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## **2007 BUDGET BRIEFING NOTE**

### **2007 Staff Recommended Gapping**

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#### **Issue/Background:**

This briefing note provides by Program, Agency, Board and Commission (ABCs), gapping included in the 2007 Recommended Operating Budget. A comparison of the gapping data for 2006 is also provided for reference purposes.

#### **Key Points:**

- Gapping represents savings in the funding requirement for salaries and benefits realized as a result of (a) vacancies not intended to be filled for a full or part year (known gapping) and (b) unplanned or unanticipated staff turnover (unknown gapping). Adjustments are made to Program salary budgets for both known gapping and unplanned gapping based on past experience.
- As in previous years, the 2007 Operating Budget Guidelines and Instructions Manual directs that gapping should be included in the 2007 Base Budget at 2006 budgeted gapping rates.
- The gapping rate is based on experience, and reductions to salaries and benefits are made annually on the basis of an established rate, unless changes are anticipated. Any proposed change to budgeted gapping rates is deemed to have a service impact and is treated as a New/Enhanced service change in the Operating Budget.
- Gapping rates are dependent on a Program's specific workforce profile. Note that for City Operations with a high proportion of part-time staff, the overall gapping rate appears to be significantly lower, since gapping is only applied to permanent positions, as noted in the attached Appendix. For example, Parks, Forestry and Recreation gapping for permanent salaries and benefits is 3.5%, but when compared to its overall Salary & Benefits budget, which includes funding for seasonal and part-time staff, the gapping rate is 2.1 %.
- Positions fully funded by the Province are not gapped in order to maximize Provincial funding, nor are operations that provide 24/7 service such as Homes for the Aged.
- Total gapping included in the 2007 Recommended Operating Budget is \$69.620 million and represents an average rate of 1.8%. This compares to 2006 budgeted gapping of \$63.553 million or an average rate of 1.7%.
- The 2007 Staff Recommended Operating Budget includes gapping of \$40.114 million or 2.2% for City Operations. By comparison, the budgeted gapping rate in 2006 was approximately the same at 2.2% or \$ 39.123 million.

- For ABCs, the budgeted gapping is \$29.507 million, a rate of 1.5% of the 2007 Staff Recommended salaries and benefits budget. Comparatively, gapping in 2006 was \$24.429 million, a rate of 1.3% of 2006 approved salaries and benefits.

**Significant Changes in Gapping for 2007:**

- *Court Services* – (decreased from 2.4% to 1.5%)

The Court Services gapping reduction in 2007 is due primarily to the reversal of 2006 one-time reduction of \$0.140

- *Shelter, Support and Housing Administration* – (increased from 2.7% to 3.5%)

The increase in gapping from 2.7% in 2006 to 3.5% in 2007 is required as part of Program wide changes in the service delivery model.

- *Toronto Building* – (decreased from 3.5% to 2.9%)

The recommended reduction in the Program's gapping rate from 3.5% to 2.9% in 2007 lowers the gapping level by the equivalent of 4 full time positions to allow for the filling of four technical positions. These additional staff positions will support the Program's goal of improving and maintaining performance target levels in all service areas.

- *Municipal Licensing & Standards* – (decreased from 4.9% to 3.9%)

This decrease is the result of a \$0.300 million reduction to gapping to reverse the "one time only" gapping adjustment adopted through the 2006 Operating Budget, the 2005 rate had been 3.5%.

**Attachment:**

Appendix 1 : Gapping Analysis - 2007 Staff Recommended Operating Budget

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**CITY OF TORONTO**  
**2007 Staff Recommended Operating Budget**  
**Gapping Analysis**  
**(\$000s)**

