

2006 Operating Budget Overview

Presentation to Community Services Committee

January 12, 2006

Council Approved 3 Year Operating Budget Targets

- 2006 2% Base Budget Net Expenditure Increase - 40% of City Programs and majority of ABCs did not meet target:
 - City Programs - further reductions would require service and / or service level cuts
 - Major ABCs (TTC, Police) have been directed to provide options to achieve targets
 - Non-Program increase mainly due to uncontrollable one-time revenues in 2005
- 2007 and 2008 - 0% increase over 2006
- Achieving Targets Require:
 - Base reviews, efficiencies / continuous improvement and service rationalization
 - User fee increases based on full service cost recovery and inflationary increases
 - Service realignment to fund any new spending on Council's Highest Priorities

Starting 2006 Operating Pressure Total \$759 Million

\$Millions

2005 One-time Funding Pressures	439
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2006 Operating Impacts:

- Debt Service Cost	44	
- Cost of Living Allowance	90	
- Inflation on Materials, Supplies and Services	81	
- Annualizations and Other	<u>105</u>	<u>320</u>

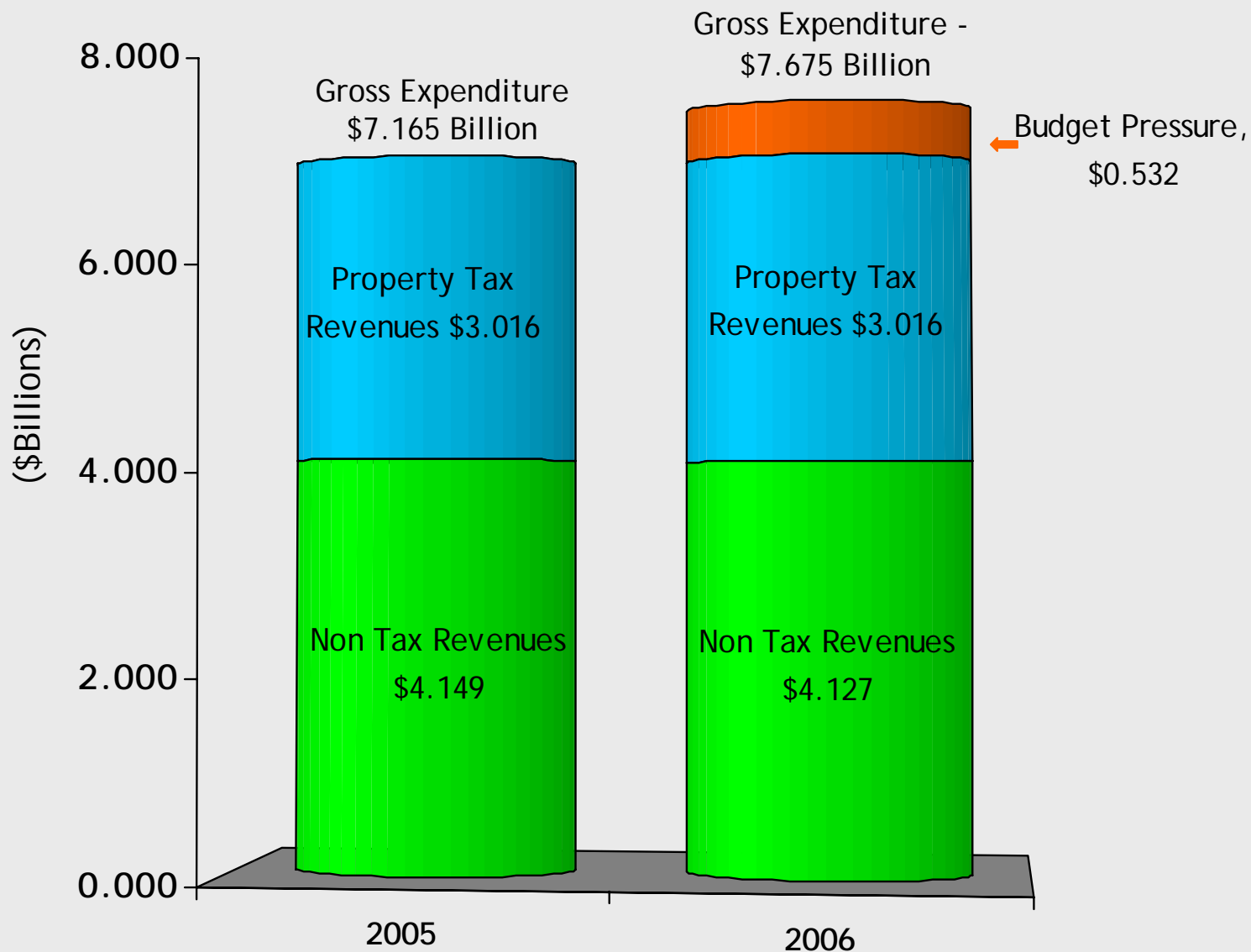
Starting 2006 Pressure	759
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Administrative Review Reduced 2006 Operating Pressure to \$532 Million

\$Millions

Starting Pressure	759
Adjustments	
• Hydro Interest	(67)
• Hydro Dividends	(25)
• Gas Tax Revenues	(92)
	575
Administrative Review - Service Efficiencies & Adjustments	(43)
Remaining 2006 Pressure	532

2006 Proposed Gross Operating Budget



Community Services Committee

Citizen Centred Services 'A'

- Affordable Housing Office
- Children's Services
- Homes for the Aged
- Shelter, Support & Housing Administration
- Social Development & Administration
- Social Services
- Emergency Medical Services

Citizen Centred Services 'B'

- Fire Services

Boards of Management

- Association of Community Centres

Community Partnership and Investment Program

- Community Services program envelopes

Citizen Centred Services 'A'

(\$000's)	2006 Proposed Budget			
	2005 Approved Budget	2006 Proposed Base Budget	Change from 2005 Approved Budget	
			\$	%
Citizen Centred Services 'A'				
• Affordable Housing Office	1,393.1	1,421.0	27.9	2.0%
• Children's Services	68,123.6	68,667.0	543.4	0.8%
• Homes for the Aged	32,733.3	33,388.0	654.7	2.0%
• Shelter, Support & Housing Administration	269,932.3	275,330.9	5,398.6	2.0%
• Social Development & Administration	20,342.4	20,749.2	406.8	2.0%
• Social Services	221,059.8	310,740.6	89,680.8	40.6%
• Emergency Medical Services	67,518.3	70,927.4	3,409.1	5.0%
Total Citizen Centred Services 'A'	681,102.8	781,224.1	100,121.3	14.7%

Citizen Centred Services 'B', Boards of Management and CPIP

(\$000's)	2006 Proposed Budget			
	2005 Approved Budget	2006 Proposed Base Budget	Change from 2005 Approved Budget	
			\$	%
Citizen Centred Services 'B'				
• Fire Services	312,654.50	325,633.00	12,978.50	4.2%
Boards of Management				
• Association of Community Centres	5,726.0	5,834.2	108.2	1.9%
Community Partnership & Investment Program				
• CSC program envelopes	14,543.1	14,769.2	226.1	1.6%
Total	332,923.6	346,236.4	13,312.8	4.0%

Operating Budget Schedule

- Budget Launch January 4
- Standing Committee Reviews January
- Budget Advisory Committee and
Policy & Finance Committee Reviews January / February
- Council Review & Approval March 27 - 31