



Operating & Capital Budget

Summary

The central graphic of the cover features a photograph of the Toronto skyline, including the CN Tower, set against a clear blue sky. The image is overlaid with a complex network of white, thin lines that create a sense of architectural structure and data flow. The background of the graphic transitions from a deep purple on the left to a bright cyan on the right. The year "2003" is printed in large, white, sans-serif numerals at the bottom right of the graphic area.

2003

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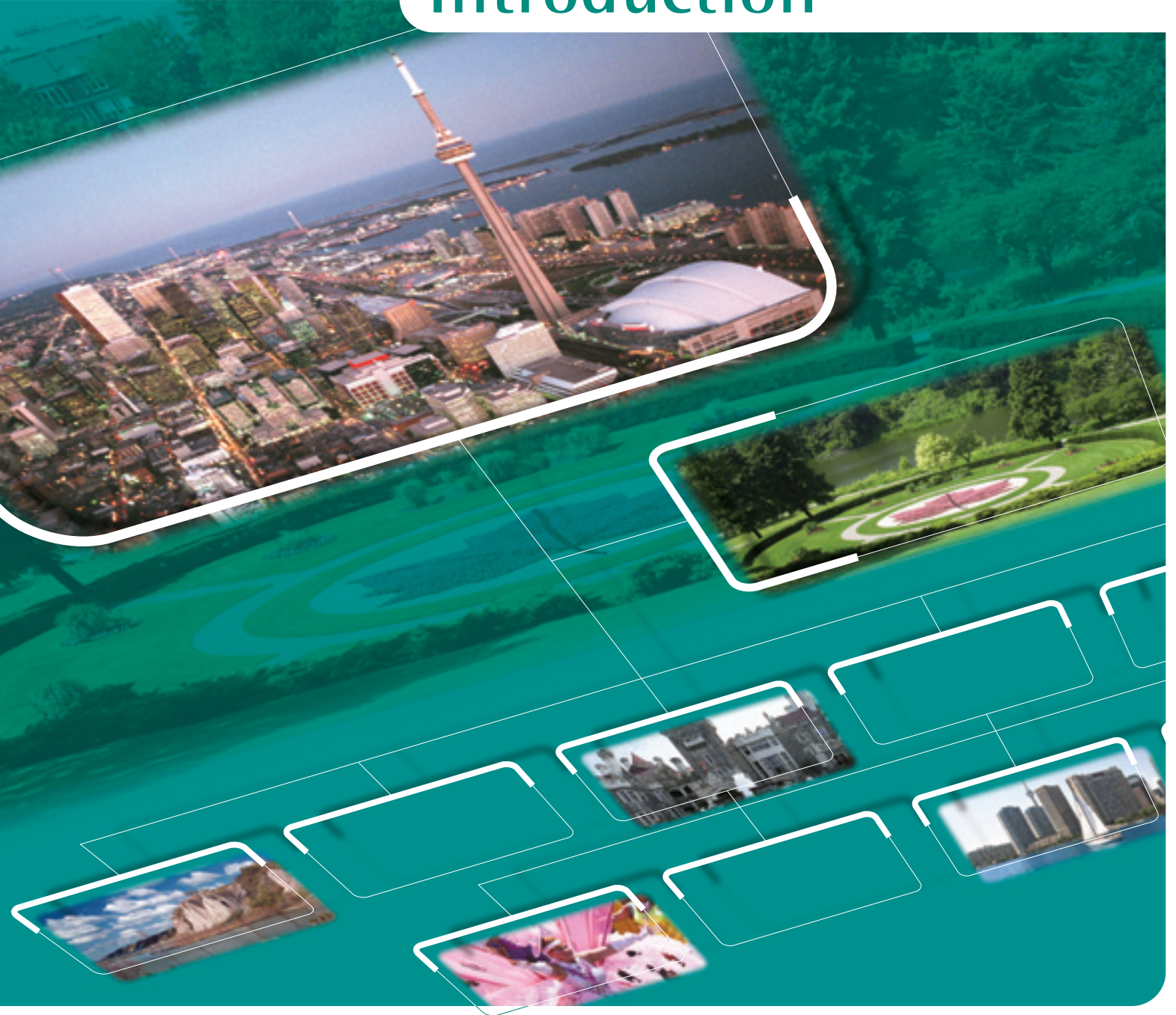
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Introduction



Toronto

is a **clean**, green and
sustainable city.

We integrate **environmental**
stewardship into our daily activities.

We maintain and improve the
health of the environment for
present and **future**
generations.

A MESSAGE FROM THE CAO

I am pleased to present the City of Toronto 2003 Budget Book which provides a comprehensive overview of the City's \$6.4 billion operating and \$965 million capital budget spending.

The \$6.4 billion operating budget preserves services at 2002 levels and responds to the three most significant budget pressures facing Toronto in 2003 - the closure of the Keele Valley landfill, TTC operating costs and salary settlements above 3% for emergency services. It includes an additional funding of \$30 million for TTC operating costs to avoid another fare increase in 2003 and maintain current service levels.

By managing efficiently and implementing additional cost savings measures, the City was able to limit this year's tax increase at three per cent while protecting and maintaining essential City services. It would have been only one per cent if the City had access to its entire tax base.

We believe, that with this year's budget we have succeeded in:

- concentrating our capital spending on priority areas of health and safety, legislated requirements, and state of good repair
- maintaining, and in some cases enhancing, existing programs
- managing the City's debt and
- keeping taxes competitive with neighbouring communities.

This year's budget highlights continuous improvement initiatives, service delivery levels and associated costs, and performance measures for numerous programs.

The average Ontario family pays 94.5 per cent of all their tax dollars to the provincial and federal government's. For the remaining 5.5 per cent paid in municipal taxes, City of Toronto residents receive many key services affecting their daily lives. These include: waste collection and recycling, libraries, public transit, parks and recreation, police, fire and paramedic service, social services.

When compared to other Ontario municipalities, Toronto compares well, operating efficiently and effectively in delivering services to residents and businesses. In 64% of the performance measures reported, Toronto rated better than the municipal average.

SHIRLEY HOY

Chief Administrative Officer
City of Toronto

A MESSAGE FROM THE CHIEF FINANCIAL OFFICER AND TREASURER

Preparing the City of Toronto's operating and capital budget is a year-long endeavour. It takes a team of skilled staff and the guidance of the City's most senior management, followed by the decisions of City Council committees and finally approval by City Council.

The 2003 budget process began with a goal of maintaining 2002 service levels, minimizing debt levels and working towards long-term fiscal sustainability. The 2003 budget faces substantial uncontrollable pressures as the TTC experiences major operating pressures; Keele Valley no longer accepts Toronto's waste and is now diverted to another landfill in Michigan; and union arbitration awards and wage settlements must be implemented for Police, Fire and Emergency Medical Services.

In preparation for the Council review of the proposed 2003 City budget, the Department Commissioners, together with CAO Shirley Hoy and the Finance Department approached this year's budget by looking for efficiencies in service delivery and maintaining service standards while minimizing any service reductions. Opportunities to maximize revenues such as the sale of surplus assets and a review of user fees were also carefully considered.

Additionally, the ability for the City to levy tax increases across all property classes takes the pressure off Toronto homeowners. In most Ontario municipalities, property tax increases are spread across the total tax base. Homeowners and businesses (commercial/industrial) generally share any tax increase. Due to restrictions imposed by the Province of Ontario (Bill 140), Toronto homeowners carry the full burden of any tax increase.

In 2002, we began the process of prioritizing capital works and establishing an affordability target in 2003 of no new debt (except for TTC) to help manage the debt-financing portion of the City's operating budget over the next five years. These debt pressures will remain a large cost until new sources of revenue are available.

The City remains committed to work with other levels of government to ensure fiscal sustainability. We need a "New Deal" with the Provincial and Federal Governments and a long-term strategy that calls for rationalizing government funding of services including social housing, transit, transportation, etc. Utilizing other revenue sources, such as a hotel tax or a share of the gas tax, and prioritizing City services would help to take the pressure off of City property taxes.

The fact remains that the City does not have the financial flexibility to deal with these service pressures, reinforcing the need for new, sustainable revenue sources in 2003 and beyond. For the New Deal to build fiscal sustainability for the City, it will need to address five specific elements:

1. Rationalizing the existing deal
2. New cost-sharing for specific programs
3. Proposed up-loading of services
4. Identifying new funding sources
5. City service prioritization review

Despite the financial challenges faced by the City over the past few years, staff met the challenge and made progress with the development of the 2003 budget. This budget reflects commitment to prudent fiscal management, as well as efficient and equitable delivery of services to all constituents.

JOSEPH PENNACHETTI

Chief Financial Officer and Treasurer
City of Toronto

Toronto at a Glance



Toronto

is a **dynamic** city.

As the nation's leading

economic engine, we are

a centre of **innovation** and

growth with a strong international

presence. Our dynamic city is well

positioned to **succeed** in the

world economy.

A PROFILE OF TORONTO



The ongoing success of Toronto is based on the city's many positive and unique qualities and characteristics. From the economic, social and cultural diversity and a well-educated labour force to safe, clean neighbourhoods and efficient public transit, Toronto continues to thrive.

Toronto is a strong, vibrant city that attracts hundreds of thousands of people each year who choose to make Toronto their home. Whether it's business, the arts, entertainment or a healthy environment, each is important and intrinsically related to Toronto's quality of life, making our city a place where people want to live and work.

Toronto's Economy

Toronto is the economic engine of Canada. More than 76,000 businesses reside here, generating a gross domestic product of \$98 billion and employing over 1.4 million people. Toronto is the country's corporate capital, with more nationally and internationally top-ranked companies than any other Canadian city.

Unlike many cities whose economic fortunes are tied to one or two major industries, Toronto has an admirably broad array of successful and highly competitive manufacturing and services clusters. For example, in North America, Toronto is the second largest food and beverage cluster, the third largest film and television production centre, fourth largest financial services sector and the fourth largest medical and bio-technology community.

Multiculturalism

Toronto is recognized worldwide for embracing its racial and ethnic diversity. Multiculturalism truly sets our city apart from other big North American cities:

- A city of immigrants, more than half of Toronto's population were born outside Canada, and more than 100,000 immigrants and refugees come to Toronto each year.
- Toronto residents come from almost 200 countries of origin. One hundred different languages are spoken in Toronto on any given day.
- Over half of Toronto's population are people of colour. Of that population, 25 per cent are of Chinese origin, 25 per cent South Asian, 20 per cent Black and 30 per cent other.

Travel the world without leaving Toronto. The most intriguing aspect of Toronto's diversity is the distinct cultural neighbourhoods that have formed. Every corner of the world is reflected in restaurants and markets that are concentrated in ethnic enclaves such as Little Italy, Little Portugal, Greektown and India Bazaar. In fact, Toronto is home to three Chinatowns.

Tourism

Cosmopolitan downtown is always bustling with activity. There is plenty to see and do, catering to a variety of lifestyles.

- Toronto rivals New York and London as one of the world's largest centres for English-speaking theatre. It also abounds with museums and galleries such as the Royal Ontario Museum, Canada's largest museum, and the Art Gallery of Ontario, one of the largest in North America.
- Toronto is hailed as the best sports town in Canada with five professional sports teams – Blue Jays (baseball), Raptors (basketball), Argos (football), Maple Leafs (hockey) and The Rock (lacrosse).
- Home to 6,500 restaurants, bars and night clubs, Toronto is a true culinary feast serving up everything from international fare to local favourites.
- Toronto is Canada's largest retail market, offering eclectic shopping – department stores, exclusive boutiques and ethnic markets. The Toronto Eaton Centre is the city's premier shopping destination with 285 shops and restaurants under one roof.
- Special events are always popular in Toronto, drawing crowds in the millions rain or shine. Many events have become blockbusters, drawing international audiences and recognition – Caribana, Toronto International Film Festival, and Molson Indy – just to name a few.

Environment

Toronto has earned a reputation as a 'City within a park'. Residents and visitors enjoy vast green space and waterfront, with 7,344 hectares of parkland, more than 1,500 parks and 46 kilometres of waterfront. Toronto has made a commitment to the environment, undertaking a series of programs and initiatives to develop the waterfront and urban forest:

- Under the Tree Advocacy Planting Program, more than 200,000 trees and shrubs have been planted across the city since 1999. In Toronto, there are three million City-owned trees not to mention the millions more located on private property.
- Currently work is being done to renew and revitalize Toronto's waterfront, an area totaling 800 hectares. The focus of the redevelopment is to create a space that is a destination for international tourism, national celebration and local enjoyment.

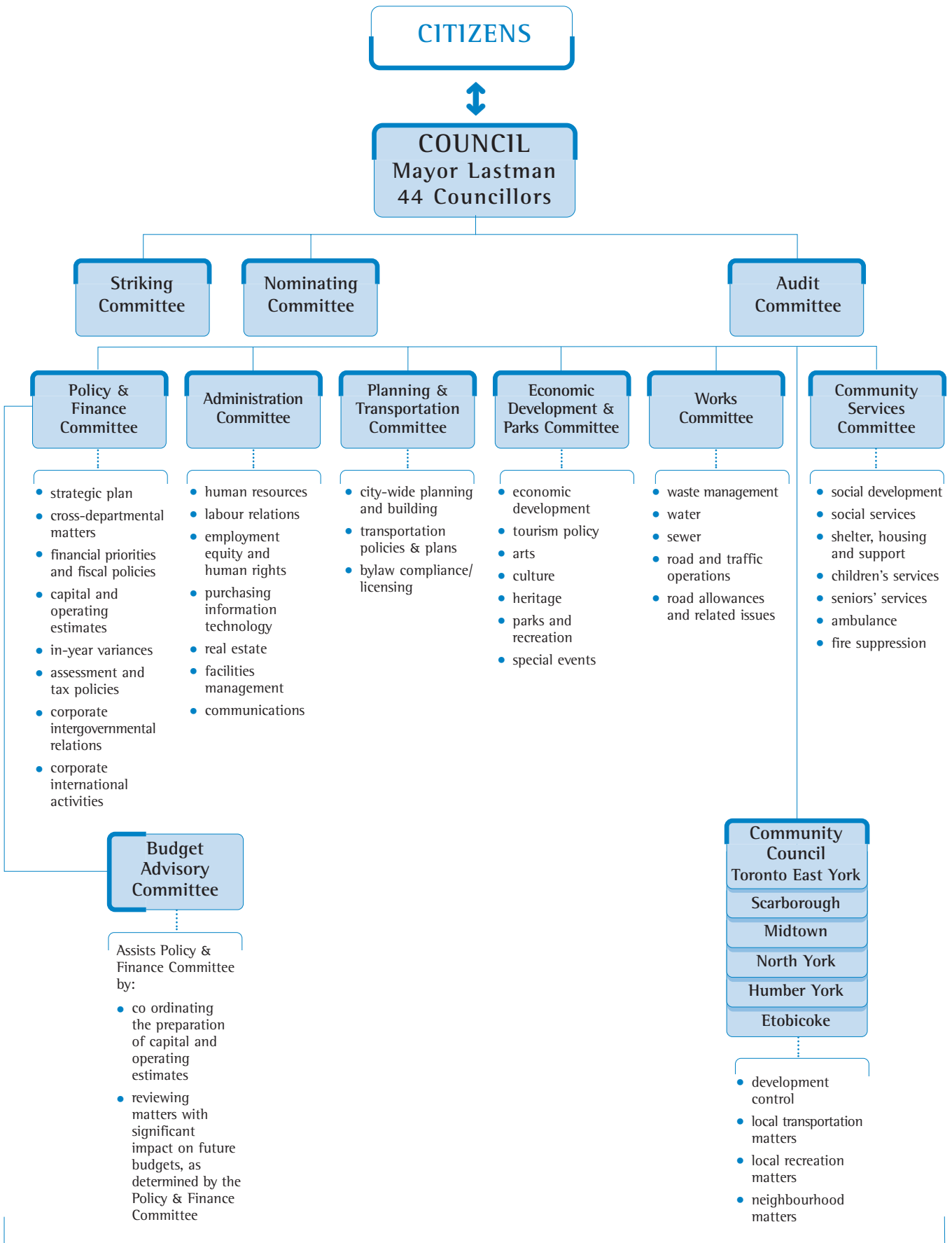
Infrastructure

Toronto Transit Commission (TTC) is the second largest public transit system in North America (after New York) with more than 1.3 million passengers using the system daily.

One of the most unique ways to get around the downtown core is PATH, Toronto's Downtown Underground Walkway and North America's largest continuous under-ground pedestrian system. The system facilitates pedestrian linkages to public transit, accommodating more than 100,000 daily commuters. More than 50 buildings/office towers are connected through PATH as well as 20 parking garages, five subway stations, two major department stores, six major hotels, and a railway terminal.

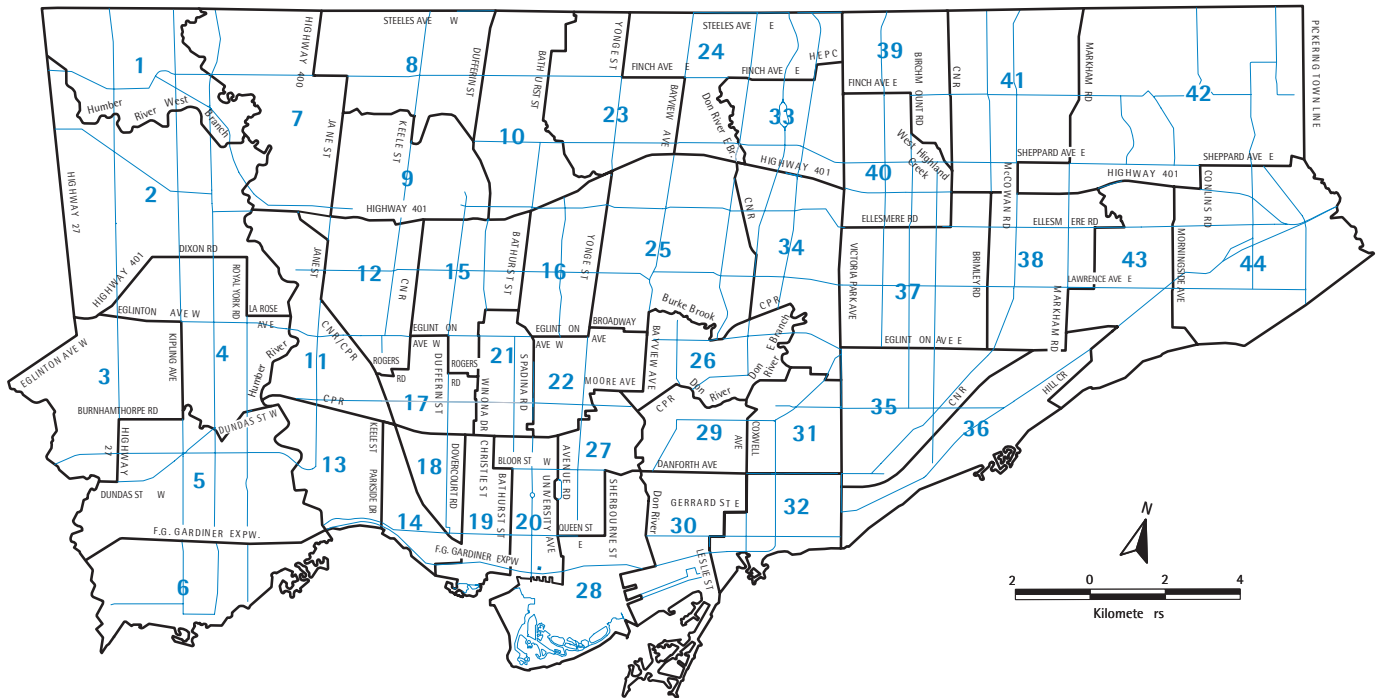
Conclusion

While Toronto is a great city with many strengths, Toronto is not a city to sit on its laurels. The City of Toronto is committed to nurturing and preserving our strengths while simultaneously identifying new opportunities for growth and development. In November 2002, City Council adopted its Official Plan that outlines the city's vision for the future. The Plan focuses on social, economic and environmental changes in areas where growth and improvements are needed to sustain Toronto's competitive edge.



KEY FUNCTIONAL AREAS

City of Toronto Electoral Wards



CITY OF TORONTO COUNCIL 2000 - 2003

Mayor Mel Lastman 416-395-6464

1	Etobicoke North	Suzan Hall	416-392-0205	23	Willowdale	John Fillion	416-392-0210
2	Etobicoke North	Rob Ford	416-397-9255	24	Willowdale	David Shiner	416-395-6413
3	Etobicoke Centre	Douglas Holyday	416-392-4002	25	Don Valley West	Joanne Flint	416-395-6408
4	Etobicoke Centre	Gloria Lindsay Luby	416-392-1369	26	Don Valley West	Jane Pitfield	416-392-0215
5	Etobicoke Lakeshore	Peter Milczyn	416-392-4040	27	Toronto Centre-Rosedale	Kyle Rae	416-392-7903
6	Etobicoke Lakeshore	Irene Jones	416-397-9273	28	Toronto Centre-Rosedale	Pam McConnell	416-392-7916
7	York West	Giorgio Mammoliti	416-395-6401	29	Toronto-Danforth	Case Ootes	416-392-4032
8	York West	Peter Li Preti	416-392-0201	30	Toronto-Danforth	Jack Layton	416-392-4060
9	York Centre	Maria Augimeri	416-392-4021	31	Beaches-East York	Michael Tziretas	416-392-4035
10	York Centre	Mike Feldman	416-392-1371	32	Beaches-East York	Sandra Bussin	416-392-1376
11	York South-Weston	Frances Nunziata	416-392-4091	33	Don Valley East	Paul Sutherland	416-392-4038
12	York South-Weston	Frank Di Giorgio	416-392-4066	34	Don Valley East	Denzil Minnan-Wong	416-397-9256
13	Parkdale-High Park	David Miller	416-392-4072	35	Scarborough Southwest	Gerry Altobello	416-392-0213
14	Parkdale-High Park	Chris Korwin-Kuczynski	416-392-7919	36	Scarborough Southwest	Brian Ashton	416-392-4052
15	Eglinton-Lawrence	Howard Moscoe	416-392-4027	37	Scarborough Centre	Lorenzo Berardinetti	416-397-9274
16	Eglinton-Lawrence	Anne Johnston	416-392-4090	38	Scarborough Centre	Brad Duguid	416-392-0204
17	Davenport	Betty Disero	416-392-7011	39	Scarborough-Agincourt	Sherene Shaw	416-392-1374
18	Davenport	Mario Silva	416-392-7012	40	Scarborough-Agincourt	Norman Kelly	416-392-4047
19	Trinity-Spadina	Joe Pantalone	416-392-4009	41	Scarborough-Rouge River	Bas Balkissoon	416-392-1375
20	Trinity-Spadina	Olivia Chow	416-392-4044	42	Scarborough-Rouge River	Raymond Cho	416-392-4078
21	St. Paul's	Joe Mihevc	416-392-0208	43	Scarborough East	David Soknacki	416-392-4008
22	St. Paul's	Michael Walker	416-392-7906	44	Scarborough East	Ron Moeser	416-392-1373



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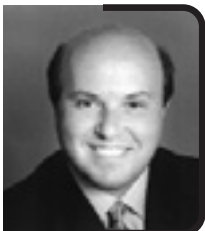
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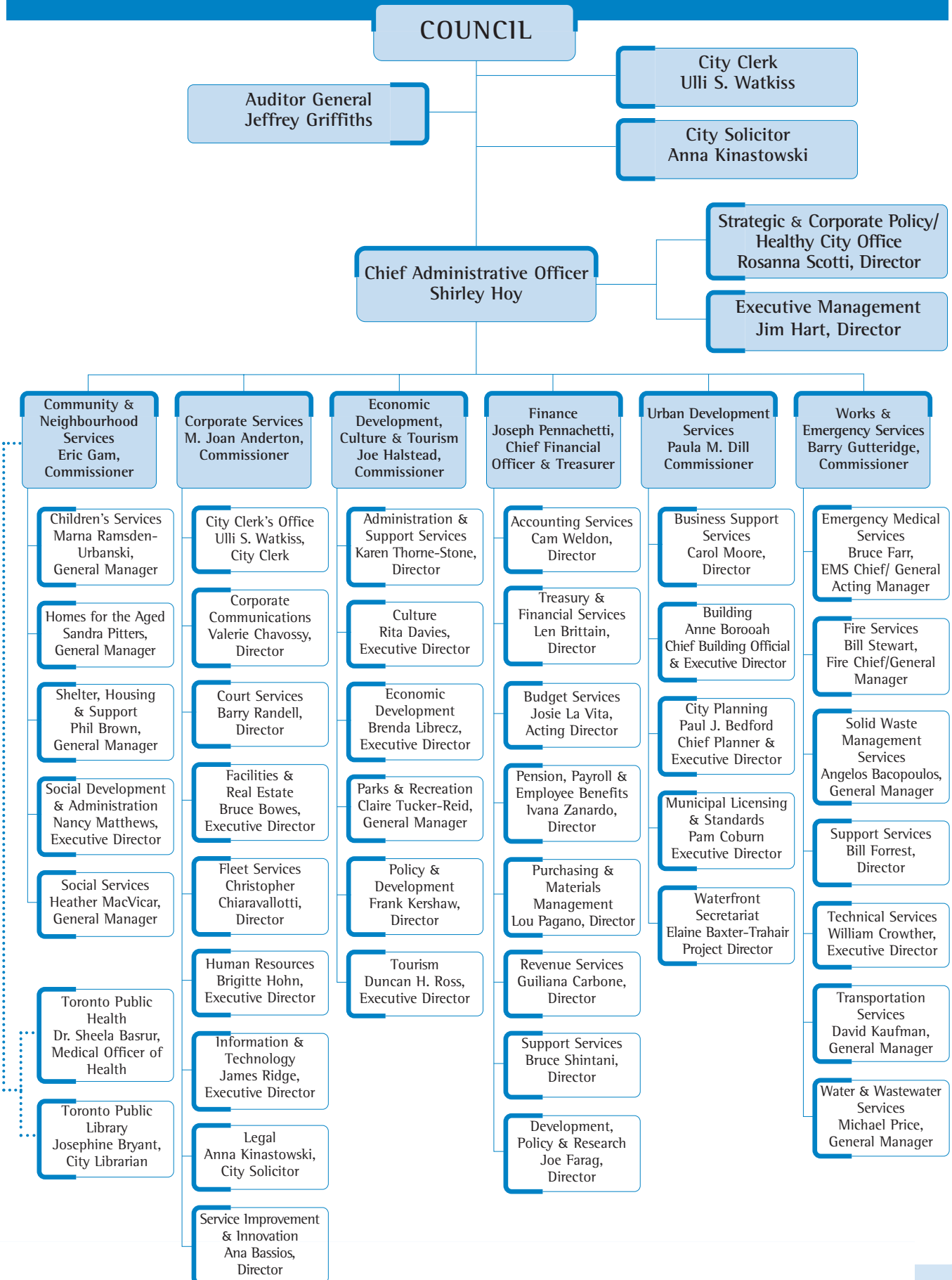


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Administrative Organization Chart



City of Toronto Special Purpose Bodies

AGENCIES, BOARDS & COMMISSIONS (ABC'S)

Service Boards

- Exhibition Place
- Hummingbird Centre for the Performing Arts
- North York Performing Arts Centre Corporation
- St. Lawrence Centre for the Arts
- Toronto Board of Health
- Toronto Housing Company
- Toronto Hydro*
- Toronto Parking Authority
- Toronto Police Services Boards
- Toronto Public Library
- Toronto Transit Commission
- Toronto Zoo

Program Operating Boards

- AOCCs
- Arena boards
- Business Improvement Areas
- Museum site boards
- Toronto Economic Development Corporation

Quasi-Judicial Tribunals

- Committee of Adjustment
- Court of Revision
- Fenceviewers
- Property Standards Committee
- Rooming House Licensing Commission
- Toronto Licensing Tribunal

Financial Administrative Bodies

- Metro Toronto Pension Plan, Board of Trustees
- Metro Toronto Police Benefit Fund, Board of Trustees
- Metro Toronto Sinking Fund Committee
- Toronto Atmospheric Fund, Board of Directors
- Toronto Civic Employee's Pension and Benefit Fund Committee
- Toronto Fire Department Superannuation & Benefit Fund Committee

ADVISORY BOARDS

Program Advisory Bodies

Committees, work groups, reference groups etc., that advise staff on various aspects of programs administered by the departments

Political Advisory Bodies

Mayor's Task Forces, Council Task Forces and other bodies that advise Council

External Organizations to which Council Makes Appointments

- Art Gallery of Ontario
- Association of Municipalities of Ontario
- Canadian National Exhibition Association**
- Canadian Opera Company
- Canadian Urban Institute
- Children's Aid Society
- Festival/Parade Committees
- Greater Toronto Airports Authority
- Greater Toronto Services Board
- Historical Societies
- Hockey Hall of Fame
- Hospital Boards
- Metropolitan Toronto Convention Centre
- National Ballet Company
- Other Community/Recreation Centres
- Other Theatres
- Toronto and Region Conservation Authority
- Toronto District Heating Corporation
- Toronto Humane Society
- Toronto Port Authority
- Toronto Symphony Orchestra
- Tourism Toronto

* Toronto Hydro Corporation incorporated under OBCA regulated by the Ontario Energy Board

** 100% funded by the City

Council Direction



Toronto

is a **caring** and friendly city.

We have **opportunities** to
sustain and enrich our lives and reach
our highest **potential**.

Our **diversity** is valued and
celebrated and our communities
are a source of **pride**.

COUNCIL'S STRATEGIC PLAN

Mission Statement *The Government of the City of Toronto champions the economic, social and environmental vitality of the City. The City strives to provide high quality and affordable services that respond to the needs of our communities and invests in infrastructure to support city building. The City is a leader in identifying issues of importance and in finding creative ways of responding to them.*

The City of Toronto promotes and maintains a system of responsible and accountable governance where the interests of individuals and communities are balanced with those of the city as a whole. Public participation is an integral part of the City's decision-making processes.

Our actions are guided by the following principles:

Advocacy → *We are advocates on behalf of our city's needs with other orders of government*

Community Participation → *We facilitate active community involvement in all aspects of civic life, both locally and city-wide*

Equity → *We respond to and support diverse needs and interests and work to achieve social justice*

Effectiveness → *We set and accomplish objectives, pursue innovative approaches, safeguard public assets and make efficient use of our resources*

Leadership → *We plan for change and take a leadership role on issues of importance to the City*

Partnerships → *We actively seek out partnerships with constituents, community groups, businesses and other public institutions and orders of government*

Sustainability → *We integrate environmental, social, economic and fiscal perspectives in our actions*

Council's Goals for Toronto

Council's goals for Toronto relate to 20 important issues and opportunities facing the city. The goals reflect areas that City Council can influence as well as areas that will influence City Council as it strives to improve the city's quality of life. The goals are grouped under the following five theme areas:

SOCIAL DEVELOPMENT

Social development encompasses principles of social equity, social well-being and citizen engagement, and is an important determinant of healthy communities and quality of life.

ECONOMIC VITALITY

Economic vitality refers to the health of the city's economy and includes such factors as diversified employment, skilled workforce, competitiveness, investment and affordability.

ENVIRONMENTAL SUSTAINABILITY

Environmental sustainability encompasses principles of environmental balance and the integration of environmental considerations in our social and economic activities.

GOOD GOVERNANCE

Good governance refers to the system of municipal government in terms of its role as a democratic institution, a public policy maker and a deliverer of public services.

CITY BUILDING

City building views the City as a whole and focuses on investment in social and physical services and infrastructure which are fundamental to the city's quality of life.

Toronto Official Plan

Toronto's future prospects are important for Canada because successful cities are vital to a nation's prosperity. Their success, in turn, is based on their high quality of life, which attracts people, jobs and investment.

What kind of city will Toronto be in the twenty-first century? This question affects us all. It is a question the Official Plan addresses. The Plan sets out the choices that, during extensive public consultations, citizens indicated would create the most prosperous Toronto.

VISION

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 promotes 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 astonishes and inspires.

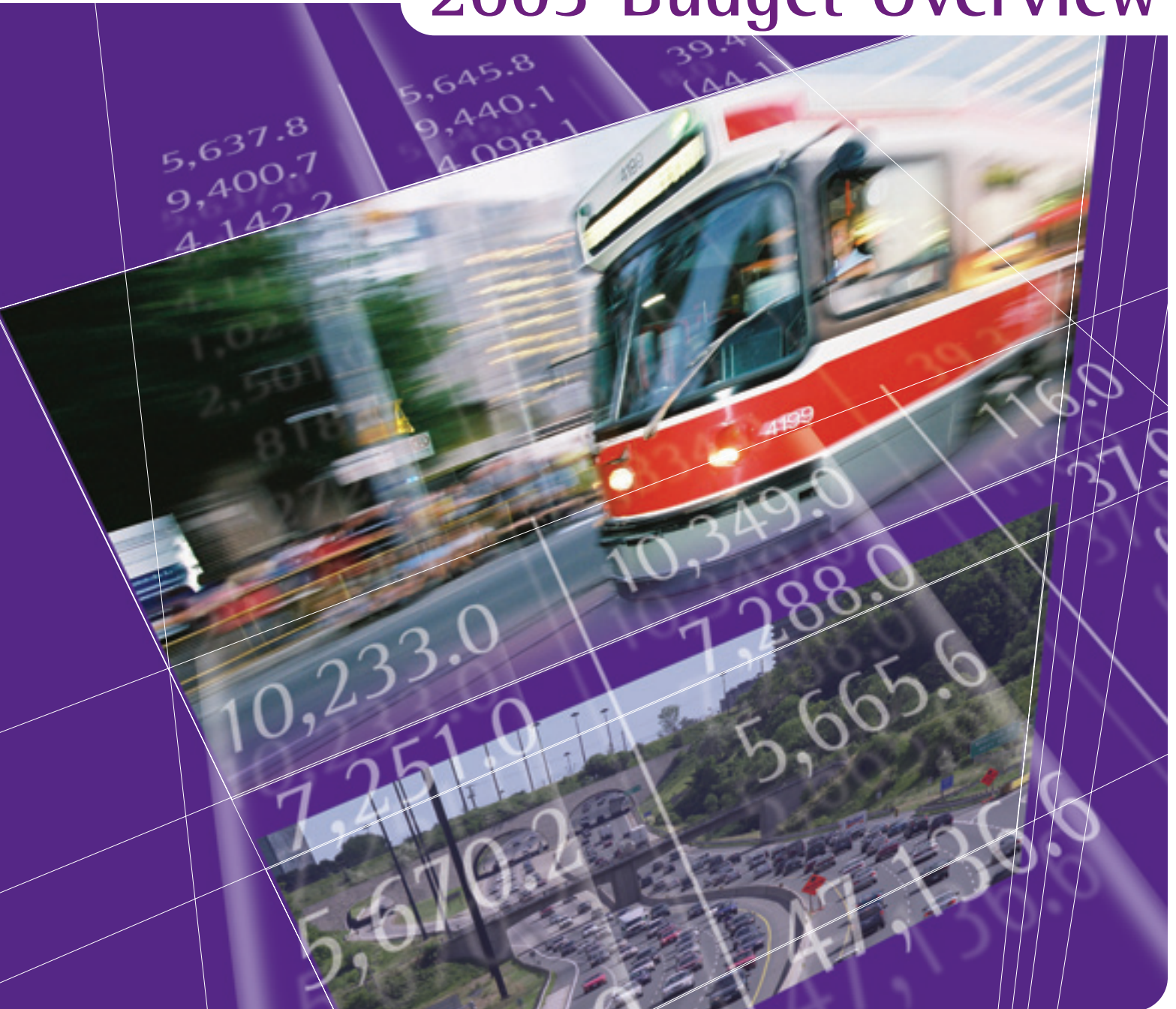
In keeping with City Council's Strategic Plan, the Toronto Official Plan's vision is all about ensuring Toronto remains an attractive and safe city that evokes pride, passion and a sense of belonging. It proposes some fundamental social, environmental and economic choices that will help meet the needs of today and ensure that future generations have the ability to meet their needs. The Plan will preserve and strengthen the character of the city's neighbourhoods, parks, ravines and open spaces, which together make up about 75% of the city. The Plan directs growth to the remaining 25% of the city – areas like downtown and the main roads.

