

Analyst Briefing Notes

Budget Committee

November 3, 2009

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PART I: CAPITAL PROGRAM

Executive Summary

- Funding for the 2010 Recommended Capital Budget and 2011-2019 Recommended Capital Plan balances facility growth needs with priority projects addressing health & safety issues as well as legislated requirements. The 10-Year Recommended Capital Plan focuses on Growth Related projects that support the priorities described in the Master Fire Plan for fire station construction. The 10-Year Recommended Capital Plan includes funding for the construction of four new fire stations. In addition, there are projects for the replacement of key emergency equipment such as defibrillators, breathing apparatus and portable radios. The plan also includes projects for restoration and renovation of existing fire stations as well as new training simulators and equipment for Heavy Urban Search and Rescue (HUSAR).
- The following summarizes the allocation of recommended funding by project type:
 - Facility projects within the 10-Year Recommended Capital Plan include Station D, A, B and G. Also included are the Renovation and Expansion of Station #214, the Restoration of Heritage Fire Hall #227 and the acquisition of Training Simulators and provision for their on-going maintenance.
 - Equipment projects include equipment for HUSAR, the lifecycle Replacement of Defibrillators and Self-Contained Breathing Apparatus and the acquisition Extractors and Dryers to maintain bunker suits.
 - IT related projects include the completion of the Payroll Time Scheduling System Upgrade project, the Business Intelligence Project to establish performance metrics to facilitate continuous improvement and the Replacement of Video Display Equipment for the communication centre and training academy.
- The 2009 Approved Capital Budget of \$8.316 million was 35.9% or \$2.982 million spent, as at September 30th, 2009. Expenditures by year-end are projected to be \$7.458 million or 89.7% of the 2009 Approved Capital Budget. This represents a projected increase of 9.1% or \$0.620 million in capital spending over the 2008 spending rate of \$6.837 million.
 - The projection of 2009 funding to be carried forward into the 2010 Recommended Capital Budget is \$0.536 million. Projects to be carried forward include Station D design (\$0.241 million) and the Voice Logging System (\$0.295 million). Also included is unspent funding to be carried forward from 2008 to 2010 consisting of \$0.180 million for the Payroll Time Scheduling System Upgrade project.
- The 10-Year Recommended Capital Plan totals \$53.219 million, including 2009 carry forward funding into 2010 of \$0.536 million, of which \$26.625 million is projected for the first 5 years, with the final 5 years requiring funding of \$26.594 million or 50%.

- The financing of the 10-Year Recommended Capital Plan includes 67% funded by debt, 11% funded by reserves, 17% funded by development charges and 4% Federal subsidy for HUSAR projects. There are no projects funded by the Federal Infrastructure Stimulus Fund.
- The 2010 Recommended Capital Budget and 2011-2018 Recommended Capital Plan is \$31.490 million or 40% below the 2009-2018 Approved Capital Plan. The key changes include: transfer of Asset Mgmt - Future Years to Facilities & Real Estate (\$31.040 million); indefinite deferral of the Harbourfront Public Education/Training Centre (\$5.027) million; deferral of construction of Station G (\$4.310 million) to 2019;); indefinite deferral of the Renovation and Expansion of Station #323 (\$1.700 million) partially offset by increased costs for the Replacement of Portable Radios \$1.625 million, and the replacement of Self-Contained Breathing Apparatus \$5.824 million.
- The 10-Year Recommended Capital Plan includes operating impacts from previously approved and new capital projects for 2011 of \$0.206 million; 2012 of \$0.085 million; 2013 of (\$0.050) million; 2015 of \$0.085 million; 2016 of (\$0.050) million; 2017 of \$0.085 million and for 2018 of (\$0.050) million. The cash flow reduction reflects reduced costs due to the reversal of one-time funding for new station furniture leaving on-going maintenance requirements after year one for each new station.
- Ongoing planned Asset Management projects for the maintenance of stations and facilities have been transferred from Fire Services to Facilities & Real Estate. Given the transfer of planned work, Fire Services is not projecting any significant SOGR backlog over the 10-Year Recommended Capital Plan period.
- Transferring of the Asset Management projects to Facilities & Real Estate will not impact Fire Services' spending rate. Asset Management projects will continue to be based on the needs assessment done in consultation with Facilities & Real Estate staff. Several other key projects in the 10-Year Recommended Capital Plan are being recommended to proceed based on either firm commitments or urgent requirements:
 - No land has been acquired for Station D but 3 sites have been reviewed. The acquisition is planned for 2011 with the station design dependant on the configuration of the site and access to the road.
 - Stations A & B are in the early planning stages with lands to be acquired. There is still sufficient time to finalize the plans and acquire land. The stations are planned to be completed in 2014 and 2016, respectively, to support the Master Fire Plan.
 - The restoration of heritage Fire Station # 227 on Queen Street East in the Beach started in September 2009. The spending plan has recently been reviewed and the project will proceed as originally planned.
 - As a health and safety requirement, the replacement of Self-Contained Breathing Apparatus is planned from 2012 and 2013.

- The 2010 Recommended Capital Budget for previously approved and new projects (excluding 2009 carry forward funding into 2010) of \$5.737 million is 43% allocated to growth projects at \$2.470 million, 26% to state of good repair projects at \$1.500 million; 22% or \$1.267 million to legislated projects and 9% to service improvement projects at \$0.500 million.
- The 2009 summer labour disruption will not significantly impact Toronto Fire Services' delivery of the 2010 Recommended Capital Budget and 2011-2019 Recommended Capital Plan.
- The Radio Communication System Replacement project has resulted in a deferral of cash flow for the annual replacement of portable radios to 2017. Instead of an annual replacement of portable radios, one purchase will occur in 2010 with funds provided in the Radio Communication System Replacement project. The next required replacement of these portable radios is planned for 2017 in the amount of \$5.000 million.
- The 2010 Recommended Capital Budget provides funding for a range of projects that advance priority actions in the Mayor's and Council's policy agenda to support the strategic objective of Making a Safe City Safer. The 2010 Recommended Capital Budget of \$6.273 million provides funding to:
 - Continue to preserve the City's historical buildings as well as maintain a functioning emergency facility in a state of good repair with the completion of the Restoration of Heritage Fire Hall (\$1.100 million);
 - Begin system maintenance cost reductions and protect against communication system failure and provide improved call-data retrieval in emergency situations with the Voice Logging System Replacement (\$0.295 million);
 - Continue to ensure capacity and ability to react when heavy urban search and rescue is required with the HUSAR/JEPP project (\$1.267 million);
 - Continue to improve emergency response times in Scarborough with the design for the new Station D (\$0.241 million) and land acquisition (\$2.470 million); and,
 - On-going performance improvement and achievement of NFPA standards with the BI - Business Intelligence Project (\$0.500 million).

Recommendations

The City Manager and Chief Financial Officer recommend that:

- (1) Council approve the 2010 Recommended Capital Budget for Toronto Fire Services with a total project cost of \$1.987 million, and 2010 cash flow of \$6.273 million and future year commitments of \$3.624 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i) 5 new sub-projects with a 2010 total project cost of \$1.987 million that requires cash flow of \$1.987 million in 2010;
 - ii) 2 previously approved sub-projects with a 2010 cash flow of \$3.570 million and a future year commitment of \$3.624 million in 2011;
 - iii) 2009 approved cash flow for 1 previously approved sub-project with carry forward funding from 2008 into 2010 totalling \$0.180 million;
 - b) 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$0.536 million;
- (2) Council approve new debt service costs of \$0.030 million in 2010 and incremental debt costs of \$0.128 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets;
- (3) Council approve the 2011-2019 Recommended Capital Plan for Toronto Fire Services totalling \$46.946 million in project estimates, comprised of \$5.354 million in 2011; \$5.502 million in 2012; \$5.122 million in 2013; \$4.374 million in 2014; \$4.550 million in 2015; \$4.331 million in 2016; \$7.103 million in 2017; \$6.000 million in 2018; and, \$4.610 million in 2019; and,
- (4) Council consider operating impacts of \$0.206 million in 2011; \$0.085 million in 2012; and, (\$0.050) million in 2013 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
- (5) Council approve the 2010 Recommended Capital Budget for the Radio Communication System Replacement project with a total project cost of \$68.225 million, and 2010 cash flow of \$28.244 million and future year commitments of \$41.250 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i) 4 new sub-projects with a 2010 total project cost of \$68.225 million that requires cash flow of \$27.525 million in 2010 with future year commitments of \$27.525 million in 2011 and \$13.175 million in 2012;
 - ii) 2 previously approved sub-projects with a 2010 cash flow of \$0.475 million and future year commitments of \$0.475 million in 2011 and \$0.075 million in 2012;
 - b) 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$0.244 million.

