it will provide a valuable additional source of information to assess how well Toronto is doing from both a service delivery and quality of life perspective.

Conclusion

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 and quality and beneficial impact on our communities.

For more detailed information on this report visit our website at www.toronto.ca

An aerial photograph of the Toronto skyline, featuring numerous skyscrapers and the prominent CN Tower on the right side. The entire image is overlaid with a semi-transparent blue filter. The text is positioned in the lower right quadrant of the image.

CORPORATE BUDGET OVERVIEW

CITY OF TORONTO
2008 BUDGET SUMMARY

2008 OPERATING BUDGET SUMMARY

TAX AND RATE SUPPORTED PROGRAMS

In accordance with the Mayor's guidelines and directions, the 2008 Operating Budget continues the strategic process of balancing short-term needs against long-term objectives. For the first time since amalgamation, the 2008 Operating Budget was balanced when introduced by staff on January 28, 2008. This significant achievement was the culmination of Council's decision to introduce a municipal land transfer tax (MLTT) and a personal vehicle tax (PVT) in the Fall of 2007; moderate increases in user fees without impairing access to services for the less privileged; savings from cost containment initiatives implemented in 2007 which will continue in 2008; and successful negotiations of increased provincial assistance for public transit, in particular. The 2008 Operating Budget maintains services and service levels needed by residents and businesses.

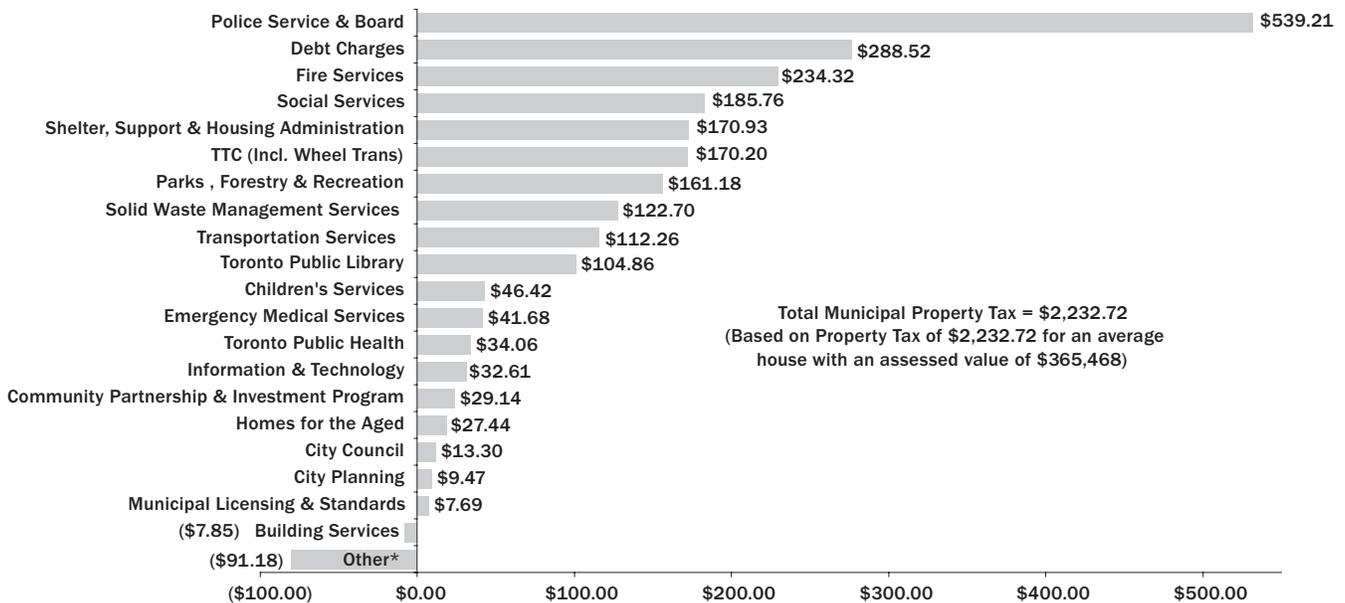
On March 31, 2008, Council approved the 2008 Operating Budget of \$8.171 billion, which is funded primarily by property taxes totalling \$3.315 billion. Compared to 2007, the 2008 Expenditure Budget reflects an increase of \$311.064 million or 4.0%. The budget includes strategic investments in new and enhanced services of \$57.153 million gross and \$12.385 million net for public transit, waste diversion, public safety, community health and wellness, economic development and culture, and climate change initiatives.

How 2008 Tax Dollars Will Be Spent

To finance the 2008 Approved Operating Budget, Council approved a tax levy of \$3.315 billion. This translates into a municipal tax bill of \$2,232.72 on the average house with an assessed value of \$365,468.00. In effect, this represents an increase of \$58.12 over 2007. As shown in Chart 1, 24% or \$539.21 of the taxes paid by a taxpayer with an average house will be used to pay for Police Service, while \$288.52 or 13% would pay for debt charges. Together, Toronto Police Service, Debt Charges, Fire Services, Social Services, Shelter, Support and Housing Administration, and Toronto Transit Commission will appropriate 71% of the property taxes paid by a homeowner with an average house.

Chart 1

How Your Tax Dollar Will Work For You In 2008



2008 OPERATING BUDGET SUMMARY

Fiscal Challenges

As a result of ongoing fiscal challenges, the City has been relying on non-recurring or one-time revenue sources to balance its budget. In 2007, the City used a significant number of unsustainable revenue strategies to balance the operating budget. Reserve draws alone totalled \$282 million, which, when added to other one-time revenues including Provincial one-time funding for transit operations of \$100 million and a reduction of Toronto Hydro revenues of \$21 million, contributed \$403 million to the 2008 beginning budget pressure. On the expenditure side, uncontrollable or fixed costs such as inflation, debt service charges and other expenditures to maintain services approved in 2007, along with an increased capital from current contribution created an additional pressure of \$200 million. Altogether, the impact of non-recurring revenues, the cost of maintaining existing services and service levels, and modest investments in new and enhanced services resulted in a budget pressure of \$615 million (see Table 1).

2008 Operating Budget – 4% (Gross) Expenditure Increase

Table 1

2008 Beginning Pressure		\$Million
Base Budget Changes:		
– Cost of Living Allowance and Step/Merit		120
– Inflation		39
– Capital Financing		60
– Annualization and Other Base and Revenue Changes		(19)
Total Base Budget Impact		200
2007 Non-recurring Budget Balancing Strategies:		
Provincial Assistance – Transit Operations	100	
Hydro Revenue Reductions	21	
Non Program Reserve Draws	282	
Total Non-Recurring Budget Balancing Strategies		403
2008 Base Budget Pressure		603
New and Enhanced Services		12
Total Pressure		615

The 2008 Operating Budget directions required staff to maintain existing services and service levels, and to restrict new investment to key initiatives that satisfy Council and the Mayor's priorities. Staff was further directed to continue the process of fixing the structural deficit and to bring forward a balanced operating budget. Consistent with the City's fiscal management practices, strategies to achieve the above objectives included continuation of the City's continuous improvement initiatives; increasing user fees to maximize cost recovery while ensuring protection of the most vulnerable; and most importantly, to reduce reliance on one-time revenues to fund operating expenditures.

2008 OPERATING BUDGET SUMMARY

As shown in Table 2, the 2008 Operating Budget of \$8.171 billion is \$311.064 million higher than the 2007 Approved Budget, representing an increase of 4%. This is, in part, attributed to the City's capital financing which added \$60 million to the operating budget, and strategic investments in new and enhanced services of \$57.153 million. Inflation of \$160 million which includes provision of cost of living allowance (COLA) constituted the largest expenditure increase.

The 2008 Operating Budget is funded primarily by Property Taxes of \$3.315 billion, User Fees and Charges of \$1.274 billion and Provincial and Federal Grants and Subsidies of \$1.974 billion. It is noted that Property Taxes represent 41% of total revenues, approximately the same proportion as in 2007. Overall, property tax revenues including growth in assessment increased by \$101 million.

2008 Operating Budget

Table 2

	2008 Operating Budget (\$ Millions)				
	2007 Budget	2008 Budget		Change from 2007	
	\$	\$	% of Total	\$	%
2008 Approved Budget (Gross)	7,859.6	8,170.6	100.0%	311	0.0
Less:					
Provincial and Federal Grants and Subsidies	1,823.6	1,974.0	24.2%	150.4	0.1
User Fees and Donations	1,206.5	1,273.8	15.6%	67.3	0.1
Reserves and Reserve Funds	571.3	363.7	4.5%	-207.6	-0.4
New Taxation Revenues	-	175.0	2.1%	175	n/a
Other Non Tax Revenues	1,037.6	1,069.5	13.1%	31.9	0.0
Net Budget-Property Tax Revenues	3,220.7	3,314.6	40.6%	93.9	0.0

How the 2008 Operating Budget was Balanced

Table 3 shows how the 2008 Operating Budget was balanced. Council's decision to institute a Municipal Land Transfer Tax and a Personal Vehicle Tax will generate new revenues estimated at \$175 million in 2008. These revenues are sustainable and therefore, will contribute significantly toward fixing the City's structural deficit. Savings resulting from efficiency reviews, service and service level adjustments, and continuance of the cost containment measures introduced in 2007, along with revenue increases reduced the budget pressure by \$65 million. In addition, savings from the 2007 cost containment measures along with other favourable variances resulted in a 2007 operating surplus of \$95.1 million of which \$85.3 million was utilized to fund the 2008 budget.

2008 OPERATING BUDGET SUMMARY

Negotiations with the Province to upload social services and to increase transit funding culminated in an increase in provincial funding of \$188 million comprised of \$39 million upload of the Ontario Disability Support Program and \$149 million in additional transit funding. It is noted that the transit funding included \$49 million to fund part of the debt service cost associated with the Toronto Transit Commission (TTC) capital works program. Finally, assessment growth of \$26.6 million (0.8% of the total property tax base) along with property tax rate increases of \$74.643 million ensured a balanced budget in 2008. The tax revenues reflect a residential property tax rate increase of 3.75%, which will generate incremental revenues of \$51.075 million and a Commercial, Industrial, and Multi-residential tax rate increase of 1.25% or \$23.566 million. On the total 2007 tax base of \$3.221 billion, this represents a net overall tax rate increase of 2.3%, which approximates the City of Toronto's rate of inflation.

In order to provide the services and service levels incorporated in the 2008 Operating Budget the 2009 starting budget pressure is \$455.3 million. The 2009 Outlook, which is discussed in detail later in this report, indicates that the net financial impact of providing 2008 services and services levels is \$183.4 million or 2% increase. However, despite significant progress in mitigating the structural deficit problem that has existed since amalgamation, non-recurring revenues used to balance the 2008 Budget totals \$271.8 million, and represent 60% of the estimated 2009 starting pressure.

2008 Operating Budget Balancing Strategies

Table 3

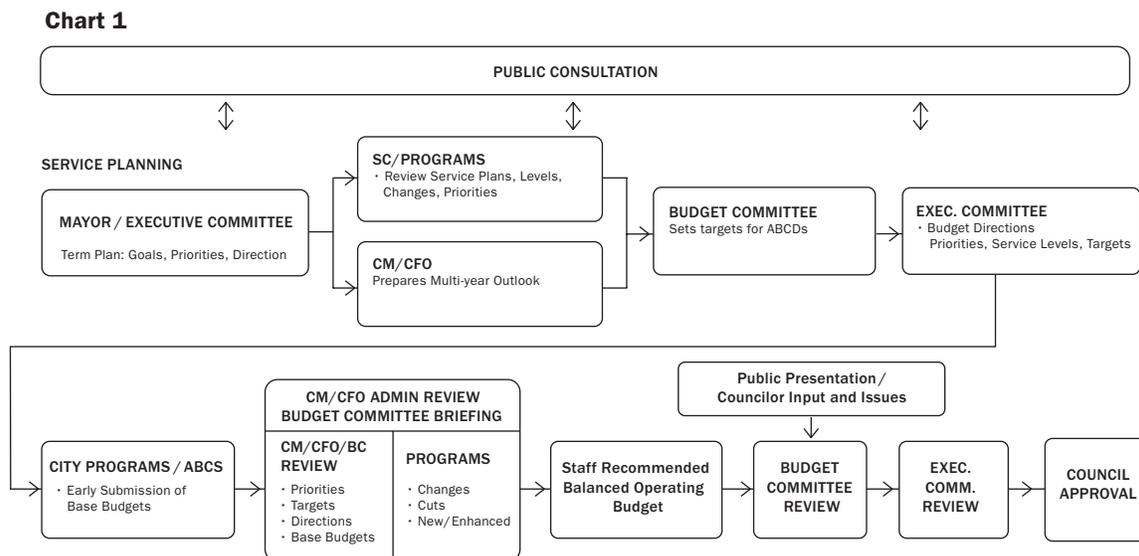
	\$ Millions
Total Pressure	615
Internal Strategies Before Property Tax Change:	
2008 Annualized Cost Containment and Revenue Increases	(28)
Reserve Draws	(37)
Prior Year Surplus	(85)
Total Cost Containment and Prior Year Surplus	(150)
Adjusted Pressure	465
Provincial Upload:	
Social Services (ODB)	(39)
Transit Operations and Debt Charges (One-Time)	(149)
Total Provincial Upload	(188)
Net Pressure after Provincial Upload	277
City Taxation Revenues:	
New Taxes	(175)
Assessment Growth	(27)
Property Tax Increase (3.75% Residential; 1.25% Non Residential)	(75)
Total Taxation Revenues	(277)
	0

2008 OPERATING BUDGET SUMMARY

The 2008 Operating Budget achieved the major goals of maintaining services while controlling expenditures and addressing the structural deficit challenge that has prevailed since amalgamation. It is anticipated that the ongoing Provincial/Municipal Fiscal and Service Delivery Review, which will be completed in the spring of 2008 will provide permanent provincial funding for transit operations and increased upload of social services costs. Should these assumptions materialize, the structural deficit problem will be substantively addressed beginning with the 2009 Operating Budget.

2008 OPERATING BUDGET PROCESS

The City of Toronto Council Approved Financial Planning Process is based on sound financial and service planning principles and best budgeting practices. The process, which is illustrated in Chart 1, was designed to provide a longer-term view, and to emphasize the need for upfront priority-setting, service reviews and public consultation to guide the formulation of the City's budget. It focused on linking resource allocation decisions to results and outcomes. Service Planning is the stage of the City's financial planning process where service directions, objectives, priorities, strategies and challenges are established and/or confirmed. Furthermore, it is at this stage that service levels are defined, reviewed or validated in the context of City priorities and strategies, public demands and resource availability. In summary, Service Planning is a process through which high-level strategies are operationalized, and City and community objectives are aligned with service delivery plans. It is a key tool that supports informed decisions about services and service levels, and ensures the best use of available resources to achieve strategic directions.



As a key element of the financial planning process, Service Planning was scheduled for full implementation in 2008. However, because of many competing challenges the Service Planning Process was only piloted. Overall, the pilot was quite useful. It positioned staff to better articulate services, service standards and confirmed the value of a common, consistent and coordinated approach. The 2008 pilot was, in effect, a good start in advancing a multi-year service-based model to be used for planning, budgeting and evaluation of how services are delivered.

2008 OPERATING BUDGET SUMMARY

The operating budget process as depicted in Chart 1 was designed to ensure that the City's resources are utilized in a manner that produces results in a responsible and measurable way. Key elements of the 2008 operating budget process included the following:

- On behalf of the Executive Committee, the Mayor provided upfront directions to bring forward a balanced operating budget that fulfills Council's strategic policy agenda by aligning resources to priorities that are based on sound financial management principles, and meet budgetary targets.
- Prior to finalizing the recommended budget, the Budget Committee members would undertake detailed reviews of individual City Program and ABC budgets to ensure that Executive Committee's directions were met.
- The Budget Committee, on behalf of the Executive Committee, would hold formal meetings/hearings to receive public presentations and input from Councillors on matters and issues of interest and, where warranted, would make changes to the staff recommended budget.
- The Budget Committee would recommend a balanced budget to the Executive Committee. This budget should demonstrate strategic alignment of resources to Council priorities, highlight expected results and outcomes, and should incorporate strategies adopted to resolve the structural deficit problem.
- The Executive Committee's review of the budget should focus on major fiscal and policy issues and should confirm the budget as a strategic financial plan that will implement Council policies and priorities.

On behalf of the Executive Committee, the Mayor will present the 2008 Operating Budget to Council.

Monitoring and Improving Services

Another key element of the City's financial planning process is to set performance targets and to measure actual performance against these targets. This is especially significant as the City moves toward a full performance based, multi-year financial planning process. The City uses a number of methods to monitor and improve its services, and to support strategic decisions on allocation of its limited resources. These include:

- Performance measurement and benchmarking;
- Program reviews;
- Enhanced internal controls and audit reviews; and,
- Encouraging a climate of continuous improvement.

Performance Measurement and Benchmarking:

Performance measurement is an integral part of the City's resource planning and management accountability framework. The City is committed to measuring performance in order to determine whether intended results are being achieved and how efficiently and effectively services are being delivered.

The City measures the performance of delivering services both internally over a number of years, and externally in relation to other Ontario municipalities. This includes an examination of the service levels provided to citizens, as well as performance in terms of efficiency, customer service/quality and community impact or outcomes.

Toronto is one of fifteen cities and regional municipalities in Ontario that work together under the Ontario Municipal Chief Administrative Officers (CAOs) Benchmarking Initiative (OMBI). These cities and regions together represent 72% of the province's population for regional services and about 40% for local services such as Fire, Parks and Recreation, and Libraries. The City Manager has reported on Toronto's 2006 performance measurement and benchmarking results at the Executive Committee's April meeting.

2008 OPERATING BUDGET SUMMARY

In addition to the work being done with other Ontario Municipalities, Toronto has also been part of a pilot project initiated by the World Bank involving nine North and South American Cities. The Cities Indicator Initiative involves development of measures of city service delivery and quality of life indicators. This work is still in the early stages with challenges in consistency of technical definitions and data sources between countries, but in time, it has the potential to provide Toronto and other cities with a valuable mechanism to more broadly assess, compare and share information and move to world-wide performance measurement.

Program Reviews:

Each year Program Reviews are undertaken to ensure that City programs and services respond to the community's needs, continue to be relevant and are delivered effectively and efficiently. These Program Reviews involve:

- Documenting existing program purpose, outcomes expected, legislative base;
- Gathering evidence of relevance & cost competitiveness;
- Projecting future needs;
- Identifying gaps and solutions to close those gaps;
- Validating through a due diligence process; and,
- Consulting stakeholders throughout the process.

Table 4 below summarizes those reviews that have been recently completed, are underway, or are candidates for future reviews.

Table 4
Program Review Schedule

Program Review	Completed	Underway	Future Candidate
Children's Services – organizational restructuring	2006	—	—
Court Services – administrative restructuring	2006	—	—
Human Resources – new mandate & organizational restructuring	2006	—	—
Strategic Communications – new mandate & organizational restructuring	2006	—	—
Social Development, Finance & Administration – Community Partnership & Investment Program Standards and Performance Measures Update	2006	—	—
Economic Development, Culture and Tourism – to provide clarity of mandate, priorities & structure and outline options for the future	2006	—	—
Parks, Forestry & Recreation – review full cost model for recreation programs	2007	—	—
Information & Technology – organization review and service rationalization	2007	—	—
Toronto Animal Services – review of appropriate placement within admin. structure, service needs, etc.	2007	—	—
Accounting Services – review organizational structure and services	—	—	—
Integrated Inspection, Enforcement and Prosecution – review the eight divisions	—	—	—
Fire Services and Emergency Medical Services – review management & administrative structures	—	—	—
Facilities	—	—	—
City Planning	—	—	—
Fleet Services	—	—	—
Transportation Services – review programs and activities	—	—	—
Shelter, Support and Housing Administration	—	—	—

2008 OPERATING BUDGET SUMMARY

Internal Control and Audit Reviews:

Both the Internal Audit Division within the City Manager's Office, as well as the Auditor General's Office develop annual work plans for internal control and audit reviews to be undertaken.

Internal Audit reviews City Programs with significant exposure to risk and helps strengthen risk management and internal control systems. In the past two years, over thirty reviews have been completed and internal controls enhanced in areas such as contract management, the construction tendering process, the collection of accounts receivable, purchasing, and hiring practices.

The Auditor General's Office also conducts various operational reviews and in the past five years, over sixty reviews have been completed. Of the 844 recommendations made by the Auditor General's Office since 1999, approximately 81% have been implemented by the City as of July 2007. Provincially-Mandated Programs have also been independently audited.

Continuous Improvement:

All City Program areas continue to examine operations for ways to improve their efficiency and effectiveness in support of a culture of continuous improvement. The City's efforts have been recognized by a number of external organizations with many awards such as the Public Sector Quality fair awards; the Government Finance Officers of America (GFOA) awards; and the Recycling Council of Ontario awards.

The establishment of 3-1-1 services for the public is another example of a continuous improvement initiative. This has involved working with five City divisions to re-engineer processes and identify service standards for service requests, and when 3-1-1 becomes operational by the fourth quarter of 2008, compliance with these standards will be measured.

2008 Budget Directions and Guidelines

A major goal of the 2008 budget process was to continue work to eliminate the structural deficit. The Mayor directed staff to develop a fiscally prudent and responsible budget that ensures approved services are delivered in a cost effective manner, and that mandated service levels are protected. On behalf of the Executive Committee, the Mayor provided the following specific directions and guidelines for consideration in developing the 2008 Operating Budget:

- Achieve a *zero net base budget increase* over the previous year for all City Programs, Agencies, Boards and Commissions;
- Continue implementation of the City's continuous improvement initiative which includes program reviews, efficiency reviews, and performance results to find savings of at least \$40 million;
- Protect services and service levels that are aligned to the Mayor's mandate and Council's priorities;
- Increase the 2008 contribution to the capital fund by \$12.4 million in order to reduce reliance on debt financing and the resultant debt service impact on the operating budget;
- Consider only investments in new and enhanced services that are aligned to Council's highest priorities and those that are 100% or substantively funded by the Federal government, Provincial government or other funding partners;
- Avoid funding Provincial cost-shared programs from the property tax base and use any gains from uploading of Provincial programs to mitigate the structural fiscal deficit;
- Where feasible, introduce new user fees or increase existing user fees to recover the full cost of services that confer a direct or special benefit to an individual, identifiable group or business; and,
- Given the significant, prevailing structural deficit, use Toronto Hydro Revenues (dividends and interest earnings) as an operating revenue source.

2008 OPERATING BUDGET SUMMARY

To complement the Mayor's direction, the City Manager and Deputy City Manager & Chief Financial Officer prescribed the following administrative guidelines, which apply to all City Programs and ABCs:

- At a minimum, maintain the gapping rate incorporated in the 2007 Council Approved Operating Budget;
- If the zero net base budget is not achievable, full justification must be given;
- Budget fringe benefits based on the 2007 experience, but not to exceed 24.8% (of salaries and wages) for permanent staff and 11% for recreation and casual staff; and,
- Continue the 2007 approved cost containment initiative into 2008 in order to arrive at a balanced budget.

Operating Budget Policies

Annual Operating Budget – In compliance with the City of Toronto Act, 2006, City Council will adopt an operating budget in each year. The operating budget will include estimates of all sums required during the year to pay for all debt falling due during that year; amounts required for sinking funds or retirement funds; and amounts required for agencies, boards and commission.

Balanced Budget – The operating budget approved by Council in any given year must be balanced; which means that estimated revenues must be equal to, or in excess of estimated expenditures. Any in-year increase in operating expenditures or decrease in revenues that could result in a budget imbalance will require Council approval of appropriate budget revisions to ensure that the budget remains balanced.

Diversified Revenue Sources – Diversified and stable revenue sources will be encouraged in order to protect against short-term revenue fluctuations and uncertainty. Individual revenue sources have differing characteristics in terms of stability, growth, sensitivity to inflation, business cycle effects and impact on tax and ratepayers. A diversity of revenue sources must be considered in order to improve the city's ability to handle fluctuations in revenues and help to better distribute the cost of providing services.

One-Time Revenues – Use of one time revenues to fund ongoing expenditures should be restricted to extraordinary situations, which must be approved by Council on a case-by-case basis. One-time revenues should be more appropriately used for purposes such as early debt retirement, capital expenditures, and one-time expenditures.

User Fees and Charges – Where it is determined that a service provided by a City program, agency, board or commission confers a direct or special benefit to an individual, identifiable group or business, a user fee will be imposed to recover the cost of providing the service. User fees will be set to recover the full cost of providing related services, except where full cost recovery conflict with a City's policy objective on community access to services, promotion of specified goals or regulatory practices; the cost of collecting specific user fees is not efficient or constitute a significant portion of the user fee revenue for the service; or other conditions exist that would justify the exception;

User fees should be reviewed and where warranted, adjusted annually as part of the budget process in order to determine the impact of inflation and other cost factors on the adequacy of the user fee to recover the full cost of the respective services, and to adjust the fee where appropriate.

Surplus Management – Any Operating Surplus realized by the City at year-end will be disposed of in priority order to (i) the Capital Financing Reserve Fund (at least 75 % of the additional surplus); and (ii) to fund any under-funded liabilities, and/or reserves/reserve funds. Redirection of Surplus funds to other purposes requires Council approval.

2008 OPERATING BUDGET SUMMARY

Budget Development

The starting assumption for developing the 2008 Operating Budget was that services and service levels approved in 2007 would be maintained wherever possible. To estimate the cost of maintaining these services and service levels, the 2007 Approved Budget was adjusted to annualize initiatives that were implemented and funded for part of the year, and to reverse one-time expenditures and revenues. Next, the base budget was adjusted for inflation to estimate the cost of continuing to provide the approved 2007 services and service levels in 2008.

The City Manager (CM) and Chief Financial Officer's (CFO) 2008 Operating Budget instructions required City Programs and ABCs to submit, as separate budget packages, requests for any additional funding to maintain approved base services and service levels, as well as for new services and/or service enhancement initiatives. Further, the instructions required Programs and ABCs to clearly detail the service levels that would be provided with the resources requested, to demonstrate the intended outcomes and to link the resources requested with performance indicators and results. The 2008 budget process, therefore, required decision support information about base services and sound justification for any base budget change, as well as for any proposed investment in new and enhanced services.

Inflation/Economic Factors

As indicated above, the 2008 Operating Budget was developed based on the direction that services and service levels approved in 2007 should be maintained. Based on this premise, a key element of the budget process was to forecast inflationary or economic factors that should be applied against 2007 expenditures in order to estimate the 2008 cost of continuing to provide the prior year approved services and service levels.

The City consumes a wide range of commodities with varying inflationary impacts to provide its services. Some goods and services are quite volatile when compared to the general rate of inflation, as is the case with gas and oil products. As a result, the City uses a commodity specific price schedule that is more reflective of the behaviour of specific goods and services on which it spends substantive amounts.

The economic factors used in producing the 2008 Operating Base Budget are listed in Table 5. It is noted that contracts with fixed prices over their term are not adjusted for inflation. Where contracts specify 2008 prices, such expenditures are adjusted in the operating budget to reflect the contracted price for 2008. Also notable is that at \$0.8457 per litre, the TTC signed a favourable contract for diesel, resulting in a price decrease of 1.2% compared to 2007. The Financial Planning Division continues to monitor all economic factors throughout 2008 and will recommend appropriate adjustments, if warranted.

2008 OPERATING BUDGET SUMMARY

Table 5

2008 Operating Budget Inflation/Economic Factors

Printing & Paper Products	0.0%
Food	4.4%
Hydro	3.0%
Steam Heating	4.0%
Gas	3.0%
Diesel – TTC	(1.2%)
Diesel – Other	3.0%
Natural Gas	0.0%
Water	9.0%
Postage	1.9%
Telephone	2.3%
Aggregates – Bldg/Trade Mat.	5.0%
Salt	5.0%
Medical Supplies	5.0%
Contracted Services	Per contract
General	2.0%

2008 Operating Budget Overview

The 2008 Operating Budget is \$8.171 billion representing an increase of \$311.064 million or 4% over 2007 (see Table 6). Salaries and benefits of \$3.937 billion constitute the largest expenditure component, approximating 48% of the gross expenditure budget. Salaries and benefits increased by \$159 million or 4.2% over 2007. The major funding sources are property tax revenues, user fees, and provincial and federal grants and subsidies.

Gross Expenditures for City Operations increased by \$111 million or 2.5%, compared to \$95 million or 3.7% for Agencies, Boards, Commissions. Non Program expenditures increased by \$105 million or 11.3%. Major contributors to these increases are as follows:

2008 OPERATING BUDGET SUMMARY

2008 Operating Budget by Category

Table 6

(\$ Millions)

	2007 Approved Budget		2008 Approved Budget		Change from 2007 Approved Budget	
	\$		\$	%	\$	%
Gross Expenditures:						
Salaries and Benefits	3,777.7		3,936.8	48.2%	159.1	4.2%
Materials and Supplies	438.7		461.6	5.6%	22.9	5.2%
Equipment	43.4		41.0	0.5%	(2.4)	(5.5%)
Services and Rents	1,095.1		1,159.8	14.2%	64.7	5.9%
Contributions and Transfers	1,549.3		310.7	3.8%	(1,238.6)	(79.9%)
Other (Includes IDCs)	955.4		2,260.7	27.7%	1,305.3	136.6%
Total Gross Expenditures	7,859.6		8,170.6	100.0%	311.0	4.0%
Funded by:						
Provincial & Federal Grants and Subsidies	1,823.6		1,974.0	24.2%	150.4	8.2%
User Fees	1,206.5		1,273.8	15.6%	67.3	5.6%
Reserves/Reserve Funds	571.3		363.7	4.5%	(207.6)	(36.3%)
New Taxation Revenues	—		175.0	2.1%	175.0	n/a
Other (Includes IDRs)	1,037.5		1,069.6	13.1%	32.1	3.1%
Total Non-tax Revenues	4,638.9		4,856.0	59.4%	217.1	4.7%
Net Budget – Property Tax Revenues	3,220.7		3,314.6	40.6%	93.9	2.9%

City Operations:

- Children's Services (\$19.405 million gross or 5.7% increase) – this increase is attributed primarily to cost of living allowance and inflationary adjustments, purchase of 500 additional child care spaces under the Ontario Works Advanced Child Care Start-up Benefits, and completion of the Aboriginal Child Care Centre;
- Homes for the Aged (\$13.697 million or 7.1% increase) – key cost drivers include COLA, fringe benefits and harmonization costs of part-time union staff;
- Parks, Forestry and Recreation Services (\$17.084 million gross or 5.6% increase) – this is attributed to annualization of 2007 approved new services, union settlements and wage increases for exempt staff, non-labour inflation factors, operating impacts of new facilities and parkland, and investments in new and enhanced services;
- Fire Services (\$15.024 million gross or 4.4% increase) – the increase is attributed to the full year impact of COLA for Firefighters' Local 3888, recognition pay, facility maintenance increases, and contributions to reserves for portable radio replacement increase; and,
- Solid Waste Management Services (\$24.995 million gross or 9.9% increase) – this increase is attributed to annualized cost of new services approved in 2007, union settlements and wage increases for exempt staff, economic factors, and investments in new and enhanced services.

2008 OPERATING BUDGET SUMMARY

Agencies, Boards and Commissions:

The 2008 Operating Budget Expenditure increase for ABCs is primarily attributed to Toronto Police Service and TTC, driven by the following:

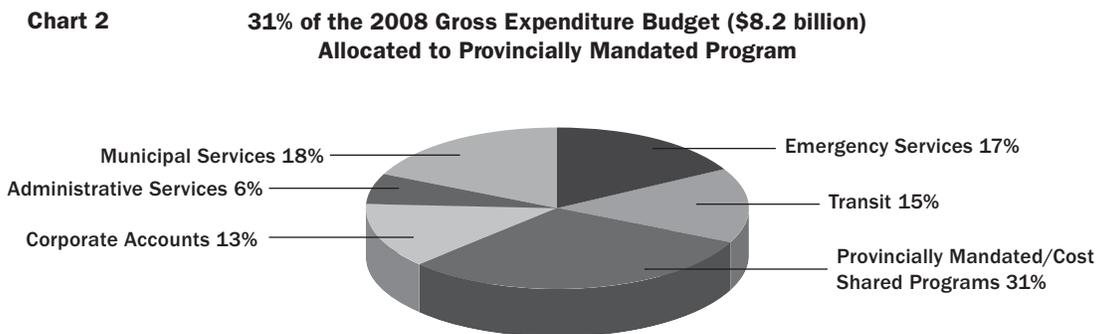
- TTC Conventional Services increase of \$72.521 million or 6.7% (exclusive of cost of living allowance which is subject to collective bargaining), is attributed to annualized cost of 2007 approved new services, annualization of April 2007 wage increase, increase in pension contribution, non-discretionary expenditures for increased medical, dental & other benefits, increased accident claims, non-salary economic factors, and increase service costs to deliver 450 million rides in 2007.
- Toronto Police Service increase of \$10.293 million or 1.2% (exclusive of cost of living allowance which is subject to collective bargaining) is attributed to increased fringe benefits, the annualized impacts of 2007 separations, replacements & reclassifications, the full year impact of 15 new provincial courts opened in 2007, and an increased reserve contributions for lifecycle replacement.

Corporate Accounts:

Corporate Accounts gross expenditures increased by \$105.302 million or 11.3% over the 2008 Operating Gross Budget. Debt Service Charges were the principal cause of this increase of \$35.9 million or 8.8%, reflecting the annualized debt repayment of the 2007 Approved Capital Budget. In addition, contributions to capital increased by \$12.4 million. Included in the Corporate Accounts is an estimate of COLA for the Toronto Police Service and TTC.

Where the 2008 Gross Operating Budget is Spent

Chart 2 reveals that only 18% of the 2008 Approved Gross Operating Budget of \$8.171 billion is allocated to Municipal Services. Provincially Mandated Programs represent approximately one-third of the budget, which confirms that much of the City's resources is diverted from core municipal services to fund social services programs. Together, Transit and Emergency Services account for another 32% of the City's total expenditure budget. The above pattern has been consistent since amalgamation. It should be noted that Capital Financing of \$598 million makes up the majority of Corporate Accounts.



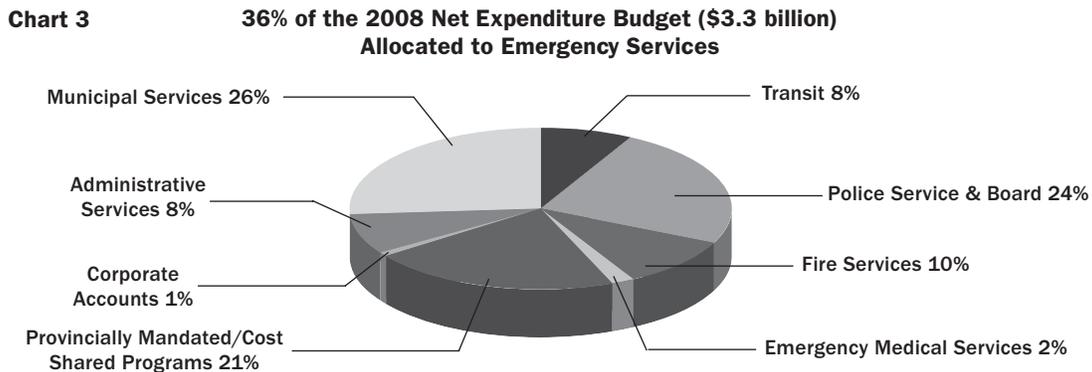
2008 OPERATING BUDGET SUMMARY

2008 Net Operating Budget

The 2008 Net Operating Budget (or Net Expenditures) refers to the amount of the City's total expenditures that are to be funded by property tax revenues (after other revenue sources are applied). The 2008 Net Operating Budget is \$3.315 billion, representing an increase of \$93.986 million or 2.9% over 2008.

It is noted that as a proportion of the gross operating budget, the net budget has declined consistently from a high of 46% in 1999 to 40.7% in 2008. The change in 2008 is mainly attributed to the introduction of the MLTT the PVT, which together will generate sustainable revenues totalling \$175 million.

Chart 3 illustrates where the 2008 Net Operating Budget will be spent. As indicated in the Chart, 26% of the net budget is allocated to Municipal Services, compared with 36% to Emergency Services. Approximately 24% of the net budget is allocated to Toronto Police Services, and 21% to fund provincially mandated/cost shared programs. In effect, two-thirds of the 2008 property tax levy will be spent on Emergency Services, Provincially Mandated Programs and Transit.



2008 Operating Budget – Approved Positions

As indicated in Table 7, a total of 48,740.7 positions, comprised of 44,557.6 permanent and 4,183.1 temporary positions, are required to deliver 2008 services through City Programs and ABCs. Compared to 2007, this represents an increase of 635.9 positions or 1.3%.

The Tax Supported Operations include an increase of 631.2 positions or 1.4% over 2007 approved positions. Increase in approved position for City Operations is 246.4 of which 128.6 or 52.2% is attributed to Citizen Centred Services “A”, followed by 77.9 positions or 31.6% to Internal Services.

Citizen Centred Services “A” – increase of 128.6 positions is primarily attributed to the following Programs:

- *Homes for the Aged* – increase of 46 permanent positions – 12 new positions to transition employees currently relying on WSIB back to work on modified duties; 20 new positions to respond to an increase in resident acuity; 14 new positions for Infection Prevention and Enhanced Nutritional and Support to ensure compliance with the new Long Term Care (LTC) Act.
- *Parks, Forestry and Recreation* – increase of 56.3 positions – this increase is primarily to operate new parkland and facilities coming into service.

2008 OPERATING BUDGET SUMMARY

Approved Positions included in 2008 Operating Budget

Table 7

Program/ABCs	2007 Approved Positions	2008 Approved Positions	Change from 2007	% Change from 2007
Citizen Centred Services "A"	11,770.0	11,907.8	137.80	1.2%
Citizen Centred Services "B"	7,468.8	7,490.7	21.90	0.3%
Internal Services	2,207.6	2,285.5	77.90	3.5%
City Manager's Office & Other City Programs	1,266.0	1,274.5	8.50	0.7%
Total City Operations	22,712.4	22,958.5	246.10	1.1%
Agencies, Boards & Commissions	23,415.6	23,803.9	388.30	1.7%
Total Tax Supported Operations	46,128.0	46,762.4	634.40	1.4%
Rate Supported Operations	1,976.8	1,981.5	4.70	0.2%
Total Approved Positions	48,104.8	48,743.9	639.10	1.3%

- *Social Services* – increase of 32 temporary positions of which 24 are required to manage the projected increase in the monthly average caseload from 75,000 to 77,000 cases. An additional 2 temporary positions are required to support the Partnership to Advance Youth Employment program (PAYE), a joint initiative between private employers and the City of Toronto (50% funded by the Province) established to respond to the City's Safe Communities, Strong Neighbourhoods Strategy; and 6 temporary positions to support new service priority, Woodbine Entertainment Redevelopment.

The increase of 77.9 approved positions in Internal Services is mainly in the Office of the Treasurer and Facilities & Real Estate and is required for capital projects and implementation of new taxes and Solid Waste user fees:

- *Office of the Treasurer* – increase of 33 positions – 12 new temporary positions are required for the implementation of capital projects, and 21 new permanent positions are required to implement new initiatives such as the Municipal Land Transfer Tax, the design, development and sustainment of the Solid Waste Billing System and to support procurement activities in the Solid Waste Management 70% Diversion Program; and,
- *Facilities and Real Estate* – increase of 42.9 positions primarily to provide the following new and enhanced services attributed to the following capital projects: Sustainable Energy Plan; additional custodial services; corporate security services at Union Station and at various Toronto Water locations; Conservation and Demand Response; and, Union Station Revitalization Implementation.

Agencies, Boards and Commissions collectively require an additional 389.5 new positions to deliver their operating programs, representing a 1.6% increase over 2007. The increases are predominately for TTC with an offsetting reduction in Toronto Public Health.

- *Toronto Transit Commission* – increase of 422 positions primarily to support service requirements associated with an increase in ridership to 464 million riders; and, Ridership Growth Strategy – Off-Peak Improvements, which involves standardizing the hours of all surface routes to match the subway hours of operation from 6 a.m. to 1 a.m.
- *Public Health* – decrease of 44.3 base positions: 44 permanent and temporary positions are no longer required for one-time 100% externally funded health services programs; 10 permanent and temporary positions are reduced as a result of efficiencies and service level reductions; and, a reduction of three permanent positions due to the re-organization of the Heat Alert Outreach Program. In addition, 12.7 positions are required to expand and enforce the Dog and Cat Licensing Strategy.

2008 OPERATING BUDGET SUMMARY

A briefing note that discusses approved position changes incorporated in the 2008 Operating Budget is available on the City's website at the following address: www.toronto.ca/budget2008/briefingnotes_operating.htm

User Fees and Charges – Revenue Impact

In accordance with the City of Toronto Act, 2006 and other relevant legislation, the City and its Agencies, Boards and Commissions charge user fees to recover the cost of services when it is established that a direct benefit or advantage is conferred upon specific persons, businesses or groups of persons and not the citizens of Toronto as a whole.

Table 8 below summarizes incremental revenues from new, or changes to existing user fees by City Programs and ABCs. As indicated in the table, new user fees and changes to existing user fees proposed in the 2008 Approved Operating Budget will generate revenues totalling \$11.489 million in 2008. This is comprised of \$8.182 million from increasing existing fees, and \$3.307 million from new user fees. Existing user fees were adjusted either for inflation, to reflect market prices, or to recover the full cost of the respective user fee service. A detailed list and analysis of changes to existing user fees and new user fees introduced as part of the 2008 Operating Process is available on the City's Website at www.toronto.ca/budget2008/briefingnotes_operating.htm

2008 USER FEE CHANGE AND NEW SUMMARY

Table 8

Program	2008 Incremental Revenue Impact on Base \$	2008 Incremental Revenue Impact on New \$	2008 Total Incremental Revenue Impact \$
Court Services		324,000	324,000
Economic Development, Culture & Tourism	48,600	—	48,600
Emergency Medical Services	21,245	—	21,245
Parks, Forestry & Recreation	816,900	2,340,000	3,156,900
City Planning	726,670		726,670
Municipal Licensing & Standards	523,100		523,100
Toronto Building Services	1,165,883		1,165,883
Solid Waste Management Services	(909,000)		(909,000)
Transportation Services	3,889,900		3,889,900
Office of the Treasurer – Revenue Services	1,848,000	642,340	2,490,340
City Clerk's Office	10,475		10,475
Theatres – St. Lawrence Centre for the Arts	15,395		15,395
Toronto Zoo	25,000		25,000
Revenue Impact on Fee Changes	8,182,169	3,306,340	11,488,508

2008 OPERATING BUDGET SUMMARY

New Investments in the 2008 Operating Budget – Highlights

Despite the emphasis on cost containment and fiscal restraint in order to find permanent solutions for the structural deficit, limited and strategic investments in key initiatives that advance the Mayor's priorities and Council's policy agenda have been considered. The following highlights (by major themes) new and enhanced services and initiatives included in the 2008 Operating Budget which total \$56.703 million gross, and \$12.385 million net.

Public Transit

- Run all City bus routes from 6 am to 1 am on weekdays effective November 2008 (\$2.616 million gross and net)
- Operate 100 new Ridership Growth Strategy buses to relieve peak overcrowding effective November 2008 (\$1.000 million gross and net)
- Open new bus garage to house 100 new Ridership Growth Strategy buses (\$1.996 million gross and net)
- Invest in improving the cleanliness and appearance of subway stations (\$1.250 million gross and net)
- Reduce occupational injury rates by instilling safety as a culture in the TTC (\$2.644 million gross and net)
- Establish Health and Wellness Program – to reduce absenteeism due to sickness and to improve the general physical well-being of TTC staff (\$0.673 million gross and net)

70% Waste Diversion

- To achieve the 70% Waste Diversion Target by 2010, (\$16.849 million gross and \$0 net), Solid Waste Management Services will:
 - > Implement volume-based user fees for waste collection for apartments, condominiums and single family homes in order to encourage more reuse and recycling;
 - > Provide single unit residences with larger recycling carts that will increase their ability to recycle. Multi-unit residences will also be provided with on-floor recycling carts;
 - > Expand the range of recyclable materials in the blue box to include: polystyrene and plastic film which could divert 3500 tonnes annually;
 - > Expand the Green Bin program to include apartments & condominiums;
 - > Implement Collection of Usable and Durable Goods for all residents for reuse and recycling (once every two weeks); and
 - > Establish a reusable goods drop-off centres to provide residents with a one-stop location for reusable goods.
- Honour City's stewardship of the environment by contributing to the Perpetual Care of Landfills Reserve Fund (\$3.500 million gross and \$0 net)
- Develop, maintain and support a new billing system to integrate the solid waste billing system with the current water billing system to produce one utility bill (\$1.110 million gross and \$0 net)

2008 OPERATING BUDGET SUMMARY

Climate Change

- Provide incentives to achieve, through demand response measures, 90 MW of energy savings, in partnership with Ontario Power Authority (\$3.220 million gross and \$0 net)
- Live Green Toronto – Establish a social marketing and local food campaign to assist Toronto's neighbourhoods and communities to take action on climate change (\$0.800 million gross and net)
- Provide tree maintenance on 2,300 trees annually on Arterial/Main Streets and Commercial Areas (\$0.700 million gross, \$0 net and 1 position)
- Remove Tree Hazards on pathways, picnic areas and park entrances (\$0.705 million gross and net and 3 positions)
- Provide funding for the Smart Commute Initiative to implement workplace-based transportation demand management strategies within Metrolinx (\$0.280 million gross and \$0.150 million net)
- Purchase Green Power to meet electricity requirements of City Hall (\$0.500 million gross and net)
- Develop and implement a strategy to address forecast changes in weather patterns (\$0.085 million gross and net)
- Establish dedicated financial portfolio management for the Sustainable Energy Plan initiatives (\$0.238 million gross and \$0 net)
- Establish Green Economic Sector Development Initiatives for the Toronto Discovery District – District Energy Assessment, the Municipal Green Vendors Trade Fare and the Green Manufacturing Action Team/Plan (\$0.075 million gross and net)

Public Spaces

- Increase Neighbourhood Beautification project funding to \$20,000 per ward (\$0.220 million gross and \$0 net), that will provide \$3,000 per ward for a neighbourhood based community project and \$17,000 per ward for Demonstration Projects that will transform and enhance neighbourhood
- Orphan Spaces Clean-Up – Implement Final Phase of maintenance of 360 landscaped orphaned areas on City streets and boulevards (\$0.400 million gross and \$0 net)
- Establish Public Realm Office – to improve the public realm including the deployment of over 3,500 new street furniture elements in 2008 (\$3.598 million gross and \$0 net)
- Open new Waterfront parkland and facilities (\$0.799 million gross and net)
- Improve service delivery in Community Planning, Heritage Preservation Services, Urban Design and Transportation Planning (\$0.500 million gross and net, and 12 positions)
- Establish Unit to begin implementing the Union Station Revitalization project (\$0.410 million gross and \$0 net)

Creative City

- Install Stingray Touch Tank Exhibit 2008, Toronto Zoo (\$0.932 million gross, \$1.024 million net revenue)
- Improve Nuit Blanche (\$0.505 million gross and net)
- Begin planning for Bicentennial of War of 1812 (\$0.048 million gross and \$0.025 million net)
- Enhance funding for the Toronto Arts Council, Major Arts Organizations, Local Arts Services Organizations, and the Glenn Gould Protégé Award within the Community Partnership & Investment Program mainly to support the Culture Plan established in 2003. (\$1.097 million gross and net)

2008 OPERATING BUDGET SUMMARY

Community Health and Wellness

- Enhance funding for the Community Services Partnership Program and the Service Development Program within Community Partnership & Investment Program to address inflationary pressures and increasing service needs for the Arts and emerging communities and priority neighbourhoods. (\$0.467 million gross and net)
- Meet safety requirements as recommended by the SARS Commission Report in Homes for Aged for infection prevention and control demands (\$0.544 million gross and \$0 net)
- Enhance Nutritional and Support Services to ensure compliance with the new Long Term Care Act within Homes for the Aged (\$0.670 million gross and \$0 net)
- Increase support for the Streets to Homes Initiative to help people living on the streets find and keep housing (\$0.116 million gross, \$0 net, 1 position)
- Provide necessary training and supports to Ontario Work clients to find permanent employment through the Woodbine Entertainment Redevelopment project (\$0.491 million gross and \$0 net)

Public Safety and Security

- Increase reception relief coverage hours at Eastview Neighbourhood Community Centre to ensure security is maintained during weekend and evenings (\$0.016 million gross and net)
- Enhance Central Ambulance Communication Centre contingency and disaster recovery planning at EMS (\$0.160 million gross and \$0 net)
- Establish Fleet Safety and Standards to ensure safe operation of City vehicles and equipment (\$0.063 million gross and \$0 net)
- Provide funding to the Native Child and Family Services Toronto to develop two aboriginal child care centres that will create an additional 66 child care spaces (\$2.928 million gross and \$0 net).
- Create new child care centres in three elementary schools that will provide up to 69 additional child care spaces for preschool children and school age children at each site (\$2.0 million gross and \$0 net)

Improving the Business Climate

- Introduce Financial Services Sector Strategic Initiatives to support the development of an International Centre for Financial Services Training and the Financial Services Information Technology Innovation Initiative (\$0.100 million gross and net)
- Continued implementation of the Council Approved Tax Policy to reduce non-residential taxes.

2008 OPERATING BUDGET SUMMARY

Sinking Fund Levy for 2008

When the City issues debentures, the City of Toronto Act 2006 requires that the principal repayment must be amortized over the term-to-maturity of the debenture or an annual amount be contributed to a sinking fund. Sinking funds are required by provincial legislation and established to ensure that adequate financing is available at a debenture's maturity. Currently, the City has three separate sinking fund portfolios (4%, 5% and 6%) associated with its debenture issues. Each portfolio represents a specific actuarial rate of return that is used in calculating the required annual contribution. The Sinking Fund Committee, consisting of four citizen members appointed by Council and the Chair who is the Deputy City Manager and Chief Financial Officer, is responsible for the administration and management of all sinking fund investment portfolios.

As Trustee of these portfolios, the Sinking Fund Committee exercises its fiduciary responsibility by achieving the specified actuarial rates of return while ensuring compliance with legislative and policy limits. This is accomplished through the prudent investment management of the annual sinking fund contributions, the re-investment of interest income, and achieving capital gains as appropriate.

Sinking Fund Levies for 2008

Section 255(4) of the City of Toronto Act 2006 states that:

"If in any year an amount is or will be required by law to be raised for a sinking fund or retirement fund of the City, the city treasurer shall prepare for city council, before the budget for the year is adopted, a statement of the amount.

Amounts required by bylaw (as amended by the Ontario Municipal Board orders to reduce levies) to be raised in 2008 by Council for deposit in the City of Toronto Sinking Fund are provided for as follows:

City of Toronto	\$ 192,652,253.83
Toronto District School Board	2,293,802.99

This requirement is addressed in this report. The sinking fund deposit for the City's requirements forms part of the City's 2008 operating budget and is included in Capital & Corporate Financing, "Debt Charges". While Council is required to levy the sinking fund deposit on behalf of the Toronto District School Board, it is not included in the City's operating budget as it is fully recovered from the TDSB.

2008 OPERATING BUDGET SUMMARY

2009 Outlook

Included in the 2008 Operating Budget are several revenue strategies and cost factors that will impact the estimated cost of providing the same level of services in future years. For instance, initiatives approved for part-year implementation in 2008 (for example, transit ridership growth strategy) will result in increased costs when the full-year financial impact is incorporated in future years. Similarly, unsustainable (non-recurring) revenues used as funding sources in the operating budget will result in budgetary pressures in future years when these revenue sources are no longer available. Table 9 below shows the incremental cost of providing in 2009, the same services and service levels proposed in the 2008 Operating Budget.

2009 Outlook – Incremental Impacts

Table 9

		\$ Millions
Expenditures Increases:		
– Inflation, Cost of Living Allowance and Merit	147.0	
– Capital Financing	46.9	
– Annualization and Other	74.9	268.8
Revenue Change:		
– TTC Ridership	(15.3)	
– Provincial Upload – ODSP Administration	(20.0)	
– New Taxation Revenue	(50.0)	(85.3)
Unsustainable 2008 Budget Balancing Strategies:		
One-time Provincial Assistance:		
– Transit Operations	100.0	
– Transit Debt Service Costs	49.0	149.0
City One-Time:		
– Reserve Draws – City Programs	37.5	
2009 Outlook/Beginning Pressure		455.3

Expenditure increases to deliver the 2008 Council approved services and service levels in 2009 are primarily driven by inflation and cost of living allowances. It is estimated that inflation on goods and services, cost of living adjustments (COLA), merit and step increases will approximate \$147 million; while annualization of new and enhanced services and other initiatives introduced in the 2008 Operating Budget will increase 2009 costs by \$74.9 million. In addition, it is estimated that capital financing costs will increase by \$46.9 million based on Council's approval of the 2008-2012 Capital Plan.

2008 OPERATING BUDGET SUMMARY

The incremental cost of providing the 2008 approved services and service levels in 2009 is estimated at \$268.8 million, which contributes to the 2009 beginning budget pressure.

Incremental revenues associated with the annualization of the Municipal Land Transfer Tax and the Vehicle Ownership Tax will generate an additional \$50 million of sustainable revenues; while projected increase in the Toronto Transit Commission Ridership Revenues will result in incremental sustainable revenues of \$15.3 million. Furthermore, the Province has committed to upload the ODSP cost of administration which will reduce expenditures by \$20 million. As shown in Table 9, by netting these revenue increases and the upload of ODSP against the expenditure pressure of \$268.8 million, the 2009 Operating Pressure before the impact of unsustainable revenues is \$183.5 million.

Non-recurring revenues in the 2008 Operating Budget include: Provincial assistance for TTC of \$149 million; unsustainable City revenues such as Social Programs' reserve draws of \$37.5 million; and, the 2007 Surplus of \$85.3 million used as a revenue source in the 2008 Operating Budget. These non recurring revenues will contribute and additional \$271.8 million to the beginning 2009 Budget Pressure.

A number of one-time revenues will require permanent replacement in order to minimize the 2009 budget pressures. While the City's budgetary policies and good fiscal management practices preclude the use of one-time revenues in the operating budget, this was again necessary in 2008 because of the ongoing structural deficit problem. In effect, the non-recurring revenues will increase the beginning 2009 budget pressure to \$455.3 million.

RATE SUPPORTED PROGRAM

Rate Supported Programs include Toronto Water and Toronto Parking Authority. The 2008 Approved Rate Supported Operating Budget totals \$740.792 million. Toronto Water's Approved Operating Budget totals \$677.393 million representing an increase of \$29.172 million or 4.5% over the program's 2007 Operating Budget. Toronto Parking Authority's 2008 gross operating budget of \$93.398 million reflects an increase of \$5.594 million or 9.7% increase over the 2007 Operating Budget.

Toronto Water

Toronto Water 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.

Toronto Water's successes are often of a cumulative nature and accomplished over a number of years. The theme of the Capital and Operating Budgets is "Building a Better Tomorrow" and reflects the level of investment that is required to meet the needs of the community. The Program's objectives for 2008 and beyond have been extensively documented in the Toronto Water Multi-Year Business Plan adopted by Council in 2005. Toronto Water will achieve its mission statement through the following major objectives:

- Planning for the necessary investment to ensure drinking water quality continues to exceed the Provincial legislative requirements.
- Renew and rehabilitate aging infrastructure. This requires significant long-term infrastructure investment.
- Establish a rate structure that will 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, and increase strategic policy focus on water and wastewater long term issues.

2008 OPERATING BUDGET SUMMARY

- Provide adequate and effective attention to source water protection as a key component 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.
- Standardize and harmonize processes and practices, both in the plants and in the district operations areas, with continuous improvement initiatives to ultimately improve customer service delivery.

All operating revenues received by Toronto Water are generated from user fees and charges for water consumption and sewage treatment. There is no reliance on the property tax base to support Toronto Water's services. To fund the operating requirements and capital contribution, a water rate increase of 9% was necessary had has been incorporated in the 2008 Approved Operating Budget.

2008 Approved Operating Budget by Service

Table 10

	(\$000s)											
	2006		2007		2008		Change Over 2007				2009	2010
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Gross		
		\$		\$			\$	%	\$	%	\$	\$
Water Production	62,926	62,,926	65,913	65,913	67,525	67,525	1,611	2%	1,612	2%	69,819	69,960
Wastewater Treatment	86,615	89,615	104,938	104,938	109,709	109,709	4,771	5%	4,771	5%	113,438	116,386
District Operations	106,099	106,099	111,481	111,481	99,209	99,209	(12,272)	-11%	(12,272)	-11%	102,449	105,227
Water Infrastructure Mgmt.	5,637	5,637	6,787	6,787	6,778	6,778	(8)	0%	(8)	0%	7,098	7,441
Capital Financing	245,097	245,097	411	411	0	0	(411)	-100%	(411)	-100%	244	972
Business Operations Mgmt.	11,484	11,484	12,315	12,315	13,064	13,064	750	6%	750	6%	13,684	14,192
Operational Support	14,993	14,993	16,671	16,671	18,723	18,723	2,053	12%	2,053	12%	19,626	20,426
Program Support	74,600	74,600	60,822	60,822	60,198	60,198	(624)	-1%	(624)	-1%	61,676	62,925
Revenues		(610,451)	0	(648,221)	0	(677,393)	0	n/a	(29,172)	5%	0	0
Total Program Budget	607,451	0	379,338	(268,884)	375,207	(302,186)	(4,130)	-1%	(0)	0%	388,034	397,530

2008 OPERATING BUDGET SUMMARY

Toronto Parking Authority (TPA)

The Toronto Parking Authority 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. TPA's 2008 Operating Expenditure Budget is \$63.498 million, reflecting an increase of 5.694 million or 9.8% over 2007. TPA's revenues are exclusively generated from parking fees. In 2008 TPA will generate total revenues of \$113.115 million resulting in a net operating budget surplus of \$49.617 million.

Key services to be provided by the Toronto Parking Authority in 2008 include the following:

- Operates approximately 20,000 off-street spaces in 180 facilities including 22 parking garages, as well as 18,000 on-street spaces controlled by pay-and-display technology or single spaced meters.
- The Authority manages on behalf of the Toronto Transit Commission, 14,000 spaces at their park-and-ride facilities and parking areas on behalf of the Parks, Forestry and Recreation Program serving the waterfront parks during the summer season.

Toronto Parking Authority 2008 Approved Operating Budget by Service

Table 11

	(\$000s)											
	2006		2007		2008		Change Over 2007				2009	2010
	Gross	Net	Gross	Net	Gross	Net	Gross		Net		Gross	Gross
		\$		\$			\$	%	\$	%	\$	\$
Water Production	43,866	(15,318)	46,082	(18,153)	50,364	(19,224)	4,282	9%	(1,072)	6%	51,900	53,200
Wastewater Treatment	10,935	25,065	11,723	(26,277)	13,135	(30,392)	1,412	12%	(4,116)	16%	13,540	13,750
Total Program Budget	54,801	(40,383)	57,805	(44,429)	63,499	(49,617)	5,694	10%	0	0%	65,440	66,950

SUMMARY

The City of Toronto's total 2008 approved tax levy and rate supported operating budget is \$8.915 billion as shown in Table 12. Gross expenditures increased by \$345.9 million or 4.0% when compared with 2007. This increase is reflective of the effort made to find cost savings through cost containment, efficiencies and generally cost control. Table 12 also illustrates the 2008 approved levy net budget increase of 2.9% which conforms to the strategic direction to raise property taxes by no more than the City of Toronto rate of inflation, if necessary. The 2008 Operating Budget was balanced because of Council's decision to institute a Municipal Land Transfer Tax and a Personal Vehicle Tax that will generate new revenues of \$175 million in 2008. These revenues are sustainable and therefore, will contribute significantly toward fixing the City's structural deficit. To balance the Toronto Water budget, a rate increase of 9% was required.

2008 OPERATING BUDGET SUMMARY

2008 Approved Operating Budget Tax Levy and Rate Supported Programs

Table 12

	(\$000s)							
	2007		2008		Change Over 2007			
	Gross \$	Net \$	Gross \$	Net \$	Gross \$	%	Net \$	%
Property Tax Levy Operations	7,859.6	3,220.7	8,170.6	3,314.6	311.1	4.0%	94.0	29%
Rate Supported Program	706.0	(44.4)	740.9	(49.6)	34.9	4.9%	(5.2)	11.8%
Total Budget	8,565.6	3,176.3	8,911.5	3,265.0	345.9	4.0%	88.8	2.8%

Overall, the 2008 Approved Operating Budget balances short-term service needs against long-term objectives. Since amalgamation, this is the first year the City has presented a balanced budget. This is a tremendous achievement for the City in building a City that is liveable and provides prosperity and opportunity for everyone. This budget demonstrates the City's ability to contain costs and ensure our spending is focused in the areas that have the greatest impact on the quality of life for Toronto residents.

..... **2008 COUNCIL APPROVED OPERATING BUDGET**
Gross Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget	
Citizen Centred Services "A"				
Affordable Housing Office	3,018.1	3,186.3	3,031.5	
Children's Services	379,350.7	341,368.8	358,545.4	
Court Services	32,459.3	35,586.5	39,334.6	
Economic Development, Culture & Tourism	36,509.4	34,266.1	32,222.9	
Emergency Medical Services	142,528.2	148,007.1	151,744.9	
Homes for the Aged	186,005.2	192,916.0	205,399.0	
Parks, Forestry & Recreation	289,166.3	304,994.4	318,492.8	
Shelter, Support & Housing Administration	717,764.9	720,693.8	709,990.1	
Social Development, Finance & Administration	27,954.9	28,454.2	27,207.0	
Social Services	1,037,486.7	1,071,375.9	1,059,457.6	
3-1-1 Customer Service Strategy	4,579.5	3,020.2	3,458.7	
Sub-Total Citizen Centred Services "A"	2,856,823.2	2,883,869.3	2,908,884.5	
Citizen Centred Services "B"				
City Planning	32,237.2	34,265.6	34,773.9	
Fire Services	335,386.4	341,023.0	356,046.6	
Municipal Licensing & Standards	33,610.3	33,762.6	34,149.7	
Policy, Planning, Finance and Administration	13,720.3	44,636.8	43,189.7	
Solid Waste Management Services	228,849.4	251,733.3	256,379.7	
Technical Services	58,462.5	59,487.3	59,678.4	
Toronto Building	38,853.6	40,083.2	41,912.6	
Transportation Services	276,241.7	255,879.7	258,952.5	
Waterfront Secretariat	993.5	1,317.9	1,412.7	
Sub-Total Citizen Centred Services "B"	1,018,354.9	1,062,189.4	1,086,495.7	
Internal Services				
Office of the Chief Financial Officer	13,215.5	13,671.7	14,244.4	
Office of the Treasurer	63,157.7	63,347.2	65,425.4	
Public Information & Creative Services	4,808.4	4,786.6	4,771.7	
Facilities & Real Estate	117,761.2	124,536.0	126,959.5	
Fleet Services	34,688.2	36,087.2	41,396.9	
Information & Technology	52,661.6	56,700.0	57,225.4	
Sub-Total Internal Services	286,292.6	299,128.7	310,023.3	
City Manager				
City Manager's Office	39,518.5	39,844.4	39,651.5	
Sub-Total City Manager	39,518.5	39,844.4	39,651.5	
Other City Programs				
City Clerk's Office	48,655.3	44,320.4	45,097.0	
Legal Services	29,420.5	31,815.9	36,050.5	
Mayor's Office	1,886.2	2,441.2	2,601.1	
City Council	18,761.5	19,370.4	19,743.7	
Sub-Total Other City Programs	98,723.5	97,947.9	103,492.3	

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	(154.8)	(4.9%)
	17,176.6	5.0%
	3,748.1	10.5%
	(2,043.2)	(6.0%)
	3,737.8	2.5%
	12,483.0	6.5%
	13,498.4	4.4%
	(10,703.7)	(1.5%)
	(1,247.2)	(4.4%)
	(11,918.3)	(1.1%)
	438.5	14.5%
	25,015.2	0.9%
	508.3	1.5%
	15,023.6	4.4%
	387.1	1.1%
	(1,447.1)	(3.2%)
	4,646.3	1.8%
	191.1	0.3%
	1,829.4	4.6%
	3,072.8	1.2%
	94.8	7.2%
	24,306.3	2.3%
	572.7	4.2%
	2,078.2	3.3%
	(14.9)	(0.3%)
	2,423.5	1.9%
	5,309.7	14.7%
	525.4	0.9%
	10,894.6	3.6%
	(192.9)	(0.5%)
	(192.9)	(0.5%)
	776.6	1.8%
	4,234.6	13.3%
	159.9	6.6%
	373.3	1.9%
	5,544.4	5.7%

	2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
			\$ Incr/(Dcr)	%
	0.0	3,031.5	(154.8)	(4.9%)
	2,228.0	360,773.4	19,404.6	5.7%
	0.0	39,334.6	3,748.1	10.5%
	1,028.0	33,250.9	(1,015.2)	(3.0%)
	223.7	151,968.6	3,961.5	2.7%
	1,214.3	206,613.3	13,697.3	7.1%
	3,585.1	322,077.9	17,083.5	5.6%
	116.4	710,106.5	(10,587.3)	(1.5%)
	0.0	27,207.0	(1,247.2)	(4.4%)
	491.9	1,059,949.5	(11,426.4)	(1.1%)
	272.0	3,730.7	710.5	23.5%
	9,159.4	2,918,043.9	34,174.6	1.2%
	542.7	35,316.6	1,051.0	3.1%
	0.0	356,046.6	15,023.6	4.4%
	0.0	34,149.7	387.1	1.1%
	2,496.0	45,685.7	1,048.9	2.3%
	20,349.0	276,728.7	24,995.3	9.9%
	673.0	60,351.4	864.1	1.5%
	0.0	41,912.6	1,829.4	4.6%
	657.7	259,610.2	3,730.5	1.5%
	150.0	1,562.7	244.8	18.6%
	24,868.4	1,111,364.1	49,174.7	4.6%
	0.0	14,244.4	572.7	4.2%
	4,497.8	69,923.2	6,576.0	10.4%
	0.0	4,771.7	(14.9)	(0.3%)
	4,166.2	131,125.7	6,589.7	5.3%
	62.9	41,459.8	5,372.6	14.9%
	460.0	57,685.4	985.4	1.7%
	9,186.9	319,210.2	20,081.5	6.7%
	0.0	39,651.5	(192.9)	(0.5%)
	0.0	39,651.5	(192.9)	(0.5%)
	528.1	45,625.1	1,304.7	2.9%
	630.0	36,680.5	4,864.6	15.3%
	0.0	2,601.1	159.9	6.6%
	0.0	19,743.7	373.3	1.9%
	1,158.1	104,650.4	6,702.5	6.8%

2008 COUNCIL APPROVED OPERATING BUDGET

Gross Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget
Accountability Offices			
Auditor General's Office	3,881.2	3,988.8	4,147.4
Integrity Commissioner's Office	0.0	200.0	200.0
Lobbyist Registrar	0.0	275.2	429.3
Office of the Ombudsperson	0.0	0.0	0.0
Sub-Total Council Appointed Programs	3,881.2	4,464.0	4,776.7
TOTAL – CITY OPERATIONS	4,303,593.9	4,387,443.7	4,453,323.9
Agencies, Boards and Commissions			
Toronto Public Health	211,898.4	214,719.4	218,738.3
Toronto Public Library	158,572.6	164,313.9	169,988.1
Association of Community Centres	6,304.7	6,987.9	6,914.9
Exhibition Place	47,230.6	53,357.7	53,955.1
Heritage Toronto	671.3	605.9	693.8
Theatres	29,836.9	30,613.9	23,288.7
Toronto Zoo	37,423.1	38,882.5	40,273.1
Arena Boards of Management	5,680.8	5,977.4	6,024.7
Yonge-Dundas Square	1,073.1	1,166.8	1,351.5
Toronto & Region Conservation Authority	33,979.3	36,625.7	36,530.9
Toronto Transit Commission – Conventional	1,037,991.9	1,082,893.5	1,147,299.0
Toronto Transit Commission – Wheel-Trans	63,009.1	68,771.3	73,862.2
Toronto Police Service	796,906.6	831,438.2	841,730.7
Toronto Police Services Board	1,784.6	2,238.3	2,233.9
TOTAL – AGENCIES, BOARDS AND COMMISSIONS	2,432,363.0	2,538,592.4	2,622,884.8
Corporate Accounts			
Community Partnership and Investment Program	40,443.9	42,032.2	41,961.2
Capital & Corporate Financing	477,442.3	549,552.5	597,904.7
Non Program Expenditures			
– Tax Deficiency/Write Offs	89,894.8	82,407.4	81,500.0
– Assessment Function (MPAC)	32,200.0	33,000.0	33,500.0
Temporary Borrowing	400.0	400.0	400.0
– Funding of Employee Related Liabilities	35,487.6	35,494.3	39,496.2
– Programs Funded from Reserve Fund	101,066.6	92,130.4	91,764.2
– Other Corporate Expenditures	9,889.7	11,613.8	58,328.9
– Insurance Premiums & Claims	306.7	312.6	1,800.0
– Parking Tag Enforcement & Operations	42,483.6	44,218.9	45,376.5
– Vacancy Rebate Program	16,500.0	16,500.0	16,500.0
– Corporate Utilities	0.0	500.0	500.0
– Heritage Property Taxes Rebate	718.3	0.0	0.0
Street & Expressway Lighting Services	23,453.6	24,857.8	25,075.3
Non-Program Expenditures	352,400.9	341,435.2	394,241.1

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	158.6	4.0%
	0.0	0.0%
	154.1	56.0%
	0.0	n/a
	312.7	7.0%
	65,880.2	1.5%
	4,018.9	1.9%
	5,674.2	3.5%
	(73.0)	(1.0%)
	597.4	1.1%
	87.9	14.5%
	(7,325.2)	(23.9%)
	1,390.6	3.6%
	47.3	0.8%
	184.7	15.8%
	(94.8)	(0.3%)
	64,405.5	5.9%
	5,090.9	7.4%
	10,292.5	1.2%
	(4.4)	(0.2%)
	84,292.4	3.3%
	(71.0)	(0.2%)
	48,352.2	8.8%
	(907.4)	(1.1%)
	500.0	1.5%
	0.0	0.0%
	4,001.9	11.3%
	(366.2)	(0.4%)
	46,715.1	402.2%
	1,487.4	475.8%
	1,157.6	2.6%
	0.0	0.0%
	0.0	0.0%
	0.0	n/a
	217.5	0.9%
	52,805.9	15.5%

	2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
			\$ Incr/(Dcr)	%
	0.0	4,147.4	158.6	4.0%
	0.0	200.0	0.0	0.0%
	282.0	711.3	436.1	158.5%
	404.3	404.3	404.3	n/a
	686.3	5,463.0	999.0	22.4%
	45,059.1	4,498,383.0	110,939.3	2.5%
	558.1	219,296.4	4,577.0	2.1%
	0.0	169,988.1	5,674.2	3.5%
	15.8	6,930.7	(57.2)	(0.8%)
	42.1	53,997.2	639.5	1.2%
	0.0	693.8	87.9	14.5%
	0.0	23,288.7	(7,325.2)	(23.9%)
	967.0	41,240.1	2,357.6	6.1%
	0.0	6,024.7	47.3	0.8%
	0.0	1,351.5	184.7	15.8%
	832.1	37,363.0	737.3	2.0%
	8,115.1	1,155,414.1	72,520.6	6.7%
	0.0	73,862.2	5,090.9	7.4%
	0.0	841,730.7	10,292.5	1.2%
	0.0	2,233.9	(4.4)	(0.2%)
	10,530.2	2,633,415.0	94,822.6	3.7%
	1,564.0	43,525.2	1,493.0	3.6%
	0.0	597,904.7	48,352.2	8.8%
	0.0	81,500.0	(907.4)	(1.1%)
	0.0	33,500.0	500.0	1.5%
	0.0	400.0	0.0	0.0%
	0.0	39,496.2	4,001.9	11.3%
	0.0	91,764.2	(366.2)	(0.4%)
	0.0	58,328.9	46,715.1	402.2%
	0.0	1,800.0	1,487.4	475.8%
	0.0	45,376.5	1,157.6	2.6%
	0.0	16,500.0	0.0	0.0%
	0.0	500.0	0.0	0.0%
	0.0	0.0	0.0	n/a
	0.0	25,075.3	217.5	0.9%
	0.0	394,241.1	52,805.9	15.5%

2008 COUNCIL APPROVED OPERATING BUDGET

Gross Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget	
Non-Program Revenues				
– New COTA Tax Revenues	0.0	0.0	2,600.0	
– Interest/Investment Earnings	504.5	513.3	564.6	
Non-Program Revenues	504.5	513.3	3,164.6	
TOTAL – CORPORATE ACCOUNTS	870,791.6	933,533.2	1,037,271.6	
TOTAL LEVY OPERATING BUDGET	7,606,748.5	7,859,569.3	8,113,480.3	
NON LEVY OPERATION				
Toronto Parking Authority	54,801.3	57,804.7	63,398.2	
Toronto Water	610,450.7	648,221.3	677,393.3	
TOTAL NON LEVY OPERATING BUDGET	665,252.0	706,026.0	740,791.5	

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	2,600.0	n/a
	51.3	10.0%
	2,651.3	n/a
	103,738.4	11.1%
	253,911.0	3.2%
	5,593.5	9.7%
	29,172.0	4.5%
	34,765.5	9.7%

	2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
			\$ Incr/(Dcr)	%
	0.0	2,600.0	2,600.0	n/a
	0.0	564.6	51.3	10.0%
	0.0	3,164.6	2,651.3	516.5%
	1,564.0	1,038,835.6	105,302.4	11.3%
	57,153.3	8,170,633.6	311,064.3	4.0%
	100.0	63,498.2	5,693.5	9.8%
	0.0	677,393.3	29,172.0	4.5%
	100.0	740,891.5	34,865.5	9.8%

2008 COUNCIL APPROVED OPERATING BUDGET

Revenue

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget
Citizen Centred Services "A"			
Affordable Housing Office	1,600.0	1,767.8	1,613.0
Children's Services	311,059.7	272,458.6	289,635.2
Court Services	41,959.3	46,706.5	50,393.9
Economic Development, Culture & Tourism	12,212.5	9,675.4	6,967.2
Emergency Medical Services	82,021.3	87,607.0	89,869.7
Homes for the Aged	153,353.3	159,668.3	164,664.6
Parks, Forestry & Recreation	72,961.5	77,549.7	80,049.0
Shelter, Support & Housing Administration	441,191.2	466,931.5	456,227.8
Social Development, Finance & Administration	12,029.7	12,684.7	11,226.6
Social Services	759,609.7	803,669.0	783,683.3
3-1-1 Customer Service Strategy	4,189.6	2,626.9	3,065.4
Sub-Total Citizen Centred Services "A"	1,892,187.8	1,941,345.4	1,937,395.7
Citizen Centred Services "B"			
City Planning	19,042.1	20,668.2	21,222.4
Fire Services	11,130.1	8,666.2	8,176.1
Municipal Licensing & Standards	24,280.8	22,621.7	22,730.2
Policy, Planning, Finance and Administration	1,120.1	19,040.6	17,593.6
Solid Waste Management Services	57,923.1	69,575.2	74,221.6
Technical Services	56,027.4	43,223.6	43,473.0
Toronto Building	50,822.7	51,743.2	53,572.6
Transportation Services	97,901.8	90,312.6	92,298.0
Waterfront Secretariat	166.7	236.2	331.0
Sub-Total Citizen Centred Services "B"	318,414.8	326,087.5	333,618.4
Internal Services			
Office of the Chief Financial Officer	3,274.7	3,567.2	4,055.4
Office of the Treasurer	31,620.8	31,393.2	34,230.4
Public Information & Creative Services	186.1	143.1	78.1
Facilities & Real Estate	64,800.3	69,569.8	71,715.7
Fleet Services	34,688.2	36,087.2	41,396.9
Information & Technology	6,160.0	8,634.7	8,813.5
Sub-Total Internal Services	140,730.1	149,395.2	160,290.1
City Manager			
City Manager's Office	2,546.3	2,453.8	2,260.9
Sub-Total City Manager	2,546.3	2,453.8	2,260.9
Other City Programs			
City Clerk's Office	18,058.9	12,919.0	13,469.6
Legal Services	10,261.4	12,241.7	15,147.5
Mayor's Office	0.0	0.0	0.0
City Council	0.0	0.0	0.0
Sub-Total Other City Programs	28,320.3	25,160.7	28,617.1

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	(154.8)	(8.8%)
	17,176.6	6.3%
	3,687.4	7.9%
	(2,708.2)	(28.0%)
	2,262.7	2.6%
	4,996.3	3.1%
	2,499.3	3.2%
	(10,703.7)	(2.3%)
	(1,458.1)	(11.5%)
	(19,985.7)	(2.5%)
	438.5	16.7%
	(3,949.7)	(0.2%)
	554.2	2.7%
	(490.1)	(5.7%)
	108.5	0.5%
	(1,447.0)	(7.6%)
	4,646.4	6.7%
	249.4	0.6%
	1,829.4	3.5%
	1,985.4	2.2%
	94.8	40.1%
	7,530.9	2.3%
	488.2	13.7%
	2,837.2	9.0%
	(65.0)	(45.4%)
	2,145.9	3.1%
	5,309.7	14.7%
	178.8	2.1%
	10,894.9	7.3%
	(192.9)	(7.9%)
	(192.9)	(7.9%)
	550.6	4.3%
	2,905.8	23.7%
	0.0	n/a
	0.0	n/a
	3,456.4	13.7%

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	1,613.0	(154.8)	(8.8%)
2,228.0	291,863.2	19,404.6	7.1%
324.0	50,717.9	4,011.4	8.6%
323.0	7,290.2	(2,385.2)	(24.7%)
223.7	90,093.4	2,486.4	2.8%
1,214.3	165,878.9	6,210.6	3.9%
2,740.8	82,789.8	5,240.1	6.8%
116.4	456,344.2	(10,587.3)	(2.3%)
0.0	11,226.6	(1,458.1)	(11.5%)
491.9	784,175.2	(19,493.8)	(2.4%)
0.0	3,065.4	438.5	16.7%
7,662.1	1,945,057.8	3,712.4	0.2%
43.0	21,265.4	597.2	2.9%
0.0	8,176.1	(490.1)	(5.7%)
0.0	22,730.2	108.5	0.5%
1,461.0	19,054.6	14.0	0.1%
20,349.0	94,570.6	24,995.4	35.9%
663.8	44,136.8	913.2	2.1%
0.0	53,572.6	1,829.4	3.5%
657.7	92,955.7	2,643.1	2.9%
150.0	481.0	244.8	103.6%
23,324.5	356,942.9	30,855.4	9.5%
0.0	4,055.4	488.2	13.7%
4,497.8	38,728.2	7,335.0	23.4%
0.0	78.1	(65.0)	(45.4%)
4,166.2	75,881.9	6,312.1	9.1%
62.9	41,459.8	5,372.6	14.9%
460.0	9,273.5	638.8	7.4%
9,186.9	169,477.0	20,081.8	13.4%
0.0	2,260.9	(192.9)	(7.9%)
0.0	2,260.9	(192.9)	(7.9%)
276.0	13,745.6	826.6	6.4%
630.0	15,777.5	3,535.8	28.9%
0.0	0.0	0.0	n/a
0.0	0.0	0.0	n/a
906.0	29,523.1	4,362.4	17.3%

2008 COUNCIL APPROVED OPERATING BUDGET

Revenue

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget
Accountability Offices			
Auditor General's Office	0.0	0.0	0.0
Integrity Commissioner's Office	0.0	0.0	0.0
Lobbyist Registrar	0.0	0.0	0.0
Office of the Ombudsperson	0.0	0.0	0.0
Sub-Total Council Appointed Programs	0.0	0.0	0.0
TOTAL – CITY OPERATIONS	2,382,199.3	2,444,442.6	2,462,182.2
Agencies, Boards and Commissions			
Toronto Public Health	148,070.6	164,329.8	167,892.4
Toronto Public Library	14,094.6	14,635.6	14,314.4
Association of Community Centres	453.6	751.0	170.0
Exhibition Place	47,176.7	53,327.7	53,925.1
Heritage Toronto	331.1	236.1	304.0
Theatres	26,931.2	26,272.6	19,448.1
Toronto Zoo	25,753.0	27,337.9	27,552.9
Arena Boards of Management	5,554.3	5,787.6	5,982.5
Yonge-Dundas Square	489.8	583.3	768.0
Toronto & Region Conservation Authority	30,969.5	33,531.5	33,359.8
Toronto Transit Commission – Conventional	791,685.4	891,343.8	953,091.1
Toronto Transit Commission – Wheel-Trans	3,040.8	23,005.0	23,511.0
Toronto Police Service	44,531.7	45,220.1	43,471.2
Toronto Police Services Board	0.0	0.0	0.0
TOTAL – AGENCIES, BOARDS AND COMMISSIONS	1,139,082.3	1,286,362.0	1,343,790.6
Corporate Accounts			
Community Partnership and Investment Program	269.0	330.0	259.0
Capital & Corporate Financing	4,931.0	10,963.0	66,511.7
Non-Program Expenditures			
– Tax Deficiency/Write Offs	2,894.8	3,907.4	0.0
– Programs Funded from Reserve Fund	101,066.6	92,130.4	91,764.2
– Other Corporate Expenditures	1,528.0	3,985.0	885.0
Street & Expressway Lighting Services	880.0	880.0	880.0
Non-Program Expenditures	106,369.4	100,902.8	93,529.2
Non-Program Revenues			
– New COTA Tax Revenues	0.0	0.0	177,600.0
– Prior Year Surplus	0.0	0.0	85,265.0
– Payment in Lieu of Taxes	83,929.9	81,400.0	82,536.5
– Supplementary Taxes	37,000.0	34,000.0	35,000.0
– Tax Penalties	25,500.0	28,500.0	28,000.0
– Interest/Investment Earnings	62,000.0	67,000.0	69,000.0
– Other Corporate Revenues	122,500.6	211,944.3	9,822.8

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	0.0	n/a
	17,739.6	0.7%
	3,562.6	2.2%
	(321.2)	(2.2%)
	(581.0)	(77.4%)
	597.4	1.1%
	67.9	28.8%
	(6,824.5)	(26.0%)
	215.0	0.8%
	194.9	3.4%
	184.7	31.7%
	(171.7)	(0.5%)
	61,747.3	6.9%
	506.0	2.2%
	(1,748.9)	(3.9%)
	0.0	n/a
	57,428.6	4.5%
	(71.0)	(21.5%)
	55,548.7	506.7%
	(3,907.4)	(100.0%)
	(366.2)	(0.4%)
	(3,100.0)	(77.8%)
	0.0	0.0%
	(7,373.6)	(7.3%)
	177,600.0	n/a
	85,265.0	n/a
	1,136.5	1.4%
	1,000.0	2.9%
	(500.0)	(1.8%)
	2,000.0	3.0%
	(202,121.5)	(95.4%)

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	0.0	0.0	n/a
0.0	0.0	0.0	n/a
0.0	0.0	0.0	n/a
0.0	0.0	0.0	n/a
0.0	0.0	0.0	n/a
41,079.5	2,503,261.7	58,819.1	2.4%
833.1	168,725.5	4,395.7	2.7%
0.0	14,314.4	(321.2)	(2.2%)
0.0	170.0	(581.0)	(77.4%)
42.1	53,967.2	639.5	1.2%
0.0	304.0	67.9	28.8%
0.0	19,448.1	(6,824.5)	(26.0%)
1,981.1	29,534.0	2,196.1	8.0%
0.0	5,982.5	194.9	3.4%
0.0	768.0	184.7	31.7%
832.1	34,191.9	660.4	2.0%
0.0	953,091.1	61,747.3	6.9%
0.0	23,511.0	506.0	2.2%
0.0	43,471.2	(1,748.9)	(3.9%)
0.0	0.0	0.0	n/a
3,688.4	1,347,479.0	61,117.0	4.8%
0.0	259.0	(71.0)	(21.5%)
0.0	66,511.7	55,548.7	506.7%
0.0	0.0	(3,907.4)	(100.0%)
0.0	91,764.2	(366.2)	(0.4%)
0.0	885.0	(3,100.0)	(77.8%)
0.0	880.0	0.0	0.0%
0.0	93,529.2	(7,373.6)	(7.3%)
0.0	177,600.0	177,600.0	n/a
0.0	85,265.0	85,265.0	n/a
0.0	82,536.5	1,136.5	1.4%
0.0	35,000.0	1,000.0	2.9%
0.0	28,000.0	(500.0)	(1.8%)
0.0	69,000.0	2,000.0	3.0%
0.0	9,822.8	(202,121.5)	(95.4%)

2008 COUNCIL APPROVED OPERATING BUDGET

Revenue

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget	
Non-Program Revenues <i>continued</i>				
– Toronto Hydro Revenues	112,655.7	106,090.2	84,900.0	
– Provincial Revenue	226,600.0	91,600.0	91,600.0	
– Parking Authority Revenues	25,369.7	28,384.5	32,383.7	
– Administrative Support Recoveries – Water	18,973.0	18,973.0	18,973.0	
– Administrative Support Recoveries – Health & EMS	17,302.0	17,302.0	17,301.7	
– Parking Tag Enforcement & Operations	80,550.0	80,615.0	81,815.0	
– Other Tax Revenues	15,688.3	15,600.0	15,150.0	
– Woodbine Slots	14,000.0	14,500.0	15,600.0	
Non-Program Revenues	842,069.2	795,909.0	844,947.7	
TOTAL – CORPORATE ACCOUNTS	953,638.6	908,104.8	1,005,247.6	
TOTAL LEVY OPERATING BUDGET	4,474,920.2	4,638,909.4	4,811,220.3	
NON LEVY OPERATION				
Toronto Parking Authority	95,184.6	102,234.1	113,115.4	
Toronto Water	610,450.7	648,221.3	677,393.3	
TOTAL NON LEVY OPERATING BUDGET	705,635.3	750,455.4	790,508.7	

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	(21,190.2)	(20.0%)
	0.0	0.0%
	3,999.2	14.1%
	0.0	0.0%
	(0.3)	(0.0%)
	1,200.0	1.5%
	(450.0)	(2.9%)
	1,100.0	7.6%
	49,038.7	6.2%
	97,142.8	10.7%
	172,310.9	3.7%
	10,881.3	10.6%
	29,172.0	4.5%
	40,053.3	10.6%

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	84,900.0	(21,190.2)	(20.0%)
0.0	91,600.0	0.0	0.0%
0.0	32,383.7	3,999.2	14.1%
0.0	18,973.0	0.0	0.0%
0.0	17,301.7	(0.3)	(0.0%)
0.0	81,815.0	1,200.0	1.5%
0.0	15,150.0	(450.0)	(2.9%)
0.0	15,600.0	1,100.0	7.6%
0.0	844,947.7	49,038.7	6.2%
0.0	1,005,247.6	97,142.8	10.7%
44,767.9	4,855,988.2	217,078.8	4.7%
0.0	113,115.4	10,881.3	10.6%
0.0	677,393.3	29,172.0	4.5%
0.0	790,508.7	40,053.3	10.6%

..... **2008 COUNCIL APPROVED OPERATING BUDGET**
Net Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget
Citizen Centred Services "A"			
Affordable Housing Office	1,418.1	1,418.5	1,418.5
Children's Services	68,291.0	68,910.2	68,910.2
Court Services	(9,500.0)	(11,120.0)	(11,059.3)
Economic Development, Culture & Tourism	24,296.9	24,590.7	25,255.7
Emergency Medical Services	60,506.9	60,400.1	61,875.2
Homes for the Aged	32,651.9	33,247.7	40,734.4
Parks, Forestry & Recreation	216,204.8	227,444.7	238,443.8
Shelter, Support & Housing Administration	276,573.7	253,762.3	253,762.3
Social Development, Finance & Administration	15,925.2	15,769.5	15,980.4
Social Services	277,877.0	267,706.9	275,774.3
3-1-1 Customer Service Strategy	389.9	393.3	393.3
Sub-Total Citizen Centred Services "A"	964,635.4	942,523.9	971,488.8
Citizen Centred Services "B"			
City Planning	13,195.1	13,597.4	13,551.5
Fire Services	324,256.3	332,356.8	347,870.5
Municipal Licensing & Standards	9,329.5	11,140.9	11,419.5
Policy, Planning, Finance and Administration	12,600.2	25,596.2	25,596.1
Solid Waste Management Services	170,926.3	182,158.1	182,158.1
Technical Services	2,435.1	16,263.7	16,205.4
Toronto Building	(11,969.1)	(11,660.0)	(11,660.0)
Transportation Services	178,339.9	165,567.1	166,654.5
Waterfront Secretariat	826.8	1,081.7	1,081.7
Sub-Total Citizen Centred Services "B"	699,940.1	736,101.9	752,877.3
Internal Services			
Office of the Chief Financial Officer	9,940.8	10,104.5	10,189.0
Office of the Treasurer	31,536.9	31,954.0	31,195.0
Public Information & Creative Services	4,622.3	4,643.5	4,693.6
Facilities & Real Estate	52,960.9	54,966.2	55,243.8
Fleet Services	0.0	0.0	0.0
Information & Technology	46,501.6	48,065.3	48,411.9
Sub-Total Internal Services	145,562.5	149,733.5	149,733.2
City Manager			
City Manager's Office	36,972.2	37,390.6	37,390.6
Sub-Total City Manager	36,972.2	37,390.6	37,390.6
Other City Programs			
City Clerk's Office	30,596.4	31,401.4	31,627.4
Legal Services	19,159.1	19,574.2	20,903.0
Mayor's Office	1,886.2	2,441.2	2,601.1
City Council	18,761.5	19,370.4	19,743.7
Sub-Total Other City Programs	70,403.2	72,787.2	74,875.2

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	0.0	0.0%
	0.0	0.0%
	60.7	0.5%
	665.0	2.7%
	1,475.1	2.4%
	7,486.7	22.5%
	10,999.1	4.8%
	0.0	0.0%
	210.9	1.3%
	8,067.4	3.0%
	0.0	0.0%
	28,964.9	3.1%
	(45.9)	(0.3%)
	15,513.7	4.7%
	278.6	2.5%
	(0.1)	(0.0%)
	(0.0)	(0.0%)
	(58.3)	(0.4%)
	0.0	0.0%
	1,087.4	0.7%
	0.0	0.0%
	16,775.4	2.3%
	84.5	0.8%
	(759.0)	(2.4%)
	50.1	1.1%
	277.6	0.5%
	0.0	n/a
	346.6	0.7%
	(0.3)	(0.0%)
	(0.0)	(0.0%)
	(0.0)	(0.0%)
	226.0	0.7%
	1,328.8	6.8%
	159.9	6.6%
	373.3	1.9%
	2,088.0	2.9%

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	1,418.5	0.0	0.0%
0.0	68,910.2	0.0	0.0%
(324.0)	(11,383.3)	(263.3)	(2.4%)
705.0	25,960.7	1,370.0	5.6%
0.0	61,875.2	1,475.1	2.4%
0.0	40,734.4	7,486.7	22.5%
844.3	239,288.1	11,843.4	5.2%
0.0	253,762.3	0.0	0.0%
0.0	15,980.4	210.9	1.3%
0.0	275,774.3	8,067.4	3.0%
272.0	665.3	272.0	69.2%
1,497.3	972,986.1	30,462.2	3.2%
499.7	14,051.2	453.8	3.3%
0.0	347,870.5	15,513.7	4.7%
0.0	11,419.5	278.6	2.5%
1,035.0	26,631.1	1,034.9	4.0%
0.0	182,158.1	(0.0)	(0.0%)
9.2	16,214.6	(49.1)	(0.3%)
0.0	(11,660.0)	0.0	0.0%
0.0	166,654.5	1,087.4	0.7%
0.0	1,081.7	0.0	0.0%
1,543.9	754,421.2	18,319.3	2.5%
0.0	10,189.0	84.5	0.8%
0.0	31,195.0	(759.0)	(2.4%)
0.0	4,693.6	50.1	1.1%
0.0	55,243.8	277.6	0.5%
0.0	0.0	0.0	n/a
0.0	48,411.9	346.6	0.7%
0.0	149,733.2	(0.3)	(0.0%)
0.0	37,390.6	(0.0)	(0.0%)
0.0	37,390.6	(0.0)	(0.0%)
252.1	31,879.5	478.1	1.5%
0.0	20,903.0	1,328.8	6.8%
0.0	2,601.1	159.9	6.6%
0.0	19,743.7	373.3	1.9%
252.1	75,127.3	2,340.1	3.2%

2008 COUNCIL APPROVED OPERATING BUDGET

Net Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget	
Accountability Offices				
Auditor General's Office	3,881.2	3,988.8	4,147.4	
Integrity Commissioner's Office	0.0	200.0	200.0	
Lobbyist Registrar	0.0	275.2	429.3	
Office of the Ombudsperson	0.0	0.0	0.0	
Sub-Total Council Appointed Programs	3,881.2	4,464.0	4,776.7	
TOTAL – CITY OPERATIONS	1,921,394.6	1,943,001.1	1,991,141.7	
Agencies, Boards and Commissions				
Toronto Public Health	63,827.8	50,389.6	50,845.9	
Toronto Public Library	144,478.0	149,678.3	155,673.7	
Association of Community Centres	5,851.1	6,236.9	6,744.9	
Exhibition Place	53.9	30.0	30.0	
Heritage Toronto	340.2	369.8	389.8	
Theatres	2,905.7	4,341.3	3,840.6	
Toronto Zoo	11,670.1	11,544.6	12,720.2	
Arena Boards of Management	126.5	189.8	42.1	
Yonge-Dundas Square	583.3	583.5	583.5	
Toronto & Region Conservation Authority	3,009.8	3,094.2	3,171.1	
Toronto Transit Commission – Conventional	246,306.5	191,549.7	194,207.9	
Toronto Transit Commission – Wheel-Trans	59,968.3	45,766.3	50,351.2	
Toronto Police Service	752,374.9	786,218.1	798,259.5	
Toronto Police Services Board	1,784.6	2,238.3	2,233.9	
TOTAL – AGENCIES, BOARDS AND COMMISSIONS	1,293,280.7	1,252,230.4	1,279,094.3	
Corporate Accounts				
Community Partnership and Investment Program	40,174.9	41,702.2	41,702.2	
Capital & Corporate Financing	472,511.3	538,589.5	531,393.0	
Non Program Expenditures				
– Tax Deficiency/Write Offs	87,000.0	78,500.0	81,500.0	
– Assessment Function (MPAC)	32,200.0	33,000.0	33,500.0	
Temporary Borrowing	400.0	400.0	400.0	
– Funding of Employee Related Liabilities	35,487.6	35,494.3	39,496.2	
– Programs Funded from Reserve Fund	0.0	0.0	0.0	
– Other Corporate Expenditures	8,361.7	7,628.8	57,443.9	
– Insurance Premiums & Claims	306.7	312.6	1,800.0	
– Parking Tag Enforcement & Operations	42,483.6	44,218.9	45,376.5	
– Vacancy Rebate Program	16,500.0	16,500.0	16,500.0	
– Corporate Utilities	0.0	500.0	500.0	
– Heritage Property Taxes Rebate	718.3	0.0	0.0	
Street & Expressway Lighting Services	22,573.6	23,977.8	24,195.3	
Non-Program Expenditures	246,031.5	240,532.4	300,711.9	

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	158.6	4.0%
	0.0	0.0%
	154.1	56.0%
	0.0	n/a
	312.7	7.0%
	48,140.7	2.5%
	456.3	0.9%
	5,995.4	4.0%
	508.0	8.1%
	0.0	0.0%
	20.0	5.4%
	(500.7)	(11.5%)
	1,175.6	10.2%
	(147.7)	(77.8%)
	0.0	0.0%
	76.9	2.5%
	2,658.2	1.4%
	4,584.9	10.0%
	12,041.4	1.5%
	(4.4)	(0.2%)
	26,863.9	2.1%
	0.0	0.0%
	(7,196.5)	(1.3%)
	3,000.0	3.8%
	500.0	1.5%
	0.0	0.0%
	4,001.9	11.3%
	0.0	n/a
	49,815.1	653.0%
	1,487.4	475.8%
	1,157.6	2.6%
	0.0	0.0%
	0.0	0.0%
	0.0	n/a
	217.5	0.9%
	60,179.5	25.0%

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	4,147.4	158.6	4.0%
0.0	200.0	0.0	0.0%
282.0	711.3	436.1	158.5%
404.3	404.3	404.3	n/a
686.3	5,463.0	999.0	22.4%
3,979.6	1,995,121.3	52,120.3	2.7%
(275.0)	50,570.9	181.3	0.4%
0.0	155,673.7	5,995.4	4.0%
15.8	6,760.7	523.8	8.4%
0.0	30.0	0.0	0.0%
0.0	389.8	20.0	5.4%
0.0	3,840.6	(500.7)	(11.5%)
(1,014.1)	11,706.1	161.5	1.4%
0.0	42.1	(147.7)	(77.8%)
0.0	583.5	0.0	0.0%
0.0	3,171.1	76.9	2.5%
8,115.1	202,323.0	10,773.3	5.6%
0.0	50,351.2	4,584.9	10.0%
0.0	798,259.5	12,041.4	1.5%
0.0	2,233.9	(4.4)	(0.2%)
6,841.8	1,285,936.1	33,705.7	2.7%
1,564.0	43,266.2	1,564.0	3.8%
0.0	531,393.0	(7,196.5)	(1.3%)
0.0	81,500.0	3,000.0	3.8%
0.0	33,500.0	500.0	1.5%
0.0	400.0	0.0	0.0%
0.0	39,496.2	4,001.9	11.3%
0.0	0.0	0.0	n/a
0.0	57,443.9	49,815.1	653.0%
0.0	1,800.0	1,487.4	475.8%
0.0	45,376.5	1,157.6	2.6%
0.0	16,500.0	0.0	0.0%
0.0	500.0	0.0	0.0%
0.0	0.0	0.0	n/a
0.0	24,195.3	217.5	0.9%
0.0	300,711.9	60,179.5	25.0%

2008 COUNCIL APPROVED OPERATING BUDGET

Net Expenditure

(In \$000's)	2006 Approved Budget	2007 Approved Budget	2008 Approved Base Budget
Non-Program Revenues			
– New COTA Tax Revenues	0.0	0.0	(175,000.0)
– Prior Year Surplus	0.0	0.0	(85,265.0)
– Payment in Lieu of Taxes	(83,929.9)	(81,400.0)	(82,536.5)
– Supplementary Taxes	(37,000.0)	(34,000.0)	(35,000.0)
– Tax Penalties	(25,500.0)	(28,500.0)	(28,000.0)
– Interest/Investment Earnings	(61,495.5)	(66,486.7)	(68,435.4)
– Other Corporate Revenues	(122,500.6)	(211,944.3)	(9,822.8)
– Toronto Hydro Revenues	(112,655.7)	(106,090.2)	(84,900.0)
– Provincial Revenue	(226,600.0)	(91,600.0)	(91,600.0)
– Parking Authority Revenues	(25,369.7)	(28,384.5)	(32,383.7)
– Administrative Support Recoveries – Water	(18,973.0)	(18,973.0)	(18,973.0)
– Administrative Support Recoveries – Health & EMS	(17,302.0)	(17,302.0)	(17,301.7)
– Parking Tag Enforcement & Operations	(80,550.0)	(80,615.0)	(81,815.0)
– Other Tax Revenues	(15,688.3)	(15,600.0)	(15,150.0)
– Woodbine Slots	(14,000.0)	(14,500.0)	(15,600.0)
Non-Program Revenues	(841,564.7)	(795,395.7)	(841,783.1)
TOTAL – CORPORATE ACCOUNTS	(82,847.0)	25,428.4	32,024.0
TOTAL LEVY OPERATING BUDGET	3,131,828.3	3,220,659.9	3,302,260.0
NON LEVY OPERATION			
Toronto Parking Authority	(40,383.3)	(44,429.4)	(49,717.2)
Toronto Water	0.0	0.0	0.0
TOTAL NON LEVY OPERATING BUDGET	(40,383.3)	(44,429.4)	(49,717.2)

	Change from 2007 Approved Budget	
	\$ Incr/(Dcr)	%
	(175,000.0)	n/a
	(85,265.0)	n/a
	(1,136.5)	1.4%
	(1,000.0)	2.9%
	500.0	(1.8%)
	(1,948.7)	2.9%
	202,121.5	(95.4%)
	21,190.2	(20.0%)
	0.0	0.0%
	(3,999.2)	14.1%
	0.0	0.0%
	0.3	(0.0%)
	(1,200.0)	1.5%
	450.0	(2.9%)
	(1,100.0)	7.6%
	(46,387.4)	(5.8%)
	6,595.6	25.9%
	81,600.1	2.5%
	(5,287.8)	(11.9%)
	0.0	n/a
	(5,287.8)	(11.9%)

2008 Approved New/Enh. Budget	2008 Approved Budget	Change from 2007 Approved Budget	
		\$ Incr/(Dcr)	%
0.0	(175,000.0)	(175,000.0)	n/a
0.0	(85,265.0)	(78,000.0)	n/a
0.0	(82,536.5)	(1,136.5)	1.4%
0.0	(35,000.0)	(1,000.0)	2.9%
0.0	(28,000.0)	500.0	(1.8%)
0.0	(68,435.4)	(1,948.7)	2.9%
0.0	(9,822.8)	202,121.5	(95.4%)
0.0	(84,900.0)	21,190.2	(20.0%)
0.0	(91,600.0)	0.0	0.0%
0.0	(32,383.7)	(3,999.2)	14.1%
0.0	(18,973.0)	0.0	0.0%
0.0	(17,301.7)	0.3	(0.0%)
0.0	(81,815.0)	(1,200.0)	1.5%
0.0	(15,150.0)	450.0	(2.9%)
0.0	(15,600.0)	(1,100.0)	7.6%
0.0	(841,783.1)	(46,387.4)	5.8%
1,564.0	33,588.0	8,159.6	32.1%
12,385.4	3,314,645.4	93,985.5	2.9%
100.0	(49,617.2)	(5,187.80)	(11.7%)
0.0	0.0	0.0	n/a
100.0	(49,617.2)	(5,187.80)	(11.7%)

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

CORPORATE SUMMARY

The 2008 Capital Budget and 2009 – 2012 Capital Plan builds on the foundation established in the 2007 – 2011 Council Approved Capital Budget and Plan. The Capital Budget and Plan invests in capital projects that fulfil Council's strategic priorities, and maintain the City's existing infrastructure and physical assets in a state of good repair. Over the five-years 2008 – 2012, capital expenditures totals \$11.399 billion (including Toronto Water and Toronto Parking Authority) of which \$8.442 billion or 74.1% is allocated to health and safety, legislated and state of good repair projects. While emphasis has been placed on maintaining and protecting the City's infrastructure and physical assets, the capital budget and plan also provides for growth in strategic areas and priority service expansion projects in key Program areas to meet service demands and expectations of the public.

The Council Approved Tax Supported 2008 Capital Budget and 2009 – 2012 Capital Plan totals \$8.354 billion as shown in Table 1. Toronto Transit Commission (TTC) alone accounts for more than one-half of the five-year capital spending plan. As indicated in Table 1 below, the TTC 2008 Capital Budget and 2009 – 2012 Capital Plan (inclusive of the Spadina Subway Extension project) is \$4.347 billion or 52% of the City's capital spending plan; and Transportation Services totals \$1.132 billion or 14% of the total capital spending plan. Together, TTC and Transportation Services comprise two-thirds of the Capital Budget and Plan.

2008 TAX SUPPORTED CAPITAL BUDGET AND 2009–2012 CAPITAL PLAN

Table 1

	Commitments and Estimates (in \$000)								
	Approved 2007	2008 Budget	2009	2010	Capital Plan		2009–12	2008– 2012	% of Total
Citizen Centred Services "A"	113,600	127,743	115,942	103,478	84,390	80,469	384,279	512,022	6.1%
Citizen Centred Services "B"	336,716	387,680	383,483	421,057	351,250	342,331	1,498,121	1,885,801	22.6%
Internal Services	117,560	117,866	145,541	125,522	124,531	103,013	498,607	616,473	7.4%
Other City Programs	33,919	44,206	76,301	92,936	47,143	26,042	242,422	286,628	3.4%
Agencies Boards and Commissions – Excl. TTC	112,450	178,850	139,362	144,422	134,222	110,117	528,123	706,973	8.5%
Total Tax Supported Programs (Excl. TTC)	714,245	856,345	860,629	887,415	741,536	661,972	3,151,552	4,007,897	48.0%
Toronto Transit Commission – Excl. Spadina	717,304	697,373	878,370	770,516	676,609	1,103,705	3,429,200	4,126,573	49.4%
Toronto Transit Commission – Spadina		56,098	131,200	32,752	0	0	163,952	220,050	2.6%
Total Tax Supported Programs	1,431,549	1,609,816	1,870,199	1,690,683	1,418,145	1,765,677	6,744,704	8,354,520	100.0%

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Diminished capital reserves and reduced other non-debt funding sources continue to constrain capital spending. In order to stabilize the increase in debt financing and to maintain/enhance the City's credit rating, Council's 2005 policy decision to increase capital from current (CFC) funding by 10% annually was implemented beginning in 2008. In so doing, \$12.0 million in incremental CFC was added to the 2008 Capital Fund. Notwithstanding significant funding challenges, the 2008 Capital Budget and 2009 – 2012 Capital Plan is fiscally prudent; it balances the capital spending needs for infrastructure maintenance with the objective of ensuring that the City's debt burden is kept within the Council approved debt service charge to property tax ratio of 15%. However, it must be noted that the Council Approved Toronto Transit Commission Capital Budget and Plan is subject to substantial Provincial and Federal funding.

Debt is the primary funding source for the Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan. Debt represents \$2.685 billion or 32.1% of the five year funding requirement. On average, about \$200 million of debt is retired annually. Therefore, after adjusting for retired debt of \$1.000 billion over the five year term of the Capital Plan, new debt will approximate \$1.685 billion. This level of new debt is within affordability limits; however, 81% is allocated to the TTC leaving little room to fully address the infrastructure maintenance and expansion needs of other City Programs, Agencies, Boards and Commissions.

It is noted that even with capital investments averaging \$1.670 billion per year during the period 2008 – 2012, a substantive infrastructure gap exists between capital investment needs and available funds. This gap has resulted in a State of Good Repairs (SOGR) backlog for Tax Supported Programs estimated at \$1.671 billion at the end of 2012. Infrastructure maintenance backlog has been limited to approximately 5% of the City's total estimated capital asset value of about \$30 billion (excluding Toronto Water).

Notwithstanding the debt guideline pressure, it must be emphasized that approximately \$106 million is included in Climate Change/Environmental initiatives that are financed from the Strategic Infrastructure Reserve Fund.

Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan

The 2008 Capital Budget and 2009 – 2012 Capital Plan is prioritized by category as shown in Table 2. Consistent with Council's directions and guidelines, the Council Approved Capital Budget and Plan focuses on maintaining and rehabilitating existing infrastructure to support the protection of services that are needed by the citizens of Toronto.

Table 2 also shows that \$6.437 billion or 77% of the Council Approved 2008 Tax Supported Capital Budget of \$8.354 billion is allocated to Legislated, Health and Safety, and SOGR projects. This emphasis on protection and preservation of existing infrastructure continues throughout the five-year term of the Capital Plan as graphically illustrated in Chart 1.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

COUNCIL APPROVED 2008 TAX SUPPORTED CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

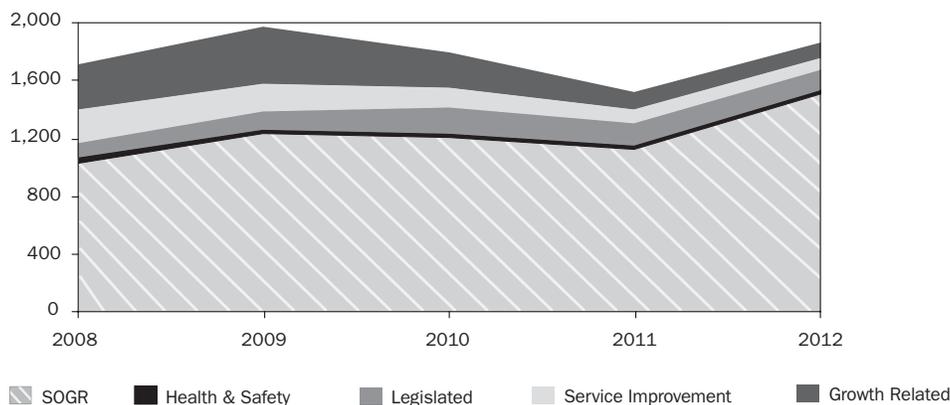
Table 2

- by Category and Financing Source
\$Millions

Expenditures	2008 Budget	Capital Plan					TOTAL 2009-2012	TOTAL 2008 -2012	Percent of Total
		2009	2010	2011	2012				
Health and Safety	44	35	29	26	29	118	162	1.9%	
Legislated	97	117	173	154	126	570	666	8.0%	
State of Good Repair	926	1,134	1,110	1,026	1,413	4,683	5,609	67.1%	
Service Improvement and Enhancement	235	186	143	93	88	510	745	8.9%	
Growth Related	309	399	236	119	110	864	1,173	14.1%	
Total Gross Expenditures	1,610	1,870	1,691	1,418	1,766	6,745	8,355	100.0%	
Funded By:									
Provincial	265	290	228	185	313	1,017	1,282	15.3%	
Federal	282	291	248	236	368	1,142	1,425	17.1%	
Development Charge	31	92	25	24	27	169	200	2.4%	
Reserve/Reserve Funds	211	203	167	125	131	626	838	10.0%	
Capital from Current	136	150	165	182	200	697	833	10.0%	
Other	151	210	181	115	76	583	734	8.8%	
Debt	460	558	588	483	596	2,225	2,685	32.1%	
Debt-Recoverable	72	76	88	68	54	286	358	4.3%	
Total Funding	1,610	1,870	1,691	1,418	1,766	6,745	8,355	100.0%	

It is noted that despite the growing requirement for investment in infrastructure maintenance, the Five-Year Capital Plan recognizes and addresses the need to also invest in essential service improvement and growth related projects to meet changing priorities and the increasing service demands of a growing population. Approximately 23% or \$1.918 billion of the 2008 Capital Budget and 2009 – 2012 Capital Plan is allocated to growth-related and service improvement projects.

Chart 1
2008 Capital Budget and 2009-2012 Capital Plan
By Category (\$Millions)



2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Funding the 2008 Capital Budget and 2009 – 2012 Capital

Financing sources for the 2008 Capital Budget and 2009 – 2012 Capital Plan are summarized in Table 2. A prevailing assumption of this 5 year Capital Plan is that the Federal and Provincial governments will fund \$2.707 billion or 32.4% of the five-year Capital, primarily for transit capital expenditures. Investment in transit meets Council's vision of making Toronto a transit friendly and a clean and beautiful City, and addresses the City's strategies on the environment and climate change. However, the City lacks the resources to maintain its vast and aging infrastructure which is critical to its ability to remain the major contributor to the national economy. As a result, the TTC capital budget and plan was based on, and incorporated major assumptions about Provincial and Federal assistance. The Federal and Provincial governments must commit financial assistance to address the sizable transit infrastructure funding gap that continues to undermine the City's competitiveness and to impair its ability to fuel the national economy.