PRINCIPLES

The Plan is based on four core principles:

- **Diversity and opportunity** – Diversity is Toronto's strength because it means vibrancy, inclusiveness and adaptability, and enables the city to offer a dynamic mixture of opportunities for everyone to live, work, learn and play here.
- **Beauty** – All successful cities astonish with their human-made and natural beauty. People want to live in cities that understand their past and push their creative limits.
- **Connectivity** – The choices we make about where we live, how we travel, where we work, shop and play all have an impact on, and are affected by, other choices.
- **Leadership and stewardship** – Leadership and stewardship in the successful city are not confined to elected officials but include everyone, from volunteers in grassroots community organizations to the chief executive officers of our largest corporations.

2003 Budget Overview



Toronto

invests in quality of life...

socially, economically,

culturally

and environmentally to

make Toronto a **desirable** place

to live, **prosper**

and visit.

2003 OPERATING BUDGET

Guiding Principles:

The 2003 operating budget process focussed on achieving corporate goals and Council's strategic priorities. Service objectives demonstrate alignment with Council's strategic direction. To achieve the above, Programs and Agencies, Boards and Commissions (ABCs) were instructed to prepare operating budgets based on the following guiding principles:

- maintain services and service levels that Council approved in the 2002 operating budget and measure the service delivery performance;
- achieve budget savings through efficiencies / continuous improvement initiatives and other cost containment strategies;
- review non-tax revenue initiatives and focus on keeping taxes and debt levels as low as possible;
- ensure compliance with generally accepted budgeting principles and good financial management; and,
- ensure that all stakeholders have an opportunity to participate in the budget process.

2003 Budget Process:

Consistent with prior years, the 2003 operating budget was developed based on the assumption that services and service levels approved in 2002 would be maintained and that any new services or service expansion initiatives would be submitted to Council as a separate decision package.

Based on this premise, the budget was first adjusted to annualize the implementation of in-year Council decisions and to reverse expenditures for non-recurring activities with sunset activities such as World Youth Day. Next, inflation was

applied to major expenditures. The result of this exercise is the estimated cost of continuing to offer Council approved 2002 service levels in 2003 dollars.

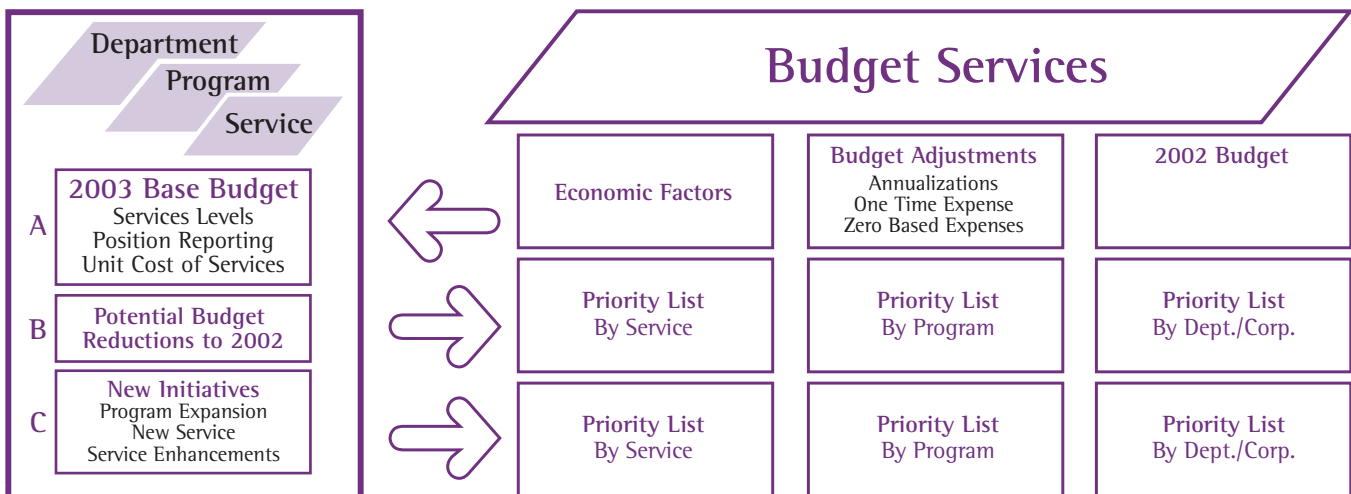
The 2003 operating budget instructions required Programs and Agencies, Boards and Commissions to submit options for reducing the 2003 Budget request to 2002 Approved Budget funding levels through efficiencies, opportunities for continuous improvements and revenue changes.

Programs and Agencies, Boards and Commissions were also required to submit, as a separate budget package, requests for new services and / or service enhancement initiatives considered to be essential to satisfy the growing need of the community and / or to better fulfill Council's stated goals, objectives and strategies. Principally, criteria for new and expanded services included alignment with the City's corporate strategic priorities, Council directives and requirements to meet service demands, and the demonstration of specific benefits to be derived therefrom.

As in prior years, the 2003 process was a service-level-based budgeting process. Programs and Agencies, Boards and Commissions were to clearly detail the service levels that would be provided for the resources requested. Any change to the 2002 service levels approved by Council would constitute a business issue and had to be justified in a business case. Business cases were the principal driver of the budget review and decision-making exercise. They were evaluated and ranked by the Executive Management Team (EMT), then by Standing Committees and later by Budget Advisory Committee (BAC) with a focus on getting the best results under tough fiscal constraints.

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2003 Operating Budget Process



Inflation / Economic Factors:

In June 2002, a pro-forma operating budget was prepared using economic factors based on the average Consumer Price Index (CPI) and private sector 2003 forecast of price changes relative to specific commodities. Economic factors used to develop the 2003 Pro-forma or Adjusted Base Budget are presented in the Table 1:

Table 1: 2003 Operating Budget Economic Factors

Expenditure	Economic Factor
Salaries & Benefits Excluding Police (whose Collective Agreement approximate 3.5% p.a.)	3.00%
Printing & Paper Products	2.00%
Food	2.00%
Hydro	5.00%
Gas	4.00%
Steam Heating	9.00%
Diesel	4.30%
Natural Gas	3.00%
Water	9.00%
Postage	2.00%
Telephone	3.00%
Aggregates - Bldg/Trade Mat.	3.00%
Salt	4.30%
Medical Supplies	5.00%
Contracted Services	4.00%
General (Core CPI)	2.00%

In accordance with the City's strategy to closely monitor spending on furniture and consulting costs, these expenditures were zero based. The Adjusted Base Budget constituted a tool for predicting the 2003 budget pressures and for developing strategies to ensure that program budgets were within affordable limits as well as a starting point for which Programs and ABCs determined and budgeted any incremental pressures required to deliver 2002 services and service levels.

Consistent with policy, the economic factors were reviewed on an ongoing basis to confirm their continued relevance. In particular, the economic factor for Hydro was determined to be higher than necessary given the passing of Provincial Government Bill 210: the Electricity Pricing, Supply and Conservation Act 2002. In effect, this Bill froze the hydro commodity price at 4.3 cents per kilowatt-hour (kWh). Further, it prescribes that beginning on December 1, 2002, the 4.3 cent price level will be available to both low-volume consumers and consumers in the MUSH sector (municipalities, universities, schools, and hospitals), from December 1, 2002 forward to 2006.

As part of the ongoing review of economic factors, the City's Executive Management Team (EMT) recommended that the 2003 hydro budget be reduced by \$7.7 million. This reduction represents an 8.4% decrease from the EMT Recommended Budget.

KEY OBJECTIVES:

The Executive Management Team adopted the following budget objectives and instructed staff to ensure compliance in developing their budgets:

- Maintain 2002 service levels and service quality with minimal tax increase;
- Obtain budget savings through efficiencies, productivity increases and continuous improvement initiatives;
- Maintain, and where possible, increase non-tax revenues while ensuring that City services are distributed equitably;
- Reduce reliance on debt and property tax revenues; and,
- Align services with corporate strategies while ensuring compliance with Council's fiscal priorities and fiscal principles.

As in prior years, EMT reinforced the need to focus on performance measures to justify resource consumption. Access to detailed financial data enabled program staff to identify key performance measures useful for tracking annual performance and trends. While this information has laid the groundwork for performance budgeting, analysis and reporting, tools are required throughout the organization to build upon this foundation, particularly as this information becomes more widely used for decision-making, as evidenced by the Municipal Report Card requirements mandated by the Province.

ADMINISTRATIVE REVIEW PROCESS:

Given a starting budget pressure of \$261.73 million, EMT performed detailed reviews of increases beyond the 2003 Adjusted Base Budget and made adjustments amounting to \$132.83 million. In general terms, these adjustments had minimal impact on services and service levels. As well, EMT carefully reviewed options to increase non-tax revenues.

COMMITTEE REVIEW PROCESS:

Standing Committees played a significant role in the determination of service delivery efficiencies, service priorities, service levels and service level adjustments. These committees reviewed the 2003 EMT Recommended Budget for programs falling under their individual jurisdiction. To ensure public input into the budget process, Standing Committees received public deputations and were responsive to ideas provided by deputants in performing their reviews. The Standing Committee recommendations were then forwarded to the

Budget Advisory Committee (BAC) for review. Standing Committees reduced \$3.63 million net from the EMT Recommended Base Budget and increased New / Enhanced services by \$1.40 million net resulting in a net expenditure reduction of \$2.23 million. The Budget Advisory Committee reviewed the recommendations of the Standing Committees and reduced the base budget by a further \$6.02 million. New / Enhanced services were also reduced by \$2.38 million for additional reduction totalling \$8.40 million net.

The Policy and Finance Committee considered deputations on the 2003 BAC Recommended Operating Budget at its meeting of February 18, 2003. Policy and Finance Committee reviewed the 2003 BAC Recommended Operating Budget and forwarded its recommendations to Council for its deliberation.

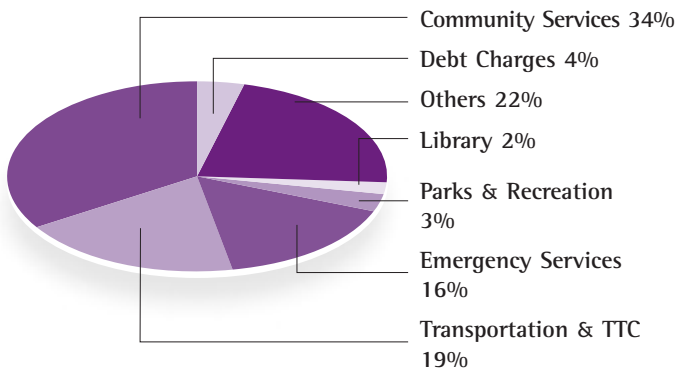
Council Approved 2003 Operating Budget

At its special meeting of February 24 to 28 and March 3, 2003, City Council considered the 2003 Policy and Finance Committee Recommended Operating Budget and made further adjustments in the amount of (\$1.688) million gross and \$1.90 million net resulting in a 2003 Approved Operating Budget of \$6,439.35 million gross and \$2,822.53 million net.

The following charts reflect the 2003 Council Approved Gross Operating Budget of \$6.4 billion and Net Operating Budget of \$2.9 billion broken down by major programs.

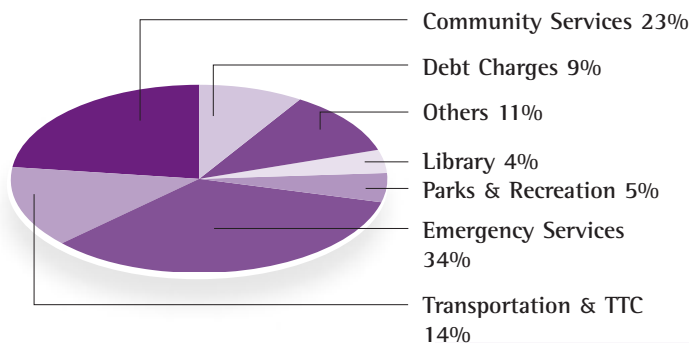
Expenditures by Major Program

(Gross Expenditures \$6.4B)



Expenditures by Major Program

(Net Expenditures \$2.9B)



The City has direct control over only approximately 29% of its net operating budget. Direct control is exercised over City departments for which the Province has no mandatory control obligations. When Capital Financing and Corporate accounts of 12% is added, the City is shown to have control over only 41% of its net expenditures. Other components include provincially mandated programs / services of 25% and Special Purpose Bodies with the largest component of 34%..

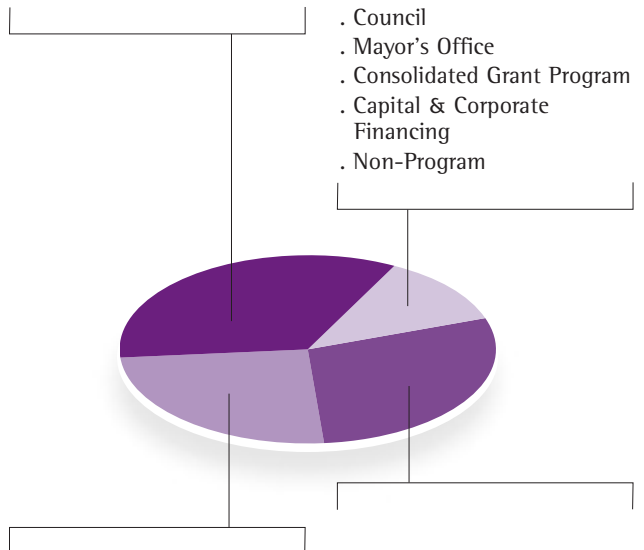
Budget Components (Based on Net Expenditures)

Special Purpose Bodies 34%

- . Toronto Public Library
- . Exhibition Place
- . Theatres
- . Toronto Zoo
- . Arena Boards of Management
- . Toronto & Region Conservation Authority
- . Association of Community Centers
- . Toronto Transit Commission
- . Toronto Police Service & Board

Capital Financing & Corporate Accounts 12%

- . City Clerk's
- . Service Improvement & Innovation
- . Corporate Communications
- . Facilities & Real Estate
- . Fleet Management Services
- . Human Resources
- . Information & Technology
- . Legal
- . Finance
- . Auditor General
- . Chief Administrator's Office
- . Council
- . Mayor's Office
- . Consolidated Grant Program
- . Capital & Corporate Financing
- . Non-Program



Directly Controlled 29%

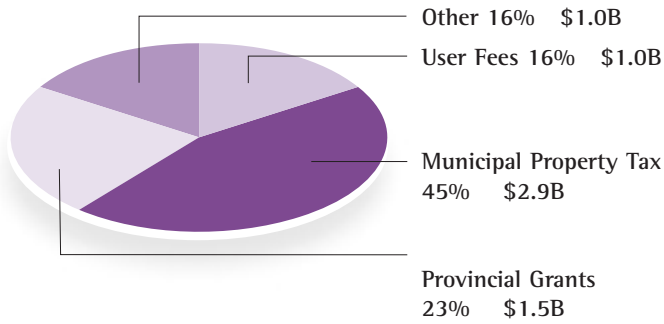
- . Emergency Preparedness Mgmt
- . Economic Development
- . Yonge Dundas Square
- . Culture
- . Parks & Recreation
- . Solid Waste Mgmt
- . Customer & Business Support
- . Tourism
- . Fire
- . Urban Development Services
- . Transportation, WES - Support & WES - Technical

Provincially Mandated 25%

- . Children's Services
- . Homes for the Aged
- . Shelter, Housing & Support
- . Social Development & Admin
- . Social Services
- . Court Services
- . Emergency Medical Services
- . Toronto Public Health

Property taxes constitute the biggest revenue sources in the 2003 Operating Budget. Property taxes approximate \$2.9 billion or 45% of the operating budget gross revenues. Provincial Grants of \$1.5 billion or 23% of revenue are tied directly to legislated cost sharing arrangements e.g. Children's Services, Homes for the Aged, Social Services, Shelter, Housing & Support and Public Health.

Where The Money Comes From (\$6.4Billion)



In 2003, a homeowner with a residence assessed at \$295,000 will pay total taxes in the amount of \$1,936. This excludes Education Levy.

Composition of the 2003 Operating Budget:

The 2003 Council Approved Operating Budget, after assessment changes, is comprised of a base budget of \$6,423.4 million gross expenditure and \$2,821.17 million net to deliver current services, and new / enhanced services of \$15.954 million gross expenditures and \$1.356 million net. In total, the 2003 Council Approved Gross Operating Base Budget is \$6,439.35 million representing a 2.4% increase over the 2002 Approved Budget; and the 2003 Council Approved Net Operating Budget before assessment changes is \$2,856.16 million net or 2.4% increase over the 2002 Approved Budget.

The total assessment changes of \$33.635 million comprise of adjustment for Commercial & Industrial Tax Increase regarding Registered Charities Rebate in the amount of \$0.875 million and assessment change in status from Payments in Lieu of taxes (PILs) to taxable assessment in the amount of \$32.76 million resulting in the City's 2003 tax levy of \$2,822.53 million. Therefore, the net 2003 Council Approved Budget results in a net tax increase of \$32.298 million, which represents a 1.2% increase on the total tax base or 3% on the residential tax base.

How Your Tax Dollar Will Work For You In 2003

Total = \$1,936 {Annual property tax for an average house with an assessed value of \$295,000, excluding education taxes}

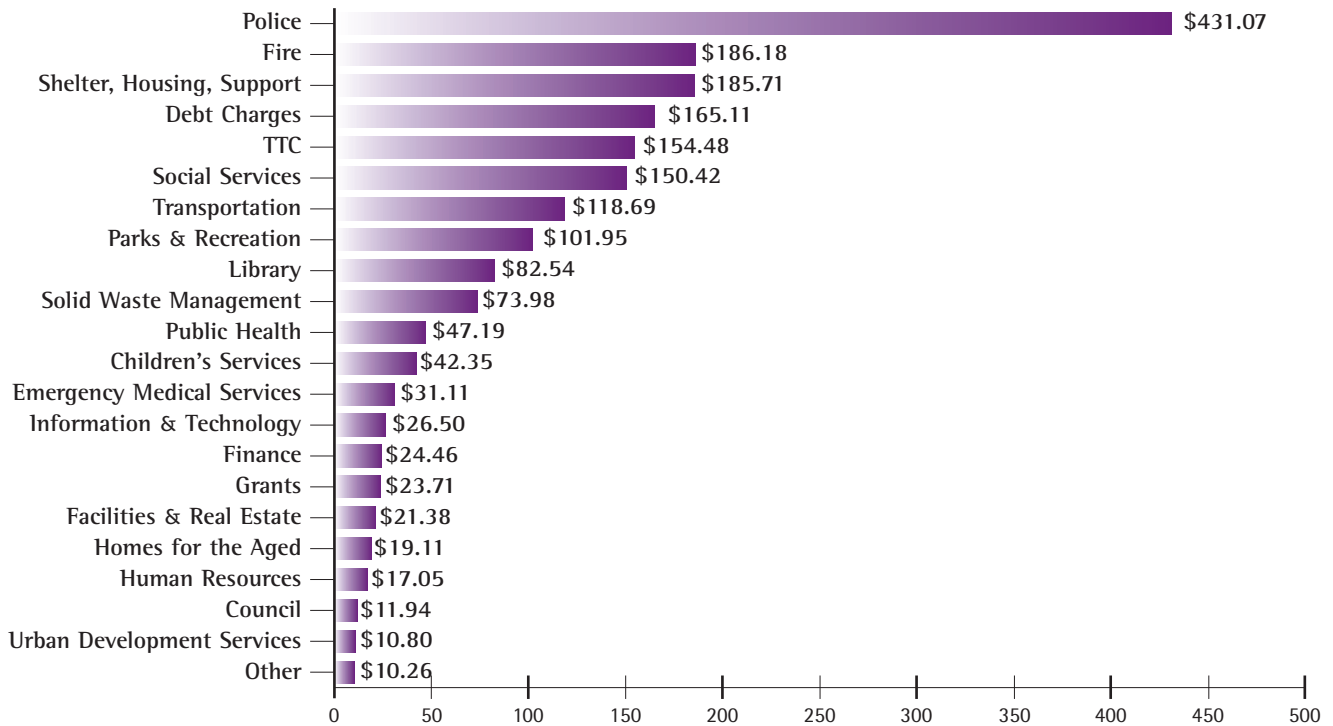


Table 2: Net 2003 Council Approved Operating Budget - Base and New / Enhanced Service Changes

	2002 Approved Base Budget	2003 Approved Budget	Change from 2002	
			\$	%
City Operations	1,585.5	1,657.2	71.7	4.5%
ABCs	1,007.0	1,077.2	70.2	7.0%
Non Programs	197.8	121.8	(76.0)	(38.4%)
Total before Assessment Changes	2,790.3	2,856.2	65.9	2.4%
Less: Assessment Changes		(33.6)	(33.6)	n/a
NET 2003 Oper. Budget After Assessment Changes	2,790.3	2,822.5	32.3	1.2%

Table 3: 2003 Operating Budget Summary by Expenditure and Revenue Category (in \$000s)

	2002 Approved Budget \$	2003 Approved Budget \$	Change from 2002 Approved Budget	
			\$	%
Salaries and Benefits	2,822.3	2,982.1	159.8	5.7%
Materials and Supplies	374.0	351.3	(22.7)	(6.1%)
Equipment	52.9	68.4	15.5	29.3%
Services & Rents	933.4	972.3	38.9	4.2%
Contribution and Transfers	1,855.9	1,809.0	(46.9)	(2.5%)
Interdepartmental Charges	130.0	148.9	18.8	14.5%
Other	119.1	107.5	(21.0)	(17.6%)
TOTAL GROSS EXPENDITURES	6,287.6	6,439.4	142.5	2.3%
Grants from Others	1,557.7	1,520.0	(37.8)	(2.4%)
Interdepartmental Recoveries	201.4	224.0	22.6	11.2%
User Fees	1,022.8	1,032.6	9.8	1.0%
Other	715.4	806.8	82.0	11.5%
TOTAL REVENUE	3,497.4	3,583.2	76.5	2.2%
TOTAL NET EXPENDITURES BEFORE ASSESSMENT CHANGE	2,790.2	2,856.2	65.9	2.4%

2003 Key Pressures:

In 2002, the City was confronted with uncontrollable issues / challenges that introduced substantive pressures on the operating budget. The original pressure based on 2003 budget submissions from Programs and ABCs totalled \$261.73 million.

Significant contributors to this pressure included the goods and services financial impact of the Keele Valley Landfill site closure, with an estimated increased cost of \$41.0 million; inflation of \$35.0 million; wage settlement agreements, which increased salaries and wages by 3% on average for an estimated increase in City Departments of \$66.0 million. It is noted that Emergency Services (Fire, Police and EMS) workers were awarded cost of living increases in excess of 3%, further increasing the City's 2003 pressure. City Departments' 2003 operating budget submission pressure totalled \$107.0 million, ABCs' in the amount of \$105.0 million, and Corporate Accounts beginning pressure was \$49.0 million.

The Toronto Transit Commission was faced with significant increases in costs totalling \$52.0 million in 2003. While implementation of a ten-cent fare increase would increase revenues by \$21.0 million this still left a shortfall of \$31.1 million. The Toronto Police Services budget submission included a pressure of \$41.0 million.

ACTIONS TAKEN TO MITIGATE PRESSURES:

In order to reduce 2003 operating budget pressures, EMT reviewed reduction options from Programs and ABCs. Programs and ABCs were specifically requested to submit options to reduce their 2003 budget submission to reflect a zero increase on their 2002 operating budget allocation. EMT conducted thorough and critical reviews of each Program and ABC budget submission with a focus on balancing the budget while maintaining core services, service levels and service quality. EMT's impact on reduction of the 2003 budget pressure is shown in Table 4. The 2003 Council Approved Operating Budget reflects substantive budget adjustments realized through continuous improvement and efficiencies of \$48.4 million (City is \$29.4 million and Police is \$19.0 million); revenue changes of \$75.0 million (City is \$57.0 million and TTC fare increase of \$18.0 million) and adjustments with minor service impacts in the amount of \$20.1 million.

The 2003 Council Approved Operating Budget reflects commitment to ensure that reasonable growth is maintained, despite existing financial challenges. It contains new and enhanced services totalling \$15.954 million gross and \$1.356 million net. This was achieved by limiting approval to those items critical to achieving Council strategies, or those financed with compensating reduction in other services in order to minimize any incremental financial impact on the budget shortfall.

Table 4: 2003 Operating Budget Pressures

Description	Total Pressure (\$ million)
Program Submission Pressures	261.7
EMT Reductions	(132.8)
EMT Recommended	128.9
Standing Committee/Budget Advisory Committee Reductions	(10.6)
Budget Advisory Committee Recommended	118.3
3% Tax Increase	(32.3)
Gross Pressure	86.0
2003 Provincial TTC Reimbursement	(64.0)
Net Pressure	22.0
Council Service Adjustments	1.0
Net Pressure	23.0
Revenue Adjustments	
1. One-time 2002 Operating Variance	(19.9)
2. Hydro Rebate	(3.1)
Total Revenue Adjustments	(23.0)

As evident in the 2003 Council Approved Operating Budget, City program pressures before Keele Valley Closure was reduced to \$31.5 million or 2.0%. By comparison, ABCs continue to show pressures totalling \$70.3 million or 7.0% including the Toronto Police Services pressure of \$30.0 million or 5%, and TTC of \$31.0 million or 15.9%.

The remaining 2003 budget pressures are the result of uncontrollable issues such as the closure of Keele Valley, the impact of wage settlements and increasing cost of emergency services and transit operations. As well, thorough review of the City's user fees disclosed limited opportunities to increase fees in order to fully recover increased costs without creating undue burden on the less privileged. This, therefore, left the City with limited options to fund remaining pressures: increase taxes, cut services, or seek assistance from the Provincial government.

PROVINCIAL ASSISTANCE:

During the past several years, the City has discussed the implications of continuing constraints on its revenue base with the Province. The City has clearly disclosed that Bill 140 restrictions, limited assessment growth opportunities, ongoing Provincial delays in reducing residential education taxes and the general reluctance to provide new revenue sources to the City continue to impair its ability to raise new revenues to meet increasing uncontrollable costs. These revenue constraints have placed the City in a fiscally unsustainable position and have made it difficult to meet the incremental cost of inflation that

is quite substantive on a gross expenditure budget of \$6.4 billion. It is significant that the Toronto Board of Trade and a number of other institutions (including Chartered Banks) have publicly addressed the impact of a constrained revenue base on the health of the City of Toronto.

Despite the significant work done by staff as well as by Standing Committee and BAC, the City was left with a budget pressure of \$118.27 million. Given Bill 140 restriction, this represents a residential tax increase of 11%. On the total tax base, the increase would be 4.2%. After careful consideration, the City has limited 2003 residential property tax increase to 3% or \$32.298 million.

With no other new sources of revenues available, a subsidy of \$95.0 million was requested from the Province. In particular, the Province was asked to consider providing assistance to cover budget shortfalls associated with cost increases for: the TTC opening of the Sheppard Subway and other escalating transit operating costs; increase in waste management / disposal costs due to the early closure of the Keele Valley landfill site; and the substantive impact of the arbitration / wage settlement award to Emergency Services. At the end of February 2003, the Province approved one time funding of \$64.0 million to alleviate the City's budget pressures in 2003 (see Table 4).

Budget Highlights

The 2003 Council Approved Operating Budget achieved the goal of maintaining core services and service levels. As well, it achieved cost savings by ensuring that services are being delivered efficiently. This budget optimizes non-tax revenues while ensuring fair access to all residents. Consistent with Council direction, the 2003 Operating Budget has had minimal impact on the services the City provides to its residents.

CORE SERVICES PROTECTED:

The 2003 Council Approved Operating Budget maintains core services delivered by City Programs and ABCs. This was achieved through continuous improvements and efficiencies as noted above.

REVENUE CHANGES:

During the 2003 budget process, City Programs and ABCs explored opportunities to increase revenue while maintaining competitiveness and affordability to the users. Volume increases based on previous year's performance and rate

increase that are competitive with surrounding municipalities and industry were also taken into consideration. The following highlights few Programs and ABCs for which such changes have been made:

- UDS Building Permit revenue
- TTC non ridership revenue growth (\$5.5 million net)
- TTC Fare increase effective January 1, 2003 (\$21.0 million net)
- Increase in Wheel-Trans ridership (\$4.0 million net)
- Increase in Recreational Program Fees (\$1.09 million net)
- Increase of \$1 in Zoo Admission Fees (\$0.45 million net)
- Increase of \$2 in Zoo Parking Fees, from \$6 to \$8 (\$0.4 million net)

NEW / ENHANCED BUDGET HIGHLIGHTS:

The 2003 Council Approved Operating Budget includes New / Enhanced Services of \$15.954 million gross and \$1.356 million net. The criteria used in approving New / Enhanced Services is that these services will have either a net zero cost to the City or service requirements sufficiently critical and that their costs will be offset by savings or revenues realized by City Programs and ABCs in other service areas. The following highlights New / Enhanced Services for a few Programs and ABCs:

- Expansion of Before and After School Program by (\$0.03 million net)
- American Library Association / Canadian Library Association Conference (\$0.2 million net)
- Enhance Food Nutrition Program (\$0.04 million net)
- Traffic Enforcement Safety Team initiative to improve traffic safety (resulting in new net revenue of \$1.8 million)
- Expanded Goose Control Program (\$0.13 million net)
- West Nile Virus prevention in animal collection (\$0.05 million net)

Staffing Changes to Address Council Priorities

An additional 187.7 approved positions are funded in the 2003 Council Approved Operating Budget, representing a 0.4% increase in the total complement for the City, including ABCs.

Table 5: 2003 Council Approved Budget Summary of Staffing Changes

Department / ABCs	2002 Approved Positions	2003 Council Approved Positions	Variance 2002 vs. 2003
Community and Neighbourhood Services	5,637.8	5,645.8	8.0
Works and Emergency Services	9,400.7	9,440.1	39.4
Economic Development, Culture and Tourism	4,142.2	4,098.1	(44.1)
Urban Development Services	1,023.0	1,054.0	31.0
Corporate Services	2,501.0	2,504.0	3.0
Finance	818.0	817.0	(1.0)
Other City Departments	272.0	280.0	8.0
TOTAL CITY OPERATIONS	23,794.7	23,839.0	44.3
Toronto Transit Commission	10,233.0	10,349.0	116.0
Toronto Police Services *	7,251.0	7,288.0	37.0
Other Agencies, Boards & Commissions	5,670.2	5,665.6	(4.6)
TOTAL LEVY & NON LEVY OPERATIONS	46,948.9	47,141.6	192.7

* Excludes TPS Board - 9

2003 PROPERTY TAXES AND ASSESSMENT

In each 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. The total amount of municipal taxes raised is known as the municipal tax levy. 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.

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. For 1998, 1999 and 2000, properties were taxed based on their current value, reflecting a June 30, 1996 valuation date. For 2001 and 2002, property assessments in Ontario were updated to reflect current values as at June 30, 1999. The year 2003 was another reassessment year, reflecting property values based on a June 30, 2001 valuation date. For subsequent years, current value will be updated annually. With each reassessment, tax rates are adjusted to reflect the changes in CVA. The Municipal Property Assessment Corporation (MPAC) is responsible for property assessment in Ontario, and prepares the assessment rolls for municipalities.

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 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. Chart 2 below illustrates the 2003 taxes payable for the average household in Toronto with an assessed value of \$295,000.

The Municipal Act establishes the rules that governed the assessment and taxation of property in Ontario. Provisions in the Act allow for the phase-in of tax increases and decreases arising from reassessment, and mandates limits on 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, and charities and similar organizations, are also required.

Tax relief policies in effect for 2003 include:

- The cancellation of any tax increase for seniors aged 65 years or older, or disabled persons, and whose residential home assessed value is less than \$295,000;

- The interest-free deferral of any tax increase for seniors aged 50 to 65 years of age, or disabled persons, whose household income is less than \$35,000; and,
- A 40% rebate of taxes paid for registered charities owning or occupying commercial or industrial space.

Further, as a result of the SARS outbreak in Toronto, Council also adopted a program to allow Toronto’s businesses spread out their final tax bill over six months, to help ameliorate some of the financial hardship being felt by these businesses for the latter half of 2003.

In 2001, further amendments to the Municipal Act (Bill 140) were introduced that restricted municipalities from passing on municipal levy increases to any tax class where the tax ratio for the class exceeded a provincial threshold ratio. Threshold tax ratios, which are intended to represent the provincial average tax ratio for each class, are determined by the Province each year and established by regulation. A municipality whose non-residential tax ratio exceeds the provincial average cannot pass on general budgetary levy increases to that class. In Toronto, tax ratios for the commercial, industrial and multi-residential tax classes all exceed the provincial thresholds, as shown in Chart 5.

Under the provisions of the Municipal Act, this means that no municipal levy (budgetary) increases can be passed on to these classes so long as the ratios exceed the threshold limits. Any budgetary increases, therefore, can only be passed on to the residential class. The implication of this restriction is that a 1% tax increase, which is limited to the residential class, raises only \$11.0 million in additional tax revenue, whereas if the City had access to its entire tax base, a 1% tax increase would raise \$28.56 million in additional tax revenue for the City.