PART I: CAPITAL PROGRAM

2009 Capital Variance Review

2009 Budget to Actuals Comparison - Total Gross Expenditures (\$000s)					
2009 Approved	Actuals as of Sept. 30th (3rd Qtr Variance)		Projected Actuals at Year End		Balance
\$	\$	% Spent	\$	% Spent	\$ Unspent
8,316	2,982	35.9%	7,458	89.7%	858

The Toronto Fire Services 2009 Approved Capital Budget of \$8.316 million was 35.9% or \$2.982 million spent, as at September 30th, 2009. Expenditures by year-end are projected to be \$7.458 million or 89.7% of the 2009 Approved Capital Budget. This represents a projected increase of 9.1% or \$0.620 million in capital spending over the 2008 spending of \$6.837 million. The average spending rate over the last five years has been approximately 69.6%.

Of the \$0.858 million projected to be unspent at year-end, \$0.142 million in funding will not be carried forward into 2010. This includes \$0.049 million for EMS/Fire HQ Power System Upgrade and \$0.094 million for HUSAR equipment. These projects were completed under budget.

Funding recommended to be carried forward from 2009 into 2010 totals \$0.536 million including the design for Station D (\$0.241 million) and the Voice Logging System (\$0.295 million). Funding is also projected to be carried forward from 2008 to 2010 and consists of \$0.180 million for the Payroll Time Scheduling System Upgrade project.

State of Good Repair projects (SOGR) represent 63% or \$5.276 million of the 2009 Approved Capital Budget. As of September 30th only 15 % of the approved funding for SOGR projects was spent. The spending rate in the first nine months of 2008 was 25%. Fire Services is projecting a year-end spending rate of 90% in this category compared to last year's spending rate of 70%. Significant SOGR projects projected to be complete by year-end are:

- *Asset Management* projects represent \$1.772 million or 21.3% of the 2009 Approved Capital Budget. It is projected, based on the current estimates from Corporate Facilities & Real Estate, that capital project activities and spending will continue in accordance with plans and will be 100% spent at year-end. The 2008 spending rate for the Asset Management projects was 87%.
- The contract for the *Replacement of Portable Radios* project has been finalized and the acquisition of 188 units is ready to proceed. The approved cash flow of \$1.0 million will be 100% spent by year end.
- The *Restoration of Heritage Fire Hall # 227* on Queen Street East in the Beaches, with a total project cost of \$1.800 million started in September 2009. This capital expenditure is required due to the deterioration of the façade and clock tower. The approved cash flow of \$0.700 million will be 100% spent by year end.

*SOG*R projects that will be under-spent this year include the *Payroll Time Scheduling System Upgrade*, with a total project cost of \$0.280 million that was originally approved in 2008. However, because of delays due to Corporate IT assessment the project is delayed and will be under spent by \$0.180 million by year end. The *Voice Logging System* has a 2009 approved cash flow of \$0.400 million. Spending has been delayed due to the recent municipal strike resulting in an estimated under-expenditure of \$0.295 million with only the first of two parts to be complete by year-end.

Other projects comprise 37% or \$3.040 million of the 2009 Approved Capital Budget. Of these other projects, *Service Improvement* project funding represents \$2.187 million or 26.3% of the 2009 Approved Capital Budget. The 2009 approved cash flow is for the *Toryork Bays Extension* project to allow an increase in vehicle servicing capacity. The project is well underway and is projected to be completed by year-end.

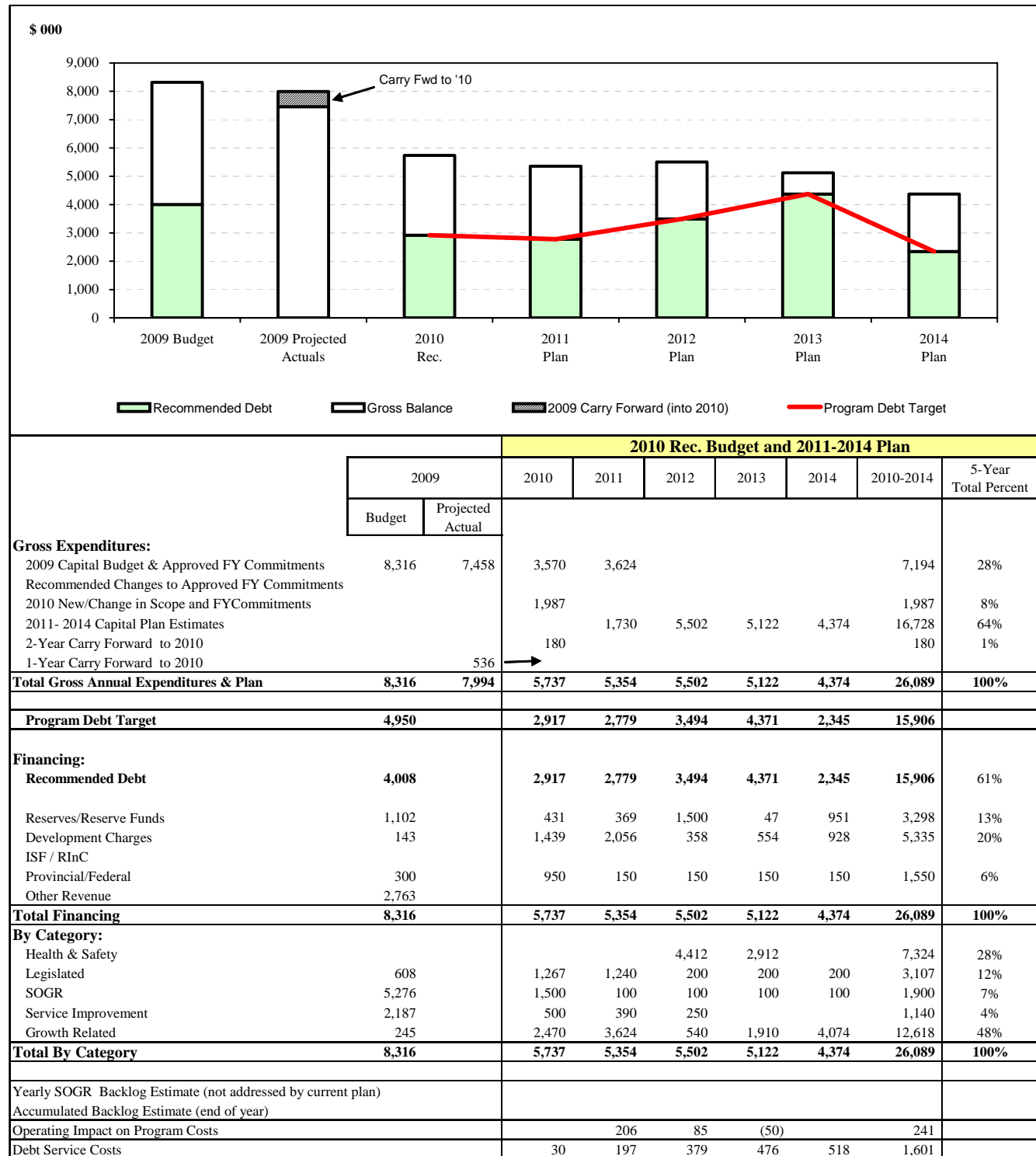
As a corporate initiative, the ***Radio Communication System Replacement*** project's capital expenditures are not included in the table above. For the period ended September 30, 2009, the project spent \$0.047 million or 15% of its 2009 Approved Capital Budget of \$0.312 million.

- The approved cash flow includes funding carried forward from 2008 of \$0.061 million. Actual spending to year-end is projected to be \$0.067 million or 22% of the 2009 Approved Capital Budget. Under spending in 2009 is being driven by delayed hiring of a project manager and temporary shortage of key technical staff.
- The Radio Communications System Replacement Project is currently in the system design stage and is progressing as planned. Spending in 2009 includes project management services, a fairness consultant, continuation of coverage analysis, and release of an RFP. It is presently projected that \$0.250 million will be carried forward from 2009 to 2010 for Phase 2 project management and transitional costs.