In the absence of sufficient alternative sources of funds, 32.1% of the five-year capital spending plan or \$2.685 billion is debt financed as indicated in Table 2. This does not include recoverable debt of \$358 million, which represents 4.3% of the capital spending plan. (Recoverable debt represents debt that is fully recoverable from revenues and/or savings that will be generated in future years as a result of a capital projects.) Other financing sources include: reserve and reserve funds of \$837.627 million or approximately 10% of total funding requirement; capital from current of \$833.0 million; development charges of \$200.354 million and other funding sources of \$733.938 million, which includes donations, contribution from developers, and third party funding.

Sections 71-10 and 71-11 of the Financial Control Bylaw specify (i) that "no expenditure shall be made and no account shall be paid by, or on behalf of the City, except with Council approval; and (ii) that no commitment shall be made except where cash flow funding has been provided in the ... capital budget to the satisfaction of the Chief Financial Officer". Therefore, approval of the 2009 – 2012 Capital Plan does not constitute cash flow or spending approval; this is achieved through the approval of the annual capital budget. The Five-Year Capital Plan represents a long-term framework for planning and implementing capital activities, and the basis for developing the annual capital budget.

Debt Financing

Consistent with prior years, debt is the largest funding source for the Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan as shown in Table 3. As part of the 2008 Directions and Guidelines, a debt affordability target of \$464 million for 2008 and a total of \$2.249 billion for 2008 – 2012 was provided. After adjusting for retired debt averaging \$200 million annually, the new debt requirement associated with this debt target is \$264 million for 2008 and \$1.249 billion for the five years 2008 – 2012. Over the five-year term of the Capital Budget and Plan, \$955 million or 76% of the new debt guideline was allocated to the Toronto Transit Commission (see Table 3).

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

2008 Capital Budget and 2009 – 2012 Capital Plan
2008 – 2012 Debt Guidelines

Table 3	2007 Council Approved Debt/CFC	2008	2009	2010	2011	2012	Total 2008-12
Baseline Debt (Retire/Reissue)	200	200	200	200	200	200	1,000
New Debt:							
TTC	200	167	200	200	194	194	955
City	107	97	65	74	38	20	294
Total New Debt	307	264	265	274	232	214	1,249
Total Debt	507	464	465	474	432	414	2,249
Capital from Current (CFC)	124	136	150	165	182	200	833
Total Debt & CFC	631	600	615	639	614	614	3,082

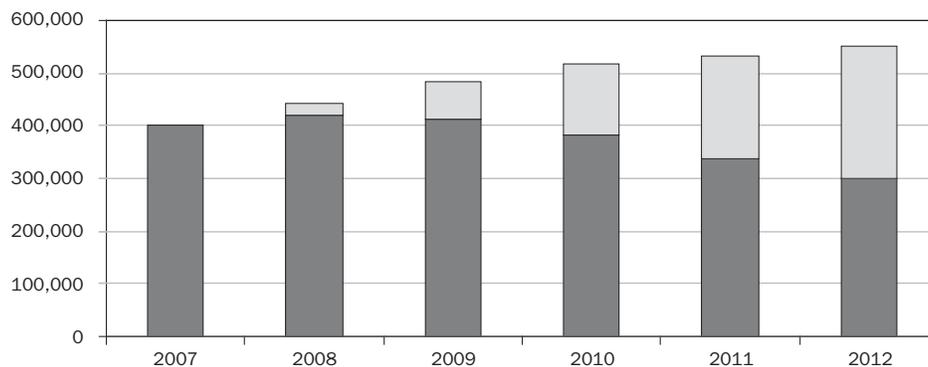
The Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan requires debt financing of \$2.685 billion, approximately 32.1% of the total funding requirement. This debt level exceeds the 2008 – 2012 debt affordability guidelines by \$434.208 million. It is noted that \$420.208 million or 97% of the over-target debt amount is attributed to TTC. The TTC over-target debt amount is driven by the following: advancing the purchase of new subway cars; the purchase of 204 light rail vehicles in 2012; acquisition of new Scarborough Rapid Transit cars and re-signalling of the Yonge/University/Spadina subway. These projects are not affordable within the City's affordable debt guidelines. To secure funding for these initiatives, staff will continue negotiations with the other orders of government with a focus on advancing the Provincial Move Ontario 2020 funding in 2009 – 2012. Since the TTC's capital budget and plan is subject to Provincial and Federal funding, there will be no debt commitment in 2009 – 2012 for the above projects until funding from the other orders of government is confirmed.

Debt Service Ratio

As a policy direction, Council affirmed that the maximum limit of debt service charges as a percentage of total property tax be established at 15% as a benchmark for evaluating capital expenditure levels.

Based on the Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan, it is estimated that total debt service charges will increase by approximately \$30 million per year, from \$403 million in 2007 to \$551 in 2012, as illustrated in Chart 2 below.

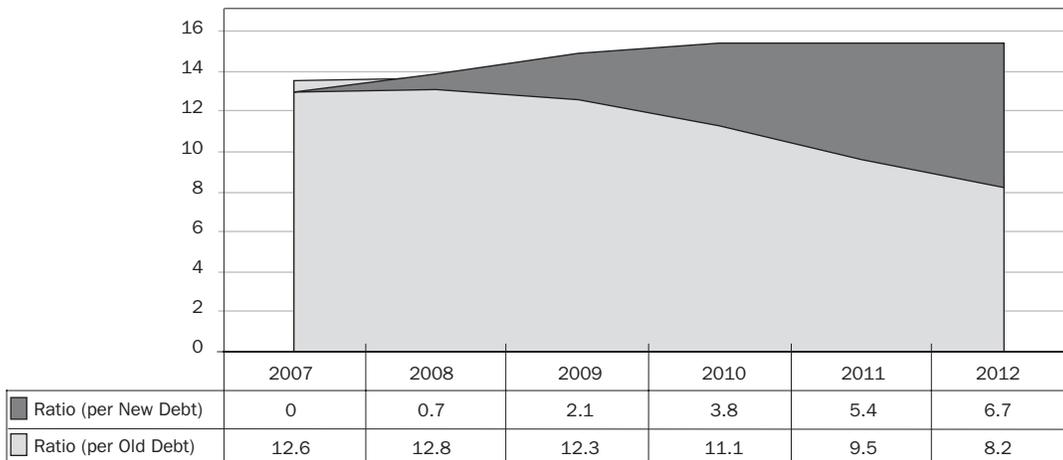
Chart 2
Debt Services Charges – Due to Old Debt (issued up to 2007)
vs. New Debt (issued starting 2008)



2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Chart 3 below illustrates the progression of the overall ratio over the 2008 – 2012 period from an estimated of 13.5% in 2008 to 14.9% in 2012. The ratio forecast is comparable to the forecast for the 2007 capital plan, although the new forecast incorporates increased capital from current contributions which will help reduce debt and keep the ratio down.

Chart 3
Ratio: Debt Service Charges to Property Taxes
 (Impact of Old Debt up to 2007 & New Debt starting 2008)



Other factors that could reduce the forecast debt ratio include higher levels of capital from current funding (such as might be affordable if a share of sales tax revenues were obtained), achieving a 50% operating subsidy for transit which would permit reallocation of Provincial gas tax revenue to capital, upload of funding responsibility for GO Transit capital expansion, greater than assumed property tax revenues, increased development charges funding, or cuts and deferrals to capital expenditures in the Plan.

The 2008 Capital Budget Process

Chart 4 below illustrates the City of Toronto Financial Planning Process, of which the Capital Budget Process is an integral part. The capital budget and multi-year capital plan details capital projects required to deliver the services and service levels needed by the citizens of Toronto over the long-term, and shows how these projects will be funded.

Key elements of this capital budget process include the following:

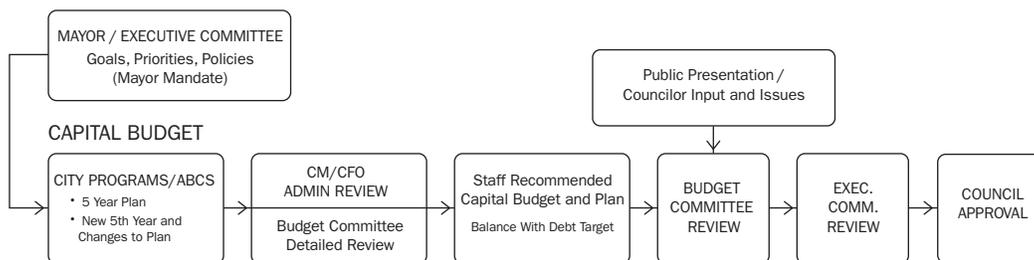
- Council establishes priorities and provides upfront directions and guidelines which sets the framework for staff to develop a balanced capital budget that implements its strategic policy agenda; aligns resources to priorities; is based on sound financial management principles; and, meets prescribed budgetary targets;
- The City Manager, and Deputy City Manager and Chief Financial Officer review submissions by City Programs, Agencies, Boards and Commissions to ensure compliance with budget policies, Council directions and that the multi-year capital plan rules of engagement are applied.
- The Budget Committee performs detailed reviews of individual City Program and ABC budgets to confirm that Executive Committee's guidelines and directions are met;

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

- On behalf of the Executive Committee, the Budget Committee holds formal meetings to hear public presentations and to receive input from councillors on any issues they may raise, and where warranted, recommends amendments to the staff recommended capital budget and plan;
- The Budget Committee recommends a Five-Year Capital Plan (the first year of which represents the capital budget) to the Executive Committee. At a minimum, the Five-Year Capital Plan must strategically align resources to Council priorities; highlights expected results and outcomes; and confirm recommended financial strategies;
- The Executive Committee reviews the budget to ensure that it addresses major fiscal and policy issues and confirms the budget as a strategic financial plan that will implement Council policies and priorities, and meet community service demands; and,
- On behalf of the Executive Committee, the Mayor presents the 2008 Capital Budget and 2009 – 2012 Capital Plan to City Council.

On March 7, 2007 Council approved the 2007 Capital Budget and 2008 – 2011 Capital Plan. This first, firm five-year capital plan fulfilled the need for a long-term financial planning perspective that guides strategic financial management and decision making. It also simplified the process of developing subsequent Capital Plans which, for the most part, requires adding a new fifth year (2012), and where warranted, making changes that reflect more current information and assumptions.

2007 Capital Budget Process



To ensure the integrity of the Five-Year Capital Plan, projects are firmly placed in the year in which they will be implemented or developed. Moreover, as a policy and accountability requirement, approved capital investment and funding plans cannot be changed without explicit approval by Council. It is noted that some flexibility is provided by enabling acceleration or deferral of projects but only with the approval of Council. Furthermore, funding associated with acceleration or deferral of specific project(s) in any year, must be fully offset by shifting another project or projects with equal value.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Carry Forward of Previously Approved Project Funding

A capital carry forward project is a previously approved project for which the capital work was not completed on schedule and the associated cash flow budget was not fully spent and/or committed in the year of approval and therefore, the unspent amount, or a portion thereof, is required in future years to complete the project. Key elements of the carry forward policy include the following:

- Cash flow funding approval will continue to exist for one fiscal year subsequent to the year in which the project/sub-project was approved. In effect, City Programs and ABCs will be allowed to carry forward unspent funds for capital projects/sub-projects for a period of one year subsequent to the year of original approval;
- Carry forward funding requests for projects approved in the previous fiscal year will not form part of the budget year's debt affordability targets. However, Council approval to carry forward the unspent amount must be obtained in order to establish spending authority;
- Where a project is not completed and approved funds are still not fully spent by the end of the second fiscal year, any 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 that change the scope of projects will not constitute carry forward funding, under the premise of this policy. Change in Scope projects are to be considered new capital projects requiring new funding authority;
- 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; and,
- 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. Carry forward funding requests included in capital budget submissions are initially based on projected actual expenditures to year-end. Therefore, during the capital budget review process, and again as part of the First Quarter Capital Variance Report of the budget year, City Programs and ABCs will be permitted to update their carry forward requirements.

City Manager and Deputy City Manager & Chief Financial Officer Review

To ensure compliance with capital and financial policies, Council guidelines and direction, and achievement of debt targets, the City Manager (CM) and Deputy City Manager and Chief Financial Officer (DCM & CFO) reviewed the capital plan submissions from City Programs and ABCs and recommended a balanced Five-Year Capital Plan to the Budget Committee. The CM and DCM & CFO reviews focussed on the following:

- Ensuring that assigned debt affordability targets were met;
- Confirming that the capital plans achieved the objective of maintaining existing assets in a state of good repair (SOGR) and that reasonable service improvement and growth demands that achieve Council's priorities were addressed;
- Ensuring that available resources are utilized to mitigate SOGR backlog and risks associated with the delayed maintenance of the City's aging infrastructure;
- Evaluating assumptions and rationale used to confirm that projects included in the capital plan satisfy key Council priorities; and the extent to which needs analysis, effective scheduling, and ability to spend were factors influencing project prioritization;
- Ensuring that cost-shared partnerships were explored in order to leverage capital program spending;
- Assuring that challenges and risks to effective delivery of services and service levels were appropriately addressed; and,
- Evaluating operating impacts to ensure reasonableness and that the operating budget is not unduly burdened.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

City Programs and ABCs exercised due diligence in developing effective capital plans. Despite major capital spending needs, the majority of City Programs achieved their debt. In general, capital plan submissions complied with guidelines, focussed on maintaining existing infrastructure and despite funding constraints, included strategic investments in service improvement and expansion projects in order to satisfy growth demands without compromising health and safety. Nonetheless, some challenges continue to exist: SOGR backlog will continue to increase by an estimated \$245 million from 2008 to 2012, and there continues to be unmet service improvement needs.

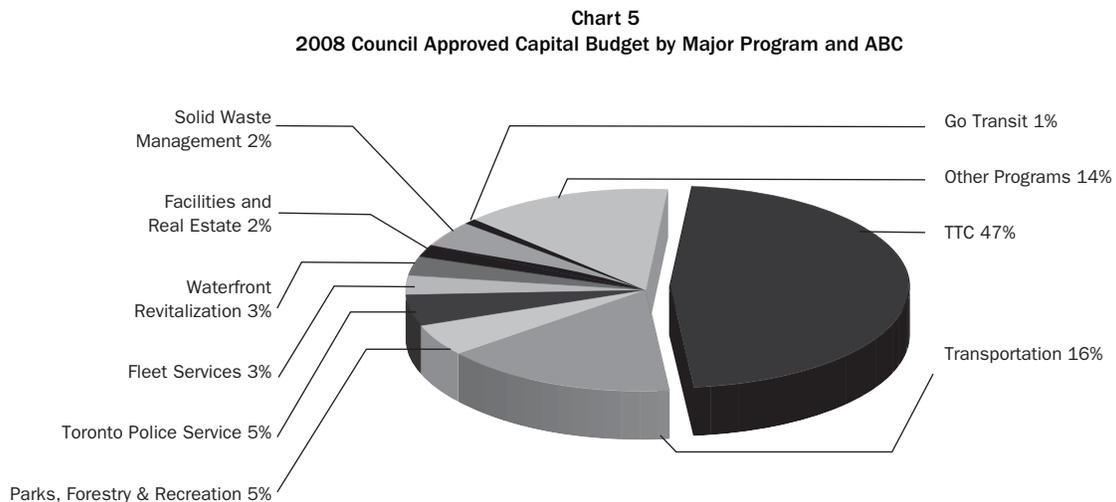
2008 Council Approved Capital Budget and 2009 – 2012 Capital Plan

The Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan satisfies Council's policy agenda, is fiscally responsible and focuses on infrastructure rehabilitation. It places priority on projects that protect the health and safety of citizens, meet legislated requirements, and those that maintain the City's infrastructure and physical assets in a state of good repair. Balancing the extensive capital maintenance needs of the City's massive and aging infrastructure against demands for new investments to satisfy the service and service level requirements of a growing community and emergent priorities is a challenge. Nevertheless, the approved Capital Budget and Plan strategically addresses these competing demands. In particular, it achieves the following objectives:

- It focuses spending on maintaining and protecting the City's infrastructure in order to ensure that services demanded by the citizens of Toronto will be delivered in the long-term.
- It slows down the rate of growth of state of good repair backlog.
- It aligns new investments with the Mayor's and Council's policy agenda, and resources to strategic priorities. It includes reasonable investment in service expansion and growth projects that are critical to the achievement of key priorities such as making a safe city safer, building a clean, green and beautiful waterfront, and making Toronto a transit friendly city.
- It meets Council approved 2008 – 2012 affordable debt guidelines (subject to TTC guidelines for Move Ontario 2020 Provincial Funding).

Tax Supported 2008 Capital Budget by Major Program

Chart 5 below shows the Council Approved Tax Supported 2008 Capital Budget of \$1.610 billion by major Program and ABC. TTC represents approximately one-half of the 2008 Capital Budget, followed by Transportation Services which accounts for 16%; and Toronto Police Service for 5%. With a substantive increase in its debt affordability target, Parks, Forestry and Recreation's 2008 Capital Budget now accounts for 5% of the total Capital Budget. This allocation is consistent over the five year plan.

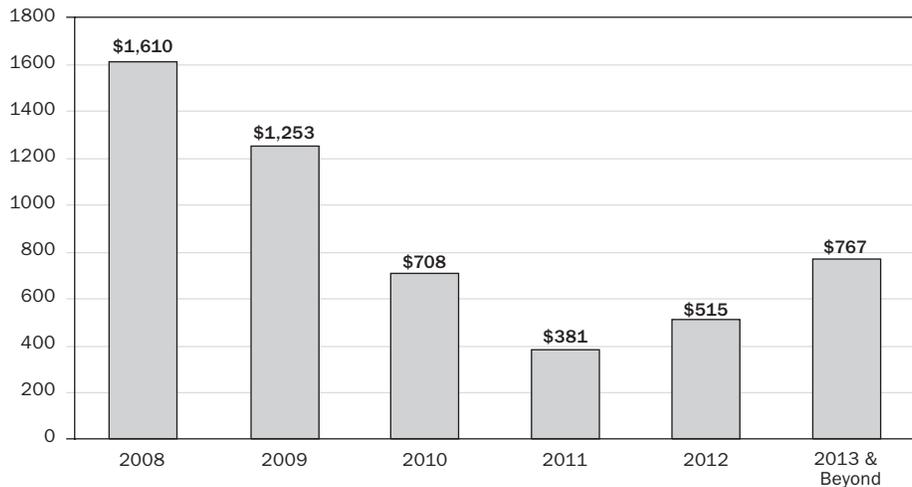


2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

2008 Capital Budget and Future Year Commitments

The 2008 Council Approved Tax Supported Capital Budget (excluding 2007 carry forward projects) requires the following cash flow and future year commitments: \$1.610 billion in 2008; \$1.253 billion in 2009; \$707.911 million in 2010; \$381.103 million in 2011; \$514.938 million in 2012 and \$767.143 million in 2013 and beyond, for a total of \$5.233 billion (see Chart 6).

Chart 6
2008 Capital Budget and Future Year Commitment
(excluding Carry Forward)



2008 Council Approved Capital Budget Including Carry Forward Funding

In accordance with the City's Carry Forward Funding Policy, financing to continue work on 2007 projects that were not completed as planned, require Council approval and are included in the 2008 recommended cash flow. A key element of the carry forward policy discussed earlier, prescribes that:

Cash flow funding approval will continue to exist for *one fiscal year* subsequent to the year in which the project/sub-project funding was approved. In effect, City Programs and ABCs will be allowed to carry forward unspent funds for capital projects/sub-projects for a period of one year subsequent to the year of original approval, after which they become part of the debt target.

Cash flow requirements for 2007 capital projects that were not completed as planned and for which work must continue in 2008 totals \$301.5 million. In summary, the 2008 Approved Cash Flow of \$1.911 billion is comprised of funding for the following: 2007 Carry Forward project of \$301.5 million; New and Change in Scope project of \$669.3 million; and, Previously Approved projects of \$940.6 million (see Table 4).

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

2008 Council Approved Tax Supported Cash Flow – 2008 Council Approved Tax Supported Cash Flow

Table 4

Programs/ABCs	(\$Millions)					
	2007	2007 Carry Forward Funding	2008 BC Recommended Cash Flow			Total 2008 Cash Flow
	Council Approved Cash Flow		2008 Capital Budget		2008 Capital Budget	
		New and Change in Scope Projects	Previously Approved Projects			
Citizen Centred Services 'A'	114	61	81	47	128	189
Citizen Centred Services 'B'	337	67	195	193	388	455
Internal Services	118	23	59	59	118	141
Other City Programs	34	10	25	19	44	54
Agencies, Boards and Commissions – before TTC	112	39	108	71	179	218
Total City Operations Before TTC	714	200	468	388	856	1,056
Toronto Transit Commission	717	101	201	552	753	854
Total – Tax Supported Program	1,432	301	669	941	1,610	1,911

State of Good Repair Backlog

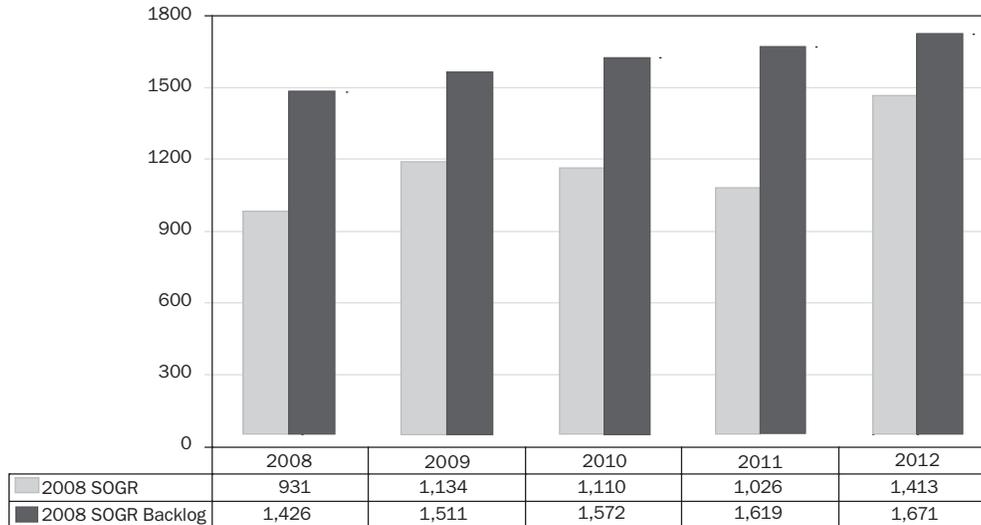
To properly maintain the City's infrastructure and physical assets is an essential element of the City's capital asset management priorities. Moreover, managing the significant accumulated SOGR backlog is key to the efficient delivery of services required by the Citizens of Toronto. The City's expansive infrastructure is aging and places a huge burden on its limited own-source revenues just to be kept in good repair. Neglecting to maintain the City's infrastructure on a timely basis could lead to higher major rehabilitation, restoration and replacement costs to taxpayers in the future.

More than two-thirds of the total 2008 Capital Budget and 2009 – 2012 Capital Plan has been allocated to SOGR as illustrated in Chart 5 below. Adding health and safety, and legislated projects increases the capital spending on infrastructure and physical asset maintenance to 76%. Nevertheless, as illustrated in the chart 7 below, SOGR backlog continues to increase despite annual SOGR spending of approximately \$1.288 billion. Moreover, it is estimated that SOGR backlog will increase to \$1.671 billion at the end of 2012 – an increase of \$245 million or 15% when compared to the 2008 year-end estimate.

The City needs sustainable and predictable funding to invest in capital maintenance and replacement in order to restore its infrastructure to the desired state of good repair. Limited own source revenues prevents the City from fully addressing the SOGR backlog and growth-related infrastructure deficit alone. It is noted that new debt issuance is not a tenable option due to the structural fiscal deficit that confronts the City. Increasing new debt would increase debt service costs thereby exacerbating the significant annual operating budget pressure. Work will continue to ensure that available resources are used effectively to ensure that the highest priority and most urgent capital maintenance projects proceed and that risks of further deterioration of the existing infrastructure is mitigated.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Chart 7
2008 – 2012 Backlog versus State of Good Repair Spending
(\$Millions)



Evaluating and Prioritizing New and Expansion Facility Capital Projects

Among the many challenges facing the City is the need to address the increasing SOGR backlog and at the same time fulfill requirements for new or upgraded facilities to address unmet service needs and growing demand for new services. The 2008 – 2017 Capital Forecast for new and expansion facility projects is comprised of 130 projects with total cost estimates of \$690 million.

The existing capital project review process does not evaluate and compare facility projects on a city-wide basis. Instead, City Programs and Agencies, Boards and Commissions (ABCs) with responsibility for developing and managing their own facilities tend to prioritize projects within their assigned capital program. By not prioritizing facility projects on a city-wide basis, there is currently little opportunity to find synergies and it is probable that lower priority projects are approved for funding ahead of higher priority ones.

Accordingly, it is proposed that a framework for evaluating and prioritizing new and expansion facility capital projects be put in place for the 2009 capital budget process.

The proposed facility project evaluation framework should provide a coordinated, objective and consistent approach to assessing, on a city-wide basis, new and enhanced service related facility projects. Further, the review should establish a more structured approach to determining which facility projects should be undertaken first and the order in which future projects should be funded within the corporate Five-Year Capital Plan and Ten-Year Forecast.

In the spring of 2008, staff will propose a framework for evaluating and prioritizing new and expansion capital projects. The framework will recommend a process and criteria for ranking facility projects to be implemented with the 2009 Capital Budget and Plan process.

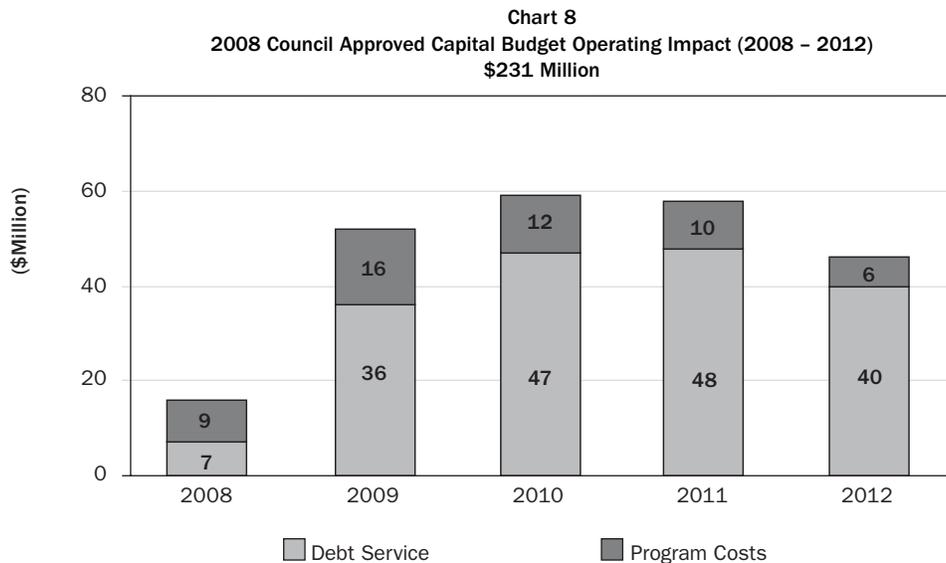
2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Incremental Operating Impacts

Prior to recommending a capital project for Council approval, any incremental cost impact on the operating budget over the life of each project is evaluated. The objective of this evaluation is to ensure that operating cost increases associated with the capital budget and plan are both accurate and affordable, and to factor these cost increases in the annual operating budget and forecasts. Capital projects tend to impact the operating budget in the following ways:

- i. Principal repayment and interest payments on debt issued to finance the capital program;
- ii. Increased operating costs such as those required for new infrastructure of capital assets, or change or expanded facilities;
- iii. Efficiency savings from capital investments that reduce operating costs; and,
- iv. Direct contributions from the Operating Fund to finance pay as you go capital projects thereby reducing the annual borrowing requirements.

The incremental impact (including debt services charges) of the Council Approved 2008 Capital Budget and 2009 – 2012 Capital Plan on the Operating Budget over the five years totals \$231 million (see Chart 8). Annual operating impacts range from a low of \$16 million in 2008 to a high of \$59 million in 2010. Incremental debt service charges, which represent interest and principal repayment on new debt, total \$178 million while incremental increases to Program costs are estimated at \$53 million. Program costs will be included in the operating budget of the impacted City Programs and ABCs; while debt service costs will be included in the City's Capital and Corporate Financing account in the Non-Program operating budget.



2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Toronto Water – 2008 Council Approved Budget

At its meeting on November 19 & 20, 2007, Council Approved Toronto Water 2008 Capital Budget and 2009 to 2012 Plan totalling \$2.908 billion requiring no debt funding. The Five-Year Capital Plan requires 2008 Cash flow of \$298.0 million; \$578.8 million in 2009; \$631.4 million in 2010; \$690.6 million in 2011; and, \$709.3 million in 2012. This represents a cash flow increase of approximately 73% or \$299.3 million from 2008 to 2012.

The 2008 Council Approved Capital Budget and 2009 to 2012 Capital Plan of \$2.908 billion is 64.8% allocated to state of good repair projects at \$1.884 billion; 12.8% to service improvement projects at \$371.5 million; 4% to legislative projects at \$115.3 million; and, 18.5% to growth related projects at \$537.8 million. The Five-Year Capital Plan will reduce the state of good repair backlog from \$1.063 billion in 2007 to \$300.6 million in 2012 (See Table 5).

Toronto Water Program

2008 Council Approved Capital Budget and 2009 – 2012 Capital Plan – by Category and Financing Source

Table 5

Expenditures	\$Millions							
	Capital Plan							
	2008 Budget	2009	2010	2011	2012	TOTAL 2009–12	TOTAL 2008–12	Percent of Total
State of Good Repair	151.5	388.0	415.2	446.6	482.4	1,732.2	1,883.6	64.8%
Service Improvement and Enhancement	52.6	67.7	70.4	93.3	87.4	318.9	371.5	12.8%
Legislated	27.9	25.3	20.2	22.9	19.0	87.4	115.3	4.0%
Growth Related	66.1	97.8	125.7	127.8	120.5	471.7	537.8	18.5%
Total Gross Expenditures	298.0	578.8	631.4	690.6	709.3	2,610.1	2,908.2	100.0%
Funded By:								
Reserve Funds	272.7	505.6	529.5	582.9	624.1	2,242.0	2,514.8	86.5%
Development Charges	6.2	24.5	33.2	32.1	12.2	102.0	108.1	3.7%
Other	19.1	48.7	68.7	75.7	73.0	266.1	285.3	9.8%
Total Funding	298.0	578.8	631.4	690.6	709.3	2,610.1	2,908.2	100.0%

The 2008 Council Approved Capital Budget will result in incremental operating impacts of \$0.299 million in 2008; \$2.077 million in 2009; and, (\$1.300) million in 2010.

Funding for the Five-Year Capital Plan advances the Wet Weather Flow Master Plan; reduces the state of good repair backlog; continues the City's Water Efficiency Plan; ensures compliance with new Provincial legislation and Ministry of the Environment requirements for drinking water safety and stringent reporting requirements; increases system capacity to keep pace with population growth; and, service improvement projects, such as biosolids treatment and disposal; odour control; automated metering; increases lead water services connection replacement; and, basement flooding protection.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Toronto Parking Authority – 2008 Council Approved Budget

The Council Approved 2008 Capital Budget and 2009 – 2012 Plan for Toronto Parking Authority totals \$136.196 million as shown in Table 6 below. The Capital Budget and Plan is primarily funded from the Authority's future retained earnings, which account for approximately 90% or \$121.946 million. Reserve funds and other sources of financing, such as the proceeds from the sale of air rights, account for the remaining 10% or \$14.250 million.

As indicated in Table 6, 48.2% of the Council Approved Capital Budget and Plan is allocated to growth related projects and 46.8 % to service improvement and enhancement projects. The capital budget and plan provides funding to continue implementation of the solar powered and environmentally friendly pay-and-display technology; to acquire property and develop new facilities to satisfy future demand for off-street parking; and, to expand and/or redevelop existing parking infrastructure. It is noted that the Toronto Parking Authority has no SOGR backlog.

Toronto Parking Authority

2008 Council Approved Capital Budget and 2009 – 2012 Capital Plan – by Category and Financing Source

Table 6

Expenditures	\$Millions							
	2008 Budget	2009	2010	Capital Plan		TOTAL 2009-12	TOTAL 200-2012	Percent of Total
				2011	2012			
Health and Safety	0.5	0.6	0.0	0.0	0.0	0.6	1.1	0.8%
State of Good Repair	4.5	0.9	0.1	0.1	0.1	1.2	5.7	4.2%
Service Improv. and Enhancement	6.5	22.0	20.0	8.0	7.2	57.2	63.7	46.8%
Growth Related	11.6	7.5	8.1	13.0	25.5	54.1	65.7	48.2%
Total Gross Expenditures	23.1	31.0	28.2	21.1	32.8	113.1	136.2	100.0%
Funded By:								
Reserve/Reserve Funds	1.7	0.1	2.1	0.1	1.3	3.6	5.3	3.9%
Other	21.4	30.9	26.1	21.0	31.5	109.5	130.9	96.1%
Total Funding	23.1	31.0	28.2	21.1	32.8	113.1	136.2	100.0%

The 2008 Council Approved Capital Budget will result in incremental operating revenue generated from user fees of \$0.857 million in 2009; \$0.420 million in 2010; \$0.120 million in 2011; and, \$0.120 million in 2012. In total, the incremental revenue generated from user fees amounts to \$1.517 million. Note that the operating impacts do not include potential savings from energy efficiency projects.

What's in the 2008 Capital Budget – Project Highlights

Following are highlights of projects included in the 2008 Capital Budget. These projects are listed under key themes, with indication of the project deliverable/outcome, delivery date, project cost and 2008 cash flow.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Public Spaces

The City is investing in public spaces that are developed and maintained, clean and beautiful for the general community:

- Begin development of the Sony Centre for the Performing Arts, including renovation of the theatre and the addition of an “Arts & Heritage Awareness” Centre, planned to act as a resident/tourist promotional link to the cultural attractions in the Greater Toronto Area and beyond. Total project cost of \$75.0 M will be funded by third-party sources, 2008 cash flow is \$12.5 million
- Begin redevelopment of a new conference facility at the Automotive Building, Exhibition Place which is expected to attract major citywide events. The total project cost of \$46.885 million is funded by a City loan of \$35.6 million, Exhibition Place Capital Reserve Fund of \$2.025 million, debt of \$1.860 million, and third-party funding of \$7.400 million. The 2008 cash flow is \$44.550 million
- Undertake detailed architectural and related design work to implement the Council endorsed winning design for revitalization of Nathan Phillips Square (\$1.989 M)
- Continue the construction of the South Access Tunnel at Union Station (\$3.000 M) and begin the construction of a new loading dock at Union Station (\$1.440 M)
- Continue development of mixed-use, transit-friendly, sustainable Waterfront communities that include parks and public spaces in East Bayfront and West Donlands as well as Port Union and Mimico Linear Parks (\$55.131 M)
- Improve public spaces in a number of BIA areas across the City through City/BIA partnerships improving streetscapes with pedestrian lighting, planters, benches and landscaping.(\$4.666 M)
- Continue the multi-year restoration of Casa Loma (\$2.040 M)
- Redevelop the Tundra Biome, the first phase of the North Site Redevelopment (Canadian Wilderness) at the Toronto Zoo which will feature an expanded polar bear exhibit and Tundra exhibits, to be largely completed in 2008 for an early 2009 opening (\$3.260 M)
- Continue implementation of Neighbourhood Improvement Projects which dedicates up to \$0.080 M per ward, per year to support projects that make Toronto’s neighbourhoods even more clean and beautiful (\$3.520 M).

Environment

City Council has recognized the need for improved environmental stewardship while achieving the City’s infrastructure maintenance and development objectives:

- Begin implementation of the Sustainable Energy Action Plan, including Toronto Energy Conservation Fund project which provides funding for energy retrofits to municipalities, academic, social service and health entities (\$6.0 M); City of Toronto Green Fund project which provides funding to acquire technology for renewable energy (\$3.0 M); City Facilities Upgrades (\$1.5 M); and Deep Lake Water Cooling (Total for City Hall and Police Headquarters is \$5.035 M)
- Continue with conversion of conventional cooling at Old City Hall to Deep Lake Water Cooling which will result in future energy efficiency savings (\$0.545 M)
- Begin implementation of electrical, heating and ventilation systems upgrades at Old City Hall (\$0.250 M)
- Continue the Better Buildings Partnership project (\$1.963 M) that promotes energy savings from better design and construction
- Adopt an energy efficiency plan at Exhibition Place consisting of 7 new green energy projects totalling \$11.475 M

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

- Continue the City's energy retrofit projects, to reduce energy consumption for Community Centre Facilities, Police Buildings, 8 Transfer Stations and begin work on Community Centre Lighting, Ambulance Station retrofit, Public Health Buildings and Children's Services Facilities (\$1.6 M)
- Begin implementation of Climate Change Action Plan Key Program Initiatives that will include programs such as Live Green Toronto, Eco-Roofs Program, Transportation Demand Management, Air Quality and Greenhouse Gas Emission Monitoring and Modelling, Climate Change Adaptation and also phase out the use of two-stroke engines and identify further opportunities for expansion of Deep Lake Water Cooling technology (\$2.460 M)
- Continue Green Fleet Initiative to lower emissions and save fuel, using innovative greener technology (\$1.149 M)
- Continue implementation of the 70% Waste Diversion Plan: new garbage carts and larger recycling carts, new recycling upgrades and green bin programs for multi-residential buildings; a network of new Reuse Centres, Source Separated Organics (SSO), and implementation of curbside collection of durable goods (\$59.696 M)
- Conduct a tree canopy study and plant trees through the Tree Advocacy Program (\$1.350 M)
- Develop bike trails in the former rail corridor and maintain trails and pathways. Continue implementation of 90 kms in Bikeways and various cycling infrastructure such as bike lockers and rings (\$9.325 M)

Improve Public Service

To provide residents with direct and simple access to City staff and services.

- Continue to implement 3-1-1 technology to give citizens one number to contact the City for general information or to request non-emergency City services (\$7.952 M)
- Begin to improve the City's website to make it more user-friendly (\$2.237 M)
- Begin to improve Registry Services for death registration, marriage licence issuance, gaming and liquor license tracking and polling by December 31, 2008 (\$0.355 M)
- Implement a work order system for Parks, Forestry and Recreation to deal with public requests more efficiently (\$4.026 M)
- Continue development of Toronto Public Library's Virtual Branch Services (\$2.127 M) to allow more services and materials to be made available through the internet
- Develop new case management tool to provide quality assurance and to integrate all components of the Ontario Works program outside of eligibility assessment and social assistance financial management (\$2.000 M)
- Continue ongoing development of two IT Systems: the Shelter Management Information System and the Social Housing Information System to improve operational efficiencies (\$2.642 M)
- Continue with the development of a new national Public Health Surveillance and Management System to maintain public immunization records and other public health information (\$1.098 M)
- Complete the Personal Health Information Protection Act (PHIPA) System Compliance (\$0.895 M) that will ensure that the existing Public Health information systems that contain personal health information are compliant with PHIPA.
- Continue with the deliverables of the Financial Planning Analysis and Reporting System multi-year planning and budgeting system to support a performance based service model implementation in time for the 2010 Budget process (\$2.000 M)
- Begin to upgrade the SAP Systems, and to begin to improve SAP applications for human resources and financial systems, that will enhance personnel development qualifications and financial planning, analysis, and reporting. (\$2.932 million)
- Continue implementation of Business Sustainment Systems which includes support/enhancements for IBMS projects that span various programs such as Building and MLS that are designed to enhance efficiency and improve public service (\$2.551 M).

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Community and Recreation Services

The City offers programs and services that improve the quality of life of all its citizens and ensures opportunity for all. To contribute to the Community and Recreation Services goals the capital budget and plan includes projects that will:

- Complete the construction/renovation/expansion of 4 community centres: renovation of Goulding CC, addition at Jenner Jean-Marie CC, expansion of O'Connor CC and South Etobicoke CC (\$9.561 M)
- Complete upgrade of Flemingdon Park, sports field improvements and addition of 12 mini soccer fields (\$1.425 M)
- Build new field house at the Queensway Park (\$1.200 M)
- Rehabilitate/upgrade 12 playgrounds (\$1.200 M)
- Continue/complete 5 waterplay splashpads: Empringham Park (Shawn Blu Rose Park), Morningside Park, McGregor Park, Eastview Park and Ancaster Park (\$1.200 M)
- Advance the strategic priority to invest in the City's 13 Priority Neighbourhoods:
 - > Provide new outdoor recreation facilities and a playground in at least 4 priority neighbourhoods: provide accessible playground and equipment at Crescent Town – Eastdale Parkette; renovate tennis court to create multi-sport complex at Dorset Park – McGregor CC; cricket pitch/soccer field at Jamestown – Panorama Park and provide outdoor multipurpose sports pad at Steeles/L'Amoreaux – Chester Le, Leacock Park (\$1.400 M)
 - > Add additional Youth space to the Warden Corridor Community Centre (\$1.600 M)
 - > Create additional community and youth space at 1652 Keele Street (\$0.335 M)
 - > Start the renovation of Father Henry Carr High School into a Community Hub and Satellite Community Health Centre (\$3.200 M)
 - > Begin construction of two new Child Care Centres in high-need areas (\$2.087 M) including additional community spaces
 - > Begin construction of the Kennedy/Eglinton Library expansion (\$0.950 M) and the new West Waterfront Library construction (\$0.431 M)
- Begin the Regent Park Child Care Replacement Project (\$0.950 M) to accommodate infants and toddlers from Regent Park Day Care Centre that will be demolished by March 2009 as part of Phase 2 of the Regent Park Revitalization Initiative
- Complete the construction of the new Thorncliffe Child Care Centre preserving service for 57 children in high-need area including service for infants (\$1.226 M)
- Complete the construction of the Jane/Dundas Library renovation (\$0.531 M) the Bloor/Gladstone Library renovation & expansion (\$2.983 M), the Cliffcrest Library relocation & expansion (\$0.450 M), Dufferin/St. Clair Library renovation (\$1.373 M), and S. and Walter Steward Library renovation (\$1.896 M)
- Continue construction of the Shelter and Referral Centre at 129 Peter Street (40 beds) formerly located at 110 Edward Street (\$2.429 M)
- Complete 92 new and replacement shelter beds which includes: the new Bethlehem United Shelter (60 beds), (\$0.250 M); and the replacement of Eva's Youth Shelter (32 beds), (\$0.500 M)
- Ensure that a safe and comfortable living environment is provided for long-term care residents through Health and Safety (\$7.000 M) and State of Good Repair (\$1.400 M) at the City's 10 Homes for the Aged

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Public Works & Infrastructure

The City has an extensive and aging infrastructure which has to be managed effectively to ensure that the services required by its citizens continue to be provided. To ensure that the City's infrastructure is maintained in a state of good repair, the Capital Budget will:

- Continue to maintain 124 kms of roads, rehabilitate 16 bridges and structures in a safe and hazard-free state and to minimize life cycle costs of these transportation assets (\$112.500 M)
- Continue to increase transportation service, safety and capacity – by replacing streetcar track, St. Clair Ave. West and the Simcoe Street Underpass (\$42.653 M)
- Complete Morningside Avenue/Finch Avenue East grade separation to improve safety and reduce delays to traffic at the railway crossing (\$18.747 M)
- Continue implementation of 90 kms in Bikeways and various cycling infrastructure such as bike lockers and rings (\$5.500 M)

Public Safety and Emergency Services

Quality and effective emergency services and public safety constitute a major demand of the citizens of Toronto. To this end, the 2008 Capital Budget will:

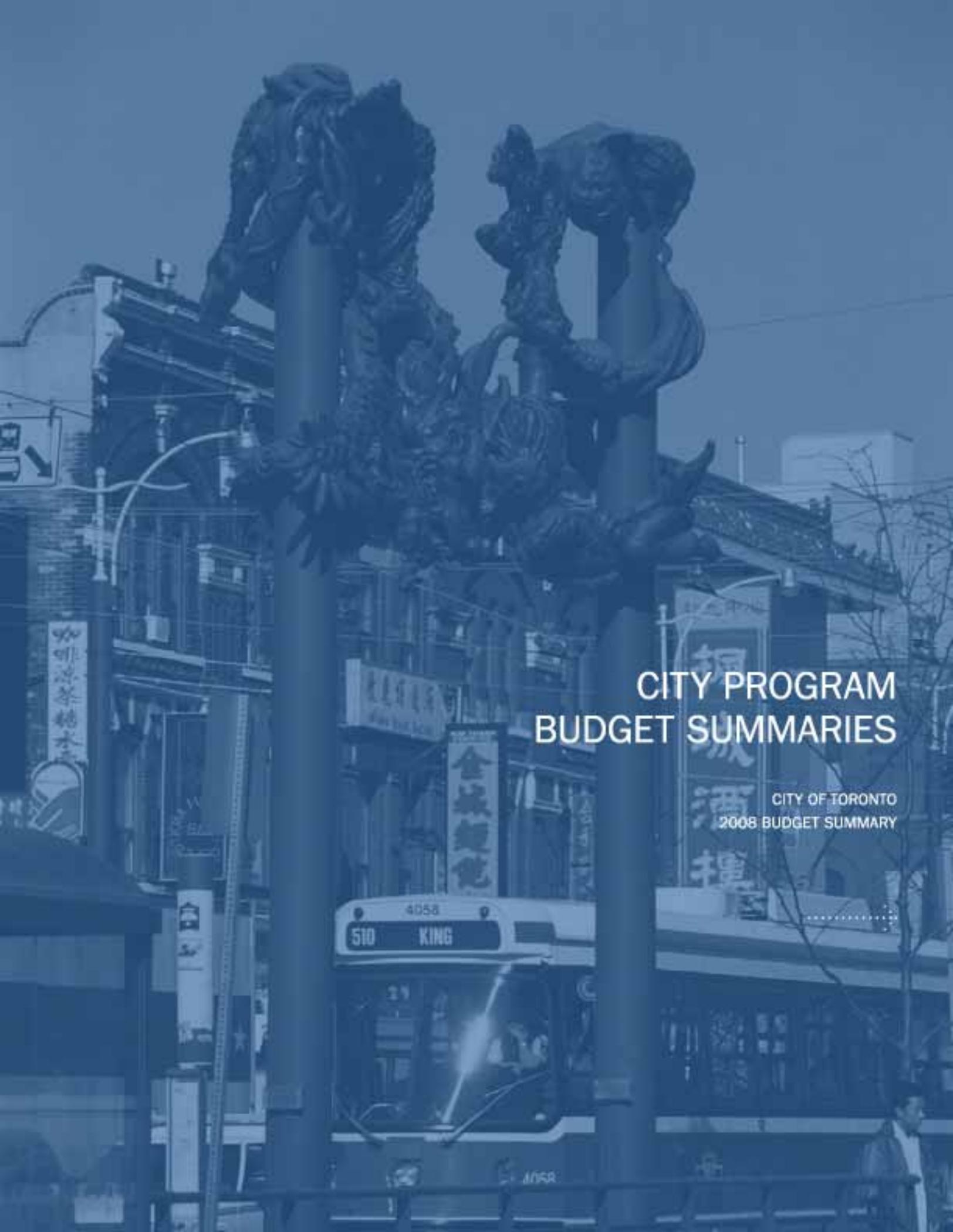
- Continue construction of the 11th Division Police Station and a New Training Facility, provide funding for ongoing Police Vehicle and Handheld Radio Replacements, and continue investments in information technology (\$69.111 M)
- Continue the implementation of EMS' Public Access Defibrillator (PAD) Program to City of Toronto workplaces and facilities (\$0.250 M)
- Complete the critical upgrades to EMS/Fire Headquarters Power Supply System to ensure that integrity of all the power feeds, linkages and back-up systems are maintained and that all primary or back up power feeds to the facility are operational in the event of power disruptions (\$3.116 M)
- Continue ongoing Fire station and facilities maintenance which includes the expansion of the TORYORK Fire Vehicle Maintenance Facility to minimize vehicle down-time (\$3.935 M)
- Continue to implement a security plan for the City's parks (\$1.365 M)
- Continue construction on the Dufferin Street Jog Elimination project designed to improve traffic flow and reduce congestion (\$16.054 M).
- Continue implementation of traffic calming measures designed to reduced traffic impacts on residential neighbourhoods in the City (\$0.373 M).
- Continue reconstruction of sidewalks that can no longer be economically maintained throughout the City (\$4.845M)

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

Transit

A major priority of Council is to make Toronto a city that moves people by transit. The 2008 Capital Budget will:

- Deliver new buses for TTC conventional service (193) plus Wheel-Trans (50) (\$175.526 M) for a total of 908 new conventional buses to be purchased by 2017
- Commence purchase of 204 low floor accessible Light Rail Vehicles to replace existing streetcar fleet plus 21 growth cars with delivery of a prototype in 2010 (\$54.992 M)
- Make milestone payments on 234 new subway cars (39 train sets) to replace existing subway cars which will also increase capacity by 8% (\$79.405 M)
- Start construction of a new Islington subway station and an interregional bus terminal at Kipling station which will be shared with GO Transit and Mississauga Transit (\$19.865 M)
- Begin construction of a Bus Rapid Transit way (BRT) from Downsview to York University and continue development of a BRT via Yonge Street from Finch station to Steeles Ave (\$16.015 M)
- Begin construction on 13 subway stations to make them more accessible (\$10.910 M)
- Replace more than 32,000 double track feet of surface rail with a focus on Bathurst St., Dufferin St., Church St., Richmond St., McCaul St., Parliament St. and Wellington St. (\$20.424 M)
- Design state-of-the-art train control and signaling systems on the Yonge-University-Spadina subway line as well as power, communications and safety upgrades (\$54.829 M)
- Complete St. Clair West dedicated transit way (\$32.977 M)
- Commence fire ventilation upgrade work on 3 stations (Stage 1) and continue second exit egress work (\$19.000 M)
- Initiate engineering, project management, construction and related activities on the Spadina Subway Extension (\$56.8 M)

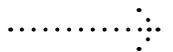


CITY PROGRAM BUDGET SUMMARIES

CITY OF TORONTO
2008 BUDGET SUMMARY

CITIZEN FOCUSED SERVICES “A”

CITY OF TORONTO
2008 BUDGET SUMMARY



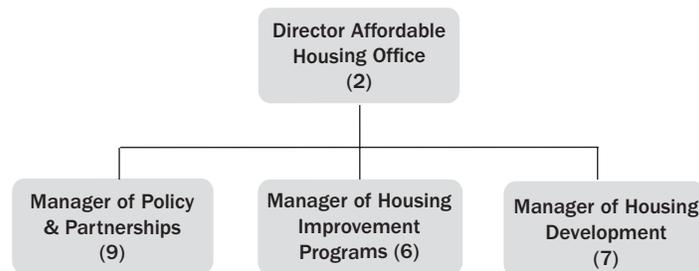
..... AFFORDABLE HOUSING OFFICE

MISSION STATEMENT

- The Affordable Housing Office (AHO) mission is to enhance the social and economic health of Toronto by promoting and funding safe affordable housing.

PROGRAM MAP

As indicated in the program map, AHO has three service functions: Policy and Partnerships, Housing Improvement Programs, and Housing Development, with 24 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Received Council approval for housing sponsors to initiative 1,532 units of affordable housing through leveraging grants from the Federal and Provincial governments, drawing on the City's resources and partnering with third parties;
- Initiated public consultation that will guide the creation of new affordable housing in the City through a consultation process outlined in "Housing Opportunities Toronto: An Affordable Housing Framework 2008 – 2018";
- Co-ordinated and provided new affordable housing funding in the revitalization of Regent Park and in the development of new affordable housing in the West Don Lands and Railway Lands;
- Contributed to affordable home ownership development through an allocation of Provincial funding to three organizations and drawing on the City's resources; and
- Administered over \$5 million in housing improvement loans and grants under the federal Residential Rehabilitation Assistance Program (RRAP) to support the repair, modification and/or energy retrofit of 700 low income households.

2008 PROGRAM OBJECTIVES

- Facilitating development of new affordable housing opportunities with private and not-for-profit sectors;
- Leading affordable housing policy and research advocacy as a part of developing the Housing Opportunities Toronto Plan;
- Providing City incentives for development of affordable housing;
- Advocating with other governments and other sectors for funding, including contributing City resources to facilitate housing development;
- Promoting and encouraging the retention and maintenance of existing affordable housing through delivery of the RRAP initiative; and
- Engaging the community in addressing the need for affordable housing, including where required the co-ordination of TCHC activities with City priorities.

AFFORDABLE HOUSING OFFICE

2008 STRATEGIC PRIORITIES

The 2008 Recommended Operating Budget directly advances the following priorities outlined in Council's policy agenda:

- Continue to work with approved affordable housing sponsors to complete Council approved developments;
- Bring forward additional affordable housing proposals in an effort to create an additional 1,000 units of affordable housing each year;
- Deliver for Council consideration the Housing Opportunities Toronto Plan;
- Advocate other orders of government to continue funding and enhance affordable housing programs;
- Preserving existing rental housing; and
- Provide funding for new programming; and to provide new affordable housing as part of the transformation and revitalization of existing social housing communities and new neighbourhoods into viable, mixed income communities of hope.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- Coordinating the development, approval and the implementation of Housing Opportunities Toronto, a ten-year affordable housing framework from 2008 through 2018. The framework sets out eight broad strategic directions across the corporation (including Toronto Community Housing). The Affordable Housing Office directly contributes to the achievement of targets in the following manner:
 - > creating new affordable housing (1,000 families and individuals living in newly built rental homes each year);
 - > creating and renewing mixed, inclusive, sustainable neighbourhoods (1,000 units annually to support the creation of new communities – e.g. Regent Park, Lawrence Heights, Waterfront, Railway Lands and other approved TCHC projects);
 - > preserve and fix rental housing and keep it affordable (11,500 households repaired and maintained each year); and
- Ongoing implementation of previously approved housing development and improvement projects under federal and provincial affordable housing programs, including the Canada-Ontario Affordable Housing Program (rental housing and home ownership components), the Homelessness Partnering Initiative, Delivering Opportunities for Ontario Renters, and the Residential Rehabilitation Assistance Program; and
- Ongoing advocacy to the federal and provincial governments for the extension and expansion of affordable housing programs.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Affordable Housing Office of \$3.032 million gross represents a \$0.155 million or 4.9% decrease compared to 2007. The 2008 net operating budget of \$1.419 million is equal to the 2007 net budget as show in Tables 1 and 2.

AFFORDABLE HOUSING OFFICE

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Housing Improvements	555	380	569	369	564	264	(5)	(0.9%)	(105)	(28.5%)
Affordable Housing Office	2,463	1,038	2,617	1,050	2,468	1,155	(150)	(5.7%)	105	10.0%
Total Program Budget	3,018	1,418	3,186	1,419	3,032	1,419	(155)	(4.9%)	—	—

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)							
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook	
	\$	\$	\$	\$	%	\$	\$	
Gross Expenditures:								
Salaries and Benefits		2,577.3	2,241.7	2,403.0	(174.3)	(6.8%)	2,460.0	2,501.5
Materials and Supplies		28.4	14.5	28.9	0.5	1.8%	28.9	28.9
Equipment		26.8	9.6	27.4	0.6	2.2%	27.4	27.4
Services & Rents		293.4	449.0	300.0	6.6	2.2%	300.0	300.0
Contributions to Reserve/Res Funds		4.5	4.5	4.5	0.0	0.0%	4.5	4.5
Other Expenditures		255.9	213.2	267.7	11.8	4.6%	267.7	267.7
Total Gross Expenditures		3,186.3	2,932.5	3,031.5	(154.8)	(4.9%)	3,088.5	3,130.0
Funded by:								
Provincial Subsidies		450.0	512.0	450.0	0.0	0.0%	450.0	450.0
Federal Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations		200.0	425.4	300.0	100.0	50.0%	300.0	300.0
Contribution from Reserves/Res Funds		1,025.1	362.2	492.9	(532.2)	(51.9%)	0.0	0.0
Other Revenues		92.7	321.5	370.1	277.4	299.2%	370.1	370.1
Total Non Tax Revenues		1,767.8	1,621.1	1,613.0	(154.8)	(8.8%)	1,120.1	1,120.1
Net Budget (excluding Capital Financing)		1,418.5	1,311.4	1,418.5	(0.0)	(0.0%)	1,968.4	2,009.9
APPROVED POSITIONS		24.0	24.0	24.0	0.0	0.0%	24.0	24.0

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 Outlook increase of \$0.550 million consists of the reversal of a one-time draw of \$0.493 million from the Capital Revolving Fund to meet the 2008 target; and merit and step increases totalling \$0.057 million. The 2010 Outlook increase of \$0.042 million is for merit and step increases.

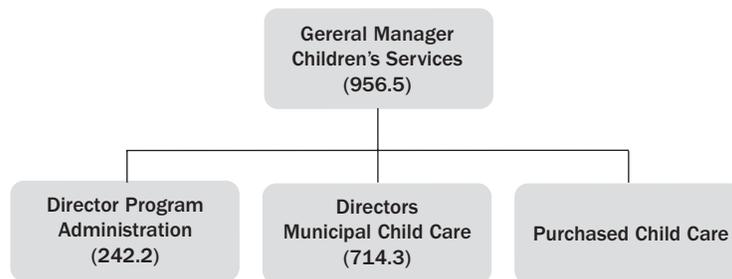
CHILDREN'S SERVICES

MISSION STATEMENT

- Children's Services 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. An integrated approach to planning and management ensures that services to children promote early learning and development, respond to families' needs and choices and respect the diversity of Toronto's communities

PROGRAM MAP

As indicated in the program map, Children's Services has three service functions: Municipal Child Care, Purchased Child Care, and Program Administration with 956.5 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Successful transition to Income Testing as a method of determining eligibility.
- Development of a centralized Application and Enquiry office to support improved access
- Completion of 9 Best Start sites
- Completed review of 650 child care centres against the City's Operating Criteria in readiness for public posting in 2008
- Partnered with Parks Forestry and Recreation to expand the "After School Recreation and Care Program"
- Secured child care service levels and stabilized the number of child care subsidy spaces

2008 PROGRAM OBJECTIVES

- To improve geographic equity and improve capacity of child care system in areas of need.
- To improve the capacity of the Child Care system in wards with insufficient capacity
- To utilize all available subsidy to maintain 24,000 child care subsidies.
- To successfully implement Provincial Income Testing
- To improve the average level of quality child care services under contract as measured by the City's operating criteria.
- To maintain high quality child care services in high needs communities where 90% of programs meet or exceed the City's operating standard

CHILDREN'S SERVICES

2008 STRATEGIC PRIORITIES

Children's Services' 2008 Operating Budget supports the strategic priority to "invest in the City's 13 Priority Neighbourhoods" through a number of initiatives.

- After School Recreation and Care Program:
Funding of \$1.436 million (gross), funded from the Social Assistance Stabilization Reserve Fund (SASRF) is included in the 2008 Operating Budget to continue the After School Recreation and Care Program that was approved by City Council in 2006. The program, through Parks, Forestry & Recreation, provides children and youth in the City of Toronto with the opportunity to participate in quality after-school programs to enhance their social, physical, educational and creative development.

The program was first implemented in September 2006 in the 13 priority neighbourhoods. An additional 24 sites were added in 2007/2008 and 23 more sites are to be added in 2008/2009. By 2009, the plan is to create 60 programs serving 3,600 children in priority neighbourhoods. These programs provide inclusive, culturally appropriate, flexible, high-quality, safe environments, and will be based on current knowledge of child development. It will also provide opportunities for youth leadership development, job readiness and volunteering

- Three Child Care Centre Projects:
The 2008 Approved Budget also includes funding for three child care centre projects, with a total cost of \$6.788 million, under the City's Best Start Service and Infrastructure Transition Plans and the City's Child Care Service Plan. These child care centre projects (not City-owned facilities) will provide child care services in communities with the highest levels of child poverty and the lowest level of access to child care.
 - > Regent Park Child Care Center (\$1.86 million fully funded from the Child Care Expansion Reserve Fund – CCERF) will be constructed in a Toronto Housing Corporation (TCHC) operated building. It will create 62 child care spaces and will serve both the tenants of this building and the nearby community.
 - > The Aboriginal Child Care Project includes the Ghesig House (156 Galloway Rd) and Kiiwednong Head Start (2784 Keele Street) with a project cost of \$2.928 million, funded from Provincial revenues of \$0.528 million and the CCERF of \$2.4 million. These child care centres will provide 66 additional child care spaces specifically intended to provide aboriginal specific services.
 - > Two new child care centres in schools under the Toronto District School Board (TDSB) with a total project cost of \$2.0 million, funded from the Child Care Capital Reserve Fund. These child care centres are located at two elementary schools, Highfield Junior School and Crescent Town Elementary School. There will be two purpose build child care rooms at each site with a licensed capacity for each program of 44 preschool children and up to 25 school age children in shared school space.

2008 OPERATING BUDGET HIGHLIGHTS

Children's Services' 2008 Operating Budget provides funding for the following services:

- 24,000 child care fee subsidy spaces;
- 29 programs to support children with special needs;
- 46 family resource centres and an additional 12 family resource centres in schools supported by the City's agreement with the Boards of Education; and,
- 6,356 children to attend funded summer day programs; and,
- 16 Before and After School programs for 321 children.

CHILDREN'S SERVICES

2008 OPERATING BUDGET

The 2008 Operating Budget for Children's Services of \$360.773 million gross and \$68.910 million net represents a gross increase in expenditures of \$19.405 million or 5.7% and an increase in revenues of \$19.405 million or 7.1%, resulting in a 0% net increase over the 2007 Approved Budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Program Administration	24,099	9,361	23,121	11,616	23,120	7,989	(2)	(0.0%)	(3,627)	(31.2)
Municipal Child Care	61,804	17,992	63,885	15,703	67,903	15,885	4,018	6.3%	182	1.2%
Purchased Child Care	293,448	40,938	254,363	41,592	269,750	45,036	15,388	6.0%	3,444	8.3%
Total Program Budget	379,351	68,291	341,369	68,910	360,773	68,910	19,405	5.7%	0	0.0%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)							
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook	
	\$	\$	\$	\$	%	\$	\$	
Gross Expenditures:								
Salaries and Benefits		64,933.5	66,243.4	67,822.0	2,888.5	4.4%	70,664.8	71,906.0
Materials and Supplies		3,893.1	3,442.3	3,962.9	69.8	1.8%	3,962.9	3,962.9
Equipment		704.0	361.4	635.5	(68.5)	(9.7%)	635.5	635.5
Services & Rents		265,610.2	261,538.5	281,987.5	16,377.3	6.2%	288,172.8	294,407.7
Contributions to Reserve/Res Funds		819.2	1,382.7	1,139.2	320.0	39.1%	1,139.2	1,139.2
Other Expenditures		5,408.8	3,012.4	5,226.3	(182.5)	(3.4%)	5,226.3	5,226.3
Total Gross Expenditures		341,368.8	335,980.7	360,773.4	19,404.6	5.7%	369,801.5	377,277.6
Funded by:								
Provincial Subsidies		247,106.7	244,411.5	255,603.3	8,496.6	3.4%	255,974.0	255,974.0
Federal Subsidies		0.0	0.0		0.0	n/a		
Other Subsidies		0.0	0.0		0.0	n/a		
User Fees, Permits & Donations		15,006.4	17,277.3	8,843.6	(6,162.8)	(41.1%)	8,843.6	8,843.6
Contribution from Reserves/Res Funds		7,495.5	3,131.5	19,016.3	11,520.8	153.7%	19,016.3	19,016.3
Other Revenues		2,850.0	3,364.7	8,400.0	5,550.0	194.7%	8,400.0	8,400.0
Total Non Tax Revenues		27 2,458.6	268,185.0	291,863.2	19,404.6	7.1%	292,233.9	292,233.9
Net Budget (excluding Capital Financing)		68,910.2	67,795.7	68,910.2	0.0	0.0%	77,567.6	85,043.7
Approved Positions		956.7	956.7	956.5	(0.2)	(0.0%)	956.5	956.5

CHILDREN'S SERVICES

2009/2010 OPERATING BUDGET OUTLOOK

- Children's Services' 2009 and 2010 Outlooks supports the key strategic direction of achieving the service levels outlined in the City's Best Start and Child Care Service Plan. This plan includes maintaining the service growth already created under Best Start (24,000 subsidized child care spaces), providing an integrated system of services for children with activities that will promote early learning and development, delivering services to children with special needs, providing parent and caregiver support through the Family Resource programs, and supporting families by ensuring more available funding for child care fee subsidy by maintaining fee subsidy levels.

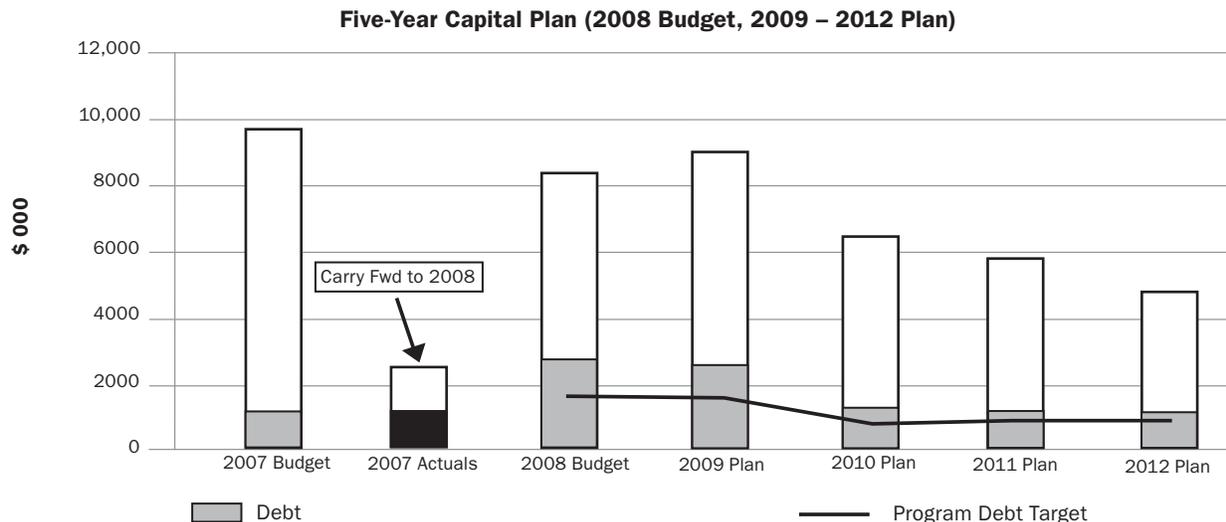
2008 CAPITAL BUDGET AND 2009–2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Children's Services' Five-Year Capital Plan supports the Program's objective to ensure child care services are accessible and equitably available by increasing the number of child care centres in under-served communities.

The 2008 Capital Budget and 2009–2012 Capital Plan of \$35.476 million requires new debt funding of \$9.350 million which is over the debt target by \$2.750 million. This is primarily due to two projects, the Regent Park Child Care Centre Replacement of \$1.650 million (under the Regent Park Revitalization) and the Chester Le Junior Child Care Centre increase in cost of \$1.2 million for community spaces to support the strategic priority to invest in the City's 13 priority neighbourhoods.

The Five-Year Capital Plan requires a cash flow of \$8.963 million in 2008; \$9.1 million in 2009; \$6.8 million in 2010; \$5.8 million in 2011; and, \$5.3 million in 2012. It will provide funding for the completion of 4 new child care centres in under-served areas within the City; a replacement child care centre to accommodate infants and toddlers from the Regent Park Day Care Centre that will be demolished by March 2009 as a result of the Regent Park Revitalization Initiative, address the state of good repair requirements of municipally owned child care centre facilities; and assist child care operators to address health and safety issues including playground retrofit to comply with licensing requirements under the Day Nurseries Act and the new Canadian Standards Association (CSA) standards.



CHILDREN'S SERVICES

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	9,704	1,569	1,626	500				2,126
Recommended Changes to Commitments			(500)	500				0
2008 New/Change in Scope and Future Year Commitments**			7,350	2,300	500			10,150
2009—2012 Plan Estimates**				5,800	6,300	5,800	5,300	23,200
1-Year Carry Forward to 2008		1,087						0
Total Gross Annual Expenditures & Plan	9,704	2,656	8,476	9,100	6,800	5,800	5,300	35,476
Program Debt Target	1,000		1,600	1,600	1,000	1,200	1,200	6,600
Financing:								
Recommended Debt	1,000		2,850	2,600	1,300	1,300	1,300	9,350
Other Financing Sources:								
Reserves/Reserve Funds	1,867		1,626	2,500	1,500	500		6,126
Development Charges								0
Federal								0
Provincial	6837		4,000	4,000	4,000	4,000	4,000	20,000
Other Revenue								0
Total Financing	9,704		8,476	9,100	6,800	5,800	5,300	35,476
By Category:								
Health & Safety	5,000		5,000	5,000	5,000	5,000	5,000	25,000
Legislated								0
SOGR			300	300	300	300	300	1,500
Service Improvement	4,704		3,176	3,800	1,500	500		8,976
Growth Related								0
Total By Category	9,704		8,476	9,100	6,800	5,800	5,300	35,476
Yearly SOGR Backlog Estimate (not addressed by current plan)								0
Accumulated Backlog Estimate (end of year)				—	—	—	—	0
Operating Impact on Program Costs								
Debt Service Costs			86	353	143	0	0	581

**Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

CHILDREN'S SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

Children's Services' Five-Year Capital Plan supports the strategic priority to "invest in the City's 13 Priority Neighbourhoods".

- Invest in the City's 13 Priority Neighbourhoods:
Included in the 2008 Approval Capital Budget is the construction of Child Care Center B, identified as the child care centre adjacent to the Chester Le Junior Public School, for \$3.187 million. This includes funding of \$1.2 million to add community spaces to this child care centre to support the City's initiative to create new recreation facilities by investing \$13.0 million in the City's 13 Priority Neighbourhoods over a period of four years.
- Regent Park Revitalization:
This project is intended to replace the Regent Park Child Care Centre, a municipally operated child care program that cares for 40 children from infancy to 30 months of age. This child care centre is located at 600 Dundas Street West that will be displaced as a result of Phase 2 of the Regent Park Revitalization Initiative.

Other Key Capital Initiatives:

Children's Services' Five-Year Capital Plan includes funding for the construction of four new child care centres that will address the need to provide access to quality childcare in under served areas with respect to licensed subsidized childcare:

- The Thorncliffe Park Child Care Centre project commenced in 2007 and is expected to be completed in 2008.
- Chester Le Junior Child Care Centre will commence in 2008 and will have 66 new spaces including 46 spaces for children 0-4 years including: 10 Infant, 20 Toddler, 16 Pre-school and 20 JK/SK.
- St. Andrew Child Care Centre, commencing in 2008, will have 46 new spaces for children 0-4 years including: 10 Infant, 20 Toddler, and 16 Pre-school. It currently has 20 JK/SK spaces
- Child Care Centre D project is scheduled for 2009 – 2011.

Incremental Operating Impact of the 2008 Capital Budget

There are no program operating costs arising from the 2008 Approved Capital Budget and 2009–2012 Capital Plan.

The construction of new child care centres included in the Five-Year Capital Plan will have no operating budget impact as these centres will be operated by non-profit child care agencies and will be funded within the current Purchased Child Care Services' budget.

STATE OF GOOD REPAIR BACKLOG

This Program does not have an SOGR backlog at year-end 2007. Facilities and Real Estate (F&RE) conducted a Building Condition Assessment in December 2006 and based on this assessment recommended an annual funding of \$0.3 million to maintain each facility operated by Children's Services. Annual funding of \$0.3 million, included in the 5 Year Capital Plan, will fully address annual SOGR requirements of the Program

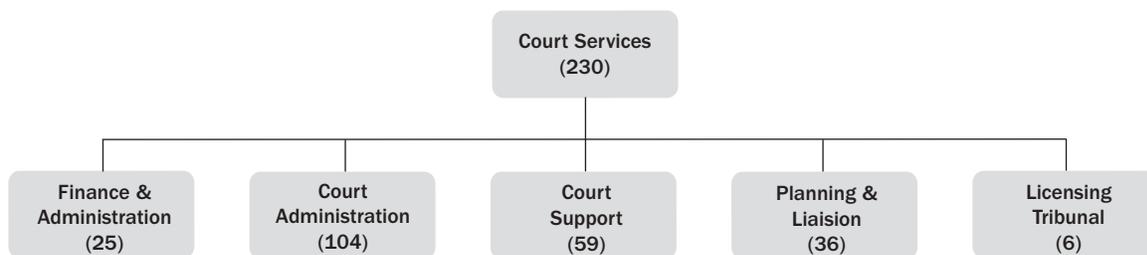
... COURT SERVICES

MISSION STATEMENT

- The Court Services Division provides dispute resolution services to defendants and the public in Toronto in accordance with the Provincial Offences Act and the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General in order to ensure justice is fairly administered.

PROGRAM MAP

As indicated in the program map, Court Services has five service functions: Finance & Administration, Court Administration, Court Support, Planning & Liaison and Licensing Tribunal, with 230 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Renewed collection agency contracts in an effort to collect outstanding fines inherited from Province at time of program transfer as well as those in default since the program transfer in 2002. Since August 2004, 17 million dollars have been recovered through use of Collection Agencies. In June, obtained the approval of the Attorney General to add the costs of using collection agencies to the amount owed by the payer thereby eliminating the subsidization of these costs by persons ordered to pay fines.
- Established a dedicated team within the Legal Services Division to assist with the collection of fines served to support divisional efforts.
- Implemented, in July 2006, Internet payment application (City built). Recognized by Public Sector Quality Fair with a merit award for this project.
- Continued advocacy towards ensuring sufficient Justices of the Peace are assigned to Toronto Courts. Twelve Justices of the Peace appointed by Provincial government.
- Transferred from City Clerks the administrative responsibility for the Toronto Licensing Tribunal pursuant to Council approval.
- Implemented, as approved by Council, with support of Legal Services Division and Toronto Police Service changes that increase the rate of police officer attendance at trials. Indications show that with officers attending court more frequently the rate at which charges are being withdrawn has improved from one in eight to one in twelve. Although the cost of officers appearing as witnesses off duty is a new expense, the value of fines paid is in excess of the cost and net revenues are in line with budget projections for this initiative.

COURT SERVICES

2008 PROGRAM OBJECTIVES

- Provide services to stakeholders that are fair, coordinated, timely, efficient and accessible.

2008 STRATEGIC PRIORITIES

The 2008 Budget for Court Services directly advances, through a number of new/enhanced initiatives, the following strategic priorities outlined in the Council's policy agenda:

- Together with other municipal staff and Provincial officials continue to identify for legislative and regulatory reform a series of simplified court processes that may also involve alternative dispute resolution programs with the objective of improving public access and reducing program costs through greater use of technology.
- Priority emphasis continues to be placed on obtaining Provincial support for additional fine enforcement sanctions to reduce the growing level of unpaid fines experienced by all Ontario municipalities.
- Monitor caseload trend and demand for service identifying and discussing with the judiciary options to manage workload. Monitor and report on implications arising from shortage of Justices of the Peace. Although twelve new Justices of the Peace were appointed during the first half of 2007, there is a concern that a succession management plan is needed to ensure no disruptions in judicial availability occurs that could see courtrooms close.
- Staff have been working on a model that supports the provisions available in the City of Toronto Act and associated Regulation that permit the creation of an administrative penalty system for some parking bylaws.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Provincial Offences Dispute Resolution;
- Provincial Offences Court Case Management; and
- Default Fine Collection Management.

2008 OPERATING BUDGET

The 2008 Operating Budget for Court Services of \$39.335 million gross represents a \$3.748 million or 10.5% increase compared to 2007. The 2008 net operating budget of (\$11.383 million) reflects a \$0.263 million or 2.4% increase over the 2007 net budget as shown in Tables 1 and 2.

COURT SERVICES

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Finance & Administration	18,044	16,579	20,186	19,157	23,113	21,712	2,927	14.5%	2,555	13.3%
Court Administration	7,032	(33,462)	6,732	(38,466)	7,129	(41,647)	397	5.9%	(3,181)	8.3%
Court Support	4,203	4,203	4,705	4,705	4,961	4,961	256	5.4%	256	5.4%
Planning & Liaison	3,180	3,180	3,484	3,484	3,591	3,591	107	3.1%	107	3.1%
Licensing Tribunal	—	—	480	0	541	0	61	12.7%	0	n/a
Total Program Budget	32,459	(9,500)	35,587	(11,120)	39,335	(11,383)	3,748	10.5%	(263)	2.4%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	15,210.7	14,253.9	15,988.6	777.9	5.1%	16,517.6	16,597.8
Materials and Supplies	178.7	193.8	189.1	10.4	5.8%	189.1	189.1
Equipment	137.1	61.0	137.1	0.0	0.0%	127.3	127.3
Services & Rents	8,610.0	7,937.2	8,592.6	(17.4)	(0.2%)	8,592.6	8,592.6
Contributions to Reserve/Res Funds	53.5	53.5	53.5	0.0	0.0%	53.5	53.5
Other Expenditures	11,396.5	14,104.0	14,373.7	2,977.2	26.1%	14,373.6	14,373.6
Total Gross Expenditures	35,586.5	36,603.4	39,334.6	3,748.1	10.5%	39,853.7	39,933.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	324.0	324.0	n/a	324.0	324.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	46,706.5	43,152.7	50,393.9	3,687.4	7.9%	50,432.1	50,432.1
Total Non Tax Revenues	46,706.5	43,152.7	50,717.9	4,011.4	8.6%	50,756.1	50,756.1
Net Budget (excluding Capital Financing)	(11,120.0)	(6,549.3)	(11,383.3)	(263.3)	2.4%	(10,902.4)	(10,822.2)
Approved Positions	230.0	230.0	230.0	0.0	0.0%	233.0	233.0

COURT SERVICES

2009/2010 OPERATING BUDGET OUTLOOK

- Court Services Operating Budget continues to support efficient court administration and related services to the public using the Provincial Offences Courts in Toronto, located at 1530 Markham Rd. York Civic Centre, Old City Hall and 137 Edward Street. The services delivered are in accordance with the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General.

2008 CAPITAL BUDGET AND 2009 - 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

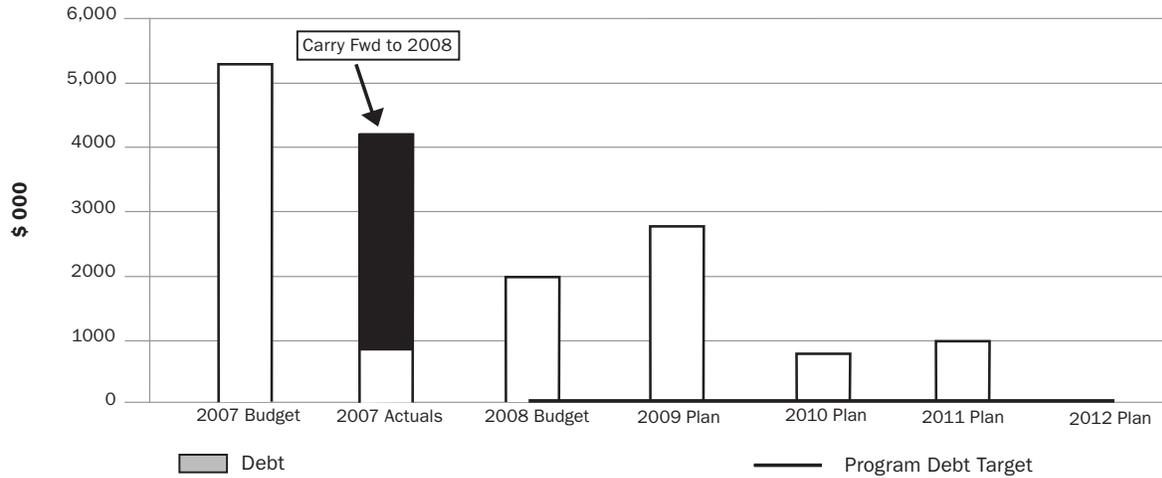
The Court Services' Five-Year Plan has been developed to emphasize the City's responsibility to provide well secured courthouse facilities with adequate space and suitable technological infrastructure. The Plan total of \$6.374 million includes carry forward funding of \$0.774 million for two 2006 projects, thereby requiring Council's reaffirmation for the projects. All recommended projects are in accordance with the Provincial Offences Act and the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General and deemed Legislated. The Recommended Five-Year Capital Plan is fully funded by the Provincial Offences Courts Stabilization Reserve Fund.

Court Services' Approved 2008-2012 Capital Plan of \$6.374 million, excluding one-year carry forward funding, provides \$3.7 million for continuing previously approved projects (commitments), and the initiation of a new project in 2009 at a total cost of \$1.9 million.

- **POA Application: Phase 1 – Audio Cassette Replacement**
This previously approved project, that requires 2006 carry forward funding of \$0.592 million, will complete the replacement of the current old and obsolete Audio Cassette recording equipment with Digital recording technology in 2008.
- **POA Application: Phase 2 – Court Case Record Management System**
The Provincially owned and managed ICON (Integrated Court Offences Network) application system is currently in use by all Ontario Provincial Offences Courts, including the Toronto Court Services. However, the system is outdated, slow and does not have the necessary features for the effective management of the large volume of caseload in the Toronto courts. This previously approved sub-project, with a total 2007 project cost of \$4.0 million, is for the development/installation of a computerized court case management system in accordance with City standards and specifications with capabilities to interface with the Icon application system and the Parking Tag Management System (PTMS). In addition, the system will support new processes available under the City of Toronto Act, provide more efficient service delivery processes, including scheduling of trials and hearings, and improve the collection of fines. The commencement of this project is deferred from 2007 to 2008 and is scheduled for completion in 2009, with cash flows of \$2.0 million in each of 2008 and 2009.
- **POA Application: Phase 3 – System Sustainment and Hardware Upgrade**
This new sub-project with a 2009 Project Cost of \$1.900 million and a projected cash-flow of \$0.250 million in 2009, \$0.700 million in 2010 and \$0.950 million in 2011 is required to sustain the POA Court Case Record Management System and Hardware upgrade and replacement of equipment that will retire in 4-5 years.
- **Courthouse Facilities Renovation – South District**
This previously approved sub-project will complete the renovation work at Old City Hall in 2009.

COURT SERVICES

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	5,299	844	4,049	425				4,474
Recommended Changes to Commitments			(2,000)	2,000				0
2008 New/Change in Scope and Future Year Commitments**								0
2009–2012 Plan Estimates**				250	700	950		1,900
1-Year Carry Forward to 2008		3,477						
Total Gross Annual Expenditures & Plan	5,299		2,049	2,675	700	950	0	6,374
Program Debt Target	0		0	0	0	0	0	0
Financing:								
Recommended Debt	0	0	0	0	0	0	0	0
Other Financing Sources:								
Reserves/Reserve Funds	5,299	0	2,049	2,675	700	950		6,374
Development Charges								0
Federal								0
Provincial								0
Other Revenue								0
Total Financing	5,299	0	2,049	2,675	700	950	0	6,374
By Category:								
Health & Safety								
Legislated	5,299	0	2,049	2,675	700	950		6,374
SOGR								0
Service Improvement								0
Growth Related								0
Total By Category	5,299	0	2,049	2,675	700	950	0	6,374
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			0	0	0	0	0	0

**Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

COURT SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- Continuation of technology application upgrades and renovations to Courthouse South Facilities.
- Completion of the Provincial Offences Act (POA) Application Development project - Digital Audio Recording (DAR) phase with the installation and implementation of the equipment at the East and South court sites.
- Completion of Phase 2 of the Provincial Offences Act (POA) Application Development project for the Computerized Court Case Record Management System.
- Completion of refurbishing work at Old City Hall.

Other Key Capital Initiatives:

- The 2008 Approved Capital Budget provides funding for technological requirements and facility renovations:
 - > \$0.592 million to complete the replacement of Audio Cassette recording technology with a Digital technology system;
 - > \$2.000 million to commence development of a POA Court Case Management Application System for completion in 2009 with a future year commitment of \$2.000 million; and
 - > \$2.557 million with a future year commitment of \$0.425 million to continue the on-going renovations to the South District Courthouse Facilities at Old City Hall for completion in 2009.

Incremental Operating Impact of the 2008 Capital Budget

- > The Approved Five-Year Plan has no impact on the Operating Budget.

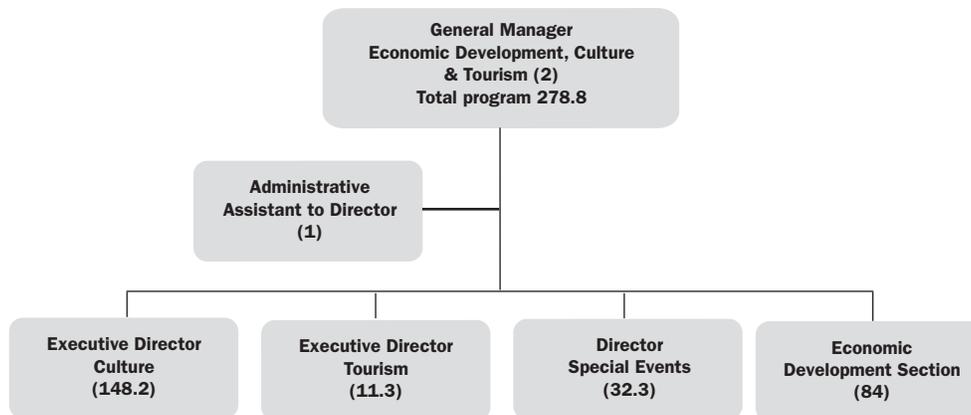
..... ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

MISSION STATEMENT

- Economic Development Culture and Tourism (EDCT) seeks to develop and maintain a dynamic creative city with a strong economy and a vibrant, diverse culture that engages citizens, is a magnet for talent and tourists, retains and attracts business, contributes to the economic and social well being of all the City's neighbourhoods and profiles Toronto on the international stage as a great place to live, work and visit.

PROGRAM MAP

As indicated in the program map, EDCT has four service functions: Culture, Tourism, Special and Economic Development with 278.8 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- In 2007, the Economic Development, Culture and Tourism Division undertook a Program Review to assess mandate, priorities and structure. As part of the review, an assessment of current programming, including an analysis of strengths and weaknesses, comparative analysis of other jurisdictions and a stakeholder satisfaction analysis was undertaken. The review will result in a clarification of the division's mandate, responsibilities and future activities and will lead to an initial restructuring of services in early 2008. Work on a detailed staffing and organizational change transition plan will continue in 2008.
- Raised awareness of arts and culture across the City through "To live with Culture" marketing campaign, which included Nuit Blanche: a large scale contemporary art exhibit.
- 100 youth programs and permits facilitated by Arts Services for Youth with 9,500 youth participants
- Attendance of 581,508 for all City facilities/programs for Arts Services, Museums and Heritage.
- Attracted more than \$700 million dollars in filming activity to Toronto
- Generated more than 1,000 net new jobs, occupying 560,000 square feet of development, generating \$4.6 million in city taxes and having a \$79.8 million impact on the local GDP
- Secured \$300 million and 3.0 million square feet in industrial/office development
- Created four new Business Improvement Areas (for a total of 64)
- Developed a Green Sector Strategy Plan for the City of Toronto and conducted a Financial Services human resources study (Talent Matters)
- Launched development of Biz Pal Service

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

- Developed, produced, promoted and executed nine annual event campaigns, WinterCity, Winterlicious, Summerlicious, Canada Day, Tasty Thursdays, Fresh Wednesdays, Sunday Serenades, Cavalcade of Lights and Nuit Blanche in strategically placed areas of the City
- Secured \$1.5 million in corporate cash sponsorships, as well as an additional \$1 million in in-kind corporate support
- Completed “Premier Ranked Tourist Destination” project, providing a comprehensive assessment of Toronto’s status as a tourist destination.
- Launched new visitor information services at a “Toronto Desk” in the Ontario Travel Information Centre and continued operation of InfoTOGo Mobile, TAPintoTo! and one million copies of a Toronto map, almost all funded by partnership and sponsorship revenue
- Successfully attracted and launched six new annual events (NCAA International Bowl, Just For Laughs Festival, four watercourse events) attended by over 150,000 participants.
- Facilitated the 2007 Grey Cup Festival return to Toronto
- Secured Tall Ship events for Toronto in 2008, 2010 and 2013

2008 PROGRAM OBJECTIVES

- Foster the health and growth of the City’s key business, cultural and tourism sectors through the development of strategic policy initiatives
- Develop and promote opportunities for cultural and artistic expression, education and audience development through support for the arts, museums and cultural infrastructure
- Support and sustain the success of small business enterprise in all neighbourhoods and economic sectors across the City
- Identify, attract and promote tourism, sports, cultural and events of significance that provide opportunities for both residents and tourists to participate in diverse economic, cultural and recreational experiences in the City of Toronto

2008 STRATEGIC PRIORITIES

The 2008 Budget for Economic Development Culture and Tourism directly advances, through a number of new/enhanced initiatives, the following strategic priorities outlined in the Council’s policy agenda:

- **A Strong City with a Strong Economy:**
 - > Continue work with the Mayor’s economic advisory committee to build the work plan and implement actions contained in the Agenda for Prosperity and extend the engagement of other business, educational and labour leaders in its implementation.
 - > Implement the organizational changes recommended in the EDCT Program Review to build the division’s strategic capacity and ability to address the priorities outlined in the Agenda for Prosperity.
 - > Create “Team Toronto” to host inbound trade missions and business visitors as well as to promote Toronto as a place to do business, with focus on innovative, creative, knowledge-based industries when the Mayor and business leaders travel abroad.
 - > Facilitate neighbourhood revitalization through the BIA program and encourage BIAs to expand their involvement in city building initiatives.
 - > Implement Bloor Street Transformation Project.
 - > Stimulate economic growth through the creation and implementation of a set of financial tools, activities and policies (city-wide CIP and Enhancing Business Climate, Executive Growth Team, eServices – BizPal) to increase Toronto’s competitiveness and attractiveness for investors and companies.
 - > Stabilize manufacturing sector by working with business, labour and governments to address systemic problems and to augment productivity.

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

- > Enhance the economic inclusion of marginalized groups including youth at risk, those in priority neighbourhoods and foreign trained professionals.
 - > Grow key sectors such as biotech, information technology, screen based industries, creative industries, tourism, business and financial services and environment.
 - > Build a stronger partnership with the learning and educational institutions to ensure the continued training and skill development of the labour force.
 - > Begin implementation of Premier Ranked Tourist Destination recommendations, including: introducing a destination planning process, improving the Toronto visitor value proposition and improving the public awareness of the importance of Tourism.
 - > Continue to work with the Interdivisional Economic Growth Team and review and revise policies and practices to support economic prosperity, creativity and innovation.
- **A Creative City**
 - > Produce a Nuit Blanche that delivers quality displays and activities for Torontonians and enhances the Toronto brand in North America and around the world.
 - > Deliver the Live with Culture initiative to promote Toronto's creative enterprise and more fully engage the whole community. Continue managing the Live With Culture website, showcasing all of the cultural activities in Toronto, and the "Arts in the Hood" community art programs.
 - > Work to strengthen Toronto's screen-based industries by advocating for the acknowledgement of and reinvestment in the City as Canada's English language centre of excellence and enhancing the financial tools available.
 - > Lead the development and implementation of a City Community Arts Action Plan with a working group of internal and external community partners which include underserved groups such as seniors, youth and newcomers.
 - > Provide quality arts programs for children and youth in priority neighbourhoods in support of the Community Safety Plan and in conjunction with Neighbourhood Action Teams.
 - > Establish, with the steering committee, the groundwork to go forward with planning and programming for the War of 1812 Commemoration.
 - > Begin the work and fundraising required for the revitalization of Fort York with a focus on the Visitor's Centre.
 - > Deliver a strategy to implement the next steps for the Council approved Culture Plan within the context of the "Creative City Planning Framework".
 - > Introduce and implement a major event enhancement strategy to address the acquisition and hosting of major one-time events, and support for enhancing recurring annual events.

2008 OPERATING BUDGET HIGHLIGHTS

- **The 2008 Council Approved Operating Budget for Economic Development Culture and Tourism provides funding to:**
 - > Lead the development of City's Prosperity Agenda: Report to Council early 2008
 - > Complete approximately 25 key sector development projects (Green Sector Strategy, Financial Services Human Resources Strategy, Bio Discovery District Brochure)
 - > Coordinate direct city support (Concierge Service) to a minimum of 24 business investment/expansion projects (Woodbine Live, MARs, etc.)
 - > Provide professional and administrative support to 64 BIAs and other small business areas
 - > Continue to provide Marketing and Promotion to support Film Production in Toronto
 - > Continue safeguarding the city-owned heritage and cultural buildings for the cultural legacy of Toronto including 97 city-owned heritage and cultural buildings at 60 heritage sites. Continue to negotiate with the private sector for partnerships in adaptive reuse of these properties

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

- > Continue implementation of the Culture Plan – a ten-year plan for cultural development in Toronto approved by Council in 2003 including the third year of the Live With Culture project which continues to deliver the website, street banners in over 400 locations, the Arts in the Hood Program, Doors Open Guide and the Face the Arts programs. Culture will continue to manage cultural investment through the CPIP program.
- > Operate 10 historic museum sites: Colborne Lodge (1837);, Spadina Museum: Historic House & Gardens (1866), Fort York National Historic Site (1793); Montgomery’s Inn (1847); Todmorden Mills Heritage Museum & Arts Centre; Gibson House Museum (1851); Scarborough Historical Museum; York Museum; Zion Schoolhouse (1869); Mackenzie House (1850s)
 - * Begin planning for bicentennial celebrations of the War of 1812.
- > Support 1,350 events annually Examples include: Salsa on St. Clair, Just for Laughs, Community events on Nathan Phillips Square and Mel Lastman Square. Produce/deliver 131 event days annually for audience of 2.2 million residents and visitors including: (WinterCity, Winterlicious, Canada Day, Tasty Thursdays, Fresh Wednesdays, Summerlicious, Sunday Serenades, Cavalcade of Lights, Nuit Blanche)
 - * Make Nuit Blanche an annual signature event by increasing the budget by \$0.505 million
- > Continue to provide Tourism Information Services at: Nathan Phillips Square, Toronto Desk at Provincial Tourism Information Office, Tourism Info Van and Information Pillars
- > Develop information content for the Info Pillars to be rolled out as part of the “Co-ordinated Street Furniture Program”
- > Negotiate and manage a new 3 year agreement with Tourism Toronto after the current agreement expires in 2008
- > Provide support to 1 to 2 major events in 2008 and Report to Council on an Event Enhancement Strategy in early 2008 to promote event products and enhance leveraging opportunities.

2008 OPERATING BUDGET

The 2008 Council Approved Operating Budget for Economic Development, Culture and Tourism of \$33.251 million gross represents a \$1.015 million or 3% decrease compared to 2007. The 2008 net operating budget of \$25.961 million reflects a \$1.370 million or 5.6% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)				Change Over 2007					
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Culture	16,848	10,697	13,506	10,062	13,783	10,335	277.2	2.8%	273.3	2.7
Economic Development	10,361	8,342	11,042	9,103	11,241	9,489	198.7	2.2%	386.1	4.2
Special Events	7,382	3,860	7,636	4,079	6,218	4,808	(1,417.6)	(34.8%)	729.3	17.9
Tourism	1,918	1,398	2,082	1,347	2,009	1,329	(73.4)	(5.4%)	18.4	1.4
Total Program Budget	36,509	24,297	34,266	24,591	33,251	25,961	(1,015.0)	(3.0%)	1,370.3	5.6

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	21,132.9	21,422.3	22,211.5	1,078.6	5.1%	22,482.1	22,482.1
Materials and Supplies	1,302.9	1,069.6	1,280.0	(22.9)	(1.8%)	1,280.0	1,280.0
Equipment	136.9	117.4	161.9	25.0	18.3%	151.9	151.9
Services & Rents	9,329.2	6,887.1	6,927.6	(2,401.6)	(25.7%)	6,914.6	6,817.6
Contributions to Reserve/Res Funds	958.3	1,669.7	1,238.0	279.7	29.2%	1,298.0	1,298.0
Other Expenditures	1,405.9	1,850.7	1,431.9	26.0	1.8%	1,431.9	1,431.9
Total Gross Expenditures	34,266.1	33,016.8	33,250.9	(1,015.2)	(3.0%)	33,558.5	33,461.5
Funded by:							
Provincial Subsidies	282.7	474.2	282.7	0.0	0.0%	282.7	282.7
Federal Subsidies	234.2	384.3	214.2	(20.0)	(8.5%)	214.2	214.2
Other Subsidies	147.0	115.9	170.0	23.0	15.6%	170.0	170.0
User Fees, Permits & Donations	4,191.9	2,120.5	2,204.3	(1,987.6)	(47.4%)	2,204.4	2,204.4
Contribution from Reserves/Res Funds	737.5	701.7	1,017.0	279.5	37.9%	1,017.0	1,017.0
Other Revenues	4,082.1	4,579.8	3,401.9	(680.2)	(16.7%)	3,398.9	3,301.9
Total Non Tax Revenues	9,675.4	8,376.4	7,290.1	(2,385.3)	(24.7%)	7,287.2	7,190.2
Net Budget (excluding Capital Financing)	24,590.7	24,640.4	25,960.8	1,370.1	5.6%	26,271.3	26,271.3
Approved Positions	274.8	272.8	278.8	4.0	1.5%	279.8	279.8

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 Outlook includes \$0.302 million for the following one-time 2008 reductions: \$0.150 million for the Tourism Product Incubation initiative, and \$0.152 million for the one-time additional gapping offset by \$0.079 million reduction for the 2008 leap year adjustment and \$0.020 million reduction for one-time costs to relocate the Assets Workshop and repair the Mackenzie House cook stove and \$0.059 million for the annualized salary cost of 4 additional positions.
- The Outlook for 2009 and 2010 does not include a provision for COLA, as this is subject to future negotiations.

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Council Approved Five-Year Capital Plan for Economic Development, Culture and Tourism for 2008-2012 supports Culture's requirements for the 69 heritage and culture facilities and allows Economic Development to address the 2008 demand for funding partnerships with the Business Improvements Areas (BIA).

Economic Development Culture and Tourism's 2008-2012 Capital Plan calls for \$64.185 million in funding. The 2008 Council Approved Capital Budget exceeds the Program's \$7.2 million debt target by \$0.3 million due to the funding of the Brickworks roof repair project (delayed by a film shoot). The debt targets are achieved for each year of the last four years of the Five-Year plan, 2009-2012. Total debt funding for the Five-Year Capital Plan is \$40.5 million.

The Council Approved Five-Year Plan for Economic Development Culture and Tourism attempts to strike a balance between investment in cultural assets and economic development infrastructure. Of the \$64.185 million included in the Council Approved Five-Year Capital Plan, \$42.03 million (65%) is earmarked for culture assets and \$22.154 million (35%) for economic development infrastructure. Much of the latter, however, is to be funded by 50/50 cost sharing with Business Improvement Areas (BIA). The Council Approved Five-Year Capital Plan includes, \$30.321 million (47%) for SOGR, and \$24.427 million (38%) for service improvement (SI) and growth-related (GR) initiatives.

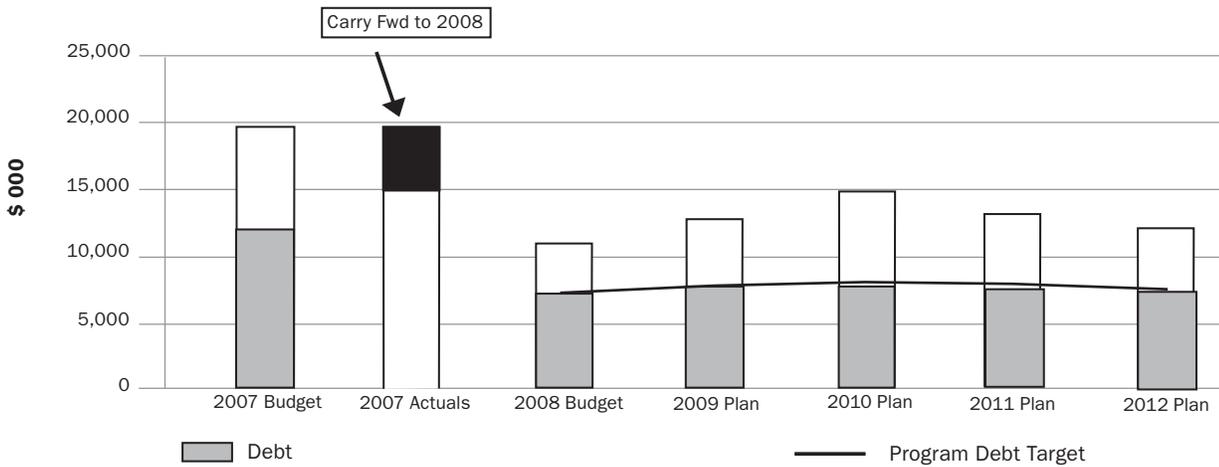
The Program has accumulated an estimated SOGR backlog of approximately \$68.0 million for Culture assets. The SOGR backlog for occupied buildings is \$33.0 million at the end of 2007 and is anticipated to grow to \$39.865 million by 2012, a 21 % increase. The SOGR backlog for unoccupied buildings such as, The Brickworks, The Roundhouse and the Guild, is \$35.0 million in 2007 and is planned to be reduced to \$11.019 million by 2012 as the result of private partnership agreements. The average funding for SOGR over the next 5 years is projected to be approximately \$2.0 million per year. Not all SOGR audits have been completed to date. It is anticipated that present and future assessments could potentially increase the current estimated SOGR backlog.

The Council Approved Five-Year Plan includes \$24.427 million for Service Improvement and Growth projects primarily driven by three projects: 1) \$10.6 million for Fort York Adding New Buildings, 2) \$4.7 million for the Guild Revitalization Project, and 3) \$3.5 million for the Commercial Façade Improvement Program.

The EDCT Five-Year Capital Plan continues to experience pressure due to the growing number of Business Improvement Areas (BIA) that request streetscape improvements and the increase in demand for the Commercial Façade Improvement Program. The 2007 Capital Budget Recommendations included direction for the General Manager to report back by June, 2007, on a strategy for managing the growing unfunded demand for the three programs within debt affordability limits. This report is still outstanding, as only a one-year plan for 2008 has been developed.

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	19,696	15,047	2,499					2,499
Recommended Changes to Commitments			416					416
2008 New/Change in Scope and Future Year Commitments**			8,377	1,638				10,015
2009–2012 Plan Estimates**				10,481	14,942	13,366	12,466	51,255
1-Year Carry Forward to 2008		4,649						
Total Gross Annual Expenditures & Plan	19,696	19,696	11,292	12,119	14,942	13,366	12,466	64,185
Program Debt Target	11,102		7,228	7,869	8,488	8,300	8,300	40,185
Financing:								
Recommended Debt	12,364		7,545	7,869	8,488	8,300	8,300	40,502
Other Financing Sources:								
Reserves/Reserve Funds	3,287		1,470	2,015	1,100	850	1,700	7,135
Development Charges								0
Federal	24		115	150	2,500	2,000		4,765
Provincial			115	150	425			690
Other Revenue	4,021		2,047	1,935	2,429	2,216	2,466	11,093
Total Financing	19,696		11,292	12,119	14,942	13,366	12,466	64,185
By Category:								
Health & Safety	5,212		1,062	2,975	1,850	1,400	2,000	9,287
Legislated	54		50	50		50		150
SOGR	10,098		6,692	5,708	5,906	6,155	5,860	30,321
Service Improvement	2,687		2,739	2,436	6,886	5,461	4,306	21,828
Growth Related	1,645		749	950	300	300	300	2,599
Total By Category	19,696		11,292	12,119	14,942	13,366	12,466	64,185
Yearly SOGR Backlog Estimate (not addressed by current plan)			(25,950)	2,065	2,112	2,078	2,580	(17,115)
Accumulated Backlog Estimate (end of year)		68,000	42,050	44,115	46,227	48,305	50,885	50,885
Operating Impact on Program Costs								
Debt Service Costs			226	1,017	940	1,183	1,162	4,528

**Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **Stewardship of City owned heritage and cultural buildings for the cultural legacy of Toronto**
The Program supports the state of good repair requirements for 96 heritage buildings under the stewardship of Culture at sites like Fort York, Spadina Museum, the Berkley Street Theatre and Todmorden Mills. These properties, including many designated heritage buildings, are accessible to the public for cultural uses such museums, arts centres, theatres and galleries. Achieving and maintaining a state of good repair for heritage buildings is a specialized undertaking. It requires understanding and applying the high standards for conservation and restoration set out in nationally and internationally accepted charters and guidelines.
- **Fort York Adding New Buildings**
The Fort York Adding New Buildings project includes a Five-Year cash flow of \$10.6 million requiring \$4.25 million or 40% City debt funding, \$4.5 million subsidy from the Federal Government and \$1.85 million fund raising. The request for the Federal grant has been submitted and is under review.
- **Casa Loma Restoration**
The Recommended Five-Year Plan includes \$10.0 million gross, \$6.6 million debt for the continuation of the Casa Loma Restoration. Once the Casa Loma Restoration is completed, by 2012, the exterior of the building should not require significant repairs for 60 years with routine maintenance.
- **Guild Revitalization**
The Recommended Five-Year Plan includes \$5.020 million gross, \$4.595 million debt for the continuation of the Guild Revitalization. EDCT staff is planning to report back, by June 2008, on the timing of work on the cultural precinct and on an alternative strategy for the Guild site.
- **John Street Roundhouse**
The Recommended Five-Year Plan includes \$1.884 million to continue the rehabilitation of the John Street Roundhouse. In 2007 the City signed a lease with a private developer and as a part of the agreement, the City has an obligation to restore the smaller historic structures and develop a rail heritage museum.
- **Culture Museum on the Waterfront**
At this preliminary stage of the project the Program has estimated that \$100.0 million of funding may be required for a new Culture Museum Facility in 2013. Potential debt funding requirements were not included in the 2013-2017 Five-Year Estimates. The Program will report back by April 2008 on the feasibility of a Waterfront Museum and potential funding sources.
- **BIA Streetscape Improvements and Commercial Façade Improvement**
The goal of the BIA Streetscape Improvements (Capital Cost-Share) and Commercial Façade Improvement initiatives is to enhance the infrastructure, appearance, safety and economic competitiveness of commercial and employment areas. By improving their function and appearance these areas are made more competitive and economically viable, more capable of creating employment opportunities and generating tax revenues, and more able to meet the needs and desires of Toronto businesses and entrepreneurs.

ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

Other key Capital Initiatives:

- **Adaptive Re-Use**
Culture has been charged with developing adaptive re-uses for major vacant City-owned heritage properties including the Don Valley Brick Works, the John Street Roundhouse, the Guild Inn, the Wychwood Car Barns, and the Canada Malting Silos.
- **Building Condition Audits**
Another challenge associated with the heritage properties in the Culture portfolio is providing an analysis of the asset inventory and a summary of planned state of good repair. Culture has six-year-old audits that have been the basis for state of good repair capital budget planning. In addition to this material, special conservation audits have been completed for some properties like Todmorden Mills, Casa Loma, the Guild, and the John Street Roundhouse. The information contained in these reports is much more detailed, particularly as it applies to historic fabric, and is a useful reference.
- **Study of Collection Storage Needs**
The 2008 Recommended Capital Budget includes \$0.100 million debt to fund a study of future collection storage needs to determine requirements that will be taken into consideration when assessing the feasibility of including collection storage in a Waterfront Museum.

Incremental Operating Impact of the 2008 Capital Budget

Approval of the 2008 Recommended Capital Budget will not have an incremental operating cost impact on the Program's operating budget. The Adding New Buildings to Fort York project with funding of \$10.6 million from 2008 to 2012 will likely result in significant programming and ongoing operating costs in future years. The Waterfront Museum, if approved by Council, will likely result in significant programming and ongoing operating costs in future years.

The projected operating impacts of all projects must be included in future Capital Budget submissions as they too require coordination of operating budget approval with approval of capital expenditures. It is therefore recommended that:

Economic Development, Culture and Tourism identify and submit to the Chief Financial Officer by June 2008 the full operating impacts for all projects in its Recommended Five-Year Capital Plan.

STATE OF GOOD REPAIR BACKLOG

Not all SOGR audits of Culture facilities have been completed to date and future assessments may increase the backlog significantly. The known SOGR Backlog is \$68 million at the end of 2007 and includes \$33.0 million for core buildings that are occupied and \$35.0 million for vacant buildings such as Don Valley Brickworks at \$20.0 million, John Street Roundhouse at \$8.0 million and the Guild Inn at \$7.0 million. Culture has secured development partners for the Brickworks and the Roundhouse to relieve the City of this liability. The \$20.0 million backlog for Don Valley Brickworks will be transferred from the City to Evergreen when Evergreen fundraising reaches a threshold defined in the lease, which is when construction starts, anticipated for the Fall of 2008. The John Street Roundhouse lease is signed and the \$8.0 million backlog will be the responsibility of the lessee and will reduce the backlog in 2008.

The SOGR backlog for the occupied buildings is \$33.0 million in 2007 and is anticipated to grow to \$39.9 million in 2012, a 21 % increase. The average funding for SOGR over the next 5 years is projected to be approximately \$2.0 million per year and would require a funding increase of \$8.0 million per year to eliminate the accumulated backlog. The SOGR backlog for the unoccupied buildings, Brickworks, Roundhouse and the Guild Inn, is \$35.0 million in 2007 and is expected to be reduced to \$11.0 million by 2012 as the result of partnership agreements.

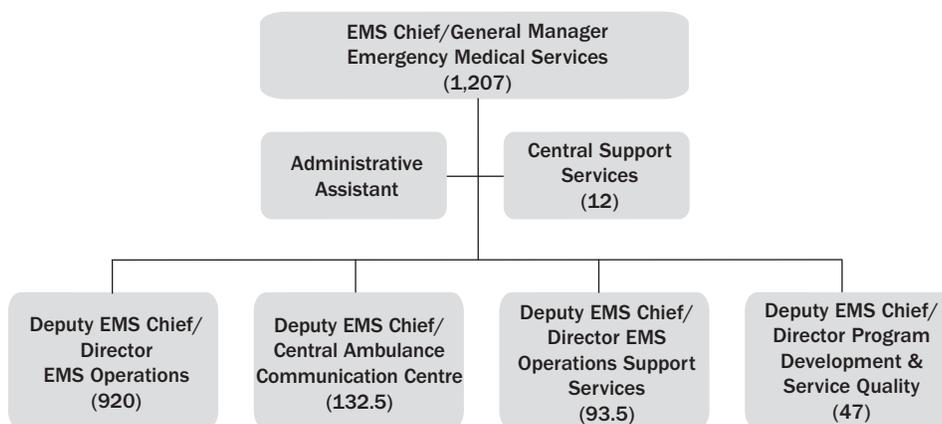
EMERGENCY MEDICAL SERVICES

MISSION STATEMENT

Toronto 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 MAP

As indicated in the program map, EMS has six service functions: EMS Operations, Central Ambulance Communication Centre (CACC), EMS Operations Support Services, Program Development and Service Quality, Central Support Services, and Corporate Charges with 1,207 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENT

- EMS transported approximately 160,300 patients. In addition, EMS provided medically-necessary non-emergency ambulance transportation to an additional 16,800 people.
- In 2007, provincial funding of Toronto EMS was restored to historical levels for the first time in many years.
- A new wireless electronic patient charting system began implementation in 2007. It will make paramedics more efficient and effective in terms of patient care paperwork processing time, which will in turn make them more readily available for response to calls.
- The re-design of the process by which EMS receives, prioritizes and dispatches ambulance calls in Toronto continued in 2007 with staff training, design and reconstruction of the Communications Centre expected to be completed in the fall of 2008.
- Continued to increase the percent of emergency calls to which full advanced life support paramedics respond through ongoing upgrade training for existing Level 1 paramedic staff.
- Toronto EMS has achieved a dramatic increase in the number of citizens going home alive after experiencing a cardiac arrest, through its implementation of the new American Heart Association resuscitation guidelines. This improvement is particularly significant as, until these changes were made, survival rates had been poor both locally and internationally for more than twenty years. Toronto EMS is currently a lead participant in a ten-site international research project testing new technology to improve survival rates even further.