Chart 1: Assessment Changes – 1998 to 2003
(\$ Billions)

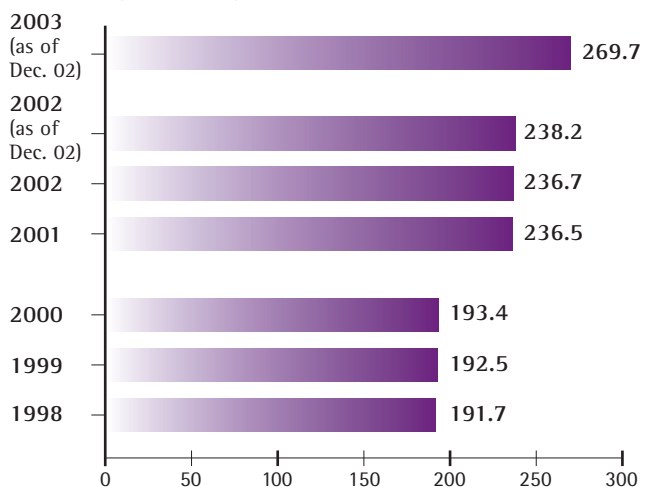


Chart 2: 2003 Average Household Property Taxes
Average residential assessed value \$295,000

	2003 Tax Rate	2003 Property Tax
Municipal Purposes	0.6565552 %	\$ 1,936
Education Purposes	0.3350000 %	\$ 988
Total	0.9915552 %	\$ 2,925

Chart 3: Toronto Tax Rate Comparison- 1998 to 2003 (% of CVA)

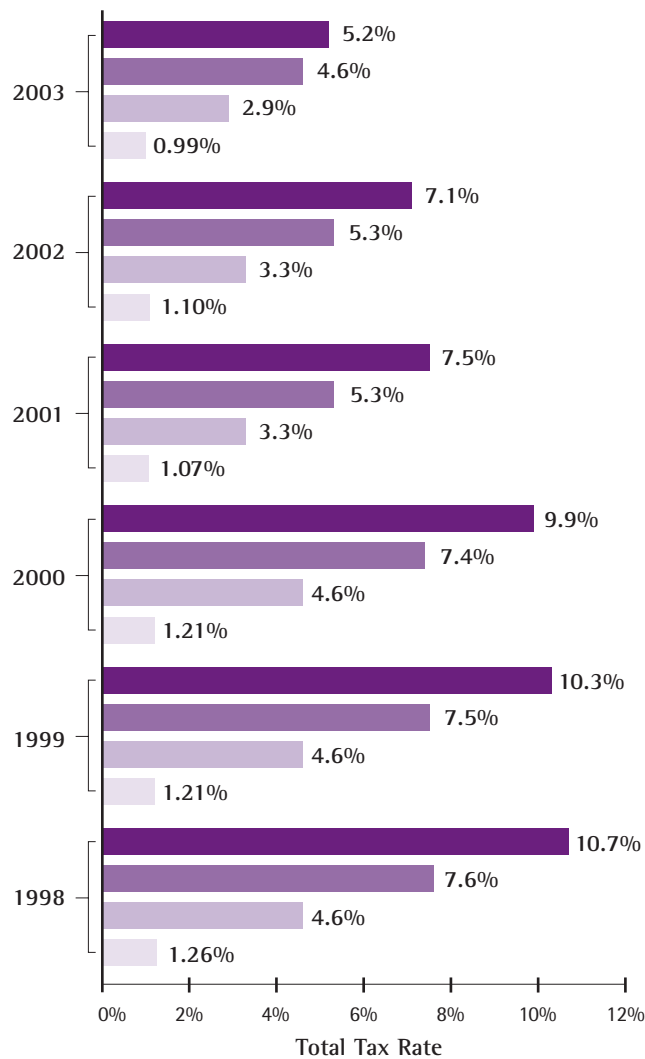
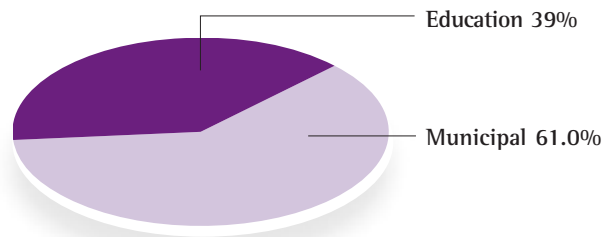
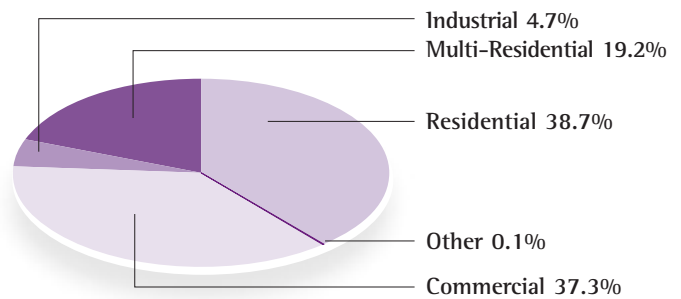


Chart 4: Toronto 2003 Property Tax Levy

Total Property Tax Levy-\$4.7 B



Municipal-\$2.9 B



Education-\$1.8 B

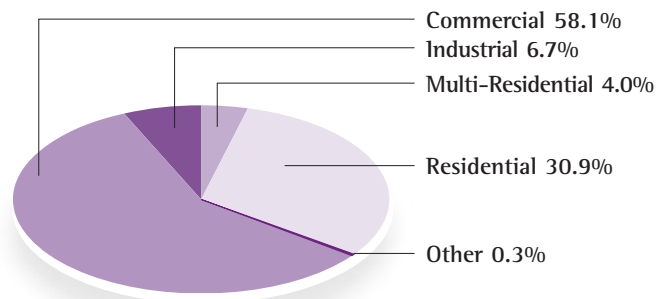


Chart 5: Toronto's Tax Ratios vs. Provincial Threshold Ratios

	Toronto's Tax Ratios			Provincial Threshold Ratios
	2000 for 2001 Taxation Year	2001 for 2002 Taxation Year	2003 Taxation Year	
Multi-Residential	4.174	4.001	3.870	2.74
Commercial	3.798	3.640	3.516	1.98
Industrial	5.301	5.081	4.120	2.63

2003 CAPITAL BUDGET

Budget Process

Consistent with the process in 2002, the 2003 Capital Budget process was developed on the basis of a report entitled "Implementing Council's Corporate Management Framework: A New Budget Process for 2001 and Beyond" as well as improvements initiated by the Executive Management Team (EMT) in 2002. In addition, the capital budget strategy and objectives aimed at ensuring that available resources are allocated in a manner that maximizes the future value of the City's capital infrastructure and capital assets.

Principles

The principles inherent in the City's capital budget process are being implemented on an incremental basis. These principles include the following:

- Adopt an evaluation approach that ranks projects across programs and that sets priorities within categories, with emphasis on Health and Safety, Legislated and State of Good Repair projects.
- Approve a ten-year capital program, with fully justified business cases reviewed by Standing Committees, in its entirety. Previously approved capital projects will be received and not subject to further Council review, unless there has been a change in scope.
- Ensure that the ten-year capital program remains within the approved fiscal framework. Any acceleration of capital projects in the ten-year capital program would require a compensating offset through deferral of a project of equal value.
- Approve future year operating budget impacts of the capital program in conjunction with the approval of the Capital Program and the full operating budget impacts of any new capital item added to the infrastructure will be reflected in the year of approval of the capital item.
- Identify and include all capital costs associated with a capital project (including land acquisition, project management and information technology) in the total project cost.

The capital budget process requires that the capital program be re-evaluated in every budget cycle and should be integrated with multi-year service plans in each program area.

The process assumes that multi-year service plans are linked to Council's Strategic Plan. Further, it assumes that at the start of each new term, Council will review and prioritize its strategic directions and approve a set of goals and strategies that would then be incorporated in multi-year service plans, thereby guiding capital budgeting decisions.

PRIORITIZATION CATEGORIES:

The 2003 capital budget process incorporated the principles outlined above and, in recognition of fiscal realities, the following project categories were established to help focus on Council's priorities:

1. **Health and Safety** – assigned the highest priority, this category includes projects that are urgently required to remediate or rehabilitate projects with health and safety risks.
2. **Legislated** – the second highest priority, this category includes projects that are required by Federal or Provincial legislation or by City Policy.
3. **State of Good Repair** – the third highest priority, this category includes capital projects that address maintenance, repair or replacement of existing assets. Included in this category are asset-rehabilitation projects that extend the useful life of the specific assets by 10 or more years before replacement is necessary.
4. **Service Improvement & Enhancement** – the fourth highest priority, this category includes capital projects with objectives to improve service delivery beyond the Council approved standard or that provide for the introduction of new services.
5. **Growth Related projects** – this category includes projects that support growth and development across the City.

As part of the 2003 capital budget process, City programs, Agencies, Boards and Commissions (ABCs) were asked to prioritize their projects within the above categories in order to assist senior management and Council to allocate scarce resources in an informed manner. To help Council make the best resource allocation decisions, previously approved projects with new commitments must undergo a full review and evaluated for funding based on the new categories and prioritization mechanism.

CARRY-FORWARD POLICY:

In 2003, a new carry-forward policy was adopted. Guiding principles and key elements of the policy are:

- Definition – A capital carry-forward project is a previously approved project where the planned capital work was not completed and its associated cash flow budget was not fully spent and / or committed in the year of approval, the total funding or a portion thereof, is required in the current and / or future fiscal year(s) in order to complete the project and the following fiscal year's capital program must be adjusted accordingly.
- Carry-forward issues may also relate to previously approved projects that did not have any projected expenditures in the current year and hence no approved cash flow budgets. However, due to delays in completion of the project, spending was required in the current year to complete the project.
- Programs and ABCs are expected to remain within their approved cash flow budgets for specific projects in each fiscal year. Variances from budget should be identified on the Quarterly Capital Variance Report, along with proposed corrective action.
- The capital budget process requires the estimation of expenditures. These estimates are subject to timing issues that may impact the accuracy of carry-forward amounts. This policy is proposed to address issues related to timing.

To ensure proper management of capital funds, some constraints were placed on what constituted a carry-forward project. For instance, it is necessary to ensure that sufficient unspent funds are available and that the project is not being carried forward for extended periods of time. Key policy conditions are:

- The cash flow budget funding approval will continue to exist for one fiscal year in addition to the year in which the project / sub-project was approved when the project is not complete.
- If the carry-forward is still not spent by the end of the second fiscal year and requires additional carry-forward funding in future fiscal years, this will be treated as if a new request in the next capital budget cycle and funding will form part of that year's affordability targets.

- Regardless of the requirement to remain within the cash flow budget for any given fiscal year, Council will continue to approve projects on a total project cost basis. Future year budget commitments will continue to be booked against the projects. Clients will continue to be accountable for total project costs and will report significant budget variances through the capital budget variance reporting process.
- Change in cash flows / project costs related to Change in Scope issues cannot be treated as carry-forward requests. For all Change in Scope projects, clients must identify these as new capital projects and confirm how the funding will be accommodated.
- The capital review process will include the review and closure of completed capital projects, after consultation with the clients. Any unspent funds will be returned to original financing source (i.e., unspent reserve financing goes back to that reserve, etc). In terms of budget variances, projects will continue to be controlled on a total project cost basis, subject to the provisions of the Financial Control By-Law.
- Carry-forward requests will not form part of the current year capital affordability targets, but will be subject to a separate reporting and approval process during the one-year extension period.

Included in the 2003 Capital budget is a cash flow amount of \$142.650 million gross and \$78.003 million net for 2002 carry-forward capital projects. These projects were carefully evaluated to confirm that the principles prescribed in the carry-forward policy were met.

AFFORDABILITY TARGETS:

In June 2002, the capital budget process, timetable and guidelines as adopted by Council were provided to programs. Based on an assessment of how much new debt the City could afford without significantly increasing the debt service cost burden on the operating budget, affordability targets were established in October 2002. A significant consideration in determining affordability was the City's constrained revenue base and growing expenditure pressures associated with maintaining base service levels on the operating budget. After careful analysis, the Executive Management Team (EMT) defined its capital expenditure affordability target as "zero new debt except for TTC".

The above affordability target meant that only 85% of the debt (\$413.097 million new commitment) contained in the 2003 program submission would be considered. Programs were, therefore, asked to re-evaluate their capital budget submissions and to present options to reduce debt corporately by 15%.

PROJECT STATUS:

The capital program was categorized by project status including previously approved, previously approved with change in scope and new projects. Program and Financial Planning (Budget) staff analyzed previously approved projects to determine which projects could be closed without

detriment to the City’s operations and goals, and otherwise, which projects needed carry-forward funding in 2003 to ensure their completion. Previously approved projects were reviewed to ensure that they remained within budget and within the scope approved by Council.

For the Budget Advisory Committee (BAC) Recommended Capital Budget and the 2004 – 2012 Capital Plan, projects will receive total project cost approval and full cash flow approval for 2003 and future year commitments arising from the approval of the 2003 Capital Budget. The balance of the program represents cash flow projections that will be used to determine long-term financing requirements and to develop a comprehensive debt management policy.

ADMINISTRATIVE REVIEW:

During October 2002, Financial Planning (Budget) Division staff in conjunction with Departments, Agencies, Boards and Commissions reviewed the 2003 Capital Budget and 2004 – 2007 Capital Plan submissions. The Chief Administrative Officer, Chief Financial Officer & Treasurer, and other Commissioners in arriving at the EMT Recommended Budget considered findings and recommendations of this review.

The Capital Budget program submission was \$1,195.372 million and included debt of \$413.097 million. Careful analysis of the City’s fiscal position indicated the need for a reasonable balance between managing the City’s debt while maintaining existing assets in a state of good repair, achieving some service level expansion and allowing for reasonable growth to meet the forecast demands caused by population growth and demographic changes. The above level of debt was not affordable. There is a debt reduction strategy that addressed the need to slowdown the rapid increase of the City’s debt-load and the associated debt service cost pressures on the operating budget was developed.

EMT recommended a total 2003 capital budget of \$1,177.241 million. This assumed that the Provincial and Federal Governments would contribute one third each (\$103.600 Million) of the funds required for the Toronto Transit Commission (TTC) capital budget.

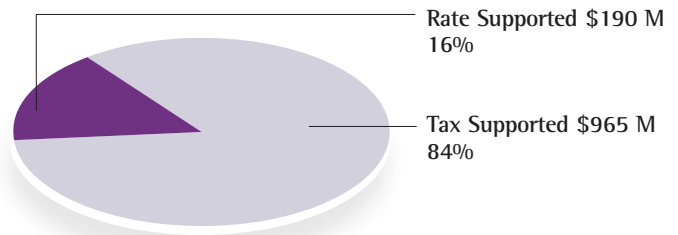
POLITICAL REVIEW:

In January 2003, Standing Committees reviewed the EMT Recommended Capital Budget for programs falling within their respective policy jurisdictions. In summary, these reviews increased the 2003 EMT Recommended Program by \$4.418

million (and \$0.708 million debt) resulting in a total Standing Committee Recommended 2003 Capital Budget (excluding 2002 carry-forwards) of \$1,181.659 million.

Standing Committee recommendations were presented to the Budget Advisory Committee for review. BAC decreased the Standing Committee recommended budget by \$26.354 million and recommended a gross 2003 capital budget excluding carry-forward of \$1,155.305 million.

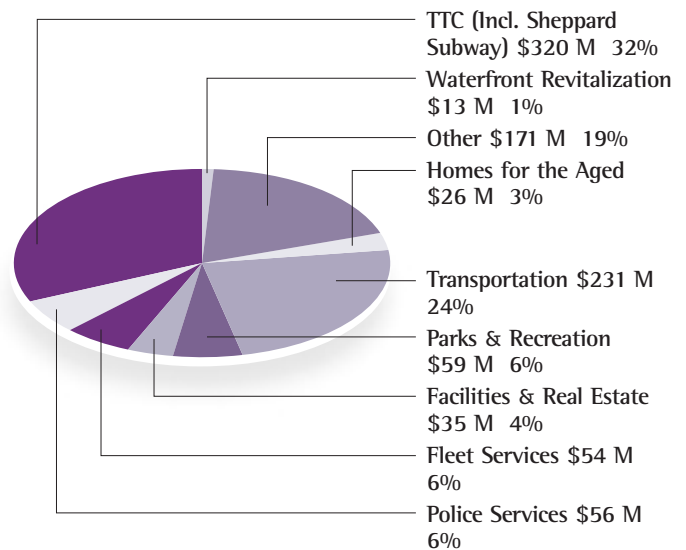
Tax and Rate Supported \$1,155.305 Million Cash Flow



Program area is shown in the following chart.

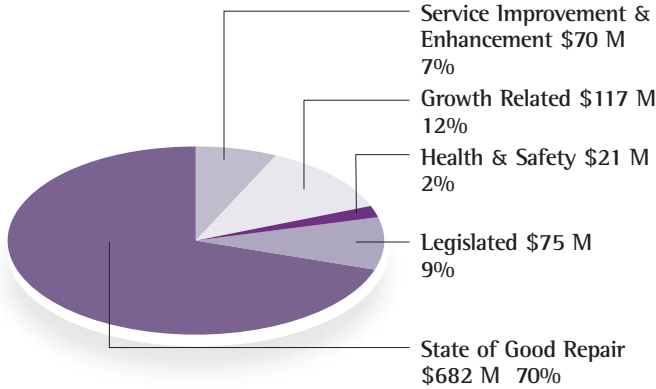
Tax Supported Program \$965.082 Million Cash Flow (net of 2002 carry-forward)

Note that TTC accounts for \$319.870 million or 32% of the total tax supported program. All other City Programs, Agencies, Boards and Commissions combined represent \$645.212 million or 68% of the total.

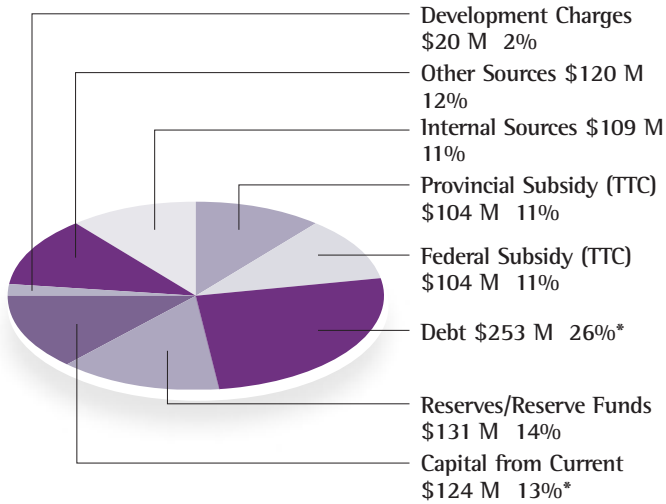


Tax Supported Program by Category
\$965.082 Million Cash Flow

70% of funding is being allocated to state of good repair projects, consistent with the direction to ensure that existing assets are properly maintained in order to maximize utility.



Tax Supported Program by Funding Source
\$965.082 Million Cash Flow

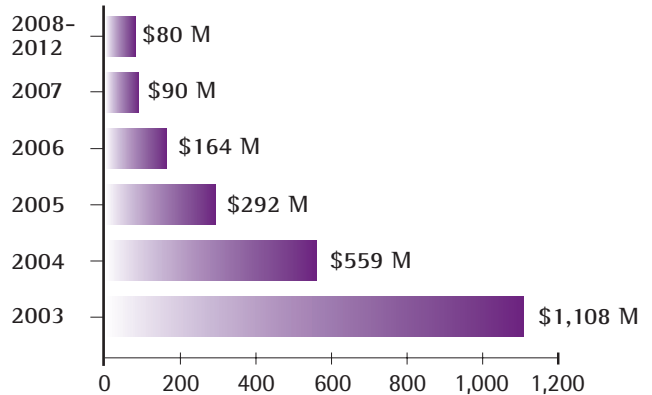


* Debt financing in the amount of \$253.0 million makes up 26% of the approved 2003 cash flow which is consistent with the City's Debt and Financial Obligation Limit. This includes an annual net amount of debt of approximately \$120 million and new debt of \$133 million inclusive of TTC estimated \$104 million (city share). The TTC capital budget was approved based on the assumption that the Federal Government and the Provincial Government would each fund one-third of the 2003 spending requirements.

FUTURE YEAR IMPACT OF 2003 COUNCIL APPROVED CAPITAL PROGRAM:

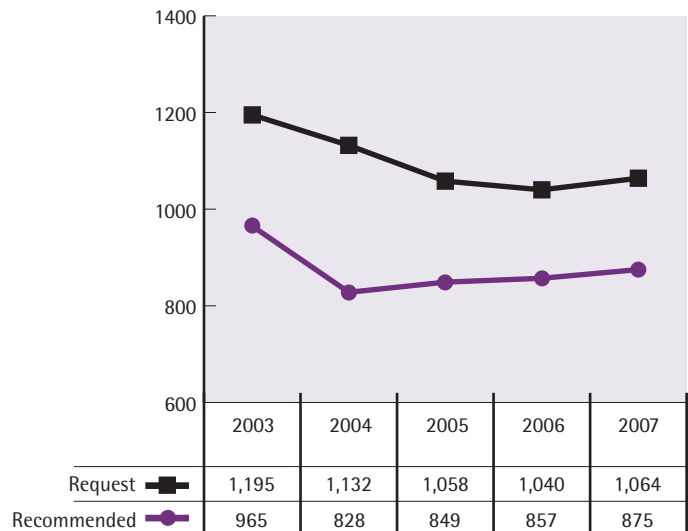
Approval of the 2003 Capital Budget impacts both future years' capital and operating budgets.

Tax Supported Program 2003 & Future Year Commitments-\$2,292.686 Million



The 2003 Council Approved Capital Budget satisfies the immediate objective of maintaining the City's infrastructure and capital assets in a State of Good Repair. The challenge continues to be to identify a spending envelope that ensures that future infrastructure and facility maintenance requirements do not cause fluctuations in the capital program. Given fiscal realities, it was necessary to balance between the strategic goals of maintaining capital assets in a state of good repair and the need to remain in a financially stable position. This resulted in a gap between program needs and affordability as illustrated above. The gap will have to be addressed in future years.

2003-2007 Capital Budget Request vs. Affordability
Tax Supported Program (Cash Flow Projection)



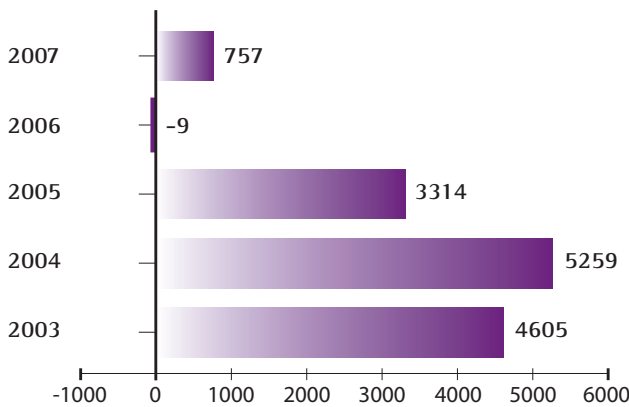
Incremental Operating Impact of the 2003 Capital Budget:

The capital program impacts the operating budget in four areas:

- (a) Increased operating costs related to new or expanded facilities;
- (b) Efficiency savings from investments that reduce operating costs;
- (c) Direct contributions to the capital program to reduce annual borrowing requirements (i.e. "Capital from Current"); and,
- (d) Principal and interest payments on debt issued for the capital program.

**Future Year Operating Budget Impact
Incremental Net Operating Impact
\$13.926 Million**

Excludes debt services costs, resulting from approval of the 2003 cash flow component of the 2003



TRANSIT CAPITAL FUNDING:

The recommended 2003 gross cash flow for the (TTC) capital budget, excluding the Sheppard Subway, is \$311.099 million with total 2003 – 2007 commitments of \$690.337 million. As indicated earlier, this cash flow represents 32% of the total 2003 recommended gross cash flow for the City of Toronto.

**The Recommended Maximum
External Financing for TTC**

Toronto Transit Commission (Incl. Sheppard Subway)

Financing Sources	\$ Millions
City – Sheppard Subway	4.351
Other Sources: TTC	4.719
City – TTC	103.600
Provincial Funding	103.600
Federal Funding	103.600
Total	319.870

It is assumed that both the Provincial and Federal governments will each fund one third of TTC’s capital projects.

It is recommended that the Provincial and Federal governments confirm their support in writing for one-third of the TTC’s ten-year capital forecast of \$3,767.519 million for the years 2003-2012.

GO TRANSIT:

Included in the 2003 capital budget is a preliminary provision for the GO Transit Capital Expansion Plan. The provision is for \$7.990 million gross, and \$3.990 million net. Based on GO Transit's approved 2003 capital expansion forecast the City may be responsible for \$21.132 million gross with a net of \$9.962 million in 2003 as show in the Table below. GO Transit capital expenditure forecasts for the ten-year period 2003 to 2012 are show in the table below. There continues to remain some outstanding policy issues relative to the City's share of GO Transit expenditures, which must be considered by Council. Pending resolution of these policy issues, the 2003 Council Approved Capital Budget was not amended to reflect the most current forecast.

CFO & TREASURER CERTIFICATION:

The Chief Financial Officer & Treasurer, in accordance with requirements of provincial regulations, confirms that expenditures in the amount of \$252.573 million for projected borrowing requirements (i) can be financed by the issuance of debentures, (ii) is within the City's Debt and Financial Obligation Limit and (iii) authority for debenture terms not exceeding 20 years is being recommended.

GO Capital Expansion Program 2003-2012 (\$Millions)

	2003	2004	2005	2006	2007	2003-2007	2008-2012
Gross Expenditure	21.132	19.638	18.632	22.775	22.916	105.903	66.232
Developmental Charges	0.000	3.000	6.000	6.000	6.000	21.000	30.000
Other Sources of Funding	11.170	0.000	0.000	0.000	0.000	11.170	0.000
Amount of City Budget	9.962	16.638	12.632	16.775	16.916	72.923	36.232

City of Toronto

2003 Council Approval Capital Budget 2003 Cash Flow and Future Year Commitments

(Includes Carry-forwards)

('000's)

PROGRAMS	Total Cash Flow 2003 - 2012	2003 Cash Flow and Future Year Commitments					2008 to 2012	2003 Cash Flow - Funding Sources						2003 Total Funding
		2003	2004	2005	2006	2007		Provincial Sub./ Grants	Reserve/ Res. Funds	Devel. Charges	CFC	Other	Debt. Int. Sources	
Community and Neighbourhood Service														
Children's Services	7,409	6,309	1,100	0	0	0	0	2,000	1,772	0	0	2,037	500	6,309
Homes for the Aged Shelter, Housing & Support	38,215	31,175	7,040	0	0	0	0	298	2,643	0	0	1,000	27,234	31,175
Social Services	129,887	22,260	53,096	39,357	13,328	1,846	0	758	8,109	0	0	10,411	2,982	22,260
Department Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Department Total	175,511	59,744	61,236	39,357	13,328	1,846	0	3,056	12,524	0	0	13,448	30,716	59,744
Works and Emergency Services														
Emergency Medical Services	16,164	9,907	2,915	3,242	50	50	0	5,795	330	0	0	0	3,782	9,907
Solid Waste Management Services	117,088	36,400	43,774	26,058	5,368	5,445	43	0	8,870	0	18,423	0	9,107	36,400
Fire Services	27,228	19,392	4,914	1,260	1,662	0	0	0	2,500	0	0	30	16,862	19,392
Transportation Services	512,435	243,670	61,475	60,520	54,590	19,020	73,160	0	0	7,185	97,352	53,050	86,083	243,670
Works and Emergency Services	13,204	10,503	2,491	210	0	0	0	0	0	0	0	1,414	9,089	10,503
Emergency Preparedness Projects	3,639	2,571	1,068	0	0	0	0	1,929	0	0	0	0	642	2,571
Department Total	689,758	322,443	116,637	91,290	61,670	24,515	73,203	7,724	11,700	7,185	115,775	54,494	125,565	322,443
Economic Development, Culture and Tourism														
Culture	23,597	15,349	8,248	0	0	0	0	5,766	2,138	0	0	1,470	5,975	15,349
Economic Development	7,724	6,514	1,210	0	0	0	0	0	0	0	0	1,844	4,670	6,514
Parks & Recreation	91,282	72,211	13,591	2,480	3,000	0	0	0	21,653	11,339	0	4,565	34,654	72,211
Department Total	122,603	94,074	23,049	2,480	3,000	0	0	5,766	23,791	11,339	0	7,879	45,299	94,074
Urban Development Services														
Urban Development Services	8,716	7,825	891	0	0	0	0	0	0	0	0	183	7,642	7,825
Waterfront Revitalization	122,964	19,457	28,169	27,167	20,011	26,760	1,400	0	0	0	0	0	19,457	19,457
Department Total	131,680	27,282	29,060	27,167	20,011	26,760	1,400	0	0	0	0	183	27,099	27,282
Corporate Services														
City Clerk's Corporate Communications	307	234	73	0	0	0	0	0	96	0	0	0	138	234
Court Services Facilities & Real Estate	50	50	0	0	0	0	0	0	0	0	0	0	50	50
Fleet Services	12,250	12,250	0	0	0	0	0	0	12,250	0	0	0	0	12,250
Information & Technology	107,345	46,751	46,863	10,038	2,855	838	0	0	0	0	10,255	0	36,496	46,751
Department Total	76,882	76,882	0	0	0	0	0	0	76,882	0	0	0	0	76,882
Department Total	21,417	14,784	4,866	1,667	100	0	0	0	0	0	0	0	14,784	14,784
Department Total	218,251	150,951	51,802	11,705	2,955	838	0	0	89,228	0	10,255	0	51,468	150,951
Finance														
Finance	18,397	8,348	6,807	2,792	450	0	0	0	2,146	250	0	750	5,202	8,348
Department Total	18,397	8,348	6,807	2,792	450	0	0	0	2,146	250	0	750	5,202	8,348
Other Projects														
Corporate CAO's Office	2,600	2,600	0	0	0	0	0	0	2,600	0	0	0	0	2,600
Yonge Dundas Project	1,105	845	180	80	0	0	0	0	0	0	0	0	845	845
Department Total	4,101	4,101	0	0	0	0	0	0	0	0	0	4,031	70	4,101
Department Total	7,806	7,546	180	80	0	0	0	0	2,600	0	0	4,031	915	7,546
TOTAL - CITY OPERATIONS														
	1,364,006	670,388	288,771	174,871	101,414	53,959	74,603	16,546	141,989	18,774	126,030	80,785	286,264	670,388

City of Toronto

2003 Council Approval Capital Budget 2003 Cash Flow and Future Year Commitments

(Includes Carry-forwards) – continued

(000's)

PROGRAMS	Total Cash Flow 2003 - 2012	2003 Cash Flow and Future Year Commitments						2003 Cash Flow - Funding Sources						2003 Total Funding
		2003	2004	2005	2006	2007	2008 to 2012	Provincial Sub./ Grants	Reserve/ Res. Funds	Devel. Charges	CFC	Other	Debt. Int. Sources	
Special Purpose Bodies														
Exhibition Place	14,372	13,917	455	0	0	0	0	0	0	0	0	9,000	4,917	13,917
Go Transit	7,990	7,990	0	0	0	0	0	0	0	0	0	4,000	3,990	7,990
Toronto & Region Conservation Authority	6,452	6,452	0	0	0	0	0	0	2,445	0	0	0	4,007	6,452
Toronto Parking Enforcement Operations	7,007	4,116	1,983	908	0	0	0	0	1,707	0	0	1,253	1,156	4,116
Toronto Police Service	153,843	58,817	36,331	24,791	20,854	11,050	2,000	0	28,939	0	0	990	28,888	58,817
Toronto Public Library	22,977	12,468	7,926	2,583	0	0	0	0	0	1,018	0	1,850	9,600	12,468
Toronto Public Health	10,454	7,337	2,600	517	0	0	0	932	0	0	0	300	6,105	7,337
Toronto Transit Commission	690,337	311,099	221,103	88,177	41,585	24,597	3,776	103,600	0	0	0	122,979	84,520	311,099
Toronto Transit Commission (Sheppard Subway)	8,771	8,771	0	0	0	0	0	0	0	4,420	0	0	4,351	8,771
Toronto Zoo	6,477	6,377	100	0	0	0	0	0	0	0	0	600	5,777	6,377
Total Special Purpose Bodies	928,680	437,344	270,498	116,976	62,439	35,647	5,776	104,532	33,091	5,438	0	140,972	153,311	437,344
TOTAL - TAX SUPPORTED PROGRAM														
	2,292,686	1,107,732	559,269	291,847	163,853	89,606	80,379	121,078	175,080	24,212	126,030	221,757	439,575	1,107,732
Rate Supported Program														
Toronto Parking Authority	63,921	32,522	12,973	6,500	5,450	2,700	3,776	0	1,600	0	0	30,922	0	32,522
Water Program	128,890	128,890	0	0	0	0	0	0	128,890	0	0	0	0	128,890
Wastewater Program	113,437	113,437	0	0	0	0	0	0	113,437	0	0	0	0	113,437
Total-Rate Supported Capital Program	306,248	274,849	12,973	6,500	5,450	2,700	3,776	0	243,927	0	0	30,922	0	274,849
TOTAL - CAPITAL PROGRAMS														
	2,598,934	1,382,581	572,242	298,347	169,303	92,306	84,155	121,078	419,007	24,212	126,030	252,679	439,575	1,382,581

City of Toronto
2003 Council Approval Capital Budget
2003 Cash Flow - Excluding 2002 Carry-forward
(000's)

PROGRAM	2003 Cash Flow	Prov. Sub. & Grants	Reserve Funds	Develop. Charges	Financing Sources		Debt/ Internal Sources	Total Financing
					Capital Fr. Current	Other		
Community and Neighbourhood Service								
Children's Services	3,048	2,000	548	0	0	0	500	3,048
Homes for the Aged	25,514	298	2,643	0	0	1,000	21,573	25,514
Shelter, Housing & Support	19,088	758	6,684	0	0	10,136	1,510	19,088
Social Services	0	0	0	0	0	0	0	0
Department Total	47,650	3,056	9,875	0	0	11,136	23,583	47,650
Works and Emergency Services								
Emergency Medical Services	4,317	1,271	330	0	0	0	2,716	4,317
Solid Waste Management Services	26,343	0	7,920	0	18,423	0	0	26,343
Fire Services	11,167	0	2,500	0	0	30	8,637	11,167
Transportation Services	231,041	0	0	7,185	96,352	51,800	75,704	231,041
Works and Emergency Services	6,463	0	0	0	0	1,414	5,049	6,463
Emergency Preparedness Projects	2,054	1,541	0	0	0	0	513	2,054
Department Total	281,385	2,812	10,750	7,185	114,775	53,244	92,619	281,385
Economic Development, Culture and Tourism								
Culture	9,463	2,733	1,501	0	0	1,220	4,009	9,463
Economic Development	4,367	0	0	0	0	1,188	3,179	4,367
Parks & Recreation	58,934	0	15,290	8,119	0	5,520	30,005	58,934
Department Total	72,764	2,733	16,791	8,119	0	7,928	37,193	72,764
Urban Development Services								
Urban Development Services	6,790	0	0	0	0	183	6,607	6,790
Waterfront Revitalization	12,625	0	0	0	0	0	12,625	12,625
Department Total	19,415	0	0	0	0	183	19,232	19,415
Corporate Services								
City Clerk's	234	0	96	0	0	0	138	234
Corporate Communications	50	0	0	0	0	0	50	50
Court Services	5,091	0	5,091	0	0	0	0	5,091
Facilities & Real Estate	35,446	0	0	0	9,397	0	26,049	35,446
Fleet Services	53,946	0	53,946	0	0	0	0	53,946
Human Resources	0	0	0	0	0	0	0	0
Information & Technology	12,015	0	0	0	0	0	12,015	12,015
Department Total	106,782	0	59,133	0	9,397	0	38,252	106,782
Other Projects								
Yonge Dundas Project	3,101	0	0	0	0	4,031	(930)	3,101
CAO's Office	322	0	0	0	0	0	322	322
Department Total	3,423	0	0	0	0	4,031	(608)	3,423
Finance								
Finance	5,293	0	1,844	250	0	65	3,134	5,293
Department Total	5,293	0	1,844	250	0	65	3,134	5,293
TOTAL - CITY OPERATIONS	536,712	8,601	98,393	15,554	124,172	76,587	213,405	536,712
Special Purpose Bodies								
Exhibition Place	13,785	0	0	0	0	9,000	4,785	13,785
Go Transit	7,990	0	0	0	0	4,000	3,990	7,990
Toronto & Region Conservation Authority	6,452	0	2,445	0	0	0	4,007	6,452
Toronto Parking								
Enforcement Operations	4,116	0	1,707	0	0	1,253	1,156	4,116
Toronto Police Service	55,731	0	28,939	0	0	0	26,792	55,731
Toronto Public Library	10,559	0	0	191	0	768	9,600	10,559
Toronto Public Health	4,723	0	0	0	0	300	4,423	4,723
Toronto Transit Commission	311,099	103,600	0	0	0	122,979	84,520	311,099
Toronto Transit Commission (Sheppard Subway)	8,771	0	0	4,420	0	0	4,351	8,771
Toronto Zoo	5,144	0	0	0	0	600	4,544	5,144
Total Special Purpose Bodies	428,370	103,600	33,091	4,611	0	138,900	148,168	428,370
TOTAL - TAX SUPPORTED PROGRAM	965,082	112,201	131,484	20,165	124,172	215,487	361,573	965,082
Rate Supported Program								
Toronto Parking Authority	27,315	0	1,300	0	0	26,015	0	27,315
Water Program	67,283	0	67,283	0	0	0	0	67,283
Wastewater Program	95,625	0	95,625	0	0	0	0	95,625
Total-Rate Supported Capital Program	190,223	0	164,208	0	0	26,015	0	190,223
TOTAL - CAPITAL PROGRAMS	1,155,305	112,201	295,692	20,165	124,172	241,502	361,573	1,155,305

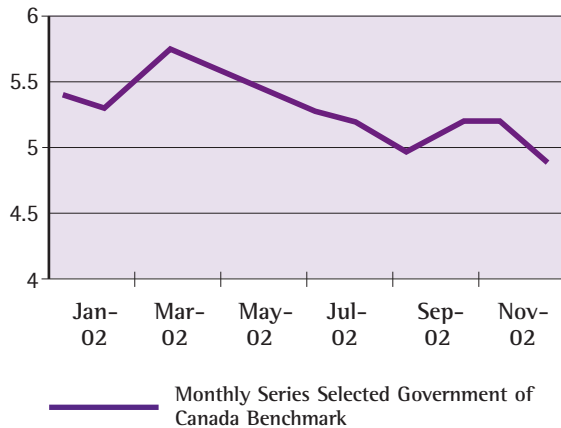
CAPITAL MARKET FINANCING ACTIVITIES DURING 2002

By-law No. 52-2002, as adopted by Council on February 13, 14th and 15th, 2002 authorized the Mayor and Treasurer to enter into agreements for the issue and sale of debentures during the year 2001 to provide an aggregate amount not exceeding \$500,000,000 for purposes of the City and including the purposes of any former municipality, the former municipality of Metropolitan Toronto and a board of education.