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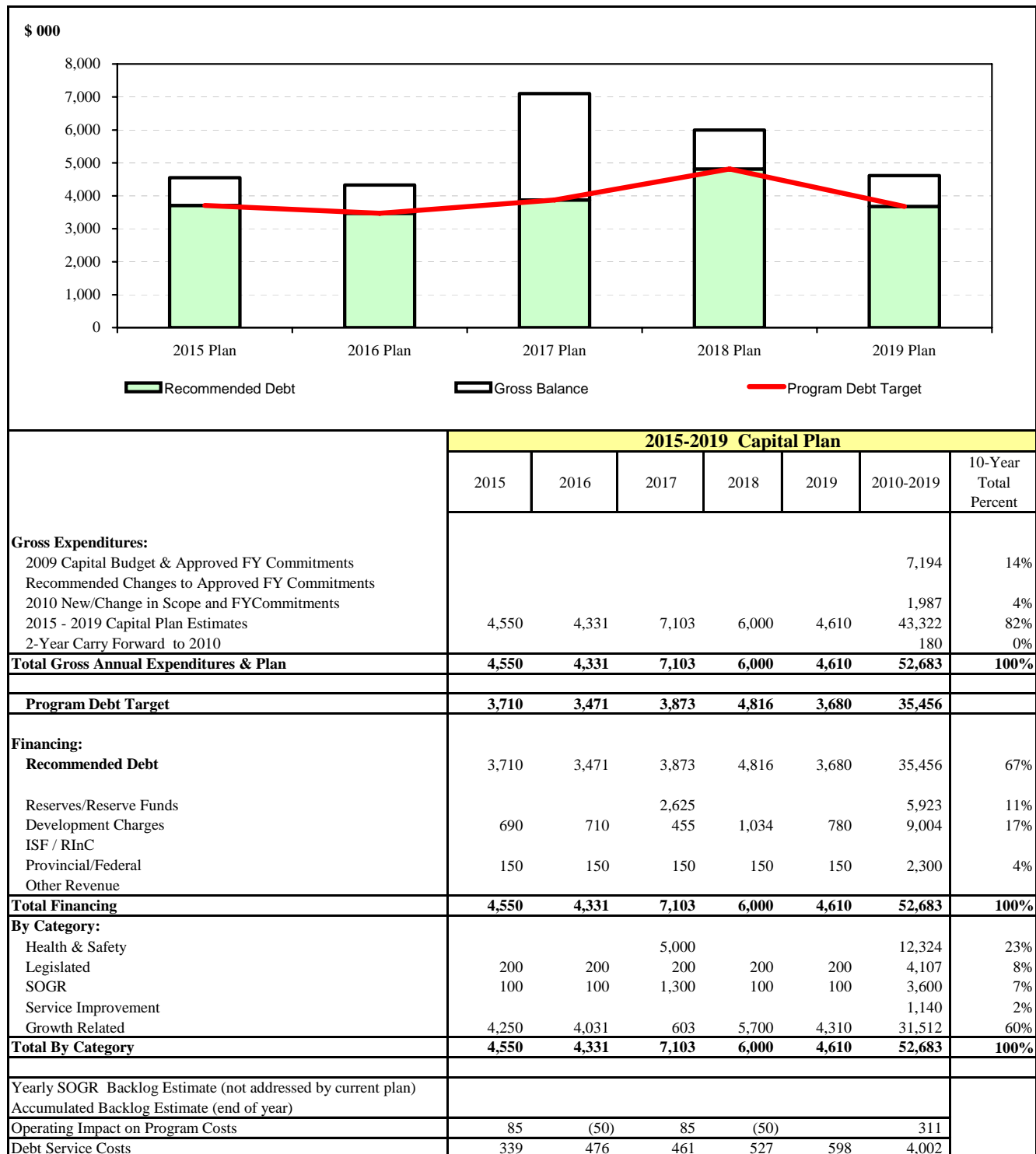
10-Year Capital Plan

2010 Recommended Capital Budget, 2011-2014 Recommended Capital Plan



10-Year Capital Plan

2015-2019 Recommended Capital Plan



10-Year Capital Plan Overview

- Funding for the 2010 Recommended Capital Budget and 2011-2019 Recommended Capital Plan balances facility growth needs with priority projects addressing health & safety issues as well as legislated requirements. The 10-Year Recommended Capital Plan focuses on Growth Related projects that support the priorities described in the Master Fire Plan for fire station construction. The 10-Year Capital Plan includes the construction of four new fire stations. In addition, there are projects for the replacement of key emergency equipment such as defibrillators, breathing apparatus and portable radios. The 10-Year Recommended Capital Plan also includes projects for restoration and renovation of existing fire stations as well as new training simulators and equipment for Heavy Urban Search and Rescue (HUSAR).
- The 10-Year Capital Plan also reflects the corporate initiative to transfer funding of Asset Management projects for Fire Services to Corporate Facilities & Real Estate. In addition, the Council approval the new Development Charge Bylaw in 2009 has resulted in deferring of new fire station projects within the 2010 to 2019 time frame to ensure adequate Development Charge funding exists to fund these projects.
- The 10-Year Recommended Capital Plan totals \$53.219 million, including 2009 carry forward funding into 2010 of \$0.536 million, of which \$26.625 million is projected for the first 5 years, with the final 5 years requiring funding of \$26.594 million or 50%.
- The 10-Year Recommended Capital Plan is financed by the following sources: 67% debt, 11% funded by reserves, 17% funded by development charges and 4% federal subsidy for HUSAR projects. There are no projects funded by the Federal Infrastructure Stimulus Fund.
- The 2009 summer labour disruption will not significantly impact Toronto Fire Service's delivery of the 2010 Recommended Capital Budget and 2011-2019 Recommended Capital Plan.
- The Radio Communication System Replacement project has resulted in a deferral of cash flow funding for the annual replacement of portable radios to 2017. This annual replacement of portable radios was originally planned at \$0.375 million per year funded from reserves. While actual operating contributions to the reserve fund will continue as usual, the capital replacement cost will occur in 2017 in the amount of \$5.000 million. In order to accommodate this requirement, additional debt funding in the amount of \$2.375 million has been allocated to 2017.
- The following summarizes the allocation of recommended funding by project category:
 - *Growth Related* projects comprise \$31.512 million or 60%: The 10-Year Recommended Capital Plan includes the completion of the new Station D at Midland & Eglinton for \$6.336 million, the new Station A at Hwy 27/Rexdale for \$5.971 million and the new Station B on Keele St for \$8.551 million. These projects are funded 58%, 25% and 17%, respectively, by development charge reserve funds with the balance being funded by debt. The new Station G at Sunnybrook Hospital will also commence in 2017 for \$10.301 million funded comprised of 19% development charge reserve funds and the balance debt.
 - *Health & Safety* projects comprise \$12.324 million or 23% of the 10-Year Recommended Capital Plan funding requirement: the project for Replacement of Defibrillators in 2012 for \$1.500 million funded by reserves and the project for Self- Contained Breathing Apparatus -Replacement in 2012/2013 for \$5.824 million is funded 100% by debt. Also included is

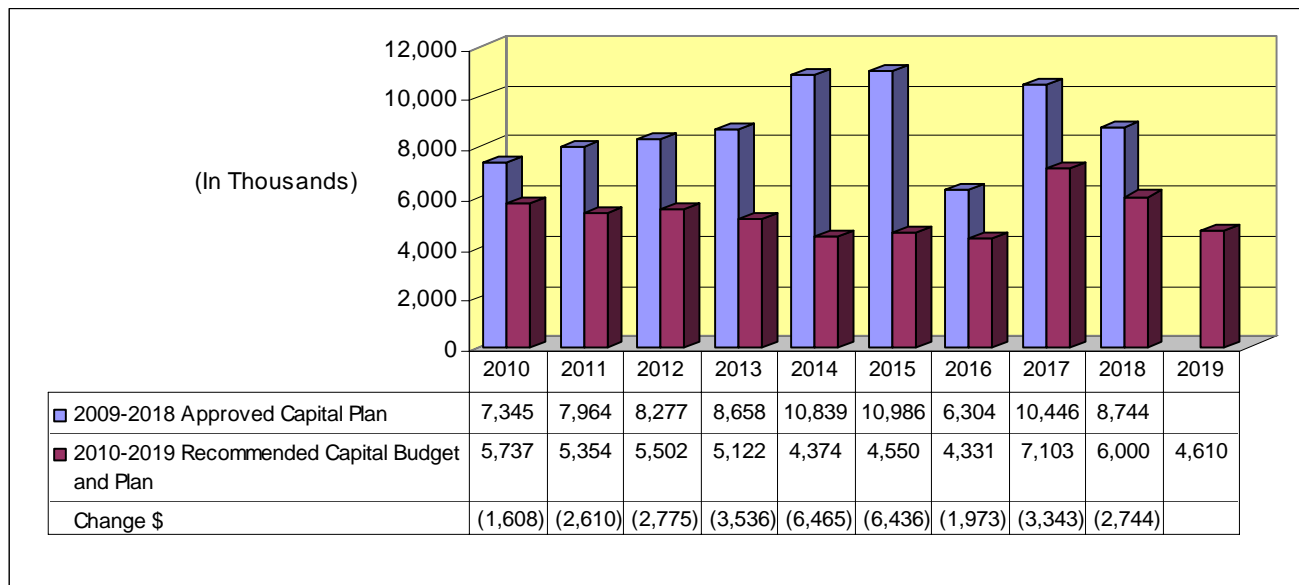
the project for Replacement of Portable Radios in 2017 for \$5.0 million funded 53% by reserves and the balance by debt.