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Appendix 1

Department/Program	2006 Budget			2007 Recommended Budget			Change from 2006 to 2007		
	Gross Sal & Ben \$	Gapping \$	Gapping Rate	Gross Sal & Ben \$	Gapping \$	Gapping Rate	Gross Sal & Ben \$	Gapping \$	Gapping Rate
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<b>Citizen Centred Services "A"</b>									
Affordable Housing Office	2,486.1	53.9	2.2	2,631.1	53.9	2.0	145.0	0.0	(0.1)
Children's Services	62,755.9	167.9	0.3	65,101.4	167.9	0.3	2,345.5	0.0	(0.0)
Court Services	14,016.7	343.4	2.4	14,892.8	223.9	1.5	876.1	(119.5)	(0.9)
Economic Development, Culture & Tourism	21,234.4	858.7	4.0	21,792.1	888.7	4.1	557.7	30.0	0.0
Emergency Medical Services	117,042.1	247.3	0.2	121,290.0	214.0	0.2	4,247.9	(33.3)	(0.0)
Homes for the Aged	150,966.1	46.4	0.0	157,125.9	155.1	0.1	6,159.8	108.7	0.1
Parks, Forestry & Recreation*	205,117.1	4,289.0	2.1	215,107.3	4,422.2	2.1	9,990.2	133.2	(0.0)
Shelter Support & Housing Administration	51,379.9	1,409.8	2.7	53,941.5	1,878.3	3.5	2,561.6	468.5	0.7
Social Development, Finance & Administration	17,237.0	516.1	3.0	18,504.2	551.1	3.0	1,267.2	35.0	(0.0)
Social Services	142,048.7	2,680.3	1.9	152,146.7	2,679.0	1.8	10,098.0	(1.3)	(0.1)
311 Customer Service Strategy	4,504.1	1.5	0.0	2,940.0	1.5	0.1	(1,564.1)	0.0	0.0
Sub-Total Citizen Centred Services "A"	788,788.1	10,614.3	1.3	825,473.0	11,235.6	1.4	36,684.9	621.3	0.0
<b>Citizen Centred Services "B"</b>									
Toronto Building	35,772.4	1,266.9	3.5	36,449.3	1,053.7	2.9	676.9	(213.2)	(0.7)
City Planning	30,645.5	1,198.6	3.9	32,035.6	1,098.6	3.4	1,390.1	(100.0)	(0.5)
Clean and Beautiful City Secretariat	197.0	0.5	0.3	194.9	0.5	0.3	(2.1)	0.0	0.0
Fire Services	309,787.8	5,994.9	1.9	320,788.1	6,350.9	2.0	11,000.3	356.0	0.0
Municipal Licensing & Standards	28,874.3	1,413.9	4.9	28,493.7	1,113.9	3.9	(380.6)	(300.0)	(1.0)
Policy, Planning, Finance & Administration	11,182.3	480.1	4.3	10,644.0	480.1	4.5	(538.3)	0.0	0.2
Solid Waste Management Services	93,079.1	2,373.2	2.5	94,569.6	2,367.8	2.5	1,490.5	(5.4)	(0.0)
Technical Services	53,213.9	2,255.8	4.2	56,375.7	2,252.0	4.0	3,161.8	(3.8)	(0.2)
Transportation Services	96,652.7	4,203.2	4.3	100,534.5	4,382.6	4.4	3,881.8	179.4	0.0
Waterfront Secretariat	806.1	2.0	0.2	928.7	2.0	0.2	122.6	0.0	(0.0)
Sub-Total Citizen Centred Services "B"	660,211.1	19,189.1	2.9	681,014.1	19,102.1	2.8	20,803.0	(87.0)	(0.1)
<b>Internal Services</b>									
Office of the Chief Financial Officer	12,376.1	451.1	3.6	12,799.2	490.4	3.8	423.1	39.3	0.2
Office of the Treasurer	50,344.4	1,683.7	3.3	53,290.4	1,779.9	3.3	2,946.0	96.2	(0.0)
Public Information & Creative Services	4,298.8	146.8	3.4	4,395.2	155.5	3.5	96.4	8.7	0.1
Facilities & Real Estate	56,844.3	1,955.0	3.4	60,747.3	2,063.1	3.4	3,903.0	108.1	(0.0)
Fleet Services	16,439.1	633.1	3.9	17,038.5	633.1	3.7	599.4	0.0	(0.1)
Information & Technology	35,579.0	1,136.4	3.2	37,795.9	1,168.2	3.1	2,216.9	31.8	(0.1)
Sub-Total Internal Services	175,881.7	6,006.1	3.4	186,066.5	6,290.2	3.4	10,184.8	284.1	(0.0)
<b>City Manager</b>									
City Manager's Office	36,850.8	1,348.3	3.7	37,188.8	1,483.1	4.0	338.0	134.8	0.3
Sub-Total City Manager	36,850.8	1,348.3	3.7	37,188.8	1,483.1	4.0	338.0	134.8	0.3
<b>Other City Programs</b>									
City Clerk's Office	32,351.9	856.3	2.6	29,963.9	835.5	2.8	(2,388.0)	(20.8)	0.1
Legal Services	27,175.6	985.1	3.6	28,411.1	1,026.7	3.6	1,235.5	41.6	(0.0)
Auditor General's Office	3,453.9	36.2	1.0	3,557.9	38.8	1.1	104.0	2.6	0.0
Office of the Mayor	1,697.7	8.8	0.5	1,848.5	9.6	0.5	150.8	0.8	0.0
Office of the Lobbyist Registrar			n/a	249.6	8.7	3.5	249.6	8.7	n/a
Council	15,555.5	79.1	0.5	16,465.8	83.5	0.5	910.3	4.4	(0.0)
Sub-Total Other City Programs	80,234.6	1,965.5	2.4	80,496.8	2,002.8	2.5	262.2	37.3	0.0
<b>TOTAL - CITY OPERATIONS</b>	<b>1,741,966.3</b>	<b>39,123.3</b>	<b>2.2</b>	<b>1,810,239.2</b>	<b>40,113.8</b>	<b>2.2</b>	<b>68,272.9</b>	<b>990.5</b>	<b>(0.0)</b>