DEBENTURE FINANCING DURING 2002

Canada's monetary policy continued the trend of further easing at the start of 2002 as the impact on the economy from September 11, 2001 remained somewhat uncertain. As a result, the Bank of Canada continued with its policy of lower interest rates as it cut short-term rates by 25 basis points in January 2002. With inflation concerns easing due to the weaker performance of the US economy, long-term interest rates continued to decline during the year.

10 Year Benchmark Government of Canada Bond Yield-2002



Capital market conditions coupled with continuing investor demand for government bonds created an attractive opportunity debenture issuance during the last quarter of 2002, especially in the one to ten year interest rate curve.

Acting in accordance with the unanimous advice of the City's investment syndicate lead managers (CIBC World Markets Inc., Scotia Capital Inc., RBC Capital Markets Inc.), negotiations were completed on November 18, 2002, for a public issue of debentures in the Canadian domestic market.

This transaction was the City's sole debenture issued in 2002 and received an excellent response in a stable and receptive capital market. The instalment debentures were issued with a

par value of \$150 million for maturities ranging from 1 to 10 years with interest rates between 3.05% to 5.45%. The overall net average cost of financing is 4.996%. The structure and pricing of the transaction represented the lowest cost of funds available relative to other potential structures, markets and currencies as provided by legislation.

CREDIT RATINGS

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. The City would then have to offer a higher interest rate to attract investors.

CURRENTLY, THE CITY OF TORONTO'S CREDIT RATINGS ARE:

- ➔ Dominion Bond Rating Service (DBRS) – AA with a stable outlook (reaffirmed April 17, 2003)
- ➔ Standard and Poor's Canada (S&P) – AA with a stable outlook (reaffirmed February 2003)
- ➔ Moody's Investor Service – Aa1 with a stable outlook (upgraded in November 2002)

OUTLOOK FOR 2003

For 2003, the Province has added bank loans and lower-cost financing from the Ontario Municipal Economic Infrastructure Financing Authority (OMEIFA) to the issuance of debentures as tools to finance capital expenditures. The City continues to monitor the domestic and international capital markets as well as evaluating these new financing vehicles to identify opportunities to achieve the lowest cost of capital funding for the City.

BUDGET SUMMARY BY PROGRAM

City of Toronto 2003 Operating Budget - Net Expenditures

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget Incr / (Dcr)	%
Community and Neighbourhood Services					
Children's Services	61,242.7	64,566.4	62,475.4	1,232.7	2.0%
Homes for the Aged	28,641.2	27,903.5	28,190.5	(450.7)	(1.6%)
Shelter, Housing & Support	268,946.9	281,192.6	273,981.6	5,034.7	1.9%
Social Development & Administration	8,196.5	8,451.6	8,322.4	125.9	1.5%
Social Services	222,576.9	233,488.7	221,913.1	(663.8)	(0.3%)
Department Total	589,604.2	615,602.8	594,883.0	5,278.8	0.9%
Works and Emergency Services					
Emergency Medical Services	42,087.9	47,742.0	45,903.5	3,815.6	9.1%
Emergency Management Plan	1,854.3	1,990.0	1,854.3	0.0	0.0%
Solid Waste Management Services	107,775.9	137,731.5	109,148.9	1,373.0	1.3%
Fire Services	261,711.4	281,294.4	274,673.9	12,962.5	5.0%
Transportation Services	172,170.5	179,919.2	175,105.0	2,934.5	1.7%
WES - Support Services	0.0	0.0	0.0	0.0	n/a
WES - Technical Services	1,784.9	2,654.5	4,160.3	2,375.4	133.1%
Department Total	587,384.9	651,331.6	610,845.9	23,461.0	4.0%
Economic Development, Culture and Tourism					
Culture	8,927.3	8,829.4	8,804.7	(122.6)	(1.4%)
Customer & Business Support	17,385.3	17,942.9	16,994.0	(391.3)	(2.3%)
Economic Development	7,052.3	7,391.0	7,413.0	360.7	5.1%
Parks & Recreation	145,549.2	152,295.1	150,402.6	4,853.4	3.3%
World Youth Day	1,050.6	0.0	0.0	(1,050.6)	(100.0%)
Tourism	8,897.1	9,021.5	8,851.2	(45.9)	(0.5%)
Department Total	188,861.7	195,479.9	192,465.5	3,603.8	1.9%
Urban Development Services					
Urban Development Services	16,889.5	18,698.6	15,928.8	(960.7)	(5.7%)
Department Total	16,889.5	18,698.6	15,928.8	(960.7)	(5.7%)
Corporate Services					
City Clerk's	20,747.0	21,285.6	20,940.4	193.4	0.9%
Court Services	(218.9)	(1,828.3)	(4,422.8)	(4,203.9)	1920.5%
Service Improvement & Innovation	2,123.8	2,194.6	2,164.6	40.8	1.9%
Corporate Communications	6,070.4	6,460.0	6,337.0	266.6	4.4%
Facilities & Real Estate	30,579.6	33,335.8	31,536.7	957.1	3.1%
Fleet Services	0.0	0.0	0.0	0.0	n/a
Human Resources	24,698.1	25,022.5	25,155.4	457.3	1.9%
Information & Technology	39,099.5	39,214.6	39,099.1	(0.4)	(0.0%)
Legal	17,707.2	18,079.9	18,037.9	330.7	1.9%
Department Total	140,806.7	143,764.7	138,848.3	(1,958.4)	(1.4%)
Finance					
Finance	35,851.9	36,647.0	36,085.6	233.7	0.7%
Department Total	35,851.9	36,647.0	36,085.6	233.7	0.7%

City of Toronto 2003 Operating Budget - Net Expenditures

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget	
				Incr / (Dcr)	%
Other City Departments					
Auditor General	2,803.3	2,916.2	2,886.9	83.6	3.0%
Chief Administrator's Office (CAO)	5,152.1	5,175.5	5,625.5	473.4	9.2%
Council	16,768.3	17,357.3	17,615.7	847.4	5.1%
Mayor's Office	1,342.5	1,313.3	1,763.7	421.2	31.4%
Department Total	26,066.2	26,762.3	27,891.8	1,825.6	7.0%
TOTAL - CITY OPERATIONS (Excl. KVC)	1,585,465.1	1,688,286.9	1,616,948.9	31,483.8	2.0%
Keele Valley Closure (KVC)	0.0	21,425.0	40,216.0	40,216.0	n/a
TOTAL - CITY OPERATIONS AFTER KVC	1,585,465.1	1,709,711.9	1,657,164.9	71,699.8	4.5%
Special Purpose Bodies					
Toronto Public Health	65,220.2	69,233.5	69,616.7	4,396.5	6.7%
Toronto Public Library	116,824.3	123,960.3	121,767.1	4,942.8	4.2%
Exhibition Place	(111.6)	839.3	(249.5)	(137.9)	123.6%
Theatres	3,073.7	2,872.1	2,953.5	(120.2)	(3.9%)
Toronto Zoo	8,654.2	9,485.5	8,255.6	(398.6)	(4.6%)
Arena Boards of Management	92.6	73.4	57.4	(35.2)	(38.0%)
Yonge/Dundas Square	375.0	555.5	545.5	170.5	45.5%
Toronto & Region Conservation Authority	5,470.2	5,723.5	5,636.7	166.5	3.0%
Association of Community Centers	4,707.0	4,775.7	4,792.3	85.3	1.8%
Toronto Transit Commission (Incl. Wheel Trans)	196,718.4	247,401.1	227,903.0	31,184.6	15.9%
Toronto Police Service & Board	605,946.9	650,181.2	635,951.2	30,004.3	5.0%
TOTAL - ABCs (Excl. GO Transit)	1,006,970.9	1,115,101.1	1,077,229.5	70,258.6	7.0%
Corporate Accounts					
Consolidated Grant Program	34,733.6	35,218.2	34,980.0	246.4	0.7%
Capital & Corporate Financing	406,369.9	412,216.5	386,829.8	(19,540.1)	(4.8%)
Non-Program Expenditures	170,852.6	194,447.6	181,270.8	10,418.2	6.1%
Non-Program Revenues	(414,165.3)	(380,974.4)	(481,314.9)	(67,149.6)	16.2%
TOTAL - CORPORATE ACCOUNTS	197,790.8	260,907.9	121,765.7	(76,025.1)	(38.4%)
NET OPERATING BUDGET	2,790,226.8	3,085,720.9	2,856,160.1	65,933.3	2.4%
C&I Tax Increase re Registered Charities Rebate	0.0	0.0	(875.0)	(875.0)	n/a
Assessment Growth/Shift	0.0	(32,760.0)	(32,760.0)	(32,760.0)	n/a
Total Assessment Changes	0.0	(32,760.0)	(33,635.0)	(33,635.0)	n/a
NET TAX LEVY OPERATING BUDGET AFTER ASSESSMENT CHANGES	2,790,226.8	3,052,960.9	2,822,525.1	32,298.3	1.2%
NON LEVY OPERATIONS					
Parking Authority	0.0	0.0	0.0	0.0	n/a
Water & Waste Water	0.0	0.0	0.0	0.0	n/a
NON LEVY OPERATING NET EXPEND.	0.0	0.0	0.0	0.0	n/a

City of Toronto 2003 Operating Budget - Gross Expenditures

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget	
				Incr / (Dcr)	%
Community and Neighbourhood Services					
Children's Services	297,105.1	287,728.7	299,449.8	2,344.7	0.8%
Homes for the Aged	149,975.4	159,131.9	159,418.9	9,443.5	6.3%
Shelter, Housing & Support	640,289.5	629,479.2	638,854.6	(1,434.9)	(0.2%)
Social Development & Administration	17,571.7	17,521.3	17,486.1	(85.6)	(0.5%)
Social Services	977,897.0	934,105.0	934,105.0	(43,792.0)	(4.5%)
Department Total	2,082,838.7	2,027,966.1	2,049,314.4	(33,524.3)	(1.6%)
Works and Emergency Services					
Emergency Medical Services	106,066.9	114,436.6	114,268.1	8,201.2	7.7%
Emergency Management Plan	5,163.3	1,990.0	1,854.3	(3,309.0)	(64.1%)
Solid Waste Management Services	177,041.3	190,959.0	182,689.0	5,647.7	3.2%
Fire Services	264,672.4	283,575.5	278,450.0	13,777.6	5.2%
Transportation Services	237,493.5	245,273.5	242,915.8	5,422.3	2.3%
WES - Support Services	33,300.0	36,064.3	33,813.9	513.9	1.5%
WES - Technical Services	47,402.7	49,152.7	48,132.1	729.4	1.5%
Department Total	871,140.1	921,451.6	902,123.2	30,983.1	3.6%
Economic Development, Culture and Tourism					
Culture	11,931.2	11,850.3	12,190.4	259.2	2.2%
Customer & Business Support	19,122.5	19,758.3	19,368.9	246.4	1.3%
Economic Development	7,799.2	8,114.3	8,314.3	515.1	6.6%
Parks & Recreation	214,709.3	219,788.4	219,745.6	5,036.3	2.3%
World Youth Day	1,190.6	0.0	0.0	(1,190.6)	(100.0%)
Tourism	12,034.0	12,158.4	12,068.1	34.1	0.3%
Department Total	266,786.7	271,669.7	271,687.3	4,900.6	1.8%
Urban Development Services					
Urban Development Services	82,728.7	87,552.0	92,332.2	9,603.5	11.6%
Department Total	82,728.7	87,552.0	92,332.2	9,603.5	11.6%
Corporate Services					
City Clerk's	41,096.6	44,781.1	44,435.9	3,339.3	8.1%
Court Services	25,781.1	26,171.7	27,339.7	1,558.6	6.0%
Service Improvement & Innovation	2,466.7	2,584.6	2,654.6	187.9	7.6%
Corporate Communications	6,228.0	6,562.6	6,439.6	211.6	3.4%
Facilities & Real Estate	75,758.5	85,300.0	84,241.2	8,482.7	11.2%
Fleet Services	32,295.4	31,397.0	31,297.0	(998.4)	(3.1%)
Human Resources	27,196.2	26,339.8	26,472.7	(723.5)	(2.7%)
Information & Technology	40,130.7	40,527.0	40,411.5	280.8	0.7%
Legal	19,989.2	24,008.0	24,353.2	4,364.0	21.8%
Department Total	270,942.4	287,671.8	287,645.4	16,703.0	6.2%
Finance					
Finance	67,606.2	69,203.3	68,975.3	1,369.1	2.0%
Department Total	67,606.2	69,203.3	68,975.3	1,369.1	2.0%

City of Toronto 2003 Operating Budget - Gross Expenditures

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget	
				Incr / (Dcr)	%
Other City Departments					
Auditor General	2,909.2	3,032.5	3,003.2	94.0	3.2%
Chief Administrator's Office (CAO)	5,152.1	5,175.5	5,625.5	473.4	9.2%
Council	16,768.3	17,357.3	17,615.7	847.4	5.1%
Mayor's Office	1,342.5	1,313.3	1,763.7	421.2	31.4%
Department Total	26,172.1	26,878.6	28,008.1	1,836.0	7.0%
TOTAL - CITY OPERATIONS (Excl. KVC)	3,668,214.9	3,692,393.1	3,700,085.9	31,871.0	0.9%
Keele Valley Closure (KVC)	0.0	21,425.0	21,425.0	21,425.0	n/a
TOTAL - CITY OPERATIONS AFTER KVC	3,668,214.9	3,713,818.1	3,721,510.9	53,296.0	1.5%
Special Purpose Bodies					
Toronto Public Health	160,250.9	170,468.9	170,100.8	9,849.9	6.1%
Toronto Public Library	128,887.6	136,846.1	134,832.7	5,945.1	4.6%
Exhibition Place	40,882.4	41,817.1	40,778.3	(104.1)	(0.3%)
Theatres	17,714.9	20,420.9	20,502.3	2,787.4	15.7%
Toronto Zoo	31,407.0	33,217.0	32,857.1	1,450.1	4.6%
Arena Boards of Management	4,755.5	5,023.7	5,021.3	265.8	5.6%
Yonge/Dundas Square	793.0	1,040.5	1,030.5	237.5	29.9%
Toronto & Region Conservation Authority	23,219.0	23,911.3	23,912.5	693.5	3.0%
Association of Community Centers	4,862.1	4,945.2	4,961.8	99.7	2.1%
Toronto Transit Commission (Incl. Wheel Trans)	906,724.6	951,697.4	957,167.2	50,442.6	5.6%
Toronto Police Service & Board	626,388.3	673,910.0	659,680.0	33,291.7	5.3%
TOTAL - ABCs (Excl. GO Transit)	1,945,885.3	2,063,298.1	2,050,844.5	104,959.2	5.4%
Corporate Accounts					
Consolidated Grant Program	39,316.3	39,800.9	39,562.7	246.4	0.6%
Capital & Corporate Financing	409,869.9	415,716.5	391,078.9	(18,791.0)	(4.6%)
Non-Program Expenditures	223,780.2	248,887.0	236,357.3	12,577.1	5.6%
TOTAL - CORPORATE ACCOUNTS	672,966.4	704,404.4	666,998.9	(5,967.5)	(0.9%)
GROSS OPERATING BUDGET	6,287,066.6	6,481,520.6	6,439,354.3	152,287.7	2.4%
NON LEVY OPERATIONS					
Parking Authority	81,268.6	89,855.5	91,055.5	9,786.9	12.0%
Water & Waste Water	486,276.7	520,142.9	520,142.9	33,866.2	7.0%
NON LEVY OPERATING GROSS EXPEND.	567,545.3	609,998.4	611,198.4	43,653.1	7.7%

City of Toronto 2003 Operating Budget - Revenues

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget	
				Incr / (Dcr)	%
Community and Neighbourhood Services					
Children's Services	235,862.4	223,162.3	236,974.4	1,112.0	0.5%
Homes for the Aged	121,334.2	131,228.4	131,228.4	9,894.2	8.2%
Shelter, Housing & Support	371,342.6	348,286.6	364,873.0	(6,469.6)	(1.7%)
Social Development & Administration	9,375.2	9,069.7	9,163.7	(211.5)	(2.3%)
Social Services	755,320.1	700,616.3	712,191.9	(43,128.2)	(5.7%)
Department Total	1,493,234.5	1,412,363.3	1,454,431.4	(38,803.1)	(2.6%)
Works and Emergency Services					
Emergency Medical Services	63,979.0	66,694.6	68,364.6	4,385.6	6.9%
Emergency Management Plan	3,309.0	0.0	0.0	(3,309.0)	(100.0%)
Solid Waste Management Services	69,265.4	53,227.5	73,540.1	4,274.7	6.2%
Fire Services	2,961.0	2,281.1	3,776.1	815.1	27.5%
Transportation Services	65,323.0	65,354.3	67,810.8	2,487.8	3.8%
WES - Support Services	33,300.0	36,064.3	33,813.9	513.9	1.5%
WES - Technical Services	45,617.8	46,498.2	43,971.8	(1,646.0)	(3.6%)
Department Total	283,755.2	270,120.0	291,277.3	7,522.1	2.7%
Economic Development, Culture and Tourism					
Culture	3,003.9	3,020.9	3,385.7	381.8	12.7%
Customer & Business Support	1,737.2	1,815.4	2,374.9	637.7	36.7%
Economic Development	746.9	723.3	901.3	154.4	20.7%
Parks & Recreation	69,160.1	67,493.3	69,343.0	182.9	0.3%
World Youth Day	140.0	0.0	0.0	(140.0)	(100.0%)
Tourism	3,136.9	3,136.9	3,216.9	80.0	2.6%
Department Total	77,925.0	76,189.8	79,221.8	1,296.8	1.7%
Urban Development Services					
Urban Development Services	65,839.2	68,853.4	76,403.4	10,564.2	16.0%
Department Total	65,839.2	68,853.4	76,403.4	10,564.2	16.0%
Corporate Services					
City Clerk's	20,349.6	23,495.5	23,495.5	3,145.9	15.5%
Court Services	26,000.0	28,000.0	31,762.5	5,762.5	22.2%
Service Improvement & Innovation	342.9	390.0	490.0	147.1	42.9%
Corporate Communications	157.6	102.6	102.6	(55.0)	(34.9%)
Facilities & Real Estate	45,178.9	51,964.2	52,704.5	7,525.6	16.7%
Fleet Services	32,295.4	31,397.0	31,297.0	(998.4)	(3.1%)
Human Resources	2,498.1	1,317.3	1,317.3	(1,180.8)	(47.3%)
Information & Technology	1,031.2	1,312.4	1,312.4	281.2	27.3%
Legal	2,282.0	5,928.1	6,315.3	4,033.3	176.7%
Department Total	130,135.7	143,907.1	148,797.1	18,661.4	14.3%
Finance					
Finance	31,754.3	32,556.3	32,889.7	1,135.4	3.6%
Department Total	31,754.3	32,556.3	32,889.7	1,135.4	3.6%

City of Toronto 2003 Operating Budget - Revenues

(In \$000's)	2003 Total Council Approved Budget				
	2002 Approved Budget	2003 Base Budget Request	2003 Council Approved Budget	Change from 2002 Approved Budget	
				Incr / (Dcr)	%
Other City Departments					
Auditor General	105.9	116.3	116.3	10.4	9.8%
Chief Administrator's Office (CAO)	0.0	0.0	0.0	0.0	n/a
Council	0.0	0.0	0.0	0.0	n/a
Mayor's Office	0.0	0.0	0.0	0.0	n/a
Department Total	105.9	116.3	116.3	10.4	9.8%
TOTAL - CITY OPERATIONS (Excl. KVC)	2,082,749.8	2,004,106.2	2,083,137.0	387.2	0.0%
Keele Valley Closure (KVC)	0.0	0.0	(18,791.0)	(18,791.0)	n/a
TOTAL - CITY OPERATIONS AFTER KVC	2,082,749.8	2,004,106.2	2,064,346.0	(18,403.8)	(0.9%)
Special Purpose Bodies					
Toronto Public Health	95,030.7	101,235.4	100,484.1	5,453.4	5.7%
Toronto Public Library	12,063.3	12,885.8	13,065.6	1,002.3	8.3%
Exhibition Place	40,994.0	40,977.8	41,027.8	33.8	0.1%
Theatres	14,641.2	17,548.8	17,548.8	2,907.6	19.9%
Toronto Zoo	22,752.8	23,731.5	24,601.5	1,848.7	8.1%
Arena Boards of Management	4,662.9	4,950.3	4,963.9	301.0	6.5%
Yonge/Dundas Square	418.0	485.0	485.0	67.0	16.0%
Toronto & Region Conservation Authority	17,748.8	18,187.8	18,275.8	527.0	3.0%
Association of Community Centers	155.1	169.5	169.5	14.4	9.3%
Toronto Transit Commission (Incl. Wheel Trans)	710,006.2	704,296.3	729,264.2	19,258.0	2.7%
Toronto Police Service & Board	20,441.4	23,728.8	23,728.8	3,287.4	16.1%
TOTAL - ABCs (Excl. GO Transit)	938,914.4	948,197.0	973,615.0	34,700.6	3.7%
Corporate Accounts					
Consolidated Grant Program	4,582.7	4,582.7	4,582.7	0.0	0.0%
Capital & Corporate Financing	3,500.0	3,500.0	4,249.1	749.1	21.4%
Non-Program Expenditures	52,927.6	54,439.4	55,086.5	2,158.9	4.1%
Non-Program Revenues	414,165.3	380,974.4	481,314.9	67,149.6	16.2%
TOTAL - CORPORATE ACCOUNTS	475,175.6	443,496.5	545,233.2	70,057.6	14.7%
OPERATING REVENUES BUDGET	3,496,839.8	3,395,799.7	3,583,194.2	86,354.4	2.5%
C&I Tax Increase re Registered Charities Rebate	0.0	0.0	875.0	875.0	n/a
Assessment Growth/Shift	0.0	32,760.0	32,760.0	32,760.0	n/a
Total Assessment Changes	0.0	32,760.0	33,635.0	33,635.0	n/a
LEVY OPERATING BUDGET AFTER ASSESSMENT CHANGES	3,496,839.8	3,428,559.7	3,616,829.2	119,989.4	3.4%
NON LEVY OPERATIONS					
Parking Authority	81,268.6	89,855.5	91,055.5	9,786.9	12.0%
Water & Waste Water	486,276.7	520,142.9	520,142.9	33,866.2	7.0%
NON LEVY OPERATING REVENUES	567,545.3	609,998.4	611,198.4	43,653.1	7.7%

MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM TORONTO'S 2002 RESULTS

On October 3, 2000 the Province introduced the Municipal Performance Measurement Program (MPMP) indicating that "Ontario municipalities have more authority now than they had in the past and, with increased authority, comes the need for greater accountability." Additional provincial objectives for MPMP are to improve service delivery, share best practices within and among municipalities and to increase taxpayer awareness.

Results of MPMP for each calendar year are required to be reported to the Ministry of Municipal Affairs & Housing by June 30th and to taxpayers by September 30th of the subsequent year. Since the original introduction of the program for the 2000 reporting year the program has been expanded from sixteen performance measures, to twenty-six (thirty-eight including component measures) for the 2002 reporting year.

The ten service areas currently included under MPMP are:

- | | |
|---------------------|-----------------------|
| 1. Local Government | 2. Fire |
| 3. Police | 4. Roads |
| 5. Public Transit | 6. Wastewater |
| 7. Stormwater | 8. Water |
| 9. Solid Waste | 10. Land-Use Planning |

TORONTO'S 2002 RESULTS IN RELATION TO 2001

Appendix A provides a summary of Toronto's MPMP results for both year 2 (2001) and year 3 (2002) as well as the main factors behind the change in results between the two years.

Of the 32 measures approximately 63% have results in 2002, that are either the highest possible result, an improved result or a stable result relative to 2001.

Measures where Toronto has the highest possible result in 2002 are:

- 100% of winter event responses (clearing of roads) met or exceeded municipal road maintenance standards.
- there were no boil water advisories issued by the Medical Officer of Health, applicable to our municipal water supply.
- There were no MOE compliance orders for remediation concerning an air or groundwater standard for our solid waste management facilities.
- 100% of new development with final approval was located within settlement areas.

Examples of measures where Toronto's result has improved in 2002 include:

- The violent crime rate decreased from 14.4 offences per 1,000 population to 13.5
- The youth crime rate decreased from 41.4 offences per 1,000 youth to 37.9
- The rate of other (non-traffic) criminal code offences decreased from 24.8 per 1,000 population to 24.5
- The total crime (non-traffic) rate decreased from 77.4 per 1,000 population to 76.3
- Operating costs for paved (hard top) roads per lane kilometre decreased by 12.4%
- Operating costs for winter control maintenance of roadways per lane kilometre decreased by 14%
- Operating costs for treatment/disposal of wastewater per megalitre decreased by 3.4%
- Operating costs for treatment of drinking water per megalitre decreased by 7.9%
- Operating costs for solid waste diversion per tonne decreased by 3.6%
- The percentage of residential solid waste diverted, increased from 26.7% in 2001 to 27.9% in 2002

For a number of efficiency measures, the cost per unit has increased in 2002. These increases are not however an indication of inefficiency but have resulted from factors such as changes in collective agreements that in general have increased wage rates by approximately 3% in 2002. The labour disruption in July of 2002 did reduce some costs or defer work to future years however it also impacted other non-financial components of measures such as reducing the tonnes of solid waste and recyclable items that were collected.

In examining municipal performance, all aspects of service delivery must be considered. These include efficiency, customer service, quality and the impact our programs are having on communities. Performance also can't be evaluated solely on quantitative factors. Achievements and completion of initiatives that can't easily be quantified are equally important factors that must also be considered.

For further information, please contact Lorne Turner, Chief Administrator's Office, at (416) 397-0533, or email: ltturner@toronto.ca

PROVINCE OF ONTARIO MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM (MPMP)

Toronto's Performance Measurement Results

MPMP Measure- 2002 (Year 3)	2001 Result (Year 2)	2002 Result (Year 3)	% Inc (Dec)	Explanations for Measures With Significant Change
Local Government				
(1) Operating costs for governance & corporate management as a percentage of total municipal operating costs	2.3%	2.3%	0.0%	→ Has remained stable in 2002
Fire				
(2) Operating costs for fire services per \$1,000 of assessment	\$1.29 (restated*)	\$1.44	11.6%	<p>→ Increase is attributable to harmonization of firefighter wage rates with a first class constable salary in the Toronto Police Service.</p> <p>→ This award related to the pre-2002 period but was paid in 2002.</p>
Police				
(3) Operating costs for police services per household	\$623.17 (restated*)	\$639.58	2.6%	→ Increase is due primarily to a contractual increase in wages.
(4) Crime rate				
(a) Violent crime per 1,000 population	14.4	13.5	(6.3%)	<p>→ Violent crime was down by 6.3% caused mainly by the decrease in minor non-sexual assaults (-5%), major non-sexual assaults (-4.2%) and robberies (-6.5%).</p> <p>→ The youth crime rate decrease was caused by an overall 6% decrease in youth arrested for Criminal Code offences, including an 8.8% decrease for violent crime and a 4% decrease for property crime.</p>
(b) Property crime per 1,000 population	38.2	38.3	0.3%	
(c) Youth crime per 1,000 youth population	41.4 (restated*)	37.9	(8.5%)	
(d) Other criminal code offences (non-traffic) per 1,000 population	24.8	24.5	(1.2%)	
(e) Total (non-traffic) crime per 1,000 population	77.4	76.3	(1.4%)	
Roads				
(5) Operating costs for paved (hard top) roads per lane kilometre	\$4,938 (restated*)	\$4,325	(12.4%)	<p>→ Approximately half of the decrease relates to a reduction in roadway cut repair costs arising from a reduced level of activity in 2002.</p> <p>→ General roadway maintenance costs were lower resulting from a deferral of some work due in part to the July labour disruption and the dedication of resources for World Youth Day events.</p>

Toronto's Performance Measurement Results (continued)

MPMP Measure- 2002 (Year 3)	2001 Result (Year 2)	2002 Result (Year 3)	% Inc (Dec)	Explanations for Measures With Significant Change
Roads (continued)				
(6) Operating costs for unpaved (loose top) roads per lane kilometre	N/A	N/A	N/A	→ Not applicable to Toronto
(7) Operating costs for winter control maintenance of roadways per lane kilometre	\$4,321 (restated*)	\$3,714	(14.0%)	→ Savings in contracted services and salt resulting from mild winter conditions and lower than normal snowfall activity during the year.
(8) Percentage of paved lane kilometres where condition is rated as good to very good	78.3%	78.1%	(0.3%)	→ Has remained relatively stable in 2002
(9) Percentage of winter event responses that met or exceeded municipal road maintenance standards	100%	100%	0.0%	All winter event responses have met or exceeded standards.
Transit				
(10) Operating costs for conventional transit per regular service passenger trip	\$1.86	\$2.01	8.1%	→ Increased wage, energy and accident claims costs → Service expansion- Opening of Sheppard Subway → Ridership decrease of 1.0%
(11) Number of conventional transit passenger trips per person in the service area in a year	161.9	158.6	(2.0%)	→ Increased population of 1.0% → Ridership decrease of 1.0%
Wastewater (Sewage)				
(12) Wastewater				→ Wage increases in 2002 as well as modifications to control centres at pumping stations and increased energy costs.
(a) Operating costs for wastewater collection per kilometre of wastewater main	\$4,995 (restated*)	\$5,323	6.6%	
(b) Operating costs for wastewater treatment and disposal per megalitre of wastewater treated	\$201.21 (restated*)	\$194.36	(3.4%)	→ Cost reduction due to savings realized from the Works Best Practices program and from a 1.5% reduction in the number of megalitres of wastewater treated.
(c) Operating costs for wastewater (collection, treatment & disposal) per kilometre of wastewater main (integrated system)	\$300.82 (restated*)	\$302.14	0.4%	→ Costs decreased by 1.1% and volumes of wastewater decreased by 1.5%.
(13) Number of sewer-main backups per 100 kilometres of sewer line in the year	2.18 (restated*)	3.25	49.1%	→ Drier weather in 2002 led to lower cleansing volumes in sewers and a build up of sediment. When large storm events occurred this sediment contributed to the increase in back-ups.