- *Legislated* projects comprise \$4.107 million or 8%: the HUSAR/JEPP projects total \$3.067 million over 10 years which is 75% Federally funded and 25% debt funded. Training simulators, including a mobile burn cell unit, are planned in 2010 for \$1.040 million funded by debt.
- *SOGR* projects comprise \$3.600 million or 7%: Asset Management projects for facility maintenance have been transferred to Corporate Facilities & Real Estate. Included in this 10-Year Recommended Capital Plan is the completion of restoration of the heritage fire hall in the Beach for \$1.100 million and the expansion of Station #214 for \$1.200 million. An annual amount of \$0.100 million funded by debt has been included for the rehabilitation of Training Simulators and facilities for a total of \$0.900 million over the ten year period.
- *Service Improvement* projects comprise \$1.140 million or 2%: the new BI - Business Intelligence Project in 2010 for \$0.500 million is funded by debt. Also included is the planned acquisition of a new van for the District Chiefs of South Command for \$0.140 million and the project for Fire Prevention - South District Consolidations for \$0.500 million both funded by debt.
- Ongoing planned Asset Management projects for the maintenance of stations and facilities have been transferred from Fire Services to Corporate Facilities & Real Estate. Given the transfer of planned work, Fire Services is not projecting any significant SOGR backlog over the ten year planning horizon.
- The Radio Communication System Replacement project, not included in these tables, is a corporate initiative involving three Programs: Fire Services, Police Services and Emergency Medical Services and is moving forward as planned with an RFP currently being developed. This project will be completed by 2012. The 10-Year Recommended Capital Plan includes funding for the total project cost of \$69.250 million from 2010 to 2012.

Key Changes to the 2010-2018 Capital Plan

The following highlights the changes from the 2009-2018 Approved Capital Plan with the 2010-2019 Recommended Capital Plan. As outlined in the table below, the 2010 Recommended Capital Budget of \$5.737 million in cash flow is lower by \$1.608 million compared to 2010 Approved Capital estimate of \$7.345 million in 2009. The 2010 Recommended Capital Budget and 2011-2018 Recommended Capital Plan has decreased by \$31.490 million or 40% over the 9 year period.

Changes to the 2009-2018 Approved Capital Plan



Changes to the Recommended 10-Year Capital Plan include:

- Asset Management projects for future years have been transferred to Corporate Facilities & Real Estate. This transfer totals \$18.2 million over the 10-year period.
- Starting in 2010, the annual expenditure of \$0.375 million for replacement of portable radios has all been deferred to 2017. In 2017 there will be one purchase of replacement radios (\$5.0 million) to replace portable radios to be acquired in 2010 under the Radio Communication System Replacement project. A purchase is required in 2017 for portable radios with a 7-year life cycle and in 2020/2021 for mobile radios. *Please see issue section.*
- Deferral of cash flows for the design and construction of Stations A & B are required in order to ensure adequate development charge reserve funding for these projects. The start of these projects has been deferred by one year to 2012 and 2014 respectively. As well, the design and construction of Station G at Sunnybrook Hospital has been deferred from starting in 2016 to starting in 2017.
- The portion of funding from development charges has also changed to ensure funding is available as per the new 2009 Development Charge bylaw. Originally planned to be 58% of total funding, development charge reserve funds are now 58%, 25%, 17%, and 19% of total funding

for Stations D, A, B and G, respectively, resulting in a \$9.747 million reduction in reserve funding.

- The project for the Renovation and Expansion of Station #214 has been deferred by 3 years from 2014 to 2017 due to revised needs assessment. The project for the Renovation and Expansion of Station #323 has also been deferred indefinitely.
- The project for the Harbourfront Public Education and Training Centre has been removed from the 10-Year Capital Plan period. Originally planned for the period 2014 to 2016 in the amount of \$5.027 million, the project has been deferred due to inadequate reserve funding. There was also a planned requirement for the balance of funding to be shared 50/50 between the Provincial and Federal governments which remains unconfirmed.
- New projects added to the 10-Year Recommended Capital Plan include the BI - Business Intelligence Project for \$0.500 million in 2010, Fire Prevention - South District Consolidations for \$0.500 million in 2011/2012 and Self- Contained Breathing Apparatus -Replacement for \$5.824 million in 2012/2013.

Changes from the 2009-2018 Approved Capital Plan total \$31.490 million or 40% compared to the 2010 Recommended Capital Budget and 2011-2018 Recommended Capital Plan and are summarized below:

Summary of Project Changes

Key Projects (\$000's)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2010-2018
Station B(Stn 144)-Keele St betw Sheppard/Wilson)	-	-	-	(270)	(3,980)	219	4,031	-	-	-
Station A (Stn 414)- Hwy 27 and Rexdale Blvd	-	(257)	(1,653)	(1,894)	3,804	-	-	-	-	-
Station G (New Station 124) - Sunnybrook	-	-	-	-	-	-	(291)	(5,409)	1,390	(4,310)
Station D (New Station 221)-Eglinton and Midland	-	-	-	-	-	-	-	-	-	-
Training Simulators (TFA)	-	521	(260)	(260)	-	-	-	-	-	1
Replacement of Defibrillators	-	-	-	-	-	-	-	-	-	-
Replacement of HUSAR Equipment	(200)	-	-	-	-	-	-	-	-	(200)
Replacement Of Portable Radios	(375)	(375)	(375)	(375)	(375)	(375)	(375)	4,625	(375)	1,625
Payroll Time Scheduling System Upgrade	180	-	-	-	-	-	-	-	-	180
Voice Logging System Replacement	-	-	-	-	-	-	-	-	-	-
Extractors and Dryers	-	-	-	-	-	-	-	-	-	-
Restoration of Heritage Fire Hall #227	-	-	-	-	-	-	-	-	-	-
New DC Van for District 17th	(140)	140	-	-	-	-	-	-	-	-
Fire Services Master Plan Reviews	-	-	-	-	-	-	-	-	-	-
Renovation and Expansion of Station #214	-	-	-	-	(500)	(700)	-	1,200	-	-
Renovation and Expansion of Station #323	-	-	-	-	-	(700)	(1,000)	-	-	(1,700)
BI - Business Intelligence Project	500	-	-	-	-	-	-	-	-	500
Fire Prevention -South District Consolidations	-	250	250	-	-	-	-	-	-	500
Replacement of Video Display Equipment	90	-	-	-	-	-	-	-	-	90
Self- Contained Breathing Apparatus - Replacement	-	-	2,912	2,912	-	-	-	-	-	5,824
HUSAR/JEPP 10/11-Project	867	-	-	-	-	-	-	-	-	867
Replacement of HUSAR Equipment - 2010	400	-	-	-	-	-	-	-	-	400
Training Simulators Rehabilitation-Future Years	-	100	100	100	100	100	100	100	100	800
Harbourfront Public Ed/Training Ctr	-	-	-	-	(2,356)	(1,871)	(800)	-	-	(5,027)
Asset Mgmt - Future Years	(2,930)	(2,989)	(3,749)	(3,749)	(3,158)	(3,109)	(3,638)	(3,859)	(3,859)	(31,040)
TOTAL	(1,608)	(2,610)	(2,775)	(3,536)	(6,465)	(6,436)	(1,973)	(3,343)	(2,744)	(31,490)

Project Financing

The Toronto Fire Service's 10-Year Recommended Capital Plan is primarily funded from debt and reserves and reserve funds. The 10-Year Recommended Capital Plan of \$52.683 million (excluding amounts carried forward from 2009) is \$35.456 million or 67% funded from debt, \$9.004 million or 17% funded from Development Charge Reserve Funds, \$5.923 million or 11% from the Vehicle Reserve Fire Equipment and the Capital Financing Reserve and \$2.300 million or 4% funded through federal subsidy (JEPP). The 75% federal/provincial subsidy is required to support the on-going projects related to HUSAR equipment. There are no requirements for Infrastructure Stimulus Fund (ISF) or Recreational Infrastructure Canada (RInC) Funding.

