

2006 Operating Budget Overview

Presentation to Economic Development and Parks Committee

January 16, 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	105	320

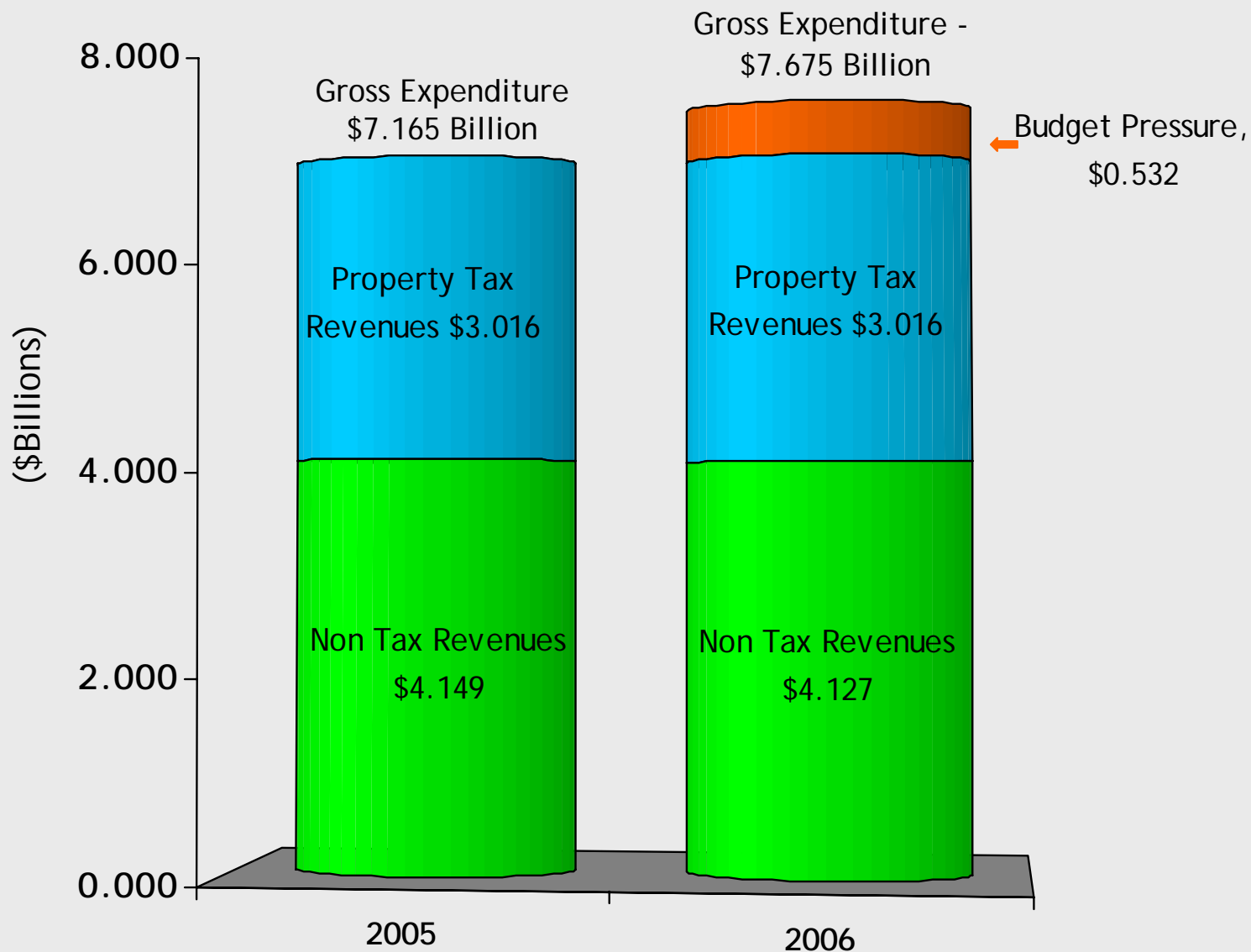
Starting 2006 Pressure	759
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Administrative Review Reduced 2006 Operating Pressure to \$532 Million

\$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



Economic Development and Parks Committee

Citizen Centred Services 'A'

- Culture
- Economic Development
- Tourism
- Parks, Forestry and Recreation

Boards of Management

- Yonge Dundas Square
- Heritage Toronto

Community Partnership and Investment Program

- Economic Development & Parks 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'				
• Culture	8,952.0	9,153.5	201.5	2.3%
• Economic Development	7,923.5	8,081.6	158.1	2.0%
• Tourism	5,436.6	5,085.6	(351.0)	(6.5%)
• Parks, Forestry & Recreation	203,508.0	211,974.0	8,466.0	4.2%
Total Citizen Centred Services 'A'	225,820.1	234,294.7	8,474.6	3.8%

Boards of Management

(\$000's)	2006 Proposed Budget			
	2005 Approved Budget	2006 Proposed Base Budget	Change from 2005 Approved Budget	
			\$	%
Boards of Management				
• Yonge / Dundas Square	571.2	582.6	11.4	2.0%
• Heritage Toronto	307.9	355.5	47.6	15.5%
Total Boards of Management	879.1	938.1	59.0	6.7%

Community Partnership & Investment Program

(\$000's)	2006 Proposed Budget			
	2005 Approved Budget	2006 Proposed Base Budget	Change from 2005 Approved Budget	
			\$	%
Community Partnership & Investment Program				
EDPC Envelopes				
• Arts and Culture	15,512.1	15,525.3	13.2	0.1%
• Recreation	1,280.4	1,280.4	0.0	0.0%
• Economic Development	541.3	541.3	0.0	0.0%
Total CPIP - EDPC Envelope	17,333.8	17,347.0	13.2	0.1%

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