Toronto's Performance Measurement Results (continued)

MPMP Measure- 2002 (Year 3)	2001 Result (Year 2)	2002 Result (Year 3)	% Inc (Dec)	Explanations for Measures With Significant Change
Wastewater (Sewage) (continued)				
(14) Percentage of wastewater estimated to have by-passed treatment	0.53%	0.56%	5.7%	→ Unusually high rainfalls during several storms in 2002 were the cause of the most significant by-pass events.
Stormwater				
(15) Operating cost for urban storm water management per km of drainage system	N/A	\$1,498	*	→ First year of measure. A comparative figure for 2001 is not available.
Water				
(16) Water				
(a) Operating costs for treatment of drinking quality water per megalitre	\$77.78 (restated*)	\$71.64	(7.9%)	→ Savings realized from the Works Best Practice Program (WBPP), lower expenditures funded from reserve funds and a lower allocation of program support costs.
(b) Operating costs for distribution of drinking quality water per kilometre of water distribution pipe	\$8,159 (restated*)	\$8,210	0.6%	→ Higher wage rates offset by lower amounts funded from reserve funds and a lower allocation of program support costs.
(c) Operating costs for the treatment and distribution of drinking quality water per megalitre (integrated system)	\$263.03 (restated*)	\$258.17	(1.8%)	→ Lower expenditures funded from reserve funds and a lower allocation of program support costs
(17) Number of breaks in water mains per 100 kilometres of water main pipe in a year	13.19 (restated*)	15.16	15.0%	→ 12% colder than normal weather in 2002 caused the increase in the number of breaks.
(18) Weighted number of days when a boil water advisory is issued by the Medical Officer of Health, applicable to a municipal water supply, was in effect	0 days	0 days	(0.0%)	→ No boil water advisories in 2001 or 2002
Solid Waste Management				
(19) Solid Waste (garbage) collection, transfer & disposal				
(a) Operating costs for solid waste (garbage) collection per tonne	\$49.51 (restated*)	\$57.05	15.2%	→ A 3.2% increase in costs primarily due to the collective agreement → A 10.4% drop in tonnes collected due to the impact of new user fees for commercial waste and improved waste diversion
(b) Operating costs for solid waste (garbage) transfer and disposal per tonne	\$39.93 (restated*)	\$40.67	1.9%	→ Accrual of GST costs in 2001 that was reversed in 2002. (\$5.7 million change) → An 8.5% drop in tonnage due to lower collections and lower ABCD and ICI tonnage flowing through transfer stations and Keele Valley

Toronto's Performance Measurement Results (continued)

MPMP Measure- 2002 (Year 3)	2001 Result (Year 2)	2002 Result (Year 3)	% Inc (Dec)	Explanations for Measures With Significant Change
Solid Waste Management (continued)				
(20) Operating costs for solid waste diversion (recycling) per tonne	\$140.02 (restated*)	\$135.01	(3.6%)	<ul style="list-style-type: none"> → An increase in the revenue from the sale of recycled materials → A 2.4% increase in tonnage
(21) Average operating costs for solid waste management (collection, transfer, disposal & diversion) per tonne (integrated systems)	\$71.39 (restated*)	\$74.72	4.7%	<ul style="list-style-type: none"> → A 7.1% drop in the number of tonnes managed → A 2.8% decrease in net exp. due to GST reversal in 2002 (\$5.7 million) and higher recycling revenues
(22) Number of days per year when a Ministry of Environment compliance order for remediation concerning an air or groundwater standard was in effect for a solid waste management facility, by site and total number of sites in the municipality	0 days	0 days	0.0%	<ul style="list-style-type: none"> → No compliance orders in either 2001 or 2002
(23) Number of complaints received in a year concerning the collection of solid waste (garbage) and recycled materials per 1,000 households	28.8	33.0	14.6%	<ul style="list-style-type: none"> → Implementation of aggressive new waste diversion programs such as green bin and user fees for commercial residual waste (yellow bag) was the primary cause of the increase
(24) Percentage of residential solid waste diverted	26.7%	27.9%	4.5%	<ul style="list-style-type: none"> → More apartments added in 2002 to the recycling program → Green box program introduced in Etobicoke in September 2002
Land-Use Planning				
(25)				
(a) Percentage of new development with final approval which is located within settlement areas	100%	100%	0%	<ul style="list-style-type: none"> → All new development is within settlement areas
(b) The number of new lots, blocks and/or units	16,880	17,415	3.2%	
(26)				
(a) Percentage of land designated for agricultural purposes which was preserved and	N/A	N/A		<ul style="list-style-type: none"> → No agriculturally designated lands in Toronto's Official Plan
(b) Number of hectares of land originally designated for agricultural purposes, which was re-designated for other uses during year	N/A	N/A		

Program Summaries



By managing
efficiently
and implementing
additional **cost saving** measures
while **protecting** and **maintaining**
essential City service, the City
was able to **limit**
tax increase.

COMMUNITY & NEIGHBOURHOOD SERVICES

Department Overview

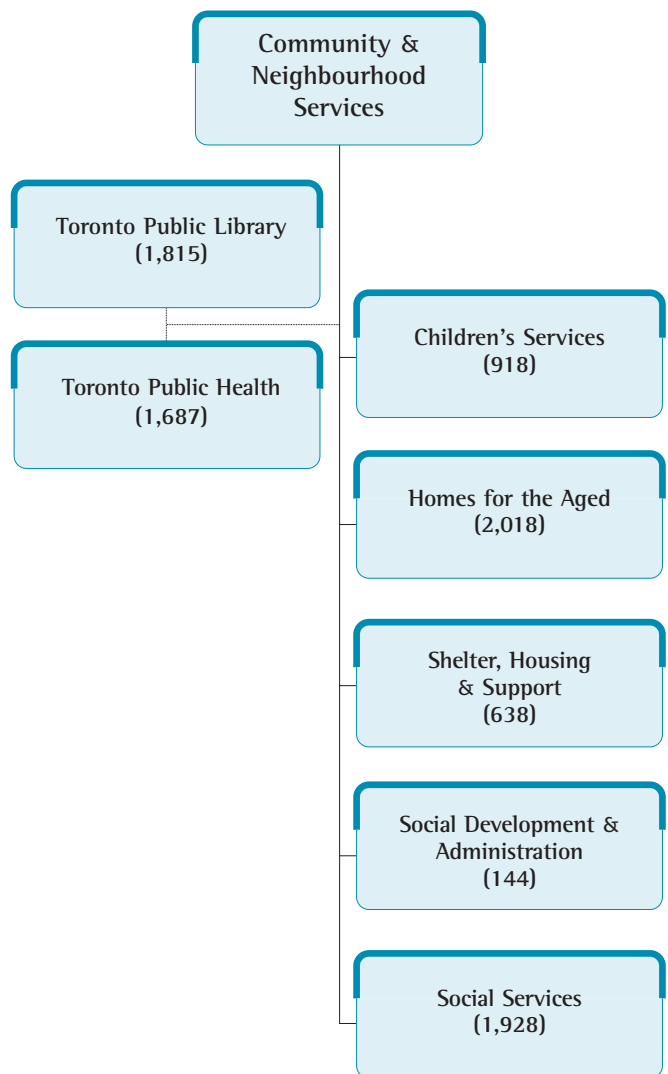
Community & Neighbourhood Services is responsible for providing timely, high quality human services to eligible residents of the City of Toronto, identifying emerging community needs and responding as appropriate with innovative, effective programs. Community & Neighbourhood Services is comprised of the following divisions: Children's Services, Homes for the Aged, Shelter, Housing and Support, Social Development and Administration, Social Services, and indirectly Public Health and Toronto Public Library.

Mission Statement *"Serving People, Strengthening Communities"*

Within the mandate established by Provincial legislation, the Community & Neighbourhood promotes the well-being of all people in the City of Toronto by planning, managing, funding and delivering human services, in partnership with communities and Government.

The Community & Neighbourhood Services Department is committed to developing strong communities, where diversity is valued, where people are able to participate in decisions that affect them and where all residents have equitable access to services and opportunities.

Department Map



2003 Operating Budget by Program

The 2003 operating budget for the Community & Neighbourhood Services is \$2,049.314 million gross and \$594.883 million net, which is comprised of:

Program	Gross (\$000s)	Net (\$000s)
Children's Services	299,449.8	62,475.4
Homes for the Aged	159,418.9	28,190.5
Shelter, Housing & Support	638,854.6	273,981.6
Social Development & Administration	17,486.1	8,322.4
Social Services	934,105.0	221,913.1
Total Department Budget	2,049,314.4	594,883.0

2002 Achievements

- Children's Services developed a "Made in Toronto" per capita based funding strategy for the provincial Early Years Centres Initiative, implemented five "First Duty" pilots to demonstrate the feasibility of integrated children's services, negotiated ward based plans for childcare consistent with the approved Child Care Service Plan.
- Homes for the Aged managed the development of two homes for the aged, including the rebuilding of one facility at a new site (Wesburn Manor) and commenced a phased construction (renovation) project at True Davidson Acres, continued to deliver a cost effective homemaking program to community clients delivering service to approximately 26,000 community clients, achieved and maintained full three year accreditation status in all 10 Homes with the Canadian Council on Health Services Accreditation, maintained occupancy levels above 98.0 percent of approved long-term care beds, and met and/or exceeded revenue targets in all Homes.
- Shelter, Homes and Support Division provided 1,536,457 bed-nights of shelter service for homeless people and 207,761 nights of boarding home service to adults with psychiatric disabilities, developed 7 new shelter locations to replace and/or expand shelter bed capacity, assisted 7,000 placement in housing, managed the City of Toronto Homeless Initiatives Fund including providing grants and supports to over 100 community-based projects and providing supports to homeless people and those at risk of becoming homeless. Implemented the program administration of 95,000 units of social housing including program and financial accountability system, IT systems, audit, reporting and staffing.
- Social Development and Administration Division reviewed and assessed 721 program funding requests under three grant programs and recommended 431 programs for funding, completed over 901 design projects and 710 editorial/writing projects within 95.0 percent of required deadlines, and co-ordinated 50 public and media events ranging from Task Force reports to Nissan Toronto Challenge and responded to over 200 information and data requests and completed over 20 strategic policy/planning reports such as the Mayor's Strategy to Promote a Safer Toronto for youth and the Food and Hunger Action Committee progress report.
- Social Services Division provided services including financial and employment assistance to over 125,000 individual cases (approximately 275,000 persons including children), achieved over 30,000 Ontario Works placements between April 1, 2001 and March 31, 2002, which exceeded the City's target of 17,622 placements set by the Province. Provincial recognition of this achievement included an additional \$14.2 million of funding to address local community human services needs.

CHILDREN'S SERVICES

Mission Statement *The Children's Services*

Division 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. Children's Services are planned, managed and provided in ways that promote early learning and development, respond to families' needs and choices and respect the diversity of Toronto's many communities. An integrated approach to serving children and families ensures public value and benefit for all.

Children's Services (CSD)

- *Committed to Children*
- *Supportive of Families*
- *Developing Community Capacity*

Program Objectives

Strategic Position: The division is strategically positioned for success in meeting its mission.

- A child care communication strategy and campaign is developed and implemented to keep quality licensed childcare on the public agenda and to secure adequate funding for childcare from the federal ECDI and the new National Child Care initiatives.
- City/provincial roles and responsibilities for service system management of childcare and related early years services has been rationalized and clarified
- The divisional role in supporting and promoting the City's Children's Agenda has been reviewed and confirmed.

- City childcare experience and expertise is used to inform future provincial reform options

Service Excellence: The division's programs and services set and reflect City standards of excellence for childcare.

- The directly operated portfolio is adjusted to better reflect changing community needs.
- Subsidy enrolment levels and ease of client access to care is improved.
- The First Duty Project demonstrates the merits of an integrated and seamless early years service model with licensed care as its core.
- New service models of school aged care are explored and tested.
- Annual installment in phased return of actual costs supports preservation of quality care standards.

Organizational Soundness: The division is structured, resourced and managed to meet its mission.

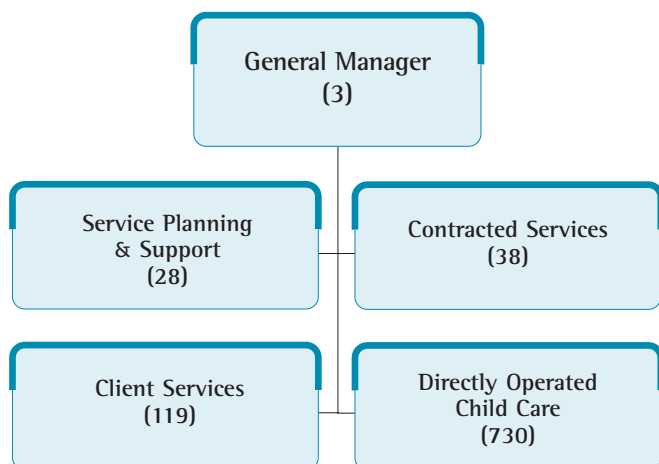
- Part-time bargaining unit's staff scheduling model tested as per Collective Agreement.
- Field Office relocations completed.
- Service level agreements negotiated with Human Resources and Facilities and Real Estate.
- Phase II of System Section restructuring completed.

Fiscal Prudence: Fiscal prudence and public accountability demonstrated by Children's Services

- Service spending strategy commensurate with the approved City and provincial funding implemented.
- 10-year capital forecast developed.
- Additional provincial funding support for wage subsidy secured through City support of the Equal Pay Coalition's Charter Challenge.
- Provincial service agreement with the City renegotiated following implementation of the Ontario Early Years Centre Initiative.

Program Map

Children's Services Division is comprised of four services, with a total of 918 approved positions:



Strategic Direction and Service Priorities

- Prevent further erosion of subsidized and licensed childcare.
- Restore lost provincial funding for childcare.
- Secure Toronto's fair share of the federal funding flowed to Ontario through the Early Child Development and Care Initiative and the new National Child Care Program.
- Enhance public support for licensed childcare as an essential component of an early years plan.
- Rationalize and clarify provincial/city service system management responsibilities for services for young children and families.
- Promote an integrated approach to services to young children and families.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Divisional Office	410.7	199.9
Service Planning and Support	3,009.2	1,261.5
Client Services	8,386.0	4,489.7
Contracted Services	3,803.2	2,055.7
Directly Operated Child Care	53,973.7	13,303.8
Purchased Services	229,867.0	41,164.8
Total Program Budget	299,449.8	62,475.4

NOTE: Above figures exclude the technical adjustment for hydro approved by council.

HIGHLIGHTS

- Provide for additional 2,000 childcare spaces, subject to receipt of the 80% Provincial subsidy.
- Provide City's 20% portion for the annual installment in the phased return to recognition of actual costs for child care programs under contract with the City.

PERFORMANCE MEASURES

Indicator	2001 Actual	2002 Actual	2003 Budget
Subsidized as percentage of children in need	20.6	19.7	23.8
Number of children placed	12,575	13,000	13,000*
Average daily cost per subsidized space	\$28.38	\$30.10	\$32.30
Administration as % of Total Program Cost	5.1	5.6	5.2
Annual Client Satisfaction Rating	89.53%	89.04% (Est)	88.33%

* Excluding expansion

Capital Budget

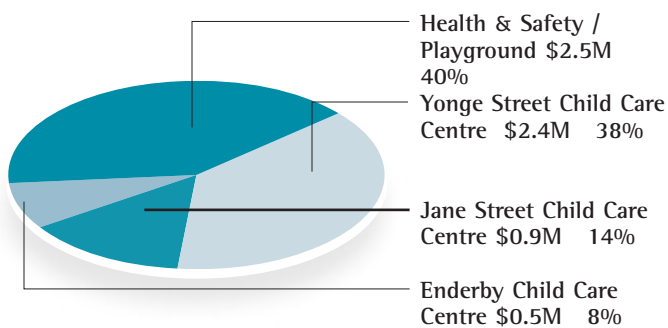
Total 2003 Gross Budget is \$6.309 million [2002 Budget - \$3.643 m]

- ➔ \$3.8 million for new child care centres at 5176 Yonge Street, 610 Jane Street and 118 Enderby Road.
- ➔ \$2.5 million for health and safety/playground programs

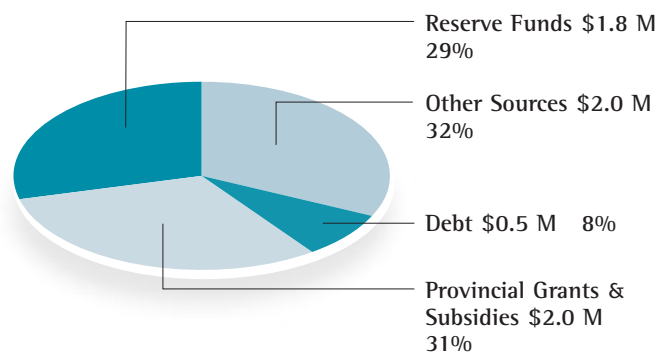
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Yonge Street Child Care Centre	2,397	-	-	-	-	2,397
Jane Street Child Care Centre	867	-	-	-	-	867
Total Previously Approved	3,264	-	-	-	-	3,264
New						
Jane Street Child Care Centre	45	-	-	-	-	45
118 Enderby Child Care Centre	500	1,100	-	-	-	1,600
Health & Safety -Playground	2,500	-	-	-	-	2,500
Total New	3,045	1,100	-	-	-	4,145
Total	6,309	1,100	-	-	-	7,409

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



HOMES FOR THE AGED

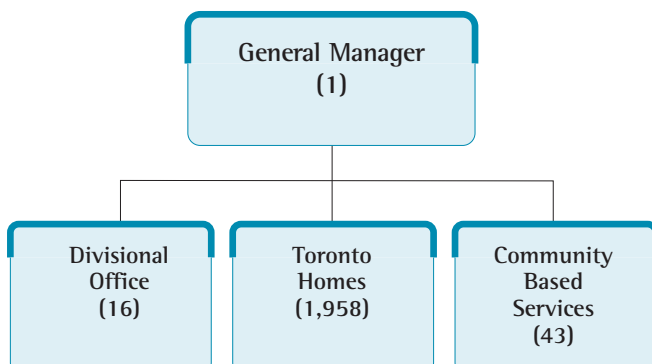
Mission Statement *The Homes for the Aged is responsible for developing and implementing a continuum of care and services to eligible adults in long term care facilities, at supportive housing sites and in clients' own homes.*

Program Objectives

- ➔ Provide high quality client focused care and service in a manner that maintains public accountability and consumer confidence.
- ➔ Continue to improve services through a Quality Improvement approach.
- ➔ Exercise client-centred interdisciplinary approach to independence.
- ➔ Purchase homemaker hours from Homemaking Agencies on behalf of elderly, disabled and family clients who may be experiencing a crisis.
- ➔ Provide quality personal support services to persons whose individual needs require the availability of 24-hour-on-site assistance.
- ➔ Offer clients living in the city the opportunity to achieve and maintain their optimal level of functioning.

Program Map

The Homes for the Aged Division is comprised of three services, with a total of 2,018 approved positions:



Strategic Direction and Service Priorities

Toronto Homes – There are ten Homes for the Aged owned and operated by the City of Toronto.

- ➔ To provide a continuum of long-term care and services through both permanent admission and short-stay programs to 2,641 residents, primarily adults with varying degrees of physical frailties, cognitive impairment and complex care needs.
- ➔ To provide high quality client focused care and service in a manner that maintains public accountability and consumer confidence, and continue to improve services through a Quality Improvement approach. The Division plans to exceed the established 90 per cent threshold for Customer Satisfaction rate in each program provided.
- ➔ To implement an integrated housekeeping system, which educates staff and incorporates new technology resulting in revised staffing routines and improved utilization of resources leading to a goal of achieving a standard of 8 hours of Support Service Work per 10,000 square feet per day.
- ➔ To maximize the occupancy at the 4 Adult Day Programs to achieve/exceed a projected target of 12,550 client days.

Community Based Services – Homemakers & Nurses Services – Homemakers & Nurses Services purchase homemaker hours from Homemaking Agencies on behalf of elderly, disabled and family clients who may be experiencing a crisis.

- ➔ To support clients to remain at home preventing premature institutionalization and family break-ups through a process of initial and on-going assessment and monitoring of client need by program caseworker.
- ➔ To improve customer satisfaction to 90.5 per cent.
- ➔ To increase the average caseload of each casework from 175 to 225.

Supportive Housing – The Supportive Housing Program provides quality personal support services to persons whose individual needs require the availability of 24-hour-on-site assistance.

- ➔ To provide affordable units to seniors who only receive basic pension allowance.
- ➔ To provide services such as individual assessment, case management and service co-ordination.
- ➔ To provide through purchase of service agreements with landlords, site operators, and service providers.

Adult Day Centres – The Adult Day Centre programs offer clients living in the city the opportunity to achieve and maintain their optimal level of functioning.

- ➔ To assist in preventing premature or inappropriate institutionalization.
- ➔ To provide respite and support for caregivers of clients.
- ➔ To provide services including planned social, recreational and physical activities as well nutritional meals for which clients pay a daily fee based on ability to pay.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Divisional Office	1,423.1	252.4
Toronto Homes	149,129.6	26,684.3
Community Based Services	8,866.2	1,253.8
Total Program Budget	159,418.9	28,190.5

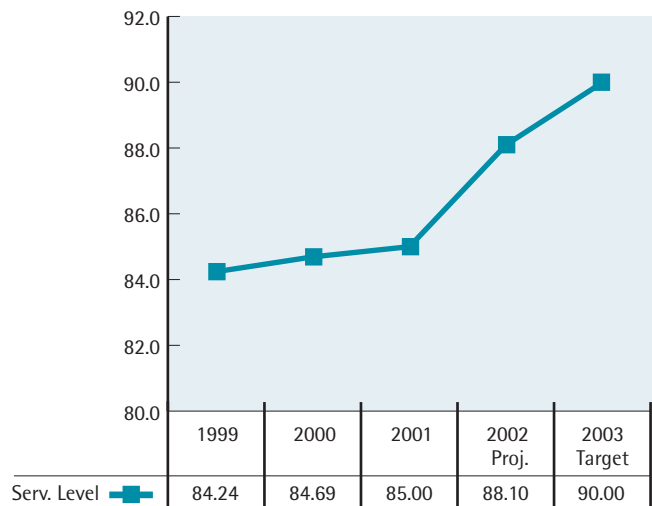
HIGHLIGHTS

- ➔ Re-opening of 36 long term care beds at Wesburn Manor.
- ➔ Achieve service efficiencies with the implementation of an integrated housekeeping system and revised staffing standards for housekeeping and food services.

PERFORMANCE MEASURES

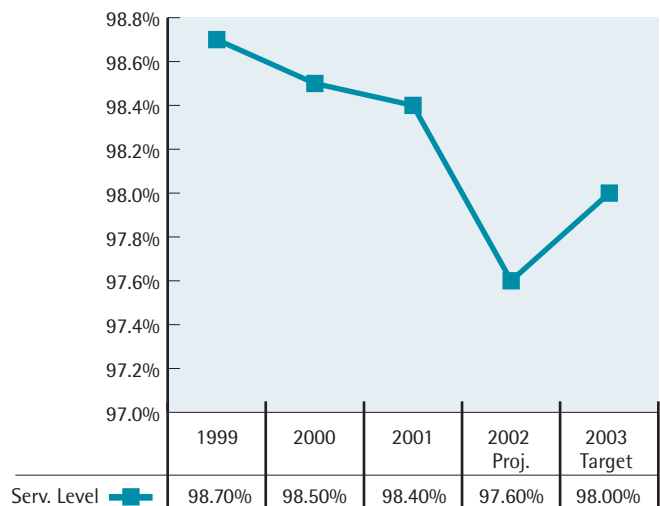
The ten Homes for the Aged provide a continuum of long-term care and services through both permanent admission and short-stay programs to 2,641 residents, primarily adults with varying degrees of physical frailties, cognitive impairment and complex care needs. Services provided to clients include recreational programming, nursing and medical services, housekeeping, maintenance, dietetics and food services, laundry, social work, volunteer services, spiritual and religious care, rehabilitative and therapy services, trust and administrative services.

Case Mix Measure



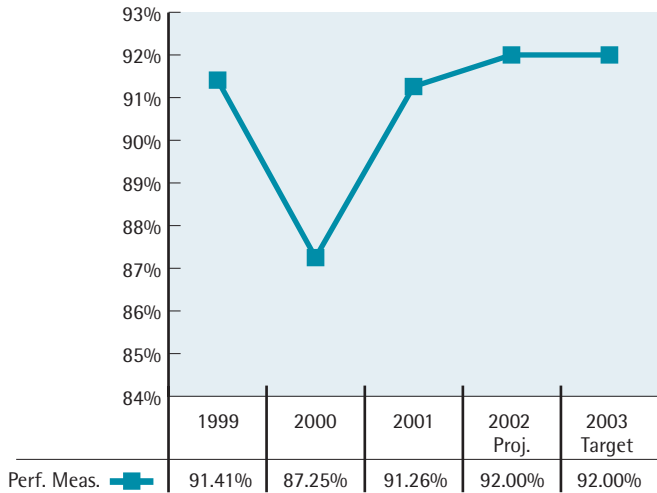
As a measure of the care level of Homes for the Aged's residents, the case mix measure trend indicates that the complexity of care for the Homes' residents is increasing.

Occupancy Rate



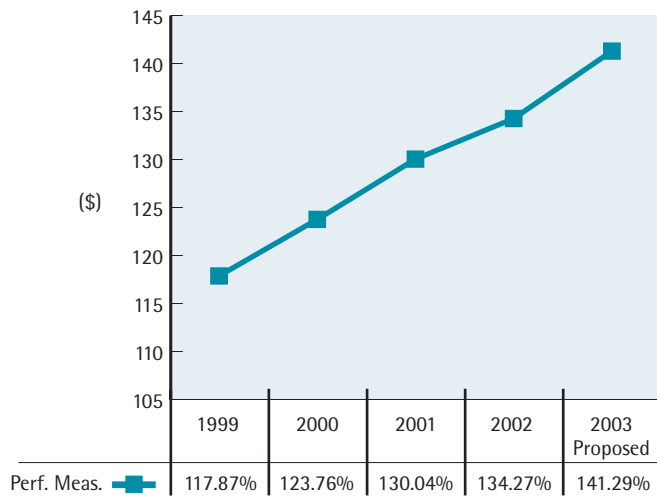
All ten of the Toronto's Homes for the Aged consistently achieve their occupancy targets.

Customer Satisfaction



Client focused care and service through a Quality Improvement approach has helped the Homes for the Aged achieve a high level of customer satisfaction.

Expenditure Per Diem



Increases in resident care levels and recent changes in the collective agreements are the major reasons for the year to year increases in the expenditure per diems.

Capital Budget

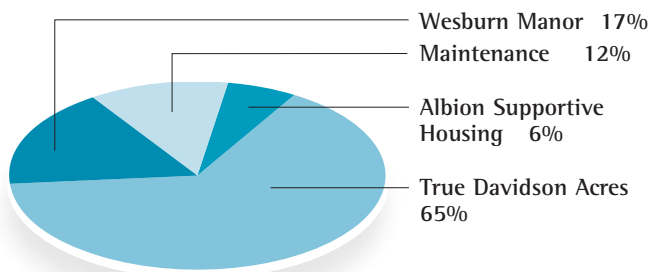
Total 2003 Gross Budget is \$31.175 million [2002 Budget – \$25.860 million)

- \$20.032 million for True Davdison Acres redevelopment (187 beds) anticipated for completion in August of 2004.
- \$5.342 million for Wesburn Manor (192 beds) anticipated for completion in June of 2003.
- \$3.801 million for on-going Maintenance projects.
- \$2.000 million for redevelopment of the existing Albion Lodge into a Supportive Housing facility (architectural drawings and construction, expected to complete in December of 2003).

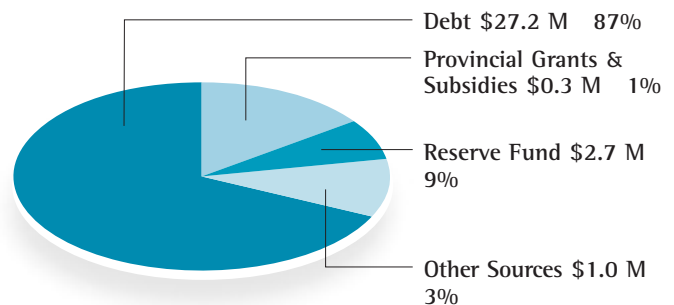
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
True Davidson Acres	20,032	960	-	-	-	20,992
Wesburn Manor	5,342	580	-	-	-	5,922
Total Previously Approved	25,374	1,540	-	-	-	26,914
New						
Maintenance	3,801	-	-	-	-	3,801
Albion Supportive Housing	2,000	5,500	-	-	-	7,500
Total New	5,801	5,500	-	-	-	11,301
Total	31,175	7,040	-	-	-	38,215

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



SHELTER, HOUSING AND SUPPORT

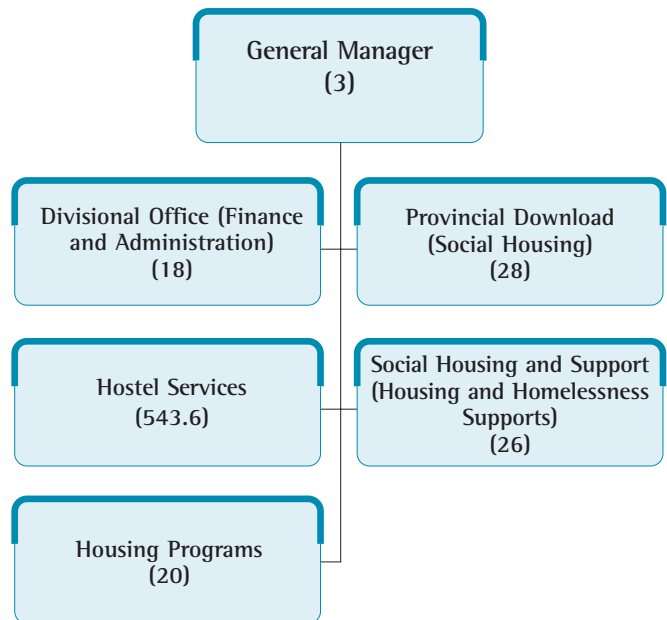
Mission Statement *The Shelter, Housing & Support Division contributes to healthy communities by ensuring that vulnerable people have a range of shelter and affordable housing options. We provide temporary shelter and support for homeless individuals and families, while creating and maintaining permanent housing solutions.*

Program Objectives

- Support and develop programs that fund and encourage the development of affordable housing
- Maintain programming that supports transitional housing to help people move from emergency shelter to more permanent housing
- Support programs that preserve the existing affordable housing stock and enhance the utilization of that housing
- Administer the City’s social housing portfolio
- Provide emergency shelter, including provision of meals, childcare and counselling for homeless people
- Provide funding to community agencies that work to prevent homelessness and provide support services to homeless individuals and families
- Provide support to tenants and landlords with respect to rental housing issues with the aim of maintaining the supply and affordability of rental housing
- Provide information to the public on matters relating to affordable housing and homelessness
- Co-ordination of the Community and Neighbourhood Services Emergency Preparedness/Response Program

Program Map

The Shelter, Housing and Support Division is comprised of five services, with a total of 638.6 approved positions:



Strategic Direction and Service Priorities

Provincial Housing-Social Housing: To manage and maintain the City’s affordable housing portfolio

- Provide stewardship of the annual social housing budget
- Finalize the implementation of the Social Housing Transfer
- Develop effective communication and training materials to better deliver the social housing business
- Work with the province, other municipalities and key social housing stakeholders to ensure a smooth transfer of federal funding

Hostel Services: To provide emergency shelter beds for the homeless

- Implement the revised hostel standards and further develop and implement quality-assurance practices/programs
- Develop the business case requirements to support the implementation of a Central Intake Centre – one access point for shelter service
- Continue to address the challenges and opportunities surrounding chronic hostel users, i.e., harm reduction approaches
- Implement information technology (IT) solutions for managing the hostel delivery system

Housing Programs: To leverage funding for and to provide support for existing affordable housing that is managed by third parties

- Build on the work effort and promotion campaign of the Let's Build program to facilitate the development of several hundred affordable housing units
- Maximise creation of affordable housing under Residential Rehabilitation Assistance Program
- Align resources of housing rehabilitation programs to address pressures on the existing affordable housing stock
- Negotiate with federal and provincial governments for the flexible use of funding to create affordable housing, including the implementation of the new national housing program

Social Housing and Support: To administer grants that support the homeless and to monitor delivery of services to the City's homeless

- Continue to monitor and respond to the impact of rental market changes and the Tenant Protection Act on low-income units and ensure tenants have access to information or are linked to appropriate services
- Complete research projects, including: Eviction Analysis Research Project, Rooming House Research Project, Second Suites Research Project, as well as initiate a review and evaluation of street outreach programs for homeless

- Maximise the use of the Tenant Defence Fund to help tenants retain their housing and counter unwarranted above-guideline rent increases
- Continue to implement recommendations from the Mayor's Homelessness Action Task Force, including collaboration with other Divisions and Departments
- Continue to support City and Community based initiatives to prevent and resolve homelessness, including funding of housing help and eviction prevention support services, drop-in and outreach programs and food access services
- Continue to administer the Homeless Initiative Fund, Community Partners Program, Supports to Daily Living Program and the Off the Street, Into Shelters Fund

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Divisional Finance and Administration	1,458.7	1,458.7
Provincial Download-Social Housing	473,156.7	224,740.5
Hostel Services	118,319.1	40,813.5
Social Housing and Support	41,943.4	4,471.2
Housing Programs	3,976.7	2,497.7
Total Program Budget	638,854.6	273,981.6

NOTE: Above figures exclude the technical adjustment for hydro.

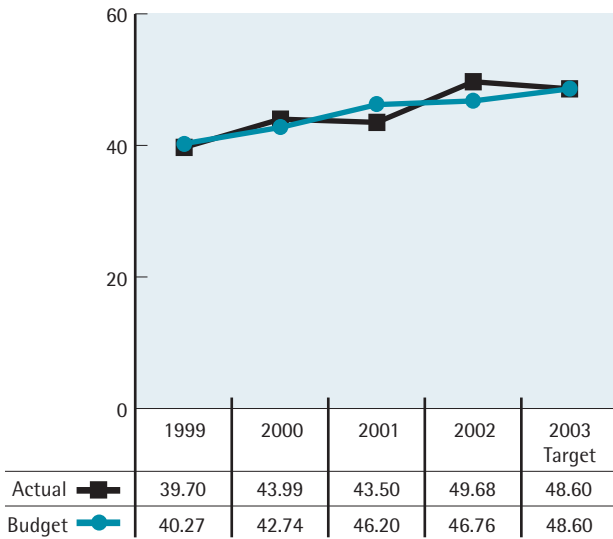
HIGHLIGHTS

- Provides an average of 6,079 shelter-bed nights, with a budgeted cost of \$48.60 per bed night
- Provides affordable housing through 95,400 units, with an average annual cost to the City of \$2,400 per unit
- Enhancement of Tenant Defence fund by \$25 thousand to \$325 thousand

PERFORMANCE MEASURES

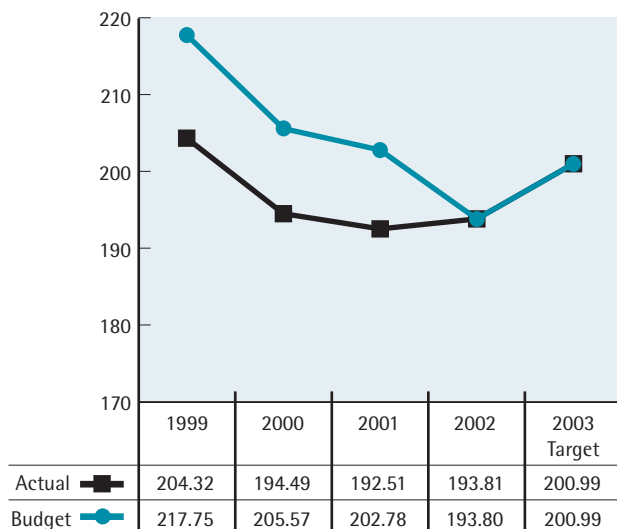
Shelter, Housing and Support provides shelter services in accordance with City policies and within the program’s budget framework. A measure of effectiveness is the program’s net cost per diem of service provision.

City Bed Night Per Diem \$



The program is responsible for managing the City’s social housing portfolio. One measure of efficiency is the cost to the City of maintaining these units of housing.