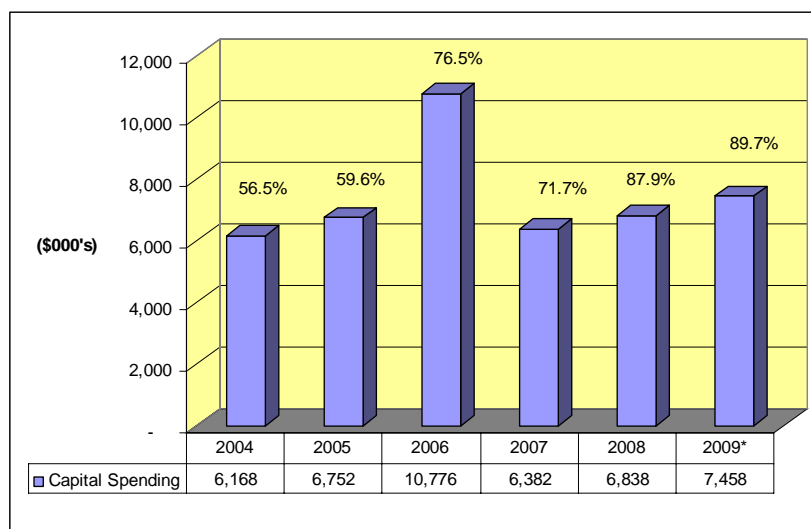
10-Year Recommended Capital Plan Versus Multi-Year Debt Targets

The 10-Year Recommended Capital Plan is equal to the debt affordability targets in every year of the Plan period. Debt funding targets will accommodate all currently envisioned requirements including new projects. After the transfer of Asset Management projects for future years to Facilities & Real Estate debt funding for station design and construction have been increased to offset reduced funding availability with respect to the Development Charge Reserve Fund. The cash flows have also been deferred by one year. The Station projects are split by phase and are each scheduled on a 3-year development plan. The Capital Plan includes phases for land acquisition, environmental assessment and construction. Overall, the Program has examined funding from development charge and other reserves and deferred projects to ensure that the Plan meets the target in each year over the 10-year period.

Program Capacity and Readiness to Proceed

Cash flows set out in each year of the 10-Year Recommended Capital Plan are generally consistent with historical spending experience. A review of the last six years of spending, including the latest projection for 2009, would indicate an average yearly capacity of \$7.4 million, representing a spending rate of 72%. Similarly, focusing only on the last three years, the corresponding amounts show an average capacity of \$6.9 million with a spending average of 83%. 2009 projections indicate an improvement on this trend with spending approximating 90%.

Toronto Fire Service Capital Budget Spending (2004-2009)



Several other projects in the 10-Year Capital Plan are being recommended to proceed based on either established commitments or urgent requirements:

- Station D, with a total project cost of \$6.339 million, is progressing as planned for 2010/2011 as 3 sites have been reviewed with the design dependant on the configuration of the site and access to the road. A consultant's report is due in December 2009 that will advise on site viability.
- Station A (Stn 414) at Hwy 27 and Rexdale Blvd and Station B (Stn 144)-Keele St. between Sheppard and Wilson are in the early planning and negotiation stages with no lands yet acquired but remain in the 10-Year Recommended Capital Plan to be completed in 2014 and 2016, respectively, in order to support requirements of the Master Fire Plan.
- The restoration of heritage Fire Station # 227 on Queen Street East in the Beach started in September 2009. The spending plan has recently been reviewed and it has been confirmed the project will proceed as originally planned with \$0.700 million to be spent on mostly interior work in 2009 with the balance of \$1.100 million in spending scheduled for 2010. This capital expenditure of \$1.800 million funded by debt is required due to the deterioration of the façade and clock tower.
- As noted, due to provisions within the main Radio System Replacement project, the annual replacement of portable radios for \$0.375 million has been suspended and all expenditures have been deferred to 2017. The Radio System Replacement project contains a provision for replacement of portable radios which will be utilized in 2010 so that the next life cycle replacement will be in 2017. The planned replacement in 2017 will be \$5.000 funded 52.5% by the Vehicle Reserve Fire Equipment and 47.5% by debt.
- As a health and safety requirement, Self-Contained Breathing Apparatus are essential firefighting equipment whose required replacement is planned for 2012 and 2013 for \$2.9 million per year. This is a life-cycle required replacement totalling \$5.824 million is funded through debt.

State of Good Repair (SOGR) Backlog

Ongoing planned Asset Management projects for the maintenance of stations and facilities have been transferred from Fire Services to Facilities & Real Estate. Given the transfer of planned work, Fire Services is not projecting any other significant SOGR backlog over the Recommended 10-Year Capital planning period.

Capital Projects Highlights

Facility expansion / renovation and new facility construction have been determined in consultation with Facilities & Real Estate staff and have been included in the 10-Year Recommended Capital Plan based on debt affordability, the readiness to proceed and the Master Fire Plan. The following table summarizes major capital Initiatives for new & expanded Facilities and IT projects.

Summary of Major Capital Initiatives

(In \$Thousands)	2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010-2019 Total
New & Expanded Facility Projects											
Restoration of Heritage Fire Hall #227	1,100										1,100
Construction of Station D (221)	2,470	3,624									6,094
Station A (Stn 414) - Hwy 27 and Rexdale Blvd			257	1,910	3,804						5,971
Station B (Stn 144)-Keele St.					270	4,250	4,031				8,551
Renovation and Expansion of Station #214								1,200			1,200
Station G (New Station 124)-Sunnybrook								291	5,700	4,310	10,301
IT Projects	770										770
Sub-Total	4,340	3,624	257	1,910	4,074	4,250	4,031	1,491	5,700	4,310	33,987
Other Major Initiatives:											
Self-Contained Breathing Apparatus -Replace.			2,912	2,912							5,824
Replacement of Portable Radios - Future Years								5,000			5,000
HUSAR Projects	1,267	200	200	200	200	200	200	200	200	200	3,067
Replacement of Defibrillators			1,500								1,500
Sub-Total	1,267	200	4,612	3,112	200	200	200	5,200	200	200	15,391
Total	5,607	3,824	4,869	5,022	4,274	4,450	4,231	6,691	5,900	4,510	49,378

- Major New & Expanded Facility projects comprise \$33.987 million or 65% of the total funding being recommended in the Capital Plan of \$52.683 million.
- Continuing in 2010, Station D is being recommended to start addressing the requirements of the Master Fire Plan focused on improving emergency response times. As a previously approved commitment, only Station D at Midland & Eglinton is being recommended in 2010 and 2011 for a total of \$6.335 million. Stations A, B and G that also support the Master Fire Plan are planned for 2012 to 2019 for \$5.971 million, \$8.551 million and \$10.301 million respectively.
- The renovation and expansion of Station #214 on Meadowvale Drive, in 2017 for \$1.200 million, is required to upgrade the ageing facility and accommodate the Fire Prevention staff move from Station 212 on Sheppard Ave. East in order to accommodate moving the Division Commander's office from the Scarborough Civic Centre to Station 212.
- Increased effectiveness of firefighters and health and safety issues will be addressed with the ongoing lifecycle replacement of portable radios and self-contained breathing apparatus. Radios will be replaced in 2010 (through the corporate project for Radio Communication System

Replacement) and then in 2017 as a regular life-cycle replacement for \$5.000 million. Breathing apparatus will be replaced over 2012-2013 as a regular life-cycle replacement for \$5.824 million.

- IT projects require \$0.770 million or 1.5% of the total funding being allocated in the 10-Year Recommended Capital Plan. Increased effectiveness and continual improvement will be achieved by the enhancements to CAD/RMS functions with the implementation of the BI - Business Intelligence Project for \$0.500 million. Funding of \$0.090 million is also required for video display units at the Communications Centre and at the Training Academy and funding of \$0.180 million required to complete the Payroll Time Scheduling System Upgrade.