EMERGENCY MEDICAL SERVICES

- The new narcotic distribution program allows paramedic crews to restock their controlled medications in their own service districts rather than driving to the one Base Hospital restocking site. This has resulted in reduced out-of-service time for paramedic crews and the elimination of driving across the city to Sunnybrook Health Sciences to replenish narcotic supplies. This program is also responsible for a decrease in drug waste and breakage with the purchase of new protective containers and an improved drug tracking system that will permit more efficient use of narcotic supplies, and reduced costs.
- Participated in the Fire/EMS Administration review which recommended partial consolidation of Payroll, Accounting and Financial Planning services, and functional adjustments to other service areas. It is expected that this will lead to processing efficiencies and financial savings for both divisions.

2008 PROGRAM OBJECTIVES

- Maintain EMS on a sound financial footing by continuing the Province of Ontario's historical percentage of operational and communications centre funding.
- Successfully meet the compliance standards of the three-year Ministry of Health service audit
- Apply effective long-term solutions to the issue of hospital offload delay with anticipated new funding from the Ministry of Health. A number of major initiatives are being developed to address this issue, subject to the announcement of funding.
- Build on the success of the Duty Officer pilot project. EMS is in negotiations with the Ministry of Health and Long Term Care to provide permanent 100% Provincial Funding for this program and associated positions.
- Toronto EMS will apply for and expects to receive recognition as an Accredited "Centre of Excellence", from the International Academies of Emergency Medical Dispatch (IAED). This accreditation is recognized internationally and acknowledges Toronto EMS as having achieved and maintained a high standard of compliance with the components of the Advanced Medical Priority Dispatch System, as established by the IAED.
- Continue to build partnerships within the City to improve services, particularly to the most vulnerable in the community such as the elderly and homeless. Through partnerships with Public Health, Homes for the Aged, Shelter and Housing, etc., EMS will be a key part of the City's social safety net, rather than a single-purpose "emergency service". EMS is becoming the emergency arm of healthcare providers as well as the healthcare arm of emergency providers.
- Many of the buildings used by EMS are over 50 years old and can no longer be sustained without considerable cost in terms of health and safety, logistics (many ambulance bays are too small for the current fleet) or financial (continual repair and maintenance is not cost effective). With the indefinite deferral of the Centralized Book-On Station (CBOS) ambulance facilities proposal, EMS is now focused on global refurbishment and replacement of its existing buildings.
- Continue the implementation of the new wireless electronic patient charting computer system. As paramedics continue to become more familiar with the system, EMS will see more efficient and more effective patient care paperwork processing times which in turn will render them more readily available for response to emergency calls.
- Conclude the re-design of the process by which we receive, prioritize and dispatch ambulance calls in Toronto. Reconstruction and retraining of staff will continue throughout 2008 with full implementation expected late in the year.
- Continue expansion of the Public Access Defibrillator (PAD) Program. EMS expects to deploy a further 70 Automated External Defibrillator's in 2008 which will result in the training of an additional 770 first responders.
- Implement the new consolidated Fire/EMS Administration organizational program structure. This is expected to produce operating efficiencies and financial savings in the areas of Payroll, Accounting and Financial Planning, and other service areas.
- Continue the improving trends in Cardiac Arrest Survival Rates
- Implement ST Elevation Myocardial Infarction (STEMI) program and direct to PCI cardiac units. This program will use a new cardiac monitor to diagnose a particular type of heart attack called a "STEMI". Rapid diagnosis and treatment can reduce STEMI death rates by two thirds.

EMERGENCY MEDICAL SERVICES

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget supports the following strategic priorities outlined in Council's policy agenda:

- **Making a Safe City Safer**
 - > EMS contributes to a safe city by providing outstanding ambulance based health services and emergency medical response. In addition the special needs of vulnerable communities are served through the mobile health care.
 - > The expansion of the Public Access Defibrillation (PAD) Program, approved in 2006, will provide approximately 70 Automatic External Defibrillators (AEDs) to City of Toronto workplaces and facilities to ensure rapid treatment of those who suffer a cardiac arrest on site. EMS will provide training to City staff and private sector clients in the use of the AEDs.
 - > The Community Medicine program provides education and awareness that contributes to a community's overall well being through: Window and balcony safety campaign, First Aid/CPR training, hot and cold weather response, Community Referrals by EMS (CREMS) and the immunization program.

- **A City of Opportunity for All**
 - > EMS has a multi-cultural coordinator to ensure that EMS staff are made aware of ethno-cultural customs and traditions and improve community accessibility to EMS' services and programs. EMS provides information and attends multi-cultural events throughout the City to inform multi-cultural communities about emergency medical services as both a service and a career choice.
 - > As part of an initiative to educate new Canadians about the services provided by EMS, the General Manager's Advisory Committee (GMAC) was formed in 2007. In May 2008, a Citizenship ceremony will be held at headquarters which will include important media coverage and representation from all orders of government.

- **A Prosperous Toronto for a Prosperous Canada**
 - > Since 2005, Toronto EMS has received the necessary funding from the Province for the operation of land ambulance services (50%) and the communications centre (100%). The objective for 2008 is to maintain funding at current levels as opposed to using the municipal tax base.

- **A Greener City**
 - > Since 2007, Toronto EMS has operated a fleet of gasoline powered ambulances running on ethanol-enriched gasoline. By switching to gasoline, EMS eliminated the particulate emissions associated with diesel fuel and reduced carbon dioxide emissions.
 - > In June 2008, EMS will roll out its Green Fleet Plan as directed by Council.
 - > EMS is participating in the City's Energy Retrofit Program which incorporates energy efficiency upgrades into retrofit work being carried out on stations and garages.

EMERGENCY MEDICAL SERVICES

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide funding for the following services:

- 24-hour emergency medical response for the City of Toronto from 43 ambulance stations located across the City with a fleet of 152 ambulances and staff of 849 paramedics and 108 emergency medical dispatchers
- An anticipated increase of 5% over the 545,000 calls received from the public in 2007 and another 300,000 calls for non-emergency/operational requests for an anticipated total of 872,300 calls in 2008.
- The installation of an estimated 50 to 100 Automated External Defibrillators (AEDs) to City of Toronto workplaces and facilities while also providing CPR and Public Access Defibrillator training to City staff and the public.
- Approximately 1,200 hours of continuing medical education courses to Toronto paramedics and operate International Trauma Life Support Chapter training to approximately 500 students in 2008.
- Approximately 2,400 emergency transports under the Critical Care Transport Unit (CCTU)

2008 OPERATING BUDGET

The 2008 Operating Budget for Emergency Medical Services of \$151.969 million gross represents a \$3.962 million or 2.7% increase compared to 2007. The 2008 net operating budget of \$61.875 million reflects a \$1.475 million or 2.4% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Central Ambulance Communication Centre (CACC)	12,296	854	13,909	—	13,530	—	(378)	(2.7%)	0	n/a
Centralized Support Services	1,705	1,705	1,133	126	1,129	515	(3)	(0.3%)	388	308.0%
Corporate Charges	6,206	6,206	5,900	2,803	5,900	2,950	0	0.0%	147	5.2%
EMS Operations Support Services	20,336	8,974	20,919	7,873	20,810	7,534	(109)	(0.5%)	(339)	(4.3%)
EMS Operations	94,725	39,810	98,458	46,689	102,295	47,497	3,837	(3.9%)	808	1.7%
Program Development	7,261	2,958	7,689	2,909	8,305	3,380	615	8.0%	471	16.2%
Total Program Budget	142,528	60,507	148,007	60,400	151,969	61,875	3,962	2.7%	1,475	2.4%

EMERGENCY MEDICAL SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	121,512.3	126,352.2	125,687.9	4,175.6	3.4%	126,016.3	126,823.2
Materials and Supplies	6,261.8	5,698.2	4,585.4	(1,676.4)	(26.8%)	4,615.4	4,615.4
Equipment	1,528.4	1,343.5	1,290.1	(238.3)	(15.6%)	1,290.1	1,320.1
Services & Rents	5,172.3	5,602.8	5,119.1	(53.2)	(1.0%)	5,384.5	5,499.9
Contributions to Reserve/Res Funds	5,892.2	5,642.2	5,892.2	0.0	0.0%	5,892.2	5,892.2
Other Expenditures	7,640.0	8,441.7	9,393.3	1,753.8	23.0%	9,393.8	9,393.8
Total Gross Expenditures	148,007.0	153,080.6	151,968.5	3,961.5	2.7%	152,592.3	153,544.6
Funded by:							
Provincial Subsidies	84,591.1	85,091.2	87,136.1	2,545.0	3.0%	87,482.6	88,047.5
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	687.7	706.0	639.6	(48.1)	(7.0%)	639.6	639.6
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	2,328.2	2,761.8	2,317.7	(10.5)	(0.5%)	2,317.7	2,317.7
Total Non Tax Revenues	87,607.0	88,559.0	90,093.4	2,486.4	2.8%	90,439.9	91,004.8
Net Budget (excluding Capital Financing)	64,400.0	64,521.6	61,875.1	1,475.1	2.4%	62,152.4	62,539.8
Approved Positions	1,215.0	1,211.0	1,207.0	(8.0)	(0.7%)	1,207.0	1,207.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget Outlook is based on continuing to provide ambulance-based health services to the City of Toronto residents with full Provincial cost sharing for Land Ambulance Services at 50% and CACC at 100%.
 - > A major challenge in 2009 and onwards is to maintain the effective deployment of available resources to meet the 1996 established response time standard of 84% within 8:59 minutes. Since 2002, as a result of hospital offload delays, EMS paramedics continue to care for ambulance patients for extended periods after their initial arrival at the hospital and this has been a principal factor in the degradation of EMS' response time to only 69.1% within 8:59 minutes in 2007.
 - > The degradation of EMS' response time is also compromised each year by other factors such as call volumes that are expected to increase as the population ages and increased traffic congestion faced in responding to emergency calls.
 - > The Cardiac Safe City Program will continue to grow throughout 2009 and 2010. The Public Access Defibrillator Program will install approximately 70 new Automated External Defibrillators each year in key public locations while providing defibrillator maintenance and training support for potential first responders. In addition the provision of CPR/First Aid training to city staff and the public will remain a key component of the Program.

EMERGENCY MEDICAL SERVICES

2008 CAPITAL BUDGET AND 2009 - 2012 CAPITAL PLAN

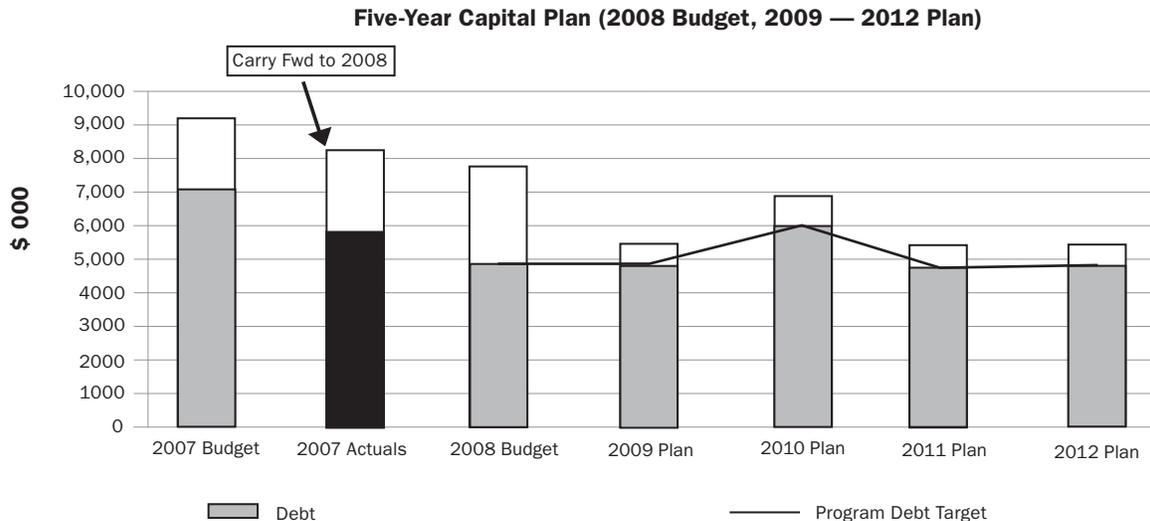
FIVE-YEAR CAPITAL PLAN OVERVIEW

The Emergency Medical Services' Five-Year Capital Plan focuses mainly on maintaining its aging facilities, primarily station replacement, refurbishments and upgrading of the physical and electrical configuration of EMS' communication centre to meet its growing service demands.

The Five-Year Capital Plan of \$33.780 million with new debt funding of \$26.0 million has met the Council approved debt affordability targets for each of the five years. The Five-Year Capital Plan requires a cash flow of \$10.592 million in 2008; \$5.472 million in 2009; \$6.772 million in 2010; \$5.472 million in 2011; and, \$5.472 million in 2012.

The Five-Year Capital Plan is comprised of the following:

- A significant portion of the Five-Year Capital Plan is allocated towards State of Good Repair projects (\$25.245 million or 81%) mainly for the replacement, ongoing maintenance and repairs of ambulance as well as structural refinement of 11 EMS stations and Service District Centres, upgrading of the Mobile Data Terminal technology, and the re-design of the communication centre.
- Health & Safety projects comprise \$5.130 million or 16% and includes upgrades to the EMS/Fire Headquarters Power Supply System, the distribution of 70 automatic external defibrillators per year to City of Toronto workplaces and facilities (under the Public Access Defibrillator (PAD) Program), and the installation of an electronic card access security system to all EMS stations to be used to access equipment and supply assets (such as drug stocks) at ambulance stations.
- Service Improvement and Growth Related projects comprise 3% or \$0.878 million mostly for projects that will enhance EMS' building radio coverage and subway radio reception.



EMERGENCY MEDICAL SERVICES

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	9,166	5,882	4,942	1,926	350			7,218
Recommended Changes to Commitments			(3,114)	(1,676)	(350)			(5,140)
2008 New/Change in Scope and Future Year Commitments**			6,237	4,822	400			11,459
2009–2012 Plan Estimates				400	6,372	5,472	5,472	17,716
1-Year Carry Forward to 2008		2,527						
Total Gross Annual Expenditures & Plan	9,166	8,409	8,065	5,472	6,772	5,472	5,472	31,253
Program Debt Target	4,000		5,000	5,000	6,000	5,000	5,000	26,000
Financing:								
Recommended Debt	7,172		5,000	5,000	6,000	5,000	5,000	26,000
Other Financing Sources:								
Reserves/Reserve Funds	772		340					340
Development Charges								0
Federal								0
Provincial	472		872	472	472	472	472	2,760
Other Revenue	750		1,853		300			2,153
Total Financing	9,166		8,065	5,472	6,772	5,472	5,472	31,253
By Category:								
Health & Safety	1,479		3,080	2,050				5,130
Legislated								0
SOGR	6,298		4,885	3,172	6,772	5,472	4,944	25,245
Service Improvement	1,389		100	250			300	650
Growth Related							228	228
Total By Category	9,166		8,065	5,472	6,772	5,472	5,472	31,253
Yearly SOGR Backlog Estimate (not addressed by current plan)			(1,476)	334	(3,872)	(1,733)	(2,525)	(9,272)
Accumulated Backlog Estimate (end of year)		11,733	10,257	10,591	6,719	4,986	2,461	2,461
Operating Impact on Program Costs			66	148	73			287
Debt Service Costs			150	688	518	44		1,400

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

EMS will continue to maintain its 40 ambulance stations in a state of good repair and will continue to update the physical and electrical configuration of its communication centre to improve overall system efficiency in the deployment of EMS resources and dispatching of patients.

EMERGENCY MEDICAL SERVICES

Other Key Capital Initiatives:

The Emergency Medical Services' Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- The critical upgrades to the EMS/Fire Headquarters Power Supply System. This project will ensure that the integrity of all power feeds, linkages and back-up systems are maintained and that all primary or back up power feeds to the facility in the event of power disruptions are operational.
- The Radio Communication System Replacement Project is classified as a corporate project in conjunction with requirements of Fire and Police Services. This system needs to be replaced for all three services as it will no longer be supported by the manufacturer by 2011.

Incremental Operating Impact of the 2008 Capital Budget

The Emergency Medical Services' 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$0.287 net over the Five-Year period. The Operating Budget net impacts are primarily the result of the following capital projects:

- the expansion of the Public Access Defibrillator (PAD) project will result in increased funding for training, medical oversight and defibrillator maintenance costs.
- the installation of an electronic card access security system will require ongoing monitoring and maintenance costs.

STATE OF GOOD REPAIR BACKLOG

EMS identified an accumulated state of good repair (SOGR) backlog at the end of 2007 of \$11.733 million and requires an average annual funding of \$1.372 million to maintain its current 40 ambulance stations. The Five-Year Capital Plan includes SOGR projects totalling \$25.245 million that will address most of the accumulated backlog including the annual funding requirement of \$1.372 million. By 2012, EMS is projecting an accumulated back log of state of good repair of \$2.461 million, declining by \$9.272 million from \$11.733 million in 2007.

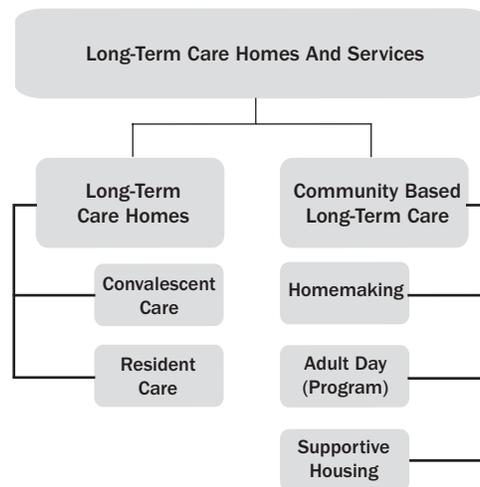
LONG TERM CARE HOMES AND SERVICES

MISSION STATEMENT

- Long Term Care Homes and Services (LTCHS) is responsible for developing and implementing a continuum of care and services to eligible adults in long-term care homes, at supportive housing sites, and in clients' own homes. The division is committed to providing services in a manner that supports, respects, and enables residents, clients, families, staff, volunteers, and community stakeholders. The over-reaching goal is to enrich the lives of those we serve.

PROGRAM MAP

As indicated in the program map, LTCHS has two service functions: Long Term Care Homes and Community Based Long Term Care.



2007 KEY ACCOMPLISHMENTS

- Enhanced the continuum of care through linkages, and introduced a convalescent care program in partnership with the Ministry of Health and Long Term Care (MOHLTC) and local hospitals
- Increased the focus of health promotion and health teaching through assessment, staff, and family education and health promotion programming
- Realized a satisfaction rate of 98%
- Initiated joint planning forum with the five Local Health Integration Networks (LHIN) and the City of Toronto
- Demonstrated leading practices in dementia care, restorative care, and care programs (e.g. falls prevention)

LONG TERM CARE HOMES AND SERVICES

2008 PROGRAM OBJECTIVES

- Provide high quality resident and client-focused care and service in a manner that maintains public accountability and consumer confidence
- Influence positive outcomes for Toronto's communities and the broader health system through providing leadership and expertise in long-term care
- Establish and maintain a culture of quality and safety that responds to the well-being, comfort and safety needs of residents and staff
- Promote integration and efficiency within the healthcare system through collaboration with other healthcare providers
- Focus on providing individualized care that respects, supports and enables people to be as independent as possible
- 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 targeted recruitment plan for entry level or internship positions toward hiring youth from at-risk communities
- Adopt care and service delivery to respond to the health transformation that best meets City priorities and citizen need
- Advocate to the government at all levels for improvement in the healthcare continuum and enhancements to the funding, resources, and standards of long-term care
- Strengthen relationships with the Ministry of Health and Long-Term Care (MOHLTC), Community Care Access Centres (CCAC), other City health providers and Local Health Integration Networks (LHIN)

2008 STRATEGIC PRIORITIES

Long Term Care Homes & Services has developed a multi-year plan that prioritizes and aligns strategic initiatives that directly address a number of Council's priorities. Some of these initiatives include the following:

- > Influence positive outcomes for Toronto's communities and the broader health system through LTCHS leadership and expertise in long term care.
- > Promote integration, and efficiency within the healthcare system through collaboration with other healthcare providers
- > Develop targeted recruitment plan for entry level or internship positions toward hiring youth from at-risk communities such as a youth entrepreneurship landscaping and/or indoor plant maintenance program
- > Continue to realign community based services, based on stakeholder/client assessment and emerging community needs

LONG TERM CARE HOMES AND SERVICES

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Homemakers and nurses services are provided to clients in their own homes. Service levels are approximately 110,000 client visits, of whom 50% are frail and elderly; 28% have a chronic illness; 8% are physically disabled; and 10% have a psychiatric disability
- Supportive Housing provides personal support services to approximately 300 clients in a number of contracted sites. The majority of the clients are over 59 years of age.
- Four of the City's homes offer Adult Day services to clients who live in the community (approximately 12,000 client days annually), of whom the majority are over 75 years of age and exhibit a variety of physical and cognitive deficits.
- Enhanced Nutritional and Support Services ensure compliance with the new Long Term Care Act within Long Term Care Homes and Services numerous programs and services aimed at improving communities and lives of residents.
- Meet safety requirements as recommended by the SARS Commission Report in LTCHS for infection prevention and control demands.

2008 OPERATING BUDGET

The 2008 Council Approved Operating Budget for Long Term Care Homes and Services of \$40.734 million net represents a \$7.487 million or 22.5% increase compared to 2007 as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Divisional Office	1,584	506	1,697	335	1,554	72	(143.6)	(8.5%)	(263.0)	(78.5%)
Toronto Homes	174,094	30,590	180,925	31,089	194,757	38,939	13,831.8	7.6%	7,849.3	25.2%
Community Based Services	10,327	1,556	10,294	1,823	10,303	1,724	9.0	0.1%	(99.6)	(5.5%)
Total Program Budget	186,005	32,652	192,916	33,248	206,613	40,734	13,697.2	7.1%	7,486.7	22.5%

LONG TERM CARE HOMES AND SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	156,971.0	160,964.5	169,155.7	12,184.7	7.8%	169,982.7	171,240.3
Materials and Supplies	16,841.3	16,910.2	18,464.1	1,622.8	9.6%	18,464.1	18,464.1
Equipment	2,307.3	1,283.6	2,392.5	85.2	3.7%	2,392.5	2,392.5
Services & Rents	14,978.8	13,594.0	14,844.0	(134.8)	(0.9%)	14,844.0	14,844.0
Contributions to Reserve/Res Funds	1,390.7	1,390.7	1,390.7	0.0	0.0%	1,390.7	1,390.7
Other Expenditures	426.9	404.2	366.2	(60.7)	(14.2%)	366.2	366.2
Total Gross Expenditures	192,916.0	194,547.2	206,613.2	13,697.2	7.1%	207,440.2	208,697.8
Funded by:							
Provincial Subsidies	110,224.1	106,145.1	117,807.0	7,582.9	6.9%	117,788.0	118,122.0
Federal Subsidies	0.0	12.6	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	249.0	0.0	0.0	n/a	462.3	462.3
User Fees, Permits & Donations	45,550.7	45,141.0	46,359.2	808.5	1.8%	45,896.9	45,896.9
Contribution from Reserves/Res Funds	3,498.5	3,498.5	1,225.6	(2,272.9)	(65.0%)	0.0	0.0
Other Revenues	395.0	403.2	487.0	92.0	23.3%	487.0	487.0
Total Non Tax Revenues	159,668.3	155,449.4	165,878.8	6,210.5	3.9%	164,634.2	164,968.2
Net Budget (excluding Capital Financing)	33,247.7	39,097.8	40,734.4	7,486.7	22.5%	42,806.0	43,729.6
Approved Positions	2,121.5	2,121.5	2,167.4	45.9	2.2%	2,167.4	2,167.4

2009/2010 OPERATING BUDGET OUTLOOK

- The net incremental impact of \$2.072 million in 2009 and \$0.924 million in 2010 represents increases in staffing costs mainly for step and merit. The Outlook does not include a provision for COLA, as the increase is subject to future negotiations. Also included are reversals of leap day costs and one time revenue draws from the Stabilization Reserve Fund.
- The 2009 and 2010 Outlooks do not take into account a number of unconfirmed pressures and savings driven by inflation, volume increases, and potential provincial funding.
- Wage harmonization impacts are expected to end by 2008.

LONG TERM CARE HOMES AND SERVICES

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Approved Five-Year Capital Plan for Long Term Care Homes and Services totals \$37.8 million, with 2008 cash flow of \$8.4 million; \$6.6 million in 2009; \$8.8 million in 2010; \$7.8 million in 2011; and \$6.2 million in 2012.

The Council Approved Five-Year Plan for LTCHS requires \$37.8 million for ongoing capital maintenance for the Division's ten homes, with \$30.7 million (81%) for Health and Safety Maintenance and \$7.13 million (19%) for State of Good Repair. Cash flow for years 2008-2012 averages at \$7.56 million per year with debt funding being \$2.12 million per year and draws from the HFA Capital Reserve Fund of \$5.44 million per year.

The capital maintenance plan is backed by a comprehensive building condition assessment of the structural, electrical and mechanical systems of the City's ten homes that was completed by the Program in 2006. The condition assessment, as prepared by Paradigm Engineering Group Inc., identified a backlog of projects and forecasted future maintenance priority requirements of \$8.8 million, which LTCHS has included in the 2008 – 2017 Capital Plan. The annual cost estimate for maintaining long-term care facilities in a state of good repair is between 2.9% to 3.7% of the buildings replacement value. The current average SOGR expenditure over the Five-Year Plan of \$1.4 million is 1% of the building replacement value. The Capital Plan will reduce the SOGR backlog from \$8.8 million in 2007 to \$0.6 million by 2012.

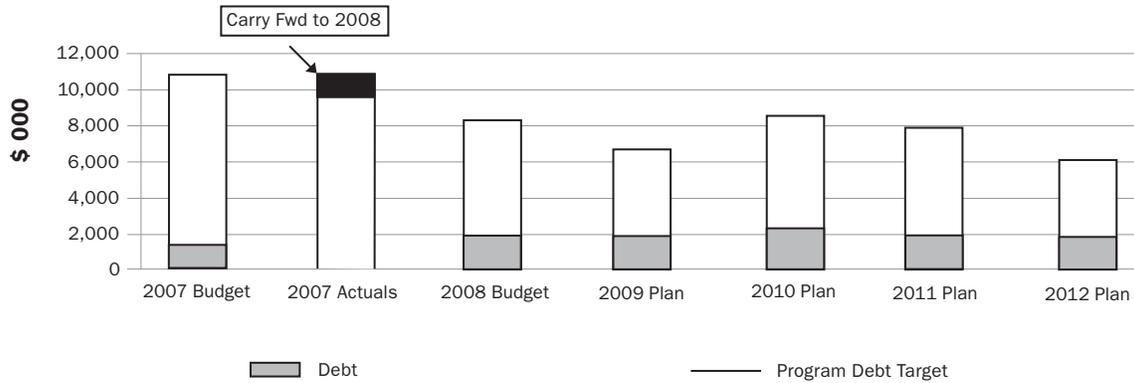
The following table summarizes the spending priorities reflected in the Approved Five-Year Capital Plan:

Long Term Care Homes & Services Five-Year Capital Plan	\$000s					
	2008	2009	2010	2011	2012	2008-2012
Mechanical Upgrades	3,375	2,045	4,575	3,534	1,874	15,403
Electrical Upgrades	2,165	825	1,255	1,799	2,730	8,775
Building Upgrades	2,860	3,730	2,970	2,466	1,590	13,616
Total	8,400	6,600	8,800	7,800	6,194	37,794

The 2008-2012 Council Approved Capital Plan has met the Council Approved debt affordability targets for each of the five years. This has been achieved by combining debt funding and draws from the LTCHS Capital Reserve Fund to fund the cash flow requirements for each year of the approved Five-Year Capital Plan.

LONG TERM CARE HOMES AND SERVICES

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	10,800	9,400						0
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			8,400	2,500				10,900
2009–2012 Plan Estimates				4,100	8,800	7,800	6,194	26,894
1-Year Carry Forward to 2008		1,400	→					
Total Gross Annual Expenditures & Plan	10,800	10,800	8,400	6,600	8,800	7,800	6,194	37,794
Program Debt Target	1,400		2,000	2,000	2,600	2,000	2,000	10,600
Financing:								
Recommended Debt	1,400		2,000	2,000	2,600	2,000	2,000	10,600
Other Financing Sources:								
Reserves/Reserve Funds	9,400		6,400	4,600	6,200	5,800	4,194	27,194
Development Charges								0
Federal								0
Provincial								0
Other Revenue								0
Total Financing	10,800		8,400	6,600	8,800	7,800	6,194	37,794
By Category:								
Health & Safety	7,000		7,030	5,300	6,900	6,400	5,034	30,664
Legislated								0
SOGR	3,800		1,370	1,300	1,900	1,400	1,160	7,130
Service Improvement								0
Growth Related								0
Total By Category	10,800		8,400	6,600	8,800	7,800	6,194	37,794
Yearly SOGR Backlog Estimate (not addressed by current plan)			(1,400)	(1,300)	(1,900)	(2,400)	(1,160)	(8,160)
Accumulated Backlog Estimate (end of year)		8,805	7,405	6,105	4,205	1,805	645	645
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs		42	0	280	298	346	280	1,264

LONG TERM CARE HOMES AND SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The capital maintenance projects ensure that health and safety issues are addressed and that the homes are maintained in a state of good repair to prevent future major costs from becoming necessary. The Program is committed to ensuring that the long-term sustainability of the homes physical plants and financial assets are maintained, and ensure that life safety issues are regularly addressed. The Capital Plan is designed to maintain the homes in a state of good repair, ensuring that the repair and maintenance of heating/mechanical systems, outside repairs (windows, brickwork and paving), elevators and roofing is ongoing, preventing the likelihood of incurring more extensive repairs in the future.

The Program's 2008 Health and Safety and State of Good Repair projects of \$4.4 million, ensure a safe and comfortable living environment for long-term care residents, of which some of the homes are located in priority neighbourhoods (Kipling Acres, Seven Oaks and Bendale Acres).

Other Key Capital Initiatives:

The Division is partnering and collaborating with other City Divisions to promote City Initiatives. These include partnerships with Parks, Forestry and Recreation (\$0.05 million) in the greening of the 10 Homes, as well as with Facilities and Real Estate in the facility design standards.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

There will be operational cost savings as a result of the 2008 capital projects in the form of decreased repair costs and energy cost savings through window replacements, and HVAC and heating plant upgrades, will be included in the future years' operating budgets. The Approved Five-Year Capital Plan will be reviewed to quantify any operating costs/savings that should be included with the 2009 Capital Budget submission.

The HFA 2008-2012 Approved Capital Plan will result in new debt service costs of \$0.06 million in 2008, and \$1.2 million in years 2009-2012. Debt service cost of repayment of principal and interest is calculated according to corporate guidelines, in the following manner: 3.0% in Year 1, and 14% for subsequent years.

STATE OF GOOD REPAIR BACKLOG

A comprehensive building condition assessment completed in the spring of 2006 identified a backlog of SOGR maintenance of \$8.8 million by the end of 2007 for the Program's 10 homes. This backlog will be reduced to \$0.6 million by 2012, or by an average of \$2 million per year.

The Province announced on July 31, 2007, plans to redevelop about 50% of the long-term care homes in Ontario over a ten year period beginning in 2008, which will likely define the capital requirements in the future.

While the average age of the homes would indicate that over 60% of the homes are close to the end of their life-cycle, all but three of the facilities have undergone major renovations.

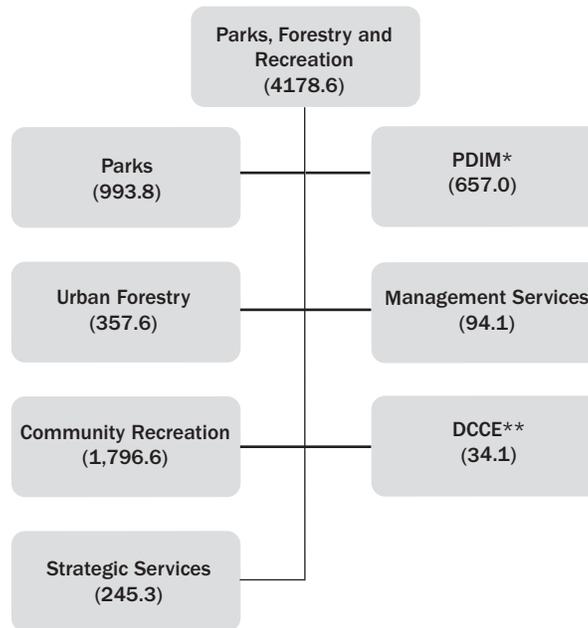
..... PARKS, FORESTRY AND RECREATION

MISSION STATEMENT

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

PROGRAM MAP

Parks, Forestry and Recreation is comprised of seven services with a total staffing complement of 4,178.6 approved positions.



*PDIM: Parks Development and Infrastructure Management
 **DCCE: Divisional Coordination and Community Engagement

PARKS, FORESTRY AND RECREATION

2007 KEY ACCOMPLISHMENTS

- Met budget targets through the implementation of Financial Accountability Framework
- Established the Divisional Health and Safety Unit
- Successful installation of the Point of Sale System (POS) at 82 Community Centers across the city
- Implementation of 44 ward-based Neighbourhood Teams
- Increased Water Efficiency by outfitting 30% of irrigation systems with computer controls, splash pads with timer controls and drinking fountains with an auto-stop feature.
- The Waste Diversion plan has made Parks, Forestry & Recreation a national leader in waste diversion. By focusing on waste diversion education, promotion and new recycling standards, the division has achieved an average waster diversion rate of 49%.
- Numerous environmental projects were completed:
 - > Energy retrofits at 70 indoor/outdoor rinks, 38 pools and 14 community centres.
 - > Community Gardens
 - > Erosion control - Sherwood Park Erosion & Vegetative Management
 - > Health and Safety Asset Preservation
 - > Humber Arboretum Nature Centre
 - > Lower Don Restoration and Access
 - > 3 Solar powered splash pads
- Additional staff and equipment for the Parks Beach Maintenance program improved conditions at Toronto's swimming beaches. In 2007, City beaches were open 82% of the time, up from 73% in 2006 and 43% in 2004.
- Parks, Forestry & Recreation won the national award for environmental excellence in the large city category at the 2007 Communities in Bloom competition.
- New tree planting guidelines and sidewalk construction methods were developed for Urban Design's Streetscape Manual to assist in increasing the lifespan of sidewalk trees from an average of 5 years to approximately 20 years.
- 232 people participated in the new Sledge Hockey program which included a weekly registered program, outreach sessions and exhibition games.
- Increased the number of persons with a disability registering in programs by 45%.
- Trained 100 youth from priority neighbourhoods for jobs in coaching and aquatic leadership through the Toronto Sport Leadership Program.
- Expanded the After-school Recreation Care Program (ARC) for children between 6 and 12 years old to 19 locations, registering 630 participants and employing 65 youth.
- Completed a series of four Sport Summits in partnership with the Toronto Sport Council. More than 150 people attended, representing 69 sports and 135 different sport groups to develop strategy to improve the level of amateur sport in Toronto.
- Established an additional 6 Youth Advisory Councils bringing the total number of Youth Advisory Councils to 16.
- 2,500 grade 4 students participated in Swim to Survive, a swim skills program operated in partnership with the school boards.
- Customer Service staff responded to 241,001 telephone calls and processed more than 36,000 permits.
- Developed and supported more than 175 partnerships.

PARKS, FORESTRY AND RECREATION

2008 PROGRAM OBJECTIVES

Parks, Forestry and Recreation will continue implementing Council's priorities and the Division's service improvement priorities including:

- setting and consistently achieving uniform service standards across the City of Toronto
- contributing to the Clean and Beautiful City initiative through the Parks and Trees Renaissance Program, with a long term focus on increasing the Urban Forestry Canopy
- strengthening at-risk neighbourhoods by improving services and engaging youth in high needs communities
- advancing the diversity of and accessibility to, recreational programming
- contributing to the development and maintenance of parkland and recreational infrastructure along the waterfront
- improving Health & Safety training and compliance, instituting a Divisional Safety and Security Plan

2008 STRATEGIC PRIORITIES

The 2008 Approved Operating Budget for Parks, Forestry and Recreation advances the following strategic priorities outlined in City Council's policy agenda:

- implementation of a ravine improvement team that will clean, beautify, and improve access and stewardship to Toronto's ravines
- make Toronto greener by improving tree management and care
- improve cost recovery in community recreation
- improve service delivery at all levels through completion of the conversion from the District to the Functional model
- dogs off-leash strategy – bylaw enforcement

2008 OPERATING BUDGET HIGHLIGHTS

To promote the objectives of the Program, the 2008 Operating Budget for Parks, Forestry and Recreation incorporates various new/enhanced services. A number of these 2008 initiatives also advance the mayor's mandate including:

- Provide tree maintenance on 2,300 trees annually on arterial/main streets and commercial areas (\$0.700 million gross, \$0 net and 1 position)
- Tree hazard abatement in ravines (\$0.705 million gross and net, and 3 positions)
- Improving access to recreation registrations by implementing a new CLASS module supporting universal on-line and touch-tone access (\$2.000 million gross, \$0 net)
- Initiating support for the new Dogs Off-Leash Strategy in urban parks (\$0.150 million gross and net, and 3 positions)
- Contributing to cost recovery by adding a site inspection fee in the provision of services relating to tree removal (\$0 gross, \$0.010 million net revenue)
- Expand fitness and wellness programs to run 12 weeks per season – North District pilot (\$0.030 million gross, \$0 net)

PARKS, FORESTRY AND RECREATION

2008 OPERATING BUDGET

The 2008 Operating Budget for Parks, Forestry and Recreation of \$322.078 million gross represents a \$17.083 million or 5.6% increase compared to 2007. The 2008 net operating budget of \$239.288 million reflects a \$11.843 million or 5.2% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Parks	67,399	64,069	70,790	67,066	74,146	69,949	3,356.2	4.7%	2,882.6	4.3
Community Recreation	94,677	53,620	102,547	58,020	105,828	58,044	3,280.7	3.2%	23.5	0.0
Urban Forestry	24,955	20,029	27,417	22,441	31,078	25,252	3,660.5	13.4%	2,810.5	12.5
Strategic Services	17,215	(2,455)	18,038	(2,064)	18,663	(2,138)	625.2	3.5%	(74.2)	3.6
Parks Dev. & Infrastructure Mgmt	74,335	70,438	74,788	70,891	78,526	74,628	3,738.5	5.0%	3,737.0	5.3
Div. Coord. & Community Engagement	2,165	2,161	2,670	2,666	4,757	4,753	2,087.3	78.2%	2,087.3	78.3
Management Services	8,422	8,343	8,745	8,424	9,080	8,801	335.1	3.8%	376.7	4.5
Total Program Budget	289,166	216,205	304,994	227,445	322,078	239,288	17,083.5	5.6%	11,843.4	5.2

PARKS, FORESTRY AND RECREATION

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	213,220.9	210,304.6	225,950.9	12,730.0	6.0%	229,520.7	231,020.7
Materials and Supplies	33,207.4	30,032.0	33,294.8	87.3	0.3%	33,319.3	33,319.3
Equipment	3,140.5	2,445.2	3,060.1	(80.3)	(2.6%)	3,037.6	3,037.6
Services & Rents	33,180.6	36,449.4	34,488.3	1,307.6	3.9%	34,855.0	35,231.8
Contributions to Capital	1,771.8	1,453.5	3,536.8	1,765.0	99.6%	4,031.8	4,031.8
Contributions to Reserve/Res Funds	9,855.3	9,995.0	9,900.8	45.5	0.5%	9,913.6	9,913.6
Other Expenditures	416.5	1,078.8	456.5	40.0	9.6%	467.7	467.7
Interdivisional Charges	10,201.3	13,007.7	11,389.6	1,188.3	11.6%	11,722.8	11,722.8
Total Gross Expenditures	304,994.3	304,766.1	322,077.8	17,083.5	5.6%	326,868.5	328,745.3
Funded by:							
Interdivisional Recoveries	2,985.1	2,290.8	3,350.4	365.3	12.2%	3,350.4	3,350.4
Provincial Subsidies	155.2	76.7	155.2	0.0	0.0%	155.1	155.1
Federal Subsidies	3,616.0	2,592.1	3,616.0	0.0	0.0%	3,616.0	3,616.0
Other Subsidies	0.0	52.7	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	56,561.8	55,247.8	60,929.8	4,368.0	7.7%	62,229.3	62,229.3
Transfers from Capital Fund	3,363.5	4,547.5	3,363.5	0.0	0.0%	3,363.5	3,363.5
Contribution from Reserves/Res Funds	1,370.8	1,325.8	1,329.2	(41.7)	(3.0%)	1,329.1	1,329.1
Other Revenues	9,497.2	10,525.5	10,045.7	548.5	5.8%	10,045.7	10,045.7
Total Non Tax Revenues	77,549.7	76,659.0	82,789.8	5,240.1	6.8%	84,089.1	84,089.1
Net Budget (excluding Capital Financing)	227,444.7	228,107.1	239,288.0	11,843.4	5.2%	242,779.4	244,656.2
APPROVED POSITIONS	4,122.4	4,143.8	4,178.6	56.2	1.4%	4,209.7	4,209.7

PARKS, FORESTRY AND RECREATION

2009/2010 OPERATING BUDGET OUTLOOK

Parks, Forestry and Recreation faces a number of future challenges:

- Unfavourable revenue variances – although improving, the Program has had chronic difficulty in meeting its revenue budget.
- Expenditure growth – the Program's Operating Budget has grown, on average, by more than \$10 million annually since 2003. This rate of growth is not sustainable, yet the Program may be challenged to maintain current service levels without additional funding.
- Maintaining aging facilities and keeping activities within them relevant to Toronto's changing communities.
- Maintaining the urban forest under increasingly unpredictable natural conditions.
- Ensuring staff and participant safety and security in community facilities.
- Developing new approaches to recreation access policies which ensure equitable access for all.
- Future impacts – the incremental pressure produced by future Waterfront projects as well as the Program's own Five-Year Capital Plan, Service Priorities and other reports is considerable.

PARKS, FORESTRY AND RECREATION

2008 CAPITAL BUDGET AND 2009 - 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Parks, Forestry and Recreation Five-Year Plan is aligned with the strategic directions provided through the Mayor’s Mandate, Council’s priorities and Council-approved strategic plans, including the recently Council-approved Parks, Forestry and Recreation strategic plan, Our Common Grounds. The Plan also reflects recommendations contained in the *Recreation Facilities Report* and the *Indoor Pool Strategy Report*.

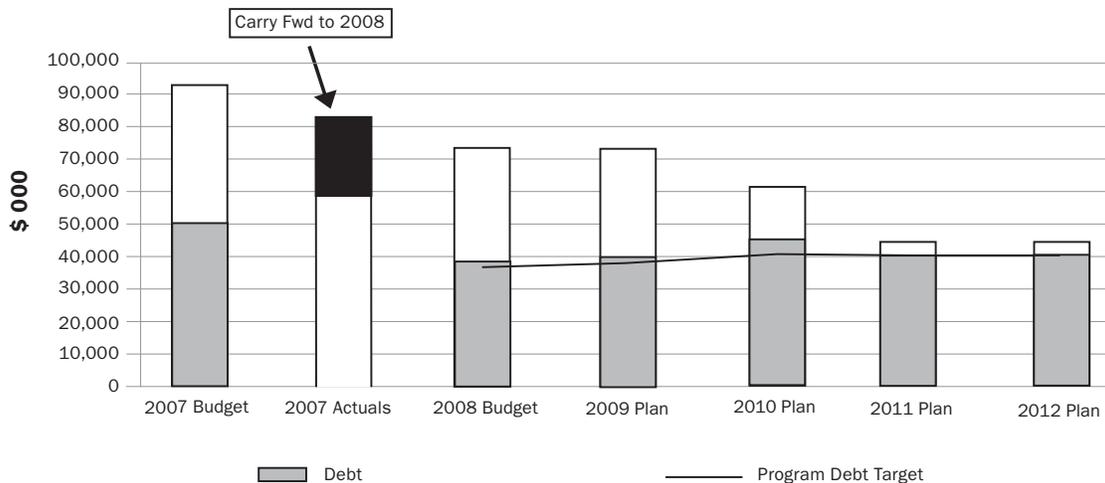
The Five-Year Plan for the construction, preservation, and renovation of public buildings, parks, and infrastructure of the Parks, Forestry & Recreation Division is reflected in 12 key project areas: Community Centres; Pools (indoor and outdoor); Park Development; Arenas (indoor and outdoor); Special Facilities; Facility Components; Environmental Initiatives; Outdoor Recreation Centres; Parking Lots and Tennis Courts; Playgrounds and Waterplay; Trails and Pathways and Land Acquisition.

Parks, Forestry and Recreation’s 2008 Capital Budget and 2009-2012 Capital Plan totals \$301.355 million and requires cash flows of \$74.265 million in 2008; \$74.211 million in 2009; \$60.714 million in 2010; \$46.028 million in 2011; and \$46.137 million in 2012. This approved funding will be used to strengthen at-risk neighbourhoods, invest in 13 priority neighbourhoods, make progress on the Waterfront, and speed up the implementation of Toronto’s Bike Plan and to make Toronto a Clean and Beautiful City.

The Parks, Forestry and Recreation Five-Year Plan ensures a balanced approach in the provision of services in the context of the City’s current fiscal reality. There is a strong emphasis on state-of-good-repair and an attempt to satisfy some demand for growth and service improvement. Of the \$301.355 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$161.806 million (54%) for state-of-good repair initiatives, while the remaining \$139.549 million is reserved for service improvement and growth-related projects. Much of the latter, however, is to be funded from non-debt sources. Of the \$207.549 million in debt financing approved over the 2008-2012 period, only 4% (\$9.082 million) is assigned to service improvement and growth-related initiatives.

The capital strategy for Parks, Forestry and Recreation includes leveraging partnership funding where possible and developing an achievable program which can be delivered within the planned timeframe so as to reduce the number of unfinished projects that are carried forward from year to year.

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



PARKS, FORESTRY AND RECREATION

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	93,984	58,966	16,323	2,781			261	19,365
Recommended Changes to Commitments			9,343				(261)	9,082
2008 New/Change in Scope and Future Year Commitments			48,599	21,187	1,712			71,498
2009–2012 Plan Estimates				50,243	59,002	46,028	46,137	201,410
1-Year Carry Forward to 2008		26,153	→					
Total Gross Annual Expenditures & Plan	93,984	85,119	74,265	74,211	60,714	46,028	46,137	301,355
Program Debt Target	31,470		35,130	36,681	41,483	41,500	41,500	196,294
Financing:								
Recommended Debt	50,520		38,010	40,681	45,858	41,500	41,500	207,549
Other Financing Sources:								
Reserves/Reserve Funds	21,927		18,293	6,007	1,955	1,208	1,037	28,500
Development Charges	8,355		5,909	7,076	4,865	1,820	3,100	22,770
Federal			500					500
Provincial	500							
Other Revenue	12,682		11,553	20,447	8,036	1,500	500	42,036
Total Financing	93,984		74,265	74,211	60,714	46,028	46,137	301,355
By Category:								
Health & Safety								
Legislated	1,232							
SOGR	42,020		34,220	29,826	30,045	30,628	37,087	161,806
Service Improvement	46,578		27,166	6,855	7,970	9,200	8,850	60,041
Growth Related	4,154		12,879	37,530	22,699	6,200	200	79,508
Total By Category	93,984		74,265	74,211	60,714	46,028	46,137	301,355
Yearly SOGR Backlog Estimate (not addressed by current plan)			35,151	26,572	21,565	28,687	15,078	127,053
Accumulated Backlog Estimate (end of year)		197,680	232,831	259,403	280,968	309,655	324,733	324,733
Operating Impact on Program Costs				278	1,838	2,280	1,136	5,532
Debt Service Costs			1,140	5,402	5,851	6,289	5,810	24,492

PARKS, FORESTRY AND RECREATION

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **Strengthen Our At-Risk Neighbourhoods**
The Parks, Forestry and Recreation Five-Year Capital Plan will continue to invest in recreational infrastructure in Toronto's Priority Neighbourhoods. Work will continue on major renovation at Antibes Community Centre in the Westminster-Branson neighbourhood to include a community garden, in-house radio station, youth lounge and dance studio and improvements to the weight room at a cost of \$0.157 million. Other improvements include a youth lounge and new outdoor signage at the Scarborough Village Community Centre (\$0.075 million) and a new playground structure at Lochleven Park (\$0.080 million).
- **Invest \$13 Million in 13 Priority Neighbourhoods**
Parks, Forestry and Recreation's Five-Year Capital Plan includes \$17.634 million gross – \$3.000 million in 2008; \$9.259 million in 2009; and \$4.375 million in 2010 – for the following 6 projects as Priority Neighbourhood investments: an accessible playground and equipment at Crescent Town; a multi-sports complex at the McGregor Community Centre and the construction of the Warden Corridor Community Centre, both in the Dorset Park neighbourhood; the expansion of the O'Connor Community Centre at Flemingdon Park-Victoria Village; a cricket pitch and soccer field at Panorama park in Jamestown; and an outdoor multi-purpose sports pad at Chester Le/Leacock Park in the Steeles-L'Amoreaux area; as well as for additional projects to be selected for 2009 and 2010 based on confirmed partnership leveraged offset funding.
- **Make Progress On The Waterfront**
Most of the capital funding for waterfront parks does not reside within the Parks, Forestry and Recreation capital budget. However, working in partnership with other agencies and organizations, Parks, Forestry and Recreation will continue to improve the waterfront as it continues with the first phase of a multi-year state-of-good-repair program for Harbourfront Centre. The Five-Year Capital Plan includes \$5.300 million in funding for this initiative.
- **Speed Up the Implementation of Toronto's Bike Plan**
The Parks, Forestry and Recreation Five-Year Plan includes \$6.300 million for the Toronto Bike Plan for state-of-good-repair funding to keep existing trails within parks in a proper state of maintenance as well as for asphalt repairs and appropriate signage work. Priorities will be determined in consultation with stakeholders.
- **Make Toronto a Clean and Beautiful City**
Parks, Forestry and Recreation will continue to help ensure that public spaces, facilities, parks and ravines are maintained to meet service quality standards. The Program will demonstrate innovative approaches to beautification through landscaping designs and horticultural treatments in parks. The Five-Year Capital Plan includes \$0.600 million in funding for this initiative.

PARKS, FORESTRY AND RECREATION

Other Key Capital Initiatives:

The Parks, Forestry and Recreation Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- The Parks, Forestry and Recreation Five-Year Capital Plan will deliver a work order system as part of the 3-1-1 Customer Service Strategy and a security plan for various facilities.
- In terms of land acquisition, the Plan will deliver the completion of the acquisition of the Village Securities site.
- Outdoor recreation centre capital projects include the completion of the Tam Heather Tennis Dome; skateboard parks at Ashbridges Bay and City-wide; sports field improvements at 7 parks; soccer fields at 3 parks; and lighting at 3 parks.
- Park development will take place at 24 parks, including the Regent Park neighbourhood, and the development of bike trails in the former Canadian Pacific rail corridor.
- Waterplay areas or playgrounds will be installed or upgraded at 12 sites.
- Capital work will be undertaken at 5 pools including the redevelopment of Lord Dufferin Pool in Regent Park and the pool at the Flemingdon Park Recreation Centre.
- The Stephen Leacock Arena will be renovated, an outdoor ice rink will be built at Col. Sam Smith Park and a new field house will be built at Queensway Park.
- Work will continue on the Toronto Bike Plan and environmental initiatives such as the Tree Advocacy Program.
- Work will begin on special facilities like the Allan Gardens green house and the demolition of the Guild Inn.
- Finally, the Plan will deliver community centres such as the Jenner Jean-Marie and York Community Centre.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The Parks, Forestry and Recreation 2008-2012 Capital Plan increases future-year Parks, Forestry and Recreation operating budgets by approximately \$5.532 million net over the Five-Year period, with no impact in 2008 from projects in the 2008-2012 Plan. The operating budget impacts of these Parks, Forestry and Recreation capital projects will be 100% City-funded. These figures represent only an estimate of operating budget impacts and do not include positions required.

There are also Parks, Forestry and Recreation operating budget impacts arising from other programs' capital budgets, such as City Planning, Toronto and Region Conservation Authority (TRCA) and Waterfront Toronto. These agencies are working together with Parks, Forestry and Recreation to include in their future-year capital budget submissions the operating impacts of their capital work on Parks, Forestry and Recreation's operating budgets.

STATE OF GOOD REPAIR BACKLOG

Parks, Forestry and Recreation is responsible for assets worth several billion dollars ranging from parks, pools, recreation centres, arenas, seawalls, parking lots, trails and paths, water play areas, streetscapes, ferry boats and docks. Due to past funding limitations, however, the Program has accumulated a state-of-good-repair backlog estimated to be approximately \$197.680 million by the end of 2007. While the Approved Five-Year Capital Plan addresses approximately 82% (\$161.561 million) of this deferred maintenance, an average of \$64.947 million per year would be required over the next 5 years to eliminate the backlog entirely.

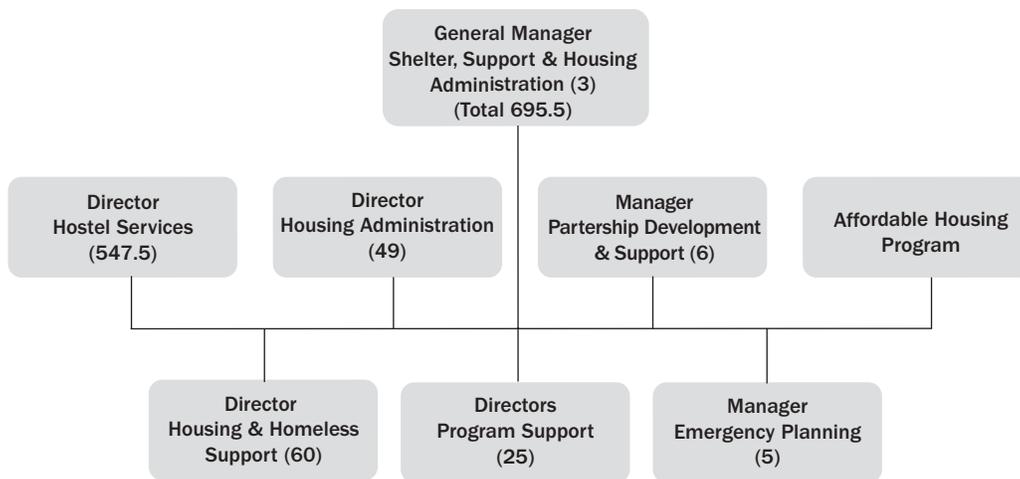
..... SHELTER, SUPPORT AND HOUSING ADMINISTRATION

MISSION STATEMENT

Shelter support and Housing Administration (SSHA) ensures that homeless people and people at risk of homelessness have a range of shelter and affordable housing options. Provide temporary shelter and support for homeless individuals and families while assisting them to achieve permanent housing solutions.

PROGRAM MAP

As indicated in the program map, SSHA has seven service functions: Program Support, Social Housing, Affordable Housing Programs, Hostel Services, Housing and Homeless Supports, Partnership Development and Support, and Emergency Planning Services with 695.5 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

Housing and Homeless Supports

- Provided housing to approximately 720 individuals through Streets to Home; more than 1,750 homeless individuals have been housed directly from the street in just over three years; an out Post-Occupancy study found that 88% of Streets to Homes clients remain housed for over one year;
- Conducted a pilot project for panhandlers that engaged those who panhandle and worked to assess and address their needs, including providing assistance in accessing services to help address their poverty and health issues. 63% of people we worked with stopped panhandling during the course of the pilot project;
- Awarded 5 public sector quality fair awards for projects from three units in the section;
- Finalized a \$35M contract with the Federal government, and allocated funds to more than 119 projects operated by community agencies;
- Funded more than 124 community operated projects, including 27 drop-in centres that provided a safe space and a meal to more than 2,600 individuals per weekday, and 38 housing help projects that assisted more than 8,600 households (containing 17,200 individuals) find and keep housing; and
- Provided grants to 32 tenant associations/groups to help them respond to applications to increase their rent, and other landlord applications which would have made their homes less affordable. Overall, this program assisted 1,920 households.

SHELTER, SUPPORT AND HOUSING ADMINISTRATION

Hostel Services

- Provided 1,365,181 bed nights of emergency shelter;
- Purchased the property at 129 Peter Street for the renovation and installation of an Assessment and Referral Centre and 40 emergency shelter beds;
- Opened the new Bethlehem United shelter, a co-ed 60 bed shelter;
- Conducted Client Service Review Survey as part of the second phase of the Quality Assurance Review process. Shelter clients were asked for their perspectives on the effectiveness of the Toronto Shelter Standards in supporting them to end their homelessness;
- Developed Client Support Services Framework as part of the City's ongoing Quality Assurance Review process for shelters in response to a number of recommendations contained in the 2004 Auditor General's report on Hostel Services;
- Provided specialized housing help service supports in shelters to assist over 4,500 households in finding housing in the community. In addition counsellors in shelters assisted thousands of other households in finding housing;
- Initiated Hostels to Homes Pilot, which will provide housing and follow-up supports to 310 people leaving shelters;
- Provided 288,010 bed nights of service to psychiatric consumer survivors through the Habitat Services program; and
- Delivered the Housing Allowance program to 411 units to vulnerable and homeless individuals and families.

Social Housing

- Provided program administration and direct funding to 91,504 social housing units;
- As part of the energy conservation program, partnered with Social Housing Services Corporation to replace 25,000 compact fluorescent light bulbs in 5,000 social housing units and started the "Green Light" initiative with SHSC which explores opportunities for grants, loans and education programs, within social housing developments; and
- Implemented the Canada-Ontario-Toronto Housing Allowance program.

Emergency Planning Services

- Assisted displaced individuals who had lost their homes either temporarily or permanently due to emergencies or natural disasters (fire, explosions, power outages, storms, chemical spills, etc);
- Provided cooling centres, across the City, for 10 days of heat alert and 5 days of extreme heat alert; and
- Provided heating centres for 19 days of extreme cold alert.

2008 PROGRAM OBJECTIVES

- Transform and revitalize Toronto's social housing communities, using Regent Park as an example, into viable, mixed income, communities of hope;
- Partner with community agencies to ensure the construction of more transitional and supportive housing;
- End homelessness through the continual commitment to the City's "Housing First Strategy" by providing assistance and supports to homeless and those at risk of becoming homeless through connecting individuals with services that lead finding permanent housing. Some of the benefits to a Housing First strategy include:
 - > Better quality of life;
 - > Substantially less alcohol and other drug use;
 - > Less use of emergency services;
 - > More use of appropriate health services; and
 - > Less panhandling.
- Align funding with initiatives that will advance the housing first approach, such as housing help delivered through shelters and community agencies (to help find housing and avoid eviction), eviction prevention programs, and the sustaining of drop-in centres (to assist those in need to remain housed).

SHELTER, SUPPORT AND HOUSING ADMINISTRATION

2008 STRATEGIC PRIORITIES

- Help people who are homeless or at risk of homelessness find and keep housing, and to provide emergency accommodation and related services;
- Ensure the on-going viability and sustainability of existing social housing both in terms of built form and mixed income communities;
- Ensure the City's preparedness to shelter individuals and families in response to declared and non-declared emergencies; and
- Administrate the funding for the Affordable Housing Projects in accordance with the Council approved funding through the Capital Revolving Fund.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Provide program administration and direct funding to over 250 housing providers (including the Toronto Community Housing Corporation), with 90,879 units of social housing;
- Provide 1.377 million bed nights of emergency shelter (3,762 per night, 365 days a year) to homeless individuals, including the provision of meals and counselling;
- Provide 285,000 bed nights of boarding home service to adults with psychiatric disabilities;
- Administer the Homelessness Partnering Strategy and Federal and Provincial grants to over 300 agencies;
- Assist homeless individuals move into housing through the Streets to Homes program, with over 1,500 individuals relocated since 2005; and
- Develop and manage the mass care program of the City's Emergency Plan.

2008 OPERATING BUDGET

The 2008 Operating Budget for Shelter Support and Housing Administration of \$710.107 million gross represents a \$10.587 million or 1.5% decrease compared to 2007. The 2008 net operating budget of \$253.762 million is equal to the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Program Support	2,120	2,120	2,105	2,105	2,314	2,314	209.0	0.1	209.0	9.9
Social Housing	534,510	219,347	536,415	195,098	537,367	191,946	952.0	0.0	(3,152.0)	(1.6)
Affordable Housing Programs	13,842	—	14,308	—	10,059	—	(4,249.0)	n/a	0.0	0.0
Hostel Services	119,107	52,882	116,575	52,842	117,673	55,308	1,098.0	0.1	2,466.0	4.7
Housing and Homeless Supports	47,843	1,882	49,982	2,910	41,427	3,417	(8,555.0)	(2.9)	507.0	17.4
Partnership Devel. & Support	343	343	343	343	364	364	21.0	0.1	21.0	6.1
Emergency Planning Services	—	—	966	464	903	413	(63.0)	(0.1)	(51.0)	(11.0)
Total Program Budget	717,765	276,574	720,694	253,762	710,107	253,762	(10,587.0)	(1.5)	0.0	0.0

SHELTER, SUPPORT AND HOUSING ADMINISTRATION

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	52,753.8	50,566.1	55,284.0	2,530.2	4.8%	55,916.0	57,431.7
Materials and Supplies	4,636.0	3,891.3	4,829.0	193.0	4.2%	4,829.0	4,829.0
Equipment	561.6	355.1	551.5	(10.1)	(1.8%)	551.5	551.5
Services & Rents	64,412.3	60,555.8	62,766.4	(1,645.9)	(2.6%)	62,766.4	62,766.4
Contributions to Reserve/Res Funds	1,724.0	8,779.5	1,068.9	(655.1)	(38.0%)	1,068.9	1,068.9
Other Expenditures	596,606.1	572,524.3	585,606.7	(10,999.4)	(1.8%)	594,492.8	606,375.4
Total Gross Expenditures	720,693.8	696,672.1	710,106.5	(10,587.3)	(1.5%)	719,624.6	733,022.9
Funded by:							
Provincial Subsidies	103,036.2	93,162.2	100,937.1	(2,099.1)	(2.0%)	100,937.1	100,937.1
Federal Subsidies	207,463.1	204,969.6	197,730.3	(9,732.8)	(4.7%)	197,730.3	197,730.3
Other Subsidies	113,935.6	115,092.8	113,935.6	0.0	0.0%	113,935.6	113,935.6
User Fees, Permits & Donations	921.4	912.1	921.4	0.0	0.0%	921.4	921.4
Contribution from Reserves/Res Funds	38,738.7	26,703.9	40,707.3	1,968.6	5.1%	10,235.6	10,235.6
Other Revenues	2,836.5	4,349.1	2,112.5	(724.0)	(25.5%)	2,112.5	2,112.5
Total Non Tax Revenues	466,931.5	445,190.1	456,344.2	(10,587.3)	(2.3%)	425,872.5	425,872.5
Net Budget (excluding Capital Financing)	253,762.3	251,482.0	253,762.3	(0.0)	(0.0%)	293,752.1	307,150.4
Approved Positions	699.0	699.0	695.5	(3.5)	(0.5%)	695.5	702.5

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 Outlook includes a net increase of \$39.990 million, and is comprised of the following: \$30.472 million from the reversal of the 2008 reserve draw; \$8.886 million increase in Social Housing due to changes in subsidy for cost factor index, realty taxes and RGI increases; and \$0.632 million for merit and step increases.

The 2010 Outlook includes a net increase of \$13.398 million, and is comprised of the following: \$11.883 million increase in Social Housing due to changes in subsidy for cost factor index, realty taxes, mortgage renewals, and RGI increases; \$0.644 million for merit and step increases; and \$0.871 million for the operating impact of capital for the Social Housing IT System capital project (an additional seven Approved Positions are required to maintain the new IT system).

SHELTER, SUPPORT AND HOUSING ADMINISTRATION

2008 CAPITAL BUDGET AND 2009 - 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Shelter Support and Housing Administration Five-Year Plan is aligned with the strategic directions provided through the Mayor’s Mandate, Council priorities and Council-strategic plans. The Plan is significantly revised from previous years, based on the stabilizing of bed night occupancy, and City programming designed to move homeless families and individuals into permanent housing.

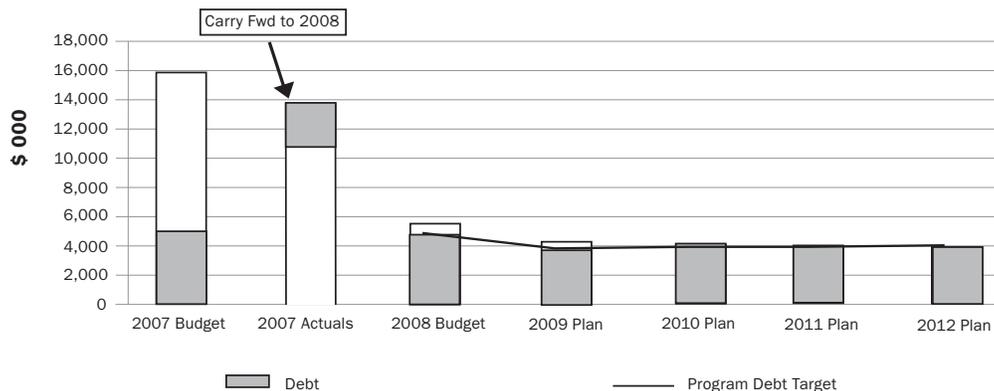
The Five-Year Capital Plan provides for 132 beds, including 62 new and 70 replacement beds, at a cost of \$14.786 million. The Capital Plan will fund the following shelters: 40 replacement beds at the 129 Peter Street Shelter, Assessment & Referral Centre; 2 new and 30 replacement beds at Eva’s Youth; and 60 new beds at Bethlehem United. Future-year projects include the Shelter Development/ Redevelopment Project for \$7.024 million, with bed number requirements and cost per bed undetermined at this time. The details of the future year shelter plan, including the cost per bed estimates, the number new and replacement beds to be delivered, and the year the beds will go into service will be reported in 2008.

Shelter Support and Housing Administration’s 2008 Capital Budget and 2009 to 2012 Capital Plan totals \$18.425 million, and requires cash flow of \$5.154 million in 2008; \$3.647 million in 2009; \$3.150 million in 2010; \$3.274 million in 2011; and \$3.200 million in 2012.

The Five-Year Plan includes funding of \$0.573 million in 2008 and \$3.600 million in future years for State of Good Repair (SOGR) maintenance, dedicated to the City’s 15 owned and leased shelters. The SOGR maintenance plan includes funding of \$2.973 million over the term to meet ongoing SOGR needs, and \$1.200 million to reduce the 2007 backlog from \$2.800 million to \$1.600 million by 2012. Also included is funding for two IT projects: the Social Housing Administration System (SHAS) for \$3.500 million, and the Shelter Management Information System (SMIS) for \$0.744 million; SMIS is scheduled for completion in 2008, while SHAS is scheduled for completion in 2010. These IT projects will increase the Program’s efficiency by automating work-flow practices, and improving administrative reporting and controls.

4% of the Five-Year Plan is allocated to Health and Safety for the reconstruction of Eva’s Youth Shelter and HVAC upgrades at Seaton House; 23% of the funding is dedicated to SOGR projects, providing upgrades to the City-leased and-operated shelters; and 73% is allocated to Service Improvements, with project expenditures dedicated to reinvestment in new and replacement shelter beds, and two IT systems that will improve the accountability and enhance the efficiency of both the shelter and social housing services.

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



SHELTER, SUPPORT AND HOUSING ADMINISTRATION

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	16,039	11,301	3,329	1,700				5,029
Recommended Changes to Commitments			(335)		600			265
2008 New/Change in Scope and Future Year Commitments			2,160	347				2,507
2009–2012 Plan Estimates				1,600	2,500	3,274	3,200	10,624
1-Year Carry Forward to 2008		2,183	→					
Total Gross Annual Expenditures & Plan	16,039	13,484	5,154	3,647	3,150	3,274	3,200	18,425
Program Debt Target	5,500		4,125	3,300	3,012	3,200	3,200	16,837
Financing:								
Recommended Debt	4,842		4,125	3,300	3,012	3,200	3,200	16,837
Other Financing Sources:								
Reserves/Reserve Funds								
Development Charges	183		182		138	74		394
Federal	8,402		500					500
Provincial								
Other Revenue	2,612		347	347				694
Total Financing	16,039		5,154	3,647	3,150	3,274	3,200	18,425
By Category:								
Health & Safety	3,393		800					800
Legislated								
SOGR	1,003		573	900	900	900	900	4,173
Service Improvement	11,643		3,781	2,747	2,250	2,374	2,300	13,452
Growth Related								
Total By Category	16,039		5,154	3,647	3,150	3,274	3,200	18,425
Yearly SOGR Backlog Estimate (not addressed by current plan)				(300)	(300)	(300)	(300)	(1,200)
Accumulated Backlog Estimate (end of year)		2,800	2,800	2,500	2,200	1,900	1,600	1,600
Operating Impact on Program Costs			900		871			1,771
Debt Service Costs			124	505	205	66		900

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- Commitment to End Homelessness through a Housing First Strategy
The Program has responded to changes in the occupancy levels and changes in client requirements, and has modified future year shelter requirements to complement a “housing first” approach to end homelessness. The 2008 – 2012 Capital Plan includes a reduction of 77 beds from the 2007 level of 209 beds to 132 beds, due to the removal 42 replacement and 35 beds from the future-year projects. These adjustments also respond to the recent Federal/ Provincial announcement regarding the creation of new funding for affordable housing. SSHA has been successful in the uses of Pilot Housing Projects such as Hostels to Homes and the Housing Allowance Program in moving long-term shelter users into permanent housing.

SHELTER, SUPPORT AND HOUSING ADMINISTRATION

On December 19, 2006, the Federal government announced a new two-year program, Homelessness Partnering Strategy (HPS), designed to reduce and alleviate homelessness; HPS allows the Program to continue providing services that combat homelessness in much the same manner as the former Supporting Communities Partnership Initiatives (SCPI) grant. The 2008 Recommended Capital Budget includes funding of \$0.873 million from HPS for the 129 Peter Street Shelter, Assessment & Referral Centre; as well, the Federal government is providing \$0.300 million of funding from HPS and \$0.100 million of funding from Human Resources and Social Development Canada for the Shelter Management Information System.

Other Key Capital Initiatives:

The Shelter Support and Housing Administration Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Over the next three years, \$6.928 million is budgeted for the construction and/or expansion of new facilities as well as the implementation of new information technology.
- Facilities projects include the following: 129 Peter Street Shelter, Assessment & Referral Centre for \$1.934 million, a 40 bed co-ed shelter and assessment/ referral centre that replaces the Edward Street Shelter and Referral Centre; Eva's Youth Shelter Satellite for \$0.500 million, a 32-bed youth shelter that replaces an existing 30-bed facility; and Bethlehem United for \$0.250 million, a new co-ed 60 bed shelter. Eva's Youth Shelter and Bethlehem United Shelter are scheduled for completion in 2008, with the 129 Peter Street Shelter, Assessment & Referral Centre scheduled for completion in 2009.
- IT projects include the Social Housing Administration System (SHAS) project at a cost of \$3.500 million, and the Shelter Management Information System (SMIS) at a cost of \$0.744 million. The SHAS project is scheduled for completion in 2010, while the SMIS project is scheduled for completion in 2008.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$1.771 million net over the Five-Year period, with a net increase of \$0.035 million in 2008 from Eva's Youth Shelter Satellite; \$0.865 million in 2008 for the Bethlehem United Shelter.

The 2008 operating impacts result from the additional costs of providing shelter services at these locations. The Program's shelter service delivery model has been adjusted to include these new shelters. The additional operating costs are offset by the closure of four shelters managed by service providers.

The 2010 operating impacts of \$0.871 million are primarily the result of the addition of seven approved positions required to maintain the new IT system, once the Social Housing Administration System becomes fully operational.

STATE OF GOOD REPAIR BACKLOG

The City owns 15 shelter sites, eight are City Operated Sites, and seven are purchase-of-service programs located in City facilities that are leased to shelter operators. The Program has established an inventory of its State of Good Repair maintenance backlog, and associated cost estimates, estimated to be \$2.800 million at the end of 2007.

The Five-Year Capital Plan includes funding of \$0.573 million in 2008 and \$3.600 million in years 2009 through 2012 for SOGR for City owned/ leased shelters. The Five-Year Capital Plan includes spending \$2.973 million over the term to meet ongoing SOGR needs, and \$1.200 million to reduce the 2007 backlog from \$2.800 million to \$1.600 million by 2012.

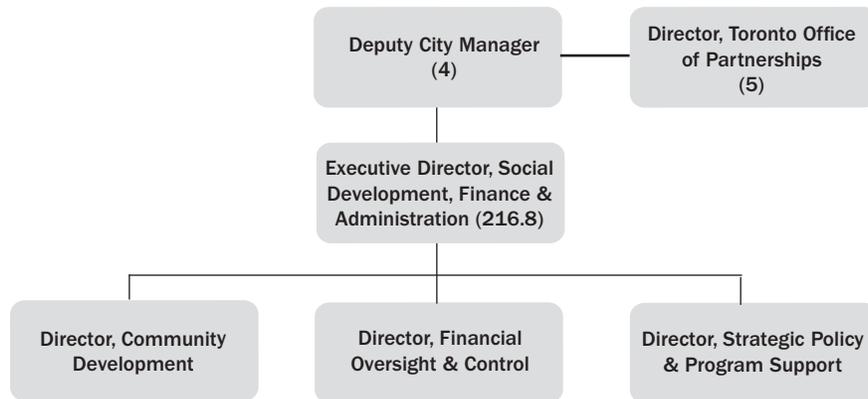
..... SOCIAL DEVELOPMENT, FINANCE AND ADMINISTRATION

MISSION STATEMENT

Social Development, Finance and Administration (SDFA) provides leadership and support to the Deputy City Manager, the Citizen Centered Services “A” Cluster, and City Council to advance social inclusion and to build safe, strong neighbourhoods and communities. The Division identifies and responds to community social needs; undertakes social planning and trend analysis; develops strategic policy responses; and provides financial, administrative, IT and communications support and oversight.

PROGRAM MAP

As indicated in the program map, SDFA has four services functions: Community Development, Financial Oversight and Control, Strategic Policy and Program Support, and the Office of Toronto Partnerships with 225.8 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Leveraged over \$60m in partnerships/investments by Feds, Province and United Way of Greater Toronto in 13 Priority Neighbourhoods related to Youth Employment and Education, Youth Engagement, Community and Family and Youth Justice and Crime.
- Obtained Council commitment to additional infrastructure investment of \$13m in 13 Priority Neighbourhoods through Partnership Opportunities Legacy Fund
- 13 Neighbourhood Action Teams (NAT) established and running with director champions from across organization
- 3,750 youth served various employment programs (additional youth served through engagement programs and projects)
- 735 funding applications assessed; 575 funding agreements administered; 10 boards of management
- Financial Administration support and oversight to DCM and 11 operating divisions
- Provincial subsidy claims and receivable management \$1.4 billion
- Agenda management and policy co-ordination support to Standing Committees
- Supported Intergovernmental initiatives e.g. Provincial-Municipal Fiscal and Service Delivery Review, Social Development Committee/Tri-level Guns and Gangs Task Force, Ontario-Toronto Settlement Services Work Group, Federation of Canadian Municipalities Quality of Life Reporting System

SOCIAL DEVELOPMENT, FINANCE AND ADMINISTRATION

- Provided policy/planning support to Council-directed committees (Community Development and Recreation Committee, Youth Strategy Panel), City strategic initiatives (Regent Park Social Development Plan, Affordable Housing Plan, Toronto for All – public hearing on Income Security), corporate initiatives (Cluster A -Corporate Program Reviews, City Census Bulletins), international reviews (OECD urban cities review, World Bank indicators project), responding to 280 social research information/data requests completed
- Communications support to 10 Cluster A divisions: 600 media responses made (24/7) through media contacts & support; 625 design, production and communications projects completed; 100 program events supported
- Information and technology support to PFR, EDCT and SDFA divisions through application development and IT project management: 2 new IT applications; 17 enhanced IT applications; resolved 2800 2nd Level service calls; 460 equipment acquisitions and installation

2008 PROGRAM OBJECTIVES

- Financial Oversight & Control: Effective and efficient management of the Cluster A program's operations by providing sound leadership, support to the DCM, City Manager, Council and divisions, through cluster oversight, management support and reviews, consultation and analysis, financial reporting and expenditure control, revenue and subsidy management, financial and administrative services;
- Strategic Policy & Program Support: Provide strategic policy, communications, program administration/development and information technology support that facilitates horizontal collaboration/co-ordination of the City's social inclusion framework, Council priorities and the new administrative priorities;
- Community Development: Provide project management support for a wide range of community, corporate and/or Council initiatives to increase civic engagement in community service related areas; and
- Toronto Office of Partnerships: Actively seeks out strategic partners for initiatives that support programs and services offered by the City of Toronto to improve the quality of life here, and encourages partnerships by streamlining the review process and finding the most appropriate "home" for them.

2008 STRATEGIC PRIORITIES

The 2008 Recommended Operating Budget directly advances the following priorities outlined in Council's policy agenda:

Making a Safe City Safer

- The implementation of the City's Community Safety Plan, which includes full implementation of neighbourhood action planning, focusing on creating new and innovative service delivery partnerships both between City service areas, community based organizations, other orders of government (including resident engagement), and further developing the City's crisis response capacity in partnership with Toronto Police Service and community groups organizations, which will strengthen our at-risk neighbourhoods.

Invest More in Youth

- Employment training to 3,750 youth in community safety neighbourhoods through partnerships with Toronto Social Service for Youth Employment, Youth entrepreneurship with EDCT, and participate in the Youth Training and Apprenticeship Opportunities Advancement program. The goal of this initiative is to expand and enhance opportunities for youth in areas such as employment, education, training, and mentorship.

SOCIAL DEVELOPMENT, FINANCE AND ADMINISTRATION

Improve the Public Realm

- Toronto Office of Partnerships has been created with the mandate to build new partnerships with businesses, not-for profit organizations, community groups, resident associations and individuals. The office seeks strategic partners for initiatives that help support programs and services offered by the City that are designed to improve the quality of life through supporting services that ensure prosperity, liveability and opportunity for all residents in the City.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Operationalize the Community Services Partnership Program on the Corporate Grants Information System for the first ever paperless funding cycle
- Establish the Community Revitalization Secretariate to co-ordinate City support for Regent Park and Lawrence Heights community revitalization initiatives
- Continue providing Financial Oversight and Control to all cluster programs in the areas of financial analysis, reporting, provincial subsidy claims (\$1.5 billion) receivables, budget co-ordination, and Ontario Works banking function (\$712.9 million)
- Operationalize the centralized Departmental Purchase Order function with the extended purchasing limit of \$50.0 thousand for all cluster programs
- Continue providing Communications Support (350 Communication Projects, 100 Special Events, 600 Media Calls, and 75 News Releases) and IT Supports (deployment of Point of Sale Solution to over 100 Community Centres for Parks, Forestry and Recreation program for client registration, CLASS system upgrade to implement Audit General & Risk Assessment recommendations to enhance payment processing, continuous hardware/software planning and support for 3000 CLASS system users at 285 diverse locations) to Cluster Programs
- Continue to provide policy/planning support to Mayor/Council priorities (Making a Safe City Safer, Prosperity Opportunity Legacy Fund, Agenda for Prosperity, Neighbourhood Revitalization, Ontario-Toronto Settlement Services Work Group, Youth Strategy Panel), City initiatives (Corporate Program Reviews, Access to Recreation, Toronto Children Plan, City Census Bulletins), community partnerships (25 in 5 poverty reduction strategy), and social monitoring/reporting (Federation of Canadian Municipalities Quality of Life Reporting System, World Bank Indicators project)
- Toronto Office of Partnership will:
 - > Develop more than 50 external and internal partnerships, 75 requests for consultations on donations, fundraising, and unsolicited proposals and processing of 30 unsolicited proposals
 - > Create a database for over 350 City's external partners (corporate, not for profit, public) who contribute to the City's programs, services and facilities
 - > Develop an e-donation process to accept financial donations for City programs and services via the internet
 - > Develop a framework for private investment in public infrastructure with a specific aim to advancing policy objectives in affordable housing, redevelopment of brown fields, etc.

SOCIAL DEVELOPMENT, FINANCE AND ADMINISTRATION

2008 OPERATING BUDGET

The 2008 Operating Budget for Social Development and Financial Administration of \$27.207 million gross represents a \$1.247 million or 4.4% decrease compared to 2007. The 2008 net operating budget of \$15.980 million reflects a \$0.210 million or 1.3% increase over the 2007 net budget as show in Tables 1 and 2

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Financial Oversight & Control	13,171	8,530	13,551	8,598	13,694	8,284	143	1.1	(314)	(3.7)
Strategic Policy & Program Support	7,437	5,489	7,235	5,326	7,367	5,470	132	1.8	144	2.7
Affordable Housing Programs	7,347	1,907	7,668	1,846	6,146	2,226	(1,522)	(19.8)	380	20.6
Total Program Budget	27,955	15,925	28,454	15,770	27,207	15,980	(1,247)	(4.4)	210	1.3

SOCIAL DEVELOPMENT, FINANCE AND ADMINISTRATION

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	18,016.6	18,733.3	18,629.5	612.9	3.4%	19,032.4	19,397.8
Materials and Supplies	296.3	166.0	293.7	(2.6)	(0.9%)	293.7	293.7
Equipment	214.8	129.5	210.8	(4.0)	(1.9%)	210.8	210.8
Services & Rents	6,233.4	3,712.6	4,431.2	(1,802.2)	(28.9%)	4,431.2	4,431.2
Contributions to Reserve/Res Funds	0.0	163.7	117.2	117.2	n/a	117.2	117.2
Other Expenditures	3,693.1	4,003.4	3,524.6	(168.5)	(4.6%)	3,524.6	3,524.6
Total Gross Expenditures	28,454.2	26,908.5	27,207.0	(1,247.2)	(4.4%)	27,609.9	27,975.3
Funded by:							
Provincial Subsidies	6,305.7	6,250.1	6,962.8	657.1	10.4%	6,962.8	6,962.8
Federal Subsidies	3,839.2	3,583.0	1,956.8	(1,882.4)	(49.0%)	1,956.8	1,956.8
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	306.2	217.5	62.3	(243.9)	(79.7%)	62.3	62.3
Other Revenues	2,233.6	1,628.9	2,244.7	11.1	0.5%	2,244.7	2,244.7
Total Non Tax Revenues	12,684.7	11,679.5	11,226.6	(1,458.1)	(11.5%)	11,226.6	11,226.6
Net Budget (excluding Capital Financing)	15,769.5	15,229.0	15,980.4	210.9	1.3%	16,383.3	16,748.7
Approved Positions	228.8	228.8	225.8	(3.0)	(1.3%)	225.8	225.8

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 and 2010 Outlooks include increases of \$0.403 million and \$0.365 million respectively for merit and step increases, with no increase for COLA, as salaries and benefits are subject to future negotiations.

..... TORONTO SOCIAL SERVICES

MISSION STATEMENT

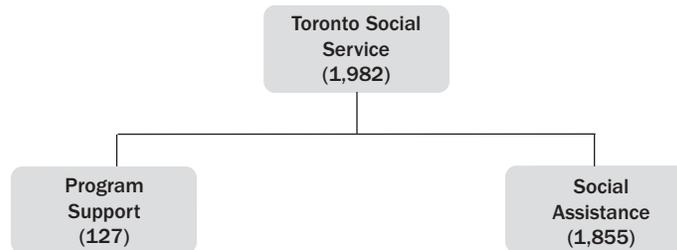
- Our vision is to strengthen the social and economic well-being of Torontonians in their communities. Our mission is to provide employment services, financial benefits and social supports that make our vision a reality.

Our work is to:

- > Develop and provide integrated employment services, supports and opportunities.
- > Deliver financial benefits.
- > Advocate for policies, programs and services that better support Torontonians in their communities.
- > Invest in skilled staff at all levels to respond to a dynamic environment.

PROGRAM MAP

As indicated in the program map, Toronto Social Services (TSS) has two service functions: Program Support and Social Assistance with 1,982 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Provided services, including financial and employment assistance to over 120,000 individual cases (totalling approximately 230,000 people, nearly 1 in 11 residents).
- Supported over 100,000 client visits to TSS' Employment Resource Centres.
- Connected over 9,000 residents across the City with potential employers and achieved on average 19,000 clients per month participated in basic education programs.
- Implemented the recommendations from the City's Action Plan for social assistance, "System of Survival, Systems of Support", including advocating for Ontario Works (OW) assistance rates, and other changes to improve the lives of vulnerable people in Toronto.
- Implemented the Investing in Families and Investing in Neighbourhoods initiatives in Toronto's priority communities to provide individuals and single parents with the opportunity to obtain direct work experience, the chance to build networks and relationships with potential employers through work placement in local community based agencies, and access to locally based pre-employment training that includes a range of support services such as life skills workshops, and job search skills.

TORONTO SOCIAL SERVICES

2008 PROGRAM OBJECTIVES

- Effectively deliver the Ontario Works program to vulnerable residents of the City of Toronto.
- Provides opportunities for clients to engage in a variety of activities which lead to jobs, or which increase their employment prospects through Employment Assistance activities including job search, education and training, paid and unpaid job placements, access to other programs that enhance job readiness, and job retention supports.
- Develop new integrated models for the delivery of employment services in Toronto's priority communities.
- Continue to advocate to the Province, through ongoing consultations on Action Plan recommendations, and in conjunction with community partners, for adequate OW assistance rates, and other changes to improve the lives of vulnerable people in Toronto.
- Work to better coordinate Employment Assistance resources among government and community-based service providers in order to maximize the effectiveness of strategies aimed at integrating OW clients into Toronto labour markets.
- Implement social assistance restructuring resulting from the introduction of the Ontario Child Benefit.

2008 STRATEGIC PRIORITIES

The 2008 Budget for Toronto Social Services directly advances the following strategic priorities outlined in the Council's policy agenda:

- **Invest \$13 Million in Toronto's 13 Priority Neighbourhoods over the Next Four Years:**
 - > TSS will focus on local office initiatives to support the Action Plan and employment service delivery such as improving Employment Resource Centres (ERCs) services and supports, developing better connections with local employers; completing the Investing in Neighbourhoods project; and, continuing to support initiatives in priority communities such as Regent Park.
 - > Initiated the development of an Employment Plan for Employment Services Delivery in the City and continue to support innovative efforts to increase employment opportunities for vulnerable residents, including Partnership to Advance Youth Employment (PAYE), a joint private sector and city initiative aimed at increasing economic opportunities for youth from the priority communities.
- **A Prosperous Toronto for a Prosperous Canada**
 - > TSS continues to advocate for funding arrangements that fairly reflect the costs of meeting the provincial mandatory requirements and delivering the OW program in a large urban centre. TSS will also continue to implement the recommendations from the City's Action Plan for social assistance, "Systems of Survival, Systems of Support", with the adequate OW assistance rates and other changes to improve the lives of vulnerable people in Toronto.
- **Efficiency and Accountability at City Hall**
 - > TSS continues to remove barriers and develop tools and supports to improve service delivery through streamlining administrative tasks, speeding up technology projects to reduce workload, and providing on-line access to the OW program.

TORONTO SOCIAL SERVICES

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- processes 77,000 monthly average caseload for OW;
- provides approximately 100,000 clients with consultation and supports through TSS' employment resources centres;
- sponsors and conducts job and agency fares for OW clients across the city to help connect over 8,000 clients with potential employers;
- assists clients to maintain or obtain housing;
- maintains a web-based resource guide that links to services and resources to assist over 25,000 clients to find and keep jobs and provide clients with information about a wide range of community services available in the city;
- provides clients with direct access to federally sponsored training and other employment supports through an integrated employment service delivery model;
- works with partners such as the Canadian Immigration Commission, the Ministry of Citizenship and Immigration, and the Toronto Immigrant Employment Council, to identify the specific workplace language needs of skilled immigrants; and,
- initiate TSS component of the Woodbine Entertainment Redevelopment project to support City led intergovernmental employment strategy to be developed ensuring opportunity and increased prosperity for local residents including jobs for OW clients.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Program Support	11,123	5,869	11,876	5,808	12,703	6,485	826.7	7.0%	677.3	11.7
Social Assistance	1,026,364	272,008	1,059,500	261,899	1,047,247	269,289	(12,253.1)	(1.2%)	7,390.1	2.8
Total Program Budget	1,037,487	277,877	1,071,376	267,707	1,059,950	275,774	(11,426.4)	(1.1%)	8,067.4	3.0

TORONTO SOCIAL SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	147,154.0	149,846.7	156,556.0	9,402.0	6.4%	157,274.8	157,274.8
Materials and Supplies	10,487.7	10,452.6	11,047.0	559.3	5.3%	11,047.0	11,047.0
Equipment	326.4	179.0	503.9	177.5	54.4%	503.9	503.9
Services & Rents	34,981.6	27,224.0	35,742.0	760.4	2.2%	35,742.0	35,742.0
Contributions to Reserve/Res Funds	2,400.7	4,371.0	2,400.7	0.0	0.0%	2,400.7	2,400.7
Other Expenditures	876,025.5	810,035.5	853,699.9	(22,325.6)	(2.5%)	833,699.9	768,699.9
Total Gross Expenditures			1,059,949.5	(11,426.4)	(1.1%)	1,040,668.3	975,668.3
Funded by:							
Provincial Subsidies	621,960.0	566,813.8	626,580.8	4,620.8	0.7%	626,580.8	626,580.8
Federal Subsidies				0.0	n/a		
Other Subsidies	136,907.5	141,863.3	135,846.7	(1,060.8)	(0.8%)	135,846.7	135,846.7
User Fees, Permits & Donations		166.7		0.0	n/a		
Contribution from Reserves/Res Funds	34,051.5	39,871.1	9,647.7	(24,403.8)	(71.1%)	4,350.0	4,350.0
Other Revenues	10,750.0	47.8	12,100.0	1,350.0)	12.6%	12,100.0	12,100.0
Total Non Tax Revenues	803,669.0	748,762.7	784,175.2	(19,493.8)	(2.4%)	778,877.5	778,877.5
Net Budget (excluding Capital Financing)	267,706.9	253,346.1	275,774.3	8,067.4	3.0%	261,790.8	196,790.8
Approved Positions	1,950.0	1,950.0	1,982.0	32.0	1.6%	1,982.0	1,982.0

2009/2010 OPERATING BUDGET OUTLOOK

- TSS will continue to explore other feasible efficiency initiatives including procedure reviews, pursuance of best practice on services delivery, and program management to mitigate cost pressures.
- Ontario Disability Support Program (ODSP) is a program delivered by the Province, which the municipalities must share the cost under the OW Act. In August 2007, the Province announced that the government will resume the responsibility for funding ODSP and ODB Benefits and ODSP administration costs over four years. The financial impacts to TSS are savings of \$59.1 million in 2009 and \$124.1 million in 2010.
- In March 2007, the Province announced that the GTA pooling subsidy to municipalities will be phased out by 2013. In order to ensure an adequate level of subsidy is available to the municipalities currently receiving financial assistance through GTA pooling, the Province announced that any reduction in GTA Pooling will be offset by an equivalent increase in funding from the Ontario Municipal Partnership Fund (OMPF). The Province has provided an extra \$17.4 million through OMPF to offset for phase-out of GTA pooling contributions in 2007. With GTA pooling contributions scheduled to be reduced to \$62.0 million and \$46.5 million in 2009 and 2010, the Province will further increase the OMPF subsidy to \$48.3 million and \$63.8 million respectively.

TORONTO SOCIAL SERVICES

2008 CAPITAL BUDGET AND 2009 - 2012 CAPITAL PLAN

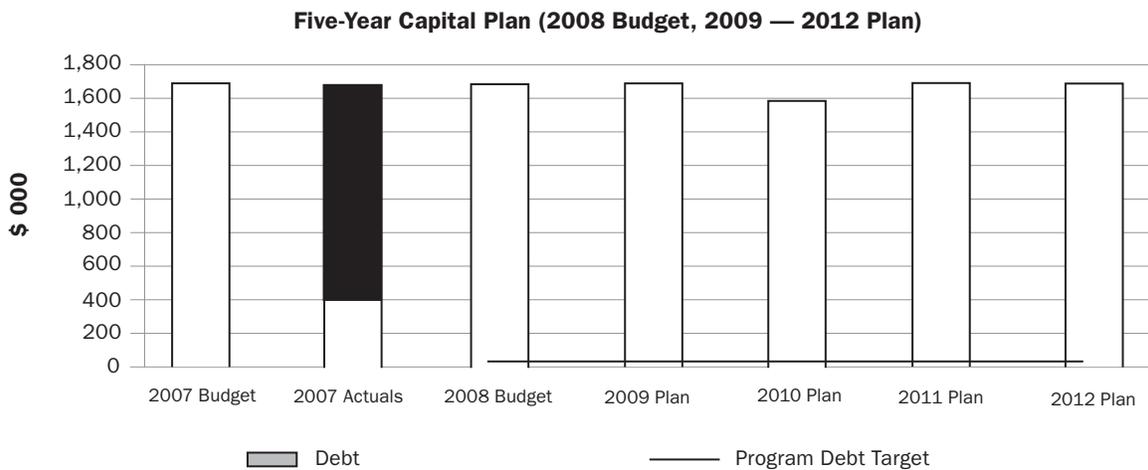
FIVE-YEAR CAPITAL PLAN OVERVIEW

The Social Services Five-Year Plan utilizes web applications/new technology upgrades to assist the program in implementing a more client-centric approach to service delivery and in managing its operation more efficiently and effectively.

Toronto Social Services (TSS) has developed and implemented many supplemental systems & tools to facilitate supports and services over the years. In 2005, an IT Strategy and an associated IT Strategy Roadmap were developed. During the 2007 budget process, four client centric initiatives were identified: Streamlined Web-based Access to Social Assistance, Employment Assistance Management, Case Management and MIS-Data Mart. During the 2008 budget process, two additional service improvement IT projects were also identified: Web Access to Your Service (WAYS) and Employment Assistance-Individual Services & Support.

Toronto Social Services' 2008 Capital Budget and 2009-2012 Capital Plan totals \$9.7 million and requires cash flows of \$3.0 million in 2008; \$1.7 million in 2009; \$1.6 million in 2010; \$1.7 million in 2011; and \$1.7 million in 2012.

The Approved Five-Year Capital Plan for TSS totals \$9.7 million and is 100% funded from Provincial subsidy dedicated to IT initiatives, and thus does not require debt financing. The Provincial IT subsidy resulted from the province's decision to download technology acquisition and maintenance costs to municipalities in 2003.



TORONTO SOCIAL SERVICES

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	1,700	400	1,300	800	900			3,000
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			400	900	700			2,000
2009—2012 Plan Estimates						1,700	1,700	3,400
1-Year Carry Forward to 2008		1,300	→					
Total Gross Annual Expenditures & Plan	1,700	1,700	1,700	1,700	1,600	1,700	1,700	8,400
Program Debt Target	0		0	0	0	0	0	0
Financing:								
Recommended Debt	0		0	0	0	0	0	0
Other Financing Sources:								
Reserves/Reserve Funds								0
Development Charges								0
Federal								0
Provincial	1,700		1,700	1,700	1,600	1,700	1,700	8,400
Other Revenue								
Total Financing	1,700		1,700	1,700	1,600	1,700	1,700	8,400
By Category:								
Health & Safety								0
Legislated								0
SOGR								0
Service Improvement	1,700		1,700	1,700	1,600	1,700	1,700	8,400
Growth Related								
Total By Category	1,700		1,700	1,700	1,600	1,700	1,700	8,400
Yearly SOGR Backlog Estimate (not addressed by current plan)			0					
Accumulated Backlog Estimate (end of year)		—	—	—	—	—	—	0
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			0	0	0	0	0	0

CAPITAL PROJECT HIGHLIGHTS

The Five-Year Capital Plan advances the following 6 projects:

- Streamlined Web-based Access to Social Assistance
This project will provide web-enabled interactive tools to support clients and community partners and improve service delivery by offering another channel for clients and community partners to obtain information, self-assess potential eligibility, complete on-line applications and self-select an appointment time for the Ontario Works (OW) program.

TORONTO SOCIAL SERVICES

- **Employment Assistance Management System**
The Employment Assistance project will develop an efficient and reliable web-based solution to support strategic areas such as vendor relationships, OW program delivery, and a client centric case management approach. This new system will simplify, automate and standardize business processes, improve allocation of resources for service delivery and audit tracking, and establish a model for the integration of other Employment Assistance initiatives, Ontario Works programs and vendor relationships.
- **Data Mart Infrastructure Enhancement**
The MIS - Data Mart project will facilitate the creation of Divisional and ad hoc management and operational reports by integrating financial, client services, and Employment Resource Centre statistics data from various systems to facilitate in-depth information gathering and trend analysis.
- **Case Management application**
The Case Management project will integrate all components of the OW program outside of eligibility assessment and social assistance financial management. The application will provide start-to-finish case management tools, tracking, placement, review, special requirements, quality assurance and exit planning for OW clients.
- **Web Access to Your Services (WAYS)**
The Web Access to Your Services (WAYS) project will assist Toronto residents in accessing the Social Assistance application, services, and information through the internet. This project is designed to streamline administrative processes by expanding the on-line application, as well as access and submission of OW documentations such as the Income Report Statements (IRS) and the Change of Information by Applicants (CIA). The more efficient administrative processes will allow staff to focus on providing OW clients with employment assistance and supports
- **Employment Assistance – Individual Services & Supports**
This is a web-based solution that automates, simplifies, and standardizes the Individual Services & Supports business process to reduce duplication and improve administrative efficiency. The project also aims to improve allocation of resources for service delivery and to improve audit tracking. OW clients have training or service needs that are not met through the standard Division-wide employment programs. The individual Services & Supports are employment programs delivered through the local offices that are customized to individual client's needs in an attempt to improve job readiness of OW clients, support OW clients in achieving their employment goals, and increase the range of services available to participants to meet their employment needs.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The Toronto Social Services' 2008 to 2012 Capital Plan will not impact the Program's Operating Budget since both the approved projects and the three temporary staff that were hired to work on the sub-projects will be funded by the provincial subsidy. The Program's permanent IT staff will assume responsibility for ongoing maintenance; thus, there will be no additional costs to the Program's Operating Budget upon completion of the projects.

STATE OF GOOD REPAIR BACKLOG

The Program does not have a backlog of projects. TSS facilities capital funding requirements were previously transferred and consolidated within the Facility & Real Estate Capital Budget.

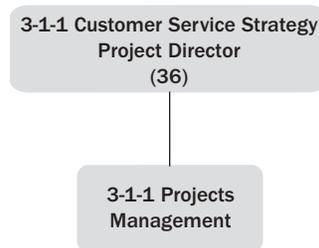
..... 3-1-1 CUSTOMER SERVICE STRATEGY

MISSION STATEMENT

The City's "3-1-1" service strategy will ensure that all residents, businesses and visitors receive convenient, prompt and reliable access to accurate information and non-emergency City government services. The City's "3-1-1" service strategy will enable the Toronto Public Service to provide excellent service to the public 24/7, with respect to professionalism and integrity, making the best use of staff expertise, resources and technology.

PROGRAM MAP

The 3-1-1 Project Management Office has mandate to develop and manage the Project Plan, deliverables and schedule to implement the 3-1-1 Project based on the Council approved model. This is achieved through the project documentation, planning, monitoring and evaluation as well as management of specialized implementation teams. There are 36 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Provided on-going monitoring and support for the overall project including contract management, oversight of all sub-project contracts and status reports
- Facilitated cross-divisional/functional requirements and identification of project interdependencies with relevant teams
- Coordinated Call Transfer Plan consultations with 44 divisions
- Conducted Business Process Reviews for Transportation Services, Solid Waste Management, Toronto Water (Phase 1) and Municipal Licensing and Standards (MLS) and Urban Forestry (Phase 2)
- Completed Knowledgebase Content Collection and quality assurance reviews for the majority of city divisions
- Issued Threat Risk Assessment Request for Expression of Interest, Soft Skills Training Request for Proposal, Contact Centre Furnishings RFP, and Technology Solution Pricing RFP
- Recommended preferred proponent for the Technology Solution to Council
- Undertook Legacy System (i.e. back-end divisional systems) changes for two systems
- Delivered ongoing issues management and resolution as required
- Coordinated ongoing communications to staff and the public and presentations to foreign delegations and related customer service conferences

3-1-1 CUSTOMER SERVICE STRATEGY

2008 PROGRAM OBJECTIVES

The Project Management Office will continue the work of strengthening and improving public access to City services and building components that provide:

- A successfully negotiated Agreement with the preferred Technology Solution provider.
- A knowledge database that will enable 3-1-1 staff to answer 70% of the public's calls at the first point of contact.
- Electronic capacity to track service request forms from start to completion.
- Quick, accurate information for Council on ward activity.
- Service Request data to prepare for public launch.

2008 STRATEGIC PRIORITIES

By providing funding in support of the Project Management Office and implementation of the 3-1-1 Customer Service Strategy, the 2008 Operating Budget will advance the following strategic priorities:

- **Establish a 311 hotline so that every resident has a direct and simple access to a person at City Hall who can help resolve problems**
 - > By establishing direct and simple access to City Hall, the 3-1-1 Customer Service Strategy will greatly increase efficiency and accountability of the public service.
- **Create a coordinated Litter Action Team that will quickly clean up serious litter and dumping problems**
 - > Litter and dumping problems identified by residents' calls to a new "311" telephone service and through all other 3-1-1 channels of communication will be used to coordinate efforts of a Litter Action Team, which will be created to enable quick response to any serious problem area.
- **Ensure multilingual access to City Services through the 311 Project**
 - > The 3-1-1 Customer Service Strategy overall design incorporates options for multilingual access to City Services.

2008 OPERATING BUDGET HIGHLIGHTS

2008 Operating Budget will provide the following:

- Manage the project plan efficiently to deliver quality project components according to the Council approved model and schedule.
- Manage issues arising from the project implementation effectively.
- Coordinate, monitor and report on the progress of all 3-1-1 (capital) sub-projects.
- Plan and develop policies and procedures, budget and a five year (interim) Business Plan to ready the full operation of the new 3-1-1 Program Division
- Establish formal service level agreements with relevant divisional partners
- Provide briefings and presentations on specialized project components to the 3-1-1 Steering Committee and Council as well as to external parties.
- Implement ongoing internal staff communication strategy and related events
- Continue to participate in GTA Municipalities/National Municipal Network 3-1-1 activities

3-1-1 CUSTOMER SERVICE STRATEGY

2008 OPERATING BUDGET

The 2008 Operating Budget for 3-1-1 Customer Service Strategy of \$3.731 million gross represents a \$0.710 million or 23.5% increase compared to 2007. The 2008 net operating budget of \$0.665 million reflects a \$0.272 million or 69.2% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Project Management Office	616	390	580	393	921	665	341.8	59.0%	272.0	69.2
Salary Costs - Capital	3,963	—	2,441	—	2,809	—	368.7	n/a	—	n/a
Total Program Budget	4,579	390	3,020	393	3,731	665	710.5	23.5%	272.0	69.2

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						2009 Outlook	2010 Outlook	
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook			2010 Outlook
	\$	\$	\$	\$	%	\$			\$
Gross Expenditures:									
Salaries and Benefits	2,938.5	2,416.4	3,647.4	708.9	24.1%	3,700.7	3,712.1		
Materials and Supplies	5.2	3.5	5.2	0.0	0.0%	5.2	5.2		
Equipment	9.3	0.3	9.5	0.2	2.2%	9.5	9.5		
Services & Rents	63.0	24.8	64.4	1.4	2.2%	64.4	64.4		
Contributions to Reserve/Res Funds	4.2	4.2	4.2	0.0	0.0%	4.2	4.2		
Other Expenditures	0.0	41.6	0.0	0.0	n/a	0.0	0.0		
Total Gross Expenditures	3,020.2	2,490.9	3,730.7	710.5	23.5%	3,784.0	3,795.4		
Funded by:									
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0		
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0		
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0		
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0		
Contribution from Reserves/Res Funds	2,626.9	2,118.7	3,065.4	438.5	16.7%	3,114.8	3,122.9		
Other Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0		
Total Non Tax Revenues	2,626.9	2,118.7	3,065.4	438.5	16.7%	3,114.8	3,122.9		
Net Budget (excluding Capital Financing)	393.3	372.2	665.3	272.0	69.2	669.2	672.5		
Approved Positions	33.0	33.0	36.0	3.0	9.1%	33.0	33.0		

3-1-1 CUSTOMER SERVICE STRATEGY

2009/2010 OPERATING BUDGET OUTLOOK

- The Project Management Office will continue to support the project implementation until a successful launch of the integrated customer service strategy in 2009.
- Once implemented, the project will result in the establishment of the new 3-1-1 Operating Division, which will be providing 3-1-1 service to the public (public launch in the second quarter of 2009). The Project Management Office is currently developing the annual 3-1-1 Operating Budget requirements and Service Plan to be considered with the 2009 Operating Budget.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

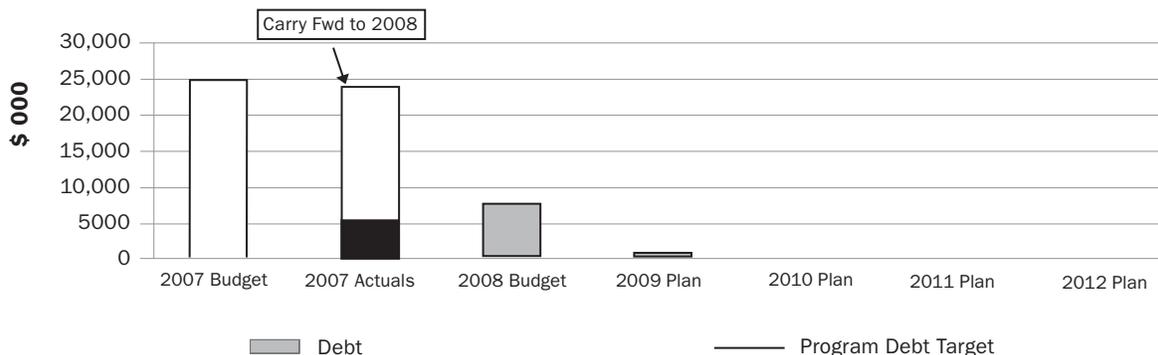
The 3-1-1 Customer Service Strategy represents a new corporate service delivery model. By establishing direct and simple access to City Hall, the 3-1-1 Customer Service Strategy will greatly increase efficiency and accountability of the public service, one of Council’s key priorities. The Five-Year Capital Plan provides for the implementation of the Council approved 3-1-1 service model, which includes several functional components.

The main objective reflected in the Five-Year Capital Plan is the successful completion of Phase I of this project in 2009. The Toronto 3-1-1 solution incorporates best practices from several 3-1-1 installations to provide the most comprehensive and responsive 3-1-1 system envisioned to date.

3-1-1 Customer Service Strategy’s 2008 Capital Budget and 2009-2012 Capital Plan totals \$8.760 million, excluding carry forward funding, and requires cash flows of \$8.342 million in 2008 and 0.418 million in 2009. The 3-1-1 Customer Service Strategy Program’s capital projects are all categorized as Service Improvement projects.

No debt targets were assigned to the 3-1-1 Customer Service Strategy Program. However, the 2008-2012 Capital Plan exceeds Council approved cash flow projections for 2008 by \$1.230 million. This increase is required to fund the projected under-spending of the 2006 approved capital project.

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



3-1-1 CUSTOMER SERVICE STRATEGY

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	25,117	5,607	7,112	418				7,530
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			1,230					1,230
2009–2012 Plan Estimates								0
1-Year Carry Forward to 2008		18,283	→					
Total Gross Annual Expenditures & Plan	25,117		8,342	418	0	0	0	8,760
Program Debt Target								0
Financing:								
Recommended Debt			7,952	418	0	0	0	8,760
Other Financing Sources:								
Reserves/Reserve Funds	7,524							0
Development Charges								0
Federal								0
Provincial								0
Other Revenue	17,593		390				0	0
Total Financing	25,117		8,342	418	0	0	0	8,760
By Category:								
Health & Safety								0
Legislated								0
SOGR								0
Service Improvement	25,117		8,342	418				8,760
Growth Related								0
Total By Category	25,117		8,342	418	0	0	0	8,760
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			37	135	0	0	0	172

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following-strategic priorities:

- **Establish a 311 hotline so that every resident has direct and simple access to a person at City Hall who can help resolve problems**
 - > By establishing direct and simple access to City Hall, the 3-1-1 Customer Service Strategy will greatly increase efficiency and accountability of the public service.
- **Create a coordinated Litter Action Team that will quickly clean up serious litter and dumping problems**
 - > Litter and dumping problems identified by residents' calls to a new "311" telephone service and through all other 3-1-1 channels of communication will be used to coordinate efforts of a Litter Action Team, which will be created to enable quick response to any serious problem area. Specific Municipal Licensing and Standards service requests supporting the efforts of the Litter Team will be introduced as part of the 3-1-1 service menu in 2009.

3-1-1 CUSTOMER SERVICE STRATEGY

- **Ensure multilingual access to City Services through the 311 Project**
 - > The 3-1-1 Customer Service Strategy will incorporate options for a multilingual access to City Services.

Other Key Capital Initiatives:

The primary project objectives to be completed in 2008 are as follows:

- Knowledge Base Content Development – content validated and electronically migrated into new 3-1-1 solution
- Business Process Review sessions with Municipal Licensing and Standards (MLS)
- Core Technology – 3-1-1 Technical Solution developed to Testing Phase
- Work Order System Integration – Phase 1 systems scheduled for testing (Transportation Services, Solid Waste Management and Toronto Water)
- Training – delivery of comprehensive 3-1-1 staff training program to commence
- Privacy Impact Assessment – privacy and threat risk analysis and recommendations to be completed
- Communications Plan – internal/external communications plan will be implemented

The 2009 funding will be used to complete the knowledge base content development, to support any changes arising from business process reviews, and all activities to support the Phase 2 system integration (Municipal Licensing and Standards and Urban Forestry).

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

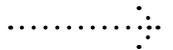
- The 3-1-1 Service Customer Strategy project involves work on front-end content development for all divisions and prioritized ABCs, formal business process reviews for five divisions, core technology implementation, integration with three work order systems, service page development and privacy impact assessments. Up to 29 temporary positions have been approved to complete the work, all fully recoverable from capital funding. These positions include research and technology staff, user acceptance testers, new staff trainers etc., all contributing significantly to the 3-1-1 Project implementation. Their scope of responsibilities will be decreasing significantly as the Launch and Project completion/documentation wrap-up dates approach in 2009.
- Once implemented, the project will result in the establishment of the new 3-1-1 Operating Division, which will be providing 3-1-1 service to the public, commencing in 2009. The Project Management Office is currently developing the annual 3-1-1 Operating Division budget requirements and Service Plan and will report back in time for consideration with the 2009 Operating Budget.
- Starting in 2009, in addition to the operational labour and space requirements, there may be partial year incremental technology costs. These costs will be determined through the negotiations with the selected vendor.