Social Housing Monthly Cost Per Unit



Capital Budget

Total 2003 Gross Budget is \$22.260 million [2002 Budget - \$20.374 m]

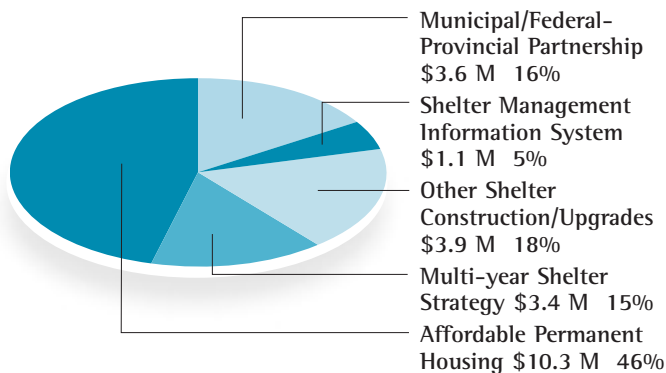
- \$3.353 million for first-year spending of the Multi-year Shelter Strategy initiative that provides funding for 296 shelter beds (101 new and 195 replacement);
- \$10.282 million for affordable permanent housing, six projects of which will be completed in 2003, providing as many as 180 new affordable-housing units;
- \$3.567 million to provide permanent housing through the Municipal/Federal - Provincial Partnership Program that totals \$71.058 million through 2006, potentially creating up to 2,000 new affordable-housing units;
- \$1.080 million to begin the implementation of a Shelter Management Information System to automate program operational-reporting requirements;
- \$3.978 million for other shelter construction/upgrades, including (28 Bathurst \$1.472 million; HVAC Upgrades \$1.740 million; Seaton House \$.716 million; Eva's Youth Shelter \$.050 million)

5 YEAR CAPITAL WORKS PLAN

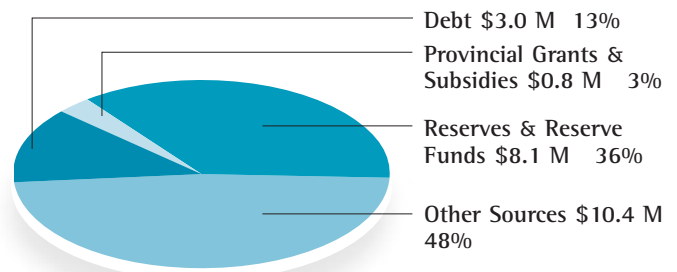
	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Family Shelter I	-	1,743	-	-	-	1,743
Short Term Accommodation	5,465	2,600	-	-	-	8,065
Seaton House Renovations	716	-	-	-	-	716
Let's Build	7,457	10,480	2,000	-	-	19,937
Women's Harm Reduction Program	100	1,600	-	-	-	1,700
Replacement Beds	500	3,500	1,000	-	-	5,000
Relocation/Development	100	700	350	-	-	1,150
Total Previously Approved	14,338	20,623	3,350	-	-	38,311
New						
Let's Build	6,392	30,006	31,907	7,078	-	75,383
Shelter Management Information System	1,080	1,967	-	-	-	3,047
Emergency Beds Co-ed	300	300	-	-	-	600
Emergency Beds Aboriginal	150	-	-	-	-	150
Total New	7,922	32,273	31,907	7,078	-	79,180
Total*	22,260	52,896	35,257	7,078	-	117,491

* The totals of 2004-2007, include future year estimates.

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



SOCIAL DEVELOPMENT & ADMINISTRATION

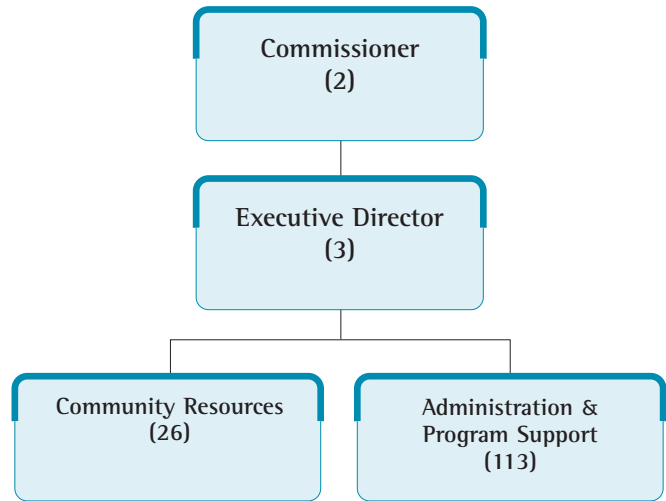
Mission Statement *To improve social prospects and conditions for residents of Toronto through developing social policy, strengthening community capacity and efficient support to service delivery.*

Program Objectives

- Provide strategic advice to the Commissioner and Council on social and community service issues through policy development and analysis.
- Provide strategic and sound policy advice, project management and research support to Council Task Forces and special committees/initiatives and support CNS department in facilitating the City's social development direction.
- Allocate and monitor City support under the Community Services and Breaking the Cycle of Violence grants programs, provision of specialized employment services to high risk, hard-to-serve and/or street involved youth.
- Provide management support, sound financial advice and consultation, in the development and co-ordination of Department's operating and capital budget submission, purchasing and telecommunications, revenue management, financial reporting and banking and cheque management for Ontario Works program.
- Respond to IT related requests from both divisional and corporate IT management to ensure efficient operation of applications and effective project execution within the requested timeframes, effectively manage Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and records management compliance functions in partnership with Clerk's divisions for the department.
- Provide a wide range of communication services, supports and products to help communicate the issues and operations of Community and Neighbourhood Services to its various publics.

Program Map

The Social Development & Administration Division is comprised of two services, with a total of 144 approved positions:



Strategic Direction and Service Priorities

- Continue providing social policy/research analysis support on behalf of the Commissioner and Department, for Council-directed initiatives, such as Council Task Forces, Special Committees, Corporate initiatives such as Alternate Service Delivery Policy Committee, and strategic social policy reports such as Homelessness, Children's and Youth Report Cards and Food and Hunger Action Plan;
- Continue implementing the grants accountability and risk management framework and corporate grants information system; deliver a range of onetime program initiatives to support gang-involved and at risk youth (OW Initiatives); maintain service levels for community initiatives in the context of increasing corporate/Council service demands; initiate the planning and development of a Progress Report on Social Development in the City including developing effective performance outcomes on social development in the city.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Admin. & Program Support	12,362.6	7,204.2
Community Resources	5,123.5	1,118.2
Total Program Budget	17,486.1	8,322.4

HIGHLIGHTS

The Administration & Program Support component provides services to the Community & Neighbourhood Services Department such as budget coordination and financial reporting (\$2.1 billion), subsidy and cash management (\$1.3 billion), social policy and research, community outreach program, information services, and purchasing and telecommunication.

The Community Resources component supports a wide variety of community and / or Council initiatives to increase the effectiveness and efficiency of civic engagement in community service related areas. A total of 587 programs and 350 agencies received allocations in the Community Services and Breaking the Cycle of Violence Grants Programs in 2002. Also served were 1,224 high risk, hard-to-serve and / or street involved youth in employment programs representing an increase of 14 per cent.

PERFORMANCE MEASURES

Number of information and data requests to support Council, the City and CNS department facilitating City's social development directions.	220
Number of MFIPPA requests	250
Total subsidy \$ approved and number of subsidy claims	\$1.3 billion 500
→ Number of program/project funding requests through grants program	720
→ Number of program/project requests per Approved Position	144
→ Number of program/ projects for recommendation	575
→ Number of program/projects for recommendation per Approved Position	115
→ Grants \$ administered per Approved Position	\$2,197,590
→ Number of design projects for completion	750
→ Number of writing and editorial projects for completion	650
Number of telephone inquiries for Ontario Works Banking and cheque management	100,000

Capital Budget

Not applicable.

SOCIAL SERVICES

Mission Statement *Our Vision is a future in which all of our clients are moving toward greater self-reliance and eventual independence.*

Our Mission is to:

- *Ensure a service and support system exists within the community and operates effectively to assist those in need.*
- *Support clients as they fulfill their obligations to pursue opportunities and programs that will enable them to become more self-sufficient*
- *Advocate on behalf of those in the community who are most vulnerable and least able to obtain supports on their own.*

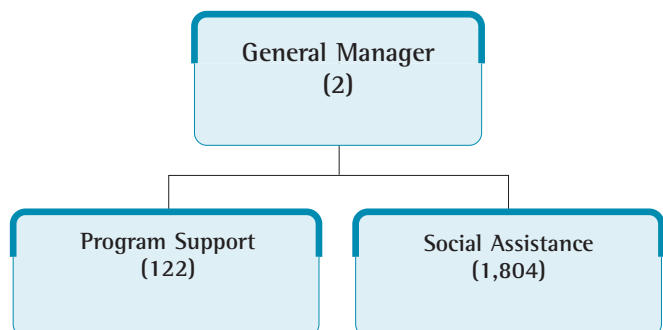
Program Objectives

- Ontario Works (OW) is a mandatory province-wide program delivered by municipalities under the Ontario Works Act and Regulations. It provides employment assistance and financial support for people who are in financial need.
- Employment Assistance provides opportunities for clients to be engaged in a variety of activities which lead to jobs, or which increase their employability through:

- Employment Supports (ES) – including activities such as basic education and training, job specific skill training and a range of other supports.
- Community Participation (CP) – unpaid placements sponsored by community agencies and/or non-profit organizations.
- Employment Placement (EP) – placement of job-ready clients into unsubsidized, competitive employment and/or assistance to develop self-employment opportunities.
- Financial Assistance under the Ontario Works Act (OWA) may include:
 - Funds to cover food, shelter, clothing and other household items;
 - A monthly drug benefits card to cover the cost of prescribed medications;
 - Other benefits such as winter clothing, back-to-school allowance, dental services for children, eyeglasses and medical transportation;
 - Assistance with employment-related expenses and child care costs.

Program Map

The Social Services Division is comprised of two services, with a total of 1,928 approved positions:



Strategic Direction and Service Priorities

- Expand Kids @ Computer project to provide computers to families with children on Ontario Works Program using funds obtained from the province for exceeding Community Participation and Employment Placement targets.
- Maximize provision of employment supports to clients including childcare, employment-related expenses and community participation expenses.
- Target appropriate interventions to TSS' diverse client population using flexibility available within Employment Assistance (EA) funding model.
- Work with Toronto Economic Development to implement effective strategies to integrate OW clients into Toronto labour markets.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Program Support	10,264.3	5,114.6
Social Assistance	923,840.7	216,798.5
Total Program Budget	934,105.0	221,913.1

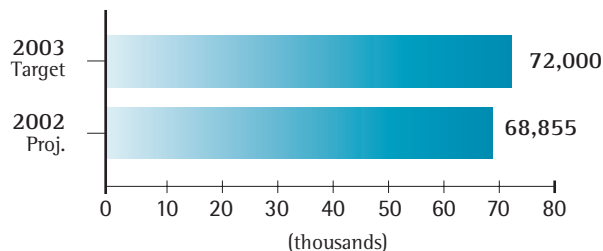
NOTE: Above figures exclude the technical adjustment for hydro approved by council.

HIGHLIGHTS

- The 2003 Budgeted average monthly caseload is set at 72,000 cases
- As per the 2002 funding strategy approved by City Council for Toronto Social Services budget, up to 60,000 OW cases will be funded through property taxes and OW cases over 60,000 will be funded through the SAS Reserve Fund. As such, for 2003, an estimated \$11.3 million, is planned to be withdrawn from the SAS Reserve Fund.
- Provision for reinvestment of Projected National Child Benefits Supplement savings of \$10.8 million (net) under the OW Program and \$1.0 million (net) under the ODSP Program

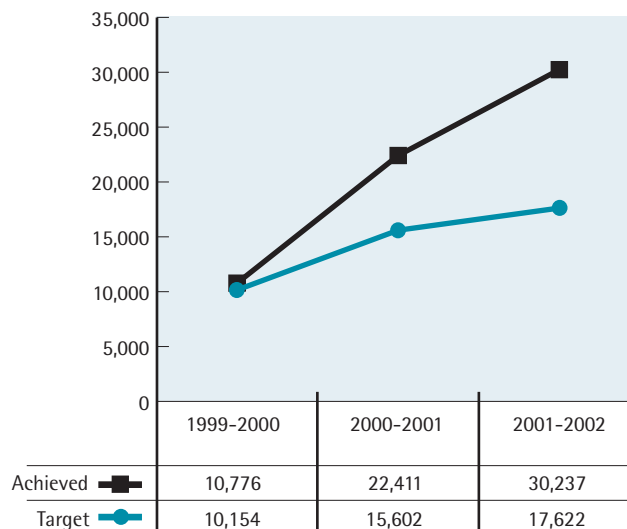
PERFORMANCE MEASURES

Performance Measure #1: Ontario Works Monthly Caseload



Explanatory Information of Performance Measure Trend: Reflects the demand for Ontario Works and the volume of service provided. The number of cases receiving OW is driven by economic and employment factors. Caseload volumes, in conjunction with provincial requirements, drive program and administration costs.

Performance Measure #2: Number of Community Participation Placements Achieved vs Provincial Targets

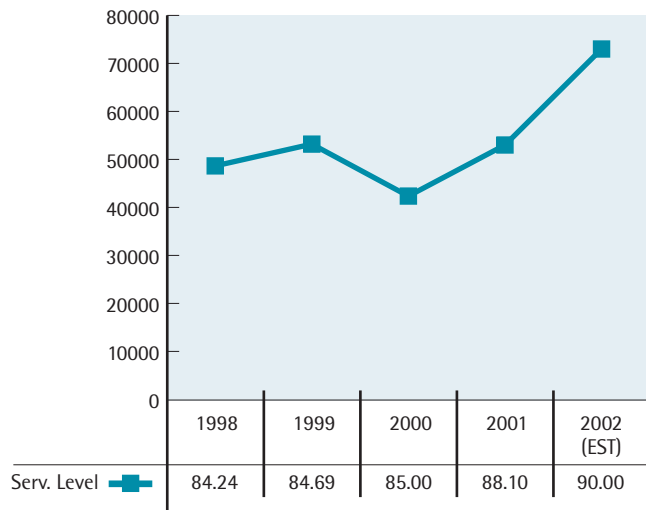


Explanatory Information of Performance Measure Trend: Over the past three years, the Province has set escalating targets for annual municipal performance with regard to client placements. TSS has exceeded the targets, and has obtained significant incentive funding from the province for doing so. TSS will continue to meet or exceed provincial targets in this area.

Performance Measure #3:
Client Visits to Employment Resource Centres

Capital Budget

Not applicable



Explanatory Information of Performance Measure Trend:
 Each of TSS' 14 offices has an Employment Resource Centre. For job ready clients, ERCs provide effective and low cost access to the tools required to look for work (computers, the internet, phones, faxes, job boards, etc.). The aim is to increase the number of client visits to ERCs as a vehicle for assisting clients' search for work.

WORKS & EMERGENCY SERVICES DEPARTMENT

Department Overview

The Works and Emergency Services Department provides water, wastewater, solid waste, recycling, engineering environmental, surveying, mapping, construction, transportation, fire and emergency medical services to the City of Toronto. The Department has approximately 9,300 employees, and has operations covering the entire City of Toronto from Pickering in the east, to the border with Mississauga in the west, and from the shores of Lake Ontario to York Region in the north. The activities and essential services provided by Works and Emergency Services employees affect the day to day life of all Toronto residents.

Mission Statement

- *Provide services essential to the City's daily operation.*
- *Prevent and respond to hazards.*
- *Build, operate and maintain physical infrastructure.*

SERVICE PHILOSOPHY

- *Be a leader in public service for those who live in, work in and visit our City.*
- *Achieve results that balance operational, environmental and financial needs.*

COMMITMENT

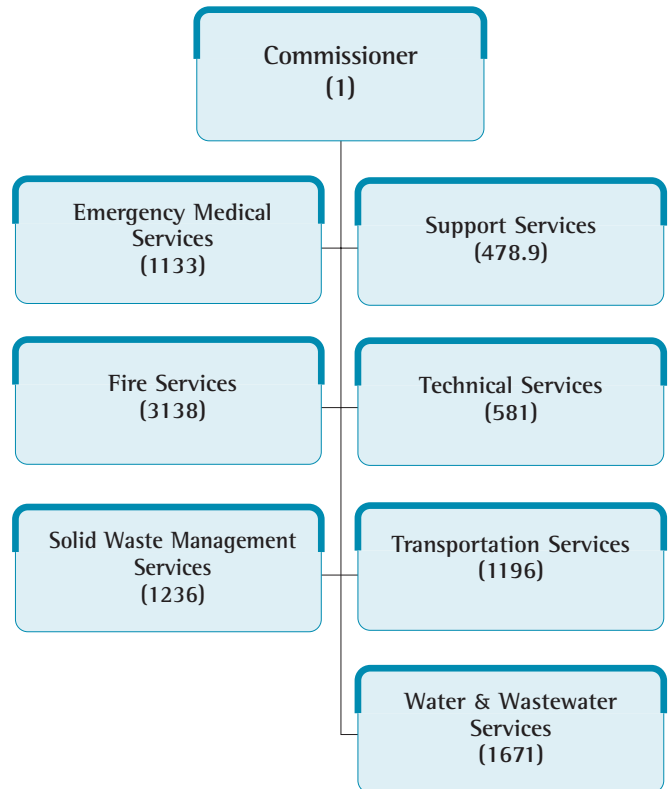
- *To value and recognize staff input and contribution to the services we provide.*

MOTTO

- *Proudly working for Toronto 24/7.*

Department Map

The Works & Emergency Services Department is comprised of six divisions, with a total of 9,433.9 approved positions:



Operating Budget by Program

The 2003 operating budget for the Works & Emergency Services Development is \$ 1,442 million gross and \$ 649.9 million net, which is comprised of:

Program	Gross (\$000s)	Net (\$000s)
Emergency Medical Services	114,268.4	45,903.4
Fire Services**	278,404.2	274,628.1
Solid Waste Management Services**	204,023.6	149,274.5
Support Services	33,814	-
Technical Services	48,132.1	4,160.2
Emergency Management Plan	1,854.3	1,854.3
Transportation Services**	241,911.5	174,100.7
Water & Wastewater Services	520,142.0	-
Total Department Budget	1,442,550.1	649,921.2

* Note: The 2003 Operating Budget includes those Support and Technical Services charges reallocated to Works program as approved by Council at its meeting of February 21-25, 2003

**Gross and Net include technical adjustments.

2002 Achievements

- Launched the Green Bin Organic Waste Program in Etobicoke with 90% participation and implemented the Yellow Bag Program for commercial waste customers.
- All Divisions in the Department contributed greatly to the success of World Youth Days
- A Traffic Calming policy was developed and initial design and E.A. work started on the Front Street extension along with the Fire Service opening a new Communications Centre and a Special Operations Training Centre as well as assuming full responsibility for the Fire fleet operation
- Emergency Medical Services rolled out the Emergency Response Unit Program as part of the Division's Response Time Reduction Strategy

EMERGENCY MANAGEMENT PLAN

Mission Statement *The Emergency*

Management Plan program was created to provide a co-ordinated approach by the City to deter and respond to terrorist threats and other catastrophes.

Program Objectives

- To co-ordinate with Fire, EMS, Public Health and Police and to be the first responders to deal safely with hazardous substances
- To extract people from collapsed structures arising from natural or man-made disasters.
- To provide leadership in the implementation of Emergency Preparedness activities.

Program Map

- The Emergency Management Plan program is a temporary program co-ordinated by the Emergency Planning Unit in W.E.S.

Technical Services

- The program funds six employees located with Fire, EMS, Police and the Emergency Planning Unit.

Strategic Direction and Service Priorities

- To begin the replacement of equipment as it is damaged through exposure to hazardous substances through training or real incidents.
- To increase the flow through of staff for specialized training through the HUSAR project.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Emergency Management Plan	1,854.3	1,854.3
Total Program Budget	1,854.3	1,854.3

HIGHLIGHTS

- Provides incident managers at emergency sites with logistical support
- HUSAR (Heavy Urban Search and Rescue) teams are trained, equipped and ready to be mobilized when the need occurs.

Capital Budget

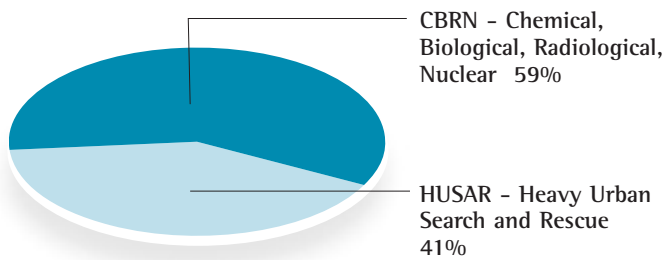
Total 2003 Gross Budget is \$2.571 million [2002 Budget – \$1.797 m]

- \$1.508 million is for HUSAR – Heavy Urban Search and Rescue.
- \$1.063 million is CBRN – Chemical, Biological, Radiological, Nuclear.
- Spending for these projects reflects the nature of the world today and to make sure that the City of Toronto is prepared.

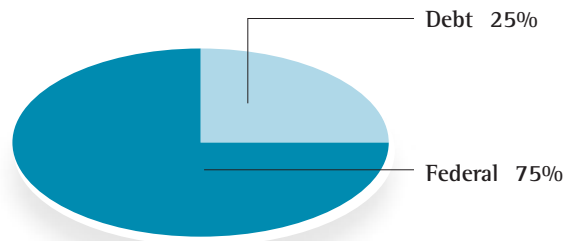
5 YEAR CAPITAL WORKS PLAN

Previously Approved	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
HUSAR – Heavy Urban Search and Rescue	1,508	-	-	-	-	1,508
Total Previously Approved	1,508	-	-	-	-	1,508
New						
CBRN – Chemical, Biological, Radiological, Nuclear	1,063	1,068	-	-	-	2,131
Total	2,571	1,068	-	-	-	3,639

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



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 Objectives

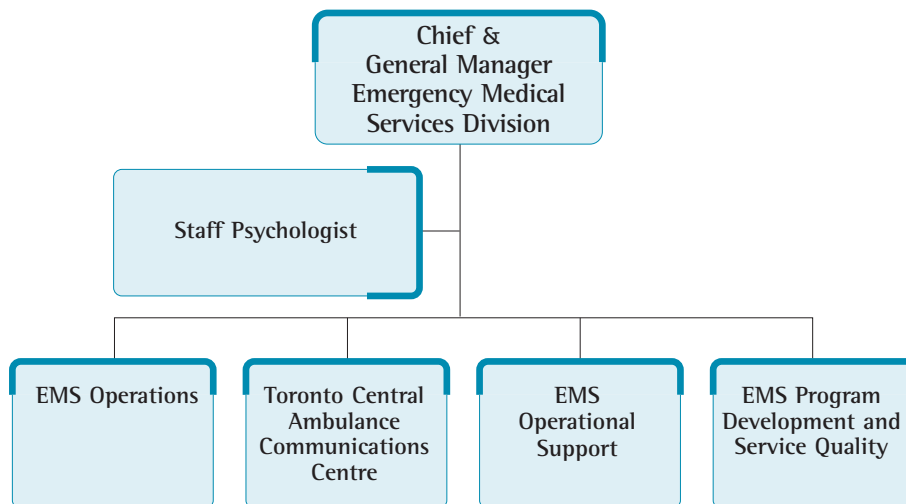
- Secure and diversify the funding base to provide a comprehensive EMS system.
- To provide an outstanding EMS infrastructure.
- Focus on quality and customer satisfaction.
- Realign Toronto EMS as a comprehensive urban health component of the broader health care system.
- Have Toronto EMS be seen as a world leader in urban health care.

Strategic Direction and Service Priorities

- To continue to improve the quality and timeliness of emergency and non-emergency care delivery system in a manner that affirms the place of Toronto Emergency Medical Services as the sole license provider of EMS within the City of Toronto.
- To respond effectively to the increased demands related to health service restructuring, natural demographics and the impacts associated with provincial downloading.
- To continue to implement infrastructure and state of good repair program.
- To continue to work with the hospital network steering committees and the Ministry of Health and Long Term Care on the development of immediate and long-term solutions to address current demands in the health care system.
- To extensively expand the Public Access Defibrillation program within the City of Toronto.

Program Map

The Emergency Medical Services is comprised of four services and one staff psychologist, with a total of 1133 approved positions:



Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Program Development & Quality Service Review	5,291.6	2,211.4
EMS Operations Support	16,248.0	4,453.4
EMS Emergency Medical Services	76,155.8	31,589.1
CACC	8,681.6	(336.0)
Corporate Charges	7,891.5	7,985.5
Total Program Budget *	114,268.4	45,903.4

* The 2003 Operating Budget includes those Support and Technical Services charges reallocated to Works program as approved by Council at its meeting of February 21-25, 2003.

PERFORMANCE MEASURES

- Total response times and road response times have been impacted by decreased resources due to hospital off-load delays and increased call volume
- The cost per city resident has increased steadily since 1999 and substantially in 2003 based on the ageing population and the cutbacks in medical services by the province.
- The total emergency response and the number of patients transported indicate an upward trend based on the ageing population. The mix of total calls has changed – non emergency calls are decreasing and emergency calls are increasing at a faster rate

HIGHLIGHTS

- Strategies to reduce the impact of the loss of ambulance unit hours and improvement in response time are being implemented in order to protect and improve service and response to life-threatening emergencies.
- Toronto EMS will offset the impact of lack of long term care and complex care facilities through better coordination and development of alternative delivery options.
- EMS will continue to exert a cooperative effort with all other health care stakeholders within and surrounding the City of Toronto.
- EMS will continue to work with allied health and other community service agencies in the implementation of a multi-graded community medicine program to assist the elderly, hard to reach and hard to serve populations.

Capital Budget

Total 2003 Gross Budget is \$9.907 million [2002 Budget - \$16.355 m]

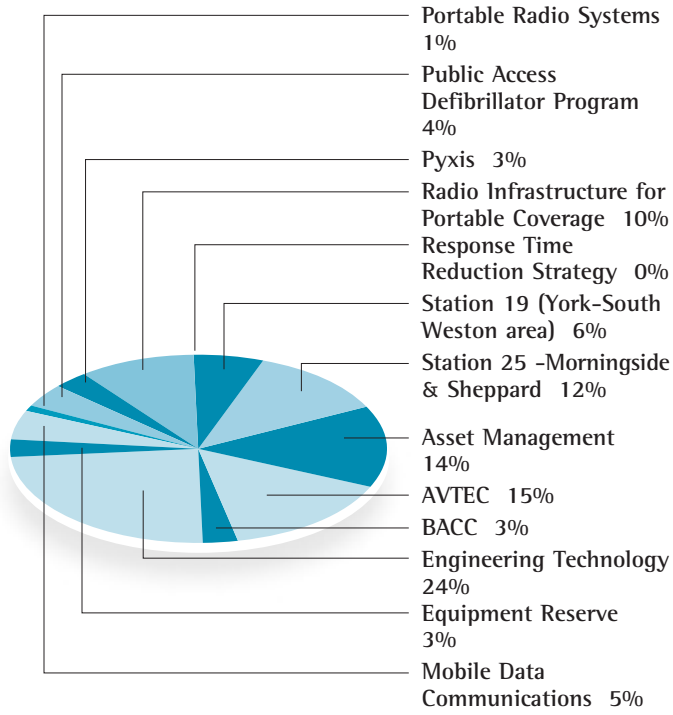
- \$2.325 million is for engineering technology.
- \$1.415 million is for asset management.
- \$1.000 million is for Radio Infrastructure for Portable Coverage.

5 YEAR CAPITAL WORKS PLAN

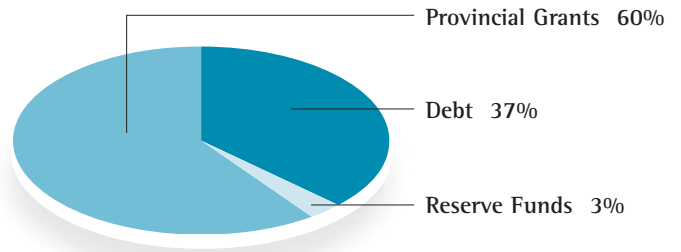
	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Station Vehicle Emission Venting System	179	-	-	-	-	179
Station 19 (York-South Weston area)	587	700	-	-	-	1,287
Station 25 - Morningside & Sheppard	919	-	-	-	-	919
AVTEC	2,000	-	-	-	-	2,000
BACC	500	-	-	-	-	500
Mobile Data Communications	500	1,150	-	-	-	1,650
Portable Radio Systems	83	450	-	-	-	533
Asset Management	163	-	-	-	-	163
Engineering Technology	2,325	250	150	50	-	2,775
Radio Infrastructure for Portable Coverage	1,000	-	-	-	-	1,000
PAD Program	200	-	-	-	-	200
Response Time Reduction Strategy	35	-	-	-	-	35
Total Previously Approved	8,491	2,550	150	50	-	11,241
New						
Station Vehicle Emission Venting System	(179)	-	-	-	-	(179)
Station 21 - Sunnybrook	-	-	3,092	-	-	3,092
Station 25 - Morningside & Sheppard	253	-	-	-	-	253
AVTEC	(500)	-	-	-	-	(500)
BACC	(200)	-	-	-	-	(200)
PAD	200	450	450	450	-	1,550
Pyxis	260	340	-	-	-	600
Asset Management	1,252	635	528	744	200	3,359
Equipment Reserve	330	330	330	330	330	1,650
Total*	9,907	4,305	4,550	1,574	530	20,866

*The totals of 2004-2007, include future year estimates.

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



FIRE SERVICES

Mission Statement *Toronto Fire Services is*

dedicated to protect life, property and the environment from the effects of fires, illness, accidents, natural disasters and other hazards.

Toronto Fire Services is committed to enhancing fire safety and raising community awareness through education and involvement. Toronto Fire Services will pursue the acquisition and use of the most effective technology, equipment and resources to ensure performance in a competent and professional manner. The Service will always seek new opportunities to fulfil our mission. The service is dedicated to building a cohesive, equitable and unified workforce. The Toronto Fire Service provides high quality and caring services to those who live in, work in, and visit our City....safely efficiently and effectively.

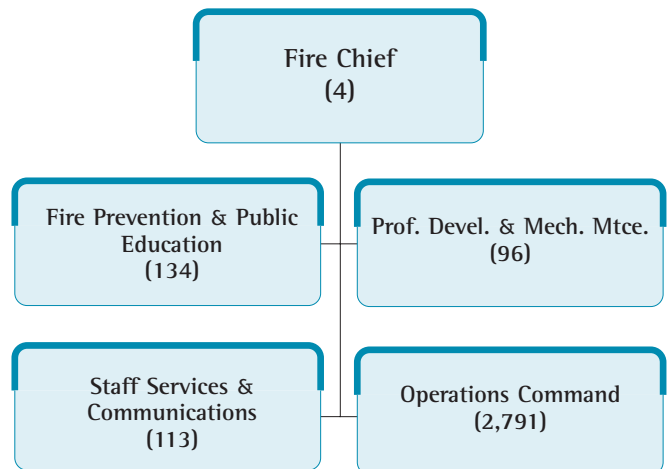
Program Objectives

- The Toronto Fire Service is committed to protecting life, property and the environment from fire, hazardous materials, natural disasters and other emergencies.
- The Fire Prevention Division of Fire Services provides information about emergencies, fire regulations, home inspections, and the Alarm for Life campaign regarding smoke alarms and carbon monoxide detection.

- Fire Services provides public education and school fire safety programs in accordance with the Fire Protection and Prevention Act, in addition to delivering fire and emergency training to all employees and appropriate outside organizations.
- Toronto Fire Services will be a proactive leader in fire prevention, protection and emergency services to meet the diverse needs of the community.
- The Service operates in relation to five core values: Integrity, Professional Development (Development of Human Resources), Accountability, Teamwork, and Innovation.

Program Map

Toronto Fire Services is comprised of three services, under four Deputy Chiefs, with a total of 3,138 approved positions:



Strategic Direction and Service Priorities

The Strategic Plan of the Toronto Fire Services as released in January 2003, follows guiding principles as in outlined in the City's Strategic Plan 2001. The TFS Strategic Plan is based on seven Strategic Directions. Each Strategic Direction is comprised of goals, which are meant as starting points in order to achieve the Strategic Plan. An extract of the Toronto Fire Services Strategic Plan summarizes four of the seven Strategic Directions:

STRATEGIC DIRECTION #1: LEADERSHIP VERSUS MANAGEMENT

- Goal 1.1: Lead by example.
- Goal 1.2: Assist staff in developing their leadership abilities.

STRATEGIC DIRECTION #2: EMPOWERMENT, ACCOUNTABILITY AND RECOGNITION

- Goal 2.1: Empower staff to pursue new initiatives.
- Goal 2.2: Recognize staff and express appreciation in instances where they display great leadership abilities.
- Goal 2.3: Hold all staff accountable for expected performance.
- Goal 2.4: Develop and implement a performance evaluation system.

STRATEGIC DIRECTION #3: INFORMATION FLOW/ COMMUNICATION WITH STAFF

- Goal 3.1: Ensure relevant information is provided to all staff in a timely fashion.
- Goal 3.2: Ensure consistency in communications across all Divisions and/or Commands within TFS.
- Goal 3.3: Reduce the amount of paper and duplication of information that is received by stations and work locations within TFS.
- Goal 3.4: Make face-to-face contact and communication between staff and management a priority.
- Goal 3.5: Increase efficiency of the Chain of Command.
- Goal 3.6: Strengthen the relationship between TFS Management and the Association.

STRATEGIC DIRECTION #5: STANDARDIZATION

- Goal 5.1: Standardize vehicles and equipment as appropriate across TFS.
- Goal 5.2: Ensure the continuing development and application of consistent language across TFS.
- Goal 5.3: Develop Standard Operating Policies and Guidelines for all divisions.
- Goal 5.4: Ensure consistency in the application of collective agreement provisions in all relevant documents.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Operations	224,589.6	224,589.6
Fire Prevention & Public Education	10,819.7	10,519.7
Administration & Program Support	42,994.9	39,518.8
Total Program Budget*	278,404.2	274,628.1

*Gross and Net include technical adjustment of \$45.8 thousand.

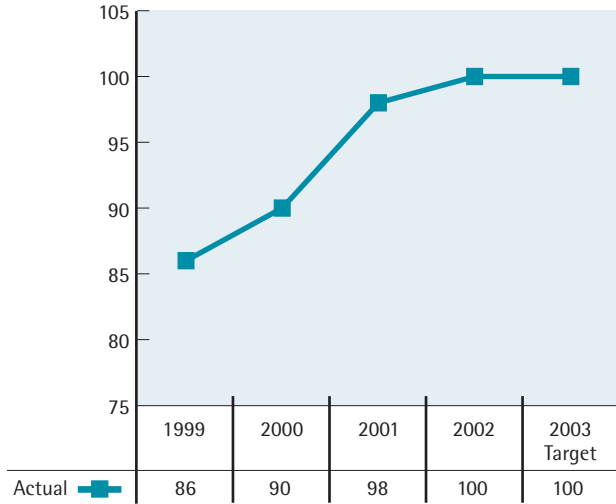
HIGHLIGHTS

- \$1.6M - Annualized impact of additional 55 firefighters of \$1.6 million absorbed in 2003 Budget
- \$21.6M - Adjustment to wage levels reflecting arbitration awards in 2002 for new firefighter wage scales in 2001 and prior years
- \$1.0M - Increase allows for increased Fleet replacement to address backlog as well as ageing and deteriorating vehicles

PERFORMANCE MEASURES

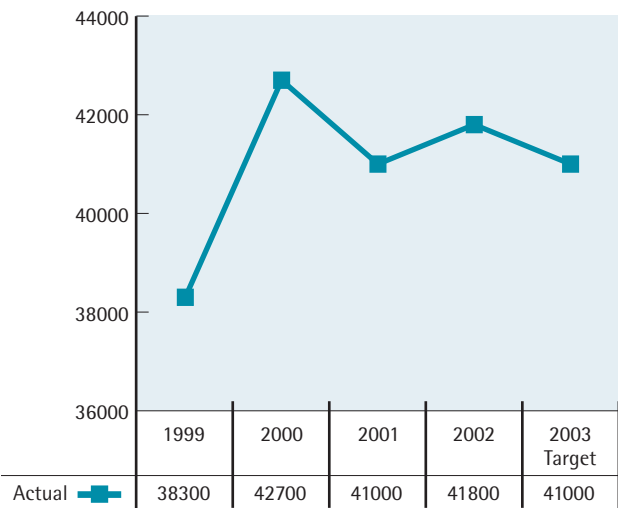
Fire Suppression: The cost per capita of providing fire services has stabilized over time, following the impact of harmonization of the former six collective agreements.