10-Year Capital Plan Incremental Operating Impact Summary

(In \$Thousands)	2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010- 2019 Total
2010 Recommended Capital Budget											
Program Costs (Net)		206	85	(50)							241
Approved Positions		1									1
Debt Service Costs	30	128									158
Recommended 10-Year Capital Plan											
Program Costs (Net)						85	(50)	85	(50)		70
Approved Positions											
Debt Service Costs		69	379	476	518	339	476	461	527	598	3,844
Total											
Program Costs (Net)	-	206	85	(50)	-	85	(50)	85	(50)	-	311
Approved Positions	-	1	-	-	-	-	-	-	-	-	1
Debt Service Costs	30	197	379	476	518	339	476	461	527	598	4,002
<i>Debt Service cost of repayment of principal and interest is calculated according to corporate guidelines, in the following manner: 2.5% Year 1, and 13% for subsequent years.</i>											

Program Operating Impacts

The 2010 Recommended Capital Budget will result in an increase to future year Operating Budgets by a total of \$0.311 million net from 2011 to 2019. Approved positions will increase by 1.

Sub-Project	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010- 2019
BI - Business Intelligence Project	-	206	-	-	-	-	-	-	-	-	206
Construction of Station D (221)	-	-	85	(50)	-	-	-	-	-	-	35
Station A (Stn 414) - Hwy 27 and Rexdale Blv	-	-	-	-	-	85	(50)	-	-	-	35
Station B (Stn 144)-Keele St. betw Sheppard/V	-	-	-	-	-	-	-	85	(50)	-	35
Total	-	206	85	(50)	-	85	(50)	85	(50)	-	311

The incremental net operating costs outlined above include the following:

- BI - Business Intelligence Project: The \$0.206 million impact in 2011 includes \$0.106 million for a permanent full time position required for application support, database administration and development after completion of this project as well as \$0.100 million for software maintenance.
- The operating impacts of Station D, A and B are phased starting in 2012, 2015 and 2017 respectively. The \$0.085 million in the first year represents the estimated cost for maintenance

and utility costs as well as furniture after completion of these projects. Ongoing costs are reduced by \$0.050 million to reflect the reversal of one-time costs for furniture.

Total 2010 Recommended Cash Flow & Future Year Commitments

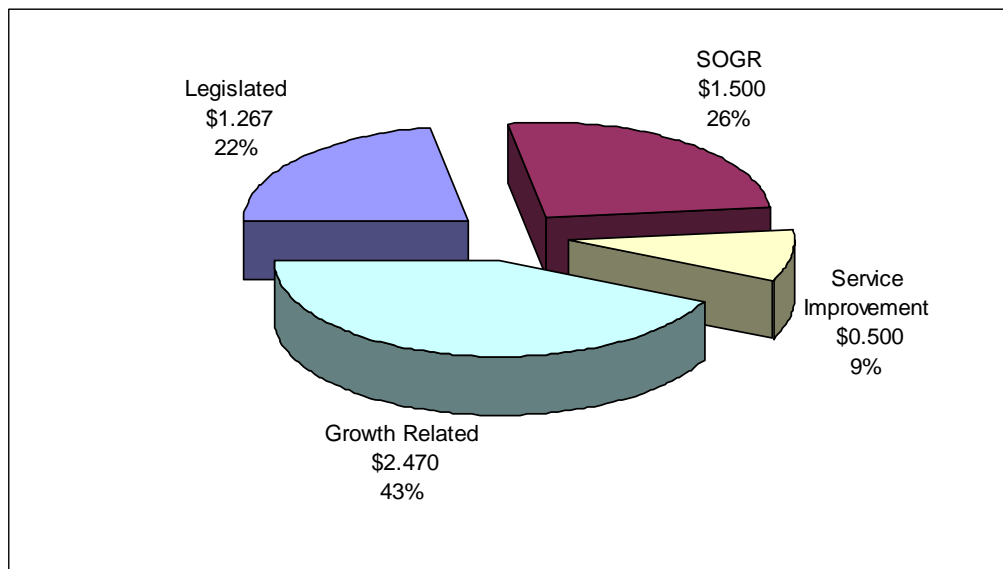
	2008 & Prior Year Carry Forwards	2010 Previously Approved Cash Flow Commitments	2010 New Cash Flow Rec'd	2010 Total Cash Flow Rec'd	2009 Carry Forwards	Total 2010 Cash Flow (Incl 2008 C/Fwd)	2011	2012	2013	2014	2015 to 2019	Total Cost
Expenditures												
Previously Approved	180	3,570		3,750	536	4,286	3,624					7,910
Change in Scope			1,987	1,987		1,987						1,987
New												
New w/Future Year												
Total Expenditure	180	3,570	1,987	5,737	536	6,273	3,624					9,897
Financing												
Debt	180	1,700	1,037	2,917		2,917	1,199					4,116
Reserves/Res Funds		431		431	98	529	369					898
Development Charges		1,439		1,439	143	1,582	2,056					3,638
ISF												
Provincial/Federal			950	950		950						950
Other					295	295						295
Total Financing	180	3,570	1,987	5,737	536	6,273	3,624					9,897

Comments / Issues:

- Approval of the 2010 Recommended Capital Budget of \$6.273 million will result in future year commitments of \$3.624 million in 2011. For 2010, these projects will be funded by debt of \$2.917 million, development charge funding of \$1.582 million and reserves of \$0.529 million, other funding of \$0.295 million for the Voice Logging System and \$0.951 million in federal JEPP subsidy for the HUSAR project.
- Previously Approved projects require cash flow of \$3.750 million including \$2.470 million in 2010 for the Station D land acquisition, \$1.100 million for Heritage Fire Hall Restoration and funding carried forward from 2008 to 2010 of \$0.180 million for the Payroll Time Scheduling System Upgrade
- New projects require a cash flow of \$1.987 million in 2010 and include funding for the HUSAR/JEPP projects of \$1.267 million, and the BI - Business Intelligence Project for \$0.500 million.

2010 Recommended Capital Budget: Overview

Capital Budget by Project Category (\$Millions)



The following summarizes the allocation of recommended funding by project category:

- *State of Good Repair* projects represent 26% of the 2010 Recommended Capital Budget. The 2010 requirement for \$1.500 million consists of \$1.100 million for the restoration of the Beaches Fire Hall (Station #227), \$0.180 million for the Payroll Time Scheduling System Upgrade, \$0.130 million for extractors and dryers for bunker suits and \$0.090 for video display equipment for the communications centre and training academy.
- *Legislated* projects represent 22% of the 2010 Recommended Capital Budget for the on-going HUSAR/JEPP program at a cost of \$1.267 million. This project is funded 75% from Federal subsidy.
- *Service Improvement* project funding represents 9% of the 2010 Recommended Capital Budget and is for the BI - Business Intelligence Project at a cost of \$0.500 million. The project will create a system for statistical analysis related to the establishment of performance metrics and will facilitate the continuous improvement essential to achieving compliance with NFPA (National Fire Protection Association) standards (1221/1710) NFPA 1221 defines standards for communications systems, facilities and Alarm Processing. NFPA 1710 defines standards and establishes benchmarks for response time from dispatch to arrival including first mitigating action (or patient contact for a medical call).
- The one *Growth* project included for 2010 is the purchase of land for Station D for \$2.470 million, representing 43% of the 2010 Recommended Capital Budget expenditures. The cost estimate for the land value is based on the latest current value assessment from Facilities & Real Estate.

2010 Recommended Capital Budget versus Debt Target

The 2010 Recommended Capital Budget requires a total 2010 cash flow of \$5.737 million with debt funding of \$2.917 million. The 2010 Recommended Capital Budget for the Toronto Fire Service meets the 2010 debt affordability target of \$2.917 million.

Capacity and Readiness to Proceed

Based on historical experience the Program will be able to spend the recommended cash flow of \$5.737 million for 2010. All projects planned for 2010 are ready to proceed and mainly consists of two facility related projects:

- A consultant's report expected to be completed in December 2009 will determine which piece of land will be the most viable for the location of Station D near Midland and Eglinton Avenues. The new construction of Station D is planned to be completed over two years with design and land acquisition in 2010 and construction in 2011. The budget for land acquisition in 2010 of \$2.470 million is sufficient given current market values.
- The restoration of the Beaches Fire Hall (#227) requiring a 2010 cash flow of \$1.100 million has already started and is expected to proceed as planned with completion in 2010.