STATE OF GOOD REPAIR BACKLOG

The Program does not have any backlog of projects.

CITIZEN FOCUSED SERVICES “B”

CITY OF TORONTO
2008 BUDGET SUMMARY



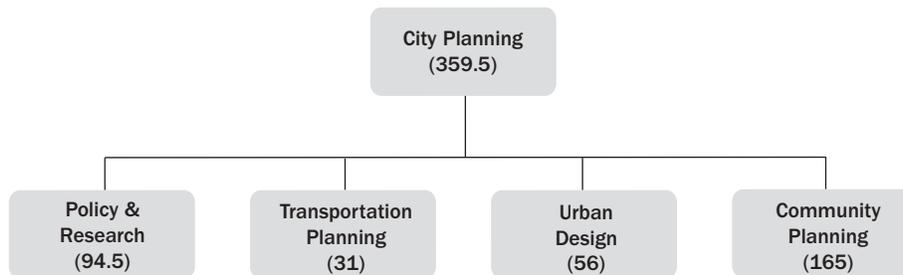
..... CITY PLANNING

MISSION STATEMENT

- To guide and manage the City's physical change and growth, and the effects on the social, economic and natural environment while seeking to enhance the quality of life for Toronto's diverse residential and business communities.

PROGRAM MAP

The City Planning Division's total 2008 staff complement is 359.5 in the following areas:



2007 KEY ACCOMPLISHMENTS

- Completed Development Application approvals with the use of extensive community consultation.
- Continued to make progress on the Waterfront implementation.
- Progressed area based study work in the forms of Avenue Studies, Secondary Plans as well as other studies.
- Continued accomplishments in Environmental Assessments and in the Zoning Bylaw review.
- Responded to substantial Provincial policy and legislative initiatives.
- Developed policy as it pertained to Planning Act Reforms, the Greater Golden Horseshoe Growth Plan and regulations under the new City of Toronto Act.
- Implemented an enhanced Civic Improvement program, improving the public realm.
- Promoted and supported the Architecture and Urban Design Awards.
- Supported and developed design review panels.

2008 PROGRAM OBJECTIVES

- Development Review – To work with other Divisions and applicants to improve the % of complete applications that are processed within Council approved timeframes.
- Citizen Engagement – To provide better/improved opportunities for consultation in complex applications.
- OMB Hearings – To reduce the number of OMB appeals and when the OMB cannot be avoided, that City Planning improve the City's chances of a positive outcome by developing the best possible case with Legal Services.
- Studies – To develop a common understanding of the implementation of the Official Plan in areas experiencing development pressures by increasing the number of proactive studies.
- Heritage Review Services – To continue to review development applications and clear building permit applications within legislated timeframes.
- Respond to increased demands for transit and transportation initiatives.

CITY PLANNING

2008 STRATEGIC PRIORITIES

The 2008 Council Approved Operating Budget for City Planning directly advances, through a number of initiatives, the following strategic priorities outlined in Council's policy agenda for climate change, clean air and sustainable energy:

- **Neighbourhood Actions for a Green Toronto:**
 - > City Planning will update the Toronto Green Development Standard to reflect the creation of a City-delivered, "one window" program for access to energy and other environmental programs.
 - > Once regulations under the City of Toronto Act, 2006 related to zoning with conditions are issued and amendments to the City's Official Plan are enacted to introduce a definition of "sustainable design" for the purposes of Site Plan Approval, City Planning will ensure implementation of the Toronto Green Development Standard through three new regulatory features.
 - > City Planning in conjunction with the Chief Building Official's report on a building standard for green roofs, will report on where in the City and to which building types the new green roof building standard should apply, as a means of making some portion of the green roof component of the Green Development Standard mandatory.
 - > City Planning will also assist the Chief Corporate Officer in the development of a voluntary Energy Performance labeling system for low-rise residential buildings, in conjunction with Natural Resources Canada and other partners and coordinated with the Green Development Standards labeling system currently under development.
- **Planning for a Sustainable Energy Future:**
 - > City Planning will assist the Chief Corporate Officer in reporting on a process for developing an integrated approach for community energy planning based on community energy zones.
 - > Toronto Becoming the Renewable Energy Capital of Canada:
 - > The Program will prepare a renewable energy bylaw that will permit renewable energy generation as-of-right on all properties, setting appropriate restrictions on height, size and placement of structures.
 - > City Planning will prepare recommendations on how to address issues concerning renewable energy generation. Issues include standards for the placement, orientation, size and form of renewable energy technologies; options to protect access to solar and wind resources from property owners who have installed renewable energy equipment; permissive regulations for district-based energy distribution between multiple properties; and, guidance with respect to potential issues of conflict around tree protection and installation of renewable energy systems.
- **Sustainable Transportation Initiatives:**
 - > City Planning, in conjunction with the Toronto Transit Commission and Transportation Services will begin to implement the short-term Sustainable Transportation Initiatives adopted by City Council on October 22 & 23, 2007 (PW9.2) in order to achieve, in part, the reduction targets for greenhouse gas emissions contained in the "Climate Change, Clean Air and Sustainable Energy Action Plan"
 - > Throughout 2008, City Planning will continue to work with the Toronto Transit Commission and Transportation Services to expedite the priority Environmental Assessments (EA's) for Sheppard, Finch and Eglinton, in order to begin implementing Transit City. The results of those EA's may result in future Official Plan Amendments.

CITY PLANNING

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Council Approved Operating Budget provides funding for City Planning to increase service levels for all three of its service areas, Development Review, Decision and Implementation; Civic and Community Improvements; and City Building and Policy Development. These services will be provided as follows:

- Through Development Review, Decision and Implementation, City Planning will implement Council policies and apply relevant provincial policy regulations and plans, to the review of development applications. This will ensure desirable development and public realm.
- Civic & Community Improvements will ensure the alignment of street improvement with road reconstruction investments and result in an increased number of visually attractive routes and places within the City. This service will also provide ongoing heritage grants to property owners to encourage and facilitate heritage conservation for all eligible properties within the City.
- City Building & Policy Development creates sustainable neighbourhoods, improves the built and natural environment, the integration of land use and transportation, improves the quality and accessibility of human services and enhances Toronto's economic health.
- In 2007, City Planning received 3,927 development applications, held 437 non-statutory community consultations, realized approximately 7,500 linear metres of streetscape enhancements and added 1,600 properties to the Heritage Inventory. As part of a two-year pilot launched in July 2007, 14 applications were also submitted to the Design Review Panel. In 2008, it is anticipated that approximately 25 applications will be submitted to the Design Review Panel. Beyond that exception, it is expected that 2007 experiences will continue into 2008. The 2008 Council Approved Operating Budget will provide base funding to maintain these activity levels.
- It is also anticipated that City Planning will increase service levels in Community Planning, Heritage Preservation Services, Urban Design and Transportation Planning as a result of the recommended 12.0 additional permanent positions. City Planning will report back to the Budget Committee on the specific, anticipated service level increases resulting from these positions.

2008 OPERATING BUDGET

The 2008 Operating Budget for City Planning of \$35.317 million gross represents a \$1.051 million or 3.1% increase compared to 2007. The 2008 net operating budget of \$14.051 million reflects a \$0.454 million or 3.3% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
City Planning	32,237	13,195	34,266	13,597	35,317	14,051	1,051.1	3.1%	453.9	3.3
Total Program Budget	32,237	13,195	34,266	13,597	35,317	14,051	1,051.1	3.1%	453.9	3.3

CITY PLANNING

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	31,127.1	29,121.9	32,819.4	1,692.3	5.4%	33,526.3	33,735.5
Materials and Supplies	170.4	180.4	197.3	26.9	15.8%	197.3	197.3
Equipment	224.8	124.3	224.8	0.0	0.0%	224.8	224.8
Services & Rents	2,143.5	1,323.6	1,559.6	(583.9)	(27.2%)	1,559.6	1,559.6
Contributions to Reserve/Res Funds	156.4	97.0	62.4	(94.0)	(60.1%)	62.4	62.4
Other Expenditures	443.4	594.2	453.3	9.9	2.2%	453.3	453.3
Total Gross Expenditures	34,265.6	31,441.4	35,316.8	1,051.2	3.1%	36,023.7	36,232.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	18,880.3	17,619.2	19,548.0	667.7	3.5%	19,548.0	19,548.0
Contribution from Reserves/Res Funds	20.0	18.4	43.0	23.0	115.0%	43.0	43.0
Other Revenues	1,767.9	802.4	1,674.3	(93.6)	(5.3%)	1,674.3	1,674.3
Total Non Tax Revenues	20,668.2	18,440.0	21,265.3	597.1	2.9%	21,265.3	21,265.3
Net Budget (excluding Capital Financing)	13,597.4	13,001.4	14,051.5	454.1	3.3%	14,758.4	14,967.6
APPROVED POSITIONS	347.5	312.0	359.5	12.0	3.5%	359.5	359.5

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 Outlook increase of \$0.707 million and 2010 increase of \$0.209 million include estimates for merit/step increases while accounting for the loss of a working day in each of the calendar years.
- The 2009 Outlook also includes the annualized impact of \$0.500 million arising from the 2008 new/enhanced service priority to add 12.0 new permanent positions.
- These outlooks do not include provisions for cost-of-living adjustments (COLA), as this is subject to future negotiations.

CITY PLANNING

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The strategic direction reflected in the Five-Year Capital Plan focuses on making progress in improving public spaces, addressing legislated requirements and growth related studies and projects. All capital needs are addressed with the Council Approved Five-Year Capital Plan.

The Council Approved Five-Year Capital Plan consists of five major capital initiatives: Civic Improvements, The New Official Plan, The New Zoning-Bylaw, Natural Heritage Studies, Toronto Archaeological Studies, and other Growth-Related Studies.

The 2008 – 2012 Capital Plan of \$23.927 million requires a cash flow of \$5.763 million in 2008, \$4.328 million in 2009, \$4.344 million in 2010, \$4.739 million in 2011 and \$4.753 million in 2012. Forecasted estimates for 2013 – 2017 total \$23.155.

Legislated Projects account for 26.6% or \$6.376 million of the approved funding for the Five-Year Capital Plan. These include projects which will accommodate legal support for the New Official Plan and the New Zoning Bylaw as well as projects that will accurately map the Natural Heritage Systems and areas that exhibit archaeological potential in Toronto.

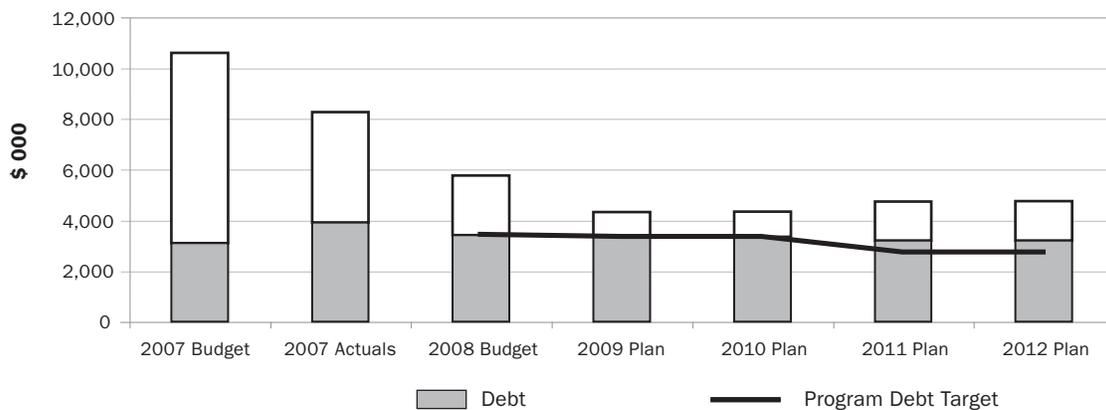
Growth Projects account for 73.4% or \$17.551 million of the approved cash flow funding included in the Five-Year Capital Plan. These projects will focus on the implementation of the Official Plan, the improvement of the planning process and local studies requested by Council. Growth projects in City Planning's Five-Year Capital Plan also include Avenue Studies, Growth Studies, Environmental Assessment Transit Studies and Civic Improvement Projects.

There is an increase to previously approved commitments that were approved in 2006 of \$0.733 million gross. This represents funding carried forward from 2006 into 2008 for Development Charge-funded Studies and the New Official Plan. These projects are planned to be funded in 2008 through development charges of \$0.464 million and debt of \$0.269 million and are required for the 2006 OMB Legal Support Costs; Environmental Assessment: Transportation Strategies; and Environmental Assessment Transit Studies 2006.

In its Five-Year Capital Plan, City Planning has maximized Development Charge funding in accordance with the Bylaw which has enabled it to reduce the amount of debt required. Of possible issue is the current balance of uncommitted funding available in Development Charge Reserve Funds (Urban Development Services and DC Related Studies): these reserve funds are solely used by City Planning and current projections as to future revenue streams are insufficient to sustain the total current Capital Plan to the amount of \$0.468 and \$1.021 million by 2012 based on current available projections. City Planning will not draw on this account beyond the available funds.

CITY PLANNING

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	10,604	3,917	1,151					1,151
Recommended Changes to Commitments			(94)	94				0
2008 New/Change in Scope and Future Year Commitments			4,706					4,706
2009 – 2012 Plan Estimates				4,234	4,344	4,739	4,753	18,070
1-Year Carry Forward to 2008		4,361						
Total Gross Annual Expenditures & Plan	10,604	8,278	5,763	4,328	4,344	4,739	4,753	23,796
Program Debt Target	3,100		3,413	3,330	3,337	2,710	2,710	15,500
Financing:								
Recommended Debt	3,100		3,413	3,374	3,352	3,200	3,200	16,539
Other Financing Sources:								
Reserves/Reserve Funds								
Development Charges	2,546		1,968	954	992	1,539	1,553	7,006
Federal								
Provincial								
Other Revenue	4,958		382	0	0			382
Total Financing	10,604		5,763	4,328	4,344	4,739	4,753	23,927
By Category:								
Health & Safety								
Legislated	3,180		1,577	853	854	1,605	1,487	6,376
SOGR								
Service Improvement								
Growth Related	7,424		4,186	3,475	3,490	3,134	3,266	17,551
Total By Category	10,604		5,763	4,328	4,344	4,739	4,753	23,927
Yearly SOGR Backlog Estimate (not addressed by current plan)								0
Accumulated Backlog Estimate (end of year)								0
Operating Impact on Program Costs**								0
Debt Service Costs			102	477	472	465	448	1,964

**Note that Operating impact arising from this Capital Plan impacts Parks, Forestry and Recreation and not City Planning directly.

CITY PLANNING

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **Make Toronto a Clean and Beautiful City**

Funding for the Civic Improvement Program which includes Routes, Places and Special Places/Gateway projects is \$12.260 million over City Planning's Five-Year Capital Plan. This will ensure special treatment for important streets and places which will improve the look and feel of the public realm.

Other Key Capital Initiatives:

DC Funded Studies will be used to carry out required Avenue and Transit studies and to implement growth related projects. A total of \$5.291 million in funding is required over City Planning's Five-Year Capital Plan.

The New Zoning Bylaw project which will improve the planning process through the streamlining of 43 different zoning Bylaws requires funding of \$3.457 million over City Planning's Five-Year Capital Plan. This project will also provide funding for legal support for defending the new Bylaw at the OMB beginning in 2009.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008 Council Approved Capital Budget and 2009 to 2012 Capital Plan does not directly impact City Planning's Operating Budget in 2008 or future years. However it is expected that Civic Improvement projects will increase the Parks, Forestry, and Recreation operating budget for maintenance of trees for streetscape enhancements and beautification. Operating impacts will be established once the mix of Civic Improvement projects is determined. This will be considered within the overall scope of the Parks, Forestry, and Recreation 2008 and future years' Operating Budget with City Planning reporting back to the CFO in June of 2008 on the Parks, Forestry, and Recreation operating budget impacts for 2009 resulting from the 2008 project mix.

STATE OF GOOD REPAIR BACKLOG

No backlog of State of Good Repair work exists for City Planning.

..... FIRE SERVICES

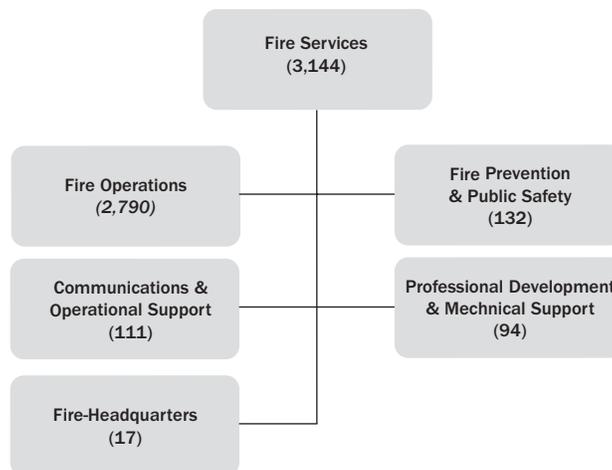
MISSION STATEMENT

The Toronto Fire Service provides high quality, safe, efficient, effective and caring emergency response and fire prevention and education services to those who live in, work in, and visit our City in order to:

- Protect life, property and the environment from the effects of fire, illness, accidents, natural disasters and all other hazards;
- Enhance fire and life safety, and raise community awareness about all hazards;
- Pursue the acquisition and use of the most effective technology, equipment and resources to ensure performance in a competent and professional manner; and
- Build a cohesive, equitable and unified workforce.

PROGRAM MAP

As indicated in the program map, the Toronto Fire Service has five service functions: Fire Operations, Fire Prevention & Public Safety, Communications & Operational Support and Professional Development & Mechanical Support. Including Fire Headquarters, there are 3,144 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Responded to 35,159 alarms and put out 9,543 fires.
- Attended 75,177 requests for medical assistance.
- Performed 2,381 rescues and attended 11,628 vehicle incidents.
- Completed 38,512 building/residential inspections. As a requirement of the Fire Protection and Prevention Act, TFS completed a simplified risk review for the City with a certificate of compliance from the Ontario Fire Marshal awarded in April 2007.
- Delivered 919 public education safety courses.

FIRE SERVICES

2008 PROGRAM OBJECTIVES

- A key goal is implementation of the 24 hour shift across the entire Fire Service. As the 24 hour pilot project is pursued, the 24 hour operation will become the future standard of Fire Services beyond 2008/09. While this is still in process, the pilot has been extended for another full year and a report on the future of the 24 hour shift is anticipated in 2008.
- Perform mandatory building inspections to ensure compliance with the Ontario Building Code and the Ontario Fire Code with emphasis on completing preliminary new building inspections within five (5) working days of notification, and final inspection within two (2) working days of notification. Fire Services will continue to pursue the objective of reducing retrofit inspections of public buildings to zero by 2012.
- Fire Services will continue to work towards reducing the number of false alarms by working with building owners to make necessary improvements.
- Efforts to reduce the incidents of preventable deaths and injury will continue through fire safety education, ensuring residential buildings have functioning smoke alarms and promote the use of sprinklers.
- Efforts to work towards achieving the goal of meeting a 4 minute response time 90 percent of the time to fire incidents after receiving calls for assistance will continue. This goal is targeted for 2012. Current response times average approximately 6 minutes.
- Implementation of the Master Fire Plan expected to begin in 2008/09.
- HUSAR and CBRN teams will continue to be trained and equipped to be ready to respond to major disasters.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for Fire Services directly addresses, through a number of initiatives, the following strategic priorities outlined in Council's policy agenda:

- **Make a Safe City Safer**
Fire Services will continue to work towards making Toronto a safer City by responding to fire incidents promptly, by advocating for the inclusion residential sprinklers in new development and by continuing with efforts to reduce the incidence of fire fatalities. Also included in this goal would be continuing to move forward in future years with the construction of new fire stations as indicated in the Master Fire Plan.
- **Affordable Housing and Homelessness:**
Fire Services will continue to work with the Affordable Housing Office to integrate the use of residential fire sprinklers in proposed buildings to deal with limited road width and fire route access issues. Residential fire sprinklers are a key to promoting life safety and reducing property damage.
- **A Greener City:**
Implementing the remaining components of the City's smog plan and developing a new, aggressive clean air action plan that will reduce smog-causing pollutants will have cross-divisional impacts. Fire Services' initiative will focus on the reduction of hazardous materials associated with fire fighting. This will mostly be accomplished through procurement of new environmentally friendly fire suppression chemicals, such as foam.

FIRE SERVICES

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following on-going Services:

- **Fire Services – Operations, Communication, Professional Development & Support:** First response fire suppression, rescue and emergency services are provided by an “all hazards” delivery organization. The service operates “round the clock, year-round” at full capacity. The residents and visitors to Toronto are provided with immediate advanced life-saving and first aid for incidents of fire, accident and medical emergencies. Property protection is provided by fully trained and experienced fire suppression teams. Front line firefighters and operational support staff number 2,995 with a budget of \$338.5 million gross and \$330.8 million net providing response to emergency calls including the following:
 - > Responding to fire alarms (35,000 annually)
 - > Putting out fires (9,000 per year)
 - > Responding to medical emergencies (75,000 annually)
 - > Attending vehicle incidents and rescues (15,000 yearly)
 - > Other Response (e.g., hazardous material, carbon monoxide, wires down, water problem, police assist, etc.) 2008 will see the impact of operations of the new Station C (116) as well as continual review and progress toward the target 4 minute response time 90% of the time. Continual training and contributions fire equipment and fire fleet reserves will ensure skill enhancement and improved service delivery.
- **Fire Prevention & Public Safety:** Fire Prevention is mandated to examine the plans for the construction of all public buildings to ensure compliance with Fire Code regulations and to inspect and re-inspect after re-development all public buildings to enforce the Fire code for the safety of occupants and the protection of property. Public Safety is mandated to educate the public, particularly vulnerable groups such as children and seniors to recognize hazardous situations that could lead to fire or take action to avoid or prevent incidents of injury due to fire. With a total staff of 132 and a budget of \$13.9 million gross and \$13.6 million net, Fire Prevention & Public Safety provide 40,000 inspections of public and residential buildings and plans and give 1000 school and community based safety courses each year.

In 2008, Prevention efforts will continue on improving timelines for plan and building inspections including implementing hand-held devices to allow fire inspections reports to be completed largely at the scene of the inspection. As well, staff will be redeployed towards achieving the goal of completing retrofit inspections. Public safety will actively work with school boards, principals and teachers to implement the Risk Watch program in all public and separate schools, work on marketing, sponsorships and fundraising to ensure adequate funding to sustain the Risk Watch Program.

2008 OPERATING BUDGET

The 2008 Operating Budget for Toronto Fire Services of \$356.047 million gross represents a \$15.024 million or 4.4% increase compared to 2007. The 2008 net operating budget of 347.871 million net represents a \$15.514 million or 4.7% increase over the 2007 net budget as show in Tables 1 and 2.

FIRE SERVICES

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Fire-Operations	267,217	260,655	276,780	269,510	289,850	283,081	13,070.2	4.7%	13,570.2	5.0
Fire Prevention & Public Safety	13,065	12,765	13,453	13,102	13,899	13,548	445.8	3.3%	445.8	3.4
Communications & Op. Support	29,311	25,817	23,520	23,074	24,070	23,614	550.4	2.3%	540.6	2.3
Profess. Devel. & Mech.Support	22,467	21,793	23,845	23,346	24,580	24,081	734.5	3.1%	734.5	3.1
Fire – Headquarters	3,327	3,226	3,425	3,324	3,647	3,547	222.6	6.5%	222.6	6.7
Total Program Budget	335,386	324,256	341,023	332,357	356,047	347,870	15,023.5	4.4%	15,513.6	4.7

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	311,291.0	313,843.2	327,209.0	15,918.0	5.1%	334,202.7	334,202.7
Materials and Supplies	7,845.3	6,598.7	7,853.4	8.1	0.1%	7,853.4	7,853.4
Equipment	2,039.3	815.0	1,846.3	(193.0)	(9.5%)	1,846.3	1,846.3
Services & Rents	6,083.2	5,470.8	5,217.2	(866.0)	(14.2%)	5,217.2	5,262.2
Contributions to Reserve/Res Funds	8,727.7	5,855.3	8,752.7	25.0	0.3%	9,322.2	9,891.7
Other Expenditures	5,036.6	5,975.1	5,168.0	131.4	2.6%	5,168.0	5,168.0
Total Gross Expenditures	341,023.0	338,558.1	356,046.6	15,023.5	4.4%	363,609.8	364,224.3
Funded by:							
Provincial Subsidies	400.0	516.0	400.0	0.0	0.0%	400.0	400.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	7,721.2	7,105.7	7,221.2	(500.0)	(6.5%)	7,221.2	7,221.2
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	545.0	792.6	554.9	9.9	1.8%	554.9	554.9
Total Non Tax Revenues	8,666.2	8,414.2	8,176.1	(490.1)	(5.7%)	8,176.1	8,176.1
Net Budget (excluding Capital Financing)	332,356.8	330,143.9	347,870.5	15,513.6	4.7%	355,433.7	356,048.2
Approved Positions	3,144.0	3,144.0	3,144.0	0.0	0.0%	3,145.0	3,145.0

FIRE SERVICES

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 and 2010 Outlooks maintain the 2008 service level. The major increase currently provided for in 2009 is the COLA adjustment as per the agreement with Firefighters Local 3888. This increase totals \$6.887 million and includes the impact of reversing the cost of one extra day for the leap year. Also included is the 2008 deferred fleet contribution increase of \$0.570 million. The 2009 Outlook also includes the operating impact of the capital project for the Communications Centre – Quality Assurance Study for \$0.107 million representing the cost of on-going support for the project. This requires an increase of 1 approved position in 2009.
- The 2010 Outlook includes the final \$0.570 million increase for fleet contributions to allow the optimal contribution of \$7.200 million per year. The outlook for 2010 does not include a provision for COLA, as the increase is subject to future negotiations, nor is there an allowance for merit/step increases, since these amounts are yet to be determined. The 2010 Outlook also includes the operating impact of the capital project for the Toryork Bays Extension. The \$0.045 million impact in 2010 is the estimated cost for ongoing maintenance after completion of this project.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Five-Year Capital 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 and smoothed to meet debt guidelines and readiness to proceed. Starting in 2009, \$1.2 million per year in additional funding has been re-allocated to Asset Management projects (Future Years) in order to proceed with this program priority. This increased funding of \$1.200 million per year for Asset Management projects will result in elimination of the backlog by 2013.

The Five-Year Capital Plan (2008 Approved Capital Budget and 2009 to 2012 Capital Plan) requires cash flows of \$5.816 million in 2008, \$5.475 million in 2009, \$5.475 million in 2010, \$5.334 million in 2011 and \$6.834 million in 2012. Funding for the Five-Year Capital Plan is composed of 85% debt, 13% Reserves and 2% federal subsidy.

The ability to proceed with the Five-Year Capital Plan is dependant on the completion of the necessary technical audits and studies. Typically, these projects are currently well into the planning phase. Accordingly, detailed planning by Corporate Facilities for each facility will be synchronized with the Five-Year Capital Plan.

Health & Safety projects, which represent 5% of the Five-Year Capital Plan, are required for the Replacement of Defibrillators scheduled to begin in 2012 for \$1.500 million and funded from the Vehicle Reserve- Fire Equipment.

Legislated projects represent 4% of the Five-Year Capital Plan and include Training Facilities Renovations-Equipment for \$0.294 million in 2008 and Training Simulators for \$0.780 million scheduled for 2011/2012.

State of Good Repair (SOGR) projects comprise 82% of funding in the Five-Year Plan or \$23.775 million excluding the Radio Communication System Replacement project. SOGR expenditures include the Asset Management projects of \$18.989 million, replacement of portable radios of \$2.125 million, replacement of HUSAR equipment of \$0.800 million, EMS/Fire HQ Power System upgrade of \$1.236 million, fire boat overhauls \$0.500 million and Communication Centre-Quality Assurance Study of \$0.125 million.

FIRE SERVICES

The SOGR backlog which is estimated to increase from \$0.744 million in 2007 to \$3.614 million in 2008 is due mainly to Asset Management needs, which have been deferred to meet debt requirements. Beginning in 2009, increased funding of \$1.200 million per year for Asset Management projects will result in elimination of the backlog by 2013.

The only Service Improvement project is for the Toryork Bays Extension project for \$2.984 million funded through debt. The cash flow for 2008 is \$1.984 million, including funding of \$0.399 million carried forward from 2007 to 2008, with a final commitment of \$1.000 million in 2009.

All Growth projects have been deferred for the Five-Year Plan due to debt affordability. The only recent growth project is Station C which is expected to be completed at a remaining cost of \$2.242 million in 2007. The balance of growth projects have been deferred to the 2012-2016 period. This includes stations identified in the Master Fire Plan. The Growth categories are composed of fire station builds and training facilities and are prioritized based on resource/land availability and current assessed need to maintain appropriate response times in the course of providing fire protection services. This was originally based on the 1999 KPMG study regarding optimization of the fire station plan.

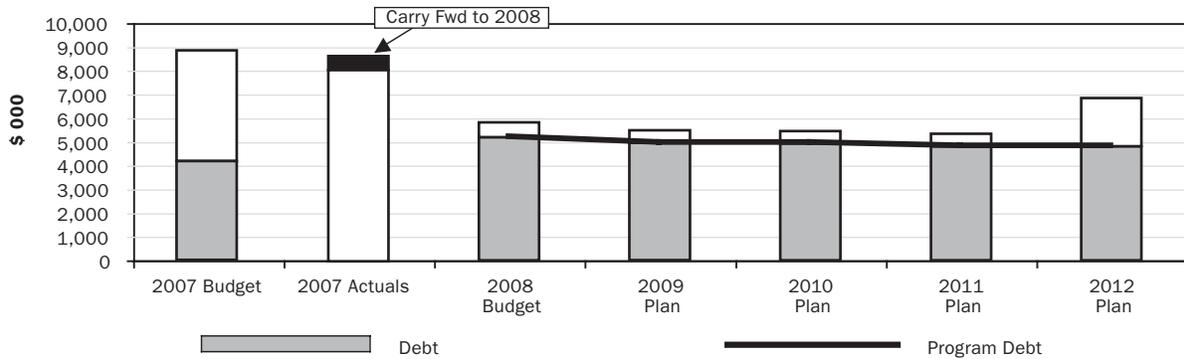
Included in the period 2013 to 2017 is the Harbourfront Public Education/Training Centre scheduled to start in 2014. This project has been deferred due to unconfirmed funding. The Centre is to be funded utilizing federal/provincial subsidies and reserves funding.

The Council approved Master Fire Plan details future station requirements and defines the years they are required based on current call volumes, population and growth statistics. As part of developing an affordable plan for station/facility reconstruction, certain facilities have been deferred to the 2013-2017 Capital planning period. The disposition of this issue will be reviewed again in the 2009 budget process.

The Radio Communication System Replacement Project is classified as a corporate project in conjunction with requirements of EMS and Police Services. This system needs to be replaced for all three services as it will no longer be supported by the manufacturer by 2011. As a result, \$70 million in total project cost, with an initial \$0.250 million in each of 2007 & 2008 for consultant expenses, has been budgeted corporately.

FIRE SERVICES

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					2008-12
	Budget	Actuals	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	8,841	8,074	2,271	1,000				3,271
Recommended Changes to Commitments			125					125
2008 New/Change in Scope and Future Year Commitments			3,420					3,420
2009 – 2012 Plan Estimates				4,475	5,475	5,334	6,834	22,118
1-Year Carry Forward to 2008		574	→					
Total Gross Annual Expenditures & Plan	8,841	8,648	5,816	5,475	5,475	5,334	6,834	28,934
Program Debt Target			5,191	4,950	4,950	4,809	4,809	24,709
Financing:								
Recommended Debt	4,159		5,191	4,950	4,950	4,809	4,809	24,709
Other Financing Sources:								
Reserves/Reserve Funds			625	375	375	375	1,875	3,625
Development Charges	1,121							0
Federal	1,036			150	150	150	150	600
Provincial								0
Other Revenue	2,525							0
Total Financing	8,841		5,816	5,475	5,475	5,334	6,834	28,934
By Category:								
Health & Safety	722						1,500	1,500
Legislated	2,248		294			520	260	1,074
SOGR	3,629		3,937	4,475	5,475	4,814	5,074	23,775
Service Improvement			1,585	1,000				2,585
Growth Related	2,242							0
Total By Category	8,841		5,816	5,475	5,475	5,334	6,834	28,934
Yearly SOGR Backlog Estimate (not addressed by current plan)		744	2,870	680	(1,400)	(1,050)	(1,024)	76
Accumulated Backlog Estimate (end of year)		744	3,614	4294	2894	1844	820	820
Operating Impact on Program Costs			85	57	45	0	0	102
Debt Service Costs			156	720	693	689	673	2,930

*Note that the 1-Year Carry Forward is based on the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

FIRE SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

As strategic priorities, existing facility maintenance and new facility construction has been determined in consultation with Corporate Facilities and have been included in the Five-Year Capital Plan based on debt affordability and the readiness to proceed. Starting in 2009, \$1.2 million per year in additional funding has been re-allocated to Asset Management projects in order to proceed with this program priority. This increased funding of \$1.200 million per year for Asset Management projects will result in elimination of the SOGR backlog by 2013.

The Council approved Master Fire Plan details future station requirements and defines the years they are required based on current call volumes, population and growth statistics. As part of developing an affordable plan for station/facility reconstruction, certain facilities have been deferred to the 2013-2017 Capital planning period. The Master Plan will be reviewed in the 2009 budget process.

Other Key Capital Initiatives:

Over the next five years, \$2.984 million is allocated for the construction of the Toryork Bays Extension. This expansion in capacity will allow the maintenance work to be performed more efficiently and thus minimize the 'out-of-service' time for emergency vehicles. The estimates identified for the period 2013 to 2017 include nine new fire stations identified in the Master Fire Plan for a total cost of \$54.689 million.

The Five-Year Capital Plan also includes \$1.236 million for Fire Services' contribution towards the EMS/Fire Headquarters Power Supply Upgrade, urgent operational upgrades for \$0.500 million for the fire boat cabin and electrical upgrades and dedicates \$4.800 million in additional funding to address Asset Management issues at existing facilities.

For 2008, the Approved Capital Budget will result in:

- the start of expansion of the Toryork Fire Vehicle Maintenance Facility to minimize vehicle down-time for \$1.984 million as well as the start of life cycle replacement of portable radios for firefighters for \$0.625 million,
- ongoing maintenance Fire Station and facilities for \$1.951 million.
- completion of the EMS/Fire Emergency Power Supply Project for \$1.236 million. The critical upgrades to the EMS/Fire Headquarters Power Supply System with a total 2008 project cost of \$3.116 million (includes one-year carry forward funding) is funded by contributions from Fire Services (\$1.236 million), Police Services (0.617 million), and EMS (\$1.263 million) representing their share of the total project cost in 2008. This project will ensure that the integrity of all power feeds, linkages and back-up systems are maintained and that all primary or back up power feeds to the facility in the event of **power disruptions are operational**.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The Toronto Fire Services 2008 Approved Capital Budget will result in an increase future year Operating Budgets by a total of \$0.187 million net from 2008 to 2010.

The incremental net operating costs include the following:

- Station C (Sheppard Ave. between Leslie/Bayview): The \$0.085 million impact in 2008 is the estimated cost for first year maintenance costs after completion of this project. This is reduced by \$0.050 million to an ongoing \$0.035 million operating cost beginning in 2009.
- Toryork Bays Extension: The \$0.045 million impact in 2010 is the estimated cost for ongoing maintenance after completion of this project.
- Communications Centre – Quality Assurance Study: The \$0.107 million represents the cost of on-going support for the project. This requires an increase of 1 approved position in 2009

FIRE SERVICES

STATE OF GOOD REPAIR BACKLOG

Toronto Fire Services backlog of projects represents SOGR work deferred from past years as well as items requested for 2008 to 2012 which cannot be accommodated in the budget given the established debt targets and capacity to spend.

As part of the (SOGR) backlog for Toronto Fire Services, the ongoing planned Asset Management projects for the maintenance of stations and facilities had been deferred which, created the backlog of work that will be addressed. The debt targets have been increased by \$1.200 million per year starting in 2009 to specifically address SOGR backlog. As a result, the estimated SOGR backlog would be eliminated by 2013.

In order to ensure this additional funding for Asset Management projects is allocated effectively, the Chief of Toronto Fire Services, in consultation with the Deputy City Manager and Chief Financial Officer, will report back to Budget Committee as part of the 2009 Capital Budget Process on a revised and detailed estimate of the current state-of-good repair backlog.

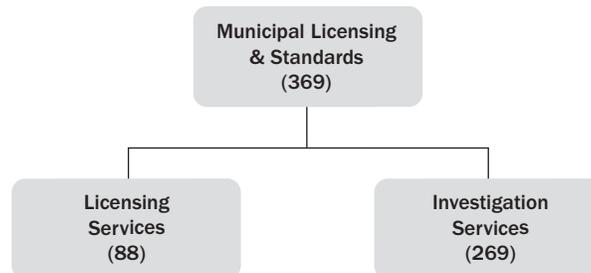
..... MUNICIPAL LICENSING & STANDARDS

MISSION STATEMENT

- As the Municipal Licensing and Standards Division (ML&S), we strive to be a leader in supporting the City of Toronto as a safe, vibrant, creative and clean community through bylaw administration and enforcement serving those who live, work and visit in the City.

PROGRAM MAP

As indicated in the program map, ML&S has three service functions: Head Office, Licensing and Investigations with 369.0 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Implemented a strategic planning process resulting in the development of a vision document, divisional goals and work-unit objectives ensuring service delivery focuses on the 4 E's – efficient, effective, economical and essential.
- Developed and implemented communication initiatives to enhance the awareness of council members, the public and other City divisions and partners of the Division's work.
- Provided ongoing response to legislative changes contained in the new City of Toronto Act.
- Improved existing technology through the implementation of a remote-based case management system for investigation files on a pilot project basis, provided process mapping to develop readiness for 311 services, and provided more readily available information systems to facilitate routine disclosure of public information.
- Initiated the integrated inspections working group to maximize opportunities to co-ordinate policy, investigation and enforcement activities across the City's regulatory enforcement community.
- Developed and implemented performance standards and benchmarks for work processes.
- Initiated process map issuance, inspection and enforcement practices to identify opportunities to enhance service delivery and to forecast activity levels.
- Consolidated the Licensing Services offices.

2008 PROGRAM OBJECTIVES

- The introduction of new bylaws has increased service demands on ML&S. Facing this challenge, the Program will continue to examine existing bylaws, implement increased training opportunities and capacity, and examine on-line information and filing with the potential use of BizPal and amend its District Office hours of work to provide evening and weekend coverage.
- Information needs continue to be a challenge for ML&S. Improving their licensing information system resources through a dedicated IT staff within Policy, Planning, Finance and Administration will result in an increase the level of support.

MUNICIPAL LICENSING & STANDARDS

- To address other information technology challenges, ML&S has been pursuing the implementation of computer technologies through the Policy, Planning, Finance and Administration's Capital Budget such as a case management system and remote computing.
- An increase in complaints received on alleged bylaw violators has resulted in increased service demands. To address this ML&S will continue to modify processes to better manage the workload volume.

2008 Strategic Priorities

The 2008 Council Approved Operating Budget for Municipal Licensing and Standards directly addresses, through a number of initiatives, the following strategic priorities outlined in Council's policy agenda:

- **Strengthen Our At-Risk Neighbourhoods, Ensure Housing is Affordable:**
 - > The Multi Residential Apartment Building Strategy (MRAB) is a regulatory strategy, supported by an enhanced inspection program to augment the current enforcement strategy to minimize the number of complaints and ensure that multi-residential apartment buildings are maintained to the prescribed standard.
- **Improve the Business Climate:**
 - > The Licensing Fee Model will ensure a business license fee model that accurately represents the efforts involved in business licensing activities related to all categories of licenses and to ensure that all eligible direct and indirect costs are captured as set out in the corporate costs recovery model.
 - > A new bylaw(s) will be developed to establish clear policies for the administration and enforcement of new Toronto street food vendor, and existing street vendor licenses and permits.
 - > A review of the standards and regulations applicable to the limousine industry undertaken in consultation with the General Manager, Economic Development, Culture and Tourism Division, the limousine industry and other appropriate stakeholders.
- **Improve the Business Climate, Make Toronto a Clean and Beautiful City:**
 - > ML&S is working with Toronto Building in the development of a consolidated Sign Bylaw.
- **Major Environmental/Climate Change Activities:**
 - > ML&S is developing a program, requiring all taxis and limousines operating in the City to be low emission or utilize hybrid technologies by 2015 or earlier.
 - > ML&S is integrating into any rating systems developed for rental residential units an environmental performance rating based on compliance or non-compliance with the City's Green Development Standard.
 - > ML&S is developing a plan to potentially ban the use of two stroke engines to power home and garden equipment by 2010.
 - > ML&S is also in the process of identifying potential legal strategies and mechanisms, including a potential regulatory bylaw, to address the environmentally-regressive practice of a growing number of retail establishments running air conditioners while keeping their storefront doors and/or windows open.
- **Other Environmental/Climate Change Activities:**
 - > ML&S will be involved in the enforcement of the downspout disconnection program.
 - > The Program is also examining the potential for a maximum temperature bylaw for dwelling units that are rented or leased such as apartments and/or rooming houses.
- **Future Environmental/Climate Change Activities:**
 - > ML&S will be involved in the enforcement for the waste diversion program in residential multi-unit buildings to support Council's "getting to 70% waste diversion from landfill plan" by 2010.
 - > The Program will also commence such initiatives as;
 - * Encouraging staff to participate in the City of Toronto Smart Commute;
 - * Increase the use of foot and bicycle patrols for inspection and investigation activities;
 - * Encourage the use of public transit as a mode of travel to inspections, particularly in the downtown core; and,
 - * The Division's vision document contains focus on the environment, such as the reduction in the amount of paper used.

MUNICIPAL LICENSING & STANDARDS

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Licensing Services continuing to serve the business and broader community through the issuance of new and renewal business licenses, right-of-way permits for outdoor cafes and vending, temporary sign permits and the addition of fireworks permits in 2008. Inspections of vehicles at the Vehicle Test Centres and training of mobile business licensees will also see continued funding. It is estimated that service levels of business licenses issued for ML&S will be 51,500 in 2008.
- Investigation Services continuing to contribute to a clean and safe City through an estimated total of approximately 184,000 inspections and 62,000 investigations of property maintenance regarding waste, fences, heat and vital services, long grass, and weeds; graffiti; noise; zoning, and business licenses; and right-of-way permits.

2008 OPERATING BUDGET

The 2008 Operating Budget for ML&S of \$34.150 million gross represents a \$0.387 million or 1.1% increase compared to 2007. The 2008 net operating budget of \$11.420 million reflects a \$0.279 million or 2.5% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Head Office	1,232	1,232	1,766	1,766	2,069	2,069	302.8	17.1%	302.8	17.1
Licensing	8,825	(14,674)	9,854	(12,122)	9,697	(12,713)	(156.8)	(1.6%)	(591.0)	4.9
Investigations	23,554	22,772	22,143	21,497	22,384	22,064	241.1	1.1%	566.8	2.6
Total Program Budget	33,610	9,330	33,763	11,141	34,150	11,420	387.1	1.1%	278.6	2.5

MUNICIPAL LICENSING & STANDARDS

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget		2009 Outlook \$	2010 Outlook \$
				\$	%		
Gross Expenditures:							
Salaries and Benefits	27,277.2	25,589.3	27,806.8	529.6	1.9%	27,885.1	28,061.9
Materials and Supplies	571.7	344.9	570.7	(1.0)	(0.2%)	570.7	570.7
Equipment	302.2	84.6	137.7	(164.5)	(54.4%)	137.7	137.7
Services & Rents	1,359.0	1,062.3	1,303.9	(55.1)	(4.1%)	1,303.9	1,303.9
Contributions to Reserve/Res Funds	340.4	336.2	340.4	0.0	0.0%	340.4	340.4
Other Expenditures	3,912.3	3,819.1	3,990.3	78.0	2.0%	3,990.3	3,990.3
Total Gross Expenditures	33,762.8	31,236.4	34,149.8	387.0	1.1%	34,228.1	34,404.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	22,318.9	20,606.9	20,335.2	(1,983.7)	(8.9%)	20,335.2	20,335.2
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	302.8	113.9	2,395.0	2,092.2	691.0%	2,395.0	2,395.0
Total Non Tax Revenues	22,621.7	20,720.8	22,730.2	108.5	0.5%	22,730.2	22,730.2
Net Budget (excluding Capital Financing)	11,141.1	10,515.6	11,419.6	278.5	2.5%	11,497.9	11,674.7
APPROVED POSITIONS	380.0	336.0	369.0	(11.0)	(2.9%)	369.0	369.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 Outlook increase of \$0.078 million and 2010 increase of \$0.177 million include estimates for merit/step increases while accounting for the loss of a working day in each of the calendar years. The 2009 outlook also includes annualized savings arising from service reductions of the Clean City team in 2008.
- These outlooks do not include provisions for cost-of-living adjustments (COLA), as this is subject to future negotiations.

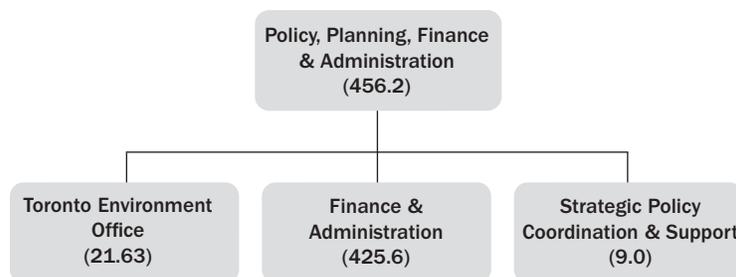
..... POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

MISSION STATEMENT

- The division provides centralized leadership, business support and administration to the Deputy City Manager and Divisions in the citizen Centred Service “B” Cluster to ensure they can meet corporate and Council directions in servicing the needs of residents, business and visitors in the City of Toronto

PROGRAM MAP

As indicated in the program map, Policy, Planning, Finance and Administration (PPF&A) has three service functions: Toronto Environment Office, Finance and Administration and Strategic Policy Coordination and Support with 456.2 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Implement the new organizational structure for Finance & Administration
- Harmonization of policies and procedures across the Cluster
- Enhance information technology systems to provide more efficient and effective customer service. Develop more on-line service
- Built capacity to support DCM's Office and corporate initiatives on strategic issues
- Development of a major environmental policy documents
- Creation of a new organizational structure for the Toronto Environment Office

2008 PROGRAM OBJECTIVES

Funding from the Approved Operating Budget will advance PPFA's outlined below;

Strategic Policy Coordination and Support

- Continue to implement strategic performance management measures for the Cluster Senior Management Team.
- Support program reviews for Cluster B divisions.
- Establish policy coordination mechanisms for cross-divisional issues.

Finance and Administration

- Complete the restructuring of the section
- Harmonize policies, procedures and practices across the Cluster
- Enhance management and information systems for Cluster B divisions to improve efficiency and compliance with corporate policies.
- Support the transition to the new Information Technology governance model.
- Support the transition to 3-1-1.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

Toronto Environment Office

- Lead the coordinated implementation of the Climate Change, Clean Air and Sustainable Energy Action Plan.
- Complete the reorganization to add needed staff resources and expertise to the section.
- Managers will be dedicated to:
 - > Partnerships and Innovations
 - > Internal Support & Implementation
 - > Research and Development
- Enhance establish partnerships with City divisions, agencies, boards, commissions and corporations and the Toronto community to advance the City's environmental agenda.
- Establish regular reporting for Council on environmental initiatives

2008 STRATEGIC PRIORITIES

The 2008 Approved Operating Budget for Policy Planning, Finance and Administration directly advances, through funding for a number of new/enhanced initiatives, the following strategic priorities outlined in the Council's policy agenda:

- Implementation of the Climate Change, Clean Air and Sustainable Energy Action Plan.

Toronto Environment Office

There is a total of \$1.165 million gross and \$1.035 net included in the 2008 Approved Operating Budget to specifically fund Climate Change initiatives.

> Live Green Toronto

Funding of \$0.800 million gross and net has been recommended for the Live Green Toronto project in the 2008 Recommended Operating Budget for PPF&A. The project goal is to have the City play a key role in assisting Toronto's neighbourhoods and communities to take action on climate change. This will be accomplished by simplifying the process of accessing information, financial incentives and technologies that reduce environmental impacts and greenhouse gas emissions and providing direct support to Toronto's neighbourhoods and communities in making lifestyle choices that significantly reduce carbon footprints. Elements of the program include the following:

- * Social Marketing Campaign to instil the values and lifestyle choices that reduce greenhouse gas emissions which will include social networking and interactive web-based tools and traditional media advertising.
- * A Local Food Campaign to promote the production and consumption of locally grown food.
- * Community Grants to provide community-based organizations with seed funding for grassroots climate change initiatives. The eligibility criteria will be developed in consultation with the Toronto Atmospheric Fund, Toronto Public Health, the Clean and Beautiful Secretariat and the Energy Efficiency Office and presented to City Council in early 2008.

> Transportation Demand Management

Funding of \$0.280 million gross and \$0.150 million net has been included in the 2008 Approved Operating Budget for the Transportation Demand Management project. The goal of this project is to implement workplace-based transportation demand management strategies across the City of Toronto through the Smart Commute Program to reduce the use of single occupant vehicles and to encourage the use of sustainable modes of transportation.

> Climate Change Adaptation

Funding of \$0.085 million gross and net has been included in the 2008 Approved Operating Budget for Climate Change Adaptation. In 2008, the TEO will pilot a Climate Change Action Kit for Residents which will include information about the City's climate change goals and objectives, mitigation programs, links to websites and information on how to prepare for short term utility and service disruptions.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Approved Operating Budget will provide the following Services: The Program is structured to deliver three services which include Strategic Policy Coordination and Support, Finance and Administration, and, the Toronto Environment Office (TEO). The 3 service areas are summarized below.

- Strategic Policy Coordination and Support: Development of Program vision; values; and, guiding principles for Cluster “B. This includes the provision of overall leadership to the Cluster with strategic focus on service delivery.
- Finance and Administration: Financial and administrative support to all divisions and secretariats in Cluster “B. Examples include budget and planning co-ordination, financial services for accounting and purchasing, customer services, revenue services, software application and support, customer services, and, communication and public consultation.
- Toronto Environment Office (TEO): Centralized office for enterprise-wide environmental policy coordination and development for the City. This section provides the management, coordination and integration of environmental initiatives across the City’s divisions, agencies, boards and commissions.

2008 OPERATING BUDGET

The 2008 Approved Operating Budget for Policy, Planning Finance and Administration of \$45.686 million gross represents a \$1.049 million or 2.3% increase compared to 2007. The 2008 net operating budget of \$26.631 million reflects a \$1.035 million or 4.0% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
PPF&A	13,720	12,600	44,637	25,596			(44,636.8)	(100.0%)	-25,596.2	-100.0
Strategic Policy Coordination and Support					2,998	2,998	2,998.2	n/a	2,998.2	
Toronto Environment Office					3,535	3,395	3,534.6	n/a	3,394.6	
Finance and Administration					39,153	20,238	39,152.9	n/a	20,238.3	
Total Program Budget	13,720	12,600	44,637	25,596	45,686	26,631	1,048.9	4.1%	1,034.9	4.0

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	36,721.6	33,325.6	36,650.5	(71.1)	(0.2%)	38,063.5	38,063.5
Materials and Supplies	1,833.8	1,807.4	2,097.1	263.3	14.4%	2,097.1	2,097.1
Equipment	1,241.7	282.6	1,243.5	1.8	0.1%	2,168.5	1,918.5
Services & Rents	3,602.8	2,783.7	4,021.0	418.2	11.6%	4,021.0	4,021.0
Contributions to Reserve/Res Funds	150.2	0.0	150.2	0.0	0.0%	150.2	150.2
Other Expenditures	1,086.7	1,211.5	1,523.4	436.7	40.2%	1,523.4	1,523.4
Total Gross Expenditures	44,636.8	39,410.8	45,685.7	1,048.9	2.3%	48,023.7	47,773.8
Funded by:							
Provincial Subsidies	0.0	0.0	130.0	130.0	n/a	130.0	130.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	10.0	29.1	10.0	0.0	0.0%	10.0	10.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	19,030.6	17,218.3	18,914.6	(116.0)	(0.6%)	20,286.6	20,536.6
Total Non Tax Revenues	19,040.6	17,247.4	19,054.6	14.0	0.1%	20,426.6	20,676.6
Net Budget (excluding Capital Financing)	25,596.2	22,163.4	26,631.1	1,034.9	4.0%	27,597.1	27,097.2
APPROVED POSITIONS	453.0	396.4	456.2	3.2	0.7%	456.2	456.2

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 Outlook maintains the projected 2008 level of service while managing the merit/step increments for union and non-union staff. The calculation of \$.966 million net increase for 2009 represents the incremental impact for merit/step after reversing for the one extra working day in 2008 as well as the annualized impact of the Live Green Toronto program.
- The 2010 Outlook maintains the projected 2009 level of service while at the same time forecasts increases efficiencies in the Live Green Toronto program as it becomes more established as well as being able to begin generating external revenue.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

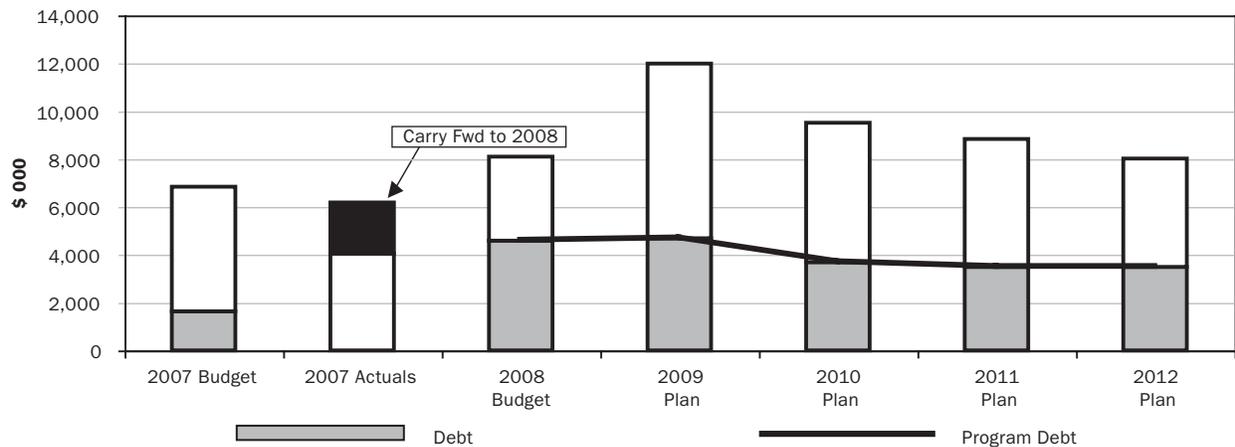
2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

- Service improvement projects account for 89% or \$41.581 million of the total proposed new cash flow in the Five-Year Capital Plan. These projects are anticipated to provide efficiency and technological enhancements across Cluster B Programs. Many of these projects are designed to address climate change and leverage technology to enhance and improve service delivery for the Municipal Licensing and Standards, City Planning, Toronto Building, Technical Services and Transportation Divisions.
- The Five-Year Capital Plan reflects the allocation of significant resources to long-term state of good repair projects to primarily address asset preservation at shared yard facilities. Projects that maintain assets in a state of good repair represent 11% or \$4.904 million of the total proposed new cash flow on the Five-Year Capital Plan. PPF&A has indicated that the funding for state of good repair projects will not reduce the current backlog of \$4.800 million.
- Detailed business cases with solid costing estimates have been reviewed for the following major Information Technology related projects which have been included in the Recommended Five-Year Capital Plan:
 - > The Computer System Integration has a cash flow of \$4.362 million over the Recommended Five-Year Capital Plan. This involves the integration of the Project Tracking Portal with work order applications, data warehouse, operational systems, financial information systems and enterprise infrastructure systems. Connectivity between the Project Tracking Portal and other business systems will result in improved productivity and service improvements. It will also serve as the main information source for the Corporate 3-1-1 project.
 - > The Mainframe Application Replacement project has a cash flow of \$3.700 million over the Recommended Five-Year Capital Plan. This project will provide for the conversion of 15 legacy systems and will save an estimated \$0.412 million net per year corporately in annual maintenance fees beginning in 2010, as a result of the termination of the mainframe operation services contract with EDS.
 - > The Business Systems Sustainment project has a cash flow of \$12.447 million over the Recommended Five-Year Capital Plan timeframe. The list of subprojects include support/ enhancements for the IBMS project in the following areas; improving the quality of assessment data, remote computing, and the development of technology advancements across Cluster B. Also included in this project is a subproject for MLS Enhanced Computer Technology designed to enhance efficiency in order to reduce the amount of time required to investigate and resolve all ML&S enforcement inquiries.
- The Five-Year Capital Plan is funded from debt which accounts for approximately 43% or \$19.958 million, reserve and reserve funds accounts for approximately 41% or \$19.181 million and the remaining 16% or \$7.346 million represents recoveries from Programs within the City such as Transportation and Toronto Water for paving projects and information technology projects. The Building Division Reserve Fund provides funding of \$2.491 million for the Toronto Building eServices project designed to provide eServices to the public in order to increase customer service.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	6,831	4,051	2,605	450				3,055
Recommended Changes to Commitments			(1,925)	975	500			(450)
2008 New/Change in Scope and Future Year Commitments			7,426	4,785	4,915	4,280	4,055	25,461
2009 – 2012 Plan Estimates				5,783	4,105	4,561	3,970	18,419
1-Year Carry Forward to 2008			2,124	→				
Total Gross Annual Expenditures & Plan	6,831	6,175	8,106	11,993	9,520	8,841	8,025	46,485
Program Debt Target	2,945		4,590	4,683	3,685	3,500	3,500	19,958
Financing:								
Recommended Debt	1,626		4,590	4,683	3,685	3,500	3,500	19,958
Other Financing Sources:								
Reserves/Reserve Funds	350		2,891	4,585	4,335	3,845	3,525	19,181
Development Charges								0
Federal								0
Provincial								0
Other Revenue	4,855		625	2,725	1,500	1,496	1,000	7,346
Total Financing	6,831		8,106	11,993	9,520	8,841	8,025	46,485
By Category:								
Health & Safety	251							
Legislated								0
SOGR	1,985		830	1,002	1,018	1,054	1,000	4,904
Service Improvement	4,595		7,276	10,991	8,502	7,787	7,025	41,581
Growth Related								
Total By Category	6,831		8,106	11,993	9,520	8,841	8,025	46,485
Yearly SOGR Backlog Estimate (not addressed by current plan)			0	0	0	0	0	0
Accumulated Backlog Estimate (end of year)	4,800		4,800	4,800	4,800	4,800	4,800	4,800
Operating Impact on Program Costs			98	0	510	250	550	1,408
Debt Service Costs			138	645	626	510	490	2,409

*Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **Implementation of the Climate Change, Clean Air and Sustainable Energy Action Plan.**
 - **Toronto Environment Office**

There is a total of \$20.190 million has been included in the Five-Year Capital Plan to specifically fund Climate Change initiatives.
 - **Live Green Toronto**

Funding of \$14.550 million has been approved for the Live Green Toronto project in the Five-Year Capital Plan for PPF&A. The project goal is to have the City play a key role in assisting Toronto's neighbourhoods and communities to take action on climate change. This will be accomplished by simplifying the process of accessing information, financial incentives and technologies that reduce environmental impacts and greenhouse gas emissions and providing direct support to Toronto's neighbourhoods and communities in making lifestyle choices that significantly reduce carbon footprints. Elements of the program include the following;

 - > Community Projects and Garden Development – To enable Live Green Toronto projects operating in different parts of the City such as Walking School Bus, Community gardens and Solar energy buying cooperatives.
 - > Live Green Community Festival – To promote, engage and present information to the public in order to stimulate action on climate change.
 - > Community Grants to provide community-based organizations with seed funding for grassroots climate change initiatives. The eligibility criteria will be developed in consultation with the Toronto Atmospheric Fund, Toronto Public Health, the Clean and Beautiful Secretariat and the Energy Efficiency Office and presented to City Council in early 2008.
 - **Climate Change Adaptation**

Funding of \$2.650 million has been included in the Five-Year Capital Plan for the Climate Change Adaptation. The goal of this project is to put in place mechanisms for continually evaluate changing weather patterns, the potential effects on the City and a strategy to adapt to and mitigate the effects of climate change.
 - **Eco-Roof Program**

Funding of \$2.400 million has been included in the Five-Year Capital Plan for an Eco-Roof Program. The goal is to work with building owners to achieve a minimum target of 10% of the total industrial, commercial and institutional roof space located in the City to become more environmentally friendly by 2020.
 - **Investigating the Phase-Out of Two Stroke Engines and Expansion Deep Water Cooling**

Funding of \$0.200 million has been included in the Five-Year Capital Plan in order to investigate the feasibility of phasing out two stroke engines or to expand deep water cooling.
 - **Greenhouse Gas and Air Quality Modelling and Monitoring**

Funding of \$0.390 million has been included in the Five-Year Capital Plan in order to address the need to measure, monitor and model greenhouse gases and smog causing emissions to ensure efforts are focused on those having the greatest effect on public health and the natural environment.

Other Key Capital Initiatives:

Mainframe Application Replacement: \$3.700 million is recommended for the development of a non-mainframe platform for Policy, Planning, Finance and Administration. There is an existing contract with EDS to provide mainframe services for the period ending October 31, 2010. Council approved a strategy to migrate mainframe applications to a platform supported by City staff in order to be in a position to avoid the need for a renewal of the EDS contract.

POLICY, PLANNING, FINANCE AND ADMINISTRATION (PPF&A)

MLS Enhanced Computer Technology: \$2.550 million is allocated to implement a new case management system that will support all of the different ML&S enforcement activities through one integrated system. This is an efficiency enhancing initiative which is expected to reduce the amount of time currently required to investigate and resolve all ML&S enforcement inquiries.

Toronto Building eServices: \$2.491 million is recommended to provide eService for the public, transparency and disclosure of information and building plans within the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). This project will allow business in the City one stop electronic access to a wide range of Toronto Building Services. This will result in improved customer service and reduce staffing pressures that the Program is currently trying to manage.

MLS eServices: \$1.031 million is allocated to provide service over the Internet to the public allowing for 24 hour access. This will result in improved customer service and accessibility.

Computer System Integration: \$4.362 million is recommended to further develop a Project Tracking Portal (PTP) as the common computer system for the management of capital projects throughout the various Programs. This project will enhance the ability of project and contract management staff to monitor and control tenders/contracts/projects/specifications leading to better informed business decisions related to their respective budgets for which they are accountable.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The incremental operating impacts outlined above include the salaries and benefits for permanent staff working on projects for Business Sustainment Systems such as Plan/Drawing Database, Computer System Integration and the Document Management System and Climate Change Initiatives such as Live Green Toronto and Travel Demand Management. There will be 4.5 permanent staff and \$0.398 million in program costs added as a result of approving the 2008 Recommended Capital Budget.

There will be a total of 9.5 new permanent staff required and program costs of \$0.510 million in 2010, \$0.250 million in 2011 and \$0.550 million in 2012 arising from the approval of the Recommended 2009-2012 Capital Plan.

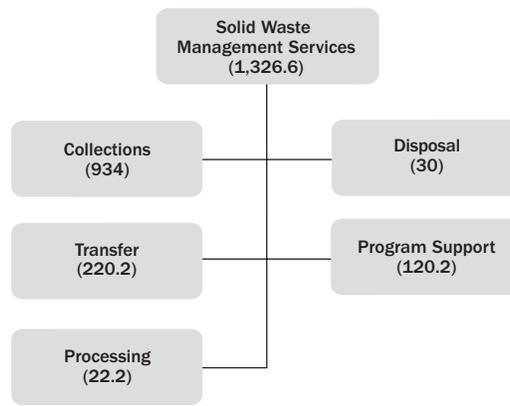
..... SOLID WASTE MANAGEMENT SERVICES

MISSION STATEMENT

- To provide effective and efficient solid waste collection, disposal and resource recovery services to residents, businesses and visitors 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 MAP

As indicated in the program map, Solid Waste Management Services (SWM) has five service functions: Collections, Transfer, Processing, Disposal and Program Support. There are 1,326.6 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Finalized and received Council approval of the Target 70 Plan for the implementation of a volume-based rate structure in 2008
- Finalized acquisition of the Green Lane landfill
- Finalized and received Council approval of the Residual Waste Planning Study Terms of Reference
- Finalized and received approval of the SSO Planning Study (to build two new processing facilities)
- Achieved 42% in residential waste diversion
- Completed white goods collection in-sourcing
- Awarded City-wide multi-unit residential collection contract
- Pilot programs (blue/grey bins) have been successfully launched.
- Completed operational review in Collections – new boundaries for Collections Managers; new collection days, etc
- Secured contract SSO processing capacity for 50,000 tonnes per year.

2008 PROGRAM OBJECTIVES

- The Solid Waste Management Services' Operating Budget supports the Multi-Year Business Plan to transition from tax based funding to a rate-based funding model to reach the 70% diversion target by 2010. The Operating Budget for Solid Waste Management Services is based on fulfilling the goals outlined in their Mission Statement and supported by its Business Plan.

SOLID WASTE MANAGEMENT SERVICES

- 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. The Program's mandate includes the collection of residual waste/ recyclables/organics, and the operation of transfer stations, Material Recovery Facilities (MRF), a Source-Separated Organics (SSO) processing facility and an enhanced Litter Program to support the Clean and Beautiful City initiatives.
- Manage several waste diversion programs including: environment days, backyard composter distribution, recovery of household hazardous waste, tire and white goods recycling.
- In 2008, Solid Waste Management Services will begin the transition where multi-residential buildings and single-family houses will be charged a volume-based rate structure fee for residual waste services in order to fund the move toward a target of 70% waste diversion by the year 2010. The focus of the 2008 Operating Budget will enable staff to secure long term processing and mixed waste treatment capacity, manage closed landfill sites as well as addressing Council priorities, such as a Clean & Beautiful City.
- Undertake analysis of mixed waste residential processing requirements.
- Manage the integration of the new Green Lane Landfill site.
- The Program is responsible for providing collection, transfer and disposal services for residual waste and the collection, transfer and processing of recyclable and organic materials throughout the City as well as for City Programs, Agencies, Boards, and Commissions. The Program also accepts waste from the commercial sector. As well, the Program coordinates with other City Programs and ABCs, activities that support the Mayor's Clean & Beautiful City Program.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for Solid Waste Management Services directly addresses, through a number of initiatives, the following strategic priorities outlined in the Council's policy agenda:

- **Create a Coordinated Litter Action Team that Will Quickly Clean Up Serious Litter and Dumping problems Identified by Resident's Calls to an New "311" telephone service.**
 - > The 2008 Approved Operating Budget directly addresses the above priority, by creating a team from various ABCDs with a goal of responding within 48 hours to any serious problem area. No additional costs are anticipated; however this will require increased coordination with other divisions and staff managing the 311 initiative.
- **Climate Change, Clean Air and Sustainable Energy Action Plan**

Solid Waste Management Services is involved in several initiatives that will affect the environment in terms of climate change, clean air and sustainable energy:

 - > Increased waste diversion (to 70% by the year 2010):

Several new initiatives corresponding to the above priority have been approved by Council and will be funded through the new volume-based rate structure system which will generate an additional \$54 million on an annualized basis. New Solid Waste Management projects totaling \$20.349 million, supported by new SWM fees, will allow the City to achieve a waste diversion rate of 70% by the year 2010. These projects will be phased-in during 2008 for multi and single residential buildings and will improve recycling, residual waste and organics collection and processing. By diverting waste from landfills, less biogas is produced which benefits the environment. Biogas will also be investigated as a potential source of energy generation. Increased contributions toward the perpetual care of landfills are also approved in 2008.

To achieve the higher diversion target, the Solid Waste Management Services Division is planning to expand Toronto's aggressive diversion plan by:

- * Expanding the Green Bin program to include apartments & condominiums.
- * Building additional processing capacity to provide long term stability for the Green Bin Program.

SOLID WASTE MANAGEMENT SERVICES

- * Enforce mandatory waste diversion practices for apartments & condominiums.
- * Expand recycling activities in apartments & condominiums by providing on-floor carts.
- * Expanding the range of recyclable materials in the blue box to include: polystyrene, plastic film, ceramics/plate glass, and plastic milk jugs.
- * Establishing a reusable goods drop-off centre to provide residents with a one-stop location for reusable goods.
- * Providing single unit residences with larger green bins, residual waste and recycling carts that will increase their ability to compost and recycle in order to achieve diversion targets.
- * Establishing Curbside collection of durable and reusable goods commencing on July 1, 2008 for multi-unit residences and November 1, 2008 for houses.
- * Implementing comprehensive on-going promotion and education campaign aimed at changing the purchasing behaviour of residents.
- > Renewable Energy Systems with landfill gas utilization:

At its meeting of July 16, 17, 18, & 19, 2007, City Council adopted recommendations embodied in the staff report entitled "Climate Change, Clean Air and Sustainable Energy Action Plan: Moving from Framework to Action". Solid Waste Management has focused on utilizing digester and landfill gases as requested in the following recommendations outlined from the amended report:

 - i Direct the General Manager of Solid Waste Management to report on plans to collect and utilize landfill gas at the recently acquired Green Lane Landfill site and plans to utilize digester gas from the City's anaerobic digestion facilities that process organic materials collected through the Green Bin program.
 - ii Authorize the General Manager of Solid Waste Management Services to negotiate and execute an Agreement between the City of Toronto, the Toronto and Region Conservation Authority and Toronto Hydro Energy Services Inc. (THESI), to install and operate electrical generation equipment to utilize methane from the Thackeray Landfill Site.

The current status of various landfills include Keele Valley which generates 20MW of energy per year, Beare Road generates 2 MW, and Brock West generates 2MW. Green lane currently collects and flares landfill gas to reduce air emissions. The Program is recommending moving forward with a Request for Proposal for landfill gas utilization at Green Lane to generate electricity. At the Thackery landfill plans are currently underway to introduce gas flaring to reduce air emissions by mid-year 2009.
- > Greening of Collection vehicles with bio-diesel. All 324 collection vehicles are mandated to run on 5% bio-diesel to reduce harmful emissions. Solid Waste Management Services is currently working with Fleet Services to introduce more vehicles during 2008 that meet this standard.
- > Greening of litter collection vehicles with vacuums and sweepers incorporating higher emission standards for particulate matter. Solid Waste Management Services is currently working with Fleet Services to introduce more vehicles during 2008 that meet this standard and with the Toronto Environment office to test current vehicles and refine standards.
- > Use of green roofs where possible at Solid Waste Management facilities. Green roofs are currently planned for the Dufferin Transfer Station Admin building, the Bermondsey and Ingram Collection Yards and the Disco & Dufferin Separated Source Organics Processing Plants. Green roof technology will reduce air emissions by saving energy and reducing water use.

SOLID WASTE MANAGEMENT SERVICES

2008 OPERATING BUDGET HIGHLIGHTS

In 2008, Solid Waste Management program will expand 2007 service levels and incorporate the following:

- Begin the transition where multi-residential buildings (in July) and single-family houses (in November) will be charged a SWM fee for residual waste services based on volume in order to fund the move toward a target of 70% waste diversion by the year 2010.
- Improve on the current residential diversion rate of 42%,
- Divert 363,000 tonnes of residential waste
- Dispose of 697,000 tonnes of residential, institutional, commercial, and industrial waste
- Develop new diversion initiatives such as Multi-Unit Mandatory Diversion Enforcement and green bins in Multi-Unit Residences, Improved Recycling Cart Capacity and On-Floor Carts for Apartments.
- Secure short/long term processing capacity for diverted material
- Undertake analysis of mixed waste residential processing requirements.
- Continue the perpetual care of former closed landfill sites as well as improving capacity at the Green Lane site.
- Support Council priorities, such as a Clean & Beautiful City.

2008 OPERATING BUDGET

The 2008 Operating Budget for Solid Waste Management of \$276.729 million gross represents a \$24.995 million or 9.9% increase compared to 2007. The 2008 net operating budget of 182.158 million net represents a 0% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Program Support	33,329	17,527	34,005	14,927	47,922	10,348	13,916.1	40.9%	(4,578.5)	(3067.3%)
Collections	90,415	87,235	94,864	91,620	95,475	92,162	610.5	0.6%	542.3	59.2%
Transfer	24,221	12,493	23,777	13,085	24,165	14,095	387.4	1.6%	1,009.3	771.3%
Processing	33,836	9,096	39,239	17,565	43,139	19,801	3,899.6	9.9%	2,236.0	1272.9%
Disposal	47,048	44,575	59,847	44,960	66,029	45,751	6,181.7	10.3%	790.9	175.9%
Total Program Budget	228,849	170,926	251,733	182,158	276,729	182,158	24,995.3	9.9%	(0.0)	(0.0%)

SOLID WASTE MANAGEMENT SERVICES

2008 Operating Budget by Category

Table 2

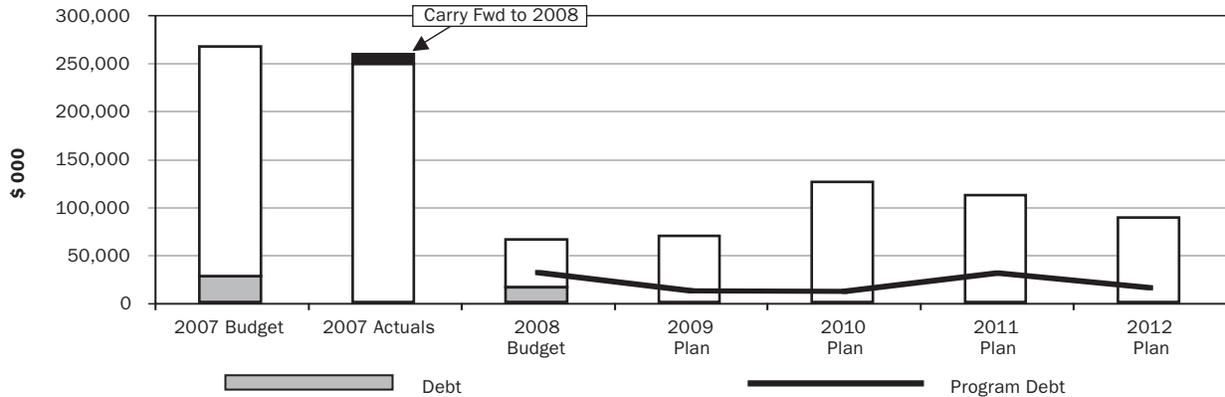
Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	201 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	87,993.1	89,819.7	90,874.5	2,881.4	3.3%	93,433.1	92,991.4
Materials and Supplies	6,002.6	4,800.3	6,053.5	50.9	0.8%	6,099.2	6,099.2
Equipment	1,329.8	761.1	1,285.7	(44.0)	(3.3%)	1,290.7	1,290.7
Services & Rents	115,777.0	106,183.2	119,723.4	3,946.4	3.4%	124,730.5	129,878.5
Contributions to Reserve/Res Funds	16,645.7	14,095.9	30,653.1	14,007.4	84.2%	49,899.9	54,603.7
Other Expenditures	23,985.2	23,555.8	28,138.5	4,153.3	17.3%	29,317.6	29,133.3
Total Gross Expenditures	251,733.3	239,216.0	276,728.7	24,995.3	9.9%	304,771.1	313,996.9
Funded by:							
Provincial Subsidies	8,050.0	7,743.4	9,390.0	1,340.0	16.6%	10,505.0	11,287.5
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	25,598.2	22,937.8	45,584.5	19,986.3	78.1%	75,771.3	81,573.6
Contribution from Reserves/Res Funds	2,703.0	0.0	4,464.9	1,761.9	65.2%	1,216.9	1,216.9
Other Revenues	33,224.0	37,511.7	35,131.3	1,907.3	5.7%	35,119.8	37,760.8
Total Non Tax Revenues	69,575.2	68,192.9	94,570.6	24,995.4	35.9%	122,612.9	131,838.7
Net Budget (excluding Capital Financing)	182,158.1	171,023.1	182,158.1	(0.1)	(0.0%)	182,158.1	182,158.1
APPROVED POSITIONS	1,304.5	1,276.8	1,326.6	22.1	1.7%	1,349.3	1,334.7

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 and 2010 Outlook moves forward with expanded service under the 70% Diversion Plan. The 70% Diversion Plan will be funded from SWM fees and generates no net incremental impact on the City's tax base. New SWM fees will offset the impact of various annualized adjustments in 2009. These annualizations include provision for a net incremental reduction for 2009 for the reversal of the additional day for the leap year (\$0.449 million), Household Hazardous Waste Collection service extension (\$0.029 million), annualization of the newly negotiated Etobicoke Collection contract (\$0.665 million) and reversal of a draw on the Waste Management Reserve Fund (\$3.246 million). There is presently no provision for COLA increases in either 2009 or 2010 as these will be the subject of future negotiations.

SOLID WASTE MANAGEMENT SERVICES

Five-Year Capital Plan (2008 Budget, 2009 - 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	266,298	248,176	46,094	2,579	3,884	19,203	0	71,760
Recommended Changes to Commitments			(220)	17,500	2,280	(18,114)	0	1,446
2008 New/Change in Scope and Future Year Commitments			19,630	1,750	0	0	0	21,380
2009 - 2012 Plan Estimates			0	47,008	119,116	110,337	88,319	364,780
1-Year Carry Forward to 2008		10,311						
Total Gross Annual Expenditures & Plan	266,298	248,487	65,504	68,837	125,280	111,426	88,319	459,366
Program Debt Target			32,893	13,288	13,108	32,350	16,471	108,110
Financing:								
Recommended Debt	27,456		15,210	0	0	0	0	15,210
Other Financing Sources:								
Reserves/Reserve Funds	18,532		7,380	7,745	8,269	8,876	9,511	41,781
Development Charges								0
Federal								0
Provincial								0
Other External					30,000	34,375	24,500	88,875
User Rate Recoverable Debt	220,310		42,914	61,092	87,011	68,175	54,308	313,500
Total Financing	266,298		65,504	68,837	125,280	111,426	88,319	459,366
By Category:								
Health & Safety								0
Legislated	258,110		60,553	62,624	120,580	107,226	84,119	435,102
SOGR	8,188		4,951	6,213	4,700	4,200	4,200	24,264
Service Improvement								0
Growth Related								0
Total By Category	266,298		65,504	68,837	125,280	111,426	88,319	459,366
Yearly SOGR Backlog Estimate (not addressed by current plan)			0	0	0	0	0	0
Accumulated Backlog Estimate (end of year)			-	-	-	-	-	0
Operating Impact on Program Costs			1,773	1,906	4,951	3,811	2,637	15,078
Debt Service Costs			456	1,673	0	0	0	2,129

* Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

SOLID WASTE MANAGEMENT SERVICES

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Solid Waste Management Services Approved Five-Year Capital Plan includes changes required to the 2007 to 2011 Capital Plan to achieve a 70% Diversion target by the year 2010, as was reported to Council at its meeting of June 19, 20 and 22, 2007. The Approved 2008 to 2012 Capital Plan incorporates the additional projects required to achieve this 70% diversion goal, and accelerates some of the diversion projects included in the original 2007 to 2011 Capital Plan approved by Council in March 2007.

The Five-Year Capital Plan (2008 Approved Budget and 2009-2012 Plan), which totals \$459.366 million excluding 2007 funding carried forward into 2008, places a primary emphasis on fulfilling legislated requirements for Solid Waste Management Services and achieving a Council approved diversion target of 70% by 2010.

95% or \$435.102 million of the Five-Year approved cash flow is allocated to Legislated projects for Diversion Facilities, Perpetual Care of Landfills, and Residential Collection, and 5% or \$24.264 million is allocated to State of Good Repair projects relating to Transfer Stations Asset Management and Residential Collection.

The 2008-2012 Capital Plan which totals \$459.366 million, excluding carry forward funding of 2007 funding into 2008, provides funding for five major projects:

- **Diversion Facilities:** This project encompasses the design and construction of additional Source Separated Organics (SSO) processing capacity, 6 reuse centres, new recycling and residual waste containers, SSO multi-unit residential containers, and mixed waste processing facilities. These initiatives are necessary to increase diversion of the waste stream currently managed by the City of Toronto. The total cost over five years is \$364.168 million, excluding 2007 carry forward funding.
- **Perpetual Care of Landfills:** This project encompasses a variety of capital subprojects considered necessary for the ongoing maintenance of closed environmentally sound landfill sites after primary operations have ended. These include: monitoring, consulting and remedial measures related to surface water, ground water, landfill gas and ambient air; maintenance of leachate and gas control systems; correction of soil erosion/settlement on slopes and the repair of roadways. This project includes the old landfills under the jurisdiction of the former area municipalities. The total cost over five years is \$41.781 million. This project is funded from the Perpetual Care of Landfill Reserve Fund.
- **Transfer Stations Asset Management:** This project includes miscellaneous operational improvements that are required to meet safety, health, operational and environmental requirements such as the Gas Handling Act and Ministry of Environment (MOE) standards. They include: preservation of infrastructure, additional facilities to enhance services, energy conservation measures, reduction of off-site impacts, and improvements to operating efficiency. The total cost over five years is \$19.264 million.
- **Residential Collection:** This project includes several activities which have a total cost of \$5.000 million over five years for renovation and retrofit to Collection Yards.
- **Green Lane Landfill:** This project includes various development and operational improvements necessary for the ongoing operation of the landfill. These include cell development, landfill gas control system, site services/final cover/storm control, and other remediation costs. The total cost over five years is \$29.153 million.

The Approved Five-Year Capital Plan reflects debt funding of \$15.210 million which is below the Five-Year debt guideline by \$92.900 million, because Solid Waste Management Services is moving to a volume-based rate structure funding model similar to Toronto Water, in mid-2008. The Approved Five-Year Capital Plan also reflects user rate recoverable debt of \$313.500 million with the debt repayment fully recovered from the new Solid Waste Management user fees to be implemented starting July 1, 2008, withdrawal of \$41.781 million from reserve/reserve funds and external funding from the private sector of \$88.875 million.

SOLID WASTE MANAGEMENT SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Solid Waste Management Services Multi-Year Business Plan was approved by Council and the Works Committee in June 2005. The Business Plan provides a long-term overview of the actions and decisions that will be required to meet Toronto's waste diversion goals and to secure dependable long-term management of residual solid waste over the next decade.

The previous Council had made diversion of solid waste a priority, and had set a target of achieving 60% diversion by 2008. In continuing to improve on the City's Diversion goals, Council at its meeting of June 19, 20 and 22, 2007, supported and approved the Mayors objective of 70% Waste Diversion by 2010. The Approved 2008 to 2012 Capital Plan has been prepared towards achieving the 70% diversion goal. This more aggressive target of 70% Diversion by the year 2010 requires an acceleration of the projects in the current capital program, and the addition of projects which have been excluded in the past in order to meet debt affordability guidelines.

The gross costs for the Solid Waste Management Services capital projects that are in the 10-Year Capital Plan are:

- **\$459.366 million for projects in years 2008 to 2012, and**
- **\$119.934 million for projects in years 2013 to 2017.**

This represents a total gross cost over the next 10 years of \$579.300 million for the required Solid Waste Management Services capital projects, or an increase of \$82.197 million over last year's 10-Year Capital Program. During the 2008 to 2012 period, the incremental annual Operating cost of the additional diversion initiatives will increase by \$15.1 million by year 2012.

The 70% Diversion report approved by Council in June 2007 identifies over 20 individual waste diversion initiatives that when combined, will allow the City to achieve its diversion goals. The Approved Five-Year Capital Plan provides the infrastructure to achieve 70% diversion by 2010.

The Approved Five-Year Capital Plan provides funding for five major projects:

- Diversion Facilities (\$364.168 million), with the majority of costs to be incurred in 2008, 2011 and 2012.
- Perpetual Care of Landfills (\$41.781 million)
- Green Lane Landfill Development (\$29.153 million)
- Transfer Stations Asset Management (\$19.264 million)
- Residential Collection (\$5.000 million)

The Approved Five-Year Capital Plan continues with major expansions of the diversion activities during this time-frame including:

- Expanding the Green Bin program to include apartments & condominiums
- Expanding the range of recyclable materials in the blue box to include: polystyrene and plastic film.
- Establishing reusable goods drop-off centres to provide residents with one-stop location for re-usable goods.
- Providing single home residents with larger recycling containers that will increase their ability to recycle.
- Providing single home residents with new residual waste containers to implement the new volume based rate system and encourage diversion.
- Building additional Source Separated Organics processing capacity that will increase capacity to allow for expansion, and provide long term stability for the Green Bin program.

Solid Waste Management senior staff may face pressures operationally due to tight timelines assumed, and the potential issues presented by site location, environmental assessments, and the various approval processes.

SOLID WASTE MANAGEMENT SERVICES

The General Manager responsible for Solid Waste Management Services will report to the Public Works and Infrastructure Committee prior to the start of the 2009 Budget process, on addressing the implementation challenges with the Approved Five-Year Capital Program with respect to timelines, site locations, environmental assessments, and readiness to proceed for facilities related projects.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Solid Waste Management Services approved 2008 Capital Budget will result in incremental impacts on the Operating Budget in 2008 and 2009 as follows: \$1.773 million for 2008 and (\$0.604 million) in 2009 mainly due to incremental costs for Recycling Containers and Curbside Collection of Durable Goods.

The Five-Year Capital Plan results in incremental operating costs of \$1.773 million for 2008, \$1.906 million for 2009, \$4.951 million for 2010, \$3.811 million for 2011 and \$2.637 million for 2012, for the following projects:

2008-12 Capital Projects/Sub-Projects		2008 (\$000s)	2009 (\$000s)	2010 (\$000s)	2011 (\$000s)	2012 (\$000s)	2008-12 (\$000s)
Diversion Facilities	Mandatory Diversion Enforcement		1,140	1,140			2,280
Diversion Facilities	Recycling Containers	1,404	(1,465)				(61)
Diversion Facilities	Reuse Centres		447	1,040	1,387	693	3,567
Diversion Facilities	SSO Multi-Unit Containers		923	2,771	2,424	162	6,280
Diversion Facilities	Residual Waste Processing Facilities					1,782	1,782
Diversion Facilities	Curbside Collection of Durable Goods	369	861				1,230
TOTAL		1,773	1,906	4,951	3,811	2,637	15,078

STATE OF GOOD REPAIR BACKLOG

Solid Waste Management Services does not have a backlog of State of Good Repair projects.

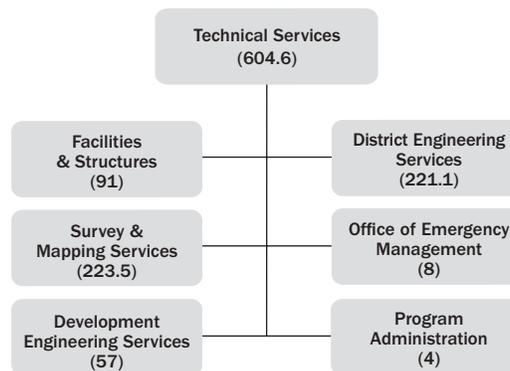
TECHNICAL SERVICES

MISSION STATEMENT

- Technical Services is committed to providing professional planning and project management services in the area of municipal engineering to ensure sustainable infrastructure and a safe and healthy environment for the people of Toronto.

PROGRAM MAP

The Technical Services Program is comprised of six major sections, with a total of 604.6 approved positions.



2007 KEY ACCOMPLISHMENTS

- Maintained delivery of Capital Works Program at 72% despite increased workloads.
- Earlier completion of designs and more tenders out earlier leading to better prices, and improved delivery.
- Implemented new fee structure to recover the engineering review and inspection costs on development related infrastructure.
- Coordinated and delivered training as mandated by the Emergency Management Plan.

2008 PROGRAM OBJECTIVES

- Providing professional design, planning, and project management services in the delivery of the City's capital works program for Toronto Water, Toronto Transit Commission, Transportation Services and Solid Waste Management Services.
- Establishing a financing mechanism for Development Engineering which will ensure full cost recovery for review of development applications.
- Improving the overall coordination of the capital works program to increase completion from the current rate of approximately 70% to 80%.
- Improving management oversight of construction contracts including internal auditing control and quality assurance.
- Strengthening enterprise-wide emergency management coordination across all City Programs, Agencies, Boards, and Commissions.

TECHNICAL SERVICES

2008 STRATEGIC PRIORITIES

Technical Services provides support to Transportation Services, Toronto Transit Commission, Solid Waste Management Services and Toronto Water for capital works that align with the strategic priorities of Council's policy agenda, selected examples include the Clean and Beautiful City Secretariat, Wet Weather Flow Master Plan, Clean Air and Sustainable Energy Action Plan, improving the City's waterfront and improving stewardship of Toronto's ravines.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- Provide professional design, planning and project management services in the delivery of the City's Capital Works Program.
- Establish a financing mechanism for Development Engineering for full cost recovery of development review.
- Improve overall coordination of Capital Works Program and increase overall completion rate.
- Improve management oversight of construction contracts including improved internal control and quality assurance.
- Strengthening enterprise-wide Emergency Management Coordination across all City programs.

2008 OPERATING BUDGET

The 2008 Operating Budget for Technical Services of \$60.351 million gross represents a \$0.864 million or 1.5% increase compared to 2007. The 2008 Net Operating Budget of \$16.215 million reflects a decrease of \$0.049 million or -0.3% over 2007, as outlined in the tables below.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Facilities & Structures	8,776	8,031	9,258	1,565	9,313	1,647	55	0.6%	82	5.2%
Survey & Mapping	17,765	6,720	19,920	4,935	20,184	3,281	264	1.3%	(1,653)	-33.5%
Development Engineering	5,526	3,361	5,805	3,573	5,734	4,544	(71)	-1.2%	971	27.2%
District Engineering	18,361	3,839	21,295	3,887	21,854	4,353	559	2.6%	466	12.0%
Office of Emerg. Management	2,285	1,633	2,097	1,867	2,160	1,840	63	3.0%	(27)	-1.4%
Program Administration	1,164	1,164	1,112	437	1,106	550	(6)	-0.5%	112	25.7%
Finance & Administration	4,585	4,585	-	-	-	-	-	na	-	na
Interdivisional Charges	-	(26,898)	-	-	-	-	-	na	-	na
Total Program Budget	58,462	2,435	59,487	16,264	60,351	16,215	864	1.5%	(49)	-0.3%

TECHNICAL SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(In \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	52,189	47,391	53,050	861	1.6%	54,266	54,966
Materials and Supplies	619	355	622	3	0.4%	622	622
Equipment	1,661	846	1,679	18	1.1%	1,679	1,679
Services & Rents	2,652	2,582	2,603	(48)	(1.8%)	2,603	2,603
Contributions to Capital	0	0	0	0	n/a	0	0
Contributions to Reserve/Res Funds	827	827	806	(21)	(2.5%)	806	806
Other Expenditures	0	(3)	0	0	n/a	0	0
Interdivisional Charges	1,540	1,718	1,592	52	3.4%	1,592	1,592
Total Gross Expenditures	59,487	53,715	60,351	864	1.5%	61,568	62,268
Funded by:							
Interdivisional Recoveries	(29)	(33)	(23)	6	(19.3%)	(23)	(23)
Provincial Subsidies	0	0	0	0	n/a	0	0
Federal Subsidies	0	0	0	0	n/a	0	0
Other Subsidies	0	0	0	0	n/a	0	0
User Fees & Donations	(3,246)	(4,183)	(2,230)	1,016	(31.3%)	(2,230)	(2,230)
Transfers from Capital Fund	(37,365)	(33,351)	(39,310)	(1,945)	5.2%	(39,974)	(39,974)
Contribution from Reserve Funds	0	0	0	0	n/a	0	0
Contribution from Reserve	0	0	0	0	n/a	0	0
Sundry Revenues	(2,583)	(965)	(2,573)	10	(0.4%)	(2,573)	(2,573)
Total Non Tax Revenues	(43,224)	(38,531)	(44,137)	(913)	2.1%	(44,800)	(44,800)
Net Budget (excluding Capital Financing)	16,264	15,185	16,215	(49)	(0.3%)	16,768	17,468
APPROVED POSITIONS	598.6	568.6	604.6	6.0	1.0%	604.6	604.6

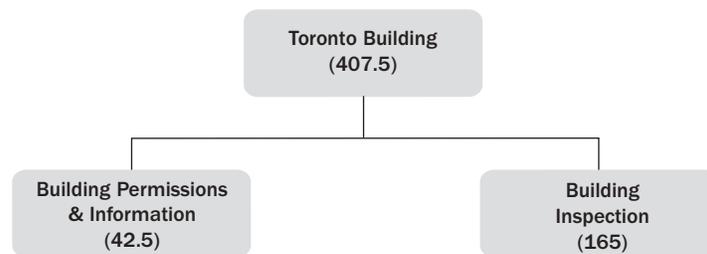
2009/2010 OPERATING BUDGET OUTLOOK

The 2009 and 2010 Outlook maintains the 2008 level of service while managing the cost-of living-allowance (COLA) and merit/step increments for union and non-union staff.

MISSION STATEMENT

- To enhance the quality of life in the City of Toronto for all residents, businesses and visitors, through superior services delivered with professionalism, honesty and integrity while enhancing and beautifying communities where people live, work and play.
- As stewards of Toronto’s built environment we will ensure the construction, renovation and demolition of buildings achieves the health, safety, accessibility, conservation and environmental provisions of the Building Code Act and other applicable law.
- We champion the understanding and application of Building regulations supporting innovation and creation of safe building standards and requirements. We provide excellence in City services through innovative leadership, responding to all members of the public, the development community, other City Divisions, Agencies, Boards, Commissions and the Council of the City of Toronto.

PROGRAM MAP



As indicated in the program map, Toronto Building has two service functions: Building Permissions & Information and Building Inspection, and five key activity areas with 407.5 approved positions to carry out the mandate of the program.

2007 KEY ACCOMPLISHMENTS

- Conducted 167,294 building inspections and issued 35,456 building permits with a construction value of \$4.41 billion.
- Undertook research necessary to develop a technical standard to regulate and control the effects of construction activity vibration on adjacent buildings. Developed a draft Bylaw amendment and conducted stakeholder consultation leading to the final Bylaw proposal in 2008.
- Improved the measurability of operational performance using enhancements to the Division’s Integrated Business Management System (IBMS) and web enabled permit status information.
- Completed building code training program leading to mandatory qualification of technical staff. Developed training plan and implemented Phase I of new Objective-Based Code training for Plan Review staff.
- Completed the research on Green Roof Technologies and obtained council direction on the preparation for a Bylaw to regulate the construction of green roofs under the City of Toronto Act in support of the Mayor/ Council’s mandate for environmental sustainability.
- Completed phase I (Plan Review) of the transfer of responsibilities for fire systems review from Fire Services to Toronto Building staff.
- Implemented a one-window service delivery approach for all development related fee payments in each district.

TORONTO BUILDING

- Achieved 99% response rate for Freedom of Information (FOI) requests for building information and property records.
- Continued to support the development of the new Zoning Bylaw.

2008 PROGRAM OBJECTIVES

Toronto Building's strategic direction over the next 3 years is driven by Council's priority for improving the Planning Process and Implementing Climate Change, in addition to meeting Legislative Service Levels and Improving Customer Service. The Program identified the following key challenges:

- Influence and respond effectively to new legislation and legislative amendments that affect the development of the City.
- Increase the Division's capacity to meet legislated time frames for the review of complete permit applications for all types of building projects.
- Increase the Division's capacity to meet legislated time frames for mandatory inspections and improve average response times for complaint investigations.
- Maximize revenue base and effectively use IT infrastructure to improve service delivery and operations.
- Increase availability of building records through new Routine Disclosure policy and procedure.
- Implement Environmental Initiatives such as the Green Roof Standards as well as Implementing Climate Change, Clean Air and Sustainable Energy Action Plan recommendations.
- Start the development of a new Consolidated Sign Bylaw and implement new Vibration Control regulations.
- Develop and implement appropriate amendments to the Municipal Code, Construction and Demolition Bylaw to achieve the Toronto Building Mission Statement.
- Enhance safety in the workplace by implementing Corporate H & S policy
- Provide an effective response to building related emergencies.

The Program will accomplish the above listed challenges in 2008 by implementing a number of measures that include:

- **Increase Program's Capacity**
 - > Complete the hiring program currently underway to provide the necessary resources to meet service objectives.
 - > Continue to provide training for staff to maintain mandatory qualification through a largely internal training and development program that delivers Provincial technical training opportunities.
 - > Implement and monitor new service efficiencies developed through Development Application Review Project (DARP).
 - > Implement transfer of Fire Systems review and inspection from Fire Services to Toronto Building with no new resources. The transfer of Fire Systems review and inspection responsibilities will be completed by January 2008.
- **Maximize Revenue Base**
 - > Review all user fees based on the new User Fee policy and implement indexing of all user fees not currently indexed.
 - > Continue to track waived permit fees so as to implement measures for full cost recovery.
- **Use IT Infrastructure**
 - > Support the development and implementation of the 311 system and implement Remote Computing and Interactive Voice Response (IVR) for Inspection Services to improve service delivery.
 - > Undertake continuous improvement to the functionality and reporting capability of Integrated Business Management System (IBMS) and the conversion of legacy data to IBMS and implement a Document Management (microfilm conversion) Program.
- **New Legislation**
 - > Building Code Act and Regulations: establish dedicated in-house code change committees to identify, develop and implement required procedural changes resulting from legislative changes.
 - > COTA, Planning Act, Heritage Act, and Clean Water Act: Ensure early identification of changes that could affect Program's area of responsibility or processes.

TORONTO BUILDING

- **New Consolidated Sign Bylaw**

- > Commence the implementation of the New Consolidated Sign Bylaw Project, which received Council's approval in December 2007. The Project, which received total funding of up to \$0.943 million phased-in with \$0.027 million in 2007, \$0.678 million in 2008 and \$0.238 million in 2009, is to be funded from the Public Realm Reserve Fund (see Sign Bylaw harmonization funding table below).

Sign Bylaw Harmonization Funding

Item	2007	2008	2009	2010	Total
Sign Bylaw Development	27,000	678,000	238,000		943,000
Repayment into Reserves			(400,000)	(543,000)	(943,000)
New Revenues*			400,000	543,000	943,000

*Revenue projections subject to review in 2008

- > This Project will explore new revenue streams such as sign or billboard tax. A report will be brought forward on this later in 2008 for Council's approval.
- > Repayment, in 2 instalments, of the \$943 million in total funding expended: (\$0.400 million) in 2009 and (\$0.543 million) in 2010. Toronto Building will identify and deploy staff resources and engage a consultant to conduct internal and external consultations. The program will also develop an implementation strategy and undertake secondary consultation prior to seeking Council approval to proceed with implementation. The project's total funding in the 2008 Recommended Operating Budget is \$0.678 million.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for Toronto Building advances the following strategic priorities outlined in Council's current policy agenda:

- **Environmental Initiatives – Making Green Roofs Happen**

City Council approved the Planning and Growth Management Committee recommendations that Toronto Building proceed with the development of a green roof building standard for the City of Toronto, to further implement the recommendations of "Making Green Roofs Happen" and as a means of making this component of the Green Development Standard mandatory.

Program was directed by Council to:

- > Engage Province for authority to fast-track changes to the energy and sustainability requirements of the Ontario Building Code and development of "deemed to comply solutions for 2012 Code requirements.
- > Provide facilitation of renewable energy installations with applicants and where necessary, amendments to policies and procedures.
- > Report back with a proposed green roof construction standard based on public consultation. Funding of \$0.100 million was approved in 2007 for consultation and development of the Bylaw on proposed green roof standard.

The current Building Code (2006 version) contains a new section 'Part 12 Resource Conservation' that includes provisions for energy efficiency of building designs and requirements that increase the energy efficient design requirements for buildings seeking permits on and after January 1, 2012. Toronto Building will continue to engage the Province in seeking the authority to introduce these 2012 energy efficiency requirements sooner than 2012.

Although implementation has been delayed owing to cost containment measures implemented by the City during the year, it is anticipated that the program will address any future funding constraints by seeking

TORONTO BUILDING

alternative external funding sources to facilitate faster development and implementation of a green roof building standard. Funding of \$0.100 million was approved in the 2008 Operating Budget for consultation and development of the Bylaw on proposed green roof standard.

- **New harmonized City-wide Sign Bylaw Project**

City Council, at its meeting of December 11, 12 and 13, 2007 approved funding for Toronto Building to accelerate the development and implementation of a harmonized City-wide Sign Bylaw beginning in 2007. A preliminary Work Plan developed by Toronto Building estimates that the Project will cost a total of \$0.943 million to implement over a period of 18 months.

Council directed that funding be drawn from the Public Realm Reserve Fund of \$0.027 million in 2007, \$0.678 million in 2008, and \$0.238 million in 2009 to meet the Project implementation costs.

The Program was subsequently authorized to undertake the following:

- > Hire resources for a multi division staff project team.
- > Retain consultant to assist with the external consultations and development of the technical standards within the consolidated Bylaw.
- > Consultations, both internal and external, will occur prior to and following the development of the consolidated sign Bylaw.
- > Repay the consolidated Bylaw financing from new revenues expected from the consolidated sign Bylaw implementation.

It is anticipated that once fully developed and implemented, a harmonized City-wide Sign Bylaw will generate adequate revenues to off-set any additional implementation costs. Program staff are in the process of working with Finance staff on potential funding options for consideration by Council by the fourth quarter of 2008.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Delivery of core services for receiving, reviewing, issuing and inspecting new construction and demolition projects.
- Providing business related information to the public received through Freedom of Information requests, routine disclosure requests or general enquiries.
- Provide an effective response to building related emergencies.
- Investigate building related complaints and take appropriate enforcement action.
- Support for the Mayor and Council's Climate Change, Clean Air and Sustainable Energy Action Plan by developing a Toronto green roof construction standard bylaw to govern the construction of green roofs.
- Enhanced public and client based service delivery through Information & Technology (I & T) improvements such as the introduction of an Interactive Voice Recognition (IVR) to support inspection requests and inspection outcomes; additional Web-based permit status and inspection status information capabilities; and internal service improvements through providing remote access to inspectors as well as enhancements to the IBMS business management program.

2008 OPERATING BUDGET

The 2008 operating budget for Toronto Building of \$41.913 million gross represents a 4.6% increase over the 2007 Approved Operating Budget. The 2008 net operating budget of (\$11.660) million meets the Program's 2008 Operating Budget net target of 0% increase over the 2007 net budget as shown in Tables 1 and 2.

TORONTO BUILDING

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Toronto Building*	38,854	11,969	40,083	11,660	41,913	11,660	1,829.4	4.6	-	-
Total Program Budget	38,854	11,969	40,083	11,660	41,913	11,660	1,829.4	4.6	-	-

* SAP budget numbers are presently reflected under one service – Toronto Building

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget \$	%	2009 Outlook \$	2010 Outlook \$
Gross Expenditures:							
Salaries and Benefits	35,192.6	33,121.7	36,617.8	1,425.2	4.0%	(55.9)	
Materials and Supplies	332.0	277.3	937.8	605.8	182.5%		
Equipment	416.7	102.4	342.2	(74.5)	(17.9%)		
Services & Rents	1,405.3	1,236.5	1,407.8	2.5	0.2%		
Contributions to Reserve/Res Funds	2,417.4	4,247.2	2,417.4	0.0	0.0%		
Other Expenditures	319.2	363.0	189.6	(129.6)	(40.6%)		
Total Gross Expenditures	40,083.2	39,348.1	41,912.6	1,829.4	4.6%	(55.9)	0.0
Funded by:							
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees, Permits & Donations	51,743.2	51,759.5	53,572.6	1,829.4	3.5%		
Contribution from Reserves/Res Funds							
Other Revenues							
Total Non Tax Revenues	51,743.2	51,759.5	53,572.6	1,829.4	3.5%	0.0	0.0
Net Budget (excluding Capital Financing)	(11,660.0)	(12,411.4)	(11,660.0)	0.0	(0.0%)		
APPROVED POSITIONS	407.5	371.5	407.5	0.0	0.0%		

2009/2010 OPERATING BUDGET OUTLOOK

- Toronto Building Division underwent a Service Delivery Review exercise in 2007 to examine all functional areas, define and align mandates, policy objectives, organization structure and operations. Staff reported back prior to the commencement of the 2008 Operating Budget cycle on their current performance, key services and challenges, and future directions relative to objectives, targets and impacts as identified through the Program Review.
- The outlook for 2009 and 2010 forecasts the Program's review of revenue volumes in order to maintain the 2008 levels of service. These adjustments are expected to create a revenue impact in 2009 and in 2010 which reflects both 100% cost recovery and an annual inflationary increase.

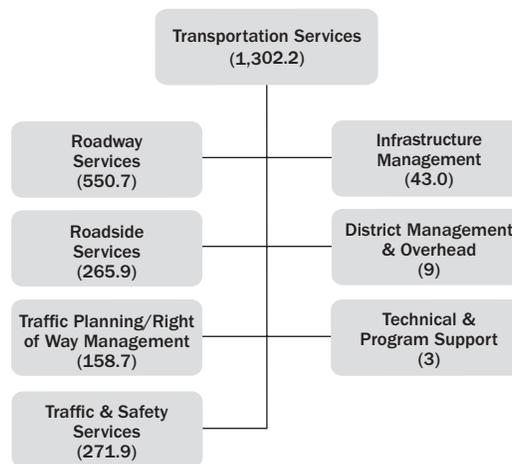
TRANSPORTATION SERVICES

MISSION STATEMENT

- Transportation Services is dedicated to safely, efficiently and effectively serving the mobility needs of Toronto's residents, businesses and visitors in harmony with its neighbourhoods and the environment.

PROGRAM MAP

As indicated in the program map, Transportation Services has seven service functions: Roadway Services, Roadside Services, Traffic Planning/Right of Way Management, Traffic and Safety Services, Infrastructure Management, District Management and Overhead, Technical and Program Support with 1,302.2 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Finalized agreement on Harmonized Street Furniture with Astral Media allowing for the deployment of 2,500 harmonized street furniture elements in 2008.
- Increased emphasis on environment management through the conversion to LED lights and Salt Management Plan.
- Successfully hosted Walk 21 Conference and rolled out Sustainable Transportation Initiatives to support the Climate Change, Clean Air and Sustainable Energy Action Plan.
- Rolled out the first year of the Enhanced Neighbourhood Beautification Program that enhances and beautify the public realm and neighbourhoods.

2008 PROGRAM OBJECTIVES

- Transportation Services will continue to focus on improvements in service delivery, ensuring harmonized service delivery across the City. In addition, the Division has a strong focus on improving safety procedures, and adjusting delivery resources to reduce costs.
- Improve the Public Realm, ongoing efforts will be directed toward improving the aesthetics of the road system, in particular grassed and landscaped areas adjacent to roadways as part of the Neighbourhood Beautification Demonstration projects.
- To ensure that the infrastructure assets are properly maintained and that public access is provided safely.

TRANSPORTATION SERVICES

- Provide staffing and resources required to deliver sustainable transportation services and programs including pedestrian and cycling infrastructure to ensure conformity with the Official Plan and to support the Clean Air Climate Change Plan and the Bike Plan.
- Continue to increase emphasis on environment management through the conversion to LED lights and PM 10 sweepers, the Salt Management Plan and facilitating sustainable transportation.
- Implementation of the street furniture program, given its vast scope and aggressive implementation schedule and need to maintain appropriate contract oversight.

2008 STRATEGIC PRIORITIES

The 2008 Approved Operating Budget for Transportation Services directly advances, through a number of initiatives, the following strategic priorities:

- **Support the Climate Change, Clean Air and Sustainable Energy Action Plan:**
Pedestrian and cycling infrastructure are provided to support the Climate Change Clean Air and Sustainable Energy Action Plan and the Bike Plan. A total of \$0.985 million is approved in the Operating Budget in addition to the \$5.5 million that was approved in the 2008 Capital Budget for Transportation Services to help implement the 90 km of bike trails and lanes, bicycle lockers and rings approved for 2008. The Program will continue to increase emphasis on environment management through the conversion to LED lights, PM 10 sweepers and Salt Management Plan.
- **Help Make the City More Clean and Beautiful:**
Transportation Services is responsible for making Toronto more clean and beautiful through the Neighbourhood Improvements Projects which are dedicated toward improving the aesthetics of the road system, in particular grassed and landscaped areas adjacent to roadways including the clean up of orphan spaces in areas adjacent to the City's streets and boulevards previously not properly maintained in order to provide a consistent service level of all landscaped areas across the City. Finally over 2,500 street furniture items are to be deployed and managed by the Public Realm Organization unit as part of the harmonized street furniture program. The Public Realm unit will also assume the Clean and Beautiful City Secretariat functions in order to coordinate more efficiently and effectively activities designed to improve the Public Realm.
- **Implementation of Sustainable Transportation Initiatives:**
On October 22, 23, 2007, Council adopted the recommendations contained in the report Sustainable Transportation Initiatives: Short Term Proposals. The report contained a number of sustainable transportation initiatives that could be implemented fairly quickly. Most of the short-term transportation initiatives recommended will be implemented from funding within the Approved 2008 Transportation Services Capital Budget. Staff and resources included in the 2008 Recommended Transportation Services Operating Budget will be involved in the implementation of sustainable transportation initiatives such as assessing opportunities for narrowing of pavements in order to widen sidewalks, investigating feasibility options to improve cycling safety at intersections and undertaking a review of existing operations and regulations of High Occupancy Vehicle lanes in the City in order to suggest effective changes.

2008 OPERATING BUDGET HIGHLIGHTS

- The 2008 Approved Operating Budget provides funding for Transportation Services to maintain service levels in seven primary service areas, Roadway Services, Roadside Services, Traffic Planning/Right of Way Management, Traffic and Safety Services, Infrastructure Management, District Management and Program Support. Services provided to City residents are summarized below:

TRANSPORTATION SERVICES

- > Roadway Services – provides year-round maintenance of roadway, bridge and public lane networks to ensure safe, clean transportation infrastructure for cyclists, transit users, vehicles and goods movement. Activities include roadway cleaning, road and bridge repair and winter maintenance. Service levels include maintenance of 5,590 kilometres (km) of road and percentage of paved lane kilometres where condition is rated as good to very good (89.7% in 2006). Service standards to start ploughing for winter maintenance are 2.5 to 5 cm for expressways, 5 cm for arterial/streetcar routes, 8 cm for local roads.
- > Roadside Services – provides year-round maintenance of sidewalks, boulevards and walkways to ensure a safe, clean environment for pedestrians and other public right-of-way users. Activities include maintenance of about 7,945 km of sidewalks, utility cut repair and grass cutting. Service levels include number of grass cuts adjacent to roadways (7 per year) and time to complete permanent repairs to utility cuts (within 18 months).
- > Traffic Planning/Right of Way Management – plans, manages and enforces activities within the right-of-way. This service area includes the Public Realm Organizational unit which has the strategic responsibility and accountability for planning, designing and managing sidewalk spaces to achieve a beautiful functional and safe public realm. Activities include development review, street events and construction permits. Service levels include time to process street events or construction permits (6-8 weeks) and achieving over 85% compliance with STAR development review timelines.
- > Traffic and Safety Services – provides a safe travel environment for users of roads, sidewalks and public laneways by ensuring that the City's transportation network is used safely and efficiently and in support of the Official Plan's transportation objectives. Activities include traffic control systems, pavement markings and red light camera operations. Service levels include high priority response to equipment failure within 90 minutes 90% of the time and low priority calls by the next business day and maintenance of 2,010 traffic control signals and 600 pedestrian crossovers.
- > Infrastructure Management – Manages and plans the City's transportation infrastructure in order to support sustainable transportation options that promote the Official Plan and Council's Climate Change initiatives. Activities include infrastructure planning, operation planning and policy and pedestrian and cycling infrastructure.
- > District Management and Overhead – coordinates and manages services provided by the Division to the various districts of Toronto/East York, Etobicoke/York, North York and Scarborough.
- > Program Support – provides professional and technical support to Transportation Services in the delivery of service to the public.