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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<b>Special Purpose Bodies</b>									
Toronto Public Health	156,230.7	6,186.3	4.0	157,513.8	7,158.2	4.5	1,283.1	971.9	0.6
Toronto Public Library	120,283.0	3,832.3	3.2	125,360.5	3,832.3	3.1	5,077.5	0.0	(0.1)
Association of Community Centers	5,278.4	-	0.0	5,355.6	0.0	0.0	77.2	0.0	0.0
Exhibition Place	25,029.3	149.5	0.6	28,590.2	149.5	0.5	3,560.9	0.0	(0.1)
Heritage Toronto	393.4	-	0.0	404.9	0.0	0.0	11.5	0.0	0.0
Theatres	11,308.6	-	0.0	9,802.0	0.0	0.0	(1,506.6)	0.0	0.0
Toronto Zoo	21,217.0	772.5	3.6	22,077.3	772.5	3.5	860.3	0.0	(0.1)
Arena Boards of Management	3,126.0	-	0.0	3,270.9	0.0	0.0	144.9	0.0	0.0
Yonge/Dundas Square	253.9	-	0.0	286.5	0.0	0.0	32.6	0.0	0.0
Toronto & Region Conservation Authority	23,602.5	-	0.0	24,867.4	0.0	0.0	1,264.9	0.0	0.0
Toronto Transit Commission - Conventional	771,120.3	5,988.5	0.8	825,323.7	8,192.4	1.0	54,203.4	2,203.9	0.2
Toronto Transit Commission - Wheel Trans	35,021.2	120.7	0.3	39,104.4	125.5	0.3	4,083.2	4.8	(0.0)
Toronto Police Service	718,213.9	7,379.4	1.0	747,546.3	9,276.1	1.2	29,332.4	1,896.7	0.2
Toronto Police Service Board	716.9	-	0.0	779.6	0.0	0.0	62.7	0.0	0.0
<b>TOTAL - SPECIAL PURPOSE BODIES</b>	<b>1,891,795.1</b>	<b>24,429.2</b>	<b>1.3</b>	<b>1,990,283.1</b>	<b>29,506.5</b>	<b>1.5</b>	<b>98,488.0</b>	<b>5,077.3</b>	<b>0.2</b>
<b>TOTAL</b>	<b>3,633,761.4</b>	<b>63,552.5</b>	<b>1.7</b>	<b>3,800,522.3</b>	<b>69,620.3</b>	<b>1.8</b>	<b>166,760.9</b>	<b>6,067.8</b>	<b>0.1</b>

Note: Gross Salaries and Benefits excludes gapping

\* Parks, Forestry & Recreation - Gapping represents 3.5% of permanent staffing complement