Fire Suppression



Fire Prevention: The number of inspections is not necessarily comparative from year to year as the time commitment varies depending on site (e.g. hospital vs. convenience store). Although the number of inspections has stabilized at 41,000, the qualitative analysis of inspection data would be more important in preventing fire-related damage than the number of inspections.

Fire Prevention



Ongoing work with both the Office of the Fire Marshal and other Ontario Fire Service providers to develop a performance measurement and benchmarking system that is applicable and meaningful for all Ontario municipalities, and will allow comparisons to be made with other similar departments is nearing completion. This initiative will allow for enhanced performance reporting in upcoming years.

Capital Budget

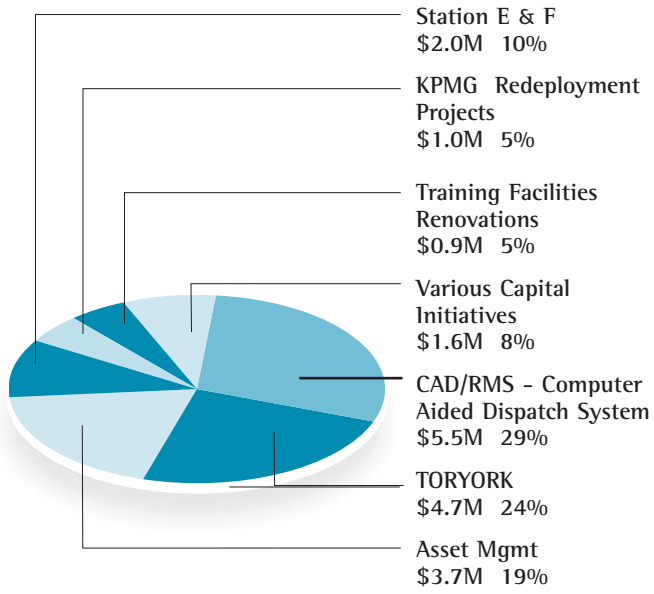
Total 2003 Gross Budget is \$19.392 million [2002 Budget – \$14.440 m]

- \$5.523 million is for the CAD/RMS - Computer Aided Dispatch System –completion of Phase 1, mobile equipment and acceptance testing of Records Management System.
- \$4.700 million for the purchase of the TORYORK property-a new multi-service facility where TFS will centralize its fleet maintenance services.
- \$3.739 million for Asset Management projects to maintain the 80+ Toronto fire stations in a State of Good repair including facility maintenance and refurbishment.
- \$1.997 million for the completion of a new Fire/ Ambulance station in Scarborough

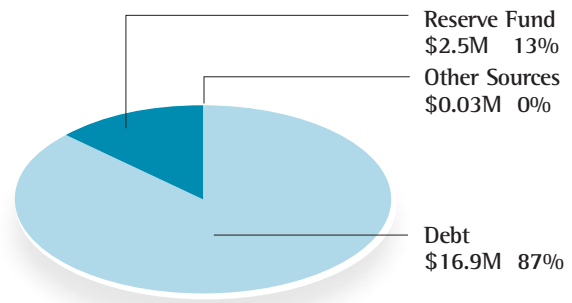
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
CAD/RMS - Computer Aided Dispatch Syst.	5,523	2,000	-	-	-	7,523
Asset Management	1,612	-	-	-	-	1,612
Station E & F	1,565	-	-	-	-	1,565
Radio Communication System	500	-	-	-	-	500
KPMG Redeployment Projects	423	-	-	-	-	423
New Vehicles - ESU (Air/Light)	290	-	-	-	-	290
Training Facilities Renovations	128	-	-	-	-	128
Station 1 West Command	-	1,344	-	-	-	1,344
Station G - Sunnybrook	-	-	1,260	1,662	-	2,922
Total Previously Approved	10,041	3,344	1,260	1,662	-	16,307
New						
TORYORK	4,700	-	-	-	-	4,700
Asset Management	2,127	1,384	-	-	-	3,511
Trining Facilities Renovations	792	186	-	-	-	978
KPMG Redeployment Projects	533	-	-	-	-	533
Station E & F	432	-	-	-	-	432
Radio Support Equipment	295	-	-	-	-	295
Fire Station Alerting System Improvements	240	-	-	-	-	240
Interface Between TFS and TEMS Cad Syst.	202	-	-	-	-	202
New Vehicles	30	-	-	-	-	30
Total New	9,351	1,570	-	-	-	10,921
Total	19,392	4,914	1,260	1,662	-	27,228

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



SOLID WASTE MANAGEMENT

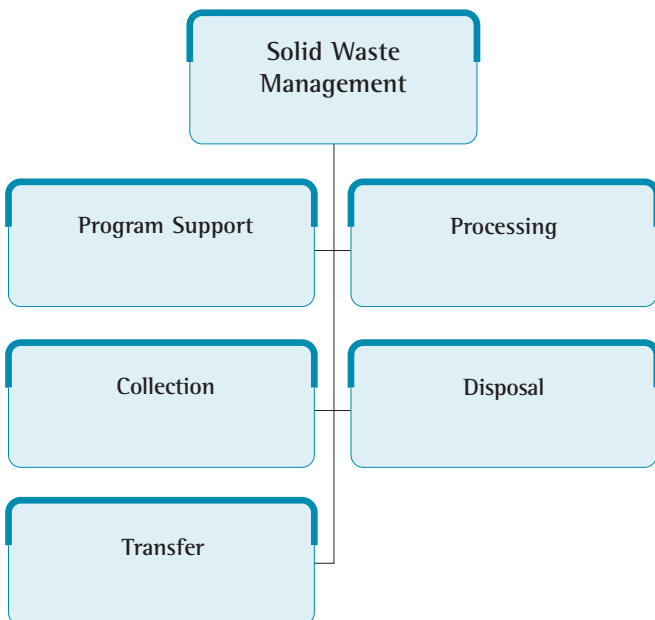
Mission Statement *To provide effective and efficient waste management and resource recovery services to residents, visitors and businesses in the City of Toronto in order to maintain a clean city and to minimize the impact of waste on the environment.*

Program Objectives

- Collection of the City’s waste and recyclables to maintain a clean and healthy city
- Processing of recycled materials to protect the environment and to minimize the impact of waste on the environment
- Disposal of the City’s waste to maintain a clean and healthy city

Program Map

The Solid Waste Management is comprised of five services, with a total of 1,236 approved positions:



Strategic Direction and Service Priorities

Solid Waste Management have identified the following direction and service priorities for 2003:

- To increase residential waste diversion to 30% by 2003, and to 60% by 2006
- To ensure diversion processing capacity for leaf and yard waste, SSO, single stream recycling
- To reduce litter to maintain a clean and healthy city
- To increase the capture of recyclable material at multi-family buildings.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Program Support	30,474.0	15,172.4
Collection	80,516.3	77,158.9
Transfer	16,757.6	-3,807.2
Processing	15,409.2	3,501.6
Disposal	60,866.6	57,248.9
Total Program Budget*	204,023.6	149,274.5

*Gross and Net include technical adjustment of \$90.6 thousand.

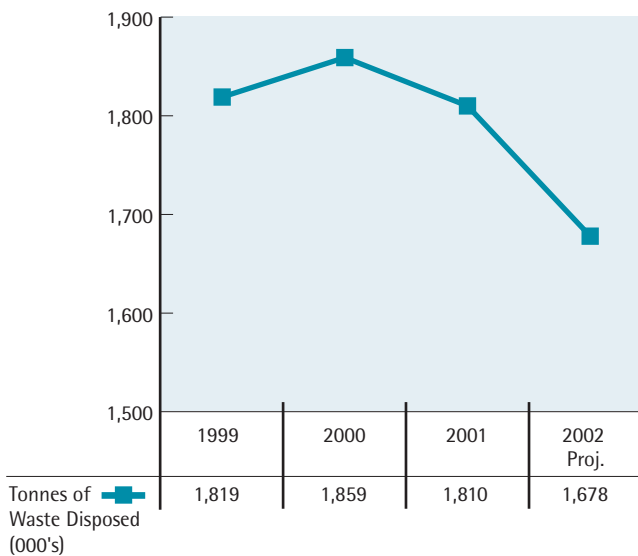
HIGHLIGHTS

- ➔ Impact of the Keele Valley Closure \$36.7M
- ➔ Expansion of Three Stream Collection Program \$4.4M
- ➔ Full implementation of the Yellow Bag Program \$2.5M
- ➔ Increased revenue from the Waste Diversion Office \$3.3M

PERFORMANCE MEASURES

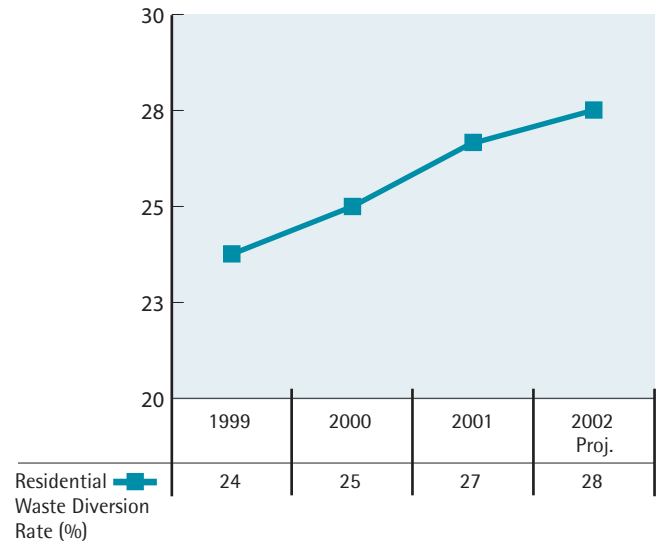
- ➔ Total tonnage is decreasing as a result of the closure of the Keele Valley Landfill site. The City of Toronto will not be receiving wastes from York Region, Durham Region and the private sector that was previously received at the Keele Valley Landfill. Implementation of various initiatives towards higher diversion is also contributing to the decrease.

Tonnes of Waste Disposed



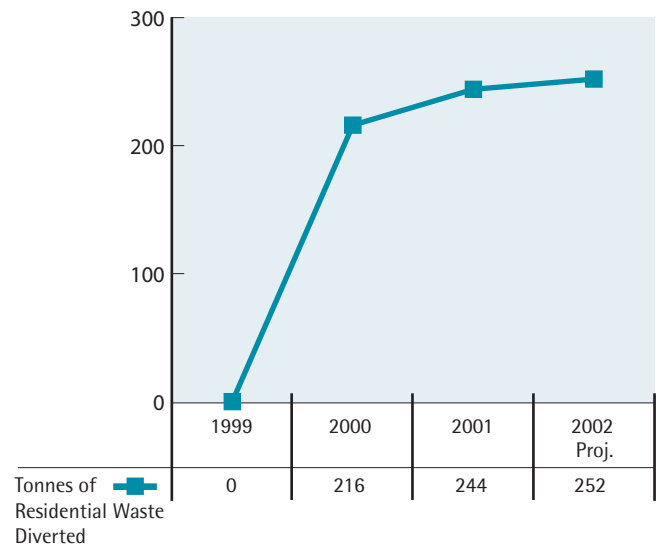
- ➔ The residential diversion rate is trending upwards towards the Council-approved 30% diversion target by 2003 through the introduction of different diversion initiatives including Source Separated Organics implementation and rolling out of apartment recycling to all buildings receiving city collection services.

Residential Waste Diversion Rate



- ➔ Similar to the diversion rate graph, the Tonnes of Residential Waste Diverted reflect the City's increased efforts on waste diversion each year.

Tonnes of Residential Waste Diverted



Capital Budget

Total 2003 Gross Budget is \$36.400 million [2002 Budget – \$27.101 m]

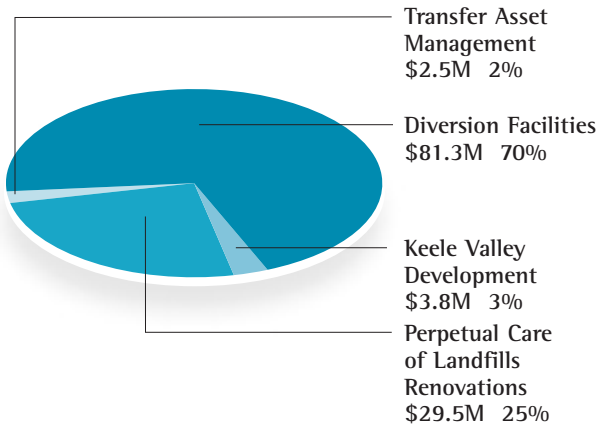
The 5 year Gross Budget is:

- \$81.317 million is for the Diversion Facilities.
- \$29.495 million for Perpetual Care of Landfills.
- \$3.765 million for Keele Valley Development.
- \$2.468 million for Transfer Station Asset Management.

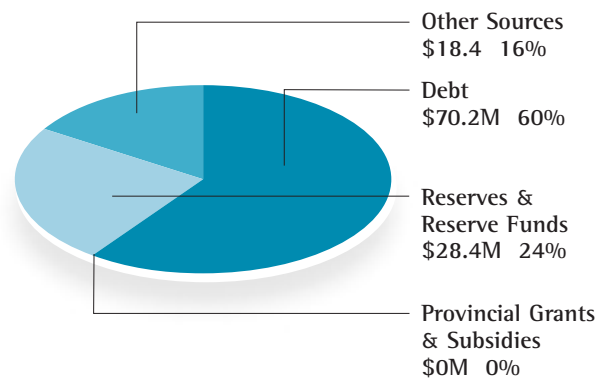
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Perpetual Care of Landfills	4,900	5,064	4,938	5,118	-	20,020
Keele Valley Development	1,623	2,022	-	-	-	3,645
Transfer Stations Asset Management	245	50	100	50	-	445
Diversion Facilities	24,469	36,028	20,820	-	-	81,317
Total Previously Approved	31,237	43,164	25,858	5,168	-	105,427
New						
Perpetual Care of Landfills	3,020	610	200	200	5,445	9,475
Keele Valley Development	120	-	-	-	-	120
Transfer Stations Asset Management	2,023	-	-	-	-	2,023
Total New	5,163	610	200	200	5,445	11,618
Total	36,400	43,774	26,058	5,368	5,445	117,045

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



TRANSPORTATION SERVICES

Mission Statement *The Transportation*

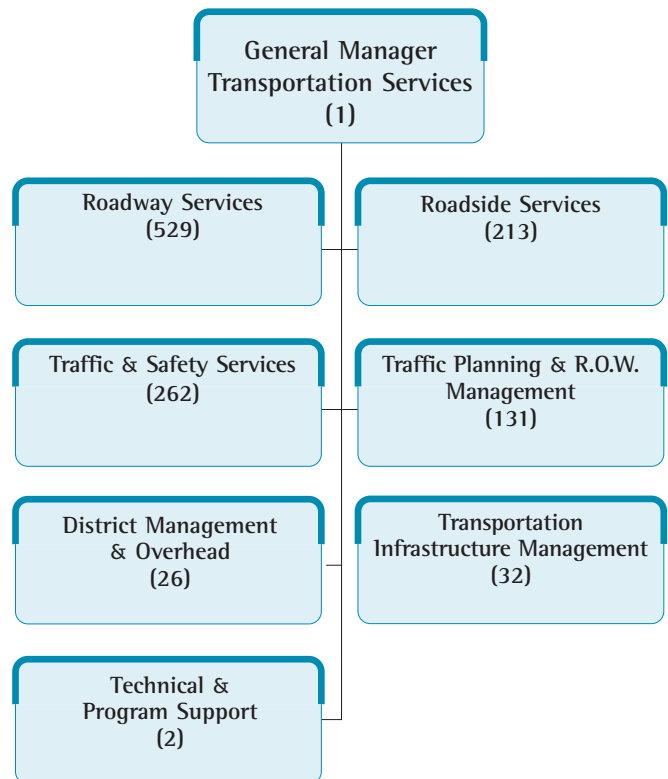
Services Division's mission is to safely, efficiently and effectively serve the mobility needs of the City in harmony with its neighbourhoods and the environment.

Program Objectives

- Transportation Services objectives include maintaining the transportation infrastructure within the four geographical city districts in a state of good repair with regard to public safety and efficient movement of people, goods and services. This would include seven services as listed below.
- Transportation Services is responsible for all aspects of traffic operations, roadway regulation, street maintenance and cleaning, transportation infrastructure management, road, sidewalk and boulevard occupation and snow removal.
- Transportation Services is committed to serving the mobility needs of the population in a safe and efficient manner.

Program Map

Transportation Services is comprised of seven services, with a total of 1,196 approved positions:



Strategic Direction and Service Priorities

The Strategic Direction and Service Priorities of Transportation Services for 2003, follows guiding principles as in outlined in the City's Strategic Plan 2001. In the short term, the Transportation Services Division will continue to focus on the harmonization of service levels across the City in response to Council directives and the need to adjust service delivery resources to meet fiscal and human resources available.

The development and consultation related to the transportation components of the new Official Plan and the Waterfront Plan, Part II will consume considerable resources during the 2003 fiscal period.

As stewards of the roadway network including expressway, arterial and local roads, the division is committed to ensure that the infrastructure assets are properly maintained and that public access is provided safely.

The Strategic Direction and Service Priorities of Transportation Services is comprised of goals and objectives for each of the seven services that is provided to the citizens of Toronto.

2003 Operating Budget by Service:

Service:	Gross (\$000s)	Net (\$000s)
Roadway Services	108,777.2	82,889.5
Roadside Services	46,119.4	28,831.6
Traffic Planning / Row Mgmt	11,409.9	(2,972.0)
Traffic & Safety Services	48,641.7	44,012.1
Infrastructure Management	5,045.7	2,809.0
District Mgmt & Overhead	1,047.4	(2,339.6)
Technical And Program Support	20,870.1	20,870.1
Total Program Budget*	241,911.5	174,100.7

*Gross and Net include technical adjustment of \$1,004.4 thousand.

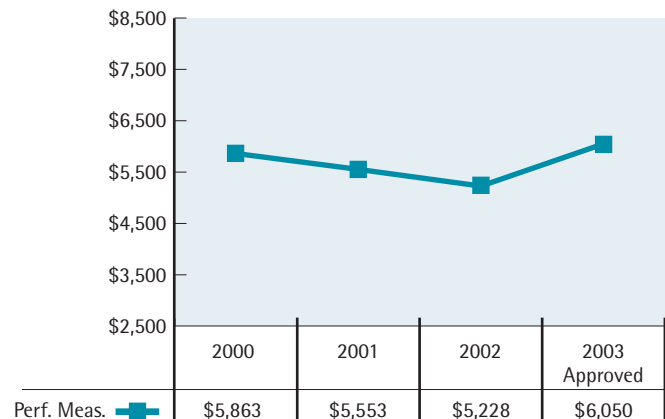
HIGHLIGHTS

- ➔ **\$4.0M** - Annual budget maintains local mechanical sidewalk snow clearing program at 2002 levels.
- ➔ **\$2.850M** - Transfer maintains in-house summer maintenance at 2002 levels, continues sidewalk repairs with concrete instead of asphalt.
- ➔ **\$0.4M** - Introduces Road patrol function as per Provincial Legislation.
- ➔ **\$1.2M** - Increased disposal costs associated with closure of Keele Valley.

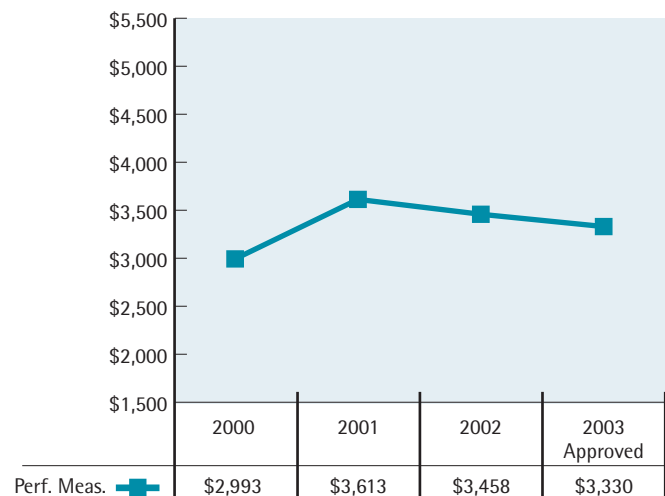
PERFORMANCE MEASURES

- ➔ Roadway Services Cost per Km: Ongoing maintenance including winter maintenance and operation of the roadway and laneway network (13,700km), including surface maintenance and surface cleaning. Summer maintenance activities including road repairs, utility cut repairs, crack filling of road surfaces.

Roadway Services- Net cost per Lane Km



Winter Maintenance per Lane Km



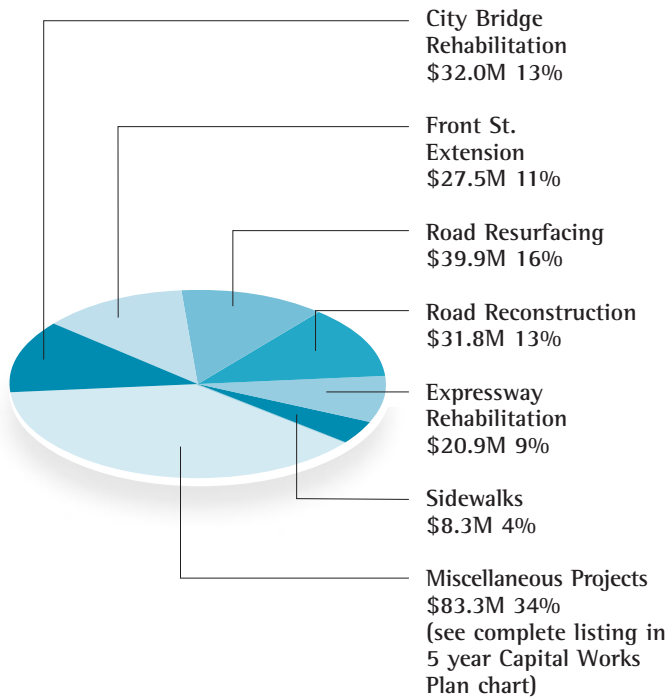
Capital Budget

- Total 2003 Gross Budget is \$243.670 million [2002 Budget - \$203.651 m]
- \$39.900 million is for Road Resurfacing
- \$32.000 million is for City Bridge Rehabilitation
- \$31.800 million is for Road Reconstruction
- \$27.500 million for the Front Street Extension
- \$20.900 million is for Expressway Rehabilitation
- \$ 8.300 million is for Sidewalk Reconstruction

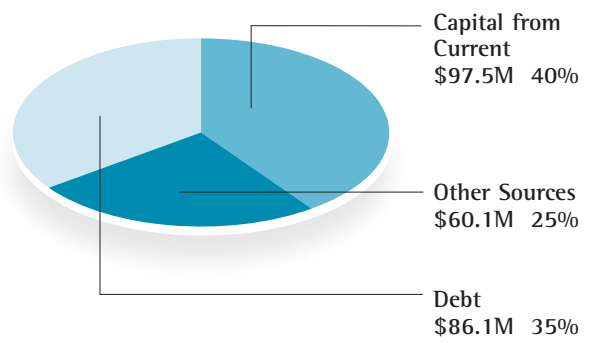
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Facility improvements	700	-	-	-	-	700
Sheppard Avenue East	7,000	-	-	-	-	7,000
North Yong Centre - Acquisition	2,050	2,050	2,050	2,050	7,290	15,490
Sheppard Avenue (Beecroft - Leslie)	500	7,500	9,500	5,500	4,000	27,000
Gardiner dismantling, DVP to Leslie	700	-	-	-	-	700
Don Valley Parkway Rehabilitation	8,300	7,050	4,500	7,540	7,730	35,120
Red Light Cameras	617	-	-	-	-	617
Dufferin Street Jog Elimination	4,200	9,800	12,770	-	-	26,770
Expressway rehabilitation Gardner DVP to 427	12,600	31,000	31,700	39,500	-	114,800
Construction of Underpass - Railway Lands	7,650	2,075	-	-	-	9,725
LED Signal Module Conversion	250	-	-	-	-	250
Inter-Divisional Transfer (unified Business Appl.)	4,160	-	-	-	-	4,160
North Yonge Centre - Construction	1,300	-	-	-	-	1,300
Total Previously Approved	50,027	59,475	60,520	54,590	19,020	243,632
New						
New Pedestrian Crossovers	215	-	-	-	-	215
Signal Major Modification	410	-	-	-	-	410
Oversized Street Name Signs	430	-	-	-	-	430
Facility Improvements	1,200	-	-	-	-	1,200
Transit Priority	1,020	-	-	-	-	1,020
Third Party Signals	2,370	-	-	-	-	2,370
Street Lighting Improvements	2,720	-	-	-	-	2,720
Hydro Conversion	1,020	-	-	-	-	1,020
Third Party Streetlighting	210	-	-	-	-	210
Sheppard Avenue East	1,210	2,000	-	-	-	3,210
Cycling Infrastructure	782	-	-	-	-	782
Street name Sign duplication	105	-	-	-	-	105
Expressway Lighting	2,400	-	-	-	-	2,400
Traffic Calming	750	-	-	-	-	750
Various construction Projects (fully recoverable)	17,500	-	-	-	-	17,500
New Traffic Control signals	1,700	-	-	-	-	1,700
Traffic Plant Requirements	2,700	-	-	-	-	2,700
Advanced Traffic Signal Control (ATSC)	1,020	-	-	-	-	1,020
Traffic Control - RESCU	3,255	-	-	-	-	3,255
Audible Signals	310	-	-	-	-	310
City Bridge Rehabilitation - City Wide	32,000	-	-	-	-	32,000
Red Light cameras	2,183	-	-	-	-	2,183
Engineering Studies	1,150	-	-	-	-	1,150
Front Street Extension	27,500	56,500	53,000	42,600	65,000	244,600
Major Road Reconstruction	14,500	-	-	-	-	14,500
Steeles Avenue East Grade Separation	250	-	-	-	-	250
Safety and Operational Improvements	500	-	-	-	-	500
Major Road Resurfacing	18,000	-	-	-	-	18,000
Salt Management Program	2,000	-	-	-	-	2,000
Street Tree Planting	300	-	-	-	-	300
Pedestrian Protection Pilot Project (PPPP)	500	-	-	-	-	500
Local Road Reconstruction	17,300	-	-	-	-	17,300
Local Road Resurfacing	21,930	-	-	-	-	21,930
Sidewalks	8,300	-	-	-	-	8,300
Laneways	1,403	-	-	-	-	1,403
Fluorescent Signs	300	-	-	-	-	300
Parklawn Road Off Ramp from F.G. Gardiner	1,900	-	-	-	-	1,900
Milner Connector at Morningside/401	2,000	-	-	-	-	2,000
North Yonge Centre - Construction	300	-	-	-	-	300
Total New	193,643	58,500	53,000	42,600	65,000	412,743
Total Transportation Services	243,670	117,975	113,520	97,190	84,020	656,375

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



SUPPORT SERVICES

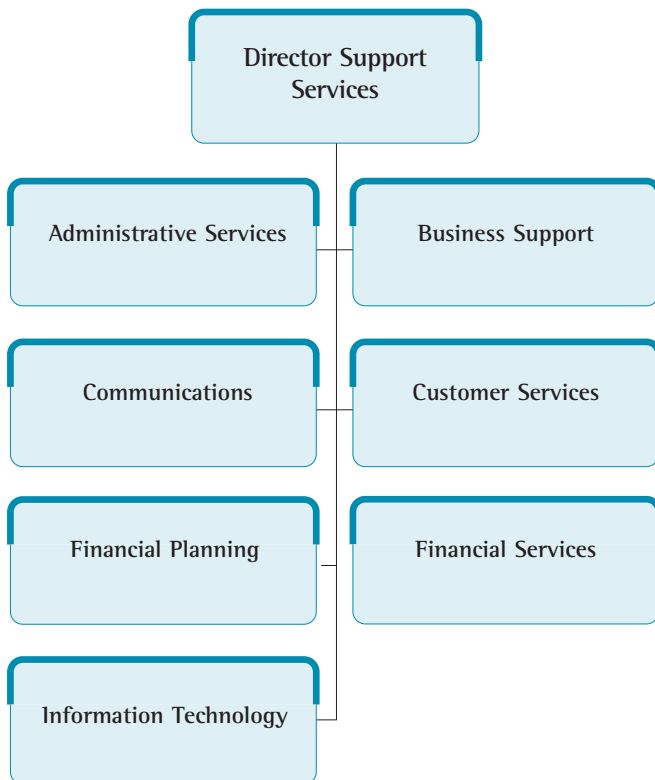
Mission Statement *The WES Support Services Division provides value-added, customer-focused business support services to Works and Emergency Services staff, to assist them in providing efficient and effective services to their customers / clients.*

Program Objectives

- ➔ To operate on a full cost recovery basis resulting in a net expenditure of zero
- ➔ To move to a cost allocation formula based on the actual service provided to each operating division.

Program Map

The Support Services is comprised of seven units, with a total of 478.9 approved positions:



Strategic Direction and Service Priorities

- ➔ Information technology support to assist programs in maximizing the use of technology to service the public.
- ➔ To educate and inform the public on the new and ongoing initiatives that impact services provided by W.E.S programs.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Support Services	33,814.0	0.0
Total Program Budget *	33,814.0	0.0

* The 2003 Operating Budget includes those Support and Technical Services charges reallocated to Works program as approved by Council at its meeting of February 21-25, 2003.

HIGHLIGHTS

- ➔ The 2003 Budget reflects mainly inflationary increases in salaries and equipment

PERFORMANCE MEASURES

- ➔ The number of computer applications has increased resulting in more support obligations to the client programs
- ➔ The number of staff for payroll data entry has decreased since 1999 and shows the effectiveness of centralized support services by allowing the flexibility to assign other tasks when demand for payroll services is reduced
- ➔ The number of service calls answered by WES Support Services has increased due to the policy of the department to assist in service provisions on a 7/24 basis.

Capital Budget

Not applicable.

TECHNICAL SERVICES

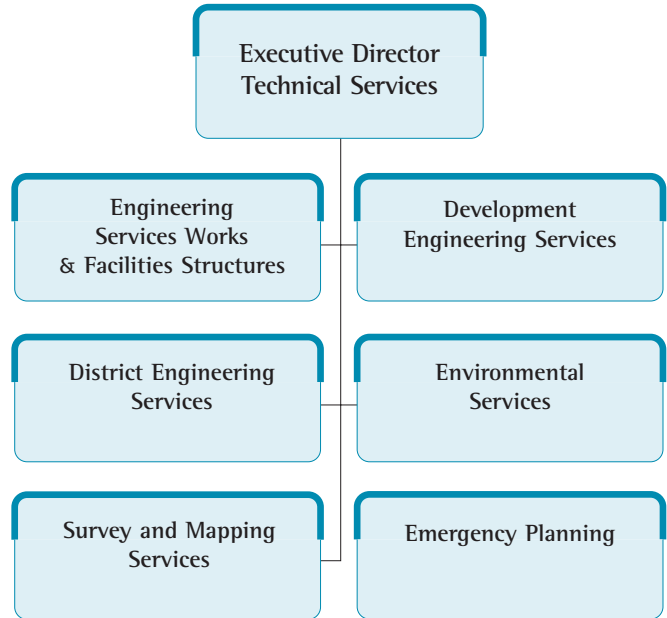
Mission Statement *Technical Services is committed to providing superior design and project management services, technical solutions and expert advice on municipal infrastructure, land development and environmental and emergency planning issues, in an efficient and cost effective manner, with minimal negative impact on the environment and the community.*

Program Objectives

- Supply technical support to the Works and Emergency Services Department, other City departments and the Corporation;
- Provide strategic environmental and engineering leadership to the Corporation;
- Improve efficiency of the Corporation through variety of engineering services;
- Provide leadership in surveying, mapping and land information management;
- Help develop asset data bases for City's infrastructure projects such as Transportation and Water and Wastewater;
- Support land development with direction, advice and approval on all WES servicing issues;
- Promote a clean Environment and sustainable city through Air and Soil monitoring and associated remedial initiatives;
- Co-ordination of the City's emergency planning process.

Program Map

The Technical Services Program is comprised of six technical services, with a total of 581 approved positions:



Strategic Direction and Service Priorities

Facilities and Structures - To design, construct, and rehabilitate new and existing capital assets such as bridges, retaining walls, water and sewage treatment plants, trunk sewers, watermains, landfill facilities etc. There are core business functions as follows:

- Design and construction of Structures and Expressways
- Design of Plants and Facilities for Water and Wastewater and Solid Waste
- Manages construction of Plants and Facilities for Water and Wastewater and Solid Waste

- To set standards and policies, develop design and construction technologies, assure quality of construction.
- Manages preparation of capital project tenders/contract awards and administers capital contracts.
- Assists the Operating Divisions in the development of RFPs and administers consulting assignments.
- Assists the Operating Divisions in the capital budget development.