2008 OPERATING BUDGET

The 2008 Approved Operating Budget for Transportation Services of \$259.610 million gross represents a \$3.731 million or 1.4% increase compared to 2007. The 2008 net operating budget of \$166.655 million reflects a \$1.088 million or 0.7% increase over the 2007 net budget as show in Tables 1 and 2.

TRANSPORTATION SERVICES

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Roadway Services	128,508	89,917	128,962	94,494	127,363	94,991	(1,599.4)	(1.2%)	496.7	0.5
Roadside Services	57,352	25,160	52,117	26,133	51,127	26,775	(990.3)	(1.9%)	642.3	2.5
Traffic Planning/ROW Mgmt	11,220	(6,337.0)	13,240	(4,361.0)	18,233	-5,518	4,992.7	37.7%	-1,157.1	26.5
Traffic and Safety Services	39,703	35,478	42,484	38,453	44,322	40,027	1,837.9	4.3%	1,573.7	4.1
Transportation Infrastructure	15,368	12,962	16,787	13,652	16,510	13,623	(276.6)	(1.6%)	-29.4	-0.2
District Management & Overhead	1,263	(1,637.0)	1,422	(1,671.0)	1,270	-2,229	(152.3)	(10.7%)	-557.9	33.4
Program Support	22,479	22,479	867	(1,133.0)	786	-1,014	(80.8)	(9.3%)	119.2	-10.5
Total Program Budget	275,894	178,023	255,879	165,567	259,610	166,655	3,731	1.4%	1,087.5	0.7

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	91,002.3	93,355.0	96,473.3	5,471.0	6.0%	97,819.8	97,819.8
Materials and Supplies	15,087.8	18,215.9	14,084.4	(1,003.4)	(6.7%)	14,294.4	14,294.4
Equipment	711.0	411.1	1,137.4	426.4	60.0%	1,137.4	1,137.4
Services & Rents	119,581.7	112,360.0	116,275.4	(3,306.3)	(2.8%)	116,275.4	116,275.4
Contributions to Reserve/Res Funds	14,817.8	14,820.0	15,217.9	400.1	2.7%	15,217.9	15,217.9
Other Expenditures	14,679.0	15,975.0	16,421.8	1,742.8	11.9%	16,463.8	16,463.8
Total Gross Expenditures	255,879.7	255,137.2	259,610.2	3,730.5	1.4%	261,208.7	261,208.7
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	30,907.4	20,531.1	29,110.9	(1,796.5)	(5.8%)	29,110.9	29,110.9
Contribution from Reserves/Res Funds	3,893.0	3,893.0	7,096.8	3,203.8	82.3%	8,845.8	8,645.8
Other Revenues	55,512.2	61,783.2	56,748.0	1,235.8	2.2%	56,787.5	56,787.5
Total Non Tax Revenues	90,312.6	86,207.3	92,955.7	2,643.1	2.9%	94,744.2	94,544.2
Net Budget (excluding Capital Financing)	165,567.1	168,929.9	166,654.5	1,087.4	0.7%	166,464.4	166,664.4
APPROVED POSITIONS	1,300.6	1,156.0	1,302.2	1.6	0.1%	1,302.2	1,302.2

TRANSPORTATION SERVICES

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 and 2010 Outlooks maintain the projected 2008 level of service. In 2009, the full year impact of revising the winter standby policy for in-house staff will be realized resulting in further savings of \$0.600 million net. Budgeted reductions in contributions from the Road and Sidewalk Reserve are increased by \$0.200 million each year, resulting in a net incremental increase in costs for 2009 and 2010. Delays in the planned expansion for Red Light cameras in early 2008 will defer expenditures of \$0.210 million into 2009. Funding for the Public Realm Office and Clean and Beautiful initiatives are subject to review for 2010 and as a result the gross expenditures and revenues have not been included in the 2010 outlook.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

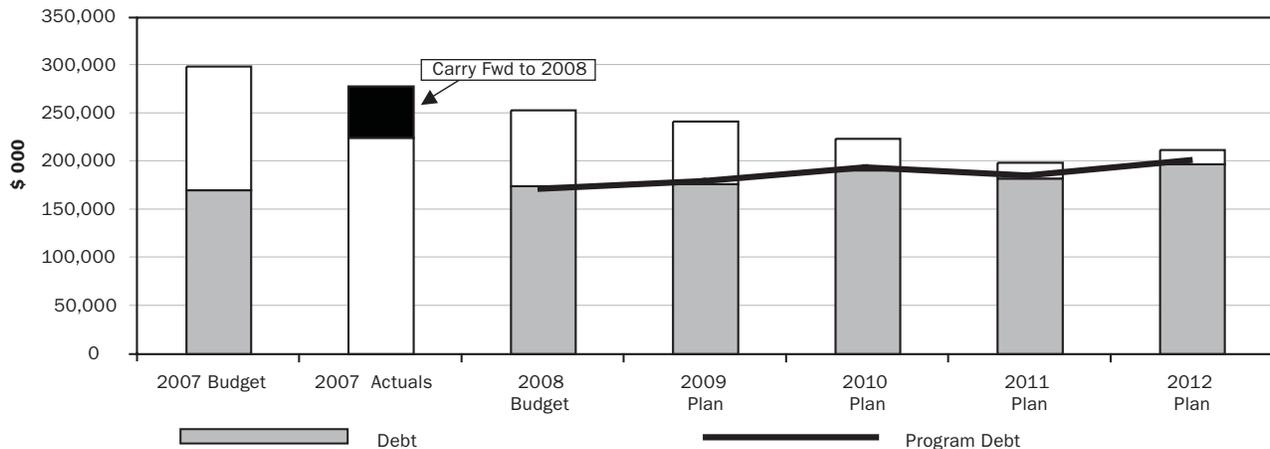
- The Five-Year Capital Plan (2008 Approved Budget and 2009-2012 Plan) requires cash flows including carry forward funding from 2007 into 2008 of \$307.007 million in 2008, \$242.190 million in 2009, \$224.238 million in 2010, \$199.295 million in 2011 and \$212.525 million in 2012.
- Funding for the Five-Year Capital Plan is comprised of 82% debt, 13% in other funding which includes third party and other revenue, 2.4% from DC Reserve Funds, 2.2% from Recoverable Debt and 0.3% from other reserve funds. The debt target was achieved for the 2009-2012 Approved Five-Year Capital Plan, but is \$6.070 million over the debt target for the 2008 Approved Capital Budget because of the required hydro under-grounding work on the St. Clair Transit Right of Way Project scheduled for 2008.
- The Program is ready to proceed with the Five-Year Capital Plan. The ability to proceed will continue to depend on a number of factors including the disposition of planning, tendering and engineering studies. Also affecting the Program's ability to achieve the Five-Year Capital Plan is the availability of funding for projects that involve third party agreements. Ability to achieve the Five-Year Plan will be enhanced by periodic Reallocation Reports seeking Council approval to reallocate spending from projects that for various reasons need to be delayed to other projects that are ready to proceed. As well Council has approved the "Plan to Improve the Development and Implementation of a Co-ordinated Multi-Year Joint Transportation Service and Toronto Water Capital Program which will also help to improve capital project delivery. Details of the Co-ordinated Multi-Year Joint Capital Program Plan will be discussed in Part II: Issues for Discussion.
- State of Good Repair (SOGR) project funding represents 65% of spending within the Five-Year Capital Plan, the average in each of the years is \$147.687 million. Average annual expenditures on major projects include bridge rehabilitation \$34.330 million, expressways \$26.036 million, major roads \$30.918 million, local roads \$38.782 million, sidewalks \$9.119 million and miscellaneous infrastructure \$8.502 million.
- This Five-Year Capital Plan will result in a SOGR backlog estimated to be approximately \$415 million by 2012. By maintaining the current level of SOGR debt funding, the estimated backlog will grow by an average rate of \$21.05 million per year. Note that this SOGR backlog is an estimate based on debt affordability and does not include variances due to schedule slippage. The current backlog is presently estimated at \$310 million. This is estimated to include the following:
 - > \$168 million in major and local road and sidewalks
 - > \$50 million in bridge rehabilitation
 - > \$92 million related to the western Gardiner Expressway

TRANSPORTATION SERVICES

- In response to Transportation Services' SOGR backlog, funding in the amount of \$5.5 million per year over four years is included in the Approved Five-Year Capital Plan to reduce the backlog of work on the western Gardiner Expressway. Future years' funding will allow the Program to start major rehabilitation work on the western section of the Gardiner from the Humber River to Highway 427. In addition an extra \$15 million in debt funding was allocated in 2012 to address backlog in Major and Local Road Resurfacing and Bridge Rehabilitation.
- Transportation Services continues to be challenged by the ability to allocate adequate funding within debt constraints in order address SOGR backlog priorities while at the same time addressing growth and service improvement priorities such as the Bloor Street Transformation, the St. Clair Transit Improvement the Dufferin Street Jog Elimination and various grade separation projects meant to improve traffic safety.
- Service Improvement/Growth funding averages \$68 million per year or 30% of the Five-Year Capital Plan funding estimates.
 - > The Service Improvement projects consist of traffic light installations, signage and road safety improvement projects and additional bicycle lanes.

Growth projects include major development-related road projects including road widening and improving grade separations. Projects in this category are the Dufferin Street Jog Elimination, Sheppard and Morningside, various track replacement work (recoverable from the TTC) and the completion of the St. Clair Dedicated Streetcar Line. Projects are prioritized based on resource/land availability and current assessed need to maintain appropriate safety and capacity standards in accordance with the City's priorities and debt affordability guidelines.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



TRANSPORTATION SERVICES

	2007		Five-Year Plan					2008-12
	Budget	Actuals	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	299,056	224,914	80,320	3,780				84,100
Recommended Changes to Commitments			10,505	39,170	12,787			62,462
2008 New/Change in Scope and Future Year Commitments			162,838	40,264	11,000	2,167		216,269
2009 – 2012 Plan Estimates				158,976	200,451	197,128	212,525	769,080
1-Year Carry Forward to 2008		53,344	→					
Total Gross Annual Expenditures & Plan	299,056	278,258	253,663	242,190	224,238	199,295	212,525	1,131,911
Program Debt Target	170,598		168,661	176,991	191,237	182,600	198,479	917,968
Financing:								
Recommended Debt	170,598		174,731	176,991	191,237	182,600	197,600	923,159
Other Financing Sources:								
Reserves/Reserve Funds	834		1,509	1,539	1,009			4,057
Development Charges	25,601		19,941	4,000	1,000	1,000	2,250	28,191
Recoverable Debt	12,000		13,000	12,000				25,000
Federal								
Provincial			1,000					1,000
Other Revenue	149,754		43,482	47,660	30,992	15,695	12,675	150,504
Total Financing	358,787		253,663	242,190	224,238	199,295	212,525	1,131,911
By Category:								
Health & Safety	12,903		9,480	11,975	11,940	10,136	10,100	53,631
Legislated								
SOGR	163,290		114,251	140,241	166,173	156,152	161,620	738,437
Service Improvement	33,403		35,741	33,364	19,133	20,212	17,840	126,290
Growth Related	149,191		94,191	56,610	26,992	12,795	22,965	213,553
Total By Category	358,787		253,663	242,190	224,238	199,295	212,525	1,131,911
Yearly SOGR Backlog Estimate (not addressed by current plan)			10,000	25,977	39,295	25,000	5,000	105,272
Accumulated Backlog Estimate (end of year)		310,146	320,146	346,123	385,418	410,418	415,418	415,418
Operating Impact on Program Costs			270	10				
Debt Service Costs			5,242	24,530	25,206	26,514	26,014	107,506

* Note that the 1-Year Carry Forward reflects the latest estimate as of October 1, 2007

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

A Cleaner and More Beautiful City:

- **Standardize and Beautify Toronto's Street Furniture.**

Transportation Services currently has a capital project entitled "Street Furniture Harmonization which is almost complete. An agreement has been signed with Astral Media Outdoor LP for \$428 million in guaranteed revenue over twenty years to supply a common design for waste bins, benches and newspaper boxes. This will result in Toronto streets having a more attractive look that will help build a sense of community across the city.

TRANSPORTATION SERVICES

- **Neighbourhood Improvement Projects**

In 2007, the Clean and Beautiful Secretariat became part of Transportation Services Program and is to be integrated with the new Public Realm unit within the Program. As a result, the Neighbourhood Improvement Projects will now be delivered by Transportation Services. These projects aim to invest up to \$0.080 million in capital projects per ward, per year that support making Toronto's neighbourhoods clean and beautiful. This money could be used to fund a wide range of improvements from installing art to building new partnerships.

A Wonderful Waterfront City:

- **Construct bike trails and lakefront promenades across the City from Etobicoke to Scarborough.**

Public access to and enjoyment of Toronto's waterfront are key objectives of waterfront renewal. Waterfront Toronto is charged with delivering the water's edge promenade and bike trails in the designated waterfront area. Their efforts are also supported by Parks, Forestry, and Recreation, City Planning and Transportation Services. No immediate deliverables have been identified for Transportation Services. Transportation Services also has a City-wide Cycling Infrastructure Project that will address the waterfront as well as road infrastructure projects within the new precincts.

A Greener City:

- **Make Toronto greener by improving the tree management and care program to feed, care for, save or replace existing street trees in our city.**

Parks, Forestry and Recreation plants trees through the Tree Advocacy Program and through capital funds provided by Transportation and Toronto Water, to beautify roads and reduce rain water runoff and erosion. Transportation Services currently has a project entitled "Street Tree Planting that has a Five-Year Capital Plan total of \$6.142 million with \$1.509 million Approved for 2008. The plan is to plant 800 trees in 2008.

A Creative City:

- **Improve the public realm around Toronto's major cultural institutions.**

There is a need for coordination of all functional visual elements placed on sidewalks surrounding major cultural institutions; such as: TTC access/signage vending carts/boxes, traffic signals, signs, lighting, utility installations and signage. Community Planning and Urban Design together with Transportation Services will initiate a comprehensive review as part of the development review process for these significant cultural sites. An example of this kind of project was the Princes' Gates project at Exhibition Place funded in 2006 in the amount of \$0.700 million.

Currently a Public Realm unit is being established that will be assigned the strategic responsibility and accountability for planning, implementing and managing sidewalk spaces to achieve a beautiful, functional and safe pedestrian realm.

Better Transit Today:

- **The City must make public transit a priority by expanding the number of enclosed, dedicated transit right-of-ways.**

- > Yonge Street from Finch to Steeles
- > Kingston Road from Victoria Park to Eglinton
- > York University bus rapid transit
- > Rapid transit through the East Bayfront and Portlands
- > Rapid transit along Don Mills from Steeles to the city centre.

The planning and EA approval process for these projects is/has been a coordinated effort between TTC (the ultimate operator), Transportation Services, City Planning, and Waterfront Toronto in the case of the Waterfront projects. Funds have been allocated within the TTC Capital Budget for the Yonge Street and York University EAs (Environmental Assessments). Transportation Services has been named as the lead for the Yonge Street project and will be involved in projects such as Kingston Road.

TRANSPORTATION SERVICES

Speed up the implementation of Toronto's bike plan:

- Consultation with the Cycling Committee has produced an acceleration strategy, including increased staff resources and funding for the Toronto Bike Plan projects. Transportation Services currently has a City-wide Cycling Infrastructure Project with \$5.5 million Approved for 2008 as well as a further \$24.6 million planned over the 2009-2012 period. This represents an increase of \$4.613 million or 18.1% increase over the previous 2007-2011 Approved Capital Plan.

Other Key Capital Initiative:

Transportation Services Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Funding for the Climate Change, Clean Air and Sustainable Energy Action Plan includes the Purchase of PM10 Sweepers and Cycling Infrastructure initiatives. The allocation of \$7.000 million for PM 10 Sweepers in the Approved Five-Year Capital Plan enables Transportation to move its entire street sweeper fleet to new technology. This technology has been shown to collect over 90% of the particulate matter found on roads and improve street level air quality by as much as 20%. The allocation of \$30.100 million for Cycling Infrastructure over the 2008-2012 timeframe is to implement bicycle lanes and other cycling infrastructure as outlined in the City of Toronto Bike Plan.

Incremental Operating Impact of the 2008 Capital Budget

The incremental operating costs outlined below include the following:

- Traffic Control RESCU System – The operating impact associated with this project is estimated to be \$0.020 million for 2008 and \$0.010 million for 2009 for maintenance and additional systems.
- New Traffic Control Signals – The operating impact associated with this project is estimated to be \$0.250 million in 2008 is for maintenance and additional systems.

There are no new positions being added as a result of approving the 2008 Approved Capital Budget and 2009-2012 Capital Plan.

- Debt service charges arising from approval of the 2008 Approved Capital Budget are \$5.242 million in 2008, \$20.656 million in 2009, \$5.595 million in 2010, \$1.275 million in 2011 and \$0.0238 million in 2012.
- The operating impact of approving the 2009-2012 Approved Capital Plan will result in additional debt service costs of \$3.874 million in 2009, \$19.611 million in 2010, \$25.239 million in 2011 and \$25.776 million in 2012.

STATE OF GOOD REPAIR BACKLOG

The main focus of the Five-Year Capital Plan is to complete on-going state of good repair projects for major and local roads, bridge infrastructure and expressways. Due to recent years' funding constraints, there is a backlog of State of Good Repair work for on-going maintenance currently estimated at \$310 million by year-end 2007. While the Program is managing its many project challenges within funding constraints, the focus is to ensure cash flow is approved only for those projects ready to proceed.

The Approved Five-Year Capital Plan represents what cash flow spending can be achieved given the constraints of budget and project scheduling. In order to accomplish this and meet the debt affordability targets, funding to reduce the backlog for Local and Major Roads had been re-allocated to other projects of higher and immediate priority in the past. The 2008-2012 Recommended Capital Plan includes an extra \$15 million in 2012 to address the SOGR backlog. The current SOGR backlog is estimated to be \$310 million, and will grow to \$415 million by the end of 2012. The backlog continues to grow despite increased spending to address it because of a large proportion of the City's roads and bridges were constructed in the 1960s and 1970s. A lot of these roads and bridges that were constructed in this time period are just now requiring reconstruction and will add even further to the existing backlog unless there is substantial investment in SOGR.

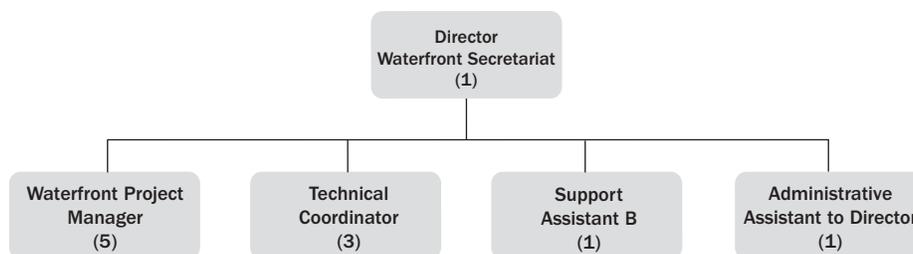
..... WATERFRONT SECRETARIAT

MISSION STATEMENT

- To lead and expedite the Waterfront Revitalization Initiative on behalf of the City of Toronto. To ensure all City policies, priorities and regulatory authorities are respected and expedited, in order to enable development of an economically, socially and environmentally sustainable Waterfront, in partnership with Waterfront Toronto and the other orders of government.

PROGRAM MAP

As indicated in the program map, Waterfront Secretariat has one service function: Waterfront Secretariat with 11 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Led the process of evaluating and negotiating Waterfront Toronto Five-Year Business Plan/Ten-Year Forecast (2007 – 2016) with the other governments to determine the vision, deliverables, funding requirements and cost-sharing arrangements for Waterfront Revitalization over the next ten-year period, with the resultant report being approved by Council in July, 2007.
- Led the City's participation in the tri-government/Waterfront Toronto negotiations for governance changes for Waterfront Renewal required for the advancement of Waterfront Revitalization, including the delivery of District Energy. This process resulted in a report being approved by Council early in 2008.
- Streamlined the Waterfront Revitalization process through the transfer of TEDCO owned lands in East Bayfront to the City. This reduced the number of agencies involved in revitalization from three to two – Waterfront Toronto as waterfront lead and City of Toronto, as landowner, partner in revitalization and regulator.
- Managed the resolution of outstanding planning issues and Ontario Municipal Board approval of the zoning for the public lands in East Bayfront.
- Successfully launched the Western Waterfront Master Plan.
- Managed and expedited all City processes required to successfully implement:
 - the construction of the flood protection landform and the start of relocation of major services in the West Don Lands.
 - the completion of Phase 1 of Port Union Linear Park.
 - the first Waterfront head of slip construction project at Spadina Quay, which is slated for completion in July 2008.
 - Lake Ontario Park.
- Developed a Waterfront Risk Assessment and Risk Management Protocol for Brownfield sites.
- Completed a report adopted by Council identifying projected impacts to 2021 on the City's Operating Budget of new Waterfront infrastructure, and initiated development of a strategy for identifying measures to mitigate these impacts.

WATERFRONT SECRETARIAT

2008 PROGRAM OBJECTIVES

1. Project Management

- Implement Community Improvement Plans for the Waterfront in conjunction with impacted divisions, agencies, boards and commissions.
- Lead the City's processes and participate in the implementation of:
 - > the flood protection landform and lower level interceptor in the Don River Park, and the first phase of development in the West Don Lands.
 - > park infrastructure and the development of East Bayfront Phase 1 and West Don Lands Phases 1 & 2.
 - > District Energy Systems for the East Bayfront and West Don Lands.
- Expedite the Precinct Planning process for the Port Lands.
- Support the greening of the Port Lands through Waterfront Toronto and TEDCO lead projects geared to prepare the area for future development opportunities.
- Lead the creation of a Western Waterfront Master Plan through various activities such as civic engagement through public meetings, educational seminars and holding a number of Community Advisory Group meetings in 2008. Develop a staff report on the Plan to be presented to City Council by December 2008 for consideration, including the necessary resources required for the Plan's implementation.
- Represent the City in the selection of the first developer in East Bayfront.
- Facilitate attraction of institutional uses to East Bayfront.
- Lead the development of a Regional Sports Complex in the Port Lands.
- Manage the City's involvement in the assessment of the future of the Gardiner/Lakeshore corridor.

2. Environmental

- Lead the City's processes related to the Environmental Assessment for the transformation of Queens Quay streetcar and road, water's edge, and heads of slips in the Central Waterfront area.
- Work with Waterfront Toronto in the creation of a Soil Management Facility in the Waterfront.

3. Financial

- Represent the City's interests for fiscally responsible project management and the appropriate allocation of risk to/between government partners.
- Enhance joint planning processes with Waterfront Toronto and develop a Memorandum of Understanding (MOU) with Waterfront Toronto that would confirm deliverables for 2008 on a project-by-project basis.

2008 STRATEGIC PRIORITIES

The 2008 Approved Operating Budget for the Secretariat advances the strategic priorities outlined in Council's policy agenda of *"Making Progress on the Waterfront"* by providing for the resources necessary to lead and direct the City's participation in Waterfront Renewal, which is funded through the Capital Plan for the Waterfront Revitalization Initiative. The latter is aligned with, but not limited to the following priorities outlined in the City's strategic priorities:

- **Better Transit Today**
 - > The Five-Year Capital Plan calls for City funding of \$62.034 million for Transportation Initiatives and \$28.516 million for the Union Station Subway platform to create a 'Better Transit Today' by developing rapid transit system through the East Bayfront and West Donlands, and upgrading passenger capacity and safety at Union Station.
- **Economy that Creates Jobs for Torontonians & Prosperity for Whole Country**
 - > Precinct Implementation Projects with City funding of \$62.205 million will develop the West Don Lands and East Bayfront Precincts and the Portlands will realize the goal of nurturing an 'Economy

WATERFRONT SECRETARIAT

that Creates Jobs for Torontonians & Prosperity for Whole Country' by strengthening key economic clusters through the creation of community improvement plans and tax incremental funding districts thereby allowing the City to make major investments in infrastructure and recoup the benefits through tax revenue.

- **Continue to Help House the Homeless**
 - > The Waterfront Revitalization Initiative will further provide an immediate opportunity to co-ordinate the City's interest to 'Continue to Help House the Homeless' by creating locations in the City including the West Don Lands where development of up to 1,000 units of affordable housing each year for four years (2007-2011) is planned.
- **Build on a Clean and Beautiful City Program**
 - > This Initiative will continue to 'Build on a Clean and Beautiful City Program' by providing City funding for parks and public spaces in the West Don Lands and East Bayfront and areas such as Port Union (\$5.843 million), Mimico (\$1.761 million), and the Portlands and Central Waterfront (\$6.770 million) with a combined Five-Year Planned Capital expenditure of \$14.374 million.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Expediting the City's review, regulatory, and approval processes and participation in Precinct Planning for the Lower Don Lands (northwest Port Lands) and areas of the Port Lands.
- Expediting the implementation of Water's Edge enhancements in the Central Waterfront; expediting both the Queen's Quay Redesign EA and slip improvements.
- Continuing the development and implementation of the Western Waterfront Master Plan for a total of \$0.200 million gross and net.
- Together with other City Divisions, implementing Community Improvement Plans for the Waterfront.
- Leading the City's due diligence review and approval processes and participation in the implementation of the first phase of the development of East Bayfront and West Don Lands.
- Leading the City's due diligence process on Waterfront Toronto's options for the Gardiner/Lakeshore corridor, recommending a go-forward strategy to Council.
- Together with Finance, leading the implementation of TIFs in East Bayfront and West Don Lands.
- Leading the development of a Risk Management Protocol for the Waterfront and beyond.
- Leading the refinement of the MOU between the City, TEDCO, and Waterfront Toronto.
- Leading the development and implementation of a Land Management Protocol for the transfer of public lands in the Waterfront to the City or a third party developer, and the completing the transfer of East Bayfront lands from TEDCO to the City.
- Together with other City divisions, developing measures to mitigate the Operating Budget impacts of Revitalization.
- Developing and implementing the process through which Waterfront Toronto completes infrastructure, parks and public space projects, and transfers responsibility for operations and maintenance to the City.

2008 OPERATING BUDGET

The 2008 Operating Budget for Waterfront Secretariat of \$1.563 million gross represents a \$0.245 million or 18.6% increase compared to 2007. The 2008 net operating budget of \$1.082 million reflects a 0% increase over the 2007 net budget as show in Tables 1 and 2.

WATERFRONT SECRETARIAT

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Waterfront Secretariat	880	751	1,318	1,082	1,563	1,082	244.9	22.6%	-	-
Total Program Budget	880	751	1,318	1,082	1,563	1,082	244.9	22.6%	-	-

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	926.6	876.3	1,234.7	308.1	33.3%	(38.6)	
Materials and Supplies	1.1	1.5	1.1	(0.0)	(2.6%)		
Equipment	0.8	0.4	0.8	0.0	4.4%		
Services & Rents	384.9	219.7	322.1	(62.8)	(16.3%)	(200.0)	
Contributions to Reserve/Res Funds	1.9	1.9	1.9	0.0	0.0%		
Other Expenditures	2.5	2.3	2.0	(0.5)	(20.0%)		
Total Gross Expenditures	1,317.8	1,102.1	1,562.7	244.9	18.6%	(238.6)	0.0
Funded by:							
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees, Permits & Donations							
Contribution from Reserves/Res Funds							
Other Revenues	236.2	212.4	481.0	244.8	103.6%		
Total Non Tax Revenues	236.2	212.4	481.0	244.8	103.6%	0.0	0.0
Net Budget (excluding Capital Financing)	1,081.6	889.7	1,081.7	0.1	0.0%	(238.6)	
APPROVED POSITIONS	8.0	8.0	11.0	3.0	37.5%		

2009/2010 OPERATING BUDGET OUTLOOK

At its meeting on September 25, 26 and 27, 2006, City Council approved funding of \$0.400 million spread equally over 2 years for the development of a Western Waterfront Master plan. With the final funding of \$0.200 million in 2008, the 2009 outlook of \$0.239 million includes a base budget reduction of \$0.200 million relating to the Program's Western Waterfront Master Plan.

WATERFRONT SECRETARIAT

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

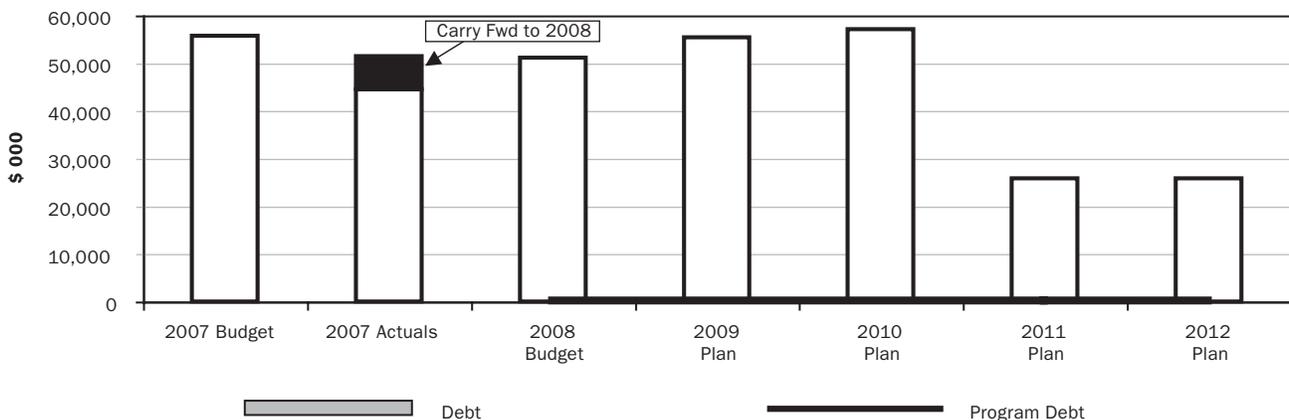
The Waterfront Revitalization Initiative’s 2008 Capital Budget and 2009 – 2012 Capital Plan excluding one-year carry forward funding, calls for \$215.211 million over the next five years with a cash flow of \$51.131 million in 2008, \$55.385 million in 2009, \$57.095 million in 2010, \$25.800 million in 2011 and \$25.800 million in 2012.

The 2008-2012 Capital Plan for the Waterfront Revitalization Initiative is consistent with the Five-Year Business Plan/Ten-Year Forecast (2007-2016) that was adopted by City Council at its meeting on July 16, 17, 18 and 19, 2007. The Capital Plan focuses on implementation of those projects that provide for substantial improvements to parks and public places, transit, brownfields remediation, and building sustainable communities while advancing Council’s priority of ‘Making Progress on the Waterfront’.

Included in the Five-Year Capital Plan are investments in Union Station Subway platform, Precinct Implementation projects (East Bayfront and West Donlands), Transportation Initiatives (LRT lines in East Bayfront and West Donlands), and Naturalization of Don River, with a proposed net City contribution total of \$172.322 million (includes funding carried forward from 2007 of \$2.476 million) over the Plan period. Also included is \$14.238 million to provide for Waterfront Toronto Corporate Costs that include staff salaries and rent that are not allocated to specific projects. In return, Waterfront Toronto is putting in place structures that would ensure effective management of waterfront initiatives in consultation with City programs.

The full Waterfront Revitalization Plan is funded by a \$500 million investment by each of the 3 orders of government and re-investment of revenues from the sale/lease of public lands. It requires no debt funding as the newly created Strategic Infrastructure Partnership Reserve Fund as approved by Council will fund the City’s contribution to the Waterfront’s revitalization. The entire funding over the five-year Plan period will go towards growth related initiatives.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



WATERFRONT SECRETARIAT

	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	55,701	48,782	51,131	55,385	57,095	25,800	25,800	215,211
Recommended Changes to Commitments								
2008 New/Change in Scope and Future Year Commitments								0
2009–2012 Plan Estimates								
1-Year Carry Forward to 2008		6,919	→					
Total Gross Annual Expenditures & Plan	55,701	55,701	51,131	55,385	57,095	25,800	25,800	215,211
Program Debt Target	0	0	0	0	0	0	0	0
Financing:								
Recommended Debt	0							0
Other Financing Sources:								
Reserves/Reserve Funds	57,229		51,131	55,385	57,095	25,800	25,800	215,211
Development Charges								
Federal	179							
Provincial	179							
Other Revenue	114							0
Total Financing	57,701		51,131	55,385	57,095	25,800	25,800	215,211
By Category:								
Health & Safety								
Legislated								
SOGR								
Service Improvement								
Growth Related	55,701		51,131	55,385	57,095	25,800	25,800	215,211
Total By Category	55,701		51,131	55,385	57,095	25,800	25,800	215,211
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs*			1,058	6,371	10,594	10,925	12,047	40,995
Debt Service Costs			0	0	0	0	0	0

*Refer to Incremental Operating Impact of the 2008 Capital Budget section and tables on pages 5-7.

WATERFRONT SECRETARIAT

Strategic Priorities:

All of the sub-projects within the Five-Year Capital Plan for the Toronto Waterfront Revitalization Initiative aim to 'Continue to Build a Clean, Green and Beautiful Waterfront'. The Plan is aligned with, but not limited to the following priorities outlined in the Mayor's Strategic Priorities:

- The Five-Year Capital Plan calls for a cash flow funding of \$62.034 million for Transportation Initiatives and \$28.516 million for the Union Station Subway platform to create a 'Better Transit Today' by developing rapid transit system through the East Bayfront and West Donlands, and upgrading passenger capacity and safety at Union Station.
- Precinct Implementation Projects with funding of \$62.205 million will develop the West Don Lands and East Bayfront Precincts and the Portlands will realize the goal of nurturing an 'Economy that Creates Jobs for Torontonians & Prosperity for Whole Country' by strengthening key economic clusters through the creation of tax incremental funding districts thereby allowing the City to make major investments in infrastructure and recoup the benefits through tax revenue.
- The Waterfront Revitalization Initiative will further provide an immediate opportunity to co-ordinate the City's interest to 'Continue to Help House the Homeless' by creating locations in the City including the West Don Lands where development of up to 1,000 units of affordable housing each year for four years (2007-2011) is planned.
- This Initiative will continue to 'Build on a Clean and Beautiful City Program' by developing parks and public spaces in the West Don Lands and East Bayfront and areas such as Port Union (\$5.843 million) and Mimico (\$1.761 million), the Portlands and Central Waterfront (\$6.770 million).

Other Key Capital Initiatives:

The Waterfront Revitalization Initiative's Five-Year Capital Plan includes the following major capital initiatives:

	\$000s						
	2008 Approved Budget	2009 Plan	2010 Plan	2011 Plan	2012 Plan	Total 2008-12	Total 2013-17
Facilities Projects: New and Expanded							
IT sub-projects							
Total	0	0	0	0	0	0	0
Other Major City Initiatives:							
<i>Naturalization of the Don River</i>	2,337	4,600	6,041	-	6,589	19,567	9,145
<i>Union Station</i>	35	10,961	7,420	7,700	2,400	28,516	4,600
<i>Precinct Implementation Projects</i>	29,691	9,068	11,325	3,121	9,000	62,205	10,998
<i>Transportation Initiatives</i>	325	26,031	24,128	6,550	5,000	62,034	6,000
Total	32,388	50,660	48,914	17,371	22,989	172,322	30,743

Naturalization of the Don River

The naturalization of the Don River that requires five-year capital funding of \$19.567 million and an additional \$9.145 million to 2017 will allow the reclamation of coastal wetlands, recreation of wildlife and fish habitats, provide flood protection for the Portlands, and the provision of public access to new open spaces that will accommodate a number of recreational facilities. An Environmental Assessment at the mouth of the Don River is expected to be completed in 2008 and planning and design work will be undertaken through 2009.

WATERFRONT SECRETARIAT

Union Station – Subway Platform

The Union Station subway platform is presently at capacity and this project, which requires five-year capital funding of \$28.516 million and an additional \$4.600 million to 2017, will see the construction of a second subway platform at Union Station to provide additional passenger capacity and improve safety, while making the station more accessible and efficient. It includes the construction of a connection at the platform level between the Union subway and Harbourfront LRT as well as building a new corridor to the west of the station to allow GO Transit passengers a by-pass access to the PATH system.

Precinct Implementation Projects – West Don Lands/East Bayfront

Over the next five years, \$62.205 million is allocated for the development and construction of new projects in the West Don Lands and East Bay Front Precincts with an additional \$10.998 million to be funded to 2017.

Part of the 2008 recommended Precinct Implementation projects funding of \$29.691 million will advance the following:

- West Donlands – completion of flood protection land form, commencement of Don River Park construction, infrastructure construction and environmental remediation in phase 1 and 2 and commencement of risk assessment/risk management plan for phase 3 and 4.
- East Bayfront – commencement of infrastructure construction, demolition, site preparation and environmental remediation and clean up of south of Queen's Quay.

Transportation Initiatives

The major component of the Transportation Initiatives projects, the West Donlands LRT and the Queens Quay LRT transit lines, will require five-year capital funding of \$62.034 million and an additional \$6.0 million funding to 2017.

An LRT route will be constructed in West Donlands and East Bayfront that will ensure that all residences are within a five-minute walking to transit. The line will be built in the early stages of development and completed by 2010 for West Donlands and by 2011 for East Bayfront. The five-year capital funding will go towards developing of the transit lines only and will not fund other areas such as the purchase of buses and street cars.

Incremental Operating Impact of the 2008 Capital Budget

The Parks, Forestry & Recreation's 2008 Operating Budget includes for funding request for \$0.300 million to cover operating costs from the completion of three Waterfront Revitalization Initiative projects; Port Union Park (\$0.099 million), Marilyn Bell Park Improvements (\$0.101 million) and the Transition Sports Fields (\$0.100 million).

According to the Operating Budget Impacts of New Waterfront Infrastructure staff report adopted by City Council at its meeting on November 19 and 20, 2007, the cumulative net incremental impact of Waterfront Revitalization Initiative projects on Parks, Forestry & Recreation's Operating Budget from 2007 to 2011 is estimated at \$23.730 million (see table below). The report further estimates the cumulative incremental gross costs over the next 15 years for all impacted City programs to be \$324.1 million while revenues collected by programs from user fees and subsidies (excluding tax revenues) are estimated at \$117.3 million, resulting in a cumulative incremental net operating impact of \$206.8 million by 2021.

WATERFRONT SECRETARIAT

Waterfront Revitalization Operating Budget Impacts - Cumulative Incremental Net Impact (\$000s)

Division:	2007	2008	2009	2010	2011	Total	
						2007-2011	
Net							
City Planning	\$0.0	\$0.0	\$25.5	\$51.9	\$52.9	\$130.3	
Children's Services	\$0.0	\$0.0	\$0.0	\$310.9	\$342.7	\$653.6	
Economic Dev, Culture & Tourism	\$0.0	\$10.2	\$20.8	\$31.7	\$43.1	\$105.8	
Library	\$0.0	\$0.0	\$86.9	\$89.3	\$91.8	\$268.0	
Parks, Forestry & Recreation	\$231.1	\$1,018.8	\$5,909.2	\$8,173.0	\$8,397.8	\$23,729.9	
Social Development, Finance & Admin	\$0.0	\$0.0	\$0.0	\$0.0	\$175.0	\$175.0	
Solid Waste Management	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Toronto Building	\$0.0	\$0.0	\$218.8	\$446.0	\$454.5	\$1,119.3	
Toronto Water	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Transportation Services	\$0.0	\$29.4	\$109.3	\$112.0	\$156.4	\$407.1	
TTC	\$0.0	\$0.0	\$0.0	\$1,379.5	\$1,210.5	\$2,590.0	
Cumulative Incremental Net Exp.	\$231.1	\$1,058.4	\$6,370.5	\$10,594.3	\$10,924.7	\$29,179.0	

Division:	2012	2013	2014	2015	2016	Total	
						2012-2016	2007-2016
Net							
City Planning	\$53.9	\$54.9	\$56.0	\$57.0	\$58.1	\$279.9	\$410.2
Children's Services	\$750.9	\$818.5	\$1,785.2	\$1,930.6	\$2,080.2	\$7,365.4	\$8,019.0
Economic Dev, Culture & Tourism	\$65.9	\$78.4	\$91.3	\$104.6	\$118.5	\$458.7	\$564.5
Library	\$94.4	\$97.0	\$99.7	\$1,801.3	\$1,850.7	\$3,943.1	\$4,211.1
Parks, Forestry & Recreation	\$8,626.7	\$8,941.3	\$10,619.9	\$10,431.1	\$12,287.2	\$50,906.2	\$74,636.1
Social Development, Finance & Admin	\$36.0	\$211.7	\$73.5	\$74.9	\$76.4	\$472.5	\$647.5
Solid Waste Management	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toronto Building	\$463.1	\$471.9	\$480.9	\$490.0	\$499.3	\$2,405.2	\$3,524.5
Toronto Water	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Transportation Services	\$160.3	\$200.8	\$205.9	\$211.1	\$216.4	\$994.5	\$1,401.6
TTC	\$1,796.1	\$2,051.7	\$1,740.0	\$1,818.7	\$1,637.2	\$9,043.7	\$11,633.7
Cumulative Incremental Net Exp.	\$12,047.3	\$13,215.7	\$16,045.8	\$16,137.7	\$18,020.1	\$75,869.2	\$105,048.2

Division:	2017	2018	2019	2020	2021	Total	
						2017-2021	2007-2021
Net							
City Planning	\$59.2	\$60.3	\$61.5	\$62.7	\$31.9	\$275.6	\$685.8
Children's Services	\$2,234.5	\$2,393.3	\$2,556.9	\$2,725.5	\$2,899.1	\$12,809.3	\$20,828.3
Economic Dev, Culture & Tourism	\$132.8	\$147.6	\$162.9	\$178.8	\$195.2	\$817.3	\$1,381.8
Library	\$1,901.6	\$1,953.9	\$2,007.7	\$2,062.7	\$2,119.5	\$10,045.4	\$14,256.5
Parks, Forestry & Recreation	\$12,501.3	\$12,844.6	\$13,197.7	\$13,564.2	\$13,937.7	\$66,045.5	\$140,681.6
Social Development, Finance & Admin	\$78.0	\$79.5	\$81.1	\$82.7	\$84.4	\$405.7	\$1,053.2
Solid Waste Management	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toronto Building	\$508.8	\$518.5	\$528.3	\$538.4	\$274.3	\$2,368.3	\$5,892.8
Toronto Water	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Transportation Services	\$277.1	\$284.2	\$291.4	\$298.8	\$306.4	\$1,457.9	\$2,859.5
TTC	\$1,654.8	\$1,450.1	\$1,612.4	\$1,329.6	\$1,536.5	\$7,583.4	\$19,217.1
Cumulative Incremental Net Exp.	\$18,521.4	\$18,881.8	\$19,625.6	\$19,944.4	\$20,460.5	\$101,808.4	\$206,856.6

WATERFRONT SECRETARIAT

Waterfront Revitalization Operating Budget Impacts – Gross Expenditures (\$000s)

Program:	2007	2008	2009	2010	2011	Total 2007-11	Total 2012-16	Total 2017-21	Total 2007-21
Expenditures									
Affordable Housing	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
City Planning	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Children's Services	\$0.0	\$0.0	\$0.0	\$1,175.7	\$1,209.3	\$2,385.0	\$22,660.2	\$32,849.9	\$57,895.1
Economic Development, Culture & Tourism	\$0.0	\$10.2	\$20.8	\$31.7	\$43.1	\$105.8	\$458.6	\$817.4	\$1,381.8
EMS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fire	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Library	\$0.0	\$0.0	\$86.9	\$89.3	\$91.8	\$268.0	\$3,943.1	\$10,045.4	\$14,256.5
Parks, Forestry & Recreation	\$231.1	\$1,018.8	\$6,059.2	\$8,326.8	\$8,553.9	\$24,189.8	\$52,278.3	\$67,954.1	\$144,422.2
Social Development, Finance & Admin	\$0.0	\$0.0	\$0.0	\$0.0	\$175.0	\$175.0	\$472.5	\$405.7	\$1,053.2
Solid Waste Management	\$0.0	\$0.0	\$162.4	\$410.0	\$660.8	\$1,233.3	\$8,414.4	\$14,679.5	\$24,327.2
Toronto Building	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toronto Water	\$0.0	\$0.0	\$93.3	\$627.1	\$748.7	\$1,469.0	\$5,615.0	\$8,649.1	\$15,733.2
Transportation Services	\$0.0	\$29.4	\$109.3	\$112.0	\$156.4	\$407.1	\$994.6	\$1,457.9	\$2,859.5
TTC	\$0.0	\$0.0	\$0.0	\$1,766.2	\$1,799.7	\$3,565.9	\$22,649.5	\$36,001.4	\$62,216.7
Total Gross Expenditures	\$231.1	\$1,058.4	\$6,531.9	\$12,538.8	\$13,438.7	\$33,798.9	\$117,486.2	\$172,860.3	\$324,145.4

Waterfront Revitalization Operating Budget Impacts – Gross Revenues (\$000s)

Revenues	2007	2008	2009	2010	2011	2007-11	2012-16	2017-21	2007-21
Affordable Housing	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
City Planning	\$0.0	\$0.0	(\$25.5)	(\$51.9)	(\$52.9)	(\$130.3)	(\$279.9)	(\$275.6)	(\$685.8)
Children's Services	\$0.0	\$0.0	\$0.0	\$864.8	\$866.6	\$1,731.5	\$15,294.8	\$20,040.6	\$37,066.9
Economic Development, Culture & Tourism	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
EMS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fire	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Library	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Parks, Forestry & Recreation	\$0.0	\$0.0	\$150.0	\$153.8	\$156.1	\$459.9	\$1,372.1	\$1,908.6	\$3,740.6
Social Development, Finance & Admin	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Solid Waste Management	\$0.0	\$0.0	\$162.4	\$410.0	\$660.8	\$1,233.3	\$8,414.4	\$14,679.5	\$24,327.2
Toronto Building	\$0.0	\$0.0	(\$218.8)	(\$446.0)	(\$454.5)	(\$1,119.3)	(\$2,405.2)	(\$2,368.3)	(\$5,892.8)
Toronto Water	\$0.0	\$0.0	\$93.3	\$627.1	\$748.7	\$1,469.0	\$5,615.0	\$8,649.1	\$15,733.2
Transportation Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
TTC	\$0.0	\$0.0	\$0.0	\$386.6	\$589.2	\$975.9	\$13,605.7	\$28,418.0	\$42,999.6
Total Revenues	\$0.0	\$0.0	\$161.4	\$1,944.4	\$2,514.1	\$4,620.0	\$41,617.0	\$71,051.9	\$117,288.8

WATERFRONT SECRETARIAT

Gross expenditures according to the report are estimated at \$324.1 million from 2007 to 2021 and the biggest impacts will be on Parks, Forestry and Recreation (\$144.422 million) and TTC (\$62.217 million). The report further estimates gross revenues collected by programs from user fees and subsidies (excluding tax revenues) at the Waterfront at \$117.3 million. According to the staff report, the highest revenues will be generated by TTC (\$43.0 million) and Children's Services (\$37.067 million).

The cumulative incremental net operating budget impacts as contained in the staff report to Executive Committee on October 29, 2007 will be added to future Capital Budget submissions once Council approves the report. It is anticipated that a report on revenue generation and financing strategy that will be submitted to Council by 4th quarter of 2008 will address alternative financing sources to help fund the above impacts.

STATE OF GOOD REPAIR BACKLOG

The Waterfront Revitalization Initiative does not have any funding for state-of-good-repair. Instead, the 2008 Capital Budget of \$51.131 million is entirely comprised of growth projects with Precinct Implementation projects accounting for the largest percentage of funding at more than 53% of total funding recommended. These projects represent the continuation of Precinct implementation such as completion of flood protection land form and the start of construction of Don River Park in West Donlands, and the start of construction of Sherbourne Park, Jarvis slip and the Water's Edge Promenade in East Bayfront.

INTERNAL SERVICES

CITY OF TORONTO
2008 BUDGET SUMMARY



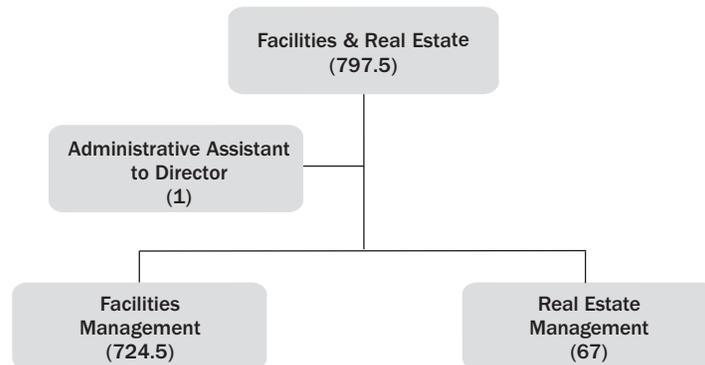
..... FACILITIES AND REAL ESTATE

MISSION STATEMENT

- To work collaboratively and responsively with our clients to advance the city-wide priorities by protecting and maximizing the City's property assets in an innovative and fiscally sustainable manner.

PROGRAM MAP

Facilities and Real Estate has two service functions: Facilities Management and Real Estate Management with 797.5 approved positions.



2007 KEY ACCOMPLISHMENTS

- Completed an open international design competition for the revitalization of Nathan Phillips Square design, obtained Council's approval of jury selected design and design team
- Completed over 50 Better Buildings Partnership building assessments for energy efficiency
- Co-ordinated City participation in the Conservation and Demand Management Plan (initiated by the Toronto Hydro Electric System Limited)
- Achieved approximately 173,000 tonnes per year CO₂ emission reductions
- Participated in Ontario Power Authority's initiative to conserve 300 MW of electricity
- Completed development of a comprehensive Energy Plan for Toronto to address critical energy issues faced by corporate and community partners
- Initiated implementation of Deep Lake Water Cooling at Old City Hall
- Updated the Custodial Service Improvement project work plan
- Completed the final phase of audio/video connectivity between all Civic Centres, Metro Hall and City Hall

2008 PROGRAM OBJECTIVES

- Manage facilities in accordance with prescribed use and service standards negotiated with the occupants to ensure adherence to federal, provincial and municipal technical and safety regulations.
- Reduce energy and green house gas emissions to meet reduction targets established by City Council.
- Divert waste generated by City facilities to meet waste diversion targets established by City Council.
- Manage the lease portfolio to maximize lease revenues.
- Identify properties for acquisition and disposal to ensure an optimal building portfolio that is focused on meeting the needs of City programs.

FACILITIES AND REAL ESTATE

2008 STRATEGIC PRIORITIES

Facilities and Real Estate, through the Energy Efficiency Office (EEO), will continue to coordinate energy efficiency efforts across the City and assists other Programs to enable the City's participation in various provincial and federal initiatives concerning renewable energy, clean energy generation and energy conservation and demand projects. This is aligned with an overall objective of lowering energy consumption rates and reducing greenhouse emissions. Most importantly, the Energy Efficiency Office is responsible for the implementation of the Toronto Sustainable Energy Plan approved by Council as part of the "Climate Change, Clean Air and Sustainable Energy Plan: Moving from Framework to Action" report in July 2007. The 2008 Operating Budget includes funding for the following new Strategic Priorities:

- Develop a Comprehensive Climate Change Plan to Cut Greenhouse Gas Emissions To Help Combat Global Warming:
 - > Administration and portfolio development of the City's Conservation and Demand Management Response Program in the amount of \$3.220 million to provide a framework for achieving 90 MW of electricity demand reduction and to promote cooperation among various entities delivering programs, consistent with the City's Agreement with the Ontario Power Authority to reduce future power generation demand in the City of Toronto.
 - > Financial portfolio management in support of the Sustainable Energy Plan in the amount of \$0.238 million to ensure strict financial oversight and fulfill various reporting requirements of this important initiative.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget provides the following Services:

- Commence implementation of the Sustainable Energy Plan consisting of Toronto Energy Conservation Fund (\$42 million), Toronto Green Energy Fund (\$20 million), City Hall/Nathan Phillips Square energy and sustainability improvements (\$15 million), Expansion of the Deep Lake Water Cooling program to Police Headquarters and Union Station (\$7 million), Energy Retrofit Program Funding (\$8 million).
- Continue to develop and administrate the implementation of the City's Conservation and Demand Management Response Program under the terms of the Master Program Agreement with the Ontario Power Authority (OPA) executed in 2007.
- Continue to implement the Business Integration Project (BIP) system including introduction of a new leasing data base application and upgrade and replacement of software for tracking and monitoring capital assets.
- Maximize the City's energy efficiency incentive funding received from other orders of government.
- Commence the Nathan Phillips Square redevelopment and revitalization initiative.
- Complete the Union Station revitalization project plan and funding assessment.

2008 OPERATING BUDGET

The 2008 Operating Budget for Facilities and Real Estate of \$131.126 million gross represents a \$6.590 million or 5.3% increase compared to 2007. The 2008 net operating budget of \$55.244 million reflects a \$0.278 million or 0.5% increase over the 2007 net budget as shown in Tables 1 and 2.

FACILITIES AND REAL ESTATE

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Facilities	104,253	64,662	109,798	66,944	116,925	68,012	7,127.6	10.6%	1,067.5	1.6
Real Estate	13,509	(11,701)	14,738	(11,978)	14,200	(12,768)	(537.9)	4.5%	(789.8)	6.6
Total Program Budget	117,761	52,961	124,536	54,966	131,126	55,244	6,589.7	5.3%	277.6	0.5

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						2009 Outlook	2010 Outlook
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget				
	\$	\$	\$	\$	%			
Gross Expenditures:								
Salaries and Benefits		58,684.3	60,243.2	63,510.1	4,825.8	8.2%	64,539.8	65,691.6
Materials and Supplies		27,281.1	23,765.3	26,411.2	(869.9)	(3.2%)	26,411.2	26,411.2
Equipment		760.9	603.4	842.8	81.9	10.8%	842.9	842.8
Services & Rents		34,959.1	39,299.7	37,279.3	2,320.2	6.6%	36,850.3	36,850.3
Contributions to Reserve/Res Funds		1,565.6	1,472.4	1,573.7	8.1	0.5%	1,573.7	1,573.7
Other Expenditures		1,285.0	1,834.1	1,508.6	223.6	17.4%	1,508.6	1,508.6
Total Gross Expenditures		124,536.0	127,218.1	131,125.7	6,589.7	5.3%	131,726.4	132,878.2
Funded by:								
Provincial Subsidies				3,220.0	3,220.0	n/a	3,220.0	3,220.0
Federal Subsidies				155.6	155.6	n/a	155.6	155.6
Other Subsidies			54.5		0.0	n/a		
User Fees, Permits & Donations		18,478.0	19,068.8	19,179.1	701.1	3.8%	19,179.1	19,179.1
Contribution from Reserves/Res Funds		6,692.6	8,614.1	5,723.2	(969.4)	(14.5%)	5,294.2	5,294.2
Other Revenues		44,399.2	46,108.8	47,604.0	3,204.8	7.2%	47,744.0	47,744.0
Total Non Tax Revenues		69,569.8	73,846.2	75,881.9	6,312.1	9.1%	75,592.9	75,592.9
Net Budget (excluding Capital Financing)		54,966.2	53,371.9	55,243.9	277.6	0.5%	56,133.5	57,285.4
APPROVED POSITIONS		773.0	773.0	797.5	24.5	3.2%	797.5	797.5

2009/2010 OPERATING BUDGET OUTLOOK

A major challenge for 2009 and beyond will be to maintain the 2008 service levels within a constraining financial framework without further affecting the management and maintenance of the City's property asset portfolio as well as security, cleaning and other services provided at corporate buildings and at Special Events. The 2009 and 2010 Outlook will be further reviewed to identify potential service level gaps as well as service level adjustments required to meet future year targets.

FACILITIES AND REAL ESTATE

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

Facilities and Real Estate is responsible for the maintenance of 271 buildings identified as corporate facilities, valued at approximately \$2.46 billion. The main objective of the Five-Year Capital Plan is to ensure that all corporate facilities are maintained in a state-of-good repair and to ensure that facilities provide a safe and functional environment for all users. The Five-Year Capital Plan is also aligned with the strategic directions provided through the Mayor's Mandate, Council's priorities and Council- strategic plans.

The Facilities and Real Estate's Five-Year Plan will fund a number of multi-year projects, including mechanical and electrical upgrades of various corporate buildings and environmental emergency remediation projects across the various City locations. It also includes two major new capital initiatives, the Yards Consolidation Study and Old City Hall HVAC Upgrade. Nathan Phillips Square Revitalization, previously a stand alone project, has also been added to the Facilities and Real Estate's Five-Year Capital Plan as a core asset.

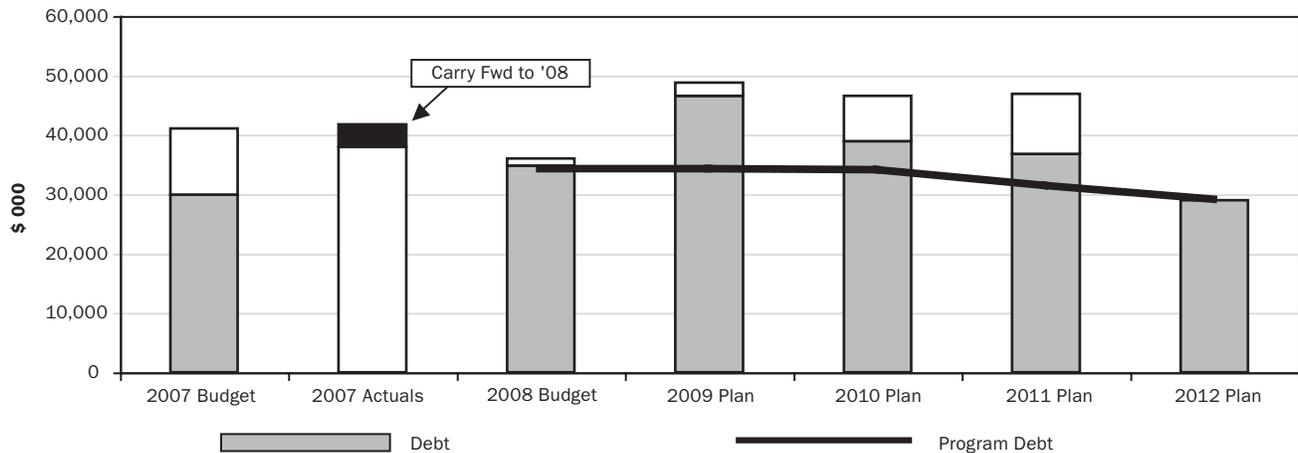
Facilities and Real Estate's 2008 Capital Budget and 2009-2012 Capital Plan totals \$207.211 million and requires cash flows of \$35.973 million in 2008; \$48.765 million in 2009; \$46.572 million in 2010; \$46.901 million in 2011; and \$29.000 million in 2012. The Facilities and Real Estate's Five-Year Capital Plan requires debt funding of \$186.033 million.

The Five-Year Capital Plan exceeds the Council debt affordability target for the program by \$0.7 million in 2008, \$12.4 million in 2009, \$5.0 million in 2010 and \$5.5 million in 2011, for a total of \$23.6 million over four years, due to the fact that it incorporates several major capital initiatives, such as the Yards Consolidation Study and Old City Hall HVAC Upgrade projects, requiring an increase in debt funding not identified or included in the previous 2007-2011 Capital Plan. The Five-Year Capital Plan also earmarks two projects for Toronto's 13 priority neighbourhoods, requiring new debt funding. Without these additions, the program meets the approved targets in all years for its own core building portfolio.

The Five-Year Capital Plan has strong emphasis on state-of-good-repair. Of the \$207.211 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$137.906 million (67%) for state-of-good repair initiatives, while 25.924 million (21%) is allocated to the health and safety projects, \$11.973 million (8%) to legislative or contractually required projects and \$31.408 million (15%) to service improvement and growth related projects through large scale redevelopment and space planning projects and facility rationalization studies.

FACILITIES AND REAL ESTATE

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	54,598	37,936	23,492	8,953	5,332	3,562	1,785	43,124
Recommended Changes to Commitments			(2,921)	846	(1,045)	(305)	2,780	(645)
2008 New/Change in Scope and Future Year Commitments			15,402	19,361	6,106	6,416	16	47,301
2009 – 2012 Plan Estimates				19,605	36,179	37,228	24,419	117,431
1-Year Carry Forward to 2008		3,397						
Total Gross Annual Expenditures & Plan	54,598		35,973	48,765	46,572	46,901	29,000	207,211
Program Debt Target	29,900		34,128	34,128	33,916	31,316	29,000	162,488
Financing:								
Recommended Debt	29,900		34,794	46,565	38,872	36,801	29,000	186,032
Other Financing Sources:								
Reserves/Reserve Funds	15,254							0
Development Charges	696							0
Federal								0
Provincial				1,200				1,200
Other Revenue	8,748		1,179	1,000	7,700	10,100	0	19,979
Total Financing	54,598		35,973	48,765	46,572	46,901	29,000	207,211
By Category:								
Health & Safety	16,404		7,751	5,074	5,510	2,709	4,880	25,924
Legislated	8,950		2,891	2,757	2,967	1,978	1,380	11,973
SOGR	6,996		19,045	27,746	32,745	37,897	20,473	137,906
Service Improvement	8,687		5,726	10,213	5,350	4,317	2,226	27,832
Growth Related	15,254		560	2,975			41	3,576
Total By Category	54,598		35,973	48,765	46,572	46,901	29,000	207,211
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)		155,033	141,098	131,609	117,598	99,529	82,774	82,774
Operating Impact on Program Costs								
			0	0	0	0	0	0
Debt Service Costs								
			1,044	5,224	6,288	5,380	4,918	22,854

FACILITIES AND REAL ESTATE

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- ***A Cleaner and More Beautiful City – Developing a comprehensive public space beautification plan.***
Nathan Phillips Square was the first in a series of design competitions hosted by the City. The design competition has attracted international competitors with a variety of visions to revitalize the Square. In June 2007, City Council endorsed the winning design (Plant Architect Inc. and Shore Tribe Irwin and Partners) as well as a contract award to the winning team for architectural and other design related work. The Square will be revitalized to increase its attractiveness to both residents and visitors and become a public space vital to the city's lifestyle. The Five-Year Capital Plan includes the funding of \$31.975 million for the Nathan Phillips Square revitalization.
- ***Develop a comprehensive climate change plan to cut greenhouse gas emissions to help combat global warming***
Facilities and Real Estate, through the Energy Efficiency Office, coordinates energy efficiency efforts across the City and assists other Programs through their capital projects, to enable participation in various provincial and federal initiatives concerning renewable energy, clean energy generation and energy conservation and demand projects. This is aligned with an overall objective of lowering energy consumption rates and reducing greenhouse emissions and smog emissions to meet targets recently approved by Council through adoption of the Climate Change, Clean Air and Sustainable Energy Action Plan.
- ***Implement the recently approved Toronto Green Building Standard to ensure ecologically friendly buildings***
The 2008 Capital Budget includes funding for the conversion of existing refrigerant chillers to Deep Lake Water Cooling (DLWC) technology at Old City Hall (\$2.7 million), as well as a number of other projects concerning the retrofits of corporate buildings across the City, enabling the City to lead the way by ensuring that its own facilities meet the latest building standards and ecologically friendly initiatives.
- ***Invest \$13 million in Toronto's 13 priority neighbourhoods over the next four years***
The Five-Year Capital Plan for Facilities and Real Estate earmarks two service enhancement projects, valued at \$3.535 million, for Toronto's 13 priority neighbourhoods and its surrounding areas. This includes a total of \$0.560 million in 2008 for renovation of facility at 1652 Keele Street to provide additional third floor community space as well as lower level youth space (\$0.335 million), and initial planning work on the development of Father Henry Carr High School in the Rexdale Community Centre (\$0.225 million). The latter requires Council's approval for the lease agreement at the Facility and the establishment of a model for its operation.

Other Key Capital Initiatives:

The Facilities and Real Estate's Five-Year Capital Plan includes funding for the following major capital initiatives:

- approximately \$155 million will be allocated to various project groupings that focus on the types of capital maintenance required – i.e., structural maintenance, re-roofing, sitework etc., to keep assets in a state of good repair and provide for life cycle replacements. Within this portfolio of projects, mechanical and electrical projects, structural maintenance work and renovations with funding of \$79.3 million, \$19.6 million and \$17.1 million respectively, account for approximately 56% of the total. Information and Technology projects, such as the Capital Asset Management System project, Custodial Workload Management and Scheduling and Business Improvement Project (Plant Maintenance and Project Systems Module implementation) are included with \$4.3 million in approved funding. Another \$7.7 million is reserved for unplanned emergency projects and events.
- Work on condition assessments and cost-benefit studies to consolidate approximately 55 yards and 114 buildings across the City, used for transportation and other public works related services. The 2008 cash flow will fund initial assessments of facilities in the South District with the work on the North District segment planned for 2009, followed by the East District segment consolidation study in 2009.

FACILITIES AND REAL ESTATE

- The Old City Hall HVAC systems upgrades, an initiative which is phased over the four year period, with the funding in the total amount of \$10.487 million, with intent to combine the implementation of the Old City Hall and electrical systems together to maximize the cost effectiveness in upgrading the building's aging infrastructure. The advantages include cost reduction in labour, ductwork, air distribution and other equipment.
- Facilities and Real Estate have also initiated the Capital Asset Management System project (CAMS) which will result in implementation of an industry accepted facility asset management system by the end of 2008.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Energy efficiency projects that have been already completed across the City will materialize in energy savings estimated at \$1.8 million for 2008. These savings are included as a reduction option in the Facilities and Real Estate's 2008 Operating Budget. Similarly, further energy efficiency savings are expected from continuing energy retrofits of corporate buildings and they will be reported during the 2009 and future year operating budget processes.

STATE OF GOOD REPAIR BACKLOG

Facilities and Real Estate is responsible for the maintenance of 267 buildings identified as corporate facilities. Approximately 20% of City owned buildings are over 50 years old.

The 2007 year-end state-of-good repair backlog is valued at \$155 million. Within 5 years, at current funding levels, Facilities and Real Estate will reduce this backlog by approximately \$72 million or \$14 million on average annually. The backlog balance is expected to be eliminated by the end of 2018, subject to approval of consistent funding levels and the results of future building condition assessments.

In addition to addressing existing backlog, the Five-Year Capital Plan includes life cycle replacements of components that are at the end of their service life, at an average amount of \$9 million per year over the 2008-2012 period.

FINANCIAL SERVICES

In the City of Toronto the capital budgets and five-year capital plans for the Office of the Chief Financial Officer and the Office of the Treasurer are consolidated under Financial Services.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Financial Services Five-Year Capital Plan outlines the investments that are required to ensure compliance with new legislation and to address the state of good repair upgrades to the City's financial information systems.

The Five-Year Plan will allow for the completion in 2008 of the Development Charges Background Study and the adoption of a new bylaw by 2009; financing advisory support for the Spadina Subway Extension Financing project; consolidation of Water and Solid Waste collection bill into one Utility Bill and Workflow & Document Management.

The Five-Year Plan includes funding for the continuation of the Fixed Assets Record Systems; development and implementation of a general ledger interface for Tax and Water Systems; upgrade the current Parking Tag Management Software. Projects to commence in 2008 and continue over the Five-Year Capital Plan period include upgrading the Tax Billing System with new software and hardware technology; upgrade the Water Billing System to accommodate new system with automated meter reading initiative; E-Procurement Implementation to utilize corporate technology to streamline the purchasing functions; to complete the Financial Planning Analysis and Reporting System final phase for the 2010 Budget process; replacement of the Payment Processing Equipment to process payment cheques and to implement an improved accounts payable process with technology enablers.

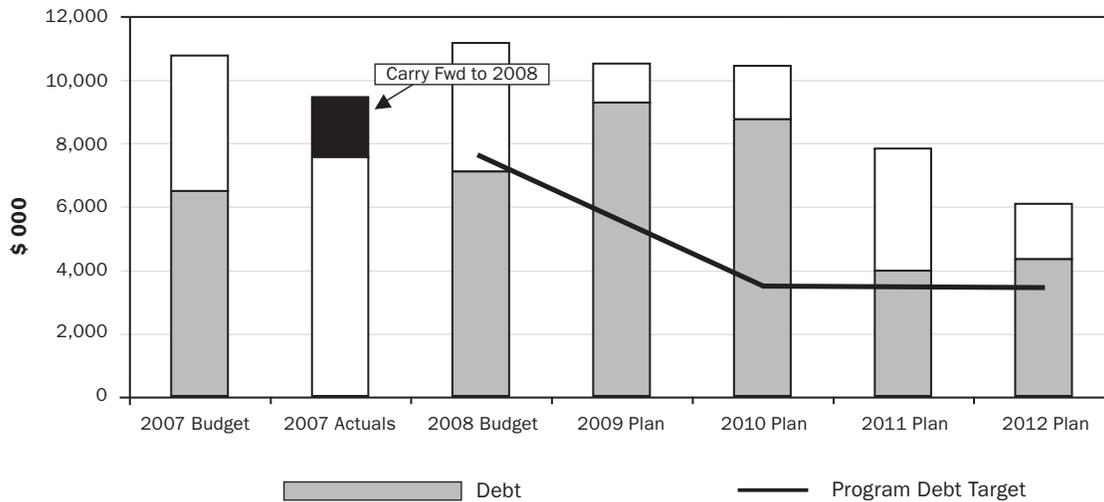
Financial Services 2008 Capital Budget and 2009-2012 Capital Plan totals \$45.928 million with 2008 cash flow of \$11.073 million; \$10.566 million in 2009; \$10.493 million in 2010; \$7.676 million in 2011 and \$6.120 million in 2012.

The Council approved debt level for the Program exceeds the aggregate debt target of \$21.650 million by \$9.941 million. The 2008-2012 Capital Plan includes changes to future year cash flow commitments previously approved by Council to reduce the impact on debt from 2009 onwards. The majority of the debt over target is due to projects requiring compliance with new legislation and the state of good repair upgrades to the City's financial information systems.

Excluding one-year carry forward funding, the recommended Five-Year Plan for Financial Services includes projects that maintain current technology in a state of good repair and strategic service improvements to meet corporate financial management and control needs. Of the \$43.985 million in recommended funding for 2008-2012, the Plan earmarks \$29.686 million (68%) for state-of-good repair (SOGR) initiatives, \$12.452 million (28%) for service enhancements while the remaining \$1.847 million is legislated. Of the \$31.591 million in debt financing proposed over the next five years, 85% (\$26.859 million) is assigned to service improvement and state-of-good repair initiatives.

FINANCIAL SERVICES

Five-Year Capital Plan (2008 Budget, 2009 - 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	10,763	3,338	5,970	2,815	650	0		9,435
Recommended Changes to Commitments			(839)	946	2,442	325	0	2,874
2008 New/Change in Scope and Future Year Commitments			5,942	5,775	4,876	3,176	0	19,769
2009 - 2012 Plan Estimates				1,030	2,525	4,175	6,120	13,850
1-Year Carry Forward to 2008		1,748						
Total Gross Annual Expenditures & Plan	10,763	5,086	11,073	10,566	10,493	7,676	6,120	43,985
Program Debt Target	3,900		7,550	5,300	3,000	2,900	2,900	21,650
Financing:								
Recommended Debt	6,283		6,861	8,473	7,582	4,085	4,590	31,591
Other Financing Sources:								
Reserves/Reserve Funds	1,994		14,08	105	500		105	2,118
Development Charges	553		228					228
Federal								0
Provincial								0
Other Revenue	1,933		2,576	1,988	2,411	3,591	1,425	11,991
Total Financing	10,763		11,073	10,566	10,493	7,676	6,120	45,928
By Category:								
Health & Safety								
Legislated	818		1,420	514				1,934
SOGR	1,318		2,650	6,050	9,291	6,776	5,120	20,887
Service Improvement	8,627		7,003	4002	1,202	900	1,000	14,107
Growth Related				2,975			41	3,576
Total By Category	410,763		11,073	10,566	10,493	7,676	6,120	45,928
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs			0	436	187	282	282	1,187
Debt Service Costs			206	1,009	1,159	957	587	3,918

FINANCIAL SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- The Five-Year Capital Plan also contributes to the City's Strategic Priorities:
 - > Better Transit Today by financing a consultant who will provide advisory support to the City in connection with the financing of the Spadina Subway Extension to York University and beyond into Vaughan; and
 - > Efficiency and Accountability at City Hall by implementing a multi-year planning and budgeting system to support a performance based service model with the Financial Planning Analysis and Reporting System project.

Other Key Capital Initiatives:

Most of the projects in this Five-Year Capital plan are systems related; focussing on supporting the City's financial processes. They are primarily state of good repair or service improvement projects.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$1.187 million net over the five-year period, with no impact in 2008.

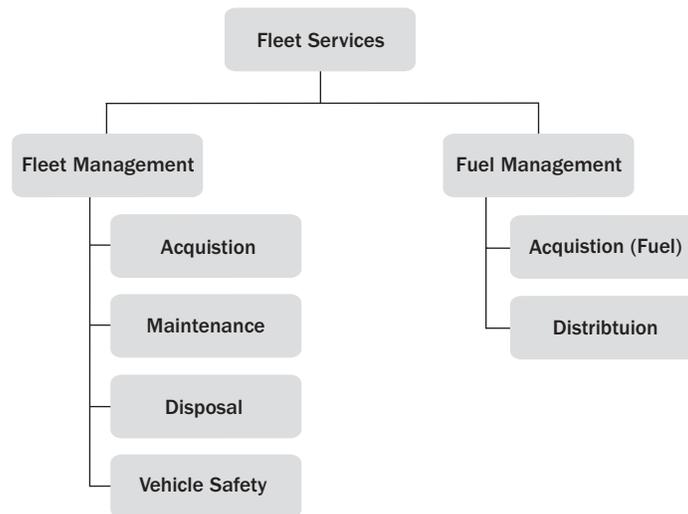
... FLEET SERVICES

MISSION STATEMENT

- To provide responsive, flexible, efficient and comprehensive Fleet Management and Fuel Management Services to reduce the Fleet lifecycle costs to the City, and to mitigate the risk of unsafe Drivers, Vehicles, and Equipment Operation.

PROGRAM MAP

As indicated in the Program map, Fleet Services has two service functions: Fleet Management and Fuel Management with 205 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- As per the Green Fleet Transition Plan, further advanced the implementation of the clean fuels program at Fleet managed fuels sites to help reduce the negative effects of vehicle emissions.
- Implemented single sourcing for parts on consignment. This has significantly decreased the turnaround time for parts, enhanced the billing process and provided savings.
- Improved exception reporting to provide better customer service. Initiated a sub-committee, of the Fleet Steering Committee, with a mandate to customize the exception reports available in M4 and upgrading to M5 which will develop user friendly reports that could be circulated to front-line managers to assist them with fleet-related decision making.
- Implemented the Idle Free program to reduce fuel costs and related emissions.
- Closed 8 fuel sites pursuant to recommendations of the Fuel Sites Review.

2008 PROGRAM OBJECTIVES

- To provide repair and preventive maintenance services for vehicles and equipment to support divisional operations and comply with legislative requirements.
- To provide fuel to support divisional operations and oversight at all City fuel sites.

FLEET SERVICES

2008 STRATEGIC PRIORITIES

The 2008 Budget for Fleet Services directly advances the following strategic priorities outlined in the Council's policy agenda:

- A Greener City
- Reduce smog-causing pollutants by implementing the Idle Free Campaign.
- Increase the use of bio-diesel, and ethanol-enriched fuel.
- Continue to increase the number of vehicles in the City's fleet to green technology.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will achieve the following:

- Reduction in fuel consumption from the Idle Free campaign.
- Reduction in fuel consumption from the Green Fleet Plan
- Bulk savings from parts consignment contract, and maintenance operation efficiencies.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Fleet Maintenance	22,406	–	23,060	–	24,761	–	1,701.0	7.4%	–	n/a
Fuel Operations	8,184	–	8,805	–	11,964	–	3,159.0	35.9%	–	n/a
Fleet Safety	1,086	–	1,097	–	1,233	–	136.0	12.4%	–	n/a
Fleet Management	3,012	–	3,125	–	3,502	–	377.0	12.1%	–	n/a
Total Program Budget	34,688	–	36,087	–	41,460	–	5,373.0	14.9%	–	n/a

FLEET SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	16,624.4	15,899.3	17,543.6	919.2	5.5%	17,834.6	18,156.3
Materials and Supplies	15,843.0	19,185.9	19,789.7	3,946.7	24.9%	19,791.2	19,791.2
Equipment	99.4	149.8	101.6	2.2	2.2%	101.6	101.6
Services & Rents	3,195.4	5,110.0	3,721.7	526.3	16.5%	3,720.2	3,720.2
Contributions to Reserve/Res Funds	76.6	76.6	76.6	0.0	0.0%	76.6	76.6
Other Expenditures	248.4	182.7	226.6	(21.8)	(8.8%)	226.6	226.6
Total Gross Expenditures	36,087.2	40,604.3	41,459.8	5,372.6	14.9%	41,750.8	42,072.5
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	36,087.2	40,511.7	41,459.8	5,372.6	14.9%	41,750.8	42,072.5
Total Non Tax Revenues	36,087.2	40,511.7	41,459.8	5,372.6	14.9%	41,750.8	42,072.5
Net Budget (excluding Capital Financing)	0.0	92.6	0.0	(0.0)	n/a	0.0	0.0
APPROVED POSITIONS	202.0	202.0	205.0	3.0	1.5%	205.0	205.0

2009/2010 OPERATING BUDGET OUTLOOK

- Increase scheduled maintenance to help minimize maintenance costs.
- Negotiate with all divisions on downsizing fleet size through service level agreements.

FLEET SERVICES

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

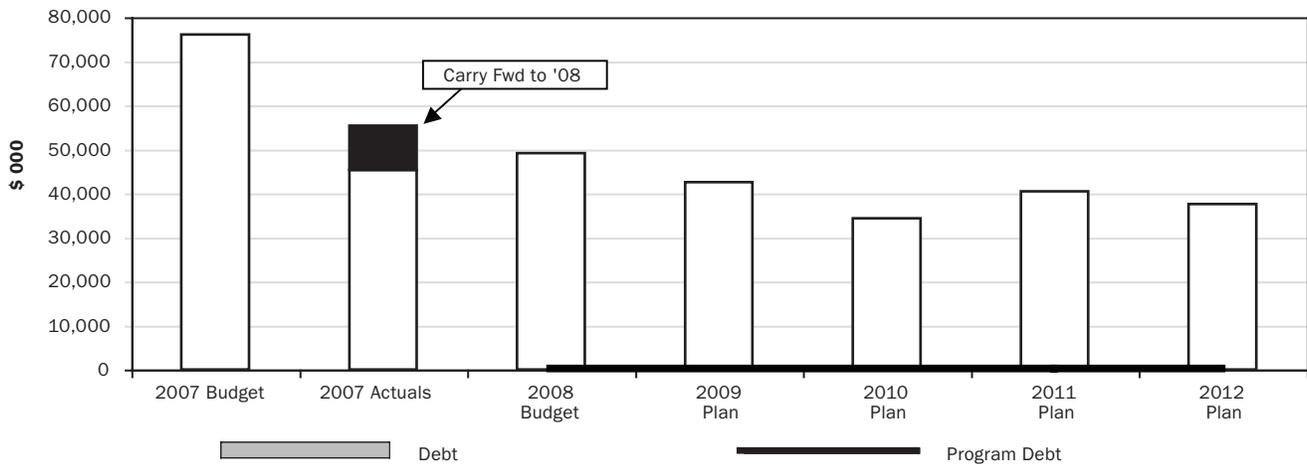
Fleet Services Five-Year Plan is aligned with the strategic priorities for a “Greener City”. In 2008, \$1.149 million is provided for the continuation of the Green Fleet initiatives to lower carbon emissions by taking advantage of innovative green technology available.

The Five-Year Plan is primarily comprised of funding to maintain the state of good repair of the City’s fleet utilized by various City Programs. In 2008, the Plan will fund the replacement of vehicles for Parks, Forestry and Recreation in the amount of \$3.800 million; \$7.625 million for Solid Waste, \$1.700 million for Transportation, \$2.600 million for Emergency Medical Services, and \$3.311 million for Fire Services. These Programs represent the operators of the majority of the City’s fleet. Action to close out fuel sites as identified in the fuel sites review will continue in 2008 at a cost of \$1.077 million.

Fleet Services’ 2008 Capital Budget and 2009-2012 Capital Plan totals \$204.142 million and requires cash flows of \$49.116 million in 2008; \$42.544 million in 2009; \$34.366 million in 2010; \$40.497 million in 2011; and \$37.619 million in 2012.

Fleet Services’ 2008 Capital Budget, including previously approved commitments, requires new cash flow of \$49.116 million. This cash flow combined with carry forward funding of \$10.085 million for 2007 projects brings the total 2008 Capital Budget to \$59.201 million gross, fully funded from the Vehicles and Equipment Reserves.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



FLEET SERVICES

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	76,080	45,264	16,459					16,459
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			32,657	16,459				49,116
2009 - 2012 Plan Estimates				26,085	34,366	40,497	37,619	138,567
1-Year Carry Forward to 2008		10,085	→					
Total Gross Annual Expenditures & Plan	76,080	55,349	49,116	42,544	34,366	40,497	37,619	204,142
Program Debt Target			NA	NA	NA	NA	NA	NA
Financing:								
Recommended Debt								0
Other Financing Sources:								
Reserves/Reserve Funds	76,080		49,116	42,544	34,366	40,497	37,619	204,142
Development Charges								0
Federal								0
Provincial								0
Other								0
Total Financing	76,080		49,116	42,544	34,366	40,497	37,619	204,142
By Category:								
Health & Safety								
Legislated	1,061		796	500	500	500	500	2,796
SOCR	74,183		47,023	41,062	33,034	39,170	36,199	196,488
Service Improvement	836		1,297	982	832	827	920	4,858
Growth Related								
Total By Category	76,080		49,116	42,544	34,366	40,497	37,619	204,142
Yearly SOGR Backlog Estimate (not addressed by current plan)			(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(30,000)
Accumulated Backlog Estimate (end of year)		45,370	39,370	33,370	27,370	21,370	15,370	15,370
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			0	0	0	0	0	0

* Note that the One-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following Strategic Priorities:

- A Clean, Green and Beautiful City

Fleet Services Five-Year Capital Plan will continue to invest in innovative greener technology available, such as hybrids, and newer hydrogen-based platforms for the City's fleet utilized by various City Programs. The replacement of "standard" vehicles with a "green" vehicles will significantly reduce carbon dioxide emissions and fuel consumption. The Green Fleet Plan originated from a vision to move towards operating City's vehicles and equipment that leave fewer negative impacts on the environment.

FLEET SERVICES

Other Key Capital Initiatives:

Fleet Services Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Fleet Services continue to lead the City's fuel sites management and control. This includes identifying fuel sites for upgrades and closures for those that are not viable, and ensuring consistent operations and compliance with regulations.
- Complete the implementation of the Fleet Management System upgrades and enhancements. This will improve exception reporting to provide better customer services and fleet information to client Divisions.
- Implement a new fuel management solution to allow for real time integration between the Fleet Management and Fuel systems at City's fuelling sites. This will improve the day-to-day operation of the City's fuelling sites with an ability to obtain accurate fuel inventories for monitoring purposes, thus reducing the potential for waste or incorrect dispensations.

STATE OF GOOD REPAIR BACKLOG

Funding for the Five-Year Capital Plan reduces the current state of good repair backlog by approximately \$6.000 million annually. At the end of the five-year time frame, backlog will be reduced by 66.1% or \$30.000 million to \$15.370 million.

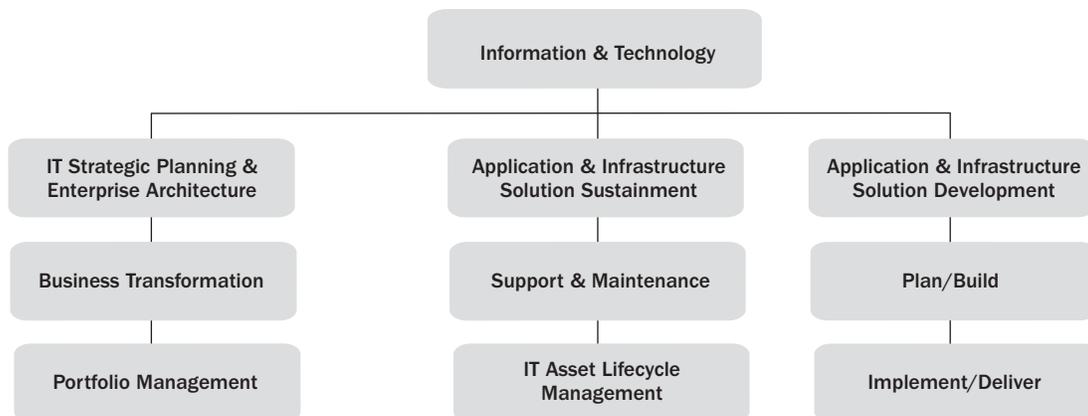
..... INFORMATION AND TECHNOLOGY

MISSION STATEMENT

- To provide information technology leadership and services to the City of Toronto to support effective program delivery and to enable service improvements and operational efficiencies through the innovative application of information technology.

PROGRAM MAP

As indicated in the Program map, Information and Technology has three service functions: I&T Strategic Planning & Enterprise Architecture; Application & Infrastructure Solution Sustainment; and Application & Infrastructure Solution Development with 386 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Developed e-City Project Management Office processes for project identification, business case development, evaluation, prioritization, and monitoring.
- Developed a business case template for IT capital projects that emphasizes business priorities, service improvements and other measurable benefits.
- Completed IT governance and organizational design review.
- Developed business integration model with emphasis on alignment with strategic business priorities.
- Established an Enterprise Architecture Framework Working group.
- Revised descriptive metadata standard based on web content and document management project experience.
- Developed logical data model and enterprise data modeling standards.
- Developed an Enterprise Information Architecture to support 3-1-1 Contact Centre, the City Clerk's Meeting Management and enterprise information management initiatives.
- Developed an electronic records management strategy.
- Developed new information security standards, including Operating Systems, Mobile Device, Remote Access security standards.
- Expanded central geographic data repository by adding data layers common to many business applications.
- Implemented Enterprise Applications Integration technology to provide integration capability for enterprise application environment and to support 3-1-1 Contact Centre services.
- Delivered technical environment for consolidated Web Services Page for 3-1-1.

INFORMATION AND TECHNOLOGY

- Delivered SAP Archiving and SAP Solution Manager functionality.
- Extended the integrated geospatial environment model to manage transportation attributes and metadata.
- Launched the IT Transformation Project that will establish a new governance and organizational structure for information technology that enables the City to meet strategic and service delivery targets.

2008 PROGRAM OBJECTIVES

- Provide information technology that supports effective City Programs delivery and enable services to be progressively improved and delivered in a cost effective manner.
- Sustain critical enterprise and/or divisional computer applications and infrastructure to support client business objectives.
- Design and implement critical enterprise and/or divisional computer applications and infrastructure to enable client business objectives.
- Continue with the transitions to a new governance and organizational structure for information technology as a result of the IT Transformation Project.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for Information and Technology provides funding to advance the following priorities:

- ***Improve the City's website to make it easier to navigate and take advantage of new technology***
The Information and Technology's 2008 Operating Budget provides the resources to redesign the City's website to improve functionality, and navigation; to upgrade the underlying software (Websphere) to provide more functionality and expedite online applications and to implement the "Content Management Solution Software (Vignette)" for better management of web content.
- ***Establish a 3-1-1 technology solution so that every resident has direct and simple access to a person at City Hall who can help resolve problems.***
The City of Toronto's 3-1-1 customer service strategy, when fully implemented, will improve accessibility to City services and will increase the City's effectiveness in responding to public inquiries. Services and business processes will be designed and organized from the public's perspective. The public will be able to obtain information and access to non-emergency City government services using their method of choice: over the telephone, on the City's Web site, by e-mail, mail, fax, in person and eventually at a self-serve kiosk.

Information and Technology continues to participate in required work on front-end content development and business reviews, core technology implementation, work order system integration and other components related to technology infrastructure and applications for 3-1-1.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will enable Information and Technology to continue to develop the e-City multi-year Strategic Plan. It will also enable the Program to make advance towards completing the IT Transformation Project that will allow the City to meet strategic and service delivery targets and continue working toward the e-City vision.

INFORMATION AND TECHNOLOGY

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Desktop Computing	33,030	29,557	34,653	29,345	34,990	28,982	337.3	1.0%	-363.7	(1.3%)
Applications Delivery	15,234	13,271	17,784	15,119	18,331	15,737	547.1	3.1%	618.1	3.9%
Voice & Telecommunications	1,222	713	1,191	768	1,301	878	109.5	9.2%	109.8	12.5%
Land Information	3,175	2,960	3,072	2,833	3,064	2,816	(8.6)	(0.3%)	-17.3	(0.6%)
Total Program Budget	52,662	46,502	56,700	48,065	57,685	48,412	985.3	1.7%	346.9	0.7%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)							
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook	
	\$	\$	\$	\$	%	\$	\$	
Gross Expenditures:								
Salaries and Benefits		37,536.2	35,349.9	39,903.4	2,367.2	6.3%	40,549.0	41,404.8
Materials and Supplies		449.8	148.2	332.7	(117.1)	(26.0%)	319.3	319.3
Equipment		357.1	404.2	163.2	(193.9)	(54.3%)	190.5	190.5
Services & Rents		17,862.0	14,190.6	16,780.6	(1,081.4)	(6.1%)	17,269.5	17,269.5
Contributions to Reserve/Res Funds		90.9	90.9	90.9	0.0	0.0%	90.9	90.9
Other Expenditures		403.9	460.2	414.5	10.6	2.6%	426.0	426.0
Total Gross Expenditures		56,699.9	50,644.0	57,685.3	985.4	1.7%	58,845.2	59,701.0
Funded by:								
Provincial Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations		0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds		0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues		8,634.6	6,010.5	9,273.4	638.8	7.4%	8,490.8	8,590.8
Total Non Tax Revenues		8,634.6	6,010.5	9,273.4	638.8	7.4%	8,490.8	8,590.8
Net Budget (excluding Capital Financing)		48,065.3	44,633.5	48,411.9	346.6	0.7%	50,354.4	51,110.2
APPROVED POSITIONS		384.0	384.0	386.0	2.0	0.5%	389.0	389.0

2009/2010 OPERATING BUDGET OUTLOOK

Information and Technology will continue working on the IT Transformation project to increase the City's technology leadership and innovation while supporting continuous improvement and effective, cost efficient service delivery within its new corporate administrative structure.

INFORMATION AND TECHNOLOGY

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

Information and Technology Five-Year Plan is aligned with the strategic directions provided through the Mayor’s Mandate, Council’s priorities and Council- strategic plans, to Improve the City’s Website to make it easier to navigate and take advantage of new technology.

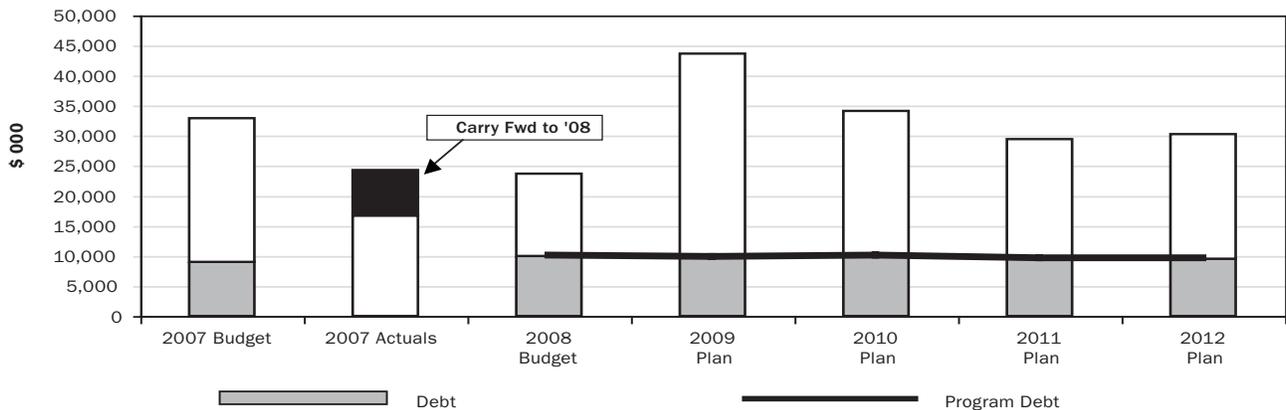
Information and Technology’s 2008 Capital Budget and 2009-2012 Capital Plan totals \$168.702 million and requires cash flows of \$31.214 million in 2008; \$43.666 million in 2009; \$34.091 million in 2010; \$29.457 million in \$2011; and \$30.274 million in 2012.

The Five-Year Plan meets the Council debt affordability target for the program. The major portion of the Five-Year Plan is related to asset sustainment comprising 65% or \$105.830 million funded from the Information and Technology Equipment Reserve.

The Five-Year Plan has a strong emphasis on state-of-good-repair and an attempt to satisfy some demand for service improvement. Of the \$168.702 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$157.631 million (97%) for state-of-good repair initiatives, while the remaining \$3.504 million is reserved for service improvement projects.

The 2008 Capital Budget, including previously approved commitments requires new 2008 cash flow of \$23.647 million. This cash flow combined with carry forward funding of \$7.567 million for 2007 projects brings the total 2008 Capital Budget to \$31.214 million gross.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



INFORMATION AND TECHNOLOGY

	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	32,869	16,731	11,016	5,559	2,726	4,060		23,361
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			12,631	3,190	7,518	6,165	1,750	31,254
2009 – 2012 Plan Estimates				34,917	23,847	19,232	28,524	106,520
1-Year Carry Forward to 2008		7,567						
Total Gross Annual Expenditures & Plan	32,869	24,298	23,647	43,666	34,091	29,457	30,274	161,135
Program Debt Target			10,000	9,769	10,000	9,500	9,500	48,769
Financing:								
Recommended Debt	9,000		10,000	9,769	10,000	9,500	9,500	48,769
Other Financing Sources:								
Reserves/Reserve Funds	23,561		12,847	32,247	20,947	16,350	20,024	102,415
Development Charges								0
Federal								0
Provincial								0
Other	308		800	1,650	3,144	3,607	750	9,951
Total Financing	32,869		23,647	43,666	34,091	29,457	30,274	161,135
By Category:								
Health & Safety								
Legislated			251	55				306
SOGR	31,458		22,485	43,156	33,259	28,857	29,874	157,631
Service Improvement	1,411		911	455	832	600	400	3,198
Growth Related								
Total By Category	32,869		23,647	43,666	34,091	29,457	30,274	161,135
Yearly SOGR Backlog Estimate (not addressed by current plan)			(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(5,500)
Accumulated Backlog Estimate (end of year)		7,900	6,800	5,700	4,600	3,500	2,400	2,400
Operating Impact on Program Costs			347	427	326	0	48	1,147
Debt Service Costs			300	1,393	1,375	1,385	1,330	5,783

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Plan advances the strategic priority *to improve the City's website to make it easier to navigate and take advantage of new technology* with the following projects:

- Website Redesign to improve functionality of the City's Website.
- Webshere Upgrade – Portal Infrastructure to speed up the time to deliver online applications resulting in better end users' experiences, and employee productivity.
- Content Management Software (Vignette) Upgrade to migrate the web content to a newer version of the Vignette Content Management Software for better tracking and management of the growth in information content.

INFORMATION AND TECHNOLOGY

Other Key Capital Initiatives:

Information and Technology Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Geospatial Projects to upgrade the geospatial technology and data warehouse to facilitate on-line geospatial information to better integrate with City information to the common geographic foundation.
- Data and Document Management upgrades to ensure that data storage and management are operated with current, versatile and economical technology.
- CA Unicentre ServicePlus Service Desk and Enterprise Desktop Tools which is part of the Corporate Help Desk Services Enhancement initiatives based on the e-City strategy, and to upgrade to existing desktop support related tools used to manage the IT desktop computer infrastructure.
- Consolidated Data Centre to establish a long-term solution to the need for a Data Centre in the City that will contain the current and future enterprise computer systems, consolidating the disparate Data Centres that are presently scattered and operated by different Divisions, and ABCs such as the Toronto Police, Fire Services, EMS, the Toronto Zoo, and TTC.
- eCity Strategic Plan and Planning to maximize the City's investment in information and technology.
- ePrint to address the City's requirements, and future challenges.
- eCity Enterprise Architecture to ensure that anomalies in business information, application, technology, security, and privacy domain architecture are addressed during the design and development of complex systems.
- SAP Projects to upgrade the SAP systems, develop and implement applications for Corporate requirements, and divisions' needs for human resources, financial administration, planning and reporting, and facilities and real estate.
- Asset Lifecycle Management for the ongoing replacement of the City's information and technology assets, including hardware, software, servers and storage equipment.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Information and Technology 2008-2012 Capital Plan increases future-year Information and Technology operating budgets by approximately \$1.147 million net over the five-year period. The operating budget impacts of these Information and Technology capital projects will be 100% City-funded. These figures represent only an estimate of operating budget impacts and do not include positions required.

STATE OF GOOD REPAIR BACKLOG

Information and Technology has a state-of-good-repair backlog attributed to the Disaster Recovery project. This project will identify and establish a standby site for the City's Data Centre, with the objective to have a back-up facility to provide business continuity to critical applications in the event of a disaster affecting the main Data Centre. The Five-Year Capital Plan includes funding to address the backlog.

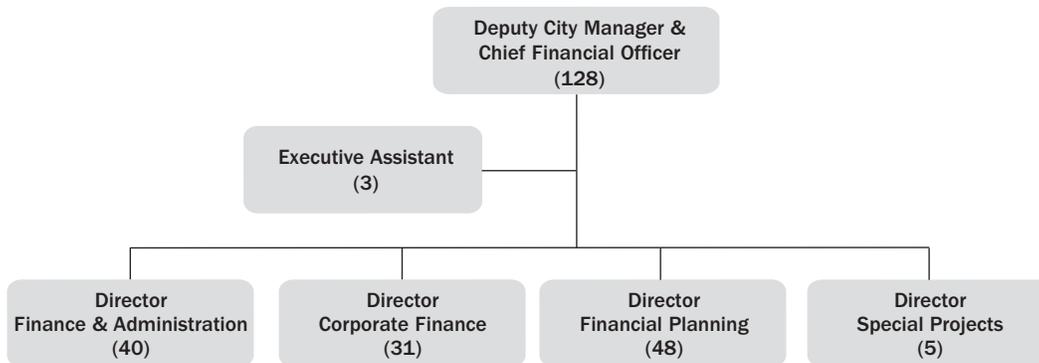
OFFICE OF THE CHIEF FINANCIAL OFFICER

MISSION STATEMENT

- The Office of the DCM and Chief Financial Officer 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 Divisions, Agencies, Boards, Commissions and the public.

PROGRAM MAP

As indicated in the program map, The Office of the Chief Financial Officer has four service functions: Finance and Administration, Corporate Finance, Financial Planning and Special Projects with 128 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Produced the 2007 Operating Budget, and the 2007 Capital Budget and 2008 – 2012 Capital Plan within Council's target
- Commenced Program Reviews for selected Internal Services Divisions
- Developed an integrated capital financial plan inclusive of long term debt strategies
- Development of mid/long term financing strategies and policies
- Continued development and implementation of new Financial Planning process
- Development of policies for the application of new municipal financial tools, in accordance with the City of Toronto Act and other provincial legislation.
- Maximized the City's return on investment and maintained favourable credit rating.
- Participated in Exercise Health Guard and modelled financial consequences of pandemic flu episode.

2008 PROGRAM OBJECTIVES

- Provision of timely and objective financial management and advice to support informed decision making and minimize financial risk to the City
- Analysis and implementation of long term financial plans, investment and risk management strategies to ensure the sustainability of services in support of Council's strategic plan and direction and corporate priorities
- To effectively manage the allocation of available resources in order to deliver services and investment in capital assets that support present and future service delivery needs

OFFICE OF THE CHIEF FINANCIAL OFFICER

- To provide strategic guidelines to programs and Agencies, Boards and Commissions (ABCs) in preparing their budgets and analyzing, monitoring and reporting to the leadership on spending, performance as well as compliance with corporate reporting requirements on a timely basis
- To provide financial analysis and expertise on major corporate policies, programs and initiatives
- To provide effective financial and administrative services and advice to management to support divisional business operations

2008 STRATEGIC PRIORITIES

- The 2008 strategic direction and service priorities include the following:
 - > Maximize the City's return on invested funds while preserving capital
 - > Minimize the City's incidence and cost of risk
 - > Continue to influence/implement best budgeting practices with a focus on multi-year financial planning including firm five-year Capital Budget and Plan and multi-year service planning and operating budgets to support longer-term financial planning and fiscal sustainability, to improve accountability, to increase stakeholder participation and encourage openness and priority setting – this will also provide a framework for detailed reviews of large programs/ABCs
 - > Produce operating budget and the capital plan within Council's tax rate goal while ensuring that the level and quality of services provided are maintained – this will entail critical analysis and comparative assessment of viable alternatives in cooperation with program areas in order to recommend best options
 - > Manage specific initiatives including new revenue and related policies, capital financing tools available through the City of Toronto Act and other provincial legislation
 - > Introduce service planning to prepare for 2009 process that links service planning and budget processes
 - > Conduct special operational research and analysis on corporate programs and business processes

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Service Objectives:

- Providing Finance and Administration services to support the service objectives of all divisions in the Internal Services Cluster and ensure that all relevant shared services are provided efficiently and effectively.
- Provide consulting and project management services to improve planning and promote continuous improvement.
- Continue development and implementation of the multi-year Financial Planning process based on the City's new governance model in the spring of 2008 to prepare for the 2009 process that links service planning and budget processes.
- Provide independent sound financial advice to protect the City.
- Provide leadership to protect the City's physical and financial assets by reducing risk and expeditiously resolving legitimate claims.
- Continue negotiations for funding partnerships with other orders of government.
- Development of all aspects related to the introduction of a new Development Charges Bylaw to be completed in 2008.
-

OFFICE OF THE CHIEF FINANCIAL OFFICER

2008 OPERATING BUDGET

The 2008 Operating Budget for the Office of the Chief Financial Officer of \$14.244 million gross represents a \$0.572 million or 4.2% increase compared to 2007. The 2008 net operating budget of \$10.189 million reflects a \$0.085 million or 0.8% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Finance & Administration	4,630	4,285	4,505	4,160	4,767	4,160	262	5.8%	-	-
Corporate Finance	3,537	1,450	3,669	1,477	3,809	1,421	140	3.8%	-57	-3.8
Financial Planning	4,602	3,759	4,931	4,020	5,076	4,162	145	2.9%	142	3.5
Special Projects	447	447	567	447	592	447	25	4.4%	-	-
Total Program Budget	13,216	9,941	13,672	10,104	14,244	10,189	572	4.2%	85	0.8

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget		2009 Outlook \$	2010 Outlook \$
				\$	%		
Gross Expenditures:							
Salaries and Benefits	12,509.3	11,734.0	13,128.6	619.3	5.0%	13,442.2	13,808.3
Materials and Supplies	125.8	65.4	110.7	(15.1)	(12.0%)	115.7	110.7
Equipment	61.5	30.6	48.0	(13.5)	(22.0%)	53.0	48.0
Services & Rents	715.1	537.7	688.1	(27.0)	(3.8%)	688.1	688.1
Contributions to Reserve/Res Funds	23.7	23.7	23.7	0.0	0.0%	23.7	23.7
Other Expenditures	236.3	222.7	245.3	9.0	3.8%	245.3	245.3
Total Gross Expenditures	13,671.7	12,614.1	14,244.4	572.7	4.2%	14,568.0	14,924.1
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	1,487.9	1,374.8	1,736.5	248.6	16.7%	1,775.2	1,804.5
Other Revenues	2,079.3	2,014.2	2,318.9	239.6	11.5%	2,338.7	2,353.4
Total Non Tax Revenues	3,567.2	3,389.0	4,055.4	488.2	13.7%	4,113.9	4,157.9
Net Budget (excluding Capital Financing)	10,104.5	9,225.1	10,189.0	84.5	0.8%	10,454.1	10,766.2
APPROVED POSITIONS	128.0	128.0	128.0	0.0	0.0%	128.0	128.0

OFFICE OF THE CHIEF FINANCIAL OFFICER

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget will provide funding for the Office of the Chief Financial Officer to continue to partner with City Programs to deliver excellent public service while continuing to ensure Toronto's financial sustainability. It will also provide funding to ensure effective use and oversight of the Corporation's financial resources; the continued development and implementation of a new Financial Planning process and development of the City's Development Charge policies.

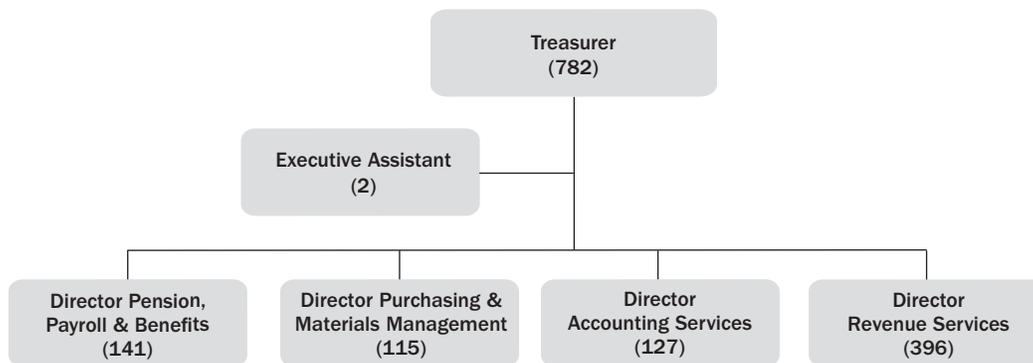
..... OFFICE OF THE TREASURER

MISSION STATEMENT

- The Office of the Treasurer provides effective financial services to Divisions, Agencies, Boards and Commissions by ensuring accurate and timely pension, payroll and benefit services; procurement and materials management services; accounting, banking and accounts payable services; and billing, collection and payment processing services related to property taxation, water and sewage services and parking tickets.

PROGRAM MAP

As indicated in the program map, The Office of the Treasurer has four service functions: Pension, Payroll & Employee Benefits, Purchasing & Materials Management, Accounting Services and Revenue Services with 782 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Received Canadian Award for Financial Reporting from the Government Finance Officers Association (GFOA) of Canada and the United States for the 2006 annual report.
- Capital Asset Accounting Policies completed in draft and initial opening inventory of capital assets largely complete
- Implemented On-line Procurement Call Sale and Distribution Process
- Obtained Council and City Manager approval for a number of procurement streamlining issues including higher delegated staff authority to award calls and to issue divisional purchase orders, a new unsolicited proposal policy and a revised selection and hiring of professionals and consultants policy.
- Warehouse & Stores Rationalization Project largely completed
- Implemented new short term disability plan for non-union staff
- Assisted with the development of the new solid waste user fee, the municipal land transfer tax and implemented the new water rate structure
- Assisted with the establishment of the Toronto Office of Partnerships

OFFICE OF THE TREASURER

2008 PROGRAM OBJECTIVES

- Implementing and maintaining Council-approved changes to tax existing policies to enhance Toronto's business competitiveness.
- Planning, implementing and maintaining new revenue programs approved by Council including municipal land transfer tax, personal vehicle registration tax, solid waste billing.
- Implementing and maintaining Council-approved changes to the water rate structure, including a new water rebate program for low-income seniors and disabled persons.
- Incorporating new processes and water billing system changes necessary to enable the Automated Meter Reading project.
- Assisting with the upgrade and improvement to the City's financial information and planning system.
- Strengthening internal controls, continuous improvements in transaction processing services.
- Providing quality, timely and accurate Financial Information that adds value and ensures compliance with Generally Accepted Accounting Principles (GAAP), the Public Service Accounting Body (PSAB), Federal and Provincial legislation and Council policies.
- Improving materials and management and warehousing services in support of public Programs by reducing stock-outs and maintaining low cost of goods and services purchased.
- Improving the processing and collection of parking tickets.
- Issuing, processing, collecting and maintaining tax and water accounts on a timely and accurate basis.

2008 STRATEGIC PRIORITIES

To promote the objectives of the Program, the 2008 Council Approved Operating Budget incorporates various new/enhanced services. A number of these initiatives align with Council's priorities:

- To implement Council approved changes to the Municipal Land Transfer Tax policies for 2008 and beyond.
- Implement new taxation measures.
- To implement the new Council directive to bill solid waste collection fees, and to integrate the current water billing process with solid waste in a single utility bill.
- City Council Program Review Framework of City Programs to be undertaken by Accounting Services.
- New CICA-Public Sector Reporting Requirement to account for and record tangible capital assets in the City's annual Financial Statements.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- An increase of 3 full time procurement positions to support Solid Waste Management's 70% Diversion Program. Funding of \$0.221 million is included in the Solid Waste 2008 Approved Budget;
- \$0.210 million gross with \$0 million net to undertake the Accounting Services Program Review as approved by Council on June 27, 28 and 29, 2006;
- Funding in the amount of \$2.626 million gross and \$0 net is required to administer the new Council initiated Municipal Land Transfer Tax measures. New programs and systems to administer this initiative will require 12 new staffing positions. Revenues generated from this initiative will fund this additional cost; and
- Additional 8 full time and 11 part time staff positions to design, develop and sustain the Solid Waste Billing System to issue bills for solid waste collection as approved by City Council on June 19, 20 and 22, 2007. Funding of \$1.110 million is fully recoverable from Solid Waste.