Capital Project Highlights

The 2010 Recommended Capital Budget of \$6.273 million (including \$0.536 million in funding carried forward from 2009) provides funding to:

- Begin system maintenance cost reductions and protect against communication system failure and provide improved call-data retrieval in emergency situations with the Voice Logging System Replacement (\$0.295 million);
- Continue to preserve the City's historical buildings as well as maintain a functioning emergency facility in a state of good repair with the completion of the Restoration of Heritage Fire Hall (\$1.100 million);
- Continue to ensure capacity and ability to react when heavy urban search and rescue is required with the HUSAR/JEPP project (\$1.267 million);
- Continue to improve emergency response times in Scarborough with design and land acquisition for the new Station D (\$2.711 million); and,
- Provide performance improvement and achievement of NFPA standards with the BI - Business Intelligence Project (\$0.500 million).

PART II: ISSUES FOR DISCUSSION**2010-2019 Recommended Capital Budget Issues****Replacement of Portable Radios**

The 2009 to 2018 Approved Capital Plan included annual expenditures for the replacement of portable radios for firefighters in the amount of \$0.375 million per year. This annual expenditure is funded through annual operating contributions of \$0.375 million to the Vehicle Reserve Fire Equipment (cost center XQ1020). It has been determined that a funding provision within the corporate project for Radio Communication System Replacement will be used in 2010 to purchase required portable radios. These units have a life-cycle of 7 years and will need to be replaced again in 2017. It is further estimated that mobile radios, which have a life-cycle of 10 years will also need replacement by 2020/2021. The annual capital cash flows in the Replacement of Portable Radios project have therefore been deferred to 2017 when one purchase will be made. The Program has provided an estimate of \$5.000 million for the replacements in 2017. The recommended budget includes an estimate of \$2.625 million for 2017 which is consistent with the current reserve contribution level of \$0.375 million per year. In order to fund the full requirements by 2017, the 10-Year Recommended Capital Plan allocates \$2.375 million in debt funding for the replacement. Detailed estimates including quantities and any required funding offsets for the required replacements in 2020/2021 will be included as part of the 2011 Capital Budget process.

Master Fire Plan

City Council on June 19, 20 and 22, 2007, adopted the following recommendations:

1. The Toronto Fire Services Fire Master Plan 2007 document be adopted as the guiding principles for the development of the Service over the next five years.
2. Funding for implementation of the Master Fire Plan recommendations be addressed as part of the TFS annual Operating and Capital budget submissions.

The Council approved Master Fire Plan included a Fire Station Development Plan that addresses future fire station needs for the period 2008-2017. These operational needs are based on future growth projections. The Master Fire Plan has resulted in a confirmation of the future station requirements by year based on current call volumes, population and growth statistics. Current road response times average 6.15 minutes or more. In accordance with NFPA (National Fire Protection Association) standard 1710, the goal is to reduce emergency response times and achieve a four minute road response 90% of the time. This goal will be achieved by effectively distributing resources through these new stations.

Table 1 shows the stations as specified in the Master Fire Plan: (note: excludes the proposed Portlands Fire Station on Commissioner's Street to support Waterfront development scheduled for 2017).

Table 1
Original Master Fire Plan

Project (\$000s)	2008	2009	2010	2011	2012	Total 5 Yr Program	2013-2017
New Station Development							
Station D (New Station 221) (Eglinton Ave & Midland Ave)	3,299	1,745				5,043	
Station G (New Station 124) - Sunnybrook		4,352	1,635			5,988	
Station B (New Station 144) (Keele St between Sheppard/Wilson)			3,798	1,913		5,710	
Station A (New Station 414) (Hwy 27 & Rexdale Blvd)				2,042	1,811	3,853	
Chaplin Fire and Ambulance Station (Station 135)					2,171	2,171	2,904
Co-location Stations 323 & 324 (Pape/Jones) ²							6,464
Co-location 424 & 425 (Bloor West) ²							8,025
Station 141 - Relocation for York University/York Region Subway							7,092
New Station - (King Street between Dufferin & Bathurst)							7,438
Total New Station Development	3,299	6,097	5,433	3,955	3,982	22,766	31,923

In 2008, Station D at Midland and Eglinton, Station A - (Hwy 27/Rexdale) and the design of Station B (Keele St) were approved within the 2008 to 2012 time frame while the completion of Station B and Station G at Sunnybrook and Chaplin Station were included in the 2013 to 2017 period.

Table 2 illustrates the current 10-Year Plan for fire station construction on a priority basis. Each project has been phased over 3 years for design, land acquisition and construction. The period 2015 to 2019 includes two stations: the completion of Station G and Station B on Keele St between Sheppard and Wilson. The final station, the Chaplin Fire Station, falls into the period 2020 to 2024.

Table 2
Current Master Fire Plan for Station Builds Included in the 10-Year Capital Plan

STATION (\$000S)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL 2010-2019	TOTAL 2020-2024
Station D (Eglinton /Midland)	2,711	3,624									6,335	
Station A (Hwy 27/Rexdale)			257	1,910	3,804						5,971	
Station B (Keele St)					270	4,250	4,031				8,551	
Station G - Sunnybrook								291	5,700	4,310	10,301	
Chaplin Fire Station												3,779
Total	2,711	3,624	257	1,910	4,074	4,250	4,031	291	5,700	4,310	31,158	3,779

Based on the 2009 Development Charge Bylaw these stations are eligible for development charge funding. As shown in *Appendix 4 - Reserve / Reserve Fund Review*, there will be sufficient funding for

these expenditures in the Fire Development Charges Reserve Fund with the balance is to be funded from debt and other reserves (with the Capital Financing Reserve utilized for Stations D and A).

There are also new developments in the City which will require additional stations in areas such as the Portlands which is estimated at \$5.074 million and planned for 2017. City Planning is working with Fire Services to help identify these areas and the timing for when these stations are required.

Radio Communication System Replacement

The Radio Communication System Replacement project is a corporate initiative involving three Programs: Fire Services, Police Services and Emergency Medical Services and does not reside in any one of these Programs' Capital Plans. This project is fully funded by debt at a total cost of \$70.0 million for the replacement of the joint radio communication system infrastructure. As confirmed by a consultant's study and Motorola, the current equipment and system infrastructure will be unsupported and in need of replacement by 2011. A report from the Fire Chief to Budget Committee dated September 19, 2008 provided a status on this project and advised that due to new radio frequency spectrum regulatory issues that have an impact on the system design, the timelines of the subsequent project phases will be delayed by one year. The changes do not present additional risk to the radio infrastructure and do not impact the overall success of the project. Every necessary step is being taken to ensure that the vendor continues to support the existing system into 2012.

There is no change to the total capital funds required for the project beyond what has already been approved in the 2009 Capital Budget and 2010-2018 Capital Plan. Cash flows are also consistent with last year's planned completion in 2012.

The total project cost is estimated at \$70 million, with the majority of the funds required between 2010 and 2012 (\$28.250 million in 2010, \$28 million in 2011, and \$13.250 million in 2012).

In 2007, \$0.027 million was spent for consulting and educational/training initiatives. The consulting firm of Lapp-Hancock was retained and worked with the three public safety services to develop a Governance Agreement. Funds were also spent on training/educational initiatives related to the technical subcommittee in order to enhance knowledge of the current industry standards. \$0.223 million in remaining funds were carried forward into 2008 and added to the \$0.250 million already approved for that year.

Actual costs for 2008 were \$0.412 million for procurement of specialized testing equipment and support tools (propagation modeling, standards, asset management). Additionally, there were expenses for travel and registration costs related to training and testing activities for the Technical Subcommittee members. An amount of \$0.62 million was carried forward to 2009.

For 2009, an estimated \$0.250 million was approved to fund the detailed design of the system including project management services, detailed coverage analysis, and release of an RFP. \$0.244 million will now be carried forward to 2010.

The following is a breakdown of the project cost:

FY	PROJECT COMPONENT	RECOMMENDED COST (\$000)
2007-2011	Development of Governance Agreement, technical subcommittee training, development of Infrastructure Functional Specifications & System Supplier RFP, Project Management	986
2009-2012	Transitional Costs incl.test equipment, asset control system	789
2010-2012	Communication Towers, Radio Site Building Equipment	2,750
2010-2012	Site Connectivity	825
2010-2012	Radio System Infrastructure Replacement	57,650
2010-2012	Provision for User Terminals	7,000
2007-2012	Total Project Cost	70,000

This radio infrastructure project includes costing for the replacement of Fire mobile (in-vehicle) radios and a contingency for Fire handheld radios. This is estimated to be \$7 million and also includes upgrade costs for existing radios from all three agencies. However there are also replacement and/or additional radios budgeted within the Police and Emergency Medical Services Capital Budgets. These radios are currently being purchased as required. The contingency within the Radio Communication project was only be used if, by the time the new system is implemented, recently purchased portable radios are ultimately discontinued and available models are incompatible with existing portable radios. The Steering Committee was recommended to report back on the disposition of this issue once it was determined. It was determined that Fire Services will utilize the provision within the radio infrastructure project to purchase replacement portable radios and replacement mobile radios. As a result, it is recommended that the Fire Services project for the annual Replacement of Portables Radios be suspended and deferred to 2017 and 2020/21, respectively, when normal life-cycle replacements will occur.