Survey and Mapping Services – to provide leadership in surveying, mapping and land information management. These services are organized as follows:

- Mapping Services – develop and maintain a number of strategic databases including topographic, utility, property, soils, 3D models and aerial mapping.
- Land and Property Surveys – conducts boundary surveys of City owned land and roads, determines land rights, coordinates departmental comments on sale/purchase of land, provides easement protection, maintains City property database.
- Data Integration – maintains survey control networks, provides database conversion and integration services, system support.
- Engineering Survey Services – provides surveys related to construction in support of Solid Waste, Transportation and Water and Wastewater Programs

Environmental Services – to provide research planning and advice regarding environmental issues affecting Works and Emergency Services and the Corporation. Core business functions are as follows:

- Environmental Planning and Support – provides technical expertise and advice on environmental issues, guidance and intergovernmental liaison on Environmental Assessment (EA) issues, environmental research and policy development.
- Air Quality Improvement – carries out air quality and energy projects and programs; maintains/creates air quality information and forecasts;

- Energy Efficiency Office – develops strategies and implements programs for energy efficiency promotion; conducts research regarding viable energy efficiency technologies; promotes energy efficiency standards; implements and provides corporate advice on CO2 emission reduction measures
- Soil Quality Improvement – carries out soil quality projects; maintains/creates soil quality information and forecasts; manages pollution prevention programs

Development Engineering Services – Ensure city standards are followed in all stages of municipal infrastructure, as follows:

- Technical review of applications, co-ordination of responses to reflect City policies, standards and procedures
- Agreements and Design – reviews/approves final drawings, manages legal agreements, prepares cost estimates and provides advice and ensures receipt of necessary financial securities, advises developers of permit requirements
- Construction and Compliance – ensures public notification of constructions, ensures that City standards and approved plans are followed appropriately, and ensures appropriate level of inspection

District Engineering Services – Provide City-wide engineering services for the design and construction of infrastructure; specifically;

- Designs and provides drawings for water, sewer and road infrastructure projects; conducts design approvals
- Manages preparation of capital project tenders/contract awards and administers capital contracts
- Supports capital budget development for operating programs
- Provides quality control testing and inspections

Emergency Planning – Manage emergency operations centre for all City departments, and:

- Co-ordinates emergency preparedness planning
- Provides risk assessments
- Provides public education and conducts training exercises

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Facilities & Structures	7,424.5	6,181.6
Survey & Mapping Services	14,429.3	6,994.6
Environmental Services	6,368.2	4,730.2
Development Engineering Services	4,263.0	2,237.9
District Engineering Services	14,448.8	9,356.5
Emergency Planning	755.0	745.0
Executive	443.3	443.3
Inter-Divisional Charges	Ø	(26,528.9)
Total Program Budget	48,132.1	4,160.2

Note: Offset represents expenditures and revenues for Interdepartmental Charges (IDCs), Program Administration, and miscellaneous, unallocated adjustments made during the 2003 Budget process.

HIGHLIGHTS

- Development of over \$65 million Capital Infrastructure projects for Water and Wastewater for new and replacement Sanitary, Storm and Watermain programs.
- Administering by Facilities & Structures approximately \$160 million capital infrastructure projects for Water and Wastewater plants and facilities.
- Transportation infrastructure projects undertaken by District Engineering and Facilities & Structures at a total value of over \$155 million.

- Approve and manage over 400 development applications.
- Manage the construction of the Toronto Infrastructure Asset Database particularly miscellaneous field data collection of Water and Wastewater and Transportation assets.
- Development of procedures and agreements to synchronize, integrate and maintain data related to Transportation and Water and Wastewater assets.
- Development of a capital and operating budget project tracking system with linkages to SAP and numerous departmental computer systems.
- Standardization of engineering document management systems and enabling access to departmental users.
- Development of standards for computer assisted design and drafting
- Roll out of WES consultant performance evaluation system
- Development of WES Capital Works Projects Procurement & Administration Procedures Manual
- Development and implementation of joint operations guidelines between police, fire, Emergency Medical Services and health for terrorism involving chemical, biological, radiological or nuclear agents.

PERFORMANCE MEASURES

- Number of Engineering Survey projects undertaken per year. It has remained relatively stable in the past three years around 825.
- Technical Services Costs as a percentage of total capital costs. This measure is impacted by the level of the annual capital program funding as well as by the various factors affecting the ability to complete the assigned workload. The 2003 target is 6%, a substantial reduction from the current 12%.

WES DEPARTMENTAL

Capital Budget

Total 2003 Gross Budget is \$10.503 million [2002 Budget – \$5.491 m]

→ \$4.360 million is for non-emergency Radio Communication System. It is required in order to phase out the existing City radio frequencies in 2004, as mandated by Industry Canada.

→ \$1.931 million for Toronto Infrastructure Data Standards is a major undertaking that updates the mapping of the City's technical and land based assets including watermains, and wastewater pipes.

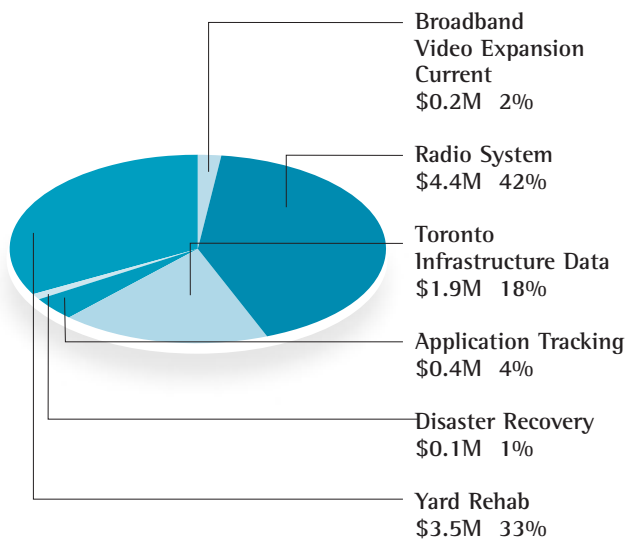
→ \$3.507 million for WES Shared Yards Rehabilitation addresses the most immediate needs to secure the facilities from further deterioration and schedules necessary repair and rehabilitation work in 2003.

5 YEAR CAPITAL WORKS PLAN

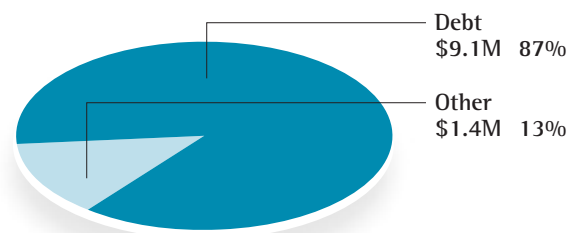
	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Radio Communication System	4,360	-	-	-	-	4,360
Toronto Infrastructure Data	1,931	1,911	-	-	-	3,842
Application Tracking System	375	-	-	-	-	375
Broadband Video Expansion	230	-	-	-	-	230
WES Yard Consolidation	-	140	-	-	-	140
Total Previously Approved	6,896	2,051	-	-	-	8,947
New						
Disaster Recovery Plan	100	440	210	-	-	750
WES Yard Rehabilitation	3507	970	932	596	564	6,56
Total New	3,607	1,410	1,142	596	564	7,319
Total*	10,503	3,461	1,142	596	564	16,266

* The totals of 2004-2007, include future year estimates.

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



ECONOMIC DEVELOPMENT, CULTURE AND TOURISM

Department Overview

The Economic Development, Culture and Tourism Department is responsible for a wide range of services which contribute to an economically strong, socially enjoyable and culturally vibrant City. Our combined service responsibilities heighten Toronto’s ability to sustain and promote itself as one of the leading communities in the world in which to live, visit and do business. Our mandate ties together many of the factors which enrich people’s quality of life – economic well being, cultural expression, sense of civic identity and heritage, recreational opportunities and the natural beauty of the landscape and waterways.

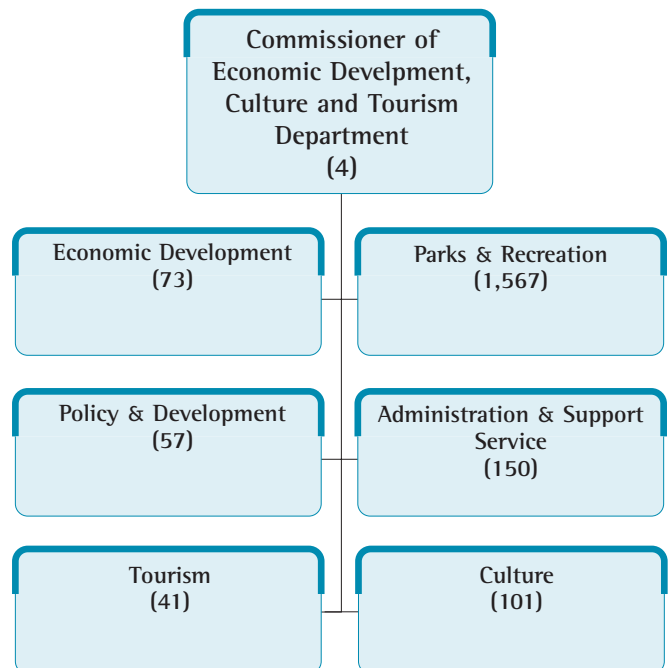
Mission Statement *The vision of Economic Development, Culture and Tourism Department is to see Toronto recognized around the world as an unparalleled city in which to live, work, play, visit and do business.*

The mission and mandate of the Department is to:

- *Create a diverse and competitive economy;*
- *Promote the City to the world as a desirable destination;*
- *Stimulate and support a range of cultural expressions and art forms;*
- *Inspire and enable the full participation of residents in the pursuit of physical and emotional health;*
- *Promote a clean, sustainable city through the stewardship of parks, open spaces and heritage resources.*

Department Map

The Economic Development, Culture and Tourism Department is comprised of six divisions, with a total of 1,993 approved positions:



Operating Budget by Program

The 2003 operating budget for the Economic Development, Culture and Tourism is \$268.293 million gross and \$188.996 million net, which is comprised of:

Divisions:	Gross (\$000s)	Net (\$000s)
Culture	12,190.4	8,804.7
Customer and Business Support	19,368.9	16,994.0
Economic Development	8,314.3	7,413.0
Parks and Recreation	219,745.6	150,402.6
Tourism	12,068.1	8,851.2
Total Program Budget	271,687.3	192,465.5

- Formed the Tourism Division and appointed an Executive Director for Tourism. Staff, programs and budget resources were transferred from other EDCT Divisions to the Tourism Division. The Division completed a Tourism Investment Study and initiated planning to prepare a five-year Tourism Development Strategy for Toronto.
- Launched the Discovery District in support of the Bio-Technology Sector and the Financial Services Alliance in support of the Financial Services Sector in the City.
- Began a branding strategy to raise Toronto's profile internationally to the business community as well as to potential visitors to boost economic investment and tourism.
- Continued the development of the Culture Plan to guide culture development in the City of Toronto in the next decade and initiated work on the development of a strategic plan for Parks and Recreation. The Economic Development Strategy, approved by Council in 2001, entered its implementation stage.

2002 Achievements

- Successfully coordinated the delivery of City services in support of World Youth Day, which took place July 22 to 28, 2002. The event attracted 187,000 paid pilgrims from 147 countries, and an estimated 800,000 attended the Papal Mass on Sunday, July 28. The event received significant local international media coverage. Over 3,700 journalists from 37 countries provided daily worldwide coverage of the events and of the Host City through 8,000 outlets. CBC reported that more than 1.6 billion people around the world watched the weeklong event. The event generated a total of \$87 million in direct spending and \$152 million economic impact in the GTA, supporting the equivalent of 1,940 jobs.

CULTURE

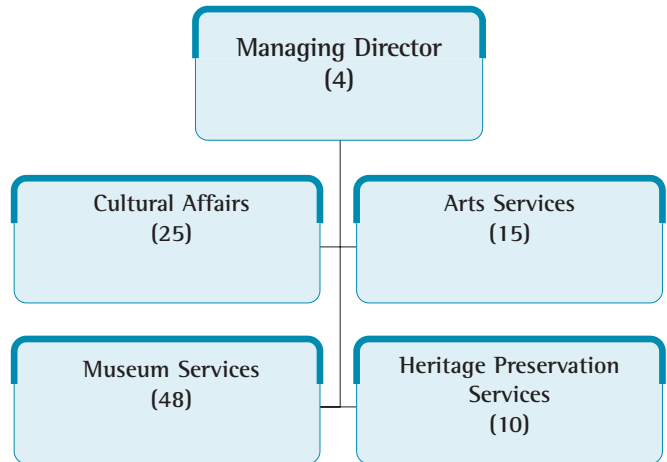
Mission Statement *To foster and maintain cultural growth and expression for citizens and visitors that contribute to Toronto as a dynamic, healthy and diverse city.*

Program Objectives

- Recognise the essential role that culture plays in the social and economic life of the City
- Encourage the creative, open expression of ideas through all art forms and the full participation of residents and visitors
- Foster the health and development of the cultural sector by integrating cultural policy with corporate objectives, delivering financial support, providing art and heritage facilities and a wide range of cultural programs
- Strengthen and support diversity of cultural expression and the many diverse communities in Toronto
- Identify, preserve and interpret Toronto’s heritage
- Ensure that residents and visitors encounter Toronto’s history everyday and everywhere, and that Toronto’s unique character is preserved and passed to future generations

Program Map

The Culture Division is comprised of six services, with a total of 101 approved positions:



Strategic Direction and Service Priorities

Cultural Affairs - To foster the health and development of the cultural sector through the maintenance of key cultural assets

- To improve the attraction of the City’s cultural assets to customers through capital and operating maintenance
- To complete the Culture Plan in 2003
- To secure project partners for the Guild, the Brick Works and the Wychwood Barns and finalise partnership on the Roundhouse
- To improve the condition and appearance of the City’s public art, raising their profile to the public and enhancing accessibility

Heritage Preservation Services - Identify, preserve and interpret Toronto's heritage

- To increase the number of designated heritage properties in order to provide protection for Toronto's built heritage
- To provide advice on adaptive reuse and maintenance of heritage resources so as to protect heritage properties in perpetuity
- To further stabilise funding for the care and on-going maintenance of Toronto's built heritage through the Heritage Grant Fund program
- To protect and enhance the special character of groups of properties in a given area so as to assure protection of a greater number of heritage assets

Museum Services - Ensure residents and visitors encounter Toronto's history everywhere and ensure that Toronto's unique character is preserved and passed to future generations

- To establish partnerships with new educational partners/institutions. Maintain and expand existing links with Boards of Education
- To increase quality and variety of programs offered in order to attract diverse communities.
- To plan and implement the cultural corridor strategy as detailed in the Waterfront Culture Plan (Part I).
- To complete the feasibility study for a museum strategy for Toronto's Waterfront.

Arts Services - Encourage and foster a vibrant artistic life for the City, with open expression of ideas through all art forms and the full participation of residents and visitors

- To exhibit larger amounts of artwork at various municipal venues (city-owned buildings/facilities)
- To develop digital exhibits for public outreach and increase promotion of this resource to educators, researchers and the public.
- To increase youth oriented programming at city cultural facilities
- To develop partnership agreements with local arts service organisations that receive municipal funding in order to better define service delivery

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Art Services	1,790.4	1,373.4
Cultural Development	4,604.5	3,243.3
Heritage Services	5,795.5	4,188.0
Total Program Budget	12,190.4	8,804.7

HIGHLIGHTS

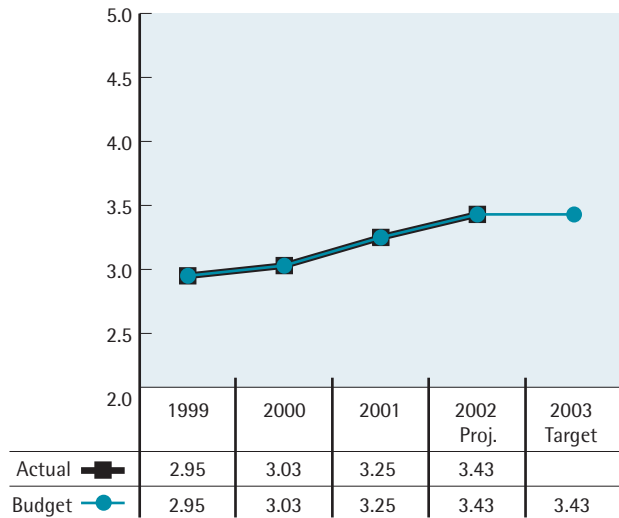
- One time contribution of \$0.250 million for a Cultural Facilities Grant program to support state of good repair projects for non-City owned not-for-profit cultural facilities.
- \$0.077 million for the relocation of artefacts from the Lakeshore Power Plant to a new leased facility.
- \$0.050 million for a DVD presentation for Spadina House and Heritage Gardens.
- Addition of one heritage preservation officer to improve city-wide heritage services.

Performance Measures

SPENDING PER CAPITA

All figures are based on a static population of Toronto of 2.5 million people. Notes: In 1999, the Culture Division has not yet amalgamated with Heritage Toronto, the Market Gallery, Scarborough Historical Museum and MOCCA. This budget figure represents the combined budgets of all 4 units, as if they had existed in 1999. Essentially it is the 2000 budget less 3% for cost of living adjustments. (2000 was our amalgamation year). Additionally, The net budget rose in 2001 to reflect adjustments necessary as a result of salary consolidation (shortfall in transfer of salary funds from Heritage Toronto)

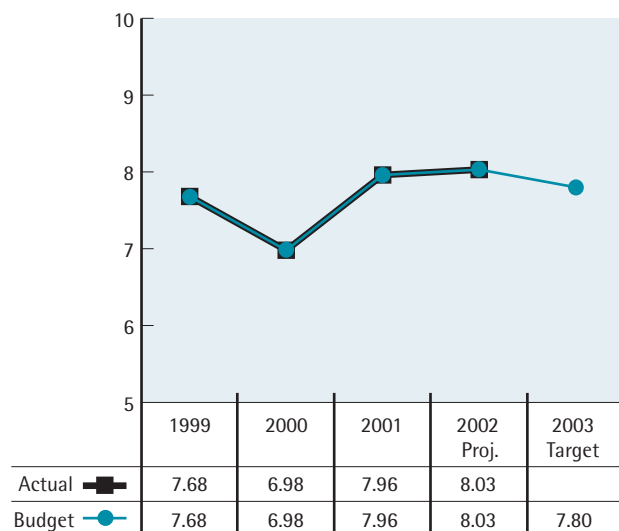
Spending per capita on Culture Division Programs



COST PER VISITOR:

The figures below comprise attendance figures for all sites / programs within the Museums Services Unit and the Arts Services Unit. Budgets include salary and non-salary dollars attributed to each program. 2000 represented the first year of amalgamated attendance and budget reporting for the Culture Division, following the integration of Heritage Toronto, the Market Gallery, and the Museum of Contemporary Canadian Art (MOCCA). 2001 was the first fully integrated year for the Culture Division and figures include full salary consolidation, which affected the 2001 cost per visitor figure.

Cost per visitor for Culture Division Programs



Capital Budget

Total 2003 Gross Budget is \$15.349 million [2002 Budget – \$7.276 m]

→ \$7.970 M for Casa Loma including pending Provincial SuperBuild funding in the amount of \$5.466 M related to restoration and preservation projects including exterior masonry restoration.

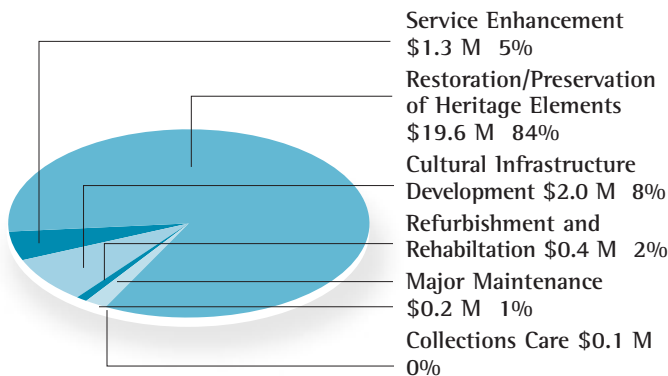
→ \$1.006 M for Cultural Infrastructure Development including the commissioning of public art related to the Trudeau and Lombardi memorials.

→ \$ 1.198 M joint venture for the restoration and preservation of 17 industrial heritage buildings and structures at the Don Valley Brick Works site.

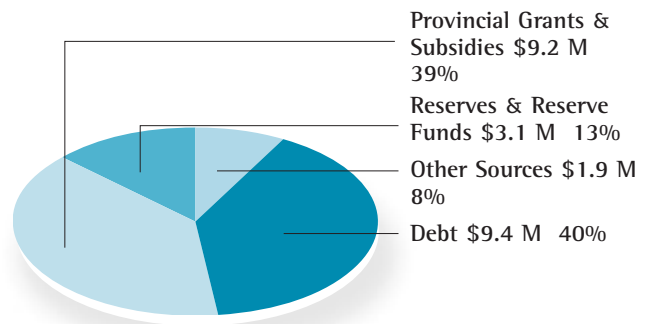
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	2005	Commitments 2006	2007	Total
Previously Approved						
Cultural Infrastructure Development	281	-	-	-	-	281
Service Enhancement	485	-	-	-	-	485
Restoration/Preservation of Heritage Elements	9,785	4,473	-	-	-	14,258
Refurbishment and Rehabilitation	25	-	-	-	-	25
Collections Care	60	-	-	-	-	60
Major Maintenance	25	-	-	-	-	25
Total Previously Approved	10,661	4,473	-	-	-	15,404
New						
Cultural Infrastructure Development	725	975	-	-	-	1,700
Service Enhancement	278	530	-	-	-	808
Restoration/Preservation of Heritage Elements	3,100	2,000	-	-	-	5,100
Refurbishment and Rehabilitation	395	-	-	-	-	395
Collections Care	50	-	-	-	-	50
Major Maintenance	140	-	-	-	-	140
Total New	4,688	3,505	-	-	-	8,193
Total	15,349	8,248	-	-	-	23,597

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



CUSTOMER AND BUSINESS SUPPORT

Mission Statement

Administration and Support Services

The Division works in partnership with corporate service providers to ensure the delivery of high quality, timely, cost-effective services to the Department and its external customers.

Policy and Development

To provide client-based support in the areas of planning, development, design, land acquisition, policy and research to fulfil the Department's mandate of delivering high quality, accessible park and recreational and cultural facilities and services that will improve the quality of life of the citizens of Toronto and preserve and enhance the natural environment and open space areas of the City

Program Objectives

Division staff are key contributing members of District, Division and Department-wide management teams. They provide pro-active advice and solutions and help to achieve City-wide consistency and standards.

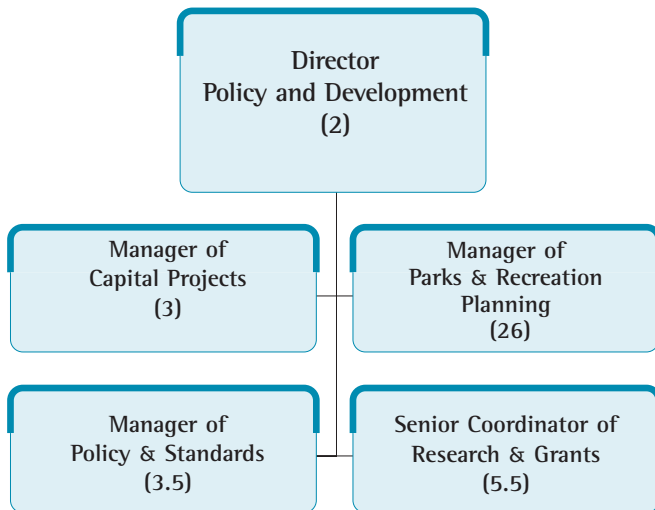
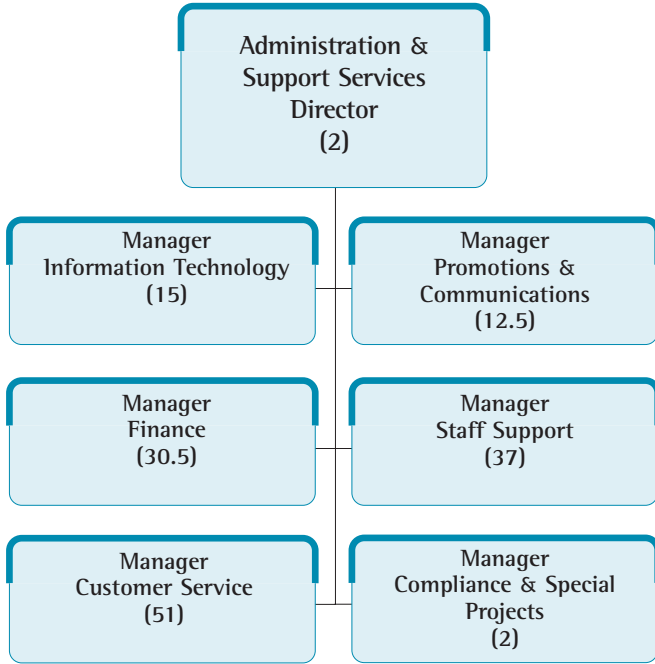
Division staff embrace and promote change and form multi-skilled, flexible work teams to provide superior customer service to the Department and its customers.

The Division's mission is achieved by the following goals:

- provide one-stop shopping and accountability
- establish effective business partnerships both outside and within the Department
- ensure cost effectiveness by minimizing duplication, taking advantage of economies of scale, technology and working with corporate partners
- provide strong technical expertise in all disciplines in order to provide effective, responsive services
- focus on a Department perspective to assist in the integration and coordination of issues across divisional lines
- establish consistency and standardization of those services that require a high degree of control

Program Map

Customer and Business Support is comprised of two services – Administration and Support Services, and Policy and Development with a total of 246.7 approved positions.



Strategic Direction and Service Priorities

Administrative and Support Services - Administration & Support Services works in partnership with corporate service providers and external partners to ensure the delivery of high quality, timely, cost-effective, professional, accountable and responsive support services to the Department and its external customer. The unit focuses on a department perspective to assist in the integration and coordination of services across division lines and establishes consistency and standardization of those services that require a high degree of control.

- ➔ Coordinate Physical Locations and Moves of Staff in the Department - To work with Facilities and Real Estate to ensure that Department staff are located at strategic locations that maximise efficiencies in work proximity.
- ➔ General Public Information, Program Registration and Facility Permitting for Parks and Recreation Programs and Facilities - To provide superior customer service to the public in their registration for recreation programs.
- ➔ Operating Budget development and monitoring, Capital Budget support, financial information systems, financial reporting and analysis, general accounting, revenue management, accounts receivable, purchasing and accounts payable, financial policies and procedures - To provide effective and efficient financial control systems, operating budget monitoring and financial reporting in the Department.
- ➔ Development of Internal management control policies and procedures; training to staff, review and monitoring of compliance; risk management; departmental audit services - To ensure that the Department's cash control policies and procedures are implemented by all staff.

Policy and Development - Provide client-based support in the areas of planning, development, design, land acquisition, policy and research to fulfill the Department's mandate of delivering high quality, accessible park and recreational and cultural facilities and services that will improve the quality of life of the citizens of Toronto and preserve and enhance the natural environment and open space areas of the City

- To undertake facility and park audits to identify current condition and needed repairs to bring assets up to a state of good repair. This is a multi-year process adaptive reuse and maintenance of heritage resources so as to protect heritage properties in perpetuity
- To revise and implement project tracking and financial control systems
- To provide park planning and design services at the Departmental and community level

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Administrative & Support Services	14,145.6	13,945.6
Policy and Development	5,223.3	3,048.3
Total Program Budget	19,368.9	16,993.9

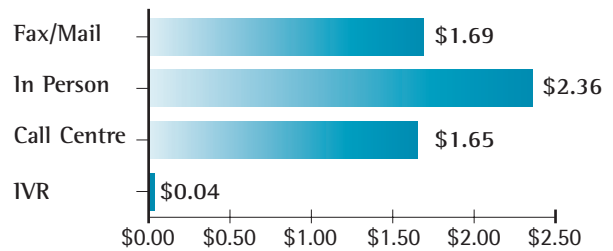
HIGHLIGHTS

- Improvement in customer and operational efficiency through electronic service delivery.
- Internet Pilot Registration program, including the implementation of online registration, brochure delivery and program browsing.
- Reduction in advertising and promotion \$0.100 million

PERFORMANCE MEASURES

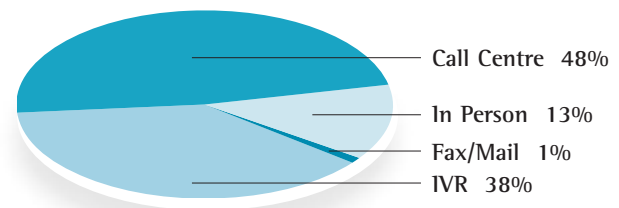
COST PER REGISTRATION METHOD

The costs are based on an 8-day registration period for fall/winter recreation programs, and includes IT and Customer Service costs. The chart projects the difference in costs between four registration methods -- IVR (touch-tone automatic registration), Call Centre (telephone operator), In-person and Fax/mail.



PERCENTAGE OF REGISTRATION BY METHOD

The percentages are based on an 8-day registration period for fall/winter recreation programs in 2002. Calls which came in via touch-tone and callers zero-ing out to talk to an operator is considered Call Centre calls. Tracking of this in future years will provide a trend in registration methods.



ECONOMIC DEVELOPMENT

Mission Statement *The Economic*

Development Division supports the Department's vision for Toronto as an economically strong, socially enjoyable and culturally vibrant city where businesses prosper and citizens share in their prosperity through full employment and access to the high quality public services and infrastructure supported by a strong business tax base.

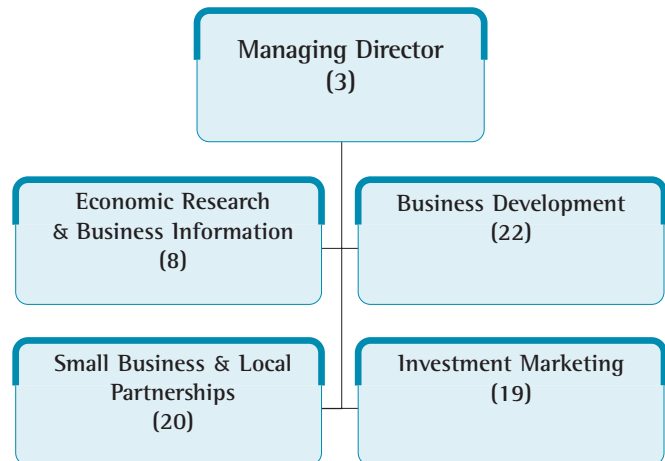
The Economic Development Division's mission is to accelerate and support a sustainable economy whereby businesses are attracted, employment-generating initiatives are advanced, and wealth for all citizens is fostered.

Program Objectives

- ➔ Grow and support existing businesses through a business retention/expansion program.
- ➔ Support the start up of new businesses and foster the entrepreneurial spirit of small business.
- ➔ Develop long term strategies to support Toronto's competitive economic clusters.
- ➔ Promote the City's competitive position in order to attract new businesses and investment.
- ➔ Advocate and collaborate in promoting a business-friendly environment at City Hall.

Program Map

The Economic Development Division is comprised of five services, with a total of 74 approved positions:



Strategic Direction and Service Priorities

BUSINESS DEVELOPMENT & RETENTION

- To implement an outreach / corporate calling program to build relationships with individual businesses in the city.
- To provide technical assistance to companies in facilitating their export of goods and services
- To add value to the National Trade Centre as a venue for international trade shows and activities
- To provide consulting, educational and intelligence services to companies and business associations in the City's key economic clusters that include Financial Services, Bio-Medical, ICT, Fashion and Apparel, Design, Film and TV, and Food & Beverage.

ECONOMIC RESEARCH

- To gather information directly from Toronto businesses in order to ascertain key issues, trends and opportunities. To undertake business outlook survey to monitor business issues.
- To distribute monthly newsletter on key economic indicators.
- To maintain a database of all businesses in Toronto that is updated and available for distribution annually.
- To implement web based tools to assist businesses in accessing information on City of Toronto for economic development purposes.

SMALL BUSINESS & LOCAL PARTNERSHIP

- To provide one-stop sourcing services and programs tailored to meet the needs of entrepreneurs and small businesses through Enterprise Toronto.
- To increase effective networking in Toronto's small business community with Enterprise Toronto as "hub".
- To facilitate the growth and development of BIAs across the City through the BIA Office
- To maintain and improve the physical infrastructure of Employment Revitalization Areas that will enhance the viability of these employment areas.

INVESTMENT MARKETING

- To generate new contacts and leads in the international investment community by participating in strategic trade shows and trade missions, directly contacting and building relationships with key investment "gatekeepers", advertising and generating editorial coverage in business publications, updating marketing materials, and enhancing website.
- To create a new visual identity program for marketing materials and an action plan for integrating electronic communications vehicles to drive more web hits and e-mail investment inquiries.
- To propose initiatives and implement a project to increase Toronto's global identity and recognition of advantages through branding campaign.
- To support Business Development and Retention Program by providing marketing materials and displays, media connections, and marketing and communications support.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Business Development & Retention	2,278.7	2,238.7
Entrepreneurship & Small Business	837.0	677.0
Investment Marketing	2,821.3	2,494.3
Economic Research & Business Information	1,152.5	1,117.5
Local Partnerships	1,224.8	885.5
Total Program Budget	8,314.3	7,413.0

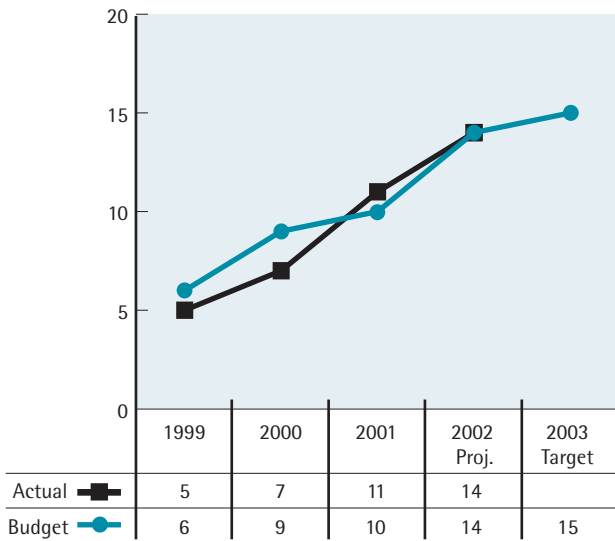
HIGHLIGHTS

- Multi-faceted campaign targeted at raising an awareness of the competitive advantages and unique attributes of living and doing business in Toronto.
- Labour Force Readiness Plan to better ensure that the needs of the Toronto business community for quality labour are met in the future and to ensure citizens of Toronto have opportunities to work at quality jobs in Toronto
- To maintain the amount of film production activity in Toronto in 2003 by promoting Toronto internationally, facilitating the development of infrastructure supporting film production, and providing excellent customer service to film crews.
- To advance the vitality of retail and employment areas across the City

PERFORMANCE MEASURES

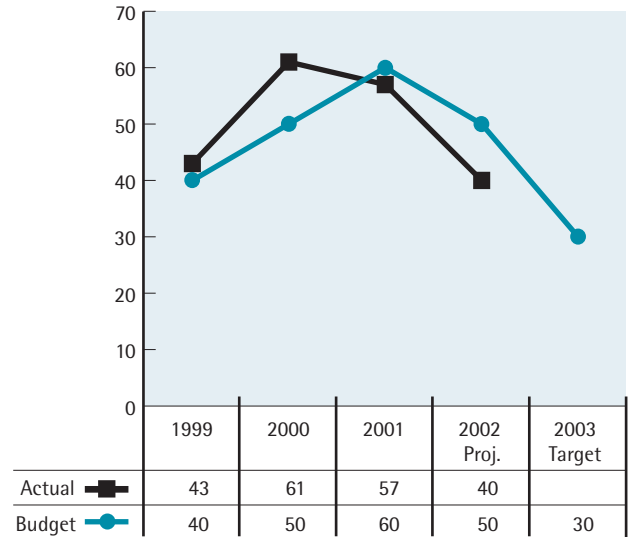
This measure estimates the number of new business investment by companies which are new to the City of Toronto.

New Business Investment



Pro-active staff calls /visits to targeted local businesses to offer assistance on local issues and expansion relocation issues. This measure tracks