OFFICE OF THE TREASURER

2008 OPERATING BUDGET

The 2008 Operating Budget for the Office of the Treasurer of \$69.923 million gross represents a \$6.576 million or 10.4% increase compared to 2007. The 2008 net operating budget of \$31.195 million reflects a \$0.759 million or 2.4% decrease over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Pension, Payroll & Employee Benefits	11,252	9,645	12,033	10,092	12,267	10,495	234	1.9%	403	4.0
Purchasing & Materials Management	8,343	6,630	8,924	6,662	9,205	6,850	281	3.1%	188	2.8
Accounting Services	11,119	8,783	11,734	8,833	12,396	8,837	662	5.6%	4	0.0
Revenue Services	32,444	6,479	30,656	6,367	36,055	5,013	5,399	84.8%	(1,354.0)	(21.3)
Total Program Budget	63,158	31,537	63,347	31,954	69,923	31,195	6,576	20.6%	-759	-2.4

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007		2008 Approved Budget \$	Change from 2007		2009 Outlook \$	2010 Outlook \$
	Budget \$	Actuals \$		\$	%		
Gross Expenditures:							
Salaries and Benefits	52,579.1	49,070.0	56,826.0	4,246.9	8.1%	57,902.3	58,975.5
Materials and Supplies	1,794.9	1,576.6	2,009.3	214.4	11.9%	2,009.3	2,009.3
Equipment	116.8	29.9	719.4	602.6	515.9%	719.4	719.4
Services & Rents	5,477.9	5,225.9	7,042.4	1,564.5	28.6%	7,042.4	7,042.4
Contributions to Reserve/Res Funds	709.6	684.6	703.8	(5.8)	(0.8%)	703.8	703.8
Other Expenditures	2,668.9	3,869.9	2,622.2	(46.7)	(1.7%)	2,622.2	2,622.2
Total Gross Expenditures	63,347.2	60,456.9	69,923.1	6,575.9	10.4%	70,999.4	72,072.6
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	2,959.3	3,593.7	8,075.8	5,116.5	172.9%	8,075.8	8,075.8
Contribution from Reserves/Res Funds	1,194.0	815.0	1,435.7	241.7	20.2%	1,435.7	1,435.7
Other Revenues	27,239.9	27,289.2	29,216.6	1,976.7	7.3%	29,463.1	29,714.4
Total Non Tax Revenues	31,393.2	31,697.9	38,728.1	7,334.9	23.4%	38,974.6	39,225.9
Net Budget (excluding Capital Financing)	31,954.0	28,759.0	31,195.0	(759.0)	(2.4%)	32,024.8	32,846.7
APPROVED POSITIONS	745.0	745.0	782.0	37.0	5.0%	782.0	782.0

OFFICE OF THE TREASURER

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget will provide funding for the Office of the Treasurer funding for the delivery of effective financial services to Divisions, Agencies, Boards and Commissions through the provisions of timely pension, payroll and benefit services; procurement and materials management services; accounting, banking and accounts payable services; and billing, collection and payment processing services related to property taxation, water and sewage services and parking tickets.

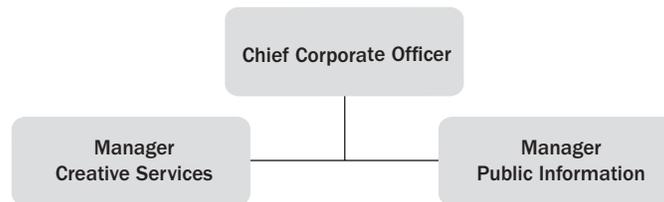
..... PUBLIC INFORMATION & CREATIVE SERVICES

MISSION STATEMENT

- To provide excellent information, services and strategies to ensure the public, members of the Toronto Public Service and 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 MAP

Public Information and Creative Services is comprised of two services reporting directly to the Chief Corporate Officer, with a total of 61 approved positions for 2008.



2007 KEY ACCOMPLISHMENTS

- Completed the 2007 organizational review to determine how the services provided by Public Information and Creative Services should be structured. This is the second step of the organizational review of the former Corporate Communications.
- Provided creative, Web and public information support on major projects and issues of interest to residents and business; e.g., 3-1-1
- Improved public access to online service with the launch of a new online service portal within the City's website for the 3-1-1 customer service strategy project.
- Provided design, Web, public information and event support to the Office of the Mayor.
- Developed new model for ongoing signage improvements to civic facilities and provided design consultation and developed unique signage systems for Toronto's heritage sites.

2008 PROGRAM OBJECTIVES

Public Information & Creative Services will be focusing its 2008 activities on:

- promoting awareness and understanding of Council's accomplishments
- communicating Council's priorities and ensuring members of the public and the Toronto Public Service have access to the information they require
- continually developing the City's online service portal and providing Web content management in coordination with the 3-1-1 customer service strategy to facilitate growth and increase accessibility of City websites
- providing guidance and support in the development of policies and procedures for the 3-1-1 knowledge base, thesaurus and training module
- maintaining student awareness and the understanding of municipal government by delivering tours and presentations
- developing and maintaining several critical databases including the online telephone directories and providing interpretation and translation services
- expanding the Corporate Identity Program (CIP) by increasing compliance with CIP standards and ensuring that all Web Related Communication initiatives are delivered accurately and consistently and in a timely manner
- ensuring multilingual access to City Services and improving the City's website to make it easier to navigate

PUBLIC INFORMATION & CREATIVE SERVICES

2008 STRATEGIC PRIORITIES

Public Information & Creative Services' strategic direction will be focused on enhancing the understanding of Council's priorities, developing and implementing an integrated governance structure for the City's corporate website and the continual development of the City's online service portal in coordination with the 3-1-1 customer service strategy. Public Information & Creative Services is focused on ensuring that the City's programs and services are clearly and easily understood and accessible.

The 2008 Operating Budget for Public Information and Creative Services supports the following strategic priorities:

- **Establish a 3-1-1 hotline to provide every resident with simple and direct access to staff at City Hall.**
Public Information & Creative Services will be continually developing the City's online service portal, in coordination with the 3-1-1 customer service strategy, to provide easier access to the City. PICS will help ensure that the 3-1-1 transition is as seamless as possible and that the public is not adversely affected by the service changes.
- **Ensure multilingual access to City Services through the 3-1-1 project.**
The City of Toronto provides residents with oral interpretations in 92 languages and written translations in 42 languages. These services are provided by the Multilingual Services Unit which serves all City Programs and many agencies. These services will be accessible through the 3-1-1 project. Once the 3-1-1 project is implemented, it will improve the multilingual accessibility and increase the City's effectiveness in responding to public inquiries.
- **Improving the City's website to make it easier to navigate and take advantage of new technology.**
Public Information & Creative Services will continue to provide management and design services to support the City's websites. The public will be able to obtain information and access City services more easily and will become more engaged with the City, resulting in a greater level of public confidence in local government.

Public information & Creative Services' staff are working on improving other strategies which include:

- A mentoring program to enhance in-house skills retraining and upgrading, and coordinating cross division collaboration of major initiatives.
- Working more closely with clients to determine online needs and providing more cost effective and efficient solutions.

2008 OPERATING BUDGET HIGHLIGHTS

Public Information and Creative Services will be restructuring in early 2008. Effective March 5, 2008, the Design Services and Multilingual Services units will be transferred to the City Clerk's Office while the Access Toronto, Corporate Directories & Databases and Tours & Education units will remain in the Public Information Division of the Chief Corporate Office. As part of the corporate strategic direction over the next three years to develop and implement an integrated governance structure for the long-term strategic development of the City's corporate Web, the Web Services unit will be merged with Web Management Services in I&T to create the Web Centre. Public Information will continue to focus activities on promoting awareness and understanding of Council's accomplishments and progress made on Council's priorities and on ensuring members of the public and the Toronto Public Service have access to the information they require. Significant resources will be allocated to further supporting work required to establish and build the 3-1-1 service.

PUBLIC INFORMATION & CREATIVE SERVICES

2008 OPERATING BUDGET

The 2008 Operating Budget for Public Information & Creative Services of \$4.772 million gross represents a 0.015 million or 0.3% increase compared to 2007. The 2008 net operating budget of \$4.694 million reflects a \$0.050 million or 1.1% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Public Information	2,495	2,489	2,607	2,524	2,601	2,583	(6.0)	(0.2%)	59.0	2.3
Creative Services	2,314	2,134	2,179	2,119	2,170	2,110	(9.0)	(0.4%)	(9.0)	(0.4)
Total Program Budget	4,809	4,623	4,786	4,643	4,771	4,693	(15.0)	(0.3%)	50.0	1.1

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	4,239.7	4,072.5	4,395.1	155.4	3.7%	4,593.8	4,676.5
Materials and Supplies	74.3	14.4	48.4	(25.9)	(34.9%)	48.4	48.4
Equipment	21.3	2.2	21.8	0.5	2.3%	21.8	21.8
Services & Rents	347.9	261.6	203.1	(144.8)	(41.6%)	188.2	188.2
Contributions to Reserve/Res Funds	86.3	86.3	86.3	0.0	0.0%	86.2	86.2
Other Expenditures	17.0	17.3	17.0	0.0	0.0%	17.0	17.0
Total Gross Expenditures	4,786.5	4,454.3	4,771.7	(14.8)	(0.3%)	4,955.4	5,038.1
Funded by:							
Provincial Subsidies	80.0	118.0	15.0	(65.0)	(81.3%)	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.7	0.0	0.0	n/a	0.0	0.0
Transfers from Capital	60.0	56.2	60.0	0.0	0.0%	60.0	60.0
Other Revenues	3.1	(0.4)	3.1	0.0	0.0%	3.1	3.1
Total Non Tax Revenues	143.1	174.5	78.1	(65.0)	(45.4%)	63.1	63.1
Net Budget (excluding Capital Financing)	4,643.4	4,279.8	4,693.6	50.2	1.1%	4,892.3	4,975.0
APPROVED POSITIONS	61.0	61.0	61.0	0.0	0.0%	61.0	279.8

2009/2010 OPERATING BUDGET OUTLOOK

Public Information and Creative Services will focus activities in 2009 on promoting awareness and understanding of Council's accomplishments, progress on Council's priorities, and ensuring members of the public and the Toronto Public Service have access to the information they need. Significant resources will be allocated to further supporting work required to establish and build the 3-1-1 service.

OTHER CITY PROGRAMS

CITY OF TORONTO
2008 BUDGET SUMMARY



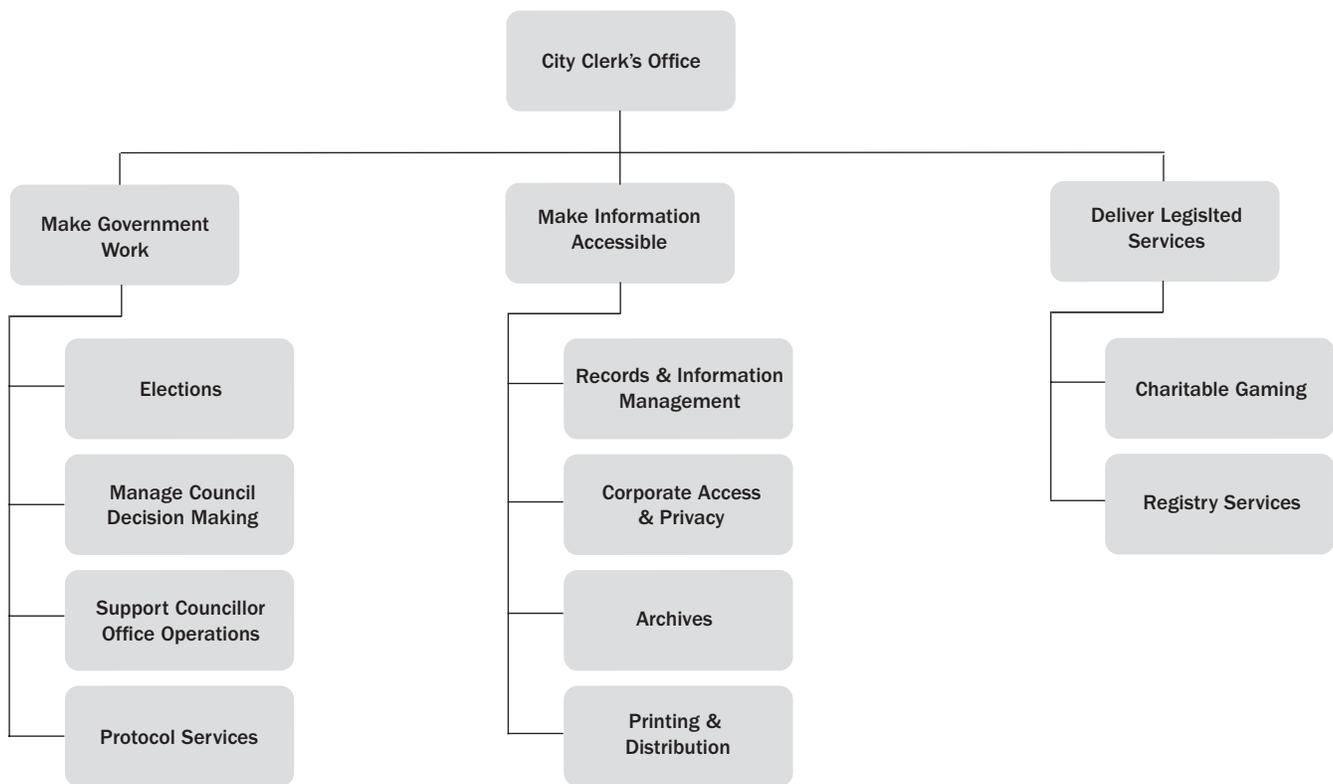
..... CITY CLERK'S OFFICE

MISSION STATEMENT

The City Clerk's Office provides the foundations for local government in Toronto. It provides services that are available, accessible and accountable.

PROGRAM MAP

As indicated in the Program map, the City Clerk's Office has three service functions: Make Government Work; Make Information Accessible; and Deliver Legislated Services with 377.3 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Co-ordinated and led a thorough review of the 2006 municipal elections, recommending changes to elections legislation to maintain the integrity of the municipal electoral process.
- Implemented shared counter strategy with provincial and federal governments to measurably improve one-stop service access for Torontonians.
- Implemented new harmonized polling, processing 123 poll requests and issuing 18,991 notices/ballots.
- Successfully placed all 47 charities within the six remaining halls after one of the City's bingo halls closed.
- Became the first municipality in Canada to implement an electronic financial filing system (EFFS) for candidates in municipal elections. EFFS recognized with three awards.

CITY CLERK'S OFFICE

- Corporate Access and Privacy (CAP) successfully reduced the number of freedom of information requests so that the total number increased just 1% in 2007 (compared to an increase of 30% in 2006) through new processes to identify requests not requiring formal Municipal Freedom of Information and Protection Act (MFIPPA) processing. Also maintained a high level of MFIPPA compliance at over 85%.
- Completed privacy impact assessments on significant City's projects, and completed a Privacy Audit Toolkit for business units that have experienced privacy breaches.
- Implemented routine disclosure practices for the expense files of City Councillors.
- Provided Council and the City the ability to confidently participate in local, national and international relations in terms of logistical support, professional advice and issues/risk management counsel.
- Successfully screened proclamation and other requests to maintain integrity of process and preserve reputation as being culturally sensitive in this diverse community.
- Destruction Thursday initiative implemented, helping to prevent a complete closure of the Records Centre due to over capacity.
- Expanded Archives outreach with two exhibitions in 2007.
- The Electronic Records Management Strategy for the City of Toronto was completed and an implementation plan drafted.
- Implemented new Procedures Bylaw including the introduction of a Speaker for managing Council meetings.
- Implemented new governance structure and trained members and staff.
- Successfully implemented the first phase of the Toronto Meeting Management Information System for committees which resulted in faster and more efficient production of agendas, and meeting documents.
- Prepared for new Closed Meeting requirements and investigator provisions of the City of Toronto Act and retained an investigator to review complaints.
- Implemented Bylaw status register database on the internet to give public better accessibility and information about City bylaws.
- Meeting Management Initiative upgrades to City Hall Meeting Rooms 2,3 and 4, and Etobicoke Civic Centre Council Chamber.

2008 PROGRAM OBJECTIVES

- To protect the integrity and accessibility of the electoral process and to administer elections in a fair and impartial manner.
- To support the Mayor and Members of Council to represent the City and its people, enable Council to make open and transparent decisions and engage the public in a responsible City government.
- To provide advice and support to the offices of the accountability officers to enable them to fulfill their legislative function effectively.
- To establish information management policies, standards, processes and services so that the City records are managed and public accessible throughout their lifecycle.
- To ensure City programs and services comply with information stewardship and accessibility requirements.
- To provide City-wide multi-media, print, high-speed photocopying and mail services.

2008 OPERATING BUDGET HIGHLIGHTS

- The 2008 Operating Budget will allow the City Clerk's Office to continue to be the foundation of an accessible, accountable and available government and to deliver its core services. It includes staff resources to enhance electronic records management implementation, elections outreach, and freedom of information request compliance. It includes cost efficiencies and one time cost containment measures.

CITY CLERK'S OFFICE

2008 OPERATING BUDGET

The 2008 Operating Budget for the City Clerk's Office of \$45.625 million gross represents a \$1.305 million or 2.9% increase compared to 2007. The 2008 net operating budget of \$31.880 million reflects a \$0.478 million or 1.5% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Secretariat	7,623	7,092	7,731	7,563	7,619	7,451	(111.8)	(1.4%)	-111.8	(1.5%)
Records & Info Mgmt	21,777	9,193	21,291	9,287	22,460	9,313	1,168.4	5.5%	26.1	0.3%
Council & Support Services	4,285	3,645	4,473	4,045	4,478	4,262	5.4	0.1%	217.3	5.1%
Corporate Access & Privacy	1,604	1,554	1,504	1,454	1,797	1,651	292.9	19.5%	196.9	11.9%
Elections & Registry Services	11,901	7,647	7,826	7,558	7,733	7,664	(93.1)	(1.2%)	106.6	1.4%
Protocol	1,466	1,466	1,495	1,495	1,538	1,538	43.0	2.9%	43.0	2.8%
Total Program Budget	48,655	30,596	44,321	31,401	45,625	31,880	1,304.8	2.9%	478.1	1.5%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	28,819.4	28,544.7	29,638.2	818.8	2.8%	30,051.1	30,681.7
Materials and Supplies	1,828.9	1,694.7	2,121.5	292.6	16.0%	2,121.5	2,121.5
Equipment	75.4	204.8	76.1	0.7	0.9%	76.1	76.1
Services & Rents	9,053.0	7,895.5	9,270.7	217.7	2.4%	9,411.7	16,337.7
Contributions to Reserve/Res Funds	2,600.2	2,600.2	2,586.6	(13.6)	(0.5%)	2,586.6	2,586.6
Other Expenditures	1,943.5	1,818.2	1,932.3	(11.2)	(0.6%)	1,932.3	1,932.3
Total Gross Expenditures	44,320.4	42,758.1	45,625.4	1,305.0	2.9%	46,179.3	53,735.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	6.0	4.3	6.0	0.0	0.0%	6.0	6.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	394.1	450.9	366.4	(27.7)	(7.0%)	344.4	344.4
Contribution from Reserves/Res Funds	73.9	0.0	34.9	(39.0)	(52.8%)	34.9	7,034.9
Other Revenues	12,445.1	11,323.9	13,338.5	893.4	7.2%	12,942.5	12,942.5
Total Non Tax Revenues	12,919.1	11,779.1	13,745.8	826.7	6.4%	13,327.8	20,327.8
Net Budget (excluding Capital Financing)	31,401.3	30,979.0	31,879.6	478.3	1.5%	32,851.5	33,408.1
APPROVED POSITIONS	375.0	375.0	377.3	2.3	0.6%	380.3	380.3

CITY CLERK'S OFFICE

2009/2010 OPERATING BUDGET OUTLOOK

The budget outlook for the City Clerk's Office will reflect emerging strategic priorities including:

- New strategies for new expectations of future elections.
- The City of Toronto's transition to a new era of records and information management.
- More, easier and better public access to information.
- Public expectations for multi-channel service delivery models.
- Continuous improvement and service enhancements through organizational restructuring, process improvements, and partnership development.
- Corporate leadership role in the continuation of government planning and collaborative role in various corporate initiatives.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The City Clerk's Office Five-Year Plan is primarily comprised of funding to maintain state of good repair for the replacement of aging equipment, to comply with health and safety, to meet legislative requirements, and to develop applications required to support the operation of the City Clerk's Office.

The City Clerk's Office 2008 Capital Budget and 2009-2012 Capital Plan totals \$17.941 million and requires cash flows of \$8.150 million in 2008; \$4.954 million in 2009; \$2.607 million in 2010; \$1.430 million in 2011; and \$0.800 million in 2012.

The Five-Year Plan meets the Council debt affordability target by funding the elections related projects from the Election Reserve Fund.

The 2008 Capital Budget will fund the relocation and retro-fit of the Print Shop in the amount of \$6.170 million. New funding for the Gaming and Vital Statistics projects, and the Toronto Election Information System will require \$0.355 million and \$0.280 million respectively. The final phase of the Council Automation and Meeting Management project will require \$0.600 million. Funding for other projects includes the following:

Business Classification and Retention – \$0.150 million

Livelihood Records Application Clean-up – \$0.125 million

Toronto Meeting Management Information System – \$0.200 million

Electronic Records Management Business Experts – \$0.180 million

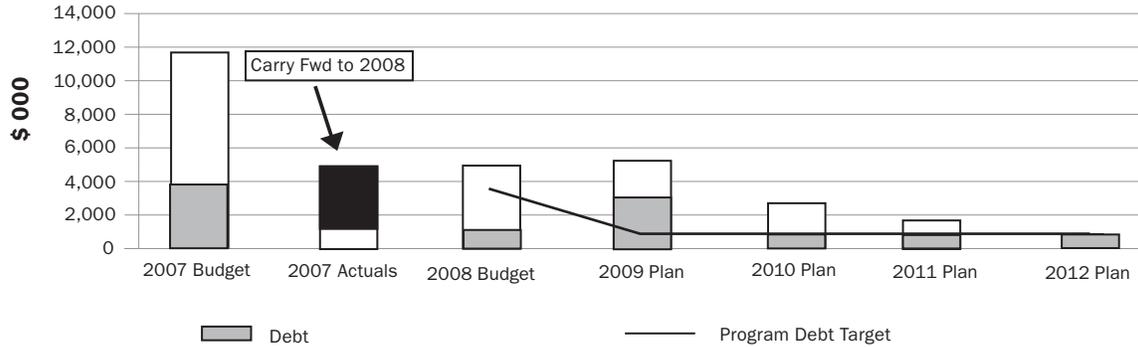
The Bindery/Collator equipment replacement and Archives Facility Upgrade – 0.090 million.

The 2008 Capital Budget is allocated \$3.400 million or 71% for health and safety requirements, \$1.140 million or 24% to meet legislated compliance, \$0.200 million or 4% for service improvement, and \$0.060 million or 1% for state of good repair.

CITY CLERK'S OFFICE

FIVE-YEAR CAPITAL PLAN (2008 BUDGET, 2009 - 2012 PLAN)

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	11,555	1,455	2,260	68	62	130		2,520
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			2,540	3,886	1,150	500		8,076
2009-2012 Plan Estimates**				1,000	1,395	800	800	3,995
1-Year Carry Forward to 2008		3,350						
Total Gross Annual Expenditures & Plan	11,555		4,800	4,954	2,607	1,430	800	14,591
Program Debt Target	1,000		3,180	930	750	750	750	6,360
Financing:								
Recommended Debt	3,770		1,060	2,930	750	750	750	6,240
Other Financing Sources:								
Reserves/Reserve Funds	7,020		3,740	2,024	1,857	680	50	8,351
Development Charges								0
Federal								0
Provincial								0
Other- CFC	765							0
Total Financing	11,555		4,800	4,954	2,607	1,430	800	14,591
By Category:								
Health & Safety	6,650		3,400					
Legislated	496		1,140	2,886	1,300	750	650	6,726
SOGR	889		60	68	1,307	680	150	2,265
Service Improvement	3,520		200	2,000				2,200
Growth Related								
Total By Category	11,555		4,800	4,954	2,607	1,430	800	11,191
Yearly SOGR Backlog Estimate ((addressed)/not addressed by current plan)				(1,000)				(1,000)
Accumulated Backlog Estimate (end of year)		1,450	1,450	450	450	450	450	450
Operating Impact on Program Costs			10	38	27	28	193	296
Debt Service Costs			32	205	345	105	105	791

CITY CLERK'S OFFICE

CAPITAL PROJECT HIGHLIGHTS

Key Capital Initiatives:

The City Clerk's Office Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- The relocation and retro-fit of the City's Print Shop (\$6.170 million) to ensure adequate space for effective and efficient operation of the consolidated multi-media and production services and printing facility and to meet health and safety requirements.
- Continuation of the Meeting Management Initiative to promote openness, transparency, and accountability in the City's decision-making processes through information management and access, procedural rules and expertise and effective and timely communication.
- Toronto Meeting Management Information System for City Divisions and the Public to enable divisional staff and the public to view and access the system on the internet.
- Projects to comply with legislative requirements to stabilize and maintain the current vital statistics tracking system, to enhance the marriage licensing application process, with the possibility of electronic booking of wedding chambers, and changing the gaming applications to respond to the new gaming regulations.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The Five-Year Capital Plan will increase future year operating budgets by a total \$0.296 million net over the Five-Year period, with \$0.010 million of the increase impacting 2008 for Corporate I&T net work and Intel servers staff resources in developing the RFP for the Election Results Transmission Equipment Replacement project.

STATE OF GOOD REPAIR BACKLOG

The City Clerk's Office is responsible for providing Election Services as part of its service to Conduct Elections. There is a backlog for the replacement of the cellular telephone transmission equipment for remote transmission of voting results from more than 1,000 polls to the elections control centre. The original transmission phones were purchased at amalgamation and are no longer supported by Bell Canada. The forecasted funding needed to replace the transmission equipments required for Elections Operation is \$1.000 million which is included in the Five-Year Capital Plan for 2009 to address this backlog

ROLE OF COUNCIL

The role of Council is:

- to represent the public and to consider the well-being and interests of the City of Toronto;
- to develop and evaluate the policies and programs of the City;
- to determine which services the City provides;
- to ensure that administrative policies, practices and procedures are in place to implement the decisions of council;
- to ensure the accountability and transparency of the operations of the City, including the activities of the senior management of the City;
- to maintain the financial integrity of the City; and
- to carry out the duties of council under the City of Toronto Act, 2006.

2008 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.

2008 STRATEGIC PRIORITIES

The Council program provides administrative and other resources for Councillors to carry out their duties.

2008 OPERATING BUDGET

The 2008 Operating Budget for City Council of \$19.744 million gross and net represents a \$0.374 million or 1.9% increase compared to 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Councillors' Salaries & Benefits	4,486	4,486	5,077	5,077	5,199	5,199	122	2.4%	122	2.4
Councillors' Staff Salaries & Benefits	9,883	9,883	10,544	10,544	10,846	10,846	302	2.9%	302	2.9
Councillors' Office Budgets	2,256	2,256	2,336	2,336	2,336	2,336	0	0.0%	—	—
Councillors' Business Travel Expenses	—	—	50	50	50	50	0	0.0%	—	—
Councillors' General Expenses	1,690	1,690	1,363	1,363	1,313	1,313	(50)	(3.7%)	-50	-3.7
Total Program Budget	18,315	18,315	19,370	19,370	19,744	19,744	374	1.9%	374	1.9

CITY COUNCIL

2008 Operating Budget by Category

Table 2

(in \$000s)

Description of Category	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	16,207.4	15,853.1	16,624.1	416.7	2.6%	16,666.8	16,772.4
Materials and Supplies	2,066.4	138.1	2,066.4	0.0	0.0%	2,066.4	2,066.4
Equipment	17.0	84.6	17.0	0.0	0.0%	17.0	17.0
Services & Rents	501.0	1,489.9	457.6	(43.4)	(8.7%)	534.3	534.3
Contributions to Reserve/Res Funds	276.9	276.9	276.9	0.0	0.0%	276.9	276.9
Other Expenditures	301.7	393.3	301.8	0.1	0.0%	301.8	301.8
Total Gross Expenditures	19,370.4	18,235.9	19,743.8	373.4	1.9%	19,863.2	19,968.8
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.1	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	0.0	65.0	0.0	0.0	n/a	0.0	0.0
Total Non Tax Revenues	0.0	65.1	0.0	0.0	n/a	0.0	0.0
Net Budget (excluding Capital Financing)	19,370.4	18,170.8	19,743.8	373.4	1.9%	19,863.2	19,968.8
APPROVED POSITIONS	181.0	181.0	181.0	0.0	0.0%	181.0	181.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget will provide funding for City Council to formulate the City's strategic direction, priorities and policies, and to enable Councillors to act in their role as representative of their constituents and of the City.

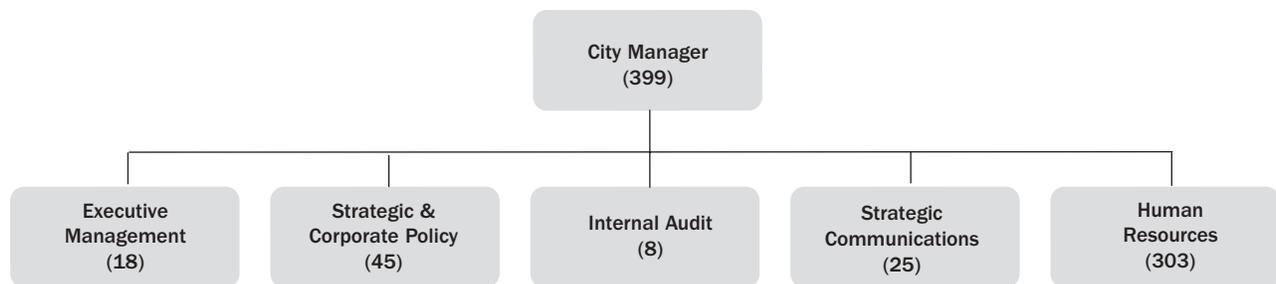
..... CITY MANAGER'S OFFICE

MISSION STATEMENT

The City Manager leads the municipal administration and provides guidance and advice to Council on the City's fiscal, organizational, intergovernmental and service challenges. The City Manager is accountable to Council for the policy direction and program delivery of all divisions and programs.

PROGRAM ORGANIZATIONAL CHART

As indicated in the program organizational chart, the City Manager has five service functions: Executive Management, Strategic & Corporate Policy, Strategic Communications, Internal Audit and Human Resources with 399 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Led and coordinated Toronto's participation in the Ontario Municipal CAOs and Benchmarking Initiative (OMBI) to collect 2006 data covering approximately 600 performance measures in 36 different program areas.
- Prepared Toronto's Performance Measurement and Benchmarking report.
- Led Toronto's participation in the World Bank's initiative for nine pilot cities in four countries to develop indicators of City performance for service delivery and quality of life.
- Completed the development of the Ombudsperson function and jurisdiction as required by the City of Toronto Act, 2006.
- Implemented the Lobbyist Registrar function and recruited the Lobbyist Registrar.
- Led, co-ordinated and supported the implementation of the City of Toronto Act, 2006.
- Conducted a review of the collection of outstanding fines in Court Services
- Performed a review of the operations of the Fair Wage Office
- Performed various contract management audits to assess the adequacy of controls
- Established controls and procedures over the new DPO limits in consultation with PMMD
- Developed and led the "One Cent of the GST Now!" campaign, including the creation and distribution of transit shelter posters, buttons, website and media relations to support the campaign, resulting in the adoption of the "ask" by the Federation of Canadian Municipalities
- Developed a joint Canada-Ontario-Toronto work plan to implement the Memorandum of Understanding on Immigration and Settlement
- Supported the City's Participation in the three key strategies of the Big Cities Mayor's Caucus including a National Transit Strategy, Revenues that Grow with the Economy, and Realignment of Roles and Responsibilities.
- Completed the relationship framework for the 8 Arena Boards
- Successfully launched a new online e-newsletter, Toronto City Update, which is sent to internal and external stakeholders to promote the City's recent innovations and achievements

CITY MANAGER'S OFFICE

- Supported Council advisory committees and structures working on equity and civic engagement issues
- Facilitated community advisory committees, working groups and mechanisms addressing Access, Equity and Human Rights
- Provided capacity support to agencies focussing on youth engagement, African women's coalition and governance and policy development for emerging organizations
- Developed guidelines for accessible electronic communications to staff in conjunction with Web Services. Contributed to the development of provincial standards through participation in Province of Ontario standards development process
- Reduced the backlog of grievances at the earliest possible stages through a deliberate, planning approach involving joint problem solving and mediation.
- Successfully negotiated a collective agreement with the Toronto Professional Fire Fighters' Association, Local 3888 using an interest-based approach
- Partnered with the Toronto Professional Fire Fighters' Association, Local 3888 to deliver joint Human Rights training to Toronto Fire Services management and Association representatives
- Launched a public website that provides information to citizens on the provisions of the City's Human Rights and Harassment Policy.
- Increased the number of City staff attending courses at the learning Centre over the previous year
- Partnered with the University of Western Ontario for a third intake of managers to the Diploma in Public Administration
- Designed and developed key indicators for tracking and measuring training and development activity on an annual basis
- Successfully co-ordinated the Profession to Profession Mentoring Program
- Implemented the Black/African Canadian Employment Equity Pilot to ensure the recruitment process addresses diversity goals
- Created quality assurance procedures and processes to ensure the City's hiring files are in compliance with corporate policies, standards and procedures
- Provided outreach to 13 priority neighbourhoods as part of the City's 2006-07 "Take Our Kids to Work" program
- Developed a comprehensive Human Resources Plan for 3-1-1 recruitment options, employees and labour relations issues, training and change management, compensation and employee communications
- Reduced the number of work related injuries and illnesses and associated cost through health and safety continuous improvement initiatives, enhanced prevention efforts and timely return to work
- Led the corporate Health & Safety continuous improvement initiative and worked collaboratively with Divisions, Unions and the Occupational Health and Safety Co-ordinating Committee to develop a strong health and safety culture to achieve the reduction in workplace injury and illness.

2008 PROGRAM OBJECTIVES

- Assess the efficiency and effectiveness of City programs.
- Implement and support the City's accountability framework and positions including the Integrity Commissioner, the Lobbyist Registrar and the Ombudsperson.
- Support Mayor and Council in setting priorities, strategic planning and corporate initiatives.
- Sustain and strengthen the corporate intergovernmental capacity by supporting the City. Manager, Deputy City Managers and Division Heads in the implementation of a focused, priority driven intergovernmental relations strategy which includes the 2-year review of the City of Toronto Act, 2006, Revenues that Grow with the Economy, the National Transit Strategy, Infrastructure Funding and the Fiscal and Service Delivery Review.
- Advocate to the federal and provincial governments for the City's position through funding, legislation (COTA and other pertinent legislation e.g. Environmental Assessment Act), regulation and program implementation to further the city's priorities.

CITY MANAGER'S OFFICE

- Develop new relationships as a result of government changes or changes in direction (Federal Provincial).
- Develop new relationships as a result of government changes or changes in direction (Federal Provincial).
- Develop, co-ordinate and implement strategic and corporate policies across the organization.
- Develop and advise on Council governance systems, structures and processes.
- Implement and coordinate policies and processes that ensure City programs and services are accessible and inclusive.
- Undertake follow up to implementation of AG recommendations outstanding for longer than 3 years.
- Build and promote corporate accountability
- Promote risk management and mitigation strategies
- Facilitate civic involvement and participation among equity seeking groups.
- Initiate and support capacity building among emerging communities.
- Provide direction and support to Council and the Toronto Public Service to ensure the City is well led, organized, transparent and accountable; and to implement the City's policy direction as mandated by Council.
- Ensure City programs, services and decisions are accessible and inclusive and to achieve equitable participation in the social, cultural, economic and political life of Toronto.
- Provide professional and objective analysis and advice to the Mayor and Council on the City's financial, governance, organizational, intergovernmental, policy and service priorities.
- Foster a continuous improvement culture within a planned labour relations environment
- Promote effective labour relations problem resolution and training
- Ensure the Toronto Public Service has the skills, knowledge and ethical integrity to delivery city services
- Enhance the ability of City Divisions to undertake critical workforce and strategic human resource planning in order to address emerging workforce issues
- Ensure a professional Toronto Public Service through effective outreach, recruitment and selection
- Build a respectful Toronto Public Service that reflects the diversity of the community which it serves
- Ensure a strong health and safety culture at the City.

2008 STRATEGIC PRIORITIES

The 2008 Budget for City Manager supports the following strategic priorities outlined in the Council's policy agenda:

- Organizational Leadership & Accountability
- Responsiveness to Diverse Communities
- Strategic Advice to Council
- Employee & Labour Relations
- Organizational Effectiveness
- Workforce Planning and Staffing
- Workplace Health & Safety

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget supports the Program in overseeing corporate, interdivisional and intergovernmental business and human resources activities, responding to the requests and needs of City Council, and providing business, operational and administrative support to the City Manager and the senior management team.

2008 OPERATING BUDGET

The 2008 Operating Budget for City Manager of \$39.651 million gross represents a \$0.193 million or 0.5% decrease compared to 2007. The 2008 net operating budget of \$37.391 million reflects no increase over the 2007 net budget as shown in Tables 1 and 2.

CITY MANAGER'S OFFICE

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Executive Management	2,061	2,061	2,077	2,077	2,077	2,077	0	0.0%	—	—
Strategic & Corporate Policy	3,979	3,979	4,251	4,251	4,251	4,251	0	0.0%	—	—
Internal Audit	979	447	985	412	1,028	412	43	4.4%	—	—
Strategic Communications	2,728	2,548	2,658	2,610	2,652	2,610	(6)	(0.2%)	—	—
Human Resources	29,772	27,937	29,873	28,041	29,643	28,041	(230)	(0.8%)	—	—
Total Program Budget	39,519	36,972	39,844	37,391	39,651	37,391	(193)	(0.5%)	—	—

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	36,064.7	34,686.9	36,075.4	10.7	0.0%	38,871.7	38,871.7
Materials and Supplies	301.3	224.2	267.1	(34.2)	(11.4%)	301.3	301.3
Equipment	127.4	58.7	106.8	(20.6)	(16.2%)	127.3	127.3
Services & Rents	2,770.3	2,622.3	2,656.7	(113.6)	(4.1%)	2,770.3	2,770.3
Contributions to Reserve/Res Funds	84.9	85.0	84.9	0.0	0.0%	84.9	84.9
Other Expenditures	495.8	441.0	460.6	(35.2)	(7.1%)	495.8	495.8
Total Gross Expenditures	39,844.4	38,118.1	39,651.5	(192.9)	(0.5%)	42,651.3	42,651.3
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	30.0	0.0	0.0	(30.0)	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	16.9	(12.5)	15.9	(1.0)	(5.9%)	15.9	15.9
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	2,406.9	2,556.9	2,245.0	(161.9)	(6.7%)	2,245.0	2,245.0
Total Non Tax Revenues	2,453.8	2,544.4	2,260.9	(192.9)	(7.9%)	2,260.9	2,260.9
Net Budget (excluding Capital Financing)	37,390.6	35,573.7	37,390.6	(0.0)	(0.0%)	40,390.4	40,390.4
APPROVED POSITIONS	399.0	375.0	399.0	0.0	0.0%	399.0	399.0

2009/2010 OPERATING BUDGET OUTLOOK

- City Manager Operating Budget supports the City Manager's Office Service Delivery Plan and the Program in accomplishing its governance and oversight responsibilities and various legislated requirements.

..... SUSTAINABLE ENERGY PLAN

2008 CAPITAL BUDGET AND 2009–2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

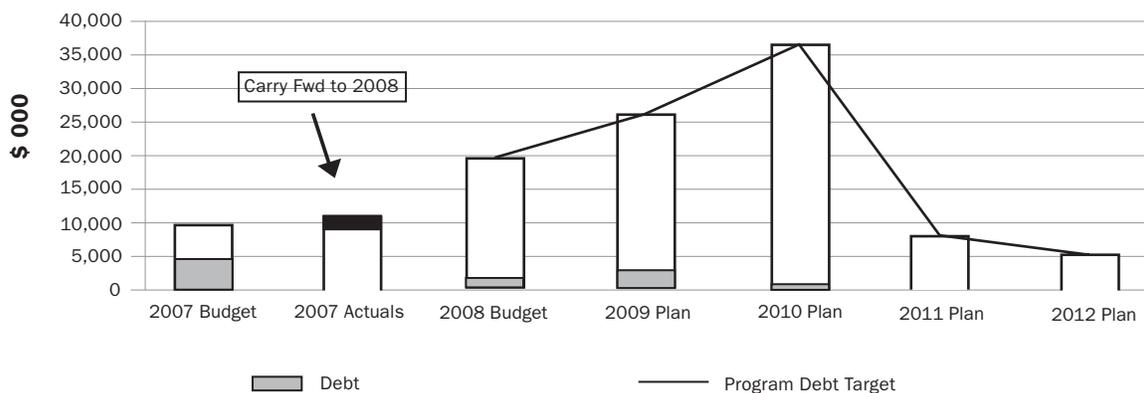
The Five-Year Sustainable Energy Plan incorporates the continuation of the existing Energy Retrofit Program and the Better Buildings Construction Program. It also includes four new initiatives that were approved in principle by City Council through the Climate Change, Clean Air and Sustainable Energy Action Plan: Moving from Framework to Action report. In total, \$84 million has been recommended for these new projects: the Toronto Energy Conservation Fund (\$42 million); City of Toronto Green Fund (\$20 million); City Facilities Upgrades (\$13 million) and Deep Lake Water Cooling (\$9 million).

The 2008 Capital Budget and 2009-2012 Capital Plan for Sustainable Energy Plan totals \$95.948 million and requires cash flows of \$20.153 million in 2008; \$25.569 million in 2009; \$37.181 million in 2010; \$7.978 million in 2011; and \$5.067 million in 2012.

No debt target has been established for this program. Funding for the Sustainable Energy Plan is provided through a combination of reserve funding, recoverable debt and funding provided from the Federation of Canadian Municipalities (for Energy Retrofit projects only).

All projects included in the Sustainable Energy Plan are categorized as service improvement projects and will advance the City's strategic priority to develop a comprehensive climate change plan to cut greenhouse gas emissions to help combat global warming.

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



SUSTAINABLE ENERGY PLAN

	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	8,591	5,869	5,100	2,000				7,100
Recommended Changes to Commitments			(800)	700				(100)
2008 New/Change in Scope and Future Year Commitments			15,853					15,853
2009–2012 Plan Estimates				22,869	37,181	7,978	5,067	73,095
1-Year Carry Forward to 2008		2,722						
Total Gross Annual Expenditures & Plan	8,591		—	—	—	—	—	—
Program Debt Target								
Financing:								
Recommended Debt	5,008		1,916	2,437	896			5,249
Other Financing Sources:								
Reserves/Reserve Funds			8,598	5,319	6,986	3,978	2,067	26,948
Development Charges								
Federal								
Provincial	3,853							
Other Revenue			9,639	17,813	29,299	4,000	3,000	63,751
Total Financing	8,591		20,153	25,569	37,181	7,978	5,067	95,948
By Category:								
Health & Safety								
Legislated								
SOGR								
Service Improvement	9,226		20,153	25,569	37,181	7,978	5,067	95,948
Growth Related								
Total By Category	9,226		20,153	25,569	37,181	7,978	5,067	95,948
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs				(160)	(608)	(200)	(100)	(1,068)
Debt Service Costs								

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Sustainable Energy Plan advances the City's strategic priority by implementing the objectives of the City's climate change plan to cut greenhouse gas emissions to help combat global warming by establishing various conservation programs for the City, the MUSH sector and for privately-owned buildings. The Sustainable Energy Plan will explore ways that the City can cut emissions and encourage residents to do the same.

SUSTAINABLE ENERGY PLAN

- Develop a comprehensive climate change plan to cut greenhouse gas emissions to help combat global warming
 - > Energy Retrofit (\$6.7 million). The Energy Retrofit projects included in the Five-Year Capital Plan consist of three on-going projects: Community Centre Facilities, Police Buildings and the City's 8 Transfer Stations. Five new projects will get underway in 2008: Energy Retrofit in Public Health Buildings, Community Centre Lighting, Retrofits in Ambulance Stations, Retrofits in Children's Services facilities and Boiler/Lighting Retrofits at Exhibition Place.
 - > Sustainable Energy Action Plan (\$84 million). Four new initiatives are recommended for start up in 2008. These are: the Toronto Energy Conservation Fund, City of Toronto Green Fund, City Facilities Upgrades and Deep Lake Water Cooling. Each of these four initiatives will encourage energy efficiency.
 - > Better Buildings New Construction Program (\$5.2 million). This is an on-going program which supports the improvement of design and construction of new buildings, in co-operation with Toronto Hydro.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008 Capital Budget will result in utility cost savings in various City Programs and ABC operating budgets. The savings will be realized in the Facilities and Real Estate, Community Centres, Toronto Public Health, Emergency Medical Services, Children's Services and Exhibition Place future year budgets in the total amount of \$1.068 million over four years as follows: \$0.160 million in 2009, \$0.608 million in 2010, \$0.200 million in 2011 and \$0.100 million in 2012.

For the Community Centres, Toronto Public Health, Emergency Medical Services, Children's Services and Exhibition Place, these savings will be used to pay back the debt used to fund the retrofit program. Once the debt has been repaid, the operating budgets for the Programs and ABCs will include these cost savings.

The savings to be realized from the City Hall Retrofit and Deep Lake Water Cooling at City Hall will be reflected in the Facilities and Real Estate's 2009 and future year operating budgets.

STATE OF GOOD REPAIR BACKLOG

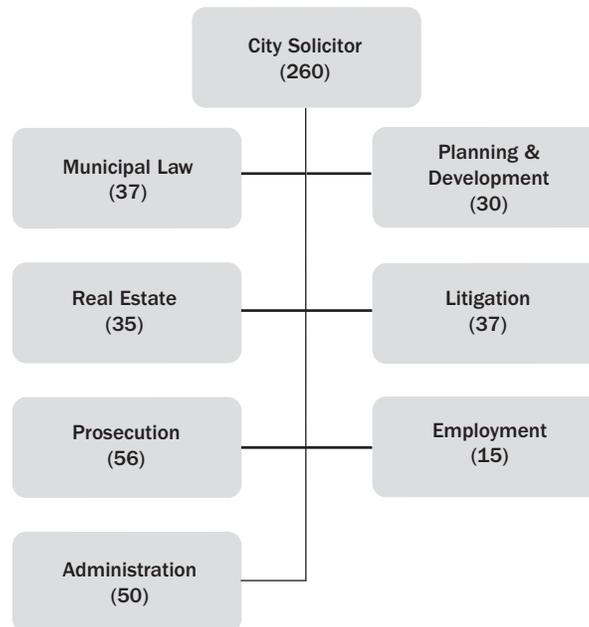
The program does not have a backlog of projects.

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 MAP



2007 KEY ACCOMPLISHMENTS

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:

- New City of Toronto Act negotiations
- Street Furniture RFP
- Bank Towers Assessment Appeal
- Official Plan and Waterfront Secondary Plan Appeals
- Spadina Subway Extension Project
- Brickworks Redevelopment
- Transfer of East Bayfront Lands from TEDCO
- Exclusion Grievance Arbitration
- Mandatory Retirement
- Security Guards Certificate
- Human Rights Complaint relating to the Installation of Audible Pedestrian Signals
- Turtle Island

LEGAL SERVICES

2008 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 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 bylaws and actions.
- Prosecution: Prosecutes violations of provincial statutes and regulatory bylaws, provides training to City inspectors, and negotiates agreements respecting provincial offences.
- Planning and Development Law: Provides expert advice related to planning and development law (Official Plan and zoning bylaws), drafts development agreements and represents the City's interests at the Ontario Municipal Board and Alcohol and Gaming Commission.

2008 STRATEGIC PRIORITIES

Resources will continue to 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.

The new City of Toronto Act will provide greater powers for the City. It is anticipated that there will be an increased demand for legal services in implementing the City's new and expanded powers.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Defend the interests of the City of Toronto in a timely and cost-effective manner.
- Provide independent legal advice, participate in interdisciplinary committees and providing strategic legal research.
- Effectively represent the City and its Agencies, Boards and Commissions in matters related to Employment law.
- Drafting contracts and opinions related to various issues dealing with the City's operations.
- Provide expert advice and services in the area of real estate law including land purchases, sales, expropriations, leasing and licensing, discharges, tax sales and road closings.
- Effectively represent and defend the City of Toronto in litigation matters and Charter challenges to City bylaws and actions.
- Prosecute violations of provincial statutes and regulatory bylaws, provide training to City inspectors, and negotiate agreements respecting provincial offences.
- Providing assistance and strategic advice related to planning and development law (Official Plan and zoning bylaws) and representing the City's interests at the Ontario Municipal Board and Alcohol and Gaming Commission.

LEGAL SERVICES

2008 OPERATING BUDGET

The 2008 Operating Budget for Legal Services of \$36.681 million net gross represents a \$4.865 million or 15.3% increase compared to 2007. The 2008 net operating budget of \$20.903 million reflects a \$1.329 million or 6.8% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Municipal	5,206	2,882	5,183	2,879	6,077	2,924	894.3	31.1%	45.0	1.6
Litigation	5,197	3,146	5,536	3,241	5,653	3,171	116.7	3.6%	-70.3	-2.2
Administration	2,356	2,119	2,443	2,191	2,548	2,264	105.4	4.8%	73.4	3.4
Planning	4,179	3,207	4,454	3,333	4,715	3,535	261.1	7.8%	202.5	6.1
Real Estate	4,398	3,810	4,400	3,509	4,583	3,931	183.2	5.2%	421.9	12.0
Employment	2,217	2,167	2,330	2,280	2,561	2,511	230.6	10.1%	230.6	10.1
Prosecutions	5,866	1,827	7,470	2,141	10,543	2,566	3,072.8	143.5%	424.6	19.8
Total Program Budget	29,419	19,158	31,816	19,574	36,680	20,902	4,864.1	24.8%	1,327.7	6.8

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	27,401.6	26,921.8	29,666.1	2,264.5	8.3%	22,482.1	22,482.1
Materials and Supplies	452.1	450.4	449.7	(2.4)	(0.5%)	1,280.0	1,280.0
Equipment	67.7	51.1	67.7	0.0	0.0%	151.9	151.9
Services & Rents	1,369.9	1,663.7	1,372.4	2.5	0.2%	6,914.6	6,817.6
Contributions to Reserve/Res Funds	56.6	56.6	56.6	0.0	0.0%	1,298.0	1,298.0
Other Expenditures	2,468.0	5,053.2	5,068.0	2,600.0	105.3%	1,431.9	1,431.9
Total Gross Expenditures	31,815.9	34,196.8	36,680.5	4,864.6	15.3%	33,558.5	33,461.5
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	282.7	282.7
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	214.2	214.2
Other Subsidies	9,472.0	12,567.7	13,197.4	3,725.4	39.3%	170.0	170.0
User Fees, Permits & Donations	1,695.0	1,819.6	1,740.4	45.4	2.7%	2,204.4	2,204.4
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	1,017.0	1,017.0
Other Revenues	1,074.7	1,402.4	839.8	(234.9)	(21.9%)	3,398.9	3,301.9
Total Non Tax Revenues	12,241.7	15,789.7	15,777.6	3,535.9	28.9%	7,287.2	7,190.2
Net Budget (excluding Capital Financing)	19,574.2	18,407.1	20,902.9	1,328.7	6.8%	26,271.3	26,271.3
APPROVED POSITIONS	256.0	256.0	260.0	4.0	1.6%	279.8	279.8

LEGAL SERVICES

2009/2010 OPERATING BUDGET OUTLOOK

It is expected that significant resources will continue to be required to implement the broad and permissive powers obtained in the new City of Toronto Act. The Division is reallocating resources to provide strategic legal assistance in the new area of climate change.

ROLE OF THE MAYOR AS HEAD OF COUNCIL

- to act as chief executive officer of the City;
- to preside over meetings of council so that its business can be carried out efficiently and effectively;
- to provide leadership to council;
- to represent the City at official functions; and to carry out the duties of the head of council under the City of Toronto Act, 2006.

ROLE OF THE MAYOR AS CHIEF EXECUTIVE OFFICER

- uphold and promote the purposes of the City;
- promote public involvement in the City's activities;
- act as the representative of the City both within and outside the City, and promote the City locally, nationally and internationally; and
- participate in and foster activities that enhance the economic, social and environmental well-being of the City and its residents.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the resources required for the Mayor to act in his role as head of Council and Chief Executive Officer for the City of Toronto.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Mayor's Office of \$2.601 million gross and net represents a \$0.160 million or 1.9% increase compared to 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Mayor's Office	1,886	1,886	2,441	2,441	2,601	2,601	160	6.6%	160	6.6
Total Program Budget	1,886	1,886	2,441	2,441	2,601	2,601	160	6.6%	160	6.6

MAYOR'S OFFICE

2008 Operating Budget by Category

Table 2

(in \$000s)

Description of Category	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	2,092.6	1,681.2	2,251.3	158.7	7.6%	2,460.0	2,529.2
Materials and Supplies	26.0	7.8	26.0	0.0	0.0%	26.0	26.0
Equipment	53.0	7.1	53.0	0.0	0.0%	53.0	53.0
Services & Rents	227.6	317.4	248.6	21.0	9.2%	248.4	248.4
Contributions to Reserve/Res Funds	3.5	3.5	3.5	0.0	0.0%	3.5	3.5
Other Expenditures	38.5	22.5	18.7	(19.8)	(51.4%)	18.7	18.7
Total Gross Expenditures	2,441.2	2,039.5	2,601.1	159.9	6.6%	2,809.6	2,878.8
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Total Non Tax Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Net Budget (excluding Capital Financing)	2,441.2	2,039.5	2,601.1	159.9	6.6%	2,809.6	2,878.8
APPROVED POSITIONS	23.0	23.0	23.0	0.0	0.0%	23.0	23.0

2009/2010 OPERATING BUDGET OUTLOOK

The 2009/2010 Operating Budget will provide funding for the Mayor's Office to continue to maintain the 2008 Service Levels and deliver his priorities for a City of prosperity, liveability and opportunity for all.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The 2008 Capital Budget and 2009-2012 Capital Plan for Union Station is comprised of ongoing state of good repair projects. A Building Condition Assessment was carried out during 2007 and is the basis of the new state of good repair projects, health & safety and service improvement projects that have been identified in the 2008 Five-Year Capital Budget for Union Station. The Service Improvement projects include the South Access Tunnel, the construction of a loading dock and the Security Response System Project. In total, \$92.992 million has been recommended for the Five-Year Capital Plan for the restoration of Union Station.

ONGOING STATE OF GOOD REPAIR PROJECTS

The ongoing state of good repair projects include the replacement of the Terrazzo Flooring of the Great Hall project (\$0.491 million), the Copper Roof Repairs project (\$2.247 million) and the Exterior Façade project (\$0.408 million) which will be completed by 2009. The Health and Safety-related projects include the replacement of the Pedestrian Bridge along Front Street (\$4.056 million) which will be completed in 2008, the York Street Expansion Joint project Phase 2 (\$0.762 million) will be completed in 2008 and the South Access Tunnel (\$3.000 million) will be completed in 2008.

NEW STATE OF GOOD REPAIR PROJECTS

The new state of good repair projects are supported by the Building Condition Assessment. They have been categorized into the following project types: Interior Finishes, Mechanical and Electrical projects, Structural projects, Environmental projects, Emergency Fund for Capital Repairs that may be required and the Revitalization and Heritage Fees project. Total funding in the amount of \$56.709 million has been included in the Recommended Five-Year Capital Plan.

SERVICE IMPROVEMENT PROJECTS

The two new service improvement projects include: the Construction of a Loading Dock and the Union Station Data Response Security project. The loading dock will be constructed at the southwest corner of Union Station. Construction of the loading dock will be coordinated with GO Transit's train track work and platform reconstruction. The total cost for the loading dock project is \$2.880 million (\$0.240 million in 2008, \$2.040 million in 2009 and \$0.600 million in 2010).

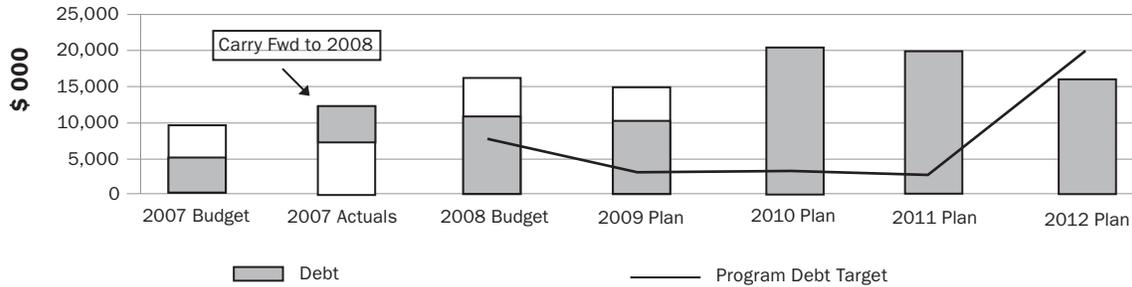
The South Access Tunnel project is also a service improvement project that is currently under construction and is anticipated to be completed by the end of 2008. The south tunnel will provide a pedestrian connection between Union Station and a proposed south entrance from Union Plaza, south of the train tracks. The connection will support the increase in pedestrian traffic through Union Station and provide an additional emergency exit from the Station.

UNION STATION REVITALIZATION PLAN

The Union Station Revitalization Team is working on a plan to revitalize Union Station, improve Union Station as a transportation hub. Staff will be reporting to Council on a recommended strategy and business model to fund and implement the revitalization of Union Station. Federal funding of \$25 million has been committed to Union Station for the revitalization of Union Station. The City is currently negotiating an agreement with the Federal Government.

UNION STATION

Five-Year Capital Plan (2008 Budget, 2009 — 2012 Plan)



	2007		Five-Year Plan					2008-2012
	Budget	Projected Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	9,425	7,166	8,093	731	228			9,052
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			8,450	6,245	3,115	4,151	5,023	26,984
2009–2012 Plan Estimates				7,915	16,910	15,899	11,227	51,951
1-Year Carry Forward to 2008		5,005						
Total Gross Annual Expenditures & Plan	9,425	12,171	16,543	14,891	20,253	20,050	16,250	87,987
Program Debt Target	3,643		7,183	3,338	4,003	3,800	19,614	37,938
Financing:								
Recommended Debt	5,143		10,383	11,088	20,253	20,050	16,250	78,024
Other Financing Sources:								
Reserves/Reserve Funds								0
Development Charges								0
Federal	4068		2,948	3,803				6,751
Provincial								0
Other Revenue	214		3,212	0	0	0	0	3,212
Total Financing	9,425		16,543	14,891	20,253	20,050	16,250	87,987
By Category:								
Health & Safety	3,123		2,646	861	9	9	9	3,534
Legislated	0							
SOGR	520		3,814	8,132	20,244	20,041	16,241	68,472
Service Improvement	5,782		10,083	5,898	0	0	0	15,981
Growth Related								
Total By Category	9,425		16,543	14,891	20,253	20,050	16,250	87,987
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)		196,769	190,495	180,858	161,964	143,274	128,282	128,282
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			311	1,475	1,827	2,829	2,693	9,135

UNION STATION

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan is aligned with the following strategic priority:

- *A Cleaner and More Beautiful City* – Developing a comprehensive public space beautification plan for public spaces that require refurbishment and improvement

The report entitled 'Union Station District Plan – Area Bounded by Bay Street, Wellington Street, Simcoe Street, the Rail Corridor, Rees Street and Lake Shore Boulevard/Harbour Street' was adopted by Council at its meeting on June 27, 28 and 29, 2006. By adoption of the report, City Council approved the adoption of the Union Station District Plan which addresses improvements to the public realm surrounding Union Station and supports the recognition of the district as a Heritage Conservation District. The 5 Year Capital Plan for Union Station includes one project 'The Revitalization and Heritage Fees project' which will assist in developing the Plan. A Master Plan Implementation Group has been established and will be providing a report by the end of Fall on a strategy to fund and implement the Revitalization Plan for Union Station.

Other Key Capital Initiatives:

Union Station's Five-Year Capital Plan includes the following major capital initiatives.

- The Union Station Security Project
- The Union Station Security Response Project
- The Union Station Loading Dock Project

The projects in the Five-Year Capital Plan are primarily service improvement projects focussing on upgrading the Union Station's Security measures. The loading dock will be constructed at the south west corner which will allow larger trucks easier access to deliver items to the facility.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

There are currently no incremental program operating impacts associated with the 2008 Capital Budget and 2009-2012 Capital Plan for Union Station.

STATE OF GOOD REPAIR BACKLOG

A backlog listing of Projects was provided which identified funding requirements of \$196.769 million to complete the projects. This backlog of projects is a result of the Building Condition assessment that was completed in 2007. The Five-Year Capital Plan identifies funding requirements of approximately \$80 million to address backlog.

ACCOUNTABILITY OFFICES

CITY OF TORONTO
2008 BUDGET SUMMARY



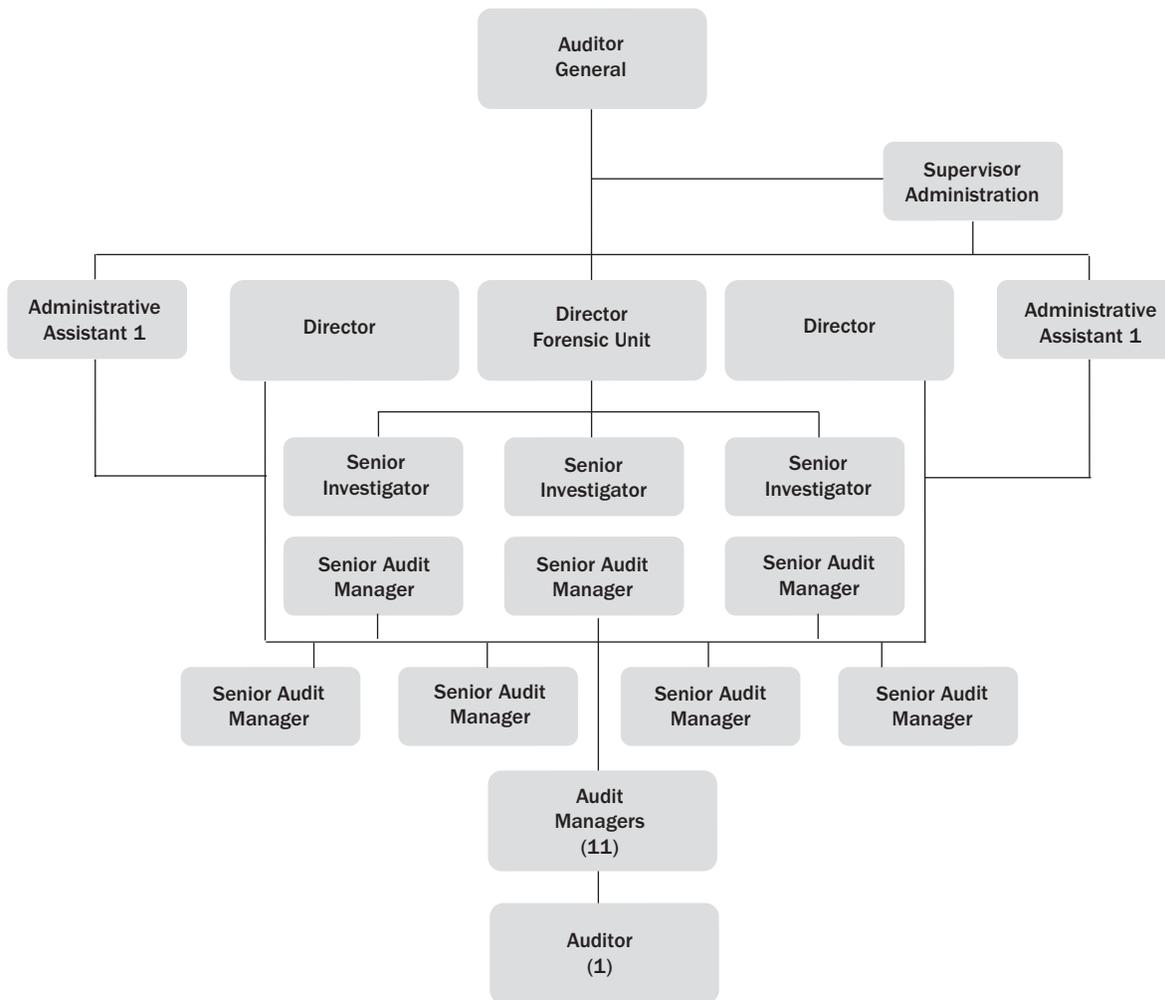
..... AUDITOR GENERAL'S OFFICE

MISSION STATEMENT

- To be recognized as a leading audit organization, respected by our clients and peers for excellence, innovation and integrity, in supporting the City of Toronto to become a world class organization.

PROGRAM MAP

The Auditor General's Office has an approved complement of 29 approved positions.



AUDITOR GENERAL'S OFFICE

2007 KEY ACCOMPLISHMENTS

- Completed the co-ordination of the complaint activity of the Fraud and Waste Hotline with the new role of the Ombudsman created under the City of Toronto Act to eliminate potential overlap of responsibilities.
- Completed the formal follow-up process for City Local board audit recommendations and the annual follow-up for City divisional audit recommendations from 2006 and prior audit reports.
- Communicated and coordinated with the external auditors to ensure efficient and effective use of these resources was completed. In 2007, the Auditor General's Office issued a Request for Proposal which initiated a new service agreement for external audit services for a two year period to commence in 2008.

2008 PROGRAM OBJECTIVES

The Auditor General, in addition to the development of a risk-based Annual Audit Work Plan, has developed the following objectives for 2008:

- Ensure that adequate organizational supports and quality assurance measures are in place for ongoing successful peer reviews of the Auditor General's Office.
- Complete and report on the formalized follow-up process related to recommendations made in prior audit reports with respect to Agencies, Boards and Commissions. This systematic formal follow-up process will be completed annually as part of the Annual Audit Work Plan to ensure timely follow-up to audit recommendations.
- Allocating the appropriate audit resources in the areas which are the highest risk or provide the greatest return to the City.
- Reviewing resources to address future staffing to maintain the current and future demands relating to the increase in activity for the Fraud Waste Hotline.
- Conducting special assignments and forensic investigations in areas suspected of fraudulent activities and misuse of City resources.
- Evaluating the adequacy of the City's policies and systems of internal control, from a financial and an operational perspective.
- Establish pro-active initiatives to combat fraud and irregular activities.
- Communicate with other entities including restricted local boards, Toronto Police Services, Toronto Public Library, Toronto Board of Health and other entities such as the Toronto Transit Commission to monitor issues and audit work that impacts the City.
- Ensure that all Auditor General's Office staff have the necessary technical and management skills as well as a knowledge of City operations, to effectively carry out their duties and responsibilities.

2008 STRATEGIC PRIORITIES

- The Auditor General's Office will be completing a comprehensive City-wide risk assessment. This is a significant exercise that is done, in detail, every five years. The exercise assists the Auditor General in prioritizing potential audits, assessing the level of risk and evaluating the liabilities to the City. Performing the assessment provides the Auditor General the ability to allocate audit resources and ensure that the level of auditing is appropriate for the City.
- Implementing pro-active Fraud Hotline initiatives to eliminate fraud and irregular activities and provide management with effective fraud deterrent solutions.
- Directing the use of audit resources through the 2008 Audit Work Plan based on a priority setting risk assessment exercise to focus on value for money reviews in those areas which potentially pose the greatest risk or provide the greatest value/return to the City.

AUDITOR GENERAL'S OFFICE

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Conducting operational audits, evaluating the management of public funds and resources from a standpoint of economy, efficiency and effectiveness, and making recommendations on operating improvements;
- Evaluating procedures used by management to measure and report on program effectiveness including an evaluation relating to the results or benefits achieved, and whether the programs or activities are meeting established objectives
- Reviewing the Information and Technology infrastructure in selected areas for assurance that the proper controls, an emergency plan and security measures are in place.
- Allocating the appropriate audit resources, based on the 2008 Audit Work Plan, in the areas which are the highest risk or provide the greatest return to the City.
- Completing a formal follow-up process for City Local board audit recommendations and for City program audit recommendations from prior audit reports.
- Reviewing resources to address staffing to maintain the current and future demands relating to the significant increase in activity to the Fraud Waste Hotline.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Auditor General's Office of \$4.147 million gross and net represents a \$0.159 million or 4.0% increase compared to 2007 as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Auditor General	3,881	3,881	3,988	3,988	4,147	4,147	159.0	4.0%	159.0	4.0
Total Program Budget	3,881	3,881	3,988	3,988	4,147	4,147	159.0	4.0%	159.0	4.0

AUDITOR GENERAL'S OFFICE

2008 Operating Budget by Category

Table 2

(in \$000s)

Description of Category	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	3,519.1	3,491.7	3,690.2	171.1	4.9%	22,482.1	22,482.1
Materials and Supplies	20.2	14.9	14.8	(5.4)	(26.7%)	1,280.0	1,280.0
Equipment	10.4	2.3	8.3	(2.1)	(20.2%)	151.9	151.9
Services & Rents	409.4	365.4	405.6	(3.8)	(0.9%)	6,914.6	6,817.6
Contributions to Reserve/Res Funds	5.6	5.6	5.6	0.0	0.0%	1,298.0	1,298.0
Other Expenditures	24.0	22.4	22.8	(1.2)	(5.0%)	1,431.9	1,431.9
Total Gross Expenditures	3,988.7	3,902.3	4,147.3	158.6	4.0%	33,558.5	33,461.5
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	282.7	282.7
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	214.2	214.2
Other Subsidies	0.0	0.0	0.0	0.0	n/a	170.0	170.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	2,204.4	2,204.4
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	1,017.0	1,017.0
Other Revenues	0.0	0.0	0.0	0.0	n/a	3,398.9	3,301.9
Total Non Tax Revenues	0.0	0.0	0.0	0.0	n/a	7,287.2	7,190.2
Net Budget (excluding Capital Financing)	3,988.7	3,902.3	4,147.3	158.6	4.0%	26,271.3	26,271.3
APPROVED POSITIONS	29.0	29.0	29.0	0.0	0.0%	279.8	279.8

2009/2010 OPERATING BUDGET OUTLOOK

- Ensuring that all previously approved audit recommendations have been implemented.
- Raising auditing standards to meet the continual changes in Government Auditing Standards.
- Assessing various options to ensure the level of auditing is appropriate for the City and providing sufficient resources to adequately audit the City and its Agencies, Boards and Commission.
- Addressing long-term staffing levels for the Fraud and Waste Hotline.

..... LOBBYIST REGISTRAR

At its meeting of February 5, 6, 7 and 8, 2007, City Council approved a lobbying control framework. The lobbying control framework encompasses the lobbyists' code of conduct, offence provisions, the lobbyist registry and the responsibilities of the Lobbyist Registrar. The lobbying control framework brings the City into compliance with the mandatory requirements of the City of Toronto Act, 2006. Section 168 of the City of Toronto Act, 2006 authorizes the City to appoint a registrar for lobbying matters and to assign functions to the registrar. Section 165 of the Act requires the City to establish a registry of returns filed by persons who lobby public office holders and section 166 of the Act identifies the provision for a registration system.

2008 OPERATING BUDGET HIGHLIGHTS

- The establishment of a fully operational Lobbyist Registry in 2008.
- The Lobbyist Registrar's office will be educating the lobbyists, the public and public office holders on the process and requirements of registering
- Maintaining the ongoing communication, education and training that will be required to use the registry.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Lobbyist Registrar of \$0.711 million net represents a \$0.436 million increase compared to 2007 Operating Budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Lobbyist Registrar	—	—	275	275	711	711	436.0	158.5%	436.0	158.5
Total Program Budget	—	—	275	275	711	711	436.0	158.5%	436.0	158.5

LOBBYIST REGISTRAR

2008 Operating Budget by Category

Table 2

(in \$000s)

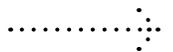
Description of Category	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	229.7	216.2	624.3	394.6	171.8%	639.4	653.1
Materials and Supplies	5.6	1.7	5.9	0.3	5.4%	4.9	4.9
Equipment	0.0	34.9	2.0	2.0	n/a	2.0	2.0
Services & Rents	40.0	13.9	59.7	19.7	49.3%	38.1	38.1
Contributions to Reserve/Res Funds	0.0	0.0	1.4	1.4	n/a	1.4	1.4
Other Expenditures	0.0	1.3	18.0	18.0	n/a	40.5	40.5
Total Gross Expenditures	275.3	268.0	711.3	436.0	158.4%	726.3	740.0
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Total Non Tax Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Net Budget (excluding Capital Financing)	275.3	268.0	711.3	436.0	158.4%	726.3	740.0
APPROVED POSITIONS	3.0	3.0	5.0	2.0	66.7%	5.0	5.0

2009/2010 OPERATING BUDGET OUTLOOK

The Lobbyist Registrar will be reviewing resource requirements for running the Lobbyist Registry including the complaints and investigations function.

CORPORATE ACCOUNTS

CITY OF TORONTO
2008 BUDGET SUMMARY



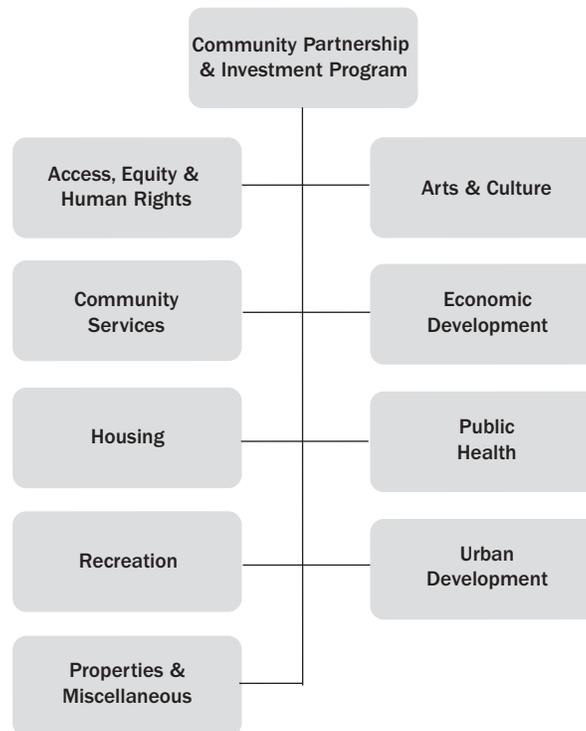
COMMUNITY PARTNERSHIP AND INVESTMENT PROGRAM

MISSION STATEMENT

The Community Partnership and Investment Program (CPIP) contributes to the enhancement of the quality of life in the City of Toronto, through community capacity-building and service delivery. 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 MAP

As indicated in the program map, CPIP has nine service functions: Arts & Culture, Community Services, Recreation, Public Health, Housing, Access, Equity and Human Rights, Economic Development, Urban Development, and Properties & Miscellaneous.



Total Approved Positions = 0

COMMUNITY PARTNERSHIP AND INVESTMENT PROGRAM

2007 KEY ACCOMPLISHMENTS

- Assessed 3,180 funding applications, recommend 2,106 awards, and deliver 135 client support workshops
- Increased number of projects funded in priority neighbourhoods by Council from 446 in 2006 to 453 in 2007
- Served over 3,870,257 individuals directly by the funded activities
- Maintained funding capacity at 60% compared to total requested and 92% of the eligible applications were funded

2008 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

2008 STRATEGIC PRIORITIES

- Making a Safe City Safer:
 - > Continue to facilitate access to services that improve social outcomes for vulnerable, marginalized and high-risk communities through the Community Services funding envelope.
- A Clean and Beautiful City:
 - > The Graffiti Transformation Program employs youth for removing graffiti and resurfacing the walls with attractive murals, through grants to community organizations.
- A Creative City:
 - > Contributes to a creative city through the 6 funding programs in the Arts & Culture funding envelope, of which together will provide over 600 programs in 2008.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Invest in Toronto's arts community through Culture Plan with enhanced funding of \$0.597 million to Toronto Arts Council (TAC) to increase the level of funding provided to existing arts organizations, as well as funding approximately 22 additional individual artist programs;
- Increasing arts programs for youth, at-risk youth, seniors, schools and targeted neighbourhoods through additional funding of \$0.400 million to the major Cultural Organizations, which include the Canadian Opera Company, the National Ballet of Canada, The National Ballet School, the Art Gallery of Ontario, the George Gardiner Museum of Ceramics, Festival Management Committee (Caribbana), Pride Toronto, and the Toronto Symphony Orchestra;
- Enhance arts and culture opportunities for youth and underserved groups including seniors, Aboriginal, individuals with disabilities, and newcomers to the City through the proactive, innovative, and affordable arts programming provided by the Local Arts Service Organizations;
- Further address local needs for programming for seniors, women and children, youth and families through additional funding of \$0.350 million to the Community Services Partnership program. The enhanced funding will allow for an additional 10 to 16 programs, of which at least 4 to 5 of the programs will be in the priority neighbourhoods; and,

COMMUNITY PARTNERSHIP AND INVESTMENT PROGRAM

- Provide additional supports to communities in developing structures and skills in response to communities' need through enhanced funding of \$0.117 million to the Service Development Investment program. The additional funding will allow for three new projects, with focuses on developing capacity for better services, training, community development/engagement, as well as developing governance structures and service linkages.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Arts & Culture	16,092	16,092	17,016	16,945	18,042	18,042	1,026.0	6.0%	1,097.0	6.5%
Community Services	12,519	12,519	13,150	13,150	13,694	13,694	544.1	4.1%	544.1	4.1%
Recreation	1,317	1,317	1,377	1,377	1,377	1,377	0.0	0.0%	—	0.0%
Public Health	4,925	4,925	5,225	5,225	5,225	5,225	0.0	0.0%	—	0.0%
Housing	2,484	2,484	2,484	2,484	2,407	2,407	(77.1)	(3.1%)	(77.1)	(3.1%)
Access & Equity	774	774	774	774	774	774	0.0	0.0%	—	0.0%
Economic Development	541	541	556	556	556	556	0.0	0.0%	—	0.0%
Urban Development	578	309	259	0.0	259	0.0	0.0	0.0%	—	0.0%
Properties & Miscellaneous	1,213	1,213	1,192	1,192	1,192	1,192	0.0	0.0%	—	0.0%
Total Program Budget	40,444	40,175	42,032	41,702	43,525	43,266	1,493.0	3.6%	1,564.0	3.8%

COMMUNITY PARTNERSHIP AND INVESTMENT PROGRAM

2008 Operating Budget by Category

Table 2

(in \$000s)

Description of Category	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits				0.0	n/a	0.0	0.0
Materials and Supplies				0.0	n/a	0.0	0.0
Equipment				0.0	n/a	0.0	0.0
Services & Rents	62.8	61.8	62.8	0.0	0.0%	62.8	62.8
Contributions to Reserve/Res Funds				0.0	n/a	0.0	0.0
Other Expenditures	41,969.4	42,291.6	43,462.4	1,493.0	3.6%	43,462.4	43,462.4
Total Gross Expenditures	42,032.2	42,353.4	43,525.2	1,493.0	3.6%	43,525.2	43,525.2
Funded by:							
Provincial Subsidies		447.0		0.0	n/a	0.0	0.0
Federal Subsidies				0.0	n/a	0.0	0.0
Other Subsidies				0.0	n/a	0.0	0.0
User Fees, Permits & Donations				0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	330.0	309.1	259.0	(71.0)	(21.5%)	259.0	259.0
Other Revenues				0.0	n/a	0.0	0.0
Total Non Tax Revenues	330.0	756.1	259.0	(71.0)	(21.5%)	259.0	259.0
Net Budget (excluding Capital Financing)	41,702.2	41,597.3	43,266.2	(1,564.0)	3.8%	43,266.2	43,266.2
APPROVED POSITIONS	0.0	0.0	0.0	0.0	n/a	0.0	0.0

2009/2010 OPERATING BUDGET OUTLOOK

In 2009/2010, CPIP will focus on:

- Working with all its funding programs to ensure the full implementation of the Corporate Grants Information System by 2010
- Partnering with relevant City divisions to design, develop, and implement processes that support the policy on city-owned Space Provided at Below-Market Rent, including increasing the supply of community use space, and allocating new space that may become available

..... CAPITAL AND CORPORATE FINANCING/NON-PROGRAM

PROGRAM OBJECTIVES

Capital and Corporate Financing provides the financing for the City of Toronto's 2008 Capital Budget and other assets that are financed corporately. Non-Program Expenditures are corporate expenditures, of which 57% are Tax and Employee Related. Non-Program Revenues are corporate revenues, of which 71% are in the following categories: Tax Related Revenues, Parking Tags Revenue, Toronto Hydro Revenues and Provincial Revenue. Investment Income and revenues from the Municipal Land Transfer Tax/Personal Vehicle Tax generated 29% of the overall revenues.

2008 CORPORATE ACCOUNTS BY SERVICE

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Capital & Corporate Financing	477,442	472,511	549,553	538,590	597,905	531,393	48,352	8.8	(7,197)	(1.3)
Non-Program Expenditure	352,401	246,031	341,949	240,532	397,406	300,712	55,457	16.2	60,180	25.0
Non-Program Revenues		(841,565)		(795,396)		(841,783)		n/a	(46,387)	5.8
Total Program Budget	829,843	(123,022)	891,501	(16,274)	995,311	(9,678)	103,810	11.6	6,596	(40.5)

CAPITAL AND CORPORATE FINANCING

City Council approved the 2008 Tax Supported Capital Program with capital expenditures and future year commitments totalling \$8.355 billion. The 2008 cash flow requirement (excluding the 2007 carry-forward of \$417.103 million) is \$1.609 billion. The 2008 Capital and Corporate Financing budget provides support for the capital program through debt service charges of \$440.8 million and capital from current funding of \$136.589 million. The 2008 Capital and Corporate Financing budget also provides computer hardware and software funding totalling \$20.130 million.

The following chart summarizes the 2008 Approved Budget for Capital and Corporate Financing, with comparative figures for 2007. The Capital and Corporate Financing budget has decreased by \$7.197 million or 1.3% compared to the 2007 Budget.

CAPITAL AND CORPORATE FINANCING/NON-PROGRAM

CAPITAL AND CORPORATE FINANCING SUMMARY

	Approved Budget (\$000s)		Change over 2007	
	2007	2008	\$	%
Debt Financing				
Debt Service Charges	402,400.0	440,800.0	38,400.0	9.5
Administrative Charges	350.9	385.9	35.0	10.0
Housing Company Recovery	(3,500.0)	(3,500.0)	0.0	0.0
Provincial Recovery	(1,431.0)	(1,541.7)	(110.7)	7.7
Provincial Recovery-(TTC Capital)		(49,000.0)	(49,000.0)	n/a
Green Lane (SWMS)		(8,200.0)	(8,200.0)	n/a
Energy Retrofit Recoveries	(2,032.0)	(2,770.0)	(738.0)	n/a
Bloor St. Transformation Recoveries	(1,500.0)	(1,500.0)	0.0	n/a
Net Debt Financing	394,287.9	374,674.2	(19,613.7)	(5.0)
Capital from Current	124,172.0	136,589.2	12,417.2	10.0
Capital Financing	20,129.6	20,129.6	0.0	0.0
(Computer Hardware & Software)				
Total Capital & Corporate Financing	538,589.5	531,393.0	(7,196.5)	(1.3)

The increases in Debt Service Charges of \$38.4 million and \$12.417 million in CFC were offset by Provincial Recovery of \$49.0 million for TTC capital and \$8.2 million for Green Lane resulting in an overall decrease of \$7.197 million.

CAPITAL AND CORPORATE FINANCING/NON-PROGRAM

NON-PROGRAM EXPENDITURES

The Non-Program Expenditures Budget consists of expenditure items considered to be corporate in nature. The following chart summarizes the 2008 Approved Budget for Non-Program Expenditures, with comparative figures for 2007. The Non-Program Expenditures have increased by \$50.920 million or 20.9% compared to the 2007 Budget.

NON-PROGRAM EXPENDITURE SUMMARY

	Approved Budget (\$000s)		Change over 2007	
	2007	2008	\$	%
Tax Related				
Tax Deficiencies/Write-Offs	82,407.4	81,500.0	(907.4)	(1.1%)
Assessment Function (MPAC)	33,000.0	33,500.0	500.0	1.5%
Vacancy Rebate Program	16,500.0	16,500.0	0.0	0.0%
Total Tax Related	131,907.4	131,500.0	(407.4)	(0.3%)
Other				
Temporary Borrowing	400.0	400.0	0.0	0.0%
Employee Related Liabilities	35,494.3	39,496.2	4,001.9	11.3%
Programs Funded from Reserve Funds	92,130.4	91,764.2	(366.2)	(0.4%)
Insurance Premiums & Claims	312.6	1,800.0	1,487.4	475.8%
Parking Tag Enforcement & Operations	44,218.9	45,376.5	1,157.6	2.6%
Other Corporate Expenditures	36,971.6	83,904.2	46,932.6	126.9%
Total Other	209,527.8	262,741.1	53,213.3	25.4%
Total Tax Related & Other	341,435.2	394,241.1	52,805.9	15.5%
Recoveries				
Programs Funded from Reserve Funds	(92,130.4)	(91,764.2)	366.2	(0.4%)
Other Corporate Expenditures	(513.3)	(1,765.0)	0.0	0.0%
Total Non-Program Expenditures	248,791.5	300,711.9	51,920.4	20.9%

NON-PROGRAM EXPENDITURE HIGHLIGHTS

- Tax Deficiencies/Write-Offs expenditures have been reduced by \$0.907 million or 1.1% to reflect the 2007 actual experience.
- Fee charged by the Municipal Property Assessment Corporation (MPAC) to provide increased assessment services across the City has increased by \$0.500 million or 1.5%.
- Non-Program contribution to the Reserve Fund for Insurance Premiums & Claims has increased by \$1.487 million to ensure a stable balance to fund future claims.
- The increase in Other Corporate Expenditures of \$46.933 million is primarily for Cost of Living provision for those groups that did not have an agreement as well as cost of Family Day and additional cost for Audit.

CAPITAL AND CORPORATE FINANCING/NON-PROGRAM

NON-PROGRAM REVENUES

The Non-Program Revenues Budget consists of tax related and other revenue items considered to be corporate in nature. The following chart summarizes the 2008 Approved Budget for Non-Program Revenues, with comparative figures for 2007. The Non-Program Revenues Budget has increased by \$45.874 million or 5.8% compared to the 2007 Budget.

NON-PROGRAM REVENUE SUMMARY

	Approved Budget (\$000s)		Change over 2007	
	2007	2008	\$	%
Tax Related				
Payments in Lieu of Taxes	81,400.0	82,536.5	1,136.5	1.4%
Supplementary Taxes	34,000.0	35,000.0	1,000.0	2.9%
Tax Penalty Revenue	28,500.0	28,000.0	(500.0)	(1.8%)
Other Tax Revenues	15,600.0	15,150.0	(450.0)	(2.9%)
Total Tax Related	159,500.0	160,686.5	1,186.5	0.7%
New CoTA Tax Revenues				
New CoTA Tax Revenues	0.0	177,600.0	177,600.0	n/a
Total New CoTA Tax Revenues		177,600.0	177,600.0	n/a
Other				
Prior Year Surplus	0.0	85,265.0	85,265.0	n/a
Interest/Investment Earnings	67,000.0	69,000.0	2,000.0	3.0%
Toronto Hydro Revenues	106,090.2	84,900.0	(21,190.2)	(20.0%)
Provincial Revenue	91,600.0	91,600.0	0.0	0.0%
Parking Authority Revenues	28,384.5	32,383.7	3,999.2	14.1%
Woodbine Slots Revenue	14,500.0	15,600.0	1,100.0	7.6%
Corporate Recoveries-Water	18,973.0	18,973.0	0.0	0.0%
Corporate Recoveries-Health/EMS	17,302.0	17,301.7	(0.3)	(0.0%)
Parking Tag Enforcement & Operations	80,615.0	81,815.0	1,200.0	1.5%
Other Corporate Revenues	211,944.3	6,658.2	(205,286.1)	(96.9%)
Total Other	636,409.0	503,496.6	(132,912.4)	(20.9%)
Total Non-Program Revenues	795,909.0	841,783.1	45,874.1	5.8%

CAPITAL AND CORPORATE FINANCING/NON-PROGRAM

NON-PROGRAM REVENUES HIGHLIGHTS

- Payments in Lieu of Taxes revenue increase of \$1.137 million or 1.4% was due to conversion of TTC properties.
- Supplementary Taxes revenue has increased by \$1.0 million or 2.9%. The 2008 supplementary/omitted returned rolls is expected to generate taxation revenues for the current and previous taxation years (2008 and 2007) with nominal revenues for the taxation year 2006.
- Introduction of municipal land transfer tax and personal vehicle tax will generate \$152.6 million and \$25.0 million respectively in 2008.
- Savings from cost containment measures introduced in 2007, along with other favourable variances resulted in a 2007 operating surplus of \$95.1 million of which \$84.265 million was utilized to fund the 2008 budget.
- Interest/Investment Earnings have been increased by \$2.0 million due to the level of income realized in 2007.
- The increase in revenues for Toronto Parking Authority is primarily to align the 2008 to reflect 2007 actuals.
- Woodbine Slots revenues has been increased to reflect the 2007 actuals.
- Decrease in Toronto Hydro revenue by \$21.190 million or 20% includes interest on Notes Receivable (\$59.890 million, lower interest rate compared to 2006) and dividends (\$46.2 million).
- The change in Other Corporate Revenues resulted from reduction in draws from Reserve and Trust funds.
- Parking Tag Enforcement & Operations increased revenues by \$1.2 million based on actual experience during 2007.

AGENCIES, BOARDS AND COMMISSIONS

CITY OF TORONTO
2008 BUDGET SUMMARY



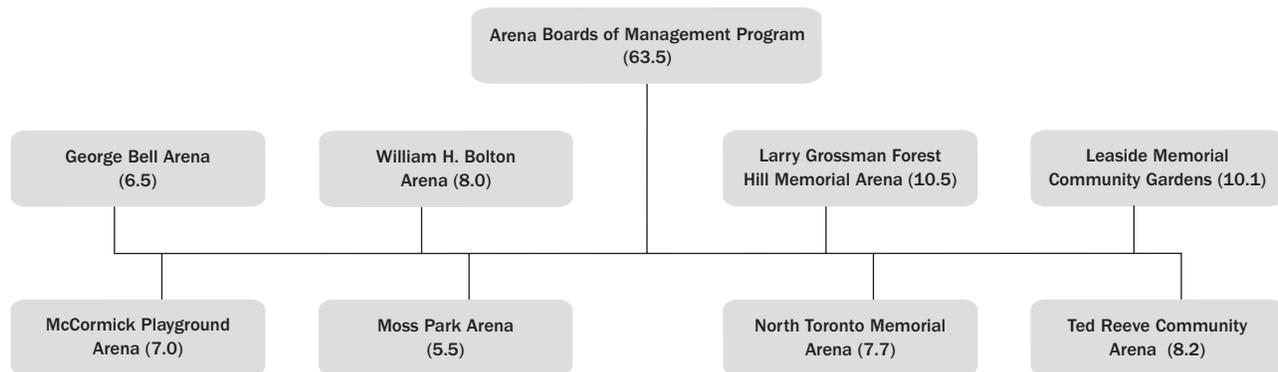
ARENA BOARDS OF MANAGEMENT

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 MAP

The Program is comprised of eight Arena Boards of Management, with a total of 63.5 approved positions.



2007 KEY ACCOMPLISHMENTS

- Seven arenas operated at full capacity, delivering a total of nearly 40,000 hours of available ice time.
- William H. Bolton Arena underwent major renovations as part of the planned 2007 Parks, Forestry and Recreation state-of-good-repair Capital Plan.
- Four arenas (Forest Hill, Moss Park, North Toronto, Ted Reeve) generated net surpluses in 2007.

2008 PROGRAM OBJECTIVES

The Arena Boards of Management's mandate is 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

ARENA BOARDS OF MANAGEMENT

2008 STRATEGIC 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.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- indoor artificial ice rink operations;
- primetime and daytime ice rental;
- hockey and skating programming, including leagues, schools, camps and free skate;
- programming events for groups, children, youth, adults and seniors;
- snack bar and vending machine food service, pro shops, skate sharpening, meeting and banquet facilities;
- operation of outdoor artificial ice rinks on behalf of Parks, Forestry and Recreation (North Toronto; Ted Reeve contracted services to Beaches Sport Centre);
- operation of swimming pool that is programmed by Parks, Forestry and Recreation (Leaside).

The 2008 Operating Budget will deliver a total of 38,000 hours of available ice time, comprising of 21,000 hours of primetime and 17,000 hours of daytime ice, to the community by the eight Arena Boards.

The 2008 Operating Budget enables the Arena Boards of Management to provide the same services and service levels as in 2007. All eight arenas are operating at full capacity (prime time ice usage) and will continue to be in the future.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
George Bell Arena	446	21	500	22	529	(1)	29.3	5.9%	(22.3)	(102.8)
William H. Bolton Arena	724	1	705	62	752	(0)	46.5	6.6%	(62.5)	(100.2)
Forest Hill Memorial Arena	870	(0)	987	(0)	907	(2)	(79.4)	(8.0%)	(1.5)	618.5
Leaside Gardens	910	94	972	94	953	45	(18.9)	(1.9%)	(49.0)	(52.1)
McCormick Arena	601	1	634	1	655	(0)	21.3	3.4%	(0.8)	(107.9)
Moss Park Arena	661	0	684	1	689	(0)	5.4	0.8%	(0.8)	(108.0)
North Toronto Memorial Arena	725	(0)	746	0	781	(0)	35.0	4.7%	(0.5)	(302.0)
Ted Reeve Arena	743	10	750	10	758	0	8.0	1.1%	(10.3)	(100.0)
Total Program Budget	5,681	127	5,977	190	6,025	42	47.3	0.8%	(147.7)	(77.8)

ARENA BOARDS OF MANAGEMENT

2008 OPERATING BUDGET BY CATEGORY

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	3,270.9	3,239.2	3,447.1	176.2	5.4%	3,447.1	3,447.1
Materials and Supplies	1,701.2	1,671.7	1,667.2	(34.0)	(2.0%)	1,667.2	1,667.2
Equipment	19.3	81.8	16.5	(2.8)	(14.6%)	16.5	16.5
Services & Rents	761.2	833.0	689.2	(72.0)	(9.5%)	689.2	689.2
Contributions to Reserve/Res Funds	219.5	215.6	197.9	(21.5)	(9.8%)	197.9	197.9
Other Expenditures	5.3	6.9	6.7	1.4	26.4%	6.7	6.7
Total Gross Expenditures	5,977.4	6,048.2	6,024.7	47.3	0.8%	6,024.7	6,024.7
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	4,760.0	4,898.6	4,959.7	199.7	4.2%	4,959.7	4,959.7
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	1,027.6	969.8	1,022.9	(4.8)	(0.5%)	1,022.9	1,022.9
Total Non Tax Revenues	5,787.6	5,868.4	5,982.6	194.9	3.4%	5,982.6	5,982.6
Net Budget (excluding Capital Financing)	189.8	179.8	42.1	(147.7)	(77.8%)	42.1	42.1
APPROVED POSITIONS	63.5	63.5	63.5	0.0	0.0%	63.5	63.5

2009/2010 OPERATING BUDGET OUTLOOK

- The Arena Boards of Management Program projects no net incremental increases in its 2009 and 2010 operating budgets. The 2009 and 2010 Outlook maintains the 2008 services and service levels.
- All eight arenas are expected to operate without disruption in 2009 and 2010 as there are no major arena renovations planned in the Parks, Forestry and Recreation Five-Year Capital Plan for the eight Board-operated arenas.

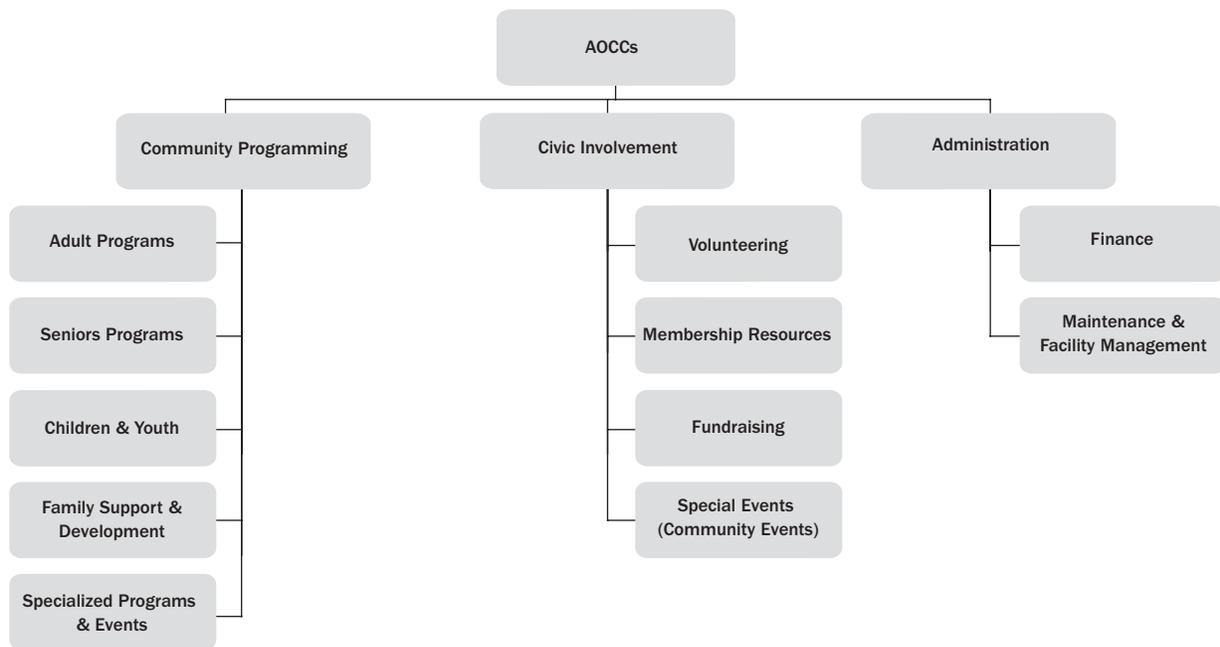
Capital state-of-good-repair projects at Arena Board facilities are included in the Parks, Forestry and Recreation Capital Budget.

MISSION STATEMENT

- Association of Community Centres (AOCCs), which is made up of 10 community centres, provides programs and services to meet the diverse and changing needs of communities. We are committed to 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 MAP

As indicated in the program map, AOCCs has three service functions: Community Programming, Civic Involvement, and Administration with 91.2 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Served over 185,000 individuals with increased participation of 5,978 volunteers contributing over 145,000 voluntary hours in 2007
- Greatly expanded community development programs, partnerships, and further developed membership and donor base; increased revenues from business community to support centres
- Provided leadership and ongoing support to promote neighbourhood action through social, recreational, community services and informative programs for individuals and families

2008 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

ASSOCIATION OF COMMUNITY CENTRES

2008 STRATEGIC PRIORITIES

The 2008 Budget for AOCCs provides funding for administrative costs to support strategic initiatives and overall program objectives which include the following:

- 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.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Provide community development initiatives and a wide range of quality programs to meet resident's needs
- Maintain a community base that is representative of the neighbourhood.
- Offer numerous programs and services aimed at improving communities and lives of residents.
- Strengthen individual and community capacity; contributing to social infrastructure, quality of life and community safety; acting as a social hub and gathering place; and encouraging residents to participate in community life.

2008 OPERATING BUDGET

The 2008 Council Approved Operating Budget for the Association of Community Centres of \$6.761 million net represents a \$0.524 million or 8.4% increase compared to 2007 as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Service	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
519 Church	1,045	1,022	1,113	1,077	1,129	1,129	15.7	1.4%	52.4	4.9%
Applegrove	346	316	381	352	375	375	(5.6)	(1.5%)	23.8	6.8%
Cecil	593	565	642	603	646	646	4.0	0.6%	42.9	7.1%
Central Eglinton	499	472	577	506	562	562	(15.1)	(2.6%)	55.9	11.1%
Community Centre 55	594	565	709	612	654	654	(55.0)	(7.8%)	41.7	6.8%
Eastview	457	426	487	451	507	507	20.3	4.2%	55.6	12.3%
Harbourfront	1,014	973	1,198	1,032	1,151	1,151	(47.3)	(3.9%)	118.5	11.5%
Ralph Thornton	607	537	636	573	652	613	16.4	2.6%	39.9	7.0%
Scadding Court	745	705	850	758	833	833	(17.1)	(2.0%)	74.8	9.9%
Swansea	390	255	396	274	423	292	26.4	6.7%	18.4	6.7%
AOCC General	15	15								
Total Program Budget	6,305	5,851	6,988	6,237	6,931	6,761	(57.3)	(0.8%)	523.8	8.4%

ASSOCIATION OF COMMUNITY CENTRES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	5,939.7	5,985.8	5,845.0	(94.7)	(1.6%)	5,937.7	6,050.2
Materials and Supplies	486.4	499.5	440.7	(45.7)	(9.4%)	440.7	440.7
Equipment	15.2	6.9	9.9	(5.3)	(34.9%)	9.9	9.9
Services & Rents	541.6	620.1	608.9	67.3	12.4%	608.9	608.9
Contributions to Reserve/Res Funds	5.0	3.0	26.2	21.2	424.0%	26.2	26.2
Other Expenditures	0.0	6.3	0.0	0.0	n/a	0.0	0.0
Total Gross Expenditures	6,987.9	7,121.6	6,930.7	(57.2)	(0.8%)	7,023.4	7,135.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	155.3	199.9	163.3	8.0	5.2%	163.3	163.3
Contribution from Reserves/Res Funds	589.0	589.0	0.0	(589.0)	(100.0%)	0.0	0.0
Other Revenues	6.6	0.1	6.6	0.0	0.0%	6.6	6.6
Total Non Tax Revenues	750.9	788.9	169.9	(581.0)	(77.4%)	169.9	169.9
Net Budget (excluding Capital Financing)	6,237.0	6,332.6	6,760.8	523.8	8.4%	6,853.5	6,966.0
APPROVED POSITIONS	91.2	91.2	91.2	0.0	0.0%	91.2	91.2

2009/2010 OPERATING BUDGET OUTLOOK

- The net incremental impact of \$0.093 million in 2009 and \$0.113 million in 2010 represents increases in staffing costs mainly for step and merit.
- The 2009 and 2010 Outlooks do not take into account a number of anticipated pressures as well as revenues, driven by inflation and future collective agreement negotiations.

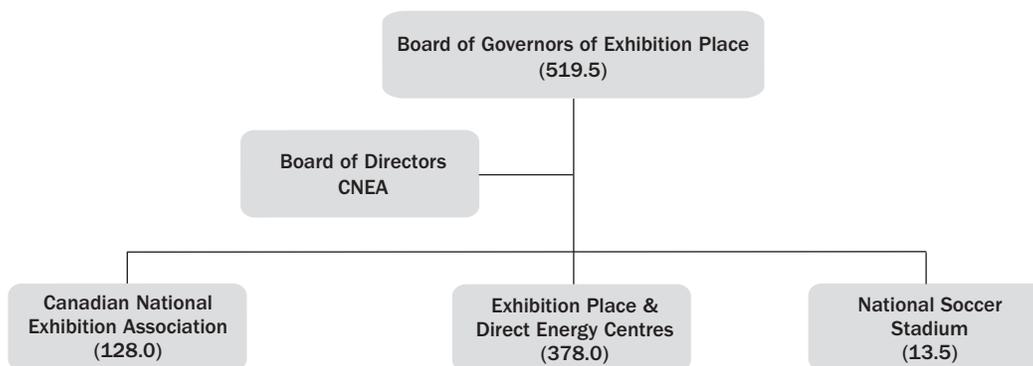
EXHIBITION PLACE

MISSION STATEMENT

- To provide an opportunity for business stimulation and economic development in the community and across Canada including a focus for public celebrations and events while preserving the architecturally and historically significant structures at Exhibition Place.

PROGRAM MAP

As indicated in the program map, Exhibition Place has three service functions: Canadian National Exhibition Association, Exhibition Place & Direct Energy Centre, and National Soccer Stadium with 519.5 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Opened the National Soccer Stadium (BMO Field) in April 2007.
- Hosted the FIFA Under-20 World Soccer Championship in July 2007.
- Publicly launched the tri-generation project within the Direct Energy Centre.
- Diversified target customer group for shows and events to include more film shoots, religious and cultural events and private functions.
- Improved gate admission process with the use of cashless transaction options at the 2007 CNE.

2008 PROGRAM OBJECTIVES

- Commence renovations to the historic Automotive Building to become a Class A Conference Centre.
- Continue greening initiatives toward the pursuit of energy self-sufficiency by 2010.
- Maximize the occupancy of permanent tenants who reside and operate on the grounds to offset fixed operating costs of vacant facilities that do not generate rental revenues.
- Maximize attendance at events held at Exhibition Place by presenting a wide variety of programming that consistently attracts the public which in turn stimulates economic development for Exhibition Place and the City of Toronto.

2008 STRATEGIC PRIORITIES

The Program's mission is to provide an opportunity for business stimulation and economic development in the community, as well as maintain Exhibition Place as Toronto's key venue for public celebrations and events while

EXHIBITION PLACE

preserving the architecturally and historically significant structures on the grounds. The 2008 Approved Operating Budget for Exhibition Place addresses the following strategic priorities:

- Develop the facilities on the grounds through the construction of the Conference Centre by renovating the historic Automotive Building and working towards constructing a hotel on the grounds with a private sector partner;
- Promote environmental initiatives and pursue the 2010 energy self-sufficiency action plan including the photovoltaic project within the Horse Palace and continue implementation of the strategy for energy-efficiency upgrades for buildings on the site;
- Maintain outstanding customer service delivery through initiatives such as improvements to the admission process at the CNE gates including the continued use of cashless transaction options and to increase CNE admissions to 1.35 million in 2008;
- Develop community use of the grounds by diversifying its target customer group for future shows and events to include more film shoots, religious and cultural events and private functions; and
- Promote workplace safety at all levels.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Approved Operating Budget will provide the following Services:

- Exhibition Place Operations and the Direct Energy Centre (DEC). This service provides a focus for public celebrations and events, such as the Toronto Grand Prix, CHIN picnic, and Toronto Caribbean Festival, while preserving the 22 architecturally and historically significant structures on the grounds. The Direct Energy Centre is the largest trade and consumer show facility in Canada and the sixth largest in North America with over 1.1 million square feet of contiguous space. DEC management is responsible for maintaining a state-of-the-art facility which has hosted events and shows such as the Royal Agricultural Winter Fair (RAWF), the Boat Show, the National Home Show, the One of a Kind Craft Show, Hostex, and the Interior Design Show. It is also a world class site for advanced “green” energy technology.
- The Canadian National Exhibition (CNE) is the largest annual fair in Canada and the fifth largest in North America. It takes place each summer during the 18 days leading up to Labour Day and offers a wide variety of programming designed for all ages and cultural backgrounds. The CNE directly employs 1,700 young people for the duration of the fair and an economic impact study has stated that the CNE attracts more than \$48.0 million to the Toronto area and more than \$66.0 million to Ontario annually.
- The National Soccer Stadium (BMO Field) is home to the new major league soccer franchise team, Toronto FC, and the Canadian men’s and women’s national teams. BMO Field hosted the 2007 FIFA Under-20 World Cup and plans to provide a venue for matches with other soccer leagues. The facility will also provide a venue for concerts and corporate events. In addition, the stadium will be made available for community use: 50% of all operable days are earmarked for community use purposes at competitive market rates and “no cost” days are provided to the City’s Parks, Forestry and Recreation Division to provide programming for the City’s 13 priority neighbourhoods. Revenues from the National Soccer Stadium in 2008 are expected to increase by \$2.27 million.

2008 OPERATING BUDGET

The 2008 Approved Operating Budget for Exhibition Place of \$53.997 million gross represents a \$0.639 million or 1.2% increase compared to 2007. The 2008 net operating budget of \$0.03 million reflects a \$0 increase over the 2007 net budget as shown in Tables 1 and 2.

EXHIBITION PLACE

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Canadian National Exhibition Association	21,023	(798)	21,593	(798)	21,899	(798)	306	1.4%	(0)	0.0%
Exhibition Place & Direct Energy Centre	26,208	852	28,122	828	24,630	877	(3,492)	(12.4%)	49	5.9%
National Soccer Stadium (BMO Field)	–	–	3,642	0	7,468	(49)	3,826	105.0%	(49)	n/a
Total Program Budget	47,231	54	53,358	30	53,997	30	639	1.2%	–	0.0%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget	2009 Outlook	2010 Outlook	
	\$	\$	\$	\$ %	\$	\$	
Gross Expenditures:							
Salaries and Benefits	29,080.7	31,559.8	30,159.7	1,079.0 3.7%	31,064.6	31,996.5	
Materials and Supplies	4,558.1	4,613.7	5,024.1	466.0 10.2%	5,174.7	5,330.0	
Equipment	486.5	587.4	506.6	20.1 4.1%	521.8	537.5	
Services & Rents	32,701.5	39,262.9	30,110.8	(2,590.7) (7.9%)	31,014.1	31,944.5	
Contributions to Reserve/Res Funds	894.0	889.2	890.2	(3.8) (0.4%)	890.2	890.2	
Other Expenditures	(14,363.1)	(16,716.2)	(12,694.2)	1,668.9 (11.6%)	(13,075.0)	(13,468.8)	
Total Gross Expenditures	53,357.7	60,196.8	53,997.2	639.5 1.2%	55,590.4	57,229.9	
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0 n/a	0.0	0.0	
Federal Subsidies	0.0	0.0	0.0	0.0 n/a	0.0	0.0	
Other Subsidies	0.0	0.0	0.0	0.0 n/a	0.0	0.0	
User Fees, Permits & Donations	52,291.7	63,468.8	53,967.2	1,675.5 3.2%	55,560.4	57,199.9	
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0 n/a	0.0	0.0	
Other Revenues	1,036.0	0.0	0.0	(1,036.0) (100.0%)	0.0	0.0	
Total Non Tax Revenues	53,327.7	63,468.8	53,967.2	639.5 1.2%	55,560.4	57,199.9	
Net Budget (excluding Capital Financing)	30.0	(3,272.0)	30.0	(0.0) (0.0%)	30.0	30.0	
APPROVED POSITIONS	517.5	517.5	519.5	2.0 0.4%	519.5	519.5	

2009/2010 OPERATING BUDGET OUTLOOK

- Exhibition Place anticipates that it will maintain its level of service and net expenditure over 2009 and 2010.
- Future years will see the completion of the Conference Centre and a partnership with the private sector for the development of a hotel on the grounds. Exhibition Place will continue to be a showcase for progressive and innovative energy conservation projects as they work towards the energy self-sufficiency goal of 2010.

EXHIBITION PLACE

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

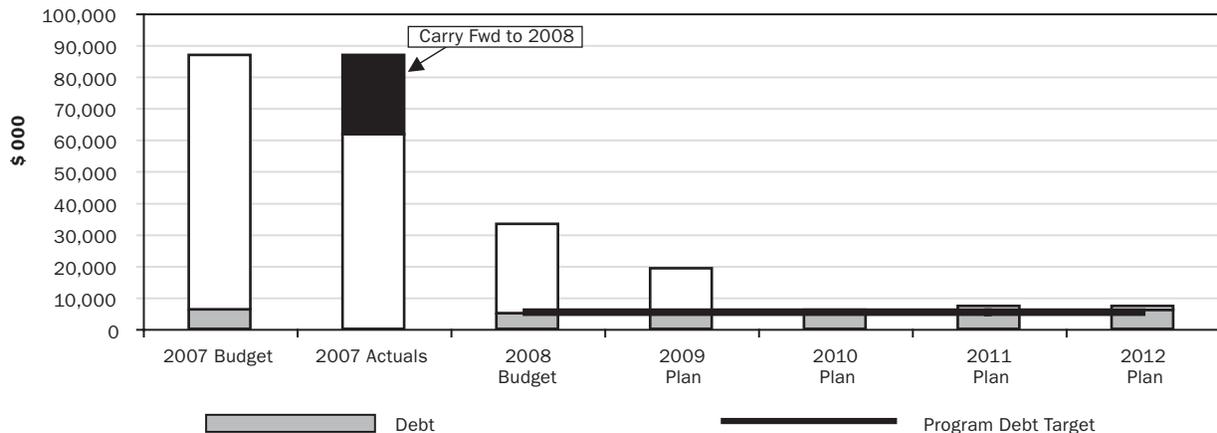
Exhibition Place’s Five-Year Capital Plan maintains in a state of good repair the buildings, structures and infrastructures on its 192-acre site, thereby preserving historically significant buildings and structures, facilitating the economic viability of the events and activities on the site, and addressing the health and safety concerns of Exhibition Place’s employees and visitors.