This project represents a unique and effective partnership among the City's three emergency services. It also represents a significant expenditure for the City. For both these reasons the proper oversight and involvement from the City Managers Office, Finance and Internal Audit has been established. The Steering Committee for the Radio Communication System Replacement project consists of Deputy Chiefs from the 3 Services and has been formed in consultation with the City Manager's Office. In the 2008 Capital Budget it was approved that the Steering Committee report to Budget Committee on an annual basis starting in July 2008 to update the status of the project including project management costs and infrastructure issues.

Appendix 1

10-Year Recommended Capital Plan Project Summary

Project (\$000's)	2010	2011	2012	2013	2014	2010-2014	2015	2016	2017	2018	2019	2010-2019
Station B(Stn 144)-Keele St betw Sheppard/Wilson)	-	-	-	-	270	270	4,250	4,031	-	-	-	8,551
Station A (Stn 414)- Hwy 27 and Rexdale Blvd	-	-	257	1,910	3,804	5,971	-	-	-	-	-	5,971
Station G (New Station 124) - Sunnybrook	-	-	-	-	-	-	-	-	291	5,700	4,310	10,301
Station D (New Station 221)-Eglinton and Midland	2,470	3,624	-	-	-	6,094	-	-	-	-	-	6,094
Training Simulators (TFA)	-	1,040	-	-	-	1,040	-	-	-	-	-	1,040
Replacement of Defibrillators	-	-	1,500	-	-	1,500	-	-	-	-	-	1,500
Replacement of HUSAR Equipment	-	200	200	200	200	800	200	200	200	200	200	1,800
Replacement Of Portable Radios	-	-	-	-	-	-	-	-	5,000	-	-	5,000
Payroll Time Scheduling System Upgrade	180	-	-	-	-	180	-	-	-	-	-	180
Extractors and Dryers	130	-	-	-	-	130	-	-	-	-	-	130
Restoration of Heritage Fire Hall #227	1,100	-	-	-	-	1,100	-	-	-	-	-	1,100
New DC Van for District 17th	-	140	-	-	-	140	-	-	-	-	-	140
Fire Services Master Plan Reviews	-	-	283	-	-	283	-	-	312	-	-	595
Renovation and Expansion of Station #214	-	-	-	-	-	-	-	-	1,200	-	-	1,200
BI - Business Intelligence Project	500	-	-	-	-	500	-	-	-	-	-	500
Fire Prevention -South District Consolidations	-	250	250	-	-	500	-	-	-	-	-	500
Replacement of Video Display Equipment	90	-	-	-	-	90	-	-	-	-	-	90
Self- Contained Breathing Apparatus - Replacement	-	-	2,912	2,912	-	5,824	-	-	-	-	-	5,824
HUSAR/JEPP 10/11-Project	867	-	-	-	-	867	-	-	-	-	-	867
Replacement of HUSAR Equipment - 2010	400	-	-	-	-	400	-	-	-	-	-	400
Training Simulators Rehabilitation-Future Years	-	100	100	100	100	400	100	100	100	100	100	900
TOTAL	5,737	5,354	5,502	5,122	4,374	26,089	4,550	4,331	7,103	6,000	4,610	52,683

Note: Does not include 2009 funding carried forward into 2010.

Appendix 2

**2010 Recommended Capital Budget; 2011 to 2019
Capital Plan**

Appendix 3

**2010 Recommended Cash Flow
And Future Year Commitments**

Appendix 4
2010 Recommended Capital Projects
With Financing Details

Appendix 5 - Reserve / Reserve Fund Review

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as of December 31, 2009	Proposed Cash Flows										
			2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010 - 2019 Total
XR2023 /XR2118 Development Charges RF Fire	Beginning Balance	2,651	2,806	1,684	138	340	396	138	138	138	413	139	2,651
	Contributions (Estimated DC inflows)	155	460	510	560	610	670	690	710	730	760	780	6,635
	Station D (Midland & Eglinton)		(1,582)	(2,056)									(3,638)
	Station A (Hwy 27/Rexdale)				(75)	(554)	(850)						(1,479)
	Station B (Keele St)						(78)	(690)	(710)				(1,478)
	Station G - Sunnybrook									(143)	(1,034)	(780)	(1,957)
	Fire Services Master Plan Reviews				(283)					(312)			(595)
													-
	Total Proposed Contributions (Withdrawals)	155	(1,122)	(1,546)	202	56	(258)	-	-	275	(274)	-	(2,512)
XR2023 Development Charges RF Fire BALANCE AT YEAR-END			2,806	1,684	138	340	396	138	138	413	139	139	139

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as of December 31, 2009	Proposed Cash Flows										
			2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010 - 2019 Total
XQ1020 Vehicle Reserve Fire Equipment	Beginning Balance	1,384	827	1,269	1,712	654	1,096	1,539	1,981	2,424	241	683	1,384
	Contributions (Operating)	442	442	442	442	442	442	442	442	442	442	442	4,866
	Replacement of Defibrillators				(1,500)								(1,500)
	Replacement of Portable Radios	(1,000)								(2,625)			(3,625)
	Total Proposed Contributions (Withdrawals)	(558)	442	442	(1,058)	442	442	442	442	(2,183)	442	442	(259)
XQ1020 Vehicle Reserve Fire Equipment BALANCE AT YEAR-END			827	1,269	1,712	654	1,096	1,539	1,981	2,424	241	683	1,126

Appendix 5 - (continued)

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as of December 31, 2009	Proposed Cash Flows										
			2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010 - 2019 Total
XQ4205 Fire Svcs Public Education Reserve	Beginning Balance	321	321	321	321	321	321	321	321	321	321	321	321
	Contributions (Operating)	0											-
	Harbourfront - Public Education/Training Centre--Multimedia Programming												-
	Harbourfront - Public Education/Training Centre--Design and Construction - Future Years												-
	Total Proposed Contributions (Withdrawals)		-	-	-	-	-	-	-	-	-	-	-
XQ4205 Fire Svcs Public Education Reserve BALANCE AT Y/E		321	321	321	321	321	321	321	321	321	321	321	321

Corporate Reserves

XQ0011 Capital Financing Reserve Fund (In \$Thousands)	Projected Un-committed Balance as at Dec. 31, 2009	Proposed Withdrawals											
		2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Fore.	2016 Fore.	2017 Fore.	2018 Fore.	2019 Fore.	2010-2019 Total	
Beginning Balance	43,295.4											0.0	0.0
Station D (Midland & Eglinton)		(529)	(369)									(898.0)	(898.0)
Station A (Hwy 27/Rexdale)					(47)	(951)						(998.0)	(998.0)
												0.0	0.0
												0.0	0.0
												0.0	0.0
Total Reserve / Reserve Fund	43,295.4	(529.0)	(369.0)	0.0	(47.0)	(951.0)	0.0	0.0	0.0	0.0	0.0	(1,896.0)	(1,896.0)

Appendix 6

2010 to 2019 New and Expansion Facility Projects

Projects (In \$Thousands)	2010 Rec. Budget	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2010-2019 Total
Restoration of Heritage Fire Hall #227	1,100										1,100
Design of Station D (221) 2009 Carry Forward = 241											
Construction of Station D (221)	2,470	3,624									6,094
Training Simulators		1,040									1,040
Fire Prevention - South District Consolidations		250	250								500
Training Simulators Rehabilitation - Future Years		100	100	100	100	100	100	100	100	100	900
Station A (Stn 414) - Hwy 27 and Rexdale Blvd			257	1,910	3,804						5,971
Station B (Stn 144)-Keele St. betw Sheppard/Wilson					270	4,250	4,031				8,551
Renovation and Expansion of Station #214								1,200			1,200
Station G (New Station 124)-Sunnybrook								291	5,700	4,310	10,301
Total	3,570	5,014	607	2,010	4,174	4,350	4,131	1,591	5,800	4,410	35,657

Appendix 7
2010 to 2012 Recommended Plan
for the
Radio Communication System Replacement Project