Exhibition Place’s 2008 Capital Budget and 2009-2012 Plan totals \$98.137 million and requires cash flows of \$58.407 million in 2008, \$19.160 million in 2009, \$6.070 million in 2010, \$7.250 million in 2011 and \$7.250 million in 2012, requiring debt funding of \$27 million or an average of \$5.4 million per year. The Five-Year Capital Plan exceeds the Council debt affordability targets of \$5 million in 2011 and 2012 by \$1 million in each year in recognition of the significant and growing backlog of State of Good Repair work at Exhibition Place.

Excluding 2007 funding carried forward to complete 2007 capital projects, 35% or \$25.650 million of the Five-Year Capital Plan is for State of Good Repair projects and includes the replacement of the Coliseum Complex’s West Annex Roof with a green roof and plant management and building automation systems equipment. 36% or \$25.945 million of the Five-Year Capital Plan is for Service Improvement projects such as the photovoltaic systems, lighting retrofits at various buildings, and irrigation and landscaping in the vicinity of Stanley Barracks. 27% or \$19.510 million for the Conference Centre is growth related; 2% or \$1.245 million for the auto sprinkler and voice evacuation system is legislated; and 1% or \$0.640 million is for Health and Safety projects like grounds-wide security card access and surveillance systems and safety code issues at the Press Building.

Exhibition Place’s Five-Year Capital Plan supports “A Greener City” through energy efficiency projects aimed at achieving energy self-sufficiency by the year 2010. Of the \$72.990 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$33.785 million (46%) for spending on green initiative projects, of which \$5.655 million is debt-funded and \$28.130 million is funded by non-debt sources. Funding from non-debt sources will be provided by organizations like the City’s Green Energy Fund, Toronto Atmospheric Fund, and private sector organizations, in the form of grants and loans. The loans will be repaid through the energy savings generated by these initiatives.

Five-Year Capital Plan (2008 Budget, 2009-2012 Plan)



EXHIBITION PLACE

	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget and Future Year Commitments	86,814	61,667	2,050					2,050
Recommended Changes to Commitments								
2008 New/Change in Scope and Future Year Commitments			31,210					31,210
2009 – 2012 Plan Estimates				19,160	6,070	7,250	7,250	39,730
One-Year Carry Forward to 2008		25,147	→					
Total Gross Annual Expenditures & Plan	86,814	86,814	33,260	19,160	6,070	7,250	7,250	72,990
Program Debt Target	4,000		5,000	5,000	5,000	5,000	5,000	25,000
Financing:								
Recommended Debt	6,274		5,000	5,000	5,000	6,000	6,000	27,000
Other Financing Sources:								
Reserves/Reserve Funds	1,940		85					85
Development Charges								
Federal	27,000							
Provincial	8,000							
Other Revenue	43,600		28,175	14,160	1,070	1,250	1,250	45,905
Total Financing	86,814		33,260	19,160	6,070	7,250	7,250	72,990
By Category:								
Health & Safety	166		375	190			75	640
Legislated	100			250	895	50	50	1,245
SOGR	5,166		4,030	5,805	4,500	5,765	5,550	25,650
Service Improvement	674		9,345	12,915	675	1,435	1,575	25,945
Growth Related	80,708		19,510					19,510
Total By Category	86,814		33,260	19,160	6,070	7,250	7,250	72,990
Yearly SOGR Backlog Estimate (not addressed by current plan)			8,470	6,665	6,760	5,375	10,345	37,615
Accumulated Backlog Estimate (end of year)		7,112	15,582	22,247	29,007	34,382	44,727	44,727
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			150	700	700	730	840	3,120

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priority:

- **A Greener City**

- **Green Energy Initiatives Funded by Debt**

The Five-Year Capital Plan supports the strategic objective for “A Greener City” through energy efficiency projects aimed at achieving energy self-sufficiency at Exhibition Place by the year 2010. \$5.655 million or 21% of the \$27.0 million debt-funded portion of the Five-Year Capital Plan will be dedicated to green projects such as the replacement of old roofs with green roofs at various buildings, as well as upgrading windows and heating systems aimed at reducing energy usage levels.

EXHIBITION PLACE

Green Energy Initiatives Funded by Non-Debt Sources

Exhibition Place has also adopted a proposed five-year energy efficiency plan of 11 sub-projects funded by non-debt sources totalling \$28.130 million or 39% of the total funding of \$72.990 million for the Five-Year Capital Plan. The planned capital expenditures for these projects are as follows: \$10.400 million in 2008, \$14.160 million in 2009, \$1.070 million in 2010, and \$1.250 million in both 2011 and 2012. The Five-Year Capital Plan provides for spending on projects like photovoltaic systems, replacement of plant management and building automation systems, solar walls at various buildings, and replacement of existing windows and large panel side lights with energy efficient glazing and tempered proof glass windows. The funding for these projects will be provided by grants and loans from the City's Green Energy Fund, Toronto Atmospheric Fund, as well as private sector organizations. Loans will be repaid with the energy savings generated by these initiatives. Exhibition Place staff will proceed with the projects once fundraising is secured. If funding is delayed, the green energy projects will be deferred.

Other Key Capital Initiatives:

The Exhibition Place Approved Five-Year Capital Plan includes funding for the following major capital initiative:

- Construction of the Conference Centre through renovation of the historic Automotive Building for a total project cost of \$44.550 million, representing 76% of its total 2008 cash flow of \$58.407 million which includes 2007 funding carried forward to complete 2007 projects. The Conference Centre will provide much-needed meeting space and is considered essential for the growth of the trade and consumer show business at the Direct Energy Centre.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

In accordance with established practice, Exhibition Place will absorb the operating costs arising from its Five-Year Capital Plan. The projected operating savings from completed energy efficient projects such as the Direct Energy Centre lighting retrofit, Tri-Generation Plant, 5 Building Retrofit program, and the Horse Palace photovoltaic system are estimated to be \$0.322 million and \$0.978 million in 2007 and 2008, respectively. \$0.157 million of the operating savings in 2007 and \$0.833 million of savings in 2008 will be used for debt repayment to recover the capital expenditures on these projects.

STATE OF GOOD REPAIR BACKLOG

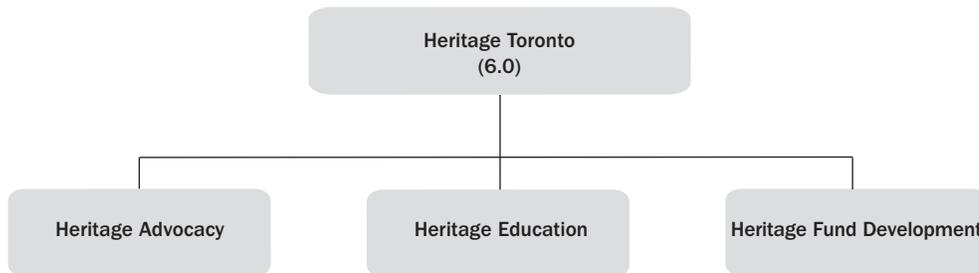
Exhibition Place's inventory of assets is valued at more than \$622 million which include buildings and structures designated under the Ontario Heritage Act and listed on Heritage Toronto Inventory. Due to past funding limitations, the Program has accumulated a known SOGR backlog of \$7.112 million as at December 31, 2007. Consultants have completed facility audits on 10 buildings and structures on the site and by 2012 the five-year accumulated backlog will increase to \$44.727 million. To address this deferred maintenance, 73% of the debt-funded portion of the Five-Year Plan will be dedicated to maintaining these assets in a State of Good Repair.

MISSION STATEMENT

- Heritage Toronto celebrates, interprets and advocates for our cultural, architectural, archaeological and natural heritage.

PROGRAM MAP

As indicated in the program map, Heritage Toronto has three service functions: Heritage Advocacy, Heritage Education and Heritage Fund Development with 6 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Expanded plaques/markers program through the installation of 35 plaques in 2007 thereby increasing citizen awareness of the heritage of Toronto.
- Expanded Heritage Walks program through development of 6 new walks for a total of 42 walks in 2007.
- Attendance at the annual Heritage Toronto awards night and Kilbourn lecture of more than 650 people.

2008 PROGRAM OBJECTIVES

- Increase visibility of the agency
- Improve public awareness of heritage matters
- Raise funding to support the Program’s operation
- These goals are to be achieved through initiatives like the Heritage Promotion Campaign, broadcasting Walking Tours, offering lecture series during the winter/fall months, and continuing to install plaques and markers for the under-represented in Toronto’s history and heritage.

2008 STRATEGIC PRIORITIES

Heritage Toronto will continue to expand and improve services in the following areas in order to increase visibility of the agency, improve public awareness of the importance of heritage, and raise additional funding to support the Program’s priorities:

- A Heritage Promotion Campaign across the City will raise the awareness of Toronto’s heritage by telling some of the City’s lesser known stories. The campaign would also act as a signpost to the Program’s website, further increasing the profile of the agency and heritage issues. The new Communications Coordinator will develop the website, while a corporate sponsor will fund the production costs and advertising space of the Campaign.

HERITAGE TORONTO

- Although Walking Tours are an excellent way of educating Torontonians, its reach is limited by the number of volunteers available. By developing the walks as podcasts to be made available on the Heritage Toronto website, this enables the walks to be broadcasted to a wider audience at a lower per capita cost. The content will be developed in-house by volunteers and the Program will seek sponsorship to cover production costs.
- As Walking Tours do not run through the winter/fall months, Heritage Toronto plans to offer a lecture series during the off months so that the dissemination of heritage information is available to Torontonians all year round. The cost of the initiative will be covered by ticket charges and sponsorships for the required space.
- Plaques and markers from all corners of the City have always provided excellent information about existing buildings and well known sites, people and events. Heritage Toronto will continue to put a strong effort into identifying potential plaque projects about those who are often overlooked when looking at Toronto's history and heritage – First Nations, Women and Multi-Cultural subjects. The cost of casting the plaques will be paid by community sponsorships.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Council Approved Operating Budget will provide the following Services:

- Heritage Education raises awareness of Toronto's architectural, archaeological, natural and cultural heritage through the delivery of volunteer-led walks around the City; installation of heritage plaques and markers to commemorate buildings and events important to Toronto's heritage; opportunities for the public to dialogue on heritage issues on the newly-redeveloped website; and sponsorship of the annual Heritage Toronto awards. The Program had an estimated 3,500 walk participants in 2007 and strives to increase participation to 4,000 for 2008. Heritage Toronto also aims to increase the number of new walks in 2008 by 5 walks. (\$0.31 million gross and \$0.255 million net);
- Heritage Advocacy provides advice on heritage issues from a community perspective to the City, civic organizations and members of the public. The Program strives to increase membership and donations by 5% and 25%, respectively over 2007. (\$0.21 million gross and \$0.21 million net); and
- Heritage Fund Development complements City funding by raising revenues through solicitations, corporate sponsorships, and membership fees. In 2008, Heritage Toronto aims to increase revenues by 25% over 2007. (\$0.174 million gross with an operating surplus of \$0.075 million net).

2008 OPERATING BUDGET

The 2008 Council Approved Operating Budget for Heritage Toronto of \$0.694 million gross represents a \$0.088 million or 14.5% increase compared to 2007. The 2008 net operating budget of \$0.39 million reflects a \$0.02 million or 5.4% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Heritage Advocacy	238	234	217	205	210	210	(7)	(3.3%)	5	2.2%
Heritage Education	268	44	264	146	310	255	46	17.5%	109	74.8%
Heritage Fund Development	166	62	125	19	174	(75)	49	39.1%	(94)	(501.6%)
Total Program Budget	671	340	606	370	694	390	88	14.5%	20	5.4%

HERITAGE TORONTO

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget		2009 Outlook \$	2010 Outlook \$
				\$	%		
Gross Expenditures:							
Salaries and Benefits	432.6	395.2	483.0	50.4	11.7%	485.0	485.0
Materials and Supplies	72.1	77.3	77.0	4.9	6.8%	77.0	77.0
Equipment	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Services & Rents	97.7	100.0	133.0	35.3	36.1%	133.0	133.0
Contributions to Reserve/Res Funds	0.9	0.9	0.9	0.0	0.0%	0.9	0.9
Other Expenditures	2.7	0.0	0.0	(2.7)	(100.0%)	0.0	0.0
Total Gross Expenditures	606.0	573.4	693.9	87.9	14.5%	695.9	695.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	160.0	138.0	184.0	24.0	15.0%	235.7	235.7
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	76.1	65.5	120.0	43.9	57.7%	120.0	120.0
Total Non Tax Revenues	236.1	203.5	304.0	67.9	28.8%	355.7	355.7
Net Budget (excluding Capital Financing)	369.9	369.9	389.9	20.0	5.4%	340.2	340.2
APPROVED POSITIONS	6.0	6.0	6.0	0.0	0.0%	6.0	6.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 and 2010 Outlooks for Heritage Toronto maintains the 2008 level of service. However, the Program expects the expenditure for the Communications Coordinator position to be self-supporting through increased revenues by 2009, resulting in a reduction of the 2009 Operating Budget net expenditure back to the 2006 Approved Budget of \$0.340 million net.

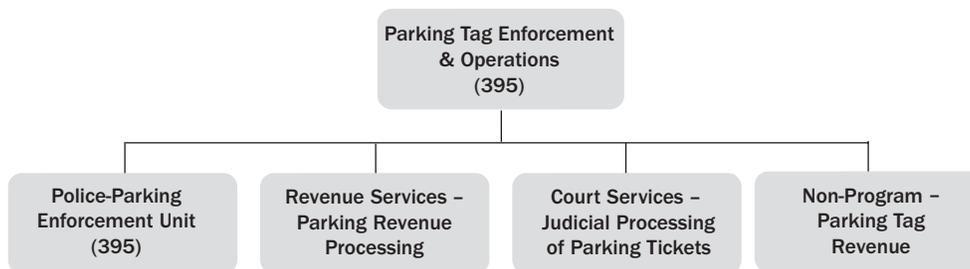
..... PARKING TAG ENFORCEMENT AND OPERATIONS

MISSION STATEMENT

- The Parking Tag Enforcement and Operations Program contribute to the overall safety and security of the people of City of Toronto and the enhancement of their quality of life. This is achieved through its various strategies including safe and orderly flow of vehicular traffic by enforcing the City's parking bylaws and responds to the parking concerns of the community.

PROGRAM MAP

Parking Tag Enforcement & Operations Unit consolidates four program areas to facilitate Council's review of these related operations. A total staffing complement of 395 approved positions exists in the Police unit. Revenue Services Division's 46 positions for Parking Revenue Processing are accounted for in the City Treasurer's Operating Budget.



2007 KEY ACCOMPLISHMENTS

- As a result of the implementation of the handheld ticketing devices system WiPS (Wireless Parking System), the processable rate for parking tag issuance increased from 98.3% to 99.9%. These ticketing devices will result in issuance of fewer illegible tickets with missing or incomplete information.
- The WiPS has greatly improved the exchange of data between the Toronto Police Services and the City's Parking tag Management System, resulting in a higher level of processability for all parking infraction notices as well as achieving the additional goal of providing enhanced service to customers.
- The implementation of the handheld ticketing devices has resulted in many financial and operational benefits to the City:
 - > Budget savings through redeployment of data entry staff.
 - > Electronic interface between the TPS and the City of Toronto Transportation Service's Residential and Temporary Parking Permit systems.
 - > Increase in the number of stolen vehicles recovered.
 - > Real Time Information Management – Reporting: With the implementation of the hand held system, supervisors have access to real-time reporting for their officers, providing management staff with an additional tool to monitor staff deployment, performance and activities.
 - > Asset Maintenance Reporting from the Field: The hand held devices allow officers on patrol to send electronic messages to Parking Enforcement Customer Service regarding asset maintenance.
 - > Reduced incidence of abuse regarding Disabled Persons Parking Permits/spaces through education and enforcement.
 - > With the use of the Street Sweeper, assisted Toronto Police Services units in locating wanted and stolen vehicles.
 - > Savings in parking tag printing and supplies due to the implementation of handheld parking devices and other general savings.

PARKING TAG ENFORCEMENT AND OPERATIONS

2008 PROGRAM OBJECTIVES

- The Parking Tag Enforcement & Operations over the next three years will continue with the overall safety and security of the residents of the City by focusing on the Toronto Police Service traffic safety priorities. This will be achieved through various strategies including enforcement of parking bylaws, visibility, public awareness and education programs.
- Community partnerships are essential elements in sustaining successful enforcement and education initiatives designed to improve the safety of our local and arterial roadways.
- Revenue Services and Court Services are working together to explore a new non-court based system that supports compliance with City parking bylaws while simplifying and streamlining the dispute process for parking tickets.

2008 STRATEGIC PRIORITIES

- The strategic priorities of the Parking Tag Enforcement & Operations Program are to continue with the safe and orderly flow of traffic.
- Responding to the public and private parking concerns of the community.
- Regulating parking through the equitable a discretionary application of bylaws.
- Providing operational support to the Toronto Police Service; language interpretation; stolen vehicle recovery, corporate and local community-policing initiatives, emergency support and crime management.
- Assisting at special events, ensuring the safe and unobstructed movement of vehicular and pedestrian traffic.
- Fostering crime prevention by providing a radio equipped highly visible, uniformed presence in our communities.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

Efficiency of the handheld ticket devices has resulted in:

- An increase in processable tag issuances by Police Parking Enforcement Officers resulting in increased revenue in 2008.
- An incentive to offenders to pay tickets early as their chances of a reduced fine diminishes thereby eliminating additional fees the City may have received.
- Reduced spending in overtime as well as reduced printing and other supplies cost.

2008 OPERATING BUDGET

The 2008 Operating Budget for Parking Tag Enforcement Operations of \$45.377 million gross and represents a \$1.158 million or 2.6% increase compared to 2007. The 2008 net operating budget of (\$36.438 million) reflects a (\$0.042 million) or .01% increase over the 2007 net budget as shown in Table 1.

PARKING TAG ENFORCEMENT AND OPERATIONS

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Parking Enforcement Unit	33,299	32,684	34,237	33,622	34,526	33,911	289	0.8%	289	0.9
Revenue Services	8,832	8,832	5,611	5,611	5,774	5,774	163	2.9%	163	2.9
Judicial Processing of Parking Tickets	968	968	1,029	1,029	1,077	1,077	48	4.7%	48	4.7
Parking Tag Revenue	–	(80,550)	3,342	(76,658)	4,000	(77,200)	658	19.7%	(542)	0.7
Total Program Budget	43,099	(38,066)	44,219	(36,396)	45,377	(36,438)	1,158	2.6%	(42)	0.1

2009/2010 OPERATING BUDGET OUTLOOK

The 2009/2010 Operating Budget will provide funding for the Parking Enforcement and Operations Unit to maintain the existing 2008 service levels with no staffing increases with the net incremental impacts to provide the Police-Parking Enforcement Unit with inflationary increases to maintain current service levels. The Program will continue to provide overall traffic safety and security to the residents of the City by focusing on the Toronto Police Service traffic safety priorities.

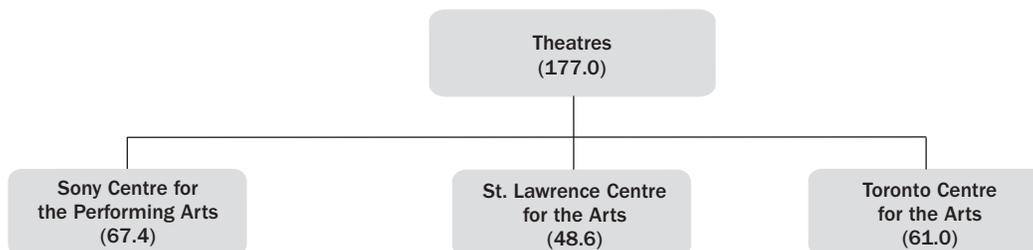
THEATRES

MISSION STATEMENT

- Sony Centre for the Performing Arts**
 To present a broad variety of entertaining and profitable theatrical and concert attractions for the enrichment of the diverse public in Toronto and to reinvent One Front Street East as the Arts and Heritage Awareness (AHA!) Centre – a window to the world for residents and tourists alike to celebrate the diversity and cultural interchange that is Toronto.
- St. Lawrence Centre for the Arts**
 St. Lawrence Centre for the Arts will lead the way in providing Toronto’s diverse cultural communities, residents and visitors with a professional, service-oriented theatrical and entertainment facility. As a focus for Canadian performing arts, the Centre will continually attract, facilitate and present varied, high quality cultural, artistic and public events.
- Toronto Centre for the Arts**
 To ensure that the 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.

PROGRAM MAP

As indicated in the program map, Theatres has three performing space venues: Sony Centre for the Performing Arts, St. Lawrence Centre for the Arts and Toronto Centre for the Arts with 177.0 approved positions to carry out the mandates of the program.



2007 KEY ACCOMPLISHMENTS

Sony Centre for the Performing Arts

- The Centre achieved a 20 year \$10 million naming rights sponsorship with Sony Canada Ltd.
- The Centre is increasingly a venue of choice for private functions.
- Continued to book attractions appealing to a wide diversity of patrons including the exuberant “Soweto Gospel Choir” from South Africa, China’s contemporary women’s group on traditional Chinese instruments “12 Girls Band”, Hong Kong singer “Steven Ma”, the female Celtic band “Celtic Women,” the legendary balladeer of Ireland “Van Morrison,” the Bollywood singing sensations “Kumar Shanu & Alka Yagnik,” Ireland’s folk song stylist “Damien Rice,” the world’s foremost proponent of the Indian drum “Zakir Hussein,” those distinguished gentlemen of soul “Freddie Jackson & Brian McKnight,” British mod rockers “Moody Blues,” Hong Kong’s guitarist and composer “Chris Wong,” and France’s popular “Gypsy Kings.”
- The Centre had 184 days of use and 264,151 patrons attended the attractions in 2007.
- Successfully managed to meet our fiscal net expense target.

THEATRES

St. Lawrence Centre for the Arts

- Completed Phase II of the Facility Renewal Project renovation.
- Implemented a marketing blitz leading to the gala reopening to achieve the anticipated results.
- Held a gala re-opening to showcase the renewed facility and to leverage the renovations into increased rentals.

Toronto Centre for the Arts

- Executed a multi-year rental agreement for the Main Stage Theatre for 2008-2010 with Dancap Productions to bring Broadway style shows back to the Main Stage.
- Managed to come in under budget for a seventh consecutive year.

2008 PROGRAM OBJECTIVES

Sony Centre for the Performing Arts

- The Centre has set its target at 101 days of use with 85 performances for the half year of active operations in fiscal 2008.
- The Centre operates a multi-purpose multi-cultural theatrical venue and is committed to enriching the entertainment and artistic experience of Toronto patrons.
- The Centre strives to provide high quality, reasonably priced attractions which will appeal to a wide diversity of patrons in Toronto.
- The Centre is committed to meeting its fiscal targets set with the City of Toronto.

St. Lawrence Centre for the Arts

- The Board of Management is exploring options which will provide funding to facilitate ongoing capital improvements to the building.
- With the renovations now complete, the Centre is committed to increasing revenues with the hope of reaching its targets for 2008.

Toronto Centre for the Arts

- The Board of Directors at the Toronto Centre for the Arts is expected to review and assess the current mandate and operating model for the Centre, continue third-party management discussions with interested parties and implement action plans to achieve the 2008 operating budget, all with an eye toward the objective of increasing use of this valuable asset while minimizing annual City financial support.

2008 STRATEGIC PRIORITIES

Sony Centre for the Performing Arts

- To commence a four-year redevelopment project to renovate the theatre and build a new cultural centre called the Arts & Heritage Awareness (AHA!) Centre.
- To sustain operations during the redevelopment of the facility that will generate future operating surpluses through the introduction of new business activities.

St. Lawrence Centre for the Arts

- To build on the renewed interest from the facility renovation.
- To translate the renewed interest into new bookings.
- To increase "Days used".

Toronto Centre for the Arts

- To establish a long-term operating model that fulfills the original purpose of the Centre while reducing the risk of budgeting based on one-time events in the main stage theatre.

THEATRES

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Approved Operating Budget for Theatres provides the following Services:

- Sony Centre for the Performing Arts provides theatrical facilities and services to 47 different organizations. The Centre’s mandate allows for facility rentals and risk presentations whereby the Centre is involved in the production and marketing of a program. Located on the corner of Yonge & Front Streets, the Centre offers multi-functional spaces and comprehensive event services. With over 3,100 seats, it is the largest soft-seat auditorium in Canada. The Centre also boasts state-of-the-art lighting and sound systems, a fully integrated Ticket Master TM box office, a world class stage, and highly experienced and friendly event staff. (\$14,584.1 million gross and \$1,171.1 million net)
- St. Lawrence Centre for the Arts mandate is a “rentals only” facility and in keeping with the mandate, the focus is to offer a well-equipped theatrical facility and event services to approximately 70 not-for-profit arts organizations and local communities. The Centre also organizes and provides a Forum for Toronto citizens to gather, share ideas, and discuss a wide range of topics that resonate with the community. The Centre is located in downtown Toronto and houses 2 performing space venues: the 876-seat Bluma Appel Theatre features state-of-the-art sound and lighting capable of accommodating a wide range of presentations; and the 498-seat Jane Mallett theatre is equipped with exceptional acoustics that is ideal for concerts. (\$4,017.9 million gross and \$1,526.6 million net)
- Toronto Centre or the Arts currently functions as a “rentals only” facility to 150 different arts, cultural, educational, community and business organizations. Located in North York, the Centre houses 3 main performing arts spaces. The Main Stage Theatre is a 1,780-seat theatre ideal for a wide variety of live performance events including Broadway style shows, opera, ballet, symphony and corporate events. The 1,032-seat George Weston Recital Hall is known for stellar acoustics and is most frequently used for un-amplified music concerts. The Studio Theatre is a 200-seat “black box” and is an extremely versatile and affordable space used for music concerts, plays, meetings and receptions. (\$4,686.7 million gross and \$1,142.9 million net)

2008 OPERATING BUDGET

The 2008 Approved Operating Budget for Theatres of \$23.289 million gross represents a \$7.325 million or 23.9% decrease compared to 2007. The 2008 net operating budget of \$3.841 million reflects a \$0.501 decrease over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Sony Centre for the Performing Arts	22,093	128	21,945	1,171	14,584	1,171	(7,360)	(33.5%)	0	0.0%
St. Lawrence Centre for the Arts	3,747	1,494	4,585	1,829	4,018	1,527	(567)	(12.4%)	(303)	(16.5%)
Toronto Centre for the Arts	3,996	1,284	4,084	1,341	4,687	1,143	603	14.8%	(198)	(14.8%)
Total Program Budget	29,837	2,906	30,614	4,341	23,289	3,841	(7,325)	(23.9%)	(501)	(11.5%)

THEATRES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	10,495.6	10,996.3	10,903.8	408.2	3.9%	10,474.7	12,127.5
Materials and Supplies	1,934.9	1,847.1	1,828.4	(106.5)	(5.5%)	1,884.5	2,365.9
Equipment	415.6	46.0	271.8	(143.8)	(34.6%)	290.7	309.6
Services & Rents	10,551.7	12,830.6	6,825.1	(3,726.6)	(35.3%)	4,395.2	10,576.9
Contributions to Reserve/Res Funds	2,661.1	2,385.4	914.7	(1,746.4)	(65.6%)	714.5	1,313.8
Other Expenditures	4,555.0	5,427.2	2,544.9	(2,010.1)	(44.1%)	1,320.2	2,570.2
Total Gross Expenditures	30,613.9	33,532.7	23,288.7	(7,325.2)	(23.9%)	19,079.8	29,263.9
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	21,054.9	23,475.3	17,407.7	(3,647.2)	(17.3%)	13,441.1	23,576.9
Contribution from Reserves/Res Funds	4,111.5	5,869.9	1,609.4	(2,502.1)	(60.9%)	1,082.5	940.2
Other Revenues	1,106.2	18.3	431.0	(675.2)	(61.0%)	218.0	803.0
Total Non Tax Revenues	26,272.6	29,363.5	19,448.1	(6,824.5)	(26.0%)	14,741.6	25,320.1
Net Budget (excluding Capital Financing)	4,341.3	4,169.2	3,840.6	(500.7)	(11.5%)	4,338.2	3,943.8
APPROVED POSITIONS	177.2	188.8	177.0	(0.2)	(0.1%)	187.0	213.6

2009/2010 OPERATING BUDGET OUTLOOK

Sony Centre for the Performing Arts

- As theatre renovations continue through 2009, the Centre's ability to generate revenues through the shut down period will be negatively impacted.
- Theatre renovations will be completed by 2010 and service activities will resume, resulting in a partial recovery of rental revenues. Construction of the AHA! Centre will continue beyond 2010.

St. Lawrence Centre for the Arts

- A renewed and revitalized facility will help to broaden its client base, translating into increased programming. The Centre expects to see results of these efforts in the 2009/2010 period.

Toronto Centre for the Arts

- Securing a multi-year rental agreement with Dancap Productions will allow the Centre to mitigate the risk associated with budgeting based on revenues from one-time events, increase utilization of the main stage theatre and revenues in 2009/2010; thereby reducing the City's financial support to the Centre.

THEATRES

SONY CENTRE FOR THE PERFORMING ARTS 2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

In a report presented to the Policy and Finance Committee on July 25, 26 and 27, 2006, City Council endorsed the proposed agreement for the redevelopment of the Sony Centre for the Performing Arts, formerly the Hummingbird Centre for the Performing Arts. The proposal includes two principal redevelopment options (A & B) available to the Centre:

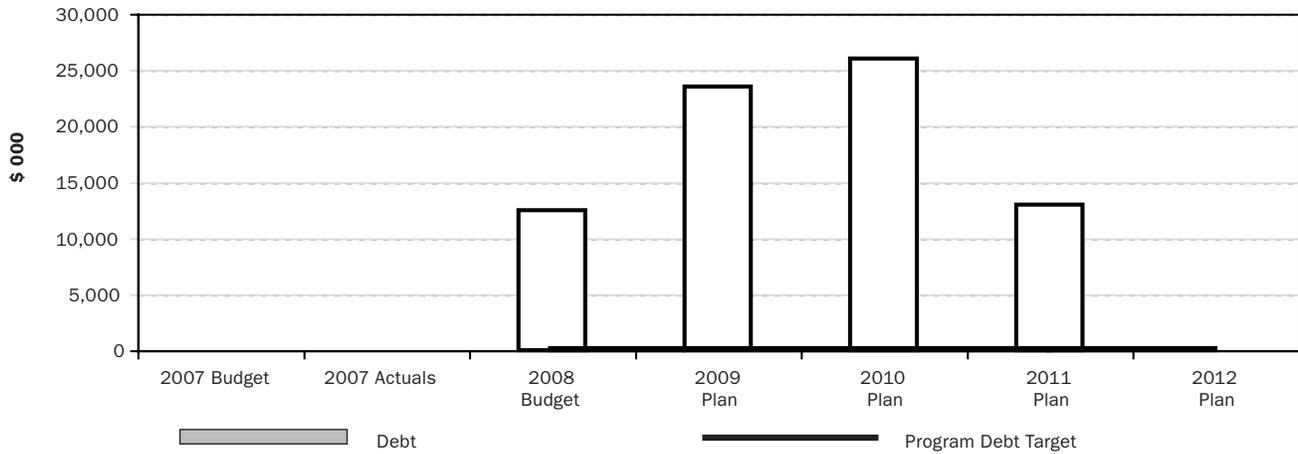
- a) Under Option A, the Program will undertake a four-year redevelopment plan to renovate the theatre and build the “Arts & Heritage Awareness” Centre (AHA! Centre) for a total project cost of \$75 million, if Sony Centre raises \$60 million from federal, provincial and private sector sources by December 31, 2007. The sale of a portion of land on the Sony Centre site to Castlepoint for the construction of a residential condominium building represents the City’s \$15 million contribution to the project. The planned cash flow for Option A is \$12.5 million in 2008, \$23.5 million in 2009, \$26 million in 2010 and \$13 million in 2011.
- b) In the event that total funding of \$60 million is not secured by December 31, 2007, the agreement defaults to Option B which allows for the 15-month restoration of the theatre only, resulting in a revised project cost of \$12 million. Under Option B, the AHA! Centre will not be built, instead the proposed location of the AHA! Centre will be leased to Castlepoint for retail/commercial purposes. The sale of a portion of land on the Sony Centre site to Castlepoint for the construction of a residential condominium building, represents the City’s \$15 million contribution to the facility renewal project. The projected cash flow for Option B is \$5.5 million in 2008 with future year commitments of \$5.5 million in 2009 and \$1 million in 2010.

Sony Centre’s Five-Year Capital Plan is based on the assumption that the Program is successful in raising the \$60 million required to implement Option A. This Five-Year Capital Plan consists of 1 project and 5 sub-projects totalling \$75 million in funding over the next 4 years. The 2008 Capital Budget of \$75 million requires cash flows of \$12.5 million in 2008 and future year commitments of \$23.5 million in 2009, \$26 million in 2010 and \$13 million in 2011. Funding for the 2008 Capital Budget of \$75 million is planned to be provided by provincial grants of \$15 million, federal grants of \$15 million, naming and private philanthropy funding of \$30 million, and contributions from the sale of air rights granted by the City to Castlepoint of \$15 million. There is no debt funding assumed for this project. The City’s contribution will be the actual land sold to Castlepoint which will allow the construction of a residential condominium building on the southwest corner of the site at 1 Front Street East.

In a Council decision made on March 3, 4, and 5, 2008, Sony Centre’s report back date to Budget Committee, on the status of Board funding for determination of whether Sony Centre proceed with Option A or B, was extended to September 15, 2008. If the agreement defaults to Option B, the 2008 Capital Budget and the timing of its future year cash flow commitments will be amended to reflect a project cost of \$12 million with required cash flow commitments of \$5.5 million in each year of 2008 and 2009, and \$1 million in 2010. Funding for the renovation of the theatre is provided by contributions from the sale of air rights granted by the City to Castlepoint of \$15 million.

THEATRES

Five-Year Capital Plan (2008 Budget, 2009-2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments								
Recommended Changes to Commitments								
2008 New/Change in Scope and Future Year Commitments			12,500	23,500	26,000	13,000		75,000
2009 – 2012 Plan Estimates								
1-Year Carry Forward to 2008								
Total Gross Annual Expenditures & Plan			12,500	23,500	26,000	13,000		75,000
Program Debt Target			0	0	0	0	0	0
Financing:								
Recommended Debt								
Other Financing Sources:								
Reserves/Reserve Funds								
Development Charges								
Federal			2,500	1,750	4,750	6,000		15,000
Provincial			2,500	1,750	4,750	6,000		15,000
Other Revenue			7,500	20,000	16,500	1,000		45,000
Total Financing			12,500	23,500	26,000	13,000		75,000
By Category:								
Health & Safety								
Legislated								
SOGR								
Service Improvement								
Growth Related			12,500	23,500	26,000	13,000		75,000
Total By Category			12,500	23,500	26,000	13,000		75,000
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)			As this is a new capital budget, there is no SOGR backlog.					
Operating Impact on Program Costs			Unknown at this time					
Debt Service Costs								

THEATRES

CAPITAL PROJECT HIGHLIGHTS

The Five-Year Capital Plan consists of one project – the redevelopment of the Sony Centre – costing \$75 million over the next four years. This endeavour is a growth related project that will augment the theatre's existing services and operations that will result in the provision of substantial operating surpluses for future capital maintenance and refurbishment.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Under Option A, total construction time for the complete redevelopment project is expected to last 4 years. Construction is expected to commence in the Fall of 2008, at which time the theatre will shutdown operations for 15 months. As part of the operating impact of the shut down, the 2008 Operating Budget was reduced by \$4.753 million gross, with an overall zero impact on the net expenditure of \$1.171 million. Any additional operating costs arising from the shutdown will be absorbed by revenues generated in the first part of 2008 prior to the shutdown. The operating impact of the shutdown and post construction fit out period between 2009 and 2011 are not known at this time, since details of the scaled-down operations have yet to be provided. Sony Centre will report on the operating impact of the shutdown and post construction fit out period between 2009 and 2011 in the 2009 Capital Budget process.

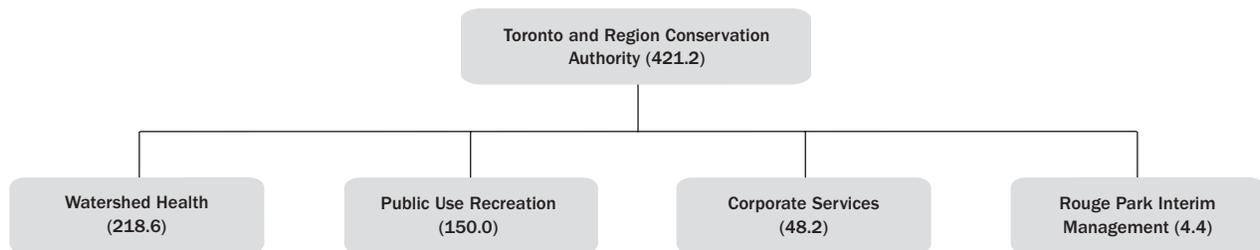
..... TORONTO AND REGION CONSERVATION AUTHORITY

MISSION STATEMENT

- The quality of life on Earth is being determined in the rapidly expanding city regions. Toronto and Region Conservation Authority's (TRCA) vision is for a new kind of community, "The Living City", where human settlement can flourish forever as part of nature's beauty and diversity.
- TRCA's mission is to work with its partners to ensure that "The Living City" is built upon a natural foundation of healthy rivers and shorelines, greenspace and biodiversity, and sustainable communities.

PROGRAM MAP

TRCA is comprised of four service functions: Watershed Health, Public Use Recreation, Corporate Services, and Rouge Park Interim Management, with a total staffing complement of 421.2 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Initiated source water protection program under the Ontario Clean Water Act; this is a new role for TRCA as the Toronto and Region Source Protection Authority.
- Completed the Restoration Services Centre which is the first LEED platinum building in Ontario.
- Continued work with Toronto Waterfront Revitalization Corporation on Mimico, Port Union, Lake Ontario Park and other projects; completed CN bridge project on the lower Don River.
- Planted over 260,000 trees, shrubs and wetland plants across TRCA area of jurisdiction.
- Completed a real-time, web accessible, flood warning system which shows flood status, precipitation, water levels and stream discharge dates.
- Initiated North America's largest "Eco Industrial Business Zone" comprised of 12,000 hectares of industrial and commercial lands, in partnership with the City of Toronto, Region of Peel, GTAA and other business partners.
- Continued stream barrier mitigation enabling natural heritage restoration on the Humber, a Canadian Heritage River.
- Implemented the archetype sustainable house project at the Living City Campus at Kortright, by completing an international design competition and assisting in the initiation of the World Green Building Council.

TORONTO AND REGION CONSERVATION AUTHORITY

2008 PROGRAM OBJECTIVES

- *Healthy Rivers and Shorelines* – TRCA will work to restore the integrity and health of the regions' rivers and waters from the headwaters in the Oak Ridges Moraine, throughout each of the 9 watersheds in TRCA's jurisdiction, to the Toronto Waterfront on Lake Ontario.
- *Regional Biodiversity* – TRCA strives to protect and restore a regional system of natural areas that provide habitat for diverse plant and animal species, improve air quality and provide opportunities for the enjoyment of nature.
- *Sustainable Communities* – The Program aims 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* – TRCA pursues continuous improvement in the development and delivery of all programs through creative partnerships, diverse funding sources and careful auditing of outcomes and effectiveness.

2008 STRATEGIC PRIORITIES

The 2008 Council Approved Budget for TRCA supports the Council's policy agenda through the following strategic priorities:

- *Progress on the Waterfront* – TRCA is a major partner with Waterfront Toronto (TWRC) and the City in the development of the waterfront. Operational support provided by TRCA is critical for completion of key City waterfront projects including Port Union, Mimico Parks and the lower Don River.
- *Clean and Beautiful City* – TRCA's work on the waterfront and support for City Parks and Works contributes directly to this priority of making Toronto a Clean and Beautiful City.
- *Strengthen At Risk Neighbourhoods* – TRCA supports the City's urban farm initiative on land adjacent to Black Creek Pioneer Village (BCPV) and through BCPV's relationship with local schools in the Jane/Finch area. TRCA is a leader in volunteer development, mentorship and training programs aimed at new Canadians.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Council Approved Operating Budget will provide the following services:

- *Watershed Health* protects, manages and restores water and land resources within the 9 watersheds of the region; promotes plant and animal life in green space; and encourages environmentally friendly practices. Includes the development progress on the Waterfront projects. (\$20.007 million gross and \$2.926 million net);
- *Public Use Recreation* provides high quality and well-used public use programs and facilities and delivers programs where TRCA makes its holdings available for public at 9 Conservation Areas and Black Creek Pioneer Village (\$11.935 million gross and \$0.632 million net);
- *Corporate Services* provides strategic leadership and direction, as well as administrative services to meet regulatory compliance and organizational and governance requirements of TRCA stakeholders (\$4.943 million gross and \$3.434 million net);
- *Rouge Park Interim Management* oversees the development and administration of the largest urban park in North America (\$0.479 million gross and \$0.07 million net); and
- Enhanced services for the wedding program at Kortright Centre, archaeological and planting program, Environmental Assessments, Conservation Field Centres, and the golf and swimming programs resulting in 11.8 additional positions. The expanded services are in response to increased service demands and the costs are fully covered by fee revenues and other non-City funding (\$0.832 million gross and \$0 net).

TORONTO AND REGION CONSERVATION AUTHORITY

2008 OPERATING BUDGET

The 2008 Approved Operating Budget for TRCA of \$37.363 million gross represents a \$0.737 million or 2.0% increase compared to 2007. The 2008 net operating budget of \$3.171 million reflects a \$0.077 million or 2.5% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Watershed Health	19,654	1,372	19,933	2,848	20,007	2,926	74	0.4%	78	2.8%
Public Use Recreation	9,264	659	10,842	600	11,935	632	1,093	10.1%	32	5.3%
Corporate Services	4,547	896	5,282	(431)	4,943	(458)	(339)	(6.4%)	(27)	6.3%
Rouge Park Interim Management	515	83	569	77	479	70	(90)	(15.9%)	(6)	(8.1%)
Total Program Budget	33,979	3,010	36,626	3,094	37,363	3,171	737	2.0%	77	2.5%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						2009 Outlook	2010 Outlook	
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook			2010 Outlook
	\$	\$	\$	\$	%	\$			\$
Gross Expenditures:									
Salaries and Benefits		25,171.4	25,071.0	27,134.0	1,962.6	7.8%	27,579.1	27,579.1	
Materials and Supplies		3,455.1	3,377.4	3,717.6	262.5	7.6%	3,727.6	3,737.6	
Equipment		563.6	577.8	572.6	9.0	1.6%	572.6	572.6	
Services & Rents		7,435.6	6,976.1	5,938.8	(1,496.8)	(20.1%)	5,948.8	6,041.8	
Contributions to Reserve/Res Funds		0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Expenditures		0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Total Gross Expenditures		36,625.7	36,002.3	37,363.0	737.3	2.0%	37,828.1	37,931.1	
Funded by:									
Provincial Subsidies		1,042.8	1,042.8	1,042.8	0.0	0.0%	1,042.8	1,042.8	
Federal Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Subsidies		0.0	0.0	0.0	0.0	n/a	0.0	0.0	
User Fees, Permits & Donations		25,154.7	24,505.0	25,467.9	313.2	1.2%	25,384.4	25,424.9	
Contribution from Reserves/Res Funds		0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Revenues		7,334.0	7,360.3	7,681.2	347.2	4.7%	8,101.7	8,121.7	
Total Non Tax Revenues		33,531.5	32,908.1	34,191.9	660.4	2.0%	34,528.9	34,589.4	
Net Budget (excluding Capital Financing)		3,094.2	3,094.2	3,171.1	76.9	2.5%	3,299.2	3,341.7	
APPROVED POSITIONS		410.8	410.8	421.2	10.4	2.5%	421.2	421.2	

TORONTO AND REGION CONSERVATION AUTHORITY

2009/2010 OPERATING BUDGET OUTLOOK

- TRCA recognizes that the increased level of support from the City in 2009 and 2010 must be balanced against the fiscal pressure of the City. TRCA will maintain its programs and activities and continue to pursue “The Living City” vision within the constraints of the municipal environment while seeking new funding opportunities.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

TRCA’s Five-Year Capital Plan addresses safety concerns in flood prone areas and where land loss is occurring along river valleys and shorelines as a result of erosion; continues waterfront regeneration efforts through parkland and habitat creation along the Lake Ontario waterfront (with associated water quality monitoring); continues environmental rehabilitation through the Toronto Remedial Action Plan; and provides for infrastructure repairs and maintenance in support of the Program’s objectives and activities.

The 2008 Capital Budget and 2009-2012 Capital Plan totals \$32.168 million gross and debt of \$14.470 million, requiring cash flow of \$6.018 million gross and \$2.718 million debt in 2008; \$6.268 million gross and \$2.801 million debt in 2009; \$6.505 million gross and \$2.951 million debt in 2010; \$6.643 million gross and \$3.000 million debt in 2011; and \$6.734 million gross and \$3.000 million debt in 2012. The Capital Plan is in line with Council-approved debt affordability targets in each of the five years.

Contributions from Toronto Water also fund TRCA’s capital work. The Five-Year Capital Plan for Toronto Water includes \$17.698 million to partially fund TRCA capital projects related to water quality and quantity: \$3.300 million in 2008; \$3.467 million in 2009; \$3.554 million in 2010; \$3.643 million in 2011; and \$3.734 million in 2012.

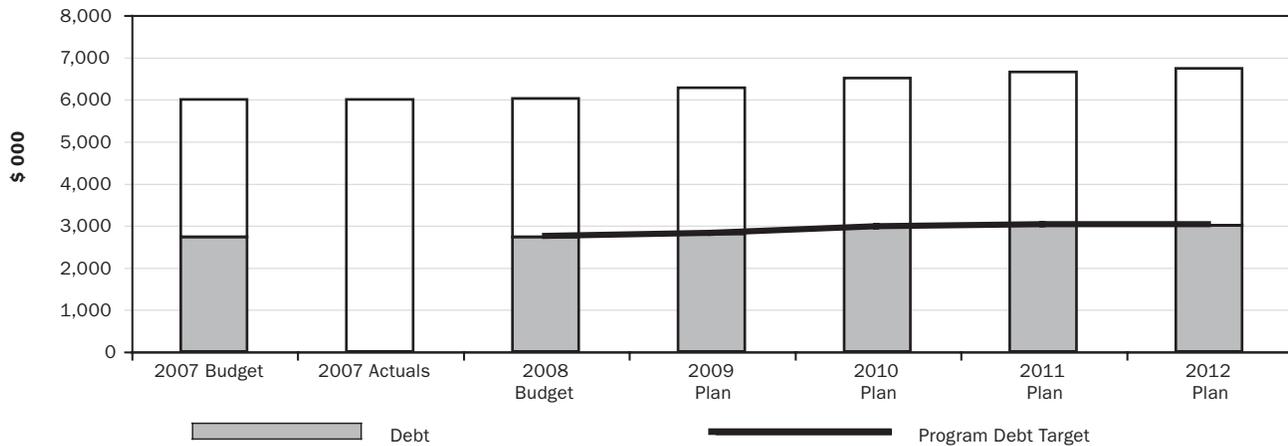
TRCA also acquires land for source water protection within its jurisdiction. The Five-Year Capital Plan for Toronto Water includes \$25.500 million for land acquisition for source water protection through TRCA: \$3.000 million in 2008; \$4.500 million in 2009; and \$6.000 million each in 2010, 2011 and 2012.

The Five-Year Capital Plan totals \$32.168 million, of which 95% (\$30.432 million) is allocated to State of Good Repair projects and the remaining 5% (\$1.736 million) to Service Improvement initiatives.

The Five-Year Capital Plan will impact future-year Parks, Forestry and Recreation operating budgets in cases where TRCA hands over parkland to Parks, Forestry and Recreation for maintenance. TRCA is working with Parks, Forestry and Recreation to ensure that their future-year budget submissions include these operating impacts.

TORONTO AND REGION CONSERVATION AUTHORITY

Five-Year Capital Plan (2008 Budget, 2009-2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	5,992	5,992						0
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			6,018					6,018
2009 – 2012 Plan Estimates				6,268	6,505	6,643	6,734	26,150
1-Year Carry Forward to 2008		0						
Total Gross Annual Expenditures & Plan	5,992	5,992	6,018	6,268	6,505	6,643	6,734	32,168
Program Debt Target	2,722		2,718	2,801	2,951	3,000	3,000	14,470
Financing:								
Recommended Debt	2,722		2,718	2,801	2,951	3,000	3,000	14,470
Other Financing Sources:								
Reserves/Reserve Funds								0
Development Charges								0
Federal								0
Provincial								0
Other Revenue (Toronto Water contributions)	3,270		3,300	3,467	3,554	3,643	3,734	17,698
Total Financing	5,992		6,018	6,268	6,505	6,643	6,734	32,168
By Category:								
Health & Safety								0
Legislated								0
SOGR	5,772		5,718	5,913	6,074	6,268	6,459	30,432
Service Improvement	220		300	355	431	375	275	1,736
Growth Related								0
Total By Category	5,992		6,018	6,268	6,505	6,643	6,734	32,168
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)		154,450	151,787	148,880	145,585	141,718	137,266	137,266
Operating Impact on Program Costs								
Debt Service Costs			82	383	397	415	420	1,696

TORONTO AND REGION CONSERVATION AUTHORITY

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The TRCA Five-Year Capital Plan indirectly supports strategic priorities such as Make Progress on the Waterfront. Through Waterfront Toronto's capital program, TRCA will be involved in the development of waterfront parks at Port Union and Mimico; the Tommy Thompson Master Plan; naturalisation of the mouth of the Don and the West Donlands Precinct Plan (flood protection land form – Don Park) over the next 5 years.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

TRCA typically absorbs the operating impact of its capital budgets, except in cases where TRCA hands over a completed project to a City agency to manage ongoing operations. For example, upon completion of TRCA's capital work on ravine parkland, TRCA will hand over the operation of the park to the City's Parks, Forestry and Recreation Division. This impacts the operating budget of Parks, Forestry and Recreation. TRCA and Parks, Forestry and Recreation will work together to ensure that future-year budget submissions includes such operating impacts.

STATE OF GOOD REPAIR BACKLOG

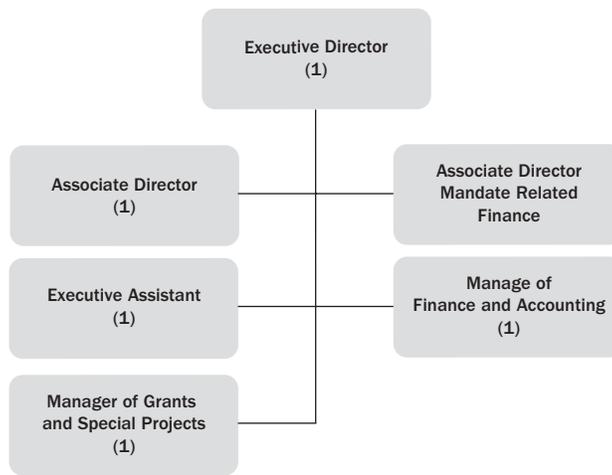
TRCA's accumulated state-of-good-repair backlog at the end of 2007 is estimated to be \$154.450 million. This figure includes maintenance of the natural environment through activities such as erosion control and source water protection. During the period 2008-2012, TRCA will address its annual state-of-good-repair needs and reduce its backlog so that the estimated accumulated backlog by the end of 2012 is estimated to be \$137.266 million.

MISSION STATEMENT

- To help slow global climate change and improve local air quality by using TAF's assets and revenue to advance local initiatives that reduce Toronto's greenhouse gas emissions.

PROGRAM MAP

The Toronto Atmospheric Fund is comprised of one service, with a total staffing complement of 6 approved positions.



2007 KEY ACCOMPLISHMENTS

- Supported community, city, institutional and business partners to help them incubate innovative climate solutions, such as a transportation demand management program designed by Evergreen at the Brick Works and the launch of Our Power, an umbrella group to allow local solar buying clubs to increase their effectiveness.
- Made a \$300,000 commitment to assist an ambitious energy efficiency program being undertaken in the three Toronto hospitals that comprise the University Health Network.
- Continued to develop technology pilot testing such as innovative solar installations, hybrid and plug-in hybrid electric vehicle pilot tests, and an advanced lighting management system in the Direct Energy Centre's vast underground parking garage.
- Provided additional funding for independent review of pilot projects, and initiated a Technology Assessment Partnership to develop and share knowledge gained through City of Toronto solar installations.
- Increased activity in the Green Condo Loan Program, aimed at overcoming the financial barriers to more energy efficient condominium construction.
- The 2007 Dan Leckie Forum jump-started a multi-stakeholder education and outreach group focused on retrofits in existing high-rise buildings and best practices in the new-build sector.

2008 PROGRAM OBJECTIVES

- Reduce local emissions of greenhouse gas emissions such as CO2 and methane and air pollutants.
- Developing four new program areas: (a) Solarcity; (b) Towerwise; (c) Lightsavers; and (d) Fleetwise to involve new partnerships and help to accelerate the local reductions of greenhouse gases and support the City of Toronto's development and implementation of the Climate and Clean Air Action Plan.

TORONTO ATMOSPHERIC FUND

- Managing resources to respond to growing public interest in the area of climate change and general growing urgency of the issue.
- Establishing partnerships with non-governmental organizations, other levels of government, business and academic institutions.
- Launch the Toronto Solar Neighbourhoods Initiative program working with the City of Toronto Energy Efficiency Office, the Toronto Environment Office and Toronto Hydro to help residents of South Riverdale install solar thermal water heating systems and lay the groundwork for a city-wide solar thermal incentive program
- Increase local emission reduction results by working with an international consortium of the world's largest cities.

2008 STRATEGIC PRIORITIES

- Attracting new funds to directly support targets set out in the City of Toronto's recently approved Climate Change, Clean Air and Sustainable Energy Action Plan. TAF will deliver four new programs, a) Solarcity; (b) Towerwise; (c) Lightsavers; and (d) Fleetwise detailed below, by integrating grants, finance, and direct program design and management from other orders of government and third party funding.
- Supporting the City's plan in cutting emissions and encouraging residents to do the same.
- Support opportunities to achieve significant and measurable emission reductions from initiatives such as the Plug-in Hybrid Electric Vehicle pilot project.
- Supporting Live Green Toronto target groups and accelerate emission reductions in high-rise buildings.
- Assist the City to become the renewable Energy Capital of Canada through support of solar thermal and PV projects in the City and community.
- Strengthen public communications.
- Collaborate with dynamic leaders in institutions, local community groups, City departments and agencies or businesses to develop partnerships working on their cutting edge ideas, pilot test their concepts and spread the word about their successes

2008 OPERATING BUDGET HIGHLIGHTS

- Providing grants to community non-profit and charitable organizations, the City and special purpose bodies.
- Providing financing to municipal, public and private agencies.
- Providing funding for special projects that promote air quality and further TAF's mandate.
- Fundraising from external sources for TAF and City projects.
- Providing support to the City including:
 - 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:
 - Annual Smog Summit
 - GTA Clean Air Council
 - Staff participation in various City committees, including:
 - Air Quality Strategy Group
 - Toronto Grants Coordinating Committee
 - Toronto Renewable Energy Action Planning group
 - Fundraising for City initiatives such as the City of Toronto Air Emissions Inventory.
-

TORONTO ATMOSPHERIC FUND

2008 OPERATING BUDGET

The 2008 Approved Operating Budget of \$2.684 million gross and zero net is \$0.850 million or 46.3% gross over the 2007 Approved Operating Budget and zero million net as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Toronto Atmospheric Fund	2,296	–	1,835	–	2,684	–	849.0	n/a	–	–
Total Program Budget	2,296	–	1,835	–	2,684	–	849.0	n/a	–	–

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	323.0	335.0	488.1	165.1	51.1%	502.7	517.8
Materials and Supplies	19.0	34.0	62.5	43.5	228.9%	62.5	62.5
Equipment	5.0		9.5	4.5	90.0%	9.5	9.5
Services & Rents	79.4	65.0	74.2	(5.2)	(6.5%)	74.2	74.2
Grants	988.4	1,269.0	1,120.0	131.6	13.3%	1,120.0	1,120.0
Special Projects	320.0	296.0	830.0	510.0	159.4%	830.0	830.0
City Mandated Contributions	100.0	100.0	100.0	0.0	0.0%	100.0	100.0
Operating Fund Contribution	0.0	(1,338.0)	0.0	0.0	0.0%	0.0	0.0
Stabilization Fund Contribution		(395.0)	0.0	0.0	0.0%	0.0	0.0
Total Gross Expenditures	1,834.8	366.0	2,684.3	849.5	46.3%	2,698.9	2,714.0
Funded by:							
Investment Performance	1,323.2	(359.0)	1,465.2	142.0	10.7%	1,479.8	1,494.9
Loans	62.0	75.0	69.1	7.1	11.5%	69.1	69.1
Grants	349.6	350.0	600.0	250.4	71.6%	600.0	600.0
Board Allocation	0.0	0.0	550.0	550.0	0.0%	550.0	550.0
Fundraising	100.0	300.0	0.0	(100.0)	(100.0%)	0.0	0.0
User Fees	0.0	0.0	0.0	0.0	0.0%	0.0	0.0
Total Non Tax Revenues	1,834.8	366.0	2,684.3	849.5	46.3%	2,698.9	2,714.0
Net Budget (excluding Capital Financing)	0.0	0.0	0.0	0.0	0.0%	0.0	0.0
APPROVED POSITIONS	4.0	4.0	6.0	2.0	50.0%	6.0	6.0

2009/2010 OPERATING BUDGET OUTLOOK

- Continue current program objectives.
- Seek to expand resources and partnerships to support city climate plans.

MISSION STATEMENT

- We are dedicated to delivering police services in partnership with our communities to keep Toronto the best and safest place to be.

PROGRAM MAP

The Toronto Police Service's total 2008 staff complement is 7,730 including a Board and Council approved uniformed staff complement of 5,510 Officers on average throughout 2008:

2007 KEY ACCOMPLISHMENTS

Toronto Anti-Violence Intervention Strategy (TAVIS): Continued the successful Toronto Anti-Violence Intervention Strategy funded by the Province, which combines a focused crackdown on gangs with an emphasis on building strong community relationships. The Strategy uses community mobilization to:

- Reduce crime and disorder.
- Make neighbourhoods safer.
- Bring neighbours together to keep their neighbourhood safe and liveable.

The Toronto Police Service has reported that TAVIS is working well and a key part of the Service's comprehensive plan for building a meaningful relationship with all communities in the City. As of October 16, 2007, TAVIS officers had been responsible for 2,565 arrests and the seizure of 63 firearms.

Gun Violence: Pursued discussions with the federal government for: no bail for anyone who commits a crime while in possession of a gun; complete ban on handguns and all semi-automatic weapons; significantly increase enforcement measures and actively seek the cooperation of the United States government to prevent international gun trafficking; and, to develop an effective gun registry.

Youth in Policing Initiative (YIPI): Continued with the Youth in Policing Initiative funded by the Province, enabling youth from priority neighbourhoods across Toronto to work in a variety of areas within the Toronto Police Service. The objective of the program is to acquaint youth with the police and develop potential career opportunities.

In 2007, approximately 100 youth had summer employment with the Toronto Police Service as part of the YIPI. This new innovative program allowed young people to work one-on-one with the Service members, from Forensic Identification Services to the Marine Unit to divisions throughout the City.

Closed Circuit Television (CCTV): In February 2006, the Toronto Police Services Board began research into the use of closed circuit television in support of community policing. All aspects of the closed circuit television technology; operation; impact; privacy concerns; best practices; and, governance were reviewed. Closed circuit television cameras were deployed in a small number of areas in 2006.

Though extensive crime analysis and public consultation in January and February 2007, the Toronto Police Service identified areas in the City for a pilot project. At the end of April 2007, the Toronto Police Service commenced trials with deployment of cameras in 31 and 42 Divisions, and in the Entertainment District (52 Division). In October 2007, the pilot was further extended in 51 Division.

TORONTO POLICE SERVICE

2008 PROGRAM OBJECTIVES

- Community Policing Partnership – create and improve partnerships with the community to promote community mobilization.
- Safety of Vulnerable Groups – improve police response to, and address the needs of, woman and children who are victimized.
- Community Safety and Security – increase efforts to ensure that members of the community are able to live without fear of intimidation, harassment, or attack.
- Traffic Safety – increase efforts to support the safe and efficient flow of traffic, and the safety of our drivers, passengers, cyclists, and pedestrians.
- Service Delivery – ensure police are a visible part of the community, fostering a mutually respectful, beneficial, and professional relationship, oriented to community needs.
- Human Resources – ensure that members have the skills and abilities needed to provide effective, professional, non-biased services, and strive to be representative of the communities we serve.

2008 STRATEGIC PRIORITIES

The Toronto Police Service's Board is legislated by the Police Service's Act for the general management and shaping the structure of policing policy. The Chief of Toronto Police Service is responsible for the daily and other operational matters related to the implementation of the strategic initiatives;

- Making a Safe City Safer:
 - > Continuing the successful Toronto Anti-Violence Intervention Strategy (TAVIS) funded by the Province, which combines a focused crackdown on gangs with an emphasis on building strong community relationships. The Strategy uses community mobilization to:
 - * Reduce crime and disorder.
 - * Make neighbourhoods safer.
 - * Bring neighbours together to keep their neighbourhood safe and liveable.
 - > Continuing to pursue discussions with the federal government for: no bail for anyone who commits a crime while in possession of a gun; complete ban on handguns and all semi-automatic weapons; significantly increase enforcement measures and actively seek the cooperation of the United States government to prevent international gun trafficking; and, to develop an effective gun registry.
 - > Continue with the Youth in Policing Initiative (YIPI) funded by the Province, enabling youth from priority neighbourhoods across Toronto to work in a variety of areas within the Toronto Police Service. The objective of the program is to acquaint youth with the police and develop potential carrier opportunities.
 - > Continue with the Closed Circuit Television (CCTV) pilot project. The Ontario Ministry of Community Safety and Correctional Services have agreed to provide funding in the amount of \$2.000 million to support the acquisition of re-deployable camera systems for the Toronto Police Service.

In addition to these strategic initiatives, the 2008 Council Approved Budget for the Police Service also directly addresses, through a number of environmental initiatives, strategic priorities outlined in Council's policy agenda;

- Environmental/Climate Change Activities:
 - > Implementing Next Generation of Energy Lighting: LED lighting, occupancy sensors and indirect lighting are being considered for a number of front-line facilities, with 13 Division set to be a test site for some of these technologies.
 - > Implementing Council's No Waste Recycling Program: The Service diverted 44% of waste in 2006 and approximately half of their facilities exceeded 50% diversion. Full implementation of this program was completed in 2007, the Battery Recycling Program is under development.

TORONTO POLICE SERVICE

- > Reduction in Paper Usage: Double-siding photocopies and printing along with limiting paper handouts is projected to result in 5 million less photocopies in 2007 with a savings of \$0.050 million. The Service is also exploring electronic disclosure to Crown Attorneys.
- > Conversion to Thin Film Transistor Monitors from Traditional Cathode Ray Tubes Computer Monitors: Based on industry standards, it is estimated that this will result in the use of 50% less power.
- > Testing of Fuel Efficient Vehicles: The Service is testing an industry cross section of vehicles such as hybrids, smart cars and smaller vehicles to determine their cost benefits and operational suitability. The Service will be expanding this initiative in 2008.

2008 OPERATING BUDGET HIGHLIGHTS

- The 2008 Council Approved Operating Budget provides base funding for the Toronto Police Service to accommodate the full year impact of Officers hired and trained in 2007, and the 271 replacement hires for 2008. This is required to achieve the full, Board and Council approved uniformed staff complement of 5,510 Officers on average throughout 2008. This budget also provides for the full year impact of the new courtrooms opened by the Province in 2007 and the related security requirements as well as the ongoing strategy to reduce capital debt through stabilizing the Service's contribution to their vehicle and equipment reserve.
- The Toronto Police Service maintains an average deployed uniform strength of 5,510 Officers delivering police services in partnership with our communities. Along with Toronto Police Service civilian staff, they will also continue to provide security for 262 Provincial courtrooms within the City.
- The 2008 Council Approved Operating Budget utilizes grant funding for major activities such as the Toronto Anti-Violence Intervention Strategy (TAVIS), the Service's continued strategy against gun violence, the Youth in Policing Initiative (YIPI) and the use of Closed Circuit Television (CCTV) in support of community policing.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Toronto Police Service of \$841.731 million gross represents a \$10.293 million or 1.2% increase compared to 2007. The 2008 net operating budget of \$798.260 million reflects a \$12.041 million or 1.5% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Toronto Police Service	796,907	752,375	831,438	786,218	841,731	798,260	10,292.5	1.2%	12,041.4	1.5
Total Program Budget	796,907	752,375	831,438	786,218	841,731	798,260	10,292.5	1.2%	12,041.4	1.5

TORONTO POLICE SERVICE

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	733,107.9	748,387.2	744,419.1	11,311.2	1.5%	748,789.7	755,223.3
Materials and Supplies	16,600.7	17,691.7	18,260.7	1,660.0	10.0%	18,850.7	19,311.1
Equipment	6,504.5	10,962.8	929.0	(5,575.5)	(85.7%)	1,539.9	1,569.1
Services & Rents	36,389.0	34,002.5	38,194.2	1,805.2	5.0%	39,514.8	39,928.0
Contributions to Reserve/Res Funds	21,937.8	22,665.6	26,571.3	4,633.5	21.1%	30,571.3	32,866.2
Other Expenditures	16,898.3	16,099.4	13,356.5	(3,541.8)	(21.0%)	13,340.4	13,324.3
Total Gross Expenditures	831,438.2	849,809.2	841,730.8	10,292.6	1.2%	852,606.8	862,222.0
Funded by:							
Provincial Subsidies	0.0	0.0	200.0	200.0	n/a	200.0	200.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	5,033.0	16,935.8	0.0	(5,033.0)	(100.0%)	0.0	0.0
Other Revenues	40,187.2	53,447.9	43,271.3	3,084.1	7.7%	43,590.4	43,924.5
Total Non Tax Revenues	45,220.2	70,383.7	43,471.3	(1,748.9)	(3.9%)	43,790.4	44,124.5
Net Budget (excluding Capital Financing)	786,218.0	779,425.5	798,259.5	12,041.5	1.5%	808,816.4	818,097.5
APPROVED POSITIONS	7,713.0	7,713.0	7,730.0	17.0	0.2%	7,734.0	7,738.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 Outlook increase of \$10.557 million and 2010 increase of \$9.281 million include estimates for salary reclassifications, increases in medical and dental benefit costs and increased contribution to reserves.

TORONTO POLICE SERVICE

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

On September 20, 2007, the Toronto Police Services Board approved a 2008 – 2012 Capital Plan with debt funding levels of \$45.566 million in 2008; \$18.803 million in 2009; \$34.359 million in 2010; \$33.911 million in 2011; and \$21.509 million in 2012, for a total debt funding of \$154.148 million. This represents an “average” annual debt funding requirement of \$33.160 million between 2008 and 2011, and \$21.509 million in 2012.

The Toronto Police Services Board requested five-year debt of \$154.148 million, was under the five-year debt target of \$154.719 million by \$0.571 million. Similarly, the 2008 TPS requested debt of \$45.566 million was also under the 2008 debt target of \$47.707 million by \$2.141 million.

However, the Toronto Police Service has not included in the Board approved 2008 Capital Budget, the Toronto Police Service share of the “EMS – Fire Headquarters Power Supply Upgrade” project. Since this facility is partially used by the Police Service, it was approved that the Police contribute \$0.618 million in 2008 which represents 20% of the 2008 budget for this project of \$3.089 million.

Adding this project to the Five-Year Capital Plan put the Toronto Police Service \$0.047 million over their five-year debt target. The Toronto Police Services deferred \$0.047 million in the “State of Good Repair” project from the year 2012 into year 2013, so that the five-year debt target of \$154.719 million was not exceeded.

91% of the total cash flow of \$257.143 million in the Council Approved Five-Year Capital Plan (2008 Council Approved Budget and 2009-2012 Plan) excluding 2007 funding carried forward into 2008, is allocated to State of Good Repair projects at \$234.098 million; 9% is allocated to Service Improvement projects at \$23.045 million.

A needs assessment study of the Police facilities was completed in 1996. This Five-Year Capital Plan is consistent with the needs assessment study and addresses the Program’s state-of-good-repair needs arising from the facility assessment, as well as IT upgrades, vehicle and handheld radio replacement.

The City has acknowledged that the Toronto Police Service has facilities that are in need of replacement and have State of Good Repair issues, and have accommodated the replacement of handheld radios in their Five-Year Plan. Therefore, the City is recommending a total debt level for the five-years of \$154.719 million, subject to the adjustments noted above.

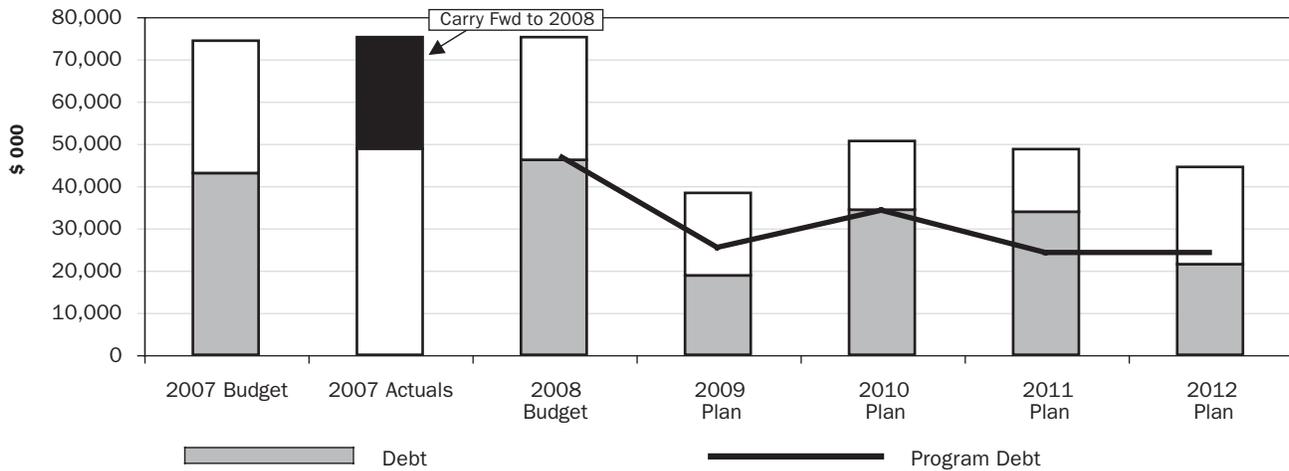
The Five-Year Capital Plan is driven primarily by the Facility Projects, including the New Training Facility and replacement of the handheld radios which will be obsolete in 2011. The 2008 Council Approved Five-Year Capital Plan totals \$257.143 million excluding carry forward of 2007 funding into 2008, and provides funding for the following major projects:

- Construction of New Training Facility (\$43.735 million)
- Police Handheld Radio Replacement (\$24.841 million)
- Replacement of 14 Division (\$30.798 million)
- Replacement of 11 Division (\$25.475 million)

The Radio Communication System Replacement Project is classified as a corporate project in conjunction with requirements of EMS and Fire Services. This system needs to be replaced for all three services as it will no longer be supported by the manufacturer by 2011. As a result, \$70 million in total project cost has been budgeted corporately, and \$0.450 million in 2008 for consultant services, has been recommended for funding.

TORONTO POLICE SERVICE

Five-year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actuals	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	74,357	48,773	48,365	16,297	11,939	4,517	0	81,118
Recommended Changes to Commitments			(2,141)	(6,728)	(9,539)	(4,517)	265	(22,660)
2008 New/Change in Scope and Future Year Commitments			28,905	6,736	11,957	5,754	5,389	58,741
2009 – 2012 Plan Estimates			0	21,954	36,231	42,974	38,785	139,944
1-Year Carry Forward to 2008		26,350						
Total Gross Annual Expenditures & Plan	74,357	75,123	75,129	38,259	50,588	48,728	44,439	257,143
Program Debt Target	42,971		47,707	25,206	33,968	23,919	23,919	154,719
Financing:								
Recommended Debt	42,971		46,184	18,803	34,359	33,911	21,462	154,719
Other Financing Sources:								
Reserves/Reserve Funds	26,470		26,487	16,998	16,229	14,817	22,977	97,508
Development Charges								0
Federal								0
Provincial								0
Other Revenue	4,916		2,458	2,458				4,916
Total Financing	74,357		75,129	38,259	50,588	48,728	44,439	257,143
By Category:								
Health & Safety	1,001							0
Legislated								0
SOGR	62,294		67,949	33,909	47,438	47,978	36,824	234,098
Service Improvement	11,062		7,180	4,350	3,150	750	7,615	23,045
Growth Related								0
Total By Category	74,357		75,129	38,259	50,588	48,728	44,439	257,143
Yearly SOGR Backlog Estimate (not addressed by current plan)			0	0	0	0	0	0
Accumulated Backlog Estimate (end of year)		6,226	6,226	6,226	6,226	6,226	6,226	6,226
Operating Impact on Program Costs			4,729	3,087	3,017	1,556	207	12,596
Debt Service Costs			1,386	5,644	3,099	4,797	4,374	19,300

* Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

TORONTO POLICE SERVICE

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- ***Making a Safe City Safer:***

The Five-Year Capital Plan is driven primarily by the Facility Projects, including the New Training Facility and replacement of the handheld radios which will be obsolete in 2011. The 2008 Council Approved Five-Year Capital Plan totals \$257.143 million excluding carry forward of 2007 funding into 2008, and provides funding for the following major projects:

- Construction of New Training Facility (\$43.735 million)
- Replacement of 14 Division (\$30.798 million)
- Replacement of 11 Division (\$25.475 million)
- Police Handheld Radio Replacement (\$24.841 million)

Other Key Capital Initiatives:

Over the next five years, \$194.551 million is allocated for the construction and/or expansion of new facilities as well as the implementation of new information technology. This focus on State of Good Repair projects is consistent with a needs assessment of the Police facilities which was completed in 1996, and addresses the Program's state of good repair needs arising from the facility assessment, as well as IT upgrades, vehicle and handheld radio replacement.

A major portion of the five-year plan relating to vehicle and equipment replacement for 2008-2012 is non-debt funded. Of the \$257.143 million in gross expenditures excluding carry forward in the five-year plan, debt comprises only \$154.719 million, or 60% of total cash flows.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$12.594 million net over the five-year period. Operating impacts in the Toronto Police Service Five-Year Capital Plan are \$4.729 million for 2008, \$3.087 million for 2009, \$3.017 million for 2010, \$1.556 million for 2011, and \$0.207 million for 2012. These are primarily related to increased maintenance costs for new facilities, and increased contributions to the equipment replacement reserve for future replacement of computer equipment such as office & mobile workstations, servers, printers, and backup equipment.

STATE OF GOOD REPAIR BACKLOG

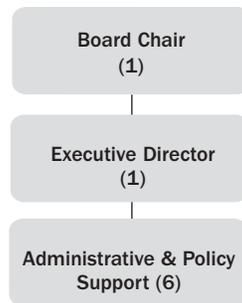
The current backlog for State of Good Repair work is estimated at \$6.226 million for the Toronto Police Service. The Council Approved Five-Year Capital Plan provides funds for State of Good Repair work inside the Police facilities of \$1.800 million in 2008 and 2009, \$2.000 million in 2010, increasing to \$2.500 million in 2011, and \$2.553 million in 2012.

MISSION STATEMENT

- We are dedicated to delivering police services in partnership with our communities to keep Toronto the best and safest place to be.

PROGRAM MAP

The Toronto Police Services Board is comprised of the following 8 approved positions.



2007 KEY ACCOMPLISHMENTS

Toronto Anti-Violence Intervention Strategy (TAVIS): Continued the successful Toronto Anti-Violence Intervention Strategy funded by the Province, which combines a focused crackdown on gangs with an emphasis on building strong community relationships. The Strategy uses community mobilization to:

- Reduce crime and disorder.
- Make neighbourhoods safer.
- Bring neighbours together to keep their neighbourhood safe and liveable.

The Toronto Police Service has reported that TAVIS is working well and a key part of the Service’s comprehensive plan for building a meaningful relationship with all communities in the City. As of October 16, 2007, TAVIS officers have been responsible for 2,565 arrests and the seizure of 63 firearms.

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In 2007, approximately 100 youth had summer employment with the Toronto Police Service as part of the YIPI. This new innovative program allowed young people to work one-on-one with the Service members, from Forensic Identification Services to the Marine Unit to divisions throughout the City.

Closed Circuit Television (CCTV): In February 2006, the Toronto Police Services Board began research into the use of closed circuit television in support of community policing. All aspects of the closed circuit television technology; operation; impact; privacy concerns; best practices; and, governance were reviewed. Closed circuit television cameras were deployed in a small number of areas in 2006.

TORONTO POLICE SERVICES BOARD

Though extensive crime analysis and public consultation in January and February 2007, the Toronto Police Service identified areas in the City for a pilot project. At the end of April 2007, the Toronto Police Service commenced trials with deployment of cameras in 31 and 42 Divisions, and in the Entertainment District (52 Division). In October 2007, the pilot was further extended in 51 Division.

2008 PROGRAM OBJECTIVES

The Toronto Police Services Board’s mandate is to oversee the provision of police services, including law enforcement and crime prevention in the City. The Board is the civilian trustee to the public interest for police services in the community.

The Toronto Police Services Board has approved a 2006 to 2008 Business Plan with the following 5 goals and priorities for the Toronto Police Service:

- Community Policing Partnerships.
- Community Safety and Security.
- Traffic Safety.
- Delivery of Service.
- Human Resources.

The Toronto Police Services Board will be under continuing pressure to ensure that a safe environment is maintained for all the residents and employees within Toronto. The Board will have to continually examine the deployment of Toronto Police Service resources to ensure that its workforce is deployed in the most effective and efficient manner.

2008 STRATEGIC PRIORITIES

The strategic priorities advanced by the Toronto Police Services Board include “making a safe City safer” through punishing criminals and deterring people from crime and ensuring that young people have real opportunities.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget is:

- Consistent with the goals and priorities outlined in the Toronto Police Services Board 2006 to 2008 Business Plan.
- Provides funding for the Board’s base budget pressures and service priorities.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Toronto Police Services Board of \$2.234 million gross and net represents a \$0.004 million or -0.2% decrease compared to 2007, as outlined in the tables below.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Toronto Police Services Board			2,238	2,238	2,234	2,234	(4)	-0.2%	(4)	-0.2%
Total Program Budget	1,785	1,785	2,238	2,238	2,234	2,234	(4)	-0.2%	(4)	-0.2%

TORONTO POLICE SERVICES BOARD

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget		2009 \$	2010 Outlook \$
				\$	%		
Gross Expenditures:							
Salaries and Benefits	780	814	801	22	2.8%	801	801
Materials and Supplies	11	11	11	0	0.9%	11	11
Equipment	2	2	1	(2)	(77.3%)	1	1
Services & Rents	846	707	821	(25)	(2.9%)	821	821
Interdivisional Charges	600	600	600	0	0.0%	600	600
Total Gross Expenditures	2,238	2,134	2,234	(4)	(0.2%)	2,234	2,234
Funded by:							
Interdivisional Recoveries				0	n/a		
Provincial Subsidies				0	n/a		
Federal Subsidies				0	n/a		
Other Subsidies				0	n/a		
User Fees & Donations				0	n/a		
Total Non Tax Revenues	0	0	0	0	n/a	0	0
Net Budget (excluding Capital Financing)	2,238	2,134	2,234	(4)	(0.2%)	2,234	2,234
APPROVED POSITIONS	8.0	8.0	8.0	0.0	0.0%	8.0	8.0

2009/2010 OPERATING BUDGET OUTLOOK

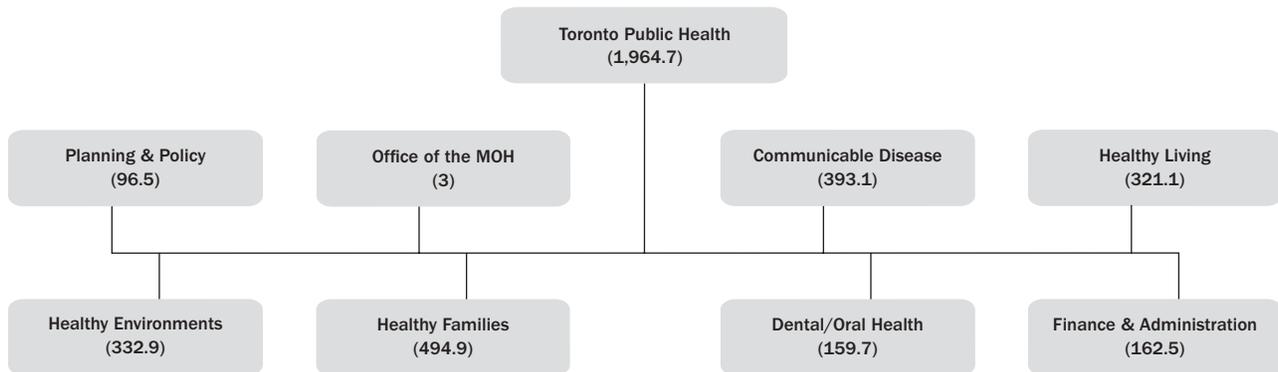
The 2009 and 2010 Outlook does not include cost of living allowance (COLA). The provision for COLA is not included as the salary increase is subject to future negotiations.

MISSION STATEMENT

- A healthy city where all people enjoy the highest level of health and well being. Toronto Public Health (TPH) improves the health of the whole population and reduces health inequalities.

PROGRAM MAP

As indicated in the program map, TPH has eight service functions: Office of the MOH, Public Health Planning and Policy, Healthy Families, Communicable Diseases, Healthy Environments, Healthy Living, Dental/Oral Health and Finance and Administration with 1,964.7 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- **Communicable Disease Control**
 - > Responded to 40,500 notifications of reportable/communicable diseases and investigated and managed 327 disease outbreaks.
 - > Began a new program to prevent cervical cancer by vaccinating over 8000 grade 8 girls in schools with the HPV vaccine.
- **Healthy Families**
 - > Provided 37,230 Healthy Babies Healthy Children home visits by Public Health Nurses and Family Home Visitors to high risk families.
 - > Provided Peer Nutrition education to 2,794 parents and caregivers.
 - > Conducted infant hearing screening tests on 37,340 newborn babies.
- **Healthy Environments**
 - > As part of the enhances Hot Weather Response Plan, Public Health Inspectors disseminated 625 Hot Weather Protection Plan packages to landlords of rooming houses and boarding homes. 352 Premises received on site education and outreach and 117 premises were inspected and assessed with respect to compliance with the recommendations provided in the packages.
 - > In the Dine Safe Program the inspection completion rate for high and medium risk food premises were 94% and 92% respectively and a total of 9481 food handlers were certified under the new Food Handler Training and Certification Program.
- **Healthy Living**
 - > Provided training, consultation and site support to 504 student nutrition programs serving 85,294 children and youth.
 - > Reached 31,853 high school students through the In the Driver’s Seat (ITDS) and Party in the Right Spirit (PITRS) programs with 321 high school student leaders trained.

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- **Planning & Policy**
 - > Provided epidemiological, population health status assessment, research and evaluation services that included reports on the health of Toronto's young children.
 - > Provided policy development services that included trans fat reduction strategies and the full implementation of a pesticide reduction bylaw.
 - > Supported TPH services and staff through communications and media relations, quality assurance management, library and professional development and practice services that included access and equity training.
 - > Coordinated emergency preparedness and continuity of operations planning for TPH.
- **Dental/Oral Health Services**
 - > Provided dental treatment services to approximately 33,000 children and adolescents of low-income families, low income seniors, and high risk parents referred from other public health programs.
- **Finance and Administration**
 - > Toronto Health Connections provided service to 99,758 callers in 2007 which was an increase of almost 12,000 callers from 2006 due to continued integration of service lines including TB and pre-natal class registration.
 - > Visits to Toronto Public Health's website totalled 4,696,422 in 2007 for access to information about public health services, programs and issues including restaurant inspection results, current disease outbreak information, beaches water quality daily reports, heat and smog alerts and free dental care eligibility.
 - > Coordinated the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and Personal Health Information Privacy Act (PHIPA) requests for TPH, successfully responding to approximately 300 requests.
 - > Led and provided oversight for the timely submission of operating and capital budgets, preparation of monthly financial statements, corporate variance reports, expenditure reconciliation and monitoring, and ensuring that adequate internal controls are in place.

2008 PROGRAM OBJECTIVES

- to enable individuals, families and communities to improve and increase their control over their health;
- to change political and policy environments, service systems and social norms to advance health goals;
- to control infectious disease, reduce exposure to environmental health hazards and enforce laws that protect the public's health;
- to reduce the spread of disease and the number of disabilities, injuries, illness and premature births and deaths;
- to identify, monitor and communicate health trends and needs.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget supports the following initiatives outlined in Council's policy agenda:

- **Making a Safe City Safer**
 - > TPH coordinates the City's Hot Weather Response Plan. This plan includes routine monitoring, heat alerts and extreme heat alerts. The plan is intended to alert those most at risk of heat related illness that hot weather conditions are either imminent or currently exist and to take immediate precautions. TPH annually reviews and revises a number of educational materials that outline general precautions to take during hot weather and these are widely distributed to the public.
- **A Clean, Green, and Beautiful City**
 - > TPH works with federal and provincial governments and in collaboration with the Clean Air Partnership to promote the Air Quality Health Index (AQHI) to Toronto's diverse population. The Toronto Air

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Quality Health Index (AQHI) launched in July 2007 was a pilot project that measures the daily health risks from local air pollution and gives those most vulnerable the information they need to protect themselves.

- > TPH, together with other Greater Toronto Area public health units, also supports the “20/20 The Way to Clean Air campaign”. This campaign is designed to provide residents in the GTA with resources to help reduce their own air pollution emissions, particularly in home energy use and vehicle use.
- > A Pesticide Bylaw that restricted the outdoor use of pesticide on all public and private properties in Toronto was approved in April 1, 2004 with enforcement phased in to help residents and businesses in Toronto adapt to the bylaw. Since its approval in 2004, TPH has continually worked to ensure that residents and businesses fully understand their obligations and have access to information about natural lawn and garden care. In September 2007, the bylaw came into full effect and TPH gradually shifted from purely education-based enforcement to a combined education and penalty-based approach that included charges for bylaw violations.

2008 OPERATING BUDGET HIGHLIGHTS

- Toronto Public Health will continue to provide and improve the health of the City’s diverse population through public health services and programs in response to local needs. The 2008 Operating Budget will fund the following public health services:
 - > Under the Communicable Disease Control Services, provide Hepatitis B and Meningitis C vaccine to approximately 28,000 grade 7 students and influenza vaccine to 40,000 clients; distribute safe drug use supplies (525,000 needles) to drug users in Toronto; and, provide 178.5 hours of sexual health services (STI testing and free treatment, supply low cost birth control and pregnancy testing) in Sexual Health Clinics across the city.
 - > Under the Healthy Families Services, reach over 4,000 individuals with appropriate Peer Nutrition educational assessment and counseling workshops in priority neighbourhoods; provide hearing loss screening to a targeted 42,000 newborn infants with a projected 95% reach; provide an appropriate range of Preschool Speech and Language services to 8,000 children with an identified speech and language disorder; and, provide targeted services to 4,000 nutritionally at risk pregnant women.
 - > Under the Healthy Environment Services, ensure compliance with mandated inspection frequencies by conducting approximately 32,000 high, medium and low risk inspections; increase the number of trained and certified food handlers in high risk premises by 12,000; and, reduce the number of mosquito breeding sites by treating 200,000 storm sewers and other sites.
 - > Under the Healthy Living Services, respond to 7,500 calls for Healthy Living services and 976 referrals for service to schools through PHN liaison services; support 212 school health committees (Toronto Schools on the Move, Health Action Teams and others); and, provide health promotion service to 147 workplaces.
 - > Under the Dental and Oral health Services, provide 22,000 preventive services in public health clinics to children and seniors, provide basic dental treatment to 325,100 clients in targeted groups, screen 636 schools and 218,000 children in public schools; and, provide oral health education to 24,000 people

2008 OPERATING BUDGET

The 2008 Operating Budget for Toronto Public Health of \$219.296 million gross represents a \$4.577 million or 2.1% increase compared to 2007. The 2008 net operating budget of \$50.571 million reflects a \$0.181 million or 0.4% increase over the 2007 net budget as show in Tables 1 and 2.

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2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Office of the MOH	574	201	589	147	672	168	83	14.2%	21	14.1%
Public Health Policy and Planning	12,733	4,411	11,884	2,909	12,010	2,978	126	1.1%	69	2.4%
Healthy Families	55,470	8,977	55,804	6,313	56,711	6,691	907	1.6%	378	6.0%
Communicable Disease	39,595	11,291	39,074	8,100	40,409	8,303	1,335	3.4%	203	2.5%
Health Environments	31,954	14,609	33,299	13,802	33,608	12,919	309	0.9%	(884)	(6.4%)
Health Living	32,462	11,078	32,395	8,413	33,235	8,223	840	2.6%	(190)	(2.3%)
Dental/Oral Health	18,996	8,083	19,915	7,811	20,793	8,219	878	4.4%	407	5.2%
Finance & Administration	20,114	5,178	21,761	2,894	21,859	3,071	98	0.5%	177	6.1%
Total Program Budget	211,898	63,828	214,719	50,390	219,296	50,571	4,577	2.1%	181	0.4%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	155,835.8	147,633.4	160,293.3	4,457.5	2.9%	161,796.8	164,578.6
Materials and Supplies	5,214.7	4,761.2	4,886.3	(328.4)	(6.3%)	4,886.3	4,886.3
Equipment	1,212.1	843.0	1,060.3	(151.8)	(12.5%)	1,060.3	1,060.3
Services & Rents	33,286.7	31,690.8	33,683.8	397.1	1.2%	33,683.8	33,683.8
Contributions to Reserve/Res Funds	2,198.3	2,204.4	2,070.3	(128.0)	(5.8%)	2,070.3	2,070.3
Other Expenditures	16,971.8	17,100.7	17,302.4	330.6	1.9%	17,302.4	17,302.4
Total Gross Expenditures	214,719.4	204,233.4	219,296.4	4,577.0	2.1%	220,799.9	223,581.7
Funded by:							
Provincial Subsidies	148,457.5	142,193.6	152,842.5	4,385.0	3.0%	154,122.7	156,176.3
Federal Subsidies	219.3	443.4	100.0	(119.3)	(54.4%)	100.0	100.0
Other Subsidies	9.0	4.1	5.0	(4.0)	(44.4%)	5.0	5.0
User Fees, Permits & Donations	2,019.3	1,525.6	1,477.5	(541.8)	(26.8%)	1,477.5	1,477.5
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	13,624.7	12,381.8	14,300.5	675.8	5.0%	14,300.5	14,300.5
Total Non Tax Revenues	164,329.8	156,548.5	168,725.5	4,395.7	2.7%	170,005.7	172,059.3
Net Budget (excluding Capital Financing)	50,389.6	47,685.0	50,570.9	181.3	0.4%	50,794.2	51,522.4
APPROVED POSITIONS	2,022.5	1,828.6	1,964.7	(57.8)	(2.9%)	1,966.7	1,968.7

2009/2010 OPERATING BUDGET OUTLOOK

The 2009/2010 Operating Budget Outlook is based on continuing to provide public health programs and services to City of Toronto residents and businesses that are targeted towards disease prevention, health promotion and health inspection. Two major challenges TPH will be facing in 2009 and onwards are:

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- The new Ontario Public Health Standard is expected to be completed in the Spring of 2008. Although TPH does not expect major changes to the services that they deliver for 2009 and 2010, current strategies, program services and project priorities will still need to be re-evaluated in relation to the new Ontario Public Health Standards.
- The recent announcement by the Province to create a \$45.0 million dental care program for Ontario's working poor is expected to significantly impact the delivery of TPH's Dental Program for Youth, Low-Income Adults and Seniors (currently funded 100% by the City). No details are available from the Province.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

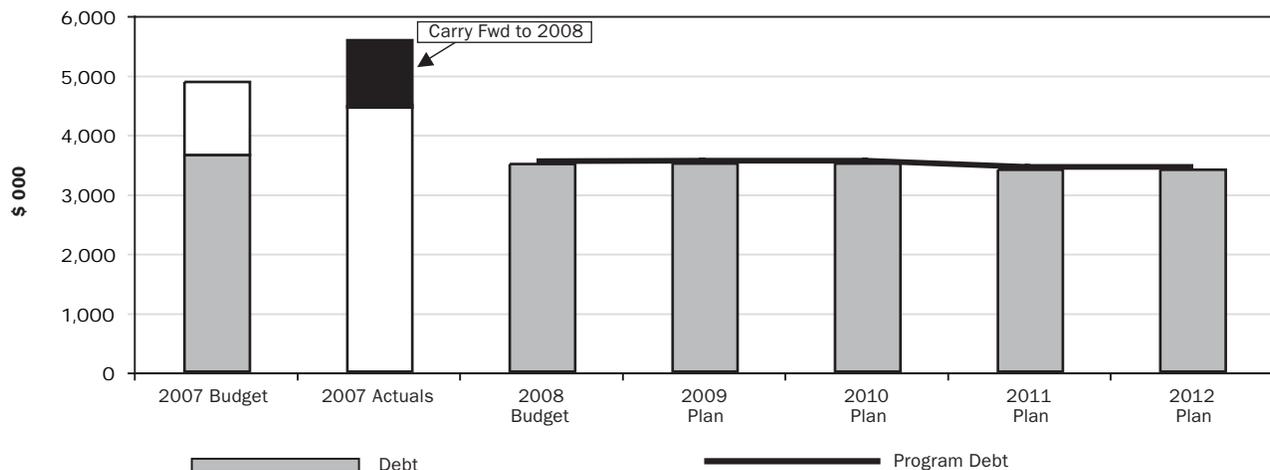
FIVE-YEAR CAPITAL PLAN OVERVIEW

Toronto Public Health's (TPH) Five-Year Capital Plan was developed to support its strategic vision to invest in technology to improve efficiency, effectiveness and service delivery. Service demands have continued to increase in volume and complexity and responding to such demands requires significant investment in the development of information technology systems. The Capital Plan takes into consideration changes in legislation and was framed in a way to leverage both provincial and federal resources, as well as other City of Toronto initiatives, to reduce systems development costs.

TPH's 2008 Capital Budget and 2009-2012 Capital Plan of \$18.422 million, fully funded from debt, has met the Council approved debt affordability targets for each of the five years. The Five-Year Capital Plan consists of 12 IT projects that require a cash flow of \$4.624 million in 2008; \$3.499 million in 2009; \$3.499 million in 2010; \$3.400 million in 2011; and \$3.400 million in 2012.

The twelve I&T projects focus on the integration and replacement of multiple business systems, development of a co-ordinated information environment, establishment of enhanced access channels such as wireless technology and web based systems, and development of emergency preparedness support system, data warehousing and document management system for better planning, managing, monitoring and reporting on services.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



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	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	4,879	4,490	2,797	1,436	564			4,797
Recommended Changes to Commitments			(320)	448	(128)			0
2008 New/Change in Scope and Future Year Commitments			1,013					1,013
2009 – 2012 Plan Estimates				1,615	3,063	3,400	3,400	11,478
1-Year Carry Forward to 2008		1,134						
Total Gross Annual Expenditures & Plan	4,879	5,624	3,490	3,499	3,499	3,400	3,400	17,288
Program Debt Target			3,490	3,499	3,499	3,400	3,400	17,288
Financing:								
Recommended Debt	3,643	4,388	3,490	3,499	3,499	3,400	3,400	17,288
Other Financing Sources:								
Reserves/Reserve Funds								
Development Charges								
Federal								
Provincial								
Other Revenue	1,236	1,236						
Total Financing	4,879	5,624	3,490	3,499	3,499	3,400	3,400	17,288
By Category:								
Health & Safety								
Legislated	1,830		1,541	954				2,495
SOCR								0
Service Improvement	3,049		1,949	2,545	3,499	3,400	3,400	14,793
Growth Related								
Total By Category	4,879		3,490	3,499	3,499	3,400	3,400	17,288
Yearly SOGR Backlog Estimate (not addressed by current plan)			N/A					
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs				88	57	0	0	146
Debt Service Costs			105	440	220	48	0	814

* Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

Service delivery continues to be a TPH priority especially with service demands continuing to increase in volume and complexity. TPH has committed 100% of its capital debt funding in the next five years in the development of information technology systems to support its strategic vision to improve efficiency, effectiveness and service delivery.

TPH's capital long term strategic plan is to develop six core integrated business information systems, (from 225 information systems in 1998 to the current 100 systems) to support its public health programs and services.

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Other Key Capital Initiatives:

The Toronto Public Health's Approved Five-Year Capital Plan includes funding for the following major capital projects:

- *Public Health Surveillance and Management System.* In conjunction with the new national public health information system, this project will provide TPH with a reliable system to manage immunization records, assessments and suspensions; provide real time access to medical and health information; improve accountability for publicly funded vaccines; and, integrate provider information with client information.
- *Personal Health Information Protection Act (PHIPA) Systems Compliance.* This project will ensure that existing Public Health information systems that contain personal health information are compliant with the Personal Health Information Protection Act. Completion of this project is planned for 2008. A change in scope request of \$0.697 million (in addition to a previously approved commitment of \$0.085 million) will fund the development of additional security standards and the ability to support identity management and user authentication.
- *Dental Strategy and Implementation.* This project supports the Dental and Oral Health Program and will establish an integrated information environment, capture and maintain patient charting and x-rays and create a seamless and integrated communications environment between dental clinics for mobile screening and dental work teams.
- *Healthy Families/Healthy Living (HF/HL) Mandatory Management Reporting.* This project, expected to be completed in 2008, will provide TPH the capability to create, generate and modify management data into reports to meet mandatory reporting requirements according to City standard. A change in scope request of \$0.316 million (in addition to a previously approved commitment of \$0.923 million) is required to fund technical training of staff, the Privacy Impact Assessment (PIA) and higher software costs.
- *HF/HL Point of Care.* This project will allow secure mobile and wireless connectivity for nurses and PH professionals in order to access the Toronto Community Health Information System (TCHIS) application at the point of care when providing service (such as accessing customer information), as well as synchronization of data between the mobile units and the TCHIS database.
- *Document and Records Management System.* This project will allow TPH to organize information and records stored in electronic documents, so that data can be efficiently retrieved, found, shared, revised and restored. The City piloted a document/information management system in 2006 in several divisions with the Information and Technology Division and City Clerk's Office/Records Management providing leadership and support.
- *Healthy Environment (HE) Reporting.* This project supports the implementation of a Healthy Environments reporting database and electronic connection to the Toronto Healthy Environments Information System (THEIS) database, the conversion of existing reports to the corporate reporting tool standard and the creation of management reports, thereby improving information access and management of data. This project will substantially reduce the effort required to create new reports and provide TPH the ability to create ad hoc reports in a timely manner to respond to Freedom of Information (FOI) requests and media requests.
- *Animal Services Enhanced Electronic Communications.* This project will enable Animal Control Officers to use wireless devices in the field, to more efficiently provide intake/discharge services, directly access information required, and maintain inventory of animals. This project will also implement Global Positioning System (GPS) functionality to enhance dispatch operations, particularly for emergency or quick response priority calls.
- *HF/HL Systems Integration (formerly TCHIS ISCIS Integration).* This project will establish an electronic link between two core Public Health systems, the Integrated Services for Children Information System (ISCIS) and the Toronto Community Health Information System (TCHIS) that will eliminate duplicate data entry, reduce the need for staff to use both systems and will make reporting and access to information easier.
- *Health Emergency Information System.* This project will provide funding to implement a system that will enhance TPH's ability to manage and organize the scheduling assignment of staff in continued service delivery during an emergency. The project will also assess public needs through implementing assessment centres to alleviate the demand on emergency rooms, hospitals, and doctor offices and direct the public more appropriately to the care they require.

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- *Healthy Environment (HE) Inspection System.* This project will allow TPH to participate in the development and implementation of a Provincial initiative to enhance the Public Health Inspection Information system (IPHIS) that will result in a single provincial database with client and inspection information that will meet both the requirements of TPH and MOHLTC.
- *Health e-Services.* This project will enhance three current applications (websites) that will facilitate the delivery of health related services; allow secure payment services for the Food Handler Certification program; and bulk payments for animal licence registrations and renewals.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008 Capital Budget and 2009-2012 Capital Plan will increase future year Operating Budgets by a total of \$2.018 million gross and \$0.616 million net and an additional 12 positions over the five-year period. The staff resources required will be reviewed and revised by TPH once the capital projects are implemented.

The Operating Budget net impacts are the result of 11 projects, nine of these capital projects are eligible for provincial subsidy of 75% while two projects, the Dental Strategy and Implementation and Animal Services Electronic Communications projects are 100% City funded projects.

Operating Impacts of the following capital projects that are eligible for Provincial funding of 75%:

- PH Surveillance and Management System project
- Personal Health Information Protection Act (PHIPA) System Compliance
- Healthy Family/Health Living Mandatory Management Reporting
- Healthy Family/Health Living Point of Care
- Document and Records Management
- Healthy Family/Health Living Systems Integration
- Health Environment (HE) Reporting
- Health Emergency Information System
- Health e-Services

STATE OF GOOD REPAIR BACKLOG

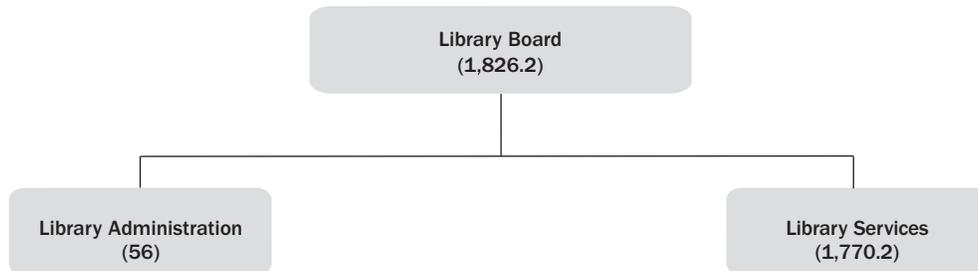
During the 2006 Capital Budget, the SOGR maintenance budget was transferred and consolidated within the Facilities and Real Estate Capital Budget, to promote consistency in maintenance standards applied throughout City facilities, thus capital repairs for city-owned facilities occupied by TPH are funded in F&RE Capital Budget.

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.

PROGRAM MAP

As indicated in the program map, TPL has two service functions: Library Administration and Library Services with 1,826.2 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- **Books & Culture**
 - > Nearly 48,000 children in Toronto attended 1,200 Summer Reading Club programs; an increase of 5% in attendance and 9% in programs from 2006.
 - > Hosted a month-long celebration of reading with Keep Toronto Reading programs throughout the City.
 - > 93 Book Clubs were available in branches plus one online.
 - > Wireless service was expanded to a total of 19 locations.
- **Low-income Neighbourhoods**
 - > The Sun Life Financial Museum and Arts Pass program was made available at 24 branches serving priority neighbourhoods to provide free access to 14 different venues around the City, including: ROM, AGO and Ontario Science Centre.
 - > 41,000 students (or 90%) of students were contacted and 100% of schools in at risk neighbourhoods were reached through the Kindergarten Outreach program.
 - > 25 low-income neighbourhood branches participated as Service Ontario Sites.
 - > The number of programs delivered in partnership increased from active participation in Neighbourhood Action Teams.
- **Newcomers**
 - > Toronto Public Library’s pioneering Library Settlement Partnership program has been adopted as a model of service delivery throughout Ontario. Toronto Public Library’s Summer Program served nearly 4,800 newcomers at 41 locations and the Year-round Program served 5,400 clients at 7 locations.
 - > An 11% increase in English as a Second Language Programs consisting of formal classroom instruction and informal conversation resulted in a 16% increase in attendance.

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- **Youth**
 - > Teen circulation increased by 20% since 2006. Graphic novels were introduced at the Toronto Reference Library.
 - > Youth volunteerism increased by 36% to over 2,000 volunteers. Youth volunteers in the summer Leading to Reading program increased by 40%.
 - > Youth Advisory Groups (YAG) membership increased by 43% in 32 groups in 2007. Participants helped plan and run Library programs and special events.
 - > A strategy to provide library cards to at risk populations including youth was established through a postcard registration program.

2008 PROGRAM OBJECTIVES

- Develop a new Library Strategic Plan for the four year period including 2008 – 2011. Conduct extensive public consultation on the draft Strategic Plan themes and goals with stakeholders, residents, community groups and library staff.
- Increase Library open hours, including Sunday service across the system by continuing to implement the Toronto Public Library Board approved Branch Open Hours Vision.
- Maintain circulation levels by meeting the demand for new print, audio visual and electronic collections in a variety of languages and formats.
- Implement a new Library Catalogue and enhanced web site usability, including the ability to pay overdue fines online.
- Continue to expand the number of branches with wireless internet access. The goal is to complete all 99 Library branches by 2012.
- Increase the number of programs offered across all locations for preschool children, youth, adults and older adults to ensure alignment with the goals identified in the 2008 – 2011 Strategic Plan.

2008 STRATEGIC PRIORITIES

The 2008 Budget for Toronto Public Library directly advances the following strategic priority outlined in the Council's policy agenda:

- Invest \$13 Million in Toronto's Neighbourhoods over the next four years:
 - > TPL has approved five capital projects to create stronger neighbourhoods. The newly renovated S.Walter Stewart reopened in May 2008. The branch includes a literacy-rich interactive centre that supports the development of early literacy skills in pre-school children ages birth to five, quiet study space and increased area for art displays.
 - > Upcoming capital projects in priority neighbourhoods include the Kennedy/Eglinton expansion, Jane/Sheppard relocation, and the Thorncliffe and Cedarbrae renovations.
 - > TPL will continue to be a strong partner in Neighbourhood Action Teams to support service integration and the establishment of a strong local network of services in priority neighbourhoods.
 - > Services for youth will be increased through leadership and intergenerational programming. Immigrant youth will be included in the development and implementation of a community based social inclusion audit to remove barriers to accessing library services. A new Youth Summer Reading Club will support literacy and pilot gaming sessions will encourage at risk youth to visit library branches. A strong volunteer program for youth will continue to support the development of leadership skills and academic achievement.
 - > The Library Settlement Partnerships which provides settlement information and referral services to newcomers with emphasis on information on job searching, employment counselling, resume clinics, training and qualifications and job listings will be expanded to 19 locations.

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- > Free access to over 1,400 public computers with high speed internet along with access to and training in word processing and office applications software will support academic and employment. By 2012, all 99 branches will offer wireless services.
- > Sunday story times pilot will be offered at 6 branches to extend service to working caregivers.
- > Continue to be a centre for cultural events by presenting a variety of lectures, author visits, and programs for all ages. TPL will strengthen support for Luminato Festival of the Arts, Toronto Fringe Festival, and Nuit Blanche.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- Efficiently manage circulation of approximately 29 million items, via in person, virtual visits, or programs.
- Respond to over 7.5 million information request in-person, via phone or via online;
- Add over 750,000 items to the collection and continue to build collection related to career and job search; and,
- Provide free and welcoming services for newcomers including ESL and English Can Be Fun, as well as employment support in partnership with other agencies.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Library Administration	5,264	5,064	5,777	5,577	6,062	5,862	284.4	4.9%	284.4	5.1%
Library Services	153,309	139,414	158,537	144,101	163,927	149,812	5,389.8	3.4%	5,711.0	4.0%
Total Program Budget	158,573	144,478	164,314	149,678	169,988	155,674	5,674.2	3.5%	5,995.4	4.0%

TORONTO PUBLIC LIBRARY

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	121,528.2	122,059.1	126,631.3	5,103.1	4.2%	127,225.6	127,907.2
Materials and Supplies	19,639.7	19,373.3	19,684.0	44.3	0.2%	19,874.0	19,914.0
Equipment	10.3	72.2	103.1	92.8	901.0%	103.1	103.1
Services & Rents	21,121.1	21,363.2	21,263.0	141.9	0.7%	21,426.0	21,426.0
Contributions to Reserve/Res Funds	1,995.7	1,903.7	2,287.9	292.2	14.6%	2,287.9	2,287.9
Other Expenditures	18.9	210.9	18.9	0.0	0.0%	18.9	18.9
Total Gross Expenditures	164,313.9	164,982.4	169,988.2	5,674.3	3.5%	170,935.5	171,657.1
Funded by:							
Provincial Subsidies	5,637.5	5,670.8	6,174.3	536.8	9.5%	6,174.3	6,174.3
Federal Subsidies	0.0	182.3	0.0	0.0	n/a	0.0	0.0
Other Subsidies	495.0	513.4	0.0	(495.0)	(100.0%)	0.0	0.0
User Fees, Permits & Donations	4,161.2	4,839.4	5,084.8	923.6	22.2%	5,093.8	5,095.8
Contribution from Reserves/Res Funds	2,401.2	2,401.2	2,051.2	(350.0)	(14.6%)	2,051.2	2,051.2
Other Revenues	1,940.7	2,339.7	1,004.2	(936.5)	(48.3%)	1,004.2	1,004.2
Total Non Tax Revenues	14,635.6	15,946.8	14,314.5	(321.1)	(2.2%)	14,323.5	14,325.5
Net Budget (excluding Capital Financing)	149,678.3	149,035.6	155,673.7	5,995.4	4.0%	156,612.0	157,331.6
APPROVED POSITIONS	1,818.7	1,818.7	1,826.2	7.5	0.4%	1,828.6	1,828.6

2009/2010 OPERATING BUDGET OUTLOOK

- The incremental Outlooks of \$0.938 million for 2009 and \$0.720 million for 2010 are mainly attributable to the merits and step increases for non-Union staff, reversal of an extra day in 2008, and the operating impacts of capital projects including the Bloor/Gladstone, Thorncliffe, Eglinton/Kennedy, and Cedarbrae branches.
- An additional 1.4 positions are required in 2009 due to the re-opening of the expanded Thorncliffe Branch.

TORONTO PUBLIC LIBRARY

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Toronto Public Library (TPL) Five-Year Plan focuses on meeting the on-going needs to keep the existing assets in an acceptable state of good repair given the City’s debt affordability targets, as well as maintaining and upgrading the information technological infrastructure, especially with the increasing demands from the TPL’s “Virtual Branch”.

The Five-Year Capital Plan fairly represents TPL’s readiness to proceed with its capital requirements and needs of the future, based on the facility state of good repair evaluation. The Five-Year Capital Plan also maximizes non-debt funding sources such as Section 37 and Development Charges.

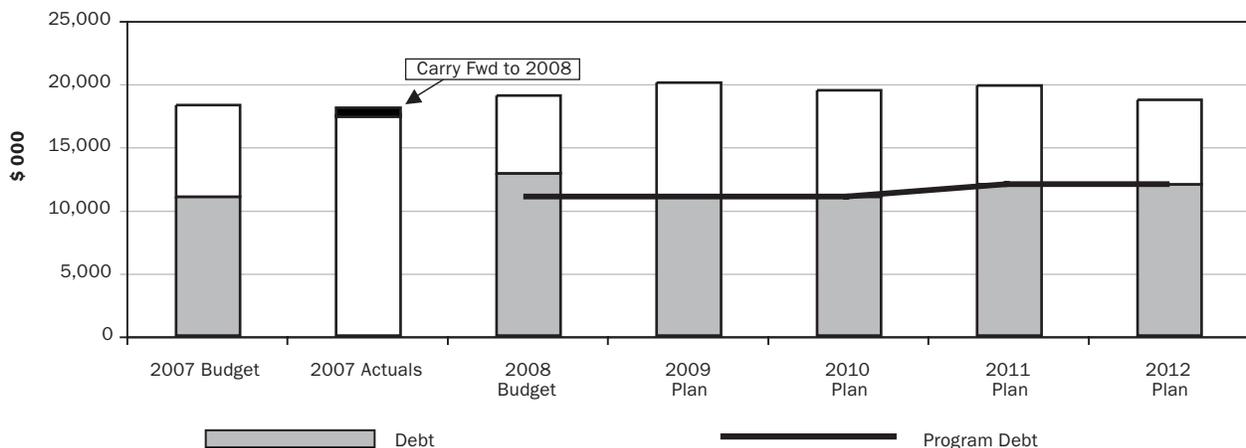
The Toronto Public Library’s 2008 Capital Budget and 2009-2012 Capital Plan totals \$97.679 million and requires cash flows of \$19.715 million in 2008; \$20.030 million in 2009; \$19.423 million in 2010; \$19.815 million in 2011; and \$18.696 million in 2012.

The Council debt affordability target for the Program is met from 2009 to 2012 but exceeds the target in 2008 by \$1.850 million to support the City’s strategic priority to invest in 13 Priority Neighbourhoods (Kennedy/Eglinton Library) and the start of two additional State of Goods Repair (SOGR) projects (Brentwood Library and Sanderson Library).

The Toronto Public Library Five-Year Plan ensures a balanced approach in the provision of services in the context of the City’s current fiscal reality. There is a strong emphasis on state-of-good-repair and an attempt to satisfy some demand for growth and service improvement. Of the \$97.679 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$66.0 million (67.6%) for state-of-good repair initiatives, while the remaining \$31.679 million (32.4%) is reserved for service improvement and growth-related projects. Much of the latter, however, is to be funded from non-debt sources. Of the \$58.850 million in debt financing approved over the 2008-2012 period, only 10.9% (\$6.427 million) is assigned to service improvement and growth-related initiatives.

Capital strategy for Toronto Public Library includes leveraging partnership funding where possible and developing an achievable program which can be delivered within the planned timeframe so as to reduce the number of unfinished projects that are carried forward from year to year.

Five-year Capital Plan (2008 Budget, 2009 – 2012 Plan)



TORONTO PUBLIC LIBRARY

	2007		2008	2009	Five-Year Plan		2012	2008-12
	Budget	Actual			2010	2011		
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	18,264	17,558	16,433	14,487	1,719			32,062
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			2,862	5,246	9,096	5,262	1,442	24,199
2009 – 2012 Plan Estimates				297	8,608	14,553	17,254	40,712
1-Year Carry Forward to 2008		706						706
Ajustments adopted by Council*			(250)	(1,337)	611	2,088	1,442	2,554
Total Gross Annual Expenditures & Plan	18,264	18,264	19,009	20,030	19,423	19,815	18,696	97,679
Program Debt Target	11,000		11,000	11,000	11,000	12,000	12,000	57,000
Financing:								
Recommended Debt	11,000		12,850	11,000	11,000	12,000	12,000	58,850
Other Financing Sources:								
Reserves/Reserve Funds	92							0
Development Charges	2,996		2,862	7,322	4,907	4,607	4,988	24,686
Federal								0
Provincial								0
Other Revenue	4,176		4,003	1,708	3,516	3,208	1,708	14,143
Total Financing	18,264		19,715	20,030	19,423	19,815	18,696	97,679
By Category:								
Health & Safety								0
Legislated								0
SOGR	14,718	14,454	14,990	12,779	13,070	13,056	12,105	66,000
Service Improvement								0
Growth Related	3,546	3,104	4,725	7,251	6,353	6,759	6,591	31,679
Total By Category	18,264	17,558	19,715	20,030	19,423	19,815	18,696	97,679
Yearly SOGR Backlog Estimate (not addressed by current plan)			443	1,459	2,578	2,589	3,501	10,570
Accumulated Backlog Estimate (end of year)		16,933	17,376	18,835	21,413	24,002	27,503	27,503
Operating Impact on Program Costs			476	532	80	857	17	1,962
Debt Service Costs			356	1,634	1,395	730	184	4,299

* Council adopted the revised TPL's 2008 Capital Budget and Five-Year Plan submission on January 29 and 30, 2008. The submission was revised to meet the debt targets recommended by Executive Committee in November 2007.

TORONTO PUBLIC LIBRARY

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

- Invest in Toronto's 13 Priority Neighbourhoods

The TPL's Five-Year Capital Plan advances the City's strategy priority to "Invest \$13 million in Toronto's 13 Priority Neighbourhoods". The following table identifies the TPL projects that support this priority.

Ward	Project	Priority Neighbourhood	2008	2009	2010	2011	2012	Total (2008-12)
29	S. W. Stewart Renovation	Flemingdon Park-Victoria Village	1,896	129				2,025
01	Albion Renovation	Jamestown				464		464
09	Jane Sheppard Relocation	Jane-Finch	1,053	1,025				2,078
37	Kennedy Eglinton Expansion	Eglinton East – Kennedy Park	950					950
29	Thornccliffe Renovation & Expansion	Flemingdon Park – Victoria Village	769	1,455				2,224
40	Agincourt Renovation/Expansion	Steeles L'amoreaux					705	705
43	Cedarbrae Renovation	Kingstone Galloway	1,196	3,280	1,719			6,195
Total			5,864	5,889	1,719	464	705	14,641

The above-mentioned projects will provide TPL with opportunities through the use of its improved facilities, to contribute further in promoting multi-ethnic culture, literacy and job skills, and employment opportunities, particularly to at-risk youth.

Other Key Capital Initiatives:

The TPL's Five-Year Capital Plan includes the following major capital initiatives:

Summary of Major Capital Initiatives

	\$000s						
	2008 Appd. Budget	2009 Plan	2010 Plan	2011 Plan	2012 Plan	Total 2008-12	Total 2013-17
SOGR	14,990	12,779	13,070	13,056	12,105	66,000	102,911
Service Improvement/Growth	4,725	7,251	6,353	6,759	6,591	31,679	25,541
Total	19,715	20,030	19,423	19,815	18,696	97,679	128,452
Other Major City Initiatives (submission):							
Facilities Projects:							
Toronto Reference Library	2,606	3,250	4,231	2,151	3,099	15,337	3,032
Waterfront Neighbourhood Library	431	2,835	2,654	1,500		7,420	
Scarborough Centre Neighbourhood Library	0	297	1,725	3,248	1,787	7,057	432
Brentwood Library	250	1,000	2,055	2,912		6,217	
Other	12,522	8,519	3,645	5,046	9,170	38,902	98,948
Sub-total: Facilities Projects	15,809	15,901	14,310	14,857	14,056	74,933	102,412
IT sub-projects	3,906	4,129	5,113	4,958	4,640	22,746	26,040
Total	19,715	20,030	19,423	19,815	18,696	97,679	128,452

TORONTO PUBLIC LIBRARY

The Five-Year Capital Plan consists of 67.6% SOGR projects, which include, Bloor/Gladstone Library Renovation, Northern District Library Renovation, Cedarbrae Library Renovation, S. W. Stewart Library Renovation, Sanderson Neighbourhood Library Renovation, Jane/Dundas Library Renovation, Brentwood Renovation, Albion District Library Renovation, Agincourt District Library Renovation, Dufferin/St. Clair Library Renovation, Fairview Library Theatre Renovation, Jane/Sheppard Library Reconstruction, St. Clair/Silverthorn Neighbourhood Library Renovation, Thorncliffe Library Renovation, Toronto Reference Library Renovation, Ellesmere Library Relocation, Multi-branch Minor Renovation and all IT projects including, the Integrated Library System, Virtual Branch Services, Technology Asset Management Program (TAMP).

The remainder 32.4% are Growth related, consisting of Bloor/Gladstone Library Expansion, Brentwood Library Expansion, Waterfront Library Construction, Thorncliffe Library Expansion, Toronto Reference Library Expansion, Cliffcrest Library Relocation, Kennedy/Eglinton Library Expansion, Fairview Entrance/Theatre Renovation, St. Lawrence Library Relocation and Expansion, Scarborough Centre Neighbourhood Library Construction, and Agincourt Library Expansion.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The net incremental operating costs include, salaries, utility, services and rents, materials and supply expenses and software licences, due to the renovation and expansion of previously approved projects and new projects, as noted below.

Project Name	2008		2009		2010		2011		2012		TOTAL	
	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions
Previously Approved Projects												
Jane/Sheppard Neighbourhood Library	11.0	-	-	-	-	-	-	-	-	-	11.0	-
Cliffcrest Neighbourhood Library	11.0	-	-	-	-	-	-	-	-	-	11.0	-
Cedarbrae District Library		-	35.0	-	-	-	-	-	-	-	35.0	-
Bloor/Gladstone District Library	387.0	7.5	405.0	-	-	-	-	-	-	-	792.0	7.5
S. W. Stewart District Library	26.0	-	-	-	-	-	-	-	-	-	26.0	-
Jane/Dundas Neighbourhood Library	15.0	-	-	-	-	-	-	-	-	-	15.0	-
Dufferin/St. Clair Neighbourhood Library	12.0	-	-	-	-	-	-	-	-	-	12.0	-
Thorncliffe Library		-	92.0	1.4	80.0	-	-	-	-	-	172.0	1.4
Brentwood Library		-	-	-	-	-	21.0	-	-	-	21.0	-
New Projects												
Kennedy/Eglinton Neighbourhood Library	14.0											14.0
Sanderson Neighbourhood Library									17.0			17.0
Waterfront Neighbourhood Library		-	-	-	-	-	836.0	11.0	-	-	836.0	11.0
Total Recommended (Net)	476.0	7.5	532.0	1.4	80.0	-	857.0	11.0	17.0	-	1962.0	19.9

An additional 31.9 positions will be required as a result of the TPL's 2008 – 2012 Capital Plan:

- 7.5 positions in 2008 for the expansion of the Bloor/Gladstone District Library by over 8,600 square feet to 20,000 square feet, which will also be equipped with a user education centre, planned upgrades to its IT infrastructure and an increase in library materials (over 10,000 items);
- 1.4 positions in 2009 for the expansion of the Thorncliffe Library by 5,000 square feet to approximately 10,000 square feet. The expansion will provide additional study space, meeting space and more library programs for newcomers and children; and,

TORONTO PUBLIC LIBRARY

- 11.0 positions in 2011 will be required for the new 15,000 square feet Waterfront Neighbourhood Library, to be constructed on City-owned land that will service the Railway Lands community (Trinity-Niagara area), projected to grow by 12,000 residents. The Library will include an opening collection of 50,000 items and will feature an open floor plan including a barrier free access for the public, study seating, separate and sound proof multi-purpose programming space for branch and community use, installation of self-service check-out, protective security systems, fire and bibliographic anti-theft systems (\$0.836 million).

STATE OF GOOD REPAIR BACKLOG

Of 102 buildings maintained by TPL, approximately 20% are more than 50 years old and 60% are more than 25 years old. Today, TPL's average building is 36 years old and one third of the branches have not had a renovation in over 20 years.

TPL's SOGR backlog is \$16.9 million accumulated over the period 2001-2007. The SOGR backlog is projected to increase by \$3.1 million over 2008 to 2010; \$2.1 million over 2011 to 2012 to \$30.5 million by 2012. This estimate is based on the industry benchmark of 2% of the current replacement value of \$550 million of building investment requirements or \$11.0 million, compared to the recommended average SOGR funding of \$8.3 million a year. This results in an annual average shortfall of \$2.7 million over the next five-years. Even though TPL's capital funding has increased from an average of \$9.0 million to \$11.0 million in three years, it has been partially allocated to growth/expansion projects.

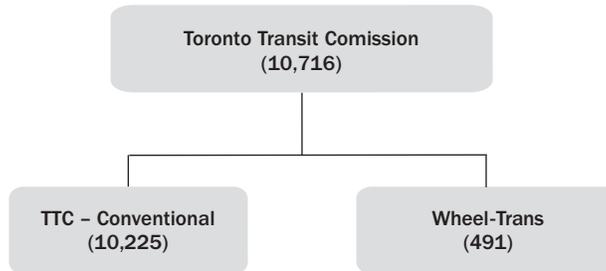
The City's Corporate Facilities and Real Estate Division concurs with the 2% industry benchmark for state of good repair used by TPL, given the high level of public use (17 million visits per year) although the average state of good repair funding for City-owned properties is approximately 1% of the current replacement value of buildings.

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 450 million riders per year (after adjusting for the Metropass trip rate reduction) and operates heavy and light rail, streetcar and bus services totalling nearly 2500 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 87 percent of all local transit trips in the Greater Toronto Area and about 75 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 MAP

As indicated in the program map, TTC has two service functions: Conventional and Wheel-Trans with 10,716 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

Toronto Transit Commission: Conventional

- During 2007, the TTC experienced a continuation of the positive trend in ridership growth that began in 2004. Ridership on the TTC was 450 million, exceeding expectations by 6 million riders. This positive trend in ridership was due to a number of factors including:
- Higher than forecast ridership growth generated by employment/economic activity in the City of Toronto;
- Continued strong sales growth of the Metropasses reflecting support of the VIP Program, the introduction of transferability in September 2005, the policy decision to “cap” the Metropass price below \$100/month, the introduction of the Federal Tax Credit in July 2006; and,

Toronto Transit Commission: Wheel-Trans

- Provided a total of 2,017,800 door-to-door trips with 46% of the service carried on economical low-floor buses, accessible taxis carrying 39% and sedan taxis carry 15% of services. The proportion of trips provided on accessible vehicles was at 85%.
- Total demand for door-to-door trips was 2,062,900 which was 5% higher than the demand experienced in 2006. Wheel-Trans was able to accommodate some of the additional demand and keep the unaccommodated rate close to the targeted 2%.

2008 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.

TORONTO TRANSIT COMMISSION

2008 STRATEGIC PRIORITIES

TTC Conventional

- The Toronto Transit Commission essentially offers two main services:
- TTC Conventional.
- Wheel-Trans.
- TTC Conventional consists of transit services provided to the public on surface routes, utilizing buses, streetcars, RT vehicles (rapid transit) and subways.
- Service levels in 2008 include about 213 million kilometres and 7.7 million hours, approximately 3.0% and 4.1%, respectively, greater than 2007 budgeted levels.
- TTC staff continuously monitors ridership through periodic counts and will adjust services, as required, to ensure that passenger crowding on buses, streetcars and subways remain within the applicable standards. These adjustments will be made on an ongoing basis through the normal service adjustment process, which occurs each board period.
- On an average business day, there are approximately 1.5 million revenue passengers (2.4 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 2008 budget is based on service levels for 464 million riders, which is 20 million higher than the 2007 budgeted level.

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).
- Wheel-Trans operates and maintains a high capacity bus service accommodating 53% 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 operate fixed route community bus service. These six 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 2008 will increase by 6.5% percent over the 2007 budget.
- Overall, vehicle productivity on door-to-door service is enhanced through service initiatives and service design such as expanding zone service and sectoral scheduling.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- service to meet ridership growth from 2007 and 2008. The TTC experienced 1.8% growth in ridership in 2007, from 442 million riders in 2006 to 450 million riders by the end of 2007. In 2008, the TTC will provide transit services for 464 million riders, 14 million more riders than in 2007.
- 100 new Ridership Growth Strategy buses which will provide 17,000 additional peak service hours in 2008, 114,000 service hours on an annual basis, in order to accommodate these new riders and maintain service levels.
- Opening of the Mount Dennis Bus Garage to provide for maintenance and storage of 100 new Ridership Growth Buses as well as providing bus garage capacity for additional buses purchased in the future.
- The TTC is implementing a new strategy in 2008 by standardizing off-peak service. Beginning in November 2008, all routes will run during the same hours as the subway, from 6 am until 1 am during weekdays.

TORONTO TRANSIT COMMISSION

- In 2007, the Commission placed considerable emphasis on improving the cleanliness of the TTC system. In 2008, an additional 9 janitors and 6 painters will be hired.
- In order to be prepared for increased retirements which are expected as employees from the “baby boom” cohort reach eligibility for retirement, the TTC will embark on a program of increased non-service training in 2008.
- The TTC will enter into a three year contract with a consultant to develop and implement a strategy to reduce lost-time occupational injury rates by 40% to 60% over time.
- The TTC’s Information Technology Services Department (ITS) will begin bringing IT contractors in-house in 2008.
- In 2008, TTC will implement a new Health and Wellness Program to reduce absenteeism due to sickness and to improve the general physical well-being of TTC staff.

2008 OPERATING BUDGET

Toronto Transit Commission: Conventional

The 2008 Operating Budget for the Toronto Transit Commission of \$1.155 billion gross represents a \$72.521 million or 6.7% increase compared to 2007. The 2008 net operating budget of \$202.323 million represents a \$10.773 million or 5.6% increase over the 2007 net budget as shown in Tables 1 and 2.

Toronto Transit Commission: Wheel-Trans

The 2008 Operating Budget for the Wheel-Trans of \$73.862 million gross represents a \$5.091 million or 7.4% increase compared to 2007. The 2008 net operating budget of \$50.351 million represents a \$4.585 million or 10.0% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change Over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
TTC – Conventional	1,037,992	246,307	1,082,894	191,550	1,155,414	202,323	72,520.6	6.7%	10,773.3	5.6
Wheel-Trans	63,009	59,968	68,771	45,766	73,862	50,351	5,090.9	7.4%	4,584.9	10.0
Total Program Budget	1,101,001	306,275	1,151,665	237,316	1,229,276	252,674	77,611.5	6.7%	15,358.2	6.5

TORONTO TRANSIT COMMISSION

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget \$	2007 Actuals \$	2008 Approved Budget \$	Change from 2007 Approved Budget		2009 Outlook \$	2010 Outlook \$
				\$	%		
Gross Expenditures:							
Salaries and Benefits	845,382.9	842,875.3	891,333.6	45,950.7	5.4%	942,547.3	966,960.7
Materials and Supplies	209,367.1	203,400.6	223,742.1	14,375.0	6.9%	265,715.4	296,324.9
Equipment	15,000.0	16,278.0	17,900.0	2,900.0	19.3%	19,900.0	21,900.0
Services & Rents	54,905.9	54,113.8	62,705.5	7,799.6	14.2%	62,842.9	66,021.3
Contributions to Reserve/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Expenditures	27,008.9	42,131.9	33,595.1	6,586.2	24.4%	32,370.7	33,633.9
Total Gross Expenditures	1,151,664.8	1,158,799.6	1,229,276.3	77,611.5	6.7%	1,323,376.3	1,384,840.8
Funded by:							
Provincial Subsidies	100,000.0	100,000.0	100,000.0	0.0	0.0%	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	814,348.8	825,642.8	876,602.1	62,253.3	7.6%	891,932.0	909,861.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Total Non Tax Revenues	914,348.8	925,642.8	976,602.1	62,253.3	6.8%	891,932.0	909,861.0
Net Budget (excluding Capital Financing)	237,316.0	233,156.8	252,674.2	15,358.2	6.5%	431,444.3	474,979.8
APPROVED POSITIONS	9,835.0	9,622.0	10,225.0	390.0	4.0%	N/A	N/A

2009/2010 OPERATING BUDGET OUTLOOK

The 2009 outlook for TTC Conventional and Wheel-Trans combined includes an increase in gross expenditures of \$94.1 million and \$178.8 million net. The 2010 outlook includes an increase in gross expenditures of \$61.5 million and \$43.5 million net. There are several factors driving the 2009 and 2010 outlook: One-time Provincial funding of \$100 million which was received in 2008 was assumed not to continue in 2009. The previous collective agreements ended on March 31, 2008, so there is no salary increase factored into the 2009 or 2010 outlook. Other factors driving the outlook include the annualization of increasing service demands, increased energy use and the impact of 2008 capital projects such as the Mount Dennis Bus Garage project.

TORONTO TRANSIT COMMISSION

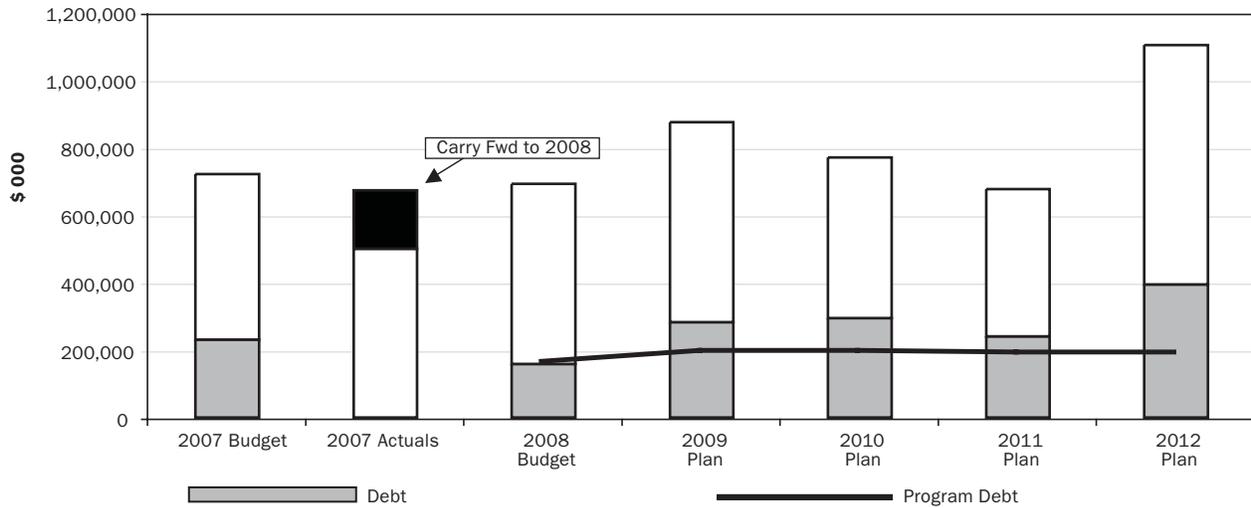
2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

- The TTC's strategic direction is: "to provide safe, reliable, courteous and efficient transit services to the public utilizing buses, streetcars, rapid transit vehicles and subways". The Approved 2008-2012 Capital Plan facilitates this strategic direction by funding the continued State of Good Repair of TTC vehicles and structures and by laying the groundwork for expansion of the system to meet growing demand for transit service in the City of Toronto.
- Excluding funding being carried forward from 2007 to 2008, the Approved 2008-2012 Capital Plan for TTC totals \$4.118 billion which is 674.680 million greater than the 2007-2011 Approved Capital Plan. The increase is primarily due to \$333.178 million for Light Rail Vehicles in 2012 and \$235.042 million for new subway car purchases from 2010 to 2012.
 - > Approximately 86% of base capital funding is required to maintain the system in a State of Good Repair (SOGR). SOGR projects include infrastructure repairs like subway track replacement and capital enhancements such as bus and subway car replacements. Capacity enhancements, which are SOGR projects, total \$239.852 million, and represent 6% of cash flow funding. This includes the purchase of 36 Mark II SRT Cars.
 - > \$177.499 million or 4% of the Approved Five-Year Capital Plan is allocated to Legislated projects such as environmental and accessibility initiatives like the Easier Access (Phase III) project.
 - > Service Improvement projects total \$199.029 million or 5 % and include capital work for signal priority equipment for transit vehicles at signalized intersections and added commuter parking.
 - > Growth projects total \$188.432 million, or 5%, and include \$106 million towards the development of an integrated ticketing system to satisfy conditions of Federal and Provincial funding agreements.
- The Approved Five-Year Capital Plan does not meet debt affordability targets. It is under the debt target in 2008 by \$4 million; however, it exceeds the debt target by \$82 million in 2009; \$95 million in 2010; \$47 million in 2011 and \$200 million in 2012. In total the Five-Year Capital Plan exceeds debt targets by \$420 million. If the \$277.5 million in unallocated budget reductions was not taken, the Five-Year Capital Plan would exceed debt targets by \$698 million.
- **Vehicles.** Over the next five years, \$2.2 billion is projected to be spent on vehicle purchases, overhauls or maintenance. Of the \$2.2 billion: \$404.225 million is projected for the purchase of buses; \$735.244 million is projected for the purchase of 360 new subway cars; \$552.595 million is projected for the purchase of 204 Light Rail Vehicles to replace streetcars and \$203.313 is projected to be spent on 36 Mark II SRT cars for the Scarborough Rapid Transit line.
- **Structures.** Over the next five years, \$1.3 billion is provided to maintain or develop TTC buildings and structures. The \$1.3 billion estimate will address specific renewal or building projects, Fire Ventilation upgrades (\$165.456 million), the Easier Access (Phase III) program (\$125.380 million), the Scarborough Rapid Transit conversion (\$206.072 million) the redevelopment of Kipling and Islington Subway Stations (\$53.308 million) and the first phase of the Warden redevelopment (\$17.5 million). In addition, \$180.630 million is projected for the rehabilitation and maintenance of 74 kilometres of structure, including bridges and tunnels; \$98.289 million for the maintenance of paved surfaces such as yards and roads; and \$64.007 million for equipment such as the Subway Escalator Overhaul program.
- **Track.** \$.2 billion is allocated for the replacement of track over the next five years. \$167.103 million is required for surface (streetcar) track replacement and \$72.011 million for subway track replacement.
- **All Other.** The remaining \$.7 billion is provided for capital equipment projects, including: \$116.924 million for revenue and fare handling equipment (mainly the GTA Farecard project costs) and \$377.929 million for signal, electrical and communications systems (including the Yonge-University-Spadina Automatic Train Operation (YUS ATO) resignalling work). These costs are offset by the unallocated budget reduction of \$277.5 million.
- If the \$277.5 million in unallocated reductions were not made to the Approved Five-Year Capital Plan, the debt target would be exceeded by \$698 million.

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Five-year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	720,954	499,800	538,967	398,039	244,533	106,462		1,288,001
Approved Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			153,581	346,720	211,135	183,314	468,527	1,363,277
2009 – 2012 Plan Estimates				130,586	314,848	386,833	635,178	1,467,445
1-Year Carry Forward to 2008		173,874	→					
Total Gross Annual Expenditures & Plan	720,954	673,674	692,548	875,345	770,516	676,609	1,103,705	4,118,723
Program Debt Target	200,000		167,199	200,000	200,000	194,348	194,348	955,895
Financing:								
Approved Debt	230,514		158,964	282,172	294,935	241,013	394,600	1,371,684
Other Financing Sources:								
Reserves/Reserve Funds	15,100		22,200	19,900	6,600			48,700
Development Charges	3,510			72,691	14,453	14,866	15,000	117,010
Federal	229,334		255,333	243,522	229,211	227,826	367,335	1,323,227
Provincial	227,496		238,051	239,060	207,317	174,904	308,770	1,168,102
Other Revenue	15,000		18,000	18,000	18,000	18,000	18,000	90,000
Total Financing	720,954		692,548	875,345	770,516	676,609	1,103,705	4,118,723
By Category:								
Health & Safety								
Legislated	24,506		20,017	40,534	42,405	38,914	35,629	177,499
SOGR	613,872		565,877	723,579	655,797	591,039	1,017,471	3,553,763
Service Improvement	65,022		77,738	54,286	31,994	15,006	20,005	199,029
Growth Related	17,554		28,916	56,946	40,320	31,650	30,600	188,432
Total By Category	720,954		692,548	875,345	770,516	676,609	1,103,705	4,118,723
Yearly SOGR Backlog Estimate (not addressed by current plan)			54,385	57,050	48,930	47,600	69,500	277,465
Accumulated Backlog Estimate (end of year)		85,175	139,560	196,610	245,540	293,140	362,640	362,640
Operating Impact on Program Costs			522	8,619	807	301	(90)	10,159
Debt Service Costs			4,769	25,951	39,887	39,673	38,349	148,630

* Note that the 1-Year Carry Forward reflects budget submission and as reflected in CAPTOR

TORONTO TRANSIT COMMISSION

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- *Buy quiet, accessible, faster, higher capacity light rail cars to replace Toronto's aging streetcars:*
\$552.595 million in funding is included in the TTC's 2008-2012 Approved Capital Plan for the purchase of new Light Rapid Transit vehicles to replace and expand the existing streetcar fleet. These new vehicles will be lighter, fully-accessible and will run in their own dedicated rights-of-way. Plans are to make the TTC fully-accessible by the year 2025. The procurement of these 204 vehicles will also provide the opportunity to address vehicle expansion requirements related to the Transit City Plan/MoveOntario 2020 and Waterfront initiatives. This project is conditional on funding from other orders of government.
- *Make streetcars and buses as speedy and reliable as the subway:*
There is \$32.977 million in funding provided in the TTC's Approved Five-Year Capital Plan for the completion of the St. Clair Streetcar Right of Way in 2008. There is also \$24.222 million in funding for a Bus Rapid Transit (BRT) corridor on Yonge Street and \$31.939 million in funding for a Bus Rapid Transit (BRT) corridor from Downsview station to York University. BRT routes being considered for future years include routes along Don Mills from Steeles to the City centre and Kingston Road from Victoria Park to Eglinton.
- *Improve capacity by 40% on the Yonge-University-Spadina subway through new trains and innovative signal management systems:*
In December 2006, the TTC awarded a contract for the procurement of 234 new subway cars. The Approved Five-Year Capital Plan includes \$500.202 million for this project. As well, the Approved Five-Year Capital Plan has \$195.934 million for the resignalling of the Yonge-University-Spadina line. The resignalling will permit the TTC to run trains more frequently and closer together, creating additional capacity equal to building a new north-south subway line.
The TTC is currently evaluating options for the future implementation of the other transit-related initiatives such as the development of a Metropass affinity program; the creation of a U-Pass for university and college students; the build-out of a Transit City network servicing all parts of the City with fast, efficient, comfortable light rail transit.
The TTC has undertaken initiatives in its Capital Plan that support other City Initiatives. Included in the Five-Year Capital Plan are, in particular:
- *Climate Change and Clean Air Action Plan:*
The TTC has included funding of \$3.2 million for green roofs in its Victoria Park Bus Terminal project and also in its Wilson Carhouse Modifications project.

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Other Key Capital Initiatives:

The TTC's Five-Year Capital Plan includes the following major capital initiatives:

Summary of Major Capital Initiatives

Project	Status	2008	2009	2010	2011	2012	2008-12	2013-17	2008-17
St. Clair Avenue Streetcar		32,977	-	-	-	-	32,977	-	32,977
YUS ATO Resignalling		11,084	19,437	28,227	43,535	52,717	155,000	144,100	299,100
YUS ATO Resignalling	New	2,582	10,302	10,050	-	18,000	40,934	(2,000)	38,934
Bus Rapid Transit (BRT) – Spadina Subway to York University		15,515	16,424	-	-	-	31,939	-	31,939
Bus Rapid Transit (BRT) – Yonge Street from Finch to Steeles		500	13,822	8,850	1,050	-	24,222	-	24,222
Fire Ventilation Upgrade		19,000	27,500	38,256	42,244	38,456	165,456	174,405	339,861
Easier Access Phase II		3,750	2,722	-	-	-	6,472	-	6,472
Easier Access Phase III		7,160	23,940	31,240	31,000	32,040	125,380	171,674	297,054
Kipling Station Improvements		12,795	13,098	7,619	-	-	33,512	-	33,512
Islington Station Improvements		7,070	6,868	3,737	2,121	-	19,796	1,497	21,293
Warden – Phase 1		8,400	9,100	-	-	-	17,500	-	17,500
Wilson Carhouse Modifications for NST		7,500	25,000	20,000	9,300	-	61,800	-	61,800
Victoria Park Bus Terminal Replacement		8,845	14,980	10,230	-	-	34,055	-	34,055
Carhouse Modifications – New LRT Cars		1,000	4,000	5,000	10,000	10,000	30,000	-	30,000
SRT Conversion		4,500	24,800	48,800	63,272	64,700	206,072	29,950	236,022
Integrated Ticketing System – GTA Farecard Project		1,301	15,000	30,000	30,000	30,000	106,301	31,500	137,801
Purchase of Buses (including Wheel-Trans vehicles)		166,026	127,093	77,918	37,327	54,742	463,106	423,924	887,030
Purchase of 234 Toronto Rocket Subway Cars		67,038	202,716	130,478	86,963	-	487,195	-	487,195
Purchase of 234 Toronto Rocket Subway Cars – revision to sched.	New	12,367	(59,521)	17,948	19,793	22,420	13,007	-	13,007
Purchase of 126 Subway Cars to Replace H6	New	-	-	300	30,384	204,358	235,042	76,472	311,514
Purchase of SRT Cars		420	(6,411)	79,137	20,857	62,447	156,450	-	156,450
Acceleration of Purchase of SRT Cars	New	(148)	54,114	(26,045)	13,514	5,428	46,863	404	47,267
Purchase of Streetcars		54,992	43,948	50,686	69,791	333,178	552,595	590,102	1,142,697

St. Clair Avenue West Transit Improvements

Work on the St. Clair West dedicated transit way will continue in 2008 with \$32.977 million in 2008 funding for rehabilitation of the surface tracks along with customer services, operational and urban design improvements. This represents a \$1.1 million increase in the total project cost from the 2007-2011 Approved Capital Plan. The Approved Five-Year Capital Plan provides for the completion of the St. Clair project in 2008 as previously approved by Council.

Bus Rapid Transit (BRT)

The Approved Five-Year Capital Plan currently includes 2008 funding of \$16.015 million, \$56.161 million over the 2008-2012 period for the development of BRT lines from the Spadina Subway to York University/Steeles and on Yonge Street from Finch to Steeles. Delays in obtaining a Hydro right-of-way easement for the Downsview to York University busway may cause the project to fall a year behind schedule. This would result in additional costs of unknown magnitude. In addition, the finalized design of the Yonge St. BRT from Finch to Steeles will require a widening of Yonge St., resulting in additional work and some property acquisition.

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Kipling/Islington Station Redevelopment

On April 24 and 25, 2007, Council approved the sale of portions of City-owned property at 3326 Bloor St. West and 1226 Islington Ave. to SNC Lavalin for the redevelopment of the Islington subway station. This land is currently undergoing an environmental assessment. The redevelopment of this land would require the demolition of the existing Islington bus terminal and the construction of a new terminal at Islington and also construction of a new Mississauga Transit/Go Transit regional terminal at the Kipling Subway station.

A motion was approved at the February 5, 2007 meeting of Council that approved the Kipling/Islington Redevelopment conditional on securing 3rd party funding. The Kipling project in the Approved Five-Year Capital Plan is \$33.5 million and the Islington project is \$19.8 million. The building of a replacement parking lot on Fieldway Ave. has been deferred to 2017 based on the existing parking lot being leased for 10 years. It is expected that the net cost to the City of the Islington project will be offset by the expected real estate proceeds from the SNC property acquisition. The Province has announced \$30 million in funding, to be provided through GO Transit, for the Kipling Station redevelopment and Mississauga Transit has committed to cover \$5.5 million in costs. The Province has further indicated that it would cover any cost overruns that may occur in the Kipling project. Discussions are currently taking place with all parties involved. The cost of redeveloping the Islington subway station will be covered by \$17.5 million in funds from the Land Acquisition Reserve Fund, which will be recovered from the sale of the existing property with another approximately \$5.4 million coming from TTIP funding which has already been received from the Province.

GTA Farecard

The Provincial government has introduced its “Presto” farecard which can be used by transit passengers across the various GTA transit systems. A pilot project has begun which involves having farecard machines available in 5 TTC subway stations which serve as access points for riders from the other parts of the GTA under the Provincial initiative. The 2008-2012 Approved Capital Plan includes \$1.301 million in 2008 and \$106.301 million from 2008 to 2012. The total project cost of \$139.534 million has not been updated to reflect the latest estimate of costs for this project which could be as high as \$260 million pending decisions on the business case and on funding from the Provincial and Federal governments.

Bus Fleet Plan

In 2008, for \$148.455 million, excluding the purchase of Wheel-Trans vehicles for \$17.571 million, the TTC’s fleet of buses will be modernized with the purchase of 193 new diesel/electric hybrid buses. The Commission is following a strategy of “greening” its bus fleet through the use of technologies and practices that reduce both smog and greenhouse gases. The TTC projects that the bus fleet will become 100% accessible by 2011. The average age of the bus fleet will be reduced from 14 years in 2003 to 5.6 years by the end of 2008 as a result of a significant number of life extended buses (22-24 years old) being replaced. A strike at the bus manufacturer, Orion, may delay delivery of the 220 replacement buses which were expected to be delivered in 2007. Such a delay may also have an impact upon bus deliveries in 2008 as well.

The 2008-2012 Approved Capital Plan has \$404.225 million for bus purchases from 2008 to 2012. The 2008 bus fleet plan includes a fleet of 1684 buses by the end of 2008 growing to 1,807 buses in 2012. In total, 908 new buses are projected to be purchased throughout 2008-2017.

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TTC Bus Fleet Plan 2008-2017

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Buses Available (Start Year)	1,603	1,684	1,712	1,727	1,757	1,807	1,857	1,917	1,957	1,995
less: Buses Retired	(112)	(102)	(65)	0	0	0	(135)	(50)	(52)	(51)
add: Buses Procured	193	130	80	30	50	50	195	90	90	0
Buses Available (End Year)	1,684	1,712	1,727	1,757	1,807	1,857	1,917	1,957	1,995	1,944
Bus Requirement	1,669	1,690	1,713	1,730	1,774	1,809	1,864	1,898	1,926	1,945
Contingency	15	22	14	27	33	48	53	59	69	(1)

The 2008 bus fleet plan represents continued passenger growth demand of approximately 2% annually.

There is \$17.571 million and \$58.881 million from 2008 to 2012 in the Capital Plan for the purchase of Wheel-Trans vehicles to replace the existing ELF vehicles. Originally, all of the new vehicles were expected to be delivered by 2010. However, the delivery was delayed because of the difficulty of finding a suitable replacement vehicle. It is intended that a contract for new vehicles will be in place by the end of 2008; however this is not certain. Also, the specifications for the new Wheel-Trans vehicles have been changed from a 7 year life to a 10 year life. This change has resulted in a 15% escalation in the cost per vehicle, but a reduced fleet replacement cost in 2008-2017.

Subway Car Fleet Plan

The 2008-2012 Approved Capital Plan includes \$79.405 million in 2008 and \$735.244 million from 2008 to 2012 for the purchase of 234 subway cars or 39 trainsets. Delivery is scheduled for 36 cars in 2009, 138 cars in 2010 and 60 cars in 2011. It was expected that this purchase would provide enough cars to meet the projected increase in ridership until the next purchase in 2017 when the H-6 fleet was scheduled for replacement. However, in order to meet the increase in riders on the existing lines (which is happening at a faster than projected rate) through increased capacity including ATO and to be prepared for additional ridership resulting from the construction of the extension of the Yonge subway line, the Commission decided to begin the replacement of the H-6 fleet in 2012. There is \$0.3 million in 2010 to begin design work and \$30.384 million in 2011 and \$204.358 million in 2012 to complete the design and begin construction.

Scarborough Rapid Transit (SRT) Cars

More frequent SRT service and greater service capacity is possible with a larger fleet of vehicles. Total ridership on the SRT has grown steadily in recent years. The capacity of the SRT to carry passengers is currently constrained by the size of the fleet. To operate eight 4-car trains with one change-off train and a maintenance spares ratio of 20% would require a fleet of 44 cars, requiring the purchase of 16 additional SRT cars. The plan is to purchase 36 larger capacity Mark II cars designed to a three-car configuration.

There is approved funding in 2008 of \$0.272 million and funding from 2008-2012 of \$203.313 million to commence the replacement of the existing fleet of 28 cars. All cars including growth cars will be delivered by 2012.

Streetcar (CLRV) Purchase

During the 2007 Capital Budget process, the Commission finalized plans to buy 204 new Light Rail Vehicles (LRVs). 183 LRVs will replace the entire existing fleet and 21 LRVs will be added to accommodate anticipated growth. In addition, 132 existing streetcars will be overhauled to life-extend and bridge the time period until all of the new streetcars are delivered. The TTC intends to award the contract and make a first instalment payment in 2008 with the delivery of the first two prototype vehicles in 2010.

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The Approved Five-Year Capital Plan includes funding of \$54.992 million in 2008 for the payment required on execution of the initial contract, with total funding on streetcar purchases of \$552.595 million in the 2008-2012 period.

The primary purpose of purchasing new LRVs is to replace vehicles that are at the end of their useful life, instead of rebuilding older cars, with more reliable and efficient cars. In addition, these new vehicles introduce fully accessible light rail transit to the City of Toronto at the earliest possible date. The provincial *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) requires that all services and facilities must be accessible by 2025. In addition, an option will be available to purchase additional cars to address other City-building initiatives such as the Transit City Plan and Waterfront Toronto LRT plans.

Light Rail Transit Vehicle Plans

Recommended Plan	(\$ millions)										
	2007	2008	2009	2010	2011	2012	2007-12	2013-17	2018-25	Total	
Streetcar Overhaul (132 vehicles)	0.0	0.0	8.5	8.7	9.0	9.3	35.4				35.4
LRV Purchase and LEP Closeout	10.3	55.0	43.9	50.7	70.0	33.2	562.9	590.1	105.8		1,258.8
Carhouse Modifications		1.0	4.0	5.0	10.0	10.0	30.0				30.0
Tot Expenditures	10.3	56.0	56.4	64.4	89.0	352.5	628.3	590.1	105.8		1,324.2
LRT Vehicles Purchased					2	24	26	126	52		204

Operating Budget Impact – Five-Year Plan Incremental Operating Impact Summary

Incremental Operating Budget Impact	2008	2009	2010	2011	2012
2008 Recommended Capital Budget					
Program Costs (net) (\$000s)	522				
Approved Positions	3				
Debt Service Charges (\$000s)	4,769	22,255	22,255	22,255	22,255
Recommended 2009-2012 Capital Plan					
Program Costs (net) (\$000s)	0	8,619	807	301	(90)
Approved Positions		87	0	3	(5)
Debt Service Charges (\$000s)	0	3,696	17,632	17,418	16,094
Total					
Program Costs (net) (\$000s)	522	8,619	807	301	(90)
Approved Positions	3	87	0	3	(5)
Debt Service Charges (\$000s)	4,769	25,951	39,887	39,673	38,349

Debt service cost of repayment of principal and interest is calculated according to corporate guidelines, in the following manner: 3.0% Year 1, and 14% for subsequent years.

PROGRAM OPERATING IMPACTS

The 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$10.159 million net over the five-year period, with more than 80% or \$8.619 million of the increase impacting 2009.

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The Operating Budget net impacts are the result of the following capital projects/sub-projects:

2008 – 2012 Operating Impact of Capital

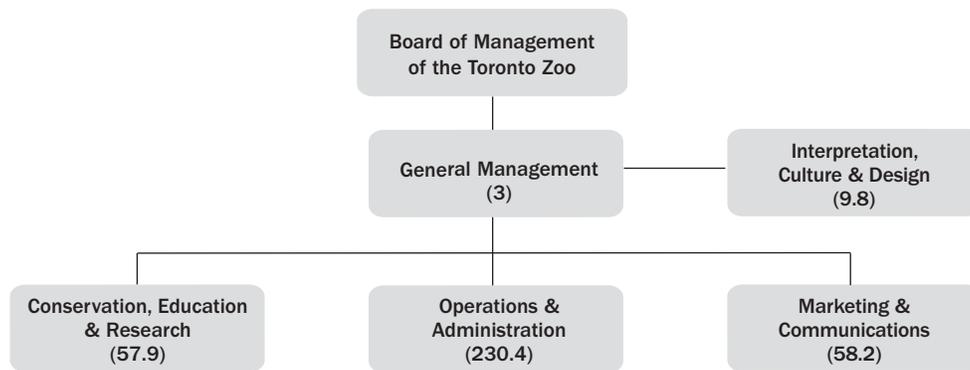
Project Name	2008		2009		2010		2011		2012		TOTAL	
	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions	\$000's	Positions
Surface Track Improvement			(10.0)								(10.0)	
Traction Power – Various	(24.0)		(24.0)		(24.0)		(24.0)		(24.0)		(120.0)	
Communications	125.0	0.5	315.0	4.8	199.0	3.1	46.0	4.0	(27.0)		658.0	12.4
Signal Systems	271.0	2.5	108.0	1.0							379.0	3.5
Finishes	(25.0)										(25.0)	
Tools and Shop Equipment	(4.0)		(3.0)				(3.0)		(3.0)		(13.0)	
Computer Equipment and Software	100.0		300.0	2.5	595.0	5.6	271.0	3.2	15.0		1,281.0	11.3
Intelligent Transportation & Technical Systems			473.0	5.5	75.0	(4.7)	88.0	1.1			636.0	1.9
Easier Access – Phases II and III	44.0		34.0		25.0		36.0		55.0		194.0	
Other Service Planning	35.0		18.0	(2.0)	(63.0)	(4.0)	(113.0)	(5.0)	(106.0)	(5.0)	(229.0)	(16.0)
Mount Dennis Bus Garage			7,408.0	75.0							7,408.0	75.0
Total Operating Impact	522.0	3.0	8,619.0	86.8	807.0	0.0	301.0	3.3	(90.0)	(5.0)	10,159.0	88.1

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 MAP

Toronto Zoo is comprised of three services with a total staffing complement of 359.3 approved positions.



2007 KEY ACCOMPLISHMENTS

- Achieved 1,432,656 in annual attendance as exceptional weather conditions and the Dinosaurs Alive! exhibit contributed significantly to attendance levels that were 13.2% favourable to budget.
- Achieved level of 31,118 membership households.
- Received re-accreditation from Association of Zoos and Aquariums (AZA), Canadian Association of Zoos and Aquariums (CAZA) and the Canadian Council on Animal Care (CCAC).
- Implemented new automated exit parking system, eliminating long line-ups and wait times at parking entry.
- Improved retail and ride sales due to strong attendance throughout the key summer season.
- Introduction of several healthy choice food items for sale at food outlets.
- Over 264 hours of animal shows and demonstrations, 3,827 “Meet-the-Keeper” presentations and 442 hours of tours provided.
- Zoo Camps completely booked with over 4,700 participants.
- Educational outreach to over 150,000 students and student supervisors.

2008 PROGRAM OBJECTIVES

- Maintain an attendance level of 1,265,000 by promoting the theme of oceans and aquatic life through the Stingray Touch Tank temporary exhibit and the new Great Barrier Reef exhibit;
- Reduce the potential impact on attendance resulting from closure of the Australasia and outdoor Americas exhibits (including the Polar Bears) through active marketing the Kids Zoo and regular program of special events;
- Maximize the revenue impact related to the changing mix of attendance;
- Undertake a campaign to raise funds for capital projects and conservation and education programs;
- Develop a “Green Plan”, outlining infrastructure and program initiatives to further the “greening” of the Zoo over the long term;
- Pursue alternative sources of revenue to broaden the Zoo’s program and funding base.

TORONTO ZOO

2008 STRATEGIC PRIORITIES

- A Creative City
 - > The Zoo is hosting the Stingray Touch Tank Exhibit (contribution of \$1.024 million net revenue) as a special feature for 2008 and 2009. No other exhibit of this kind is in the marketplace and with up to 32 stingrays residing in tanks 23 inches high it will allow visitors the unique experience of touching and seeing stingrays providing a highly compelling reason for families to visit the Zoo.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Council Approved Operating Budget for the Toronto Zoo provides funding to:

- Bring a new interactive exhibit called “Stingray Bay Touch Tank” and coupled with the new Great Barrier Reef exhibit that will provide a high impact offering with the ability to generate incremental attendance again for the Zoo (contribution of \$1.024 million net revenue).
- Improve the Toronto Zoo Bush Camp site and programming (\$0.018 gross and \$0.007 net revenue).
- Addition of two keeper positions in late 2008 (\$0.017 gross) to prepare for the new Tundra Trek exhibit opening planned for 2009.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net		Net		Net	\$	%	\$	%
Conservation, Education & Research	5,063	3,737	5,090	3,783	5,414	4,012	324.4	6.4	228.3	6.0
Marketing & Communications	9,307	673	9,931	118	11,285	(89)	1,353.6	13.6	(206.5)	-175.6
Operations & Administration	20,735	20,493	21,890	21,672	22,486	22,229	595.5	2.7	556.9	2.6
General Management	1,647	1,549	1,836	1,769	1,920	1,859	83.9	4.6	89.7	5.1
Animal & Endangered Species	672	–	136	–	136	–	0.0	n/a	–	n/a
Revenue & Recoveries	–	(14,782)	–	(15,798)	–	(16,305)	0.0	n/a	(507.0)	3.2
Total Program Budget	37,423	11,670	38,883	11,545	41,240	11,706	2,357.4	6.1	161.5	1.4

TORONTO ZOO

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	21,304.0	22,094.5	22,500.4	1,196.4	6%	23,263.6	24,049.7
Materials and Supplies	7,244.0	7,119.3	7,685.1	441.1	6%	7,685.1	7,685.1
Equipment	315.5	303.3	433.3	117.8	37%	433.3	433.3
Services & Rents	9,307.0	10,132.5	9,909.3	602.3	6%	9,909.3	9,909.3
Interdepartmental Charges							
Contribution to Res/Res Fund	712.0	712.0	712.0	0.0	0%	712.0	712.0
Other Expenditures							
TOTAL GROSS EXPENDITURES	38,882.5	40,361.5	41,240.1	2,357.6	6%	42,003.3	42,789.4
Funded by:							
Grants & Subsidies	500.4	340.5	586.6	86.1	17%	586.6	586.6
Federal Subsidies							
Interdepartmental Recoveries							
Contribution from Res/Res Funds	712.0	712.0	712.0	0.0	0%	712.0	712.0
User Fees	25,897.0	28,833.2	28,022.0	2,125.0	8%	28,022.0	28,022.0
Other Revenues	228.4	243.8	213.4	(15.0)	-7%	213.4	213.4
TOTAL NON TAX REVENUES	27,337.9	30,129.5	29,534.0	2,196.1	8%	29,534.0	29,534.0
NET BUDGET (excluding Capital Financing)	11,544.6	10,232.0	11,706.1	161.5	1%	12,469.3	13,255.4
APPROVED POSITIONS	354.0	354.0	359.3	5.3	1%	359.3	359.3

2009/2010 OPERATING BUDGET OUTLOOK

A number of pressures will result from the approval of the 2008 Recommended Operating Budget for the Toronto Zoo:

- The 2009 Outlook includes \$0.102 for the annualized impact of two additional keeper positions required late in 2008 to prepare for the new Tundra exhibit opening planned for 2009. These positions will maintain the 2008 service levels.

TORONTO ZOO

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

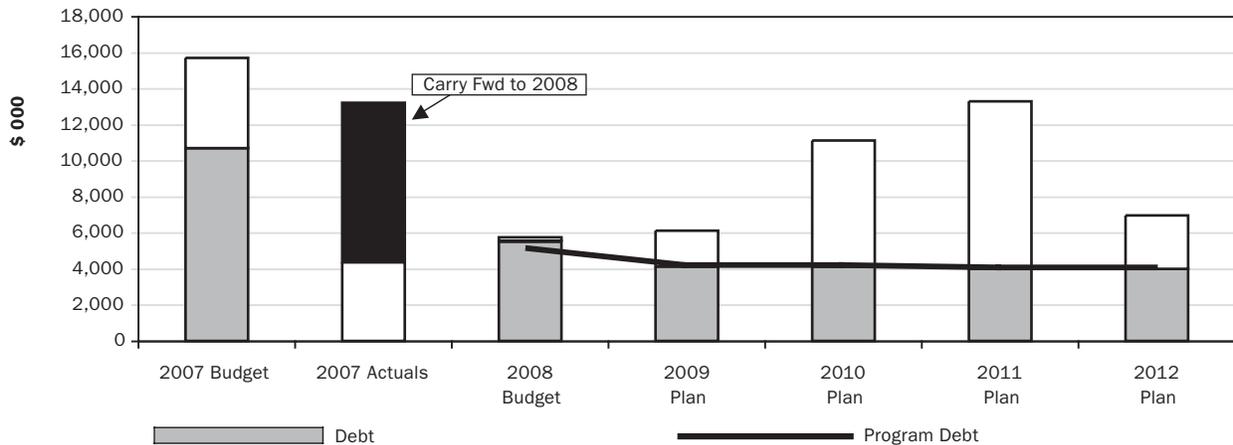
The Toronto Zoo's 2008-2012 Capital Plan, excluding one-year carry forward funding, requires \$43.168 million gross (\$21.810 million debt) funding, which includes cash flow of \$5.660 million gross (\$5.560 million debt) for 2008, an amount that is \$0.500 million higher than the Program's 2007 Approved Capital Budget of \$5.060 million. The Plan estimates capital funding needs of \$6.125 million gross (\$4.125 million debt) in 2009; \$11.125 million gross (\$4.125 million debt) in 2010; \$13.283 million gross (\$4.000 million debt) in 2011 and \$6.975 million gross (\$4.000 million debt) in 2012.

The Council Approved Five-Year Capital Plan for the Toronto Zoo exceeds the allocated debt target of \$21.310 million by \$0.500 million for rehabilitation for seven bridges on the Toronto Zoo in 2008. The Council Approved annual debt levels for 2009-2012 conform to the yearly debt targets assigned to the Toronto Zoo.

The Council Approved Five-Year Capital Plan for Toronto Zoo attempts to strike a balance between strategic improvements and capital refurbishment. The Five-Year Plan includes \$14.171 million (33%) for state-of-good repair (SOGR) initiatives while the remaining \$28.997 million (67%) is reserved for service improvements (SI). However, the majority of the latter projects will replace existing exhibits that are deteriorating, in effect significantly reducing the Toronto Zoo's current SOGR backlog. For instance, the North Zoo Site Redevelopment Project, though classified as service enhancements, will alone diminish the backlog by over \$27 million once completed.

It is anticipated that most of the Zoo's Service Improvement Projects will not be funded from debt. Of the \$29.0 million forecast for service improvement projects over the next five years, \$21.4 million is to be secured from a major fund raising campaign. The Toronto Zoo proposes to fundraise \$9.0 million by 2010 and an additional \$8.8 million by 2011. The vast majority of these funds are intended for the outstanding phases of the North Zoo Site Redevelopment Project as well as for its Elephant Paddock project. A fundraising report was completed in 2007 and the Toronto Zoo is preparing to launch its major capital fund raising campaign in 2008.

Five-Year Capital Plan (2008 Recommended Budget, 2009-2012 Plan)



TORONTO ZOO

	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	15,707	4,359	3,322					3,322
Recommended Changes to Commitments								
2008 New/Change in Scope and Future Year Commitments			2,338	1,696				4,034
2009 – 2012 Plan Estimates				4,429	11,125	13,283	6,975	35,812
1-Year Carry Forward to 2008		8,848	→					
Total Gross Annual Expenditures & Plan	15,707	13,207	5,660	6,125	11,125	13,283	6,975	43,168
Program Debt Target	6,200		5,060	4,125	4,125	4,000	4,000	21,310
Financing:								
Recommended Debt	10,707		5,560	4,125	4,125	4,000	4,000	21,810
Other Financing Sources:								
Reserves/Reserve Funds								
Development Charges								
Federal								
Provincial								
Other Revenue	5,000		100	2,000	7,000	9,283	2,975	21,358
Total Financing	15,707		5,660	6,125	11,125	13,283	6,975	43,168
By Category:								
Health & Safety								
Legislated								
SOGR	5,639		1,841	3,374	2,080	3,504	3,372	14,171
Service Improvement	10,068		3,819	2,751	9,045	9,779	3,603	28,997
Growth Related								
Total By Category	15,707		5,660	6,125	11,125	13,283	6,975	43,168
Yearly SOGR Backlog Estimate (not addressed by current plan)			2,259	2,158	1,922	1,630	2,005	9,974
Accumulated Backlog Estimate (end of year)		103,516	92,607	88,486	79,004	67,029	61,988	61,988
Operating Impact on Program Costs			17	139		335		474
Debt Service Costs			167	735	578	574	560	2,613

* Note that the 1-Year Carry Forward reflects the budget submission and as reflected in CAPTOR

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **North Zoo Site Redevelopment Project**

The North Zoo Site Redevelopment Project is the dominant project at the Toronto Zoo requiring \$27.7 million or 53% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan. The North Zoo Site Redevelopment will complete more efficient integration of visitor site circulation

TORONTO ZOO

changes at the Toronto Zoo by bringing important Canadian animal exhibits now in the valley up into the table lands. The construction has been planned in various phases over the next six years to match debt target and fund raising plans.

- **Elephant Winter Holding**
The Elephant Winter Holding Project requires \$5.1 million or 10% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan. A feasibility study has been initiated in 2007 to study the future requirements of maintaining a herd of elephants into the future due to increasing standards for the care of these animals. Depending on the outcome of the feasibility study, this Project may involve an expansion and modification of the elephant exhibit to provide additional space for the elephants and enhanced viewing experience for visitors. The anticipated start date for this project is 2009.
- **Giraffe House Refurbishment**
The Giraffe House Refurbishment Project requires \$1.6 million or 3% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan. The Giraffe House was listed as a major concern in the AZA Accreditation report in 2007 and therefore the project is being advanced in the CWP. The house requires a restraint unit to be installed, new floors with non-slip material, sufficient storage and services, and a shelter/shade structure to provide a year round exercise area for the giraffes. The anticipated start date for this project is 2010.
- **Animal Health Care**
The Animal Health Care Project requires \$4.1 million or 8% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan. Construction of the Quarantine Facility was completed earlier in 2007, as the first phase of the Animal Health Facilities project. Detailed design of a new animal hospital and research facilities is planned for 2011 with construction to follow in 2012.
- **Implementation of the "Green Plan"**
The 2008 Submitted Capital Request included a request for \$0.100 million additional funding to assess Capital Works Projects to determine the feasibility and cost of the "Green Plan" developed by the Toronto Eco-Zoo Team and approved in principle by the Board of Management in June, 2007.

Other Key Capital Initiatives:

The Toronto Zoo's approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- The Building & Services Refurbishment Project requires \$7.067 million or 14% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan.
- The Information System Project requires \$1.1 million or 2% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan.
- The Exhibit Refurbishment Project requires \$2.6 million or 5% of the planned funding for Capital Projects in the 2008-2012, Five-Year Capital Plan.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The following operating impacts resulting from the approval of the Five-Year Capital Plan:

- \$0.156 million for two additional keepers as well as service requirements associated with the North Zoo Site Redevelopment Tundra initiative. The anticipated opening of the Tundra is in 2009. The plan is to recruit the two staff in the last three months of 2008, requiring \$0.017 million with the annualized amount anticipated to be \$0.139 million in 2009.
- \$0.335 million for eight additional staff as well as corresponding materials and supplies upon the completion of the mixed Woodland/Boreal Forest phase of the North Zoo Site Redevelopment Project in 2011.

TORONTO ZOO

STATE OF GOOD REPAIR BACKLOG

The Toronto Zoo's inventory of hard assets is valued at more than \$115 million. Due to past funding constraints, the Toronto Zoo has accumulated a SOGR backlog of approximately \$103.5 million by the end of 2007. Implementation of the Recommended Five-Year Plan will result in the SOGR backlog being reduced to \$62.0 million by 2012.

Although the Plan addresses approximately 40% (\$41.5 million) of the current deficit, the fact is that over \$8.3 million would be required annually, over the next ten years, to eliminate the backlog entirely. This yearly amount alone is almost double the Program's average five-year debt target of \$4.26 million per annum.

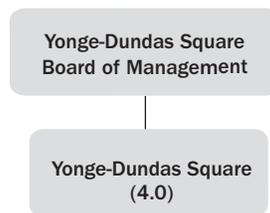
YONGE-DUNDAS SQUARE

MISSION STATEMENT

- The mission of the Yonge-Dundas Square Board of Management is to responsibly manage the Yonge-Dundas Square and enhance the vitality of downtown; to launch, promote and operate the Square as a unique public space, borne from the passion of its community and the energy of commercial participation, so as to develop a positive perception by way of its activities, security, and cleanliness.

PROGRAM MAP

Yonge-Dundas Square (YDS) is comprised of one service, with a total staffing complement of 4.0 approved positions.



2007 KEY ACCOMPLISHMENTS

- Increased event attendance for 5th consecutive year.
- Increased earned revenue from previous year by 45%.
- Hosted multicultural community festivals and other major festivals such as Just for Laughs.

2008 PROGRAM OBJECTIVES

- To continue to run an exceptional events program, enabling YDS to maximize its contribution to the revitalization of the Downtown Yonge area.
- Continue with multicultural programming that attracts a broad demographic while continuing to increase public and private sector use.
- Continue to develop new streams of revenue to offset the costs of animating the Square with programs that promote the vision of YDS as a community focal point and resource.

2008 STRATEGIC PRIORITIES

- A Strong City with a Strong Economy:
 - > The Yonge-Dundas Square Program through its unique governance model will continue its work to improve the business climate in the City's downtown core through its activities, security and cleanliness.
- A Creative City
 - > Increase self-produced programming with support from the private sector sponsorships.
 - > Use of self-produced programming as a tool to position Yonge-Dundas Square as a premier outdoor urban venue for both commercial and community events.
 - > Increase earned revenue to support ongoing animation of the Square with signature events that support the City's Economic Development, Culture and Tourism objectives.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- produce and program 156 events
- host 137 community and private sector events including City events, plus major festivals such as Just for Laughs and Luminato
- facility management with onsite security and onsite maintenance 24/7/365

YONGE-DUNDAS SQUARE

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Yonge-Dundas Square	1,073	583	1,167	584	1,352	584	184.7	15.8%	0.0	0.0
Total Program Budget	1,073	583	1,167	584	1,352	584	184.7	15.8%	0.0	0.0

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						2009 Outlook	2010 Outlook
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2008 Approved Budget		
	\$	\$	\$	\$	%	\$	\$	
Gross Expenditures:								
Salaries and Benefits	290.5	293.3	344.0	53.6	18.4%	344.0	344.0	
Materials and Supplies	135.0	212.0	145.0	9.9	7.4%	145.0	145.0	
Equipment	0.0	0.0	36.0	36.0	n/a	36.0	36.0	
Services & Rents	739.7	926.8	825.3	85.6	11.6%	825.4	825.4	
Contributions to Reserve/Res Funds	1.7	1.7	1.7	0.0	0.0%	1.7	1.7	
Other Expenditures	0.0	0.0	(0.4)	(0.4)	n/a	0.0	0.0	
Total Gross Expenditures	1,166.8	1,433.8	1,351.5	184.7	15.8%	1,352.0	1,352.0	
Funded by:								
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
User Fees, Permits & Donations	583.3	898.3	768.5	185.2	31.8%	768.5	768.5	
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Revenues	0.0	0.0	(0.5)	(0.5)	n/a	0.0	0.0	
Total Non Tax Revenues	583.3	898.3	768.0	184.7	31.7%	768.5	768.5	
Net Budget (excluding Capital Financing)	583.5	535.5	583.5	(0.0)	(0.0%)	583.5	583.5	
APPROVED POSITIONS	4.0	4.0	4.0	0.0	0.0%	4.0	4.0	

2009/2010 OPERATING BUDGET OUTLOOK

- The Yonge-Dundas Square Board of Management will continue to focus on increasing earned revenues to fund its programs that support the objectives of the City's Economic Development, Culture and Tourism Division.
- Yonge-Dundas Square projects no increase in its 2009 and 2010 net operating budgets.
- The 2009 and 2010 Outlooks maintains the 2008 services and service levels.

YONGE-DUNDAS SQUARE

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

Yonge-Dundas Square’s present Five-Year Capital Plan begins to address safety issues and state of good repair as the venue infrastructure ages.

Yonge-Dundas Square’s 2008 Capital Budget and 2009 to 2012 Capital Plan totals \$0.200 million and meets the Council approved debt affordability targets for each of the five years. The debt target is currently set at zero for years 2011 and 2012; however, an impending facility audit report may indicate future capital funding requirements.

The 2008 Council Approved Capital Budget of \$0.100 million in new debt funding is for a health and safety capital project to replace the large steel grate on the Square at the corner of Yonge and Dundas that is a safety hazard during wet weather.

The 2009-2012 cash flow projections anticipate a base level of capital investment required to maintain the Yonge-Dundas Square infrastructure in a state of good repair for 2009 and 2010.

The Yonge-Dundas Square Capital Program reflects emerging demands for state of good repair projects. The Board of Management is currently working with the Facilities and Real Estate Division on a facility audit and State of Good Repair Report. This report will be available by the end of 2007.

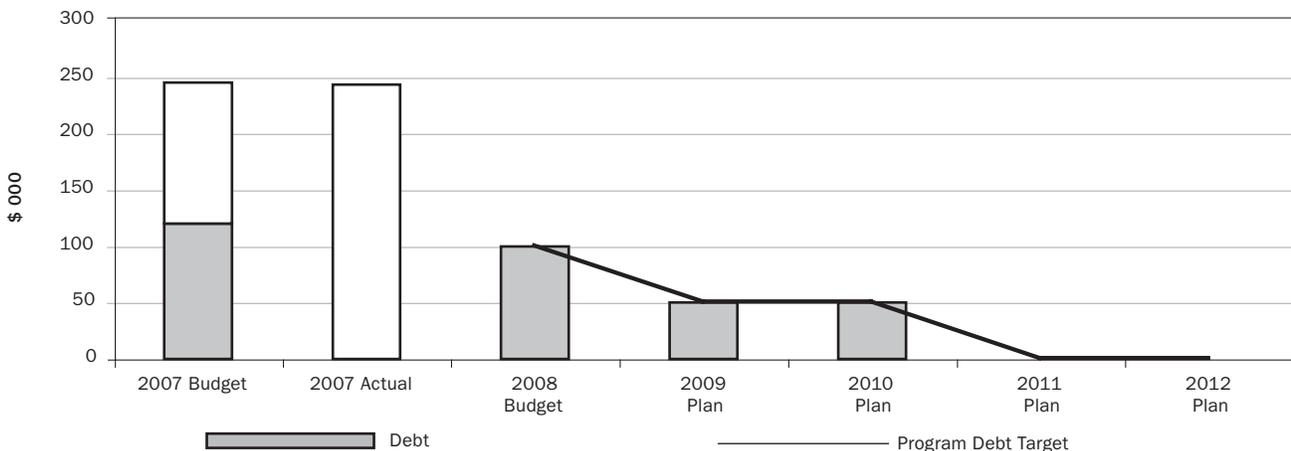
The Board of Management anticipates work will be required during the next five years to address issues related to the Square’s sewage system, drainage of planting beds, electrical systems and granite and stainless steel replacement. The facility audit will provide a comprehensive multi-year plan to address these challenges.

The Program does not have a backlog of state of good repair projects as the Square is relatively new, and the facility audit is not yet complete.

The current plan includes \$0.050 million for anticipated state of good repair projects in each of 2009 and 2010. This plan will be updated once the State of Good Repair analysis has been completed in late 2007.

The Five-Year Capital Plan debt targets for years 2009 through 2012 will need to be revised once the results of the facility audit and State of Good Repair Report are completed.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



YONGE-DUNDAS SQUARE

	2007		2008	2009	Five-Year Plan			2008-12
	Budget	Actual			2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	245	244						0
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			100					100
2009 - 2012 Plan Estimates				50	50			100
1-Year Carry Forward to 2008		0	→					
Total Gross Annual Expenditures & Plan	245	244	100	50	50	0	0	200
Program Debt Target	245		100	50	50	0	0	200
Financing:								
Recommended Debt	120		100	50	50			200
Other Financing Sources:								
Reserves/Reserve Funds								0
Development Charges								0
Federal								0
Provincial								0
Other Revenue	125							0
Total Financing	245		100	50	50	0	0	200
By Category:								
Health & Safety	120		100					100
Legislated								0
SOGR				50	50			100
Service Improvement								0
Growth Related	125							0
Total By Category	245		100	50	50	0	0	200
Yearly SOGR Backlog Estimate (not addressed by current plan)								Not yet available.
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs								None
Debt Service Costs			3	13	7	6		28

* Note that the 1-Year Carry Forward reflects budget submission and as reflected in CAPTOR

CAPITAL PROJECT HIGHLIGHTS

The Yonge-Dundas Square Approved Five-Year Capital Plan includes funding for the following capital initiatives:

- Replacing the large steel grate in the oculus at the corner of Yonge and Dundas to address a safety issue requiring \$0.100 million debt funding in 2008.
- State of good repair projects requiring debt funding of \$0.050 million in each year of 2009 and 2010.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

There are no operating impacts arising from the 2008 Capital Budget.

STATE OF GOOD REPAIR BACKLOG

The Program does not have an existing backlog of state of good repair projects as the Square is relatively new.

NON-LEVY OPERATIONS

CITY OF TORONTO
2008 BUDGET SUMMARY



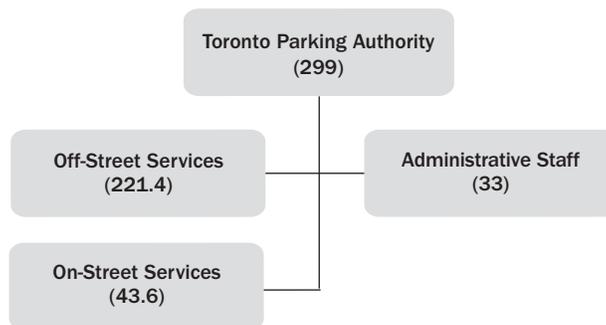
..... TORONTO PARKING AUTHORITY

MISSION STATEMENT

- The Toronto Parking Authority 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.

PROGRAM MAP

The Toronto Parking Authority is comprised of two services with a total of 299 approved positions.



2007 KEY ACCOMPLISHMENTS

- Addressed off-street parking shortfall through opening 13 new carparks in various neighbourhoods.
- Converted approximately 1,100 on-street spaces to pay-and-display machines from old-style meters to improve customer service and enhance the revenue generation.
- Continued development of e-commerce payment options.
- Completed all major maintenance projects that were planned.
- Contributed \$32.7 million to the City in 2007.

2008 PROGRAM OBJECTIVES

- **Short Term Parking:** Satisfying the short term parking demands identified within the various business areas of the City.
- **Supporting Local Business: Achieved by the following:**
 - a) Satisfying short term parking needs.
 - b) Providing alternative payment options for customers (convenience).
 - c) Constantly improving customer service.
 - d) Innovative solutions to specific parking problems.
- **Innovative and Economic Expansion of Services:** Examine/utilize new technology to enhance service and reduce operating costs and the expansion via joint partnerships with the private sector at reduced costs.
- **Self Funding:** Constantly seeking ways to enhance revenue and provide services at lower costs through new technology and automation.
- The Toronto Parking Authority is self-sustaining and does not impact the municipal property tax levy.
- In 2007, the City and the Toronto Parking Authority renewed its Income Sharing Agreement for an additional 3 years. The Agreement requires the Toronto Parking Authority to pay annual rent to the City equal to 75% of its net income for the year or \$18.000 million; whichever is greater. In addition, from

TORONTO PARKING AUTHORITY

time to time the Toronto Parking Authority will pay an amount to the City that is in excess of capital asset funding requirements over the ensuing five-year period. This is in addition to the share of annual operating income paid under the current Agreement.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for the Toronto Parking Authority advances the following strategic priorities outlined in the Council's policy agenda:

- Continued focus on satisfying short-term parking shortfalls while increasing net profits.
- Continued expansion and promotion of the corporate convenience card. The card is marketed to corporate customers who have sales people or technicians in the field. It is a private label credit card that is accepted in all Toronto Parking Authority equipment to pay for off-street and on-street parking.
- Examination of additional automation opportunities.
- Continued conversion of on-street meters to pay-and-display technology in areas where a reasonable payback is obtainable.
- Continued focus on opportunities to satisfy urgent parking needs in areas that have identified parking shortfalls. Particular attention has been placed on St. Clair Avenue between Yonge Street and Gunns Road for additional off-street spaces to replace spaces that will be lost on-street due to the Toronto Transit Commission street car right-of-way.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following services:

- The Toronto Parking Authority operates approximately 20,000 off-street spaces in 180 facilities including 22 parking garages, as well as 18,000 on-street spaces controlled by pay-and-display technology or single spaced meters.
- In addition, the Authority manages on behalf of the Toronto Transit Commission, 14,000 spaces at their park-and-ride facilities and parking areas on behalf of the Parks, Forestry and Recreation Program serving the waterfront parks during the summer season.
- The Toronto Parking Authority is the largest municipal parking operator in North America.

2008 OPERATING BUDGET

The 2008 Operating Budget for the Toronto Parking Authority of \$49.617 million net represents a \$5.188 million or 11.7 % increase compared to 2007.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Off-Street Parking	43,866	(15,318)	46,082	(18,153)	50,364	(19,225)	4,282	9.3%	(1,072)	5.9%
On-Street Parking	10,935	(25,065)	11,723	(26,277)	13,134	(30,393)	1,411	12.0%	(4,116)	15.7%
Total Program Budget	54,801	(40,383)	57,805	(44,429)	63,498	(49,617)	5,693	9.8%	(5,188)	11.7%

TORONTO PARKING AUTHORITY

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2006 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Services & Rents	13,389	14,021	15,100	1,712	12.8%	15,450	15,700
Contributions and Transfers	0	0	0	0	n/a	0	0
Other (Includes IDCs)	14,167	14,845	15,251	1,084	7.7%	15,500	15,700
Total Gross Expenditures	57,805	59,923	63,498	5,693	9.8%	65,440	66,950
Funded by:							
Provincial and Federal Grants & Subsidies	0	0	0	0	n/a	0	0
User Fees/Donations	102,234	106,463	113,115	10,881	10.6%	115,400	116,900
Reserves/Reserve Funds	0	0	0	0	n/a	0	0
Other (Includes IDRs)	0	0	0	0	n/a	0	0
Total Non Tax Revenues	102,234	106,463	113,115	10,881	10.6%	115,400	116,900
Net Budget (excluding Capital Financing)	(44,429)	(46,540)	(49,618)	(5,188)	11.7%	(49,960)	(49,950)
APPROVED POSITIONS	297.8	297.8	299.0	1.2	0.4%	300.0	300.0

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 and 2010 Outlook maintains the 2008 level of service while managing the cost-of living-allowance (COLA) and merit/step increments for union and non-union staff.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

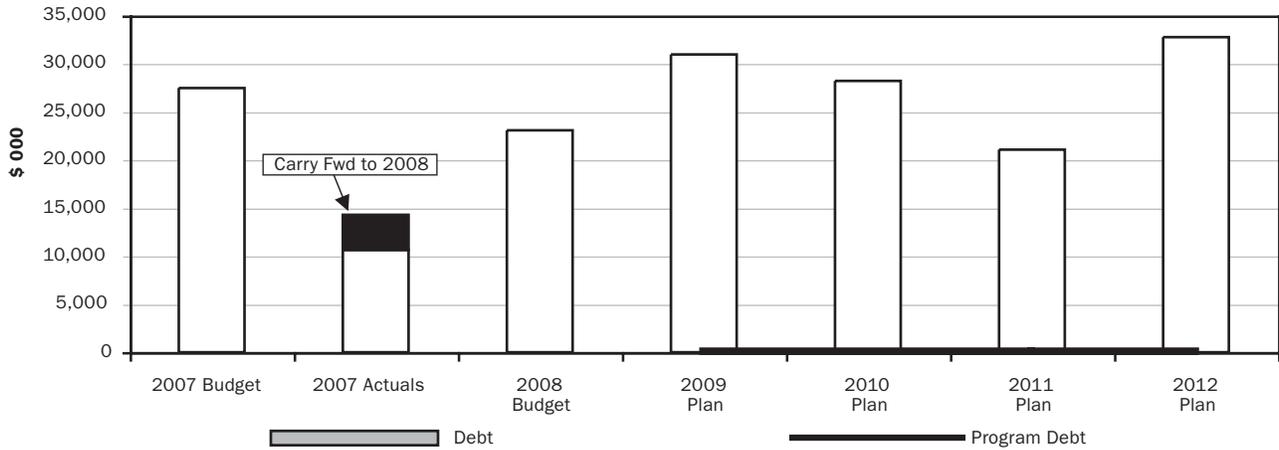
FIVE-YEAR CAPITAL PLAN OVERVIEW

Growth projects account for \$65.681 million or 48% of the Five-Year Capital Plan. Growth projects are primarily driven by the acquisition of properties for the development of new off-street parking facilities based on feasibility and needs assessment studies.

The Five-Year Capital Plan reflects the allocation of significant funding to service improvement projects accounting for approximately \$63.740 million or 47%. These projects are mainly comprised of the expansion and/or redevelopment of existing parking facilities and infrastructure such as pay-and-display technology.

TORONTO PARKING AUTHORITY

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2008 New/Change in Scope and Future Year Commitments			19,406					19,406
2009 - 2012 Plan Estimates				31,000	28,200	21,100	32,800	113,100
1-Year Carry Forward to 2008		3,650	→					
Total Gross Annual Expenditures & Plan	27,506	14,282	23,096	31,000	28,200	21,100	32,800	136,196
Financing Sources:								
Reverses	4,400		1,650	100	2,100	100	1,300	5,250
Retained Earnings	20,856		21,446	21,900	26,100	21,000	31,500	121,946
Other	2,250			9,000				9,000
Total Financing	27,506		23,096	31,000	28,200	21,100	32,800	136,196
By Category:								
Health & Safety	865		500	600				1,100
Legislative								
SOGR	2,555		4,475	900	100	100	100	5,675
Service Improvement	9,700		6,540	22,000	20,000	8,000	7,200	63,740
Growth Related	14,386		11,581	7,500	8,100	13,000	25,500	65,681
Total By Category	27,506		23,096	31,000	28,200	21,100	32,800	136,196
Yearly SOGR Backlog Estimate (not addressed by current plan)			(4,475)	(100)	(100)	(100)	(100)	(4,875)
Accumulated Backlog Estimate (end of year)		4,875	400	300	200	100		0
Operating Impact on Program Costs				(857)	(1,110)	(1,686)	(1,260)	(4,913)

* Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

TORONTO PARKING AUTHORITY

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- **Climate Change, Clean Air and Sustainable Energy Action Plan**
The Recommended Five-Year Capital Plan provides approximately \$3.900 million in funding for a broad range of projects that will form part of the Action Plan for Climate Change. These include the following:
- **Energy Efficiency**
The Recommended Five-Year Capital Plan includes the following projects which will reduce energy consumption:
 - > \$2.300 million for lighting and electrical upgrades at several parking facilities.
 - > \$0.150 million to replace air conditioning units with high efficiency units.
 - > \$0.150 million for the installation of solar energy panels on the roof of carpark 43. This is a co-operative pilot project with the Toronto Atmospheric Fund aimed at generating solar power to reduce electricity consumption at the carpark.The Program is currently assessing the potential energy savings from these projects.
- **Water Usage**
The Recommended Five-Year Capital Plan also includes \$1.300 million for the implementation of sprinkler upgrades at several off-street parking facilities.
- **Making a Stronger Economy**
The Toronto Parking Authority is a self-sustaining public corporation owned by the City of Toronto. The Authority contributes net income to the City's general revenues while successfully meeting its mandate of providing the short-term parking needs of many business areas and communities as well as on-street parking. Considered a leader in the use of parking technology, the Authority has been successful in ensuring that businesses in areas served throughout the City continue to grow and their neighbourhoods remain vibrant.

Other Key Capital Initiatives:

Funding for the Five-Year Capital Plan continues the implementation of the solar powered and environmentally friendly pay-and-display technology; ensures the acquisition of property and the development of new facilities to satisfy future demand for off-street parking; and, expansion and/or redevelopment of existing parking infrastructure.

Development of several new off-street parking facilities at the following locations: College – Dovercourt to Lansdowne; St. Clair – Oakwood Business Improvement Area; St. Clair West – Corso Italia/carpark 41; Yonge – North of Finch; and, Yonge/Summerhill. Needs assessments have identified that these areas as requiring additional short-term off-street parking spaces to enhance the local business climate.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The Five-Year Capital Plan includes incremental operating revenue generated from user fees of (\$0.857) million in 2009; (\$1.110) million in 2010; (\$1.686) million in 2011; and, (\$1.260) million in 2012. In total, the incremental revenue generated from user fees amounts to (\$4.913.) million. Incremental operating revenue from user fees is generated in the year following completion of parking facilities.

STATE OF GOOD REPAIR BACKLOG

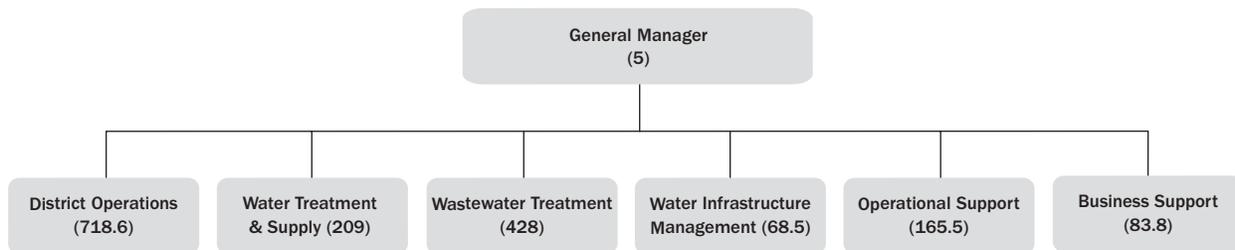
The Toronto Parking Authority does not have a significant backlog of state of good repair projects. The backlog, estimated at \$4.875 million for 2008, will be fully addressed within the Five-Year Capital Plan. The backlog includes maintenance activities such as lighting/electrical/sprinkler upgrades; paving; and, painting at off-street parking facilities.

MISSION STATEMENT

- Toronto Water 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 MAP

Toronto Water is comprised of 6 major services, with a total of 1,678.4 approved positions.



2007 KEY ACCOMPLISHMENTS

Toronto Water successes are often of a cumulative nature and accomplished over a number of years. The following highlights Toronto Water’s achievements for 2007:

Stewardship of the Environment

- Staff conducted in excess of 85,000 tests on wastewater samples collected from the 4 wastewater treatment plants and industrial sectors around the City.
- Launched an Outfall Monitoring Program starting in the Taylor Massey Creek area. The Program will be moving across all of the 6 watersheds in the City over the next five-years and is designed to identify and map all municipal and private outfalls discharging into the City’s creeks and rivers. Samples will be collected and tested from these outfalls to identify potential cross-connection problems between sanitary and storm sewers. Sewer Bylaw Officers have investigated a number of potential problems with local property owners.
- Toronto Water’s Sewer Use Bylaw won awards and is recognized as one of the most restrictive of its type in Canada.
- Provided assistance to approximately 2,300 homeowners to disconnect their downspouts from the sewer system.
- Initiated a number of Class Environmental Assessments required as the first step in implementing the Wet Weather Flow Master Plan

Increase Capacity for Growth

- Winner of the American Water Works Association Public Achievement Award for educating the public, promoting awareness of water issues and engaging residents and businesses in model behaviour regarding water usage and source protection (Water Efficiency Program and Downspout Disconnection Program).
- Awarded a silver award in the Public Service Quality Fair for the promotion and delivery of the City of Toronto’s Toilet Replacement Program in the multi-residential and single family sectors as part of the Water Efficiency Program.

TORONTO WATER

- Continued in 2007 to exceed the targeted water saving anticipated from the Water Efficiency Program.
- Initiated the process to design the expansion of the Horgan Water Treatment Plant scheduled to start operation in 2011-12. The increased treatment capacity will help meet some of the future growth needs of the City and the Region of York.

Water Quality

- 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

- Effectively managed the realignment of the staffing resources to improve system performance and enhance customer service.
- Responded to an estimated 17,000 water meter complaints.
- Trenchless rehabilitation techniques were enhanced to extend the useful life of the City's sewer infrastructure and minimize the impact on adjacent homes and businesses.

Optimizing Work Process and Workforce

- Continued the roll out of numerous continuous improvement projects.
- Silver awards of recognition from the Public Sector Quality Fair for the following initiatives:
 - > Succession Planning in a Unionized Environment.
 - > Water Services Repair Program.
- Provided Toronto Water staff with numerous training and development opportunities to ensure staff are retained and exceed the Provincial mandated training and certification regulations.
- Reviewed and standardized the work practices to optimize efficiency in field operations.

Technology Efficiencies and Improvements

- Enhanced 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 to lower costs.
- Continued focus on strategic planning and long-term management of all Toronto Water physical assets.
- Continued odour control and heating system improvements at the Ashbridges Bay Treatment Plant.

2008 PROGRAM OBJECTIVES

The theme of the Capital and Operating Budgets is “Building a Better Tomorrow” and reflects the level of investment that is required to meet the needs of the community. Toronto Water’s objectives for 2008 and beyond have been extensively documented in the Toronto Water Multi-Year Business Plan adopted by Council in 2005.

Toronto Water will achieve their mission statement through the following major objectives:

- **Planning for the necessary investment to ensure drinking water quality continues to exceed the Provincial legislative requirements.**
- **Renew and rehabilitate ageing infrastructure. This requires significant long-term infrastructure investment.**
- **Establish a rate structure that will 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 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 the current system to provide water and wastewater services to meet projected population growth.**

TORONTO WATER

- **Standardize and harmonize processes and practices, both in the plants and in the district operations areas, with continuous improvement initiatives, some of which require implementation of appropriate, updated technology infrastructure and replacement of outdated aging asset. These changes will ultimately improve customer service delivery.**
- **Increase strategic policy focus on water and wastewater long term issues.**

2008 STRATEGIC PRIORITIES

The 2008 Budget for Toronto Water directly advances, through a number of new/enhanced initiatives, the following strategic priorities outlined in the Council's policy agenda.

- **Climate Change, Clean Air and Sustainable Energy Action Plan**
The 2008 Recommended Operating Budget includes funding to administer numerous capital projects for the Climate Change, Clean Air and Sustainable Energy Action Plan.
- **Help to Clean Up Lake Ontario to Make Toronto's Beaches More Swimmable**
The 2008 Recommended Operating Budget includes funding for various monitoring programs, such as outflow; backflow prevention; and, beaches to help clean up Lake Ontario to make Toronto's beaches more swimmable. In addition, financial support is also provided for continued implementation of the Wet Weather Flow Master Plan to improve water quality in watercourses and the waterfront.
- **Implementation of a Ravine Improvement Team that will Clean, Beautify, and Improve Access and Stewardship to Toronto's Ravines**
Toronto Water has dedicated funding for cleaning, beautifying and improving access to Toronto's ravines in the 2008 Recommended Operating Budget. The ravine and watercourse improvement initiative will be managed by the Parks, Forestry and Recreation Program.

2008 OPERATING BUDGET HIGHLIGHTS

Toronto Water is responsible for operating, maintaining and improving a waterworks system for the treatment, transmission, storage distribution of potable water. These services must be provided 24 hours per day, 7 days per week and require the operation of 4 filtration plants, 18 water pumping stations, 10 major ground level storage reservoirs, 4 elevated storage tanks and the operations and maintenance of 510km of trunk and 5,015km of local distribution network, including 40,460 hydrants and 470,202 service connections.

In addition, the water requirements of a major portion of York Region are supplied under an agreement between the City of Toronto and the Region. The quality of water produced and distributed must meet or exceed all federal and provincial guidelines, most notably the Ministry of the Environment's new legislation for drinking water quality.

The Program manages and services the City's 4,397km of sanitary, 1,301km of combined sewer and 4,305km of storm sewer, 4 wastewater treatment plants, 82 wastewater pumping stations, 5 storage and detention tanks, 463,300 service connections and 120,000 maintenance holes. The service also includes 371km of watercourses and 43 stormwater management ponds all located on an area of 630 square kilometres.

- **Addressing Renewal Needs of Aging and Deteriorating Infrastructure**
Water and sewer infrastructure is aging. Projects that maintain the state of good repair represent more than 50% of the 2008 Capital Budget. These projects are intended to extend the useful life of assets, ensure service reliability and postpone replacement.
 - > **Rehabilitation – Toronto Water continues several programs designed to rehabilitate aging watermains. Examples include installing cathodic protection, cleaning and lining watermains and replacing deficient hydrants and valves to improve system performance.**

TORONTO WATER

- > Replacement – Where pipes are structurally deficient or where increased water demand or sewer flow warrants larger pipe sizes, replacement projects have been identified and included in the budget. In many areas sewer relining and trenchless technology methods will be used to minimize the impact of the program on local communities.
- > Treatment Facilities – Toronto Water continues to replace aging or obsolete electrical/mechanical equipment and refurbish buildings at water supply and wastewater treatment plants and pumping stations. These projects are intended to maintain state of good repair and ensure on-going compliance with the Safe Drinking Water Act and related Ministry of the Environment regulations.
- **Increasing Total System Capacity to Keep Pace with Population Growth**

Additional capacity will be required to service a projected population of 3 million people by 2031. To address this need, the budgets include funding for the following:

 - > **Water Efficiency – Continuation of the City's water efficiency and water loss reduction initiatives.** The aim of the program is to reduce 15% of water usage by 2011, freeing up capacity to accommodate growth needs while delaying costly plant expansions. Examples of water efficiency programs are low flow toilet replacement program for multi-residential properties, public education/awareness and water efficiency kit programs for homeowners.
 - > **Reducing Watermain Loss – The budget includes funding aimed at reducing watermain leakage.** Programs will be developed to identify areas of the distribution system that are experiencing undetected water loss. These deficient pipe sections will be rehabilitated, repaired or replaced depending on the severity of damage.
 - > **Servicing Customer Water Needs – Additional capacity will be required in the future.** The partnership with York Region includes expansion projects to meet maximum flow demand in the City, while economically supplying the Region as well.
- **Stewardship of the Environment**
 - > **Wet Weather Flow Master Plan – Funding for projects that advance Wet Weather Flow Master Plan** have been included in the budget. These projects are all in accordance with Council priorities of progressing on the waterfront and making Toronto a clean and beautiful City. Several stormwater management and watercourse improvement projects have been included in the budget; all intended to improve water quality conditions in area watercourses and along the waterfront. These projects include a broad range of initiatives including channel naturalization, erosion control, constructed wetlands, infiltration systems and source water control projects.
 - > **Biosolids and Residual Master Plan – The final plan still remains to be completed pending public consultation and peer review.**
 - > **Water Treatment Plant Residual Management – As required by the Ministry of Environment, Residue Management Facilities** are being completed at the Harris Water Treatment Plant and the Clark Water Treatment Plant. Additional residual facilities will follow at the Island Water Treatment Plant and at the Horgan Water Treatment Plant along with planned expansion work that forms part of the agreement with York Region.
- **Continuous Improvement of Service Delivery**
 - > **The Works Best Practices Program (WBPP)** was designed to improve the efficiency of the operations at 8 City wastewater treatment and water supply plants. The District Service Improvement (DSI) Program is underway to review best practices, technological upgrades and management of the City's linear water and wastewater infrastructure.
 - > **Watermain and sewer replacement programs** are coordinated with the Transportation Road and Reconstruction Program to save costs and minimize construction disruption to the public. Where appropriate, trenchless construction techniques are used during sewer rehabilitation projects to minimize the impact on adjacent homes and businesses while extending the useful life of infrastructure and postponing replacement.

TORONTO WATER

2008 OPERATING BUDGET

The 2008 Operating Budget for Toronto Water of \$375.207 million gross represents a \$4.130 million or 1.1% decrease compared to 2007. The 2008 Net Operating Budget of \$302.186 million reflects an increase of \$33.302 million or 12.4% over 2007, as outlined in the tables below.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Water Production	54,946	54,822	65,913	65,913	67,525	67,525	1,611	2.4%	1,611	2.4%
WW Treatment	99,421	98,783	104,938	104,938	109,709	109,709	4,771	4.5%	4,771	4.5%
District Operations	99,261	99,086	111,481	111,481	99,209	99,209	(12,272)	-11.0%	(12,272)	-11.0%
Water Infrastructure Mgmt	4,537	4,522	6,787	6,787	6,778	6,778	(8)	-0.1%	(8)	-0.1%
Capital Financing	1,678	1,678	411	411	0	0	(411)	-100.0%	(411)	-100.0%
Business Operations Mgmt	8,555	8,555	12,315	12,315	13,064	13,064	750	6.1%	750	6.1%
Operational Support	11,860	11,860	16,671	16,671	18,723	18,723	2,053	12.3%	2,053	12.3%
Program Support	69,487	69,471	60,822	60,822	60,198	60,198	(624)	-1.0%	(624)	-1.0%
Revenues (Allowance for DA)	400	(598,420)	-	(648,221)	-	(677,393)	-	0.0%	(29,172)	4.5%
Total Program Budget	350,145	(249,644)	379,338	(268,884)	375,207	(302,186)	(4,130)	-1.1%	(33,302)	12.4%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	130,464	124,418	136,841	6,377	4.9%	142,136	150,594
Materials and Supplies	85,168	75,928	88,503	3,335	3.9%	92,002	92,744
Equipment	4,093	3,037	3,508	(586)	(14.3%)	3,625	3,832
Services & Rents	59,244	58,850	47,299	(11,945)	(20.2%)	48,470	50,753
Contributions and Transfers	29,782	34,529	28,401	(1,381)	(4.6%)	29,497	30,780
Interdepartmental Charges	70,034	65,928	70,306	271	0.4%	72,104	68,453
Other	552	2,782	350	(202)	(36.6%)	200	373
Total Gross Expenditures	379,338	365,472	375,207	(4,130)	(1.1%)	388,034	397,530
Funded by:							
Grants from Others	0	0	0	0	n/a	0	0
Interdivisional Recoveries	(3)	(170)	(293)	(290)	9069.0%	(293)	(293)
User Fees	(13,272)	(20,243)	(1,206)	12,066	(90.9%)	(1,251)	(1,299)
Other – Water/Wastewater Rates	(634,946)	(636,505)	(675,894)	(40,948)	6.4%	(730,572)	(792,588)
Total Non Tax Revenues	(648,221)	(656,917)	(677,393)	(29,172)	4.5%	(732,117)	(794,180)
Net Budget (excluding Capital Financing)	(268,884)	(291,445)	(302,186)	(33,302)	12.4%	(344,083)	(396,651)
APPROVED POSITIONS	1,634.5	1,634.5	1,678.4	43.9	2.7%	1,678.4	1,678.4

TORONTO WATER

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009 and 2010 Outlook maintains the projected 2008 level of service while managing the cost of living allowance (COLA) and merit/step increments. Funding is also included for the operating impact of capital.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Five-Year Capital Plan is 100% self-sustaining with no debenture financing and does not impact the municipal property tax levy.

The cash flow funding, including carry forward funding from 2007 into 2008, increases significantly over the Five-Year Capital Plan from \$410.000 million in 2008 to \$709.276 million in 2012. This represents a cash flow increase of approximately 73% or \$299.276 million over five-years. The increase in new cash flow will balance the infrastructure deficit for state of good repair projects with future growth and capacity demands within an increasingly stringent regulatory framework for the delivery of water supply and wastewater disposal services.

State of Good Repair Projects: Toronto Water's assets have a replacement value of approximately \$26.600 billion. The Program currently has a large infrastructure and renewal backlog. For example, 20% of the water supply network is at least 80-years old while 10% of the wastewater collection and disposal system is at least 80-years old.

The Five-Year Capital Plan reflects the allocation of significant financial resources to state of good repair projects to address the renewal needs of aging and deteriorating infrastructure. Projects that maintain assets in a state of good repair represent 65% or \$1,883.614 million of the total planned new cash flow of \$2,908.168 million.

Service Improvement Projects: Represent approximately 13% or \$371.462 million of the Five-Year Capital Plan. Examples of service improvement projects include biosolids treatment and disposal; odour control at wastewater treatment plants; automated metering; Wet Weather Flow Master Plan; basement flooding protection; landscaping; and, plant optimization.

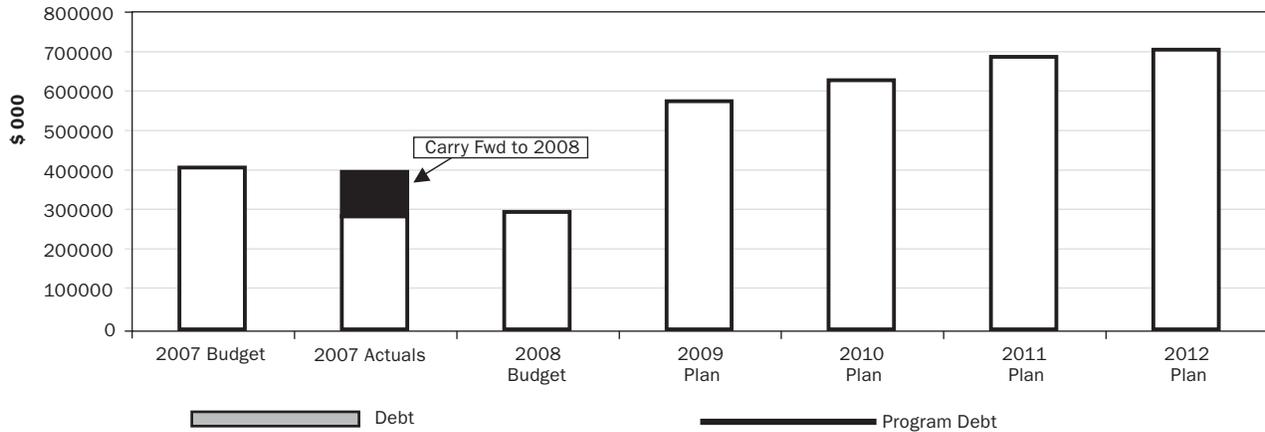
Growth Projects: Account for 18% or \$537.761 million of the Five-Year Capital Plan. Additional capacity will be required to service a projected population of 3 million people by 2031. To address this need, the Five-Year Capital Plan includes initiatives for improving water efficiency; reducing water loss; and, expansion projects required for future water and wastewater service needs.

Legislative Projects: Account for 4% or \$115.331 million of the Five-Year Capital Plan. These projects address existing and emerging Provincial legislation, which includes Bill 195, Safe Drinking Water Act and Bill 81, Nutrient Management Act. Legislative projects also include compliance with the Federal government's Environmental Protection Act. Funding for legislative projects is expected to increase in future years as regulations governing water and wastewater services continue to become more stringent in the post-Walkerton period.

The Five-Year Capital Plan is funded primarily from the Program's reserves, which account for approximately 86% or \$2,514.762 million. Development charges provide funding for approximately 4% or \$108.123 million. Capital cost sharing with York Region and other sources of revenue such as user fees for construction of new water and sewer connections represent the remaining 10% or \$285.283 million.

TORONTO WATER

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					2008-12
	Budget	Actual	2008	2009	2010	2011	2012	
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	410,001	287,001	226,399	128,528	88,551	53,881		497,359
Recommended Changes to Commitments			(15,838)	3,706	10,022	11,342	4,669	13,901
2008 New/Change in Scope and Future Year Commitments			87,458	213,037	196,457	190,657	214,338	901,947
2009 – 2012 Plan Estimates				233,558	336,372	434,762	490,269	1,494,961
1-Year Carry Forward to 2008		111,981	→					
Total Gross Annual Expenditures & Plan	410,001	398,982	298,019	578,829	631,402	690,642	709,276	2,908,168
Financing Sources:								
Reserves/Reserve Funds	382,599		272,721	505,553	529,492	582,905	624,091	2,514,762
Development Charges	13,794		6,161	24,546	33,197	32,051	12,168	108,123
Federal								
Provincial								
Other Revenue	13,608		19,137	48,730	68,713	75,686	73,017	285,283
Total Financing	410,001		298,019	578,829	631,402	690,642	709,276	2,908,168
By Category:								
Health & Safety								
Legislated	21,713		27,894	25,312	20,192	22,894	19,039	115,331
SOGR	297,897		151,464	387,993	415,163	446,626	482,368	1,883,614
Service Improvement	55,079		52,608	67,747	70,385	93,309	87,413	371,462
Growth Related	35,312		66,053	97,777	125,662	127,813	120,456	537,761
Total By Category	410,001		298,019	578,829	631,402	690,642	709,276	2,908,168
Yearly SOGR Backlog Estimate (not addressed by current plan)			(113,100)	(167,111)	(162,650)	(163,729)	(155,776)	(762,366)
Accumulated Backlog Estimate (end of year)		1,062,981	949,882	782,770	620,121	456,391	300,616	300,616
Operating Impact on Program Costs			299	2,431	1,131	1,534	1,862	7,257

* Note that the 1-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

TORONTO WATER

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan aligns with the strategic direction of the Toronto Water Multi-Year Business Plan and supports the Mayor's Mandate and Council's policy agenda.

- **Climate Change, Clean Air and Sustainable Energy Action Plan**

The Five-Year Capital Plan provides approximately \$188.778 million in funding for a broad range of projects that will form part of the Action Plan for Climate Change. This includes the following:

Water Efficiency Plan: \$47.736 million in funding is recommended to advance municipal system leak detection; toilet and clothes washer replacement rebates; computer controlled irrigation for City facilities; ICI indoor and residential outdoor water audits; and public education and promotions.

The direct environmental benefits associated with the Water Efficiency Plan include reduced chemical and energy use. The electricity used in treating and pumping drinking water and subsequent treatment of wastewater is produced partially by gas and oil fired generating stations, resulting in smog and CO₂ emissions. It is estimated that during the implementation period of the Water Efficiency Plan, 90,000 tonnes of CO₂ emissions will have been avoided. When fully implemented, the Plan will avoid about 14,000 tonnes per year of CO₂ emissions. Reductions in energy consumption will also reduce SO₂ and, NO_x emissions.

Water Metering Pilot: \$74.000 million is recommended to supply and install water meters and a fixed area network for meter reading. With the completion of the project, all homes and businesses will be metered, providing direct feedback to encourage conservation of water resources.

Energy Efficiency Measures: \$64.842 million is provided for energy efficiency measures to achieve optimal savings and reduce CO₂ emissions, such as completion of the Deep Lake Water Cooling project; energy audits; facility lighting and electrical upgrades; replacement of pumps and motors with high efficiency units; and, implementation of real-time monitoring.

Tree Planting and Green Roof Technology: \$2.000 million for tree planting and \$0.200 million for green roof technology is recommended to improve the retainment of rainwater to reduce surface run-off. In addition, the planting of trees will contribute to the reduction of CO₂ and other green house gases in the atmosphere.

The Five-Year Capital Plan includes \$242.679 million in funding to advance the following strategic priorities:

- **Implementation of a Ravine Improvement Team that will Clean, Beautify, and Improve Access and Stewardship to Toronto's Ravines**

The Five-Year Capital Plan includes \$37.105 million to advance this initiative through stream restoration projects and tree planting for source water protection.

- **Help to Clean Up Lake Ontario to Make Toronto's Beaches More Swimmable**

The Five-Year Capital Plan includes \$183.674 million in funding for projects to continue the Wet Weather Flow Master Plan to manage the discharge of pollutants into waterways and Lake Ontario. The goal of the Plan is to reduce and ultimately eliminate the adverse impacts of wet weather flow on the built and natural environments to achieve a measurable improvement in ecosystem health of the City's watersheds and waterfront, with particular emphasis on improving water quality along the City's waterfront beaches.

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The Five-Year Capital Plan includes funding to complete environmental assessments followed by the design and construction for projects identified in the Master Plan. Projects included in the Five-Year Capital Plan which directly affect improvements to waterfront quality include the following: Etobicoke Waterfront Storm Sewer Discharges; Bonar Creek Stormwater Wetland (Etobicoke Waterfront); Don and Waterfront Trunk Sanitary Sewer and Combined Sewer Overflow Control Project; Coatsworth Cut Storm Sewer and Combined Sewer Overflow Control Project; Eastern Beaches Storm Sewer Discharges; and, the Scarborough Waterfront Combined Sewer Overflow Discharges.

Water Treatment Plant Residual Control: The Five-Year Capital Plan includes \$21.900 million for residue management facilities at the City's water treatment plants. Facilities will be operational at the Harris Water Treatment Plant and the R.L. Clark Water Treatment Plant in early 2008. This will allow residue to be treated on-site rather than entering directly into the lake. Design of facilities at the Island Water Treatment Plant will proceed in 2008 and additional facilities will be included in the Horgan Water Treatment Plant expansion work that forms part of the cost sharing agreement with the Region of York.

Other Key Capital Initiatives:

The Toronto Water approved Five-Year Capital Plan includes funding for the following initiatives:

- **Addressing Renewal Needs of Aging and Deteriorating Infrastructure – State of Good Repair**
Projects that maintain aging water and sewer infrastructure in a state of good repair represent more than 64% or \$1,870.114 million of the Five-Year Capital Plan. These projects are intended to extend the useful life of assets; ensure service reliability; and, postpone replacement.

Rehabilitation: Programs designed to rehabilitate aging watermains include installing cathodic protection to prevent corrosion; cleaning and lining; and, replacing deficient hydrants and valves to improve system performance.

Replacement: Projects are included in the capital program for pipes that are structurally deficient or where increased water demand or sewer flow warrants larger pipe sizes. In many areas, pipe relining and trenchless technology will be used to minimise the impact on local communities.

- **Increasing Total Capacity to Keep Pace with Population Growth**
Additional capacity will be required to service a projected population of 3 million people by 2031. To address this need, the Five-Year Capital Plan includes \$537.761 million in new cash flow for growth projects. Projects to increase system capacity for future growth include the following:

Water Efficiency Plan: The aim of the Plan is to reduce water demand by 15% by 2011, freeing up capacity to accommodate growth needs while delaying costly plant expansions. The Program will cost approximately \$74 million, which compares favourably to the cost of providing an equivalent capacity through the expansion of infrastructure, at an estimated cost of \$220 million.

Reducing Watermain Leakage: The Five-Year Capital Plan includes projects aimed at reducing watermain leakage. Programs are being developed to identify areas of the distribution system experiencing undetected water loss. These deficient pipe sections will be rehabilitated, repaired or replaced depending on the severity of damage.

- **Continuous Improvements in Service Delivery**
Numerous continuous improvements in service delivery programs are underway; examples include the following:

TORONTO WATER

Basement Flooding Program: At its meeting of April 25, 26 and 27, 2006, City Council approved a work plan to address basement flooding across the City. The work plan incorporates a new integrated approach to alleviate basement flooding that focuses on preventing, to the degree possible, surface flooding and reducing the amount of stormwater entering all sewer systems: storm, sanitary and combined. The first phase of Environmental Assessments initiated in the chronic basement flooding areas are nearing completion and have identified capital works necessary to reduce or eliminate the causes of basement flooding. While the Five-Year Capital Plan includes \$77.800 million for this initiative, a report will be forthcoming to Council to provide an update on the financial implications of implementing similar upgrades across all identified basement flooding areas.

Accelerated Replacement of Lead Water Service Connections: The Five-Year Capital Plan includes \$114.290 million aimed at an accelerated replacement of lead water service connections over a 9 year period. The replacement of the current Water Service Connection Replacement Program with a Lead Water Service Connection Replacement Program was approved by Council on July 16, 17, 18 and 19, 2007, in response to anticipated amendments to O.Reg 170/03, which came into force on July 26, 2007. The new program would accelerate the replacement of the estimated 65,000 remaining lead water service connections, effectively removing all lead sources within the City's water distribution system within the next 9 years, while providing for the emergency replacement of water service connections with flow rates of less than 7 litres per minute and connections with leaks.

The District Service Improvement Program extends the review of best practices; technological upgrades; management; and, operation of the City's linear water and wastewater infrastructure. Funding of \$0.300 million has been included in the 2008 Capital Budget to complete implementation of the Program.

An aggressive restructuring has begun on the watermain and sewer replacement programs coordinated with Transportation Services' Road Construction Program. This new initiative will provide a coordinated and fixed Five-Year Capital Plan that will minimise construction disruption to the public. Please refer to the Issues Section for a discussion regarding the Plan to Improve the Development and Implementation of a Coordinated Multi-Year Joint Transportation Services and Toronto Water Capital Program.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008 Capital Budget includes operating impacts from previously approved and new/change in scope capital projects for 2008 of \$0.299 million; \$2.431 million in 2009; \$1.131 million in 2010; \$1.534 million in 2011; and, \$1.862 million in 2012.

STATE OF GOOD REPAIR BACKLOG

Toronto Water currently has a significant infrastructure rehabilitation backlog. The 2007 end-year value of the infrastructure deficiency is estimated at \$1,062.981 million. The backlog experienced by the City may be more than any other major Canadian urban centre. For example, cast-iron pipes put in service during the 1920's are nearing the end of their 80 to 120-year lifecycles. In addition, the thinner-walled water mains installed in North York and parts of Scarborough in the 1950s are also reaching the end of their lifecycle.

Currently, 0.69% of the watermains and 0.47% of the sewers are being replaced annually. This is creating a backlog given that the optimal replacement rate should range 1% to 2% per annum. The Five-Year Capital Plan reflects an increase in the replacement rate to achieve the optimal level in approximately 10-years and mitigate

TORONTO WATER

most of the accumulated backlog. The Five-Year Capital Plan will reduce the state of good repair backlog from \$1,062.981 million in 2007 (year-end) to \$300.616 million in 2012.

The rate of pipe leaks and breaks have increased substantially over the last decade and are currently the highest of Ontario municipalities. Pipe leaks and breaks not only result in lower revenues from water sales and sewer surcharges but also contribute to the following:

- Disruption to local residential; traffic; and, business activities.
- Significant repair and rehabilitation costs for roads and underground utilities.
- Potential loss of fire protection to high-rise buildings.
- Increased energy consumption and related CO2 emissions as pumps and motors must work harder to deliver service.

A pair of glasses with dark frames and clear lenses is resting on a document. The document has some faint, illegible text and a small graphic of a grid of dots. The entire scene is overlaid with a semi-transparent blue filter.

APPENDIX

CITY OF TORONTO
2008 BUDGET SUMMARY



..... GLOSSARY OF TERMS – 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 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 Committee is a sub-committee of the Executive Committee.

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.

Capital from Current (CFC)

Funding allocated from the current (operating) budget to support the capital budget program.

GLOSSARY OF TERMS – OPERATING

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 outcome measure which measures the effect on the community for which the service was provided.

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.

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.

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.

GLOSSARY OF TERMS – OPERATING

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.

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 of 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 2006 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 2007.

GLOSSARY OF TERMS – 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 cluster 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 Citizen Focused Services 'B') 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 year to date actuals at a specific date, 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.

GLOSSARY OF TERMS – OPERATING

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.

Service

A series of activities that deliver the things your customer is expecting, or fulfills the requirements of other stakeholders. 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).

Variations

Programs/agencies are expected to clearly detail all assumptions with respect to year-over-year changes, which are greater than \$250,000 or 5 per cent of total gross expenditures. Rationale provided should be based on changes in service levels, objectives or funding requirements.

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.

GLOSSARY OF TERMS – 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 five 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.

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.

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.

GLOSSARY OF TERMS – CAPITAL

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).

Future Year Commitments

Future year commitments represent the cash flow required beyond the current year of the Approved Capital Budget. Council approves the current year Budget or spending authority; commits to future year cash flow required to complete the project and authorizes the project cost (sum of current funding approval plus future year(s) commitment).

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.

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.

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 in which the program is heading. 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/

GLOSSARY OF TERMS – CAPITAL

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”.

Status

The sub-projects/projects are classified into six types:

1. Prior Year – (No 2007 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 2008 and/or future years.
2. Prior Year – (With 2007 and/or Future Year Cash flow)
This pertains to a sub-project/project that was previously approved and has a year 2007 and/or future year cash flow but no 2007 and/or future year cost.
3. Prior Year – Change of Scope (2007 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 2007 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 2008.
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 2009 & Beyond)
This pertains to any new (future year) sub-project/project planned beyond the current year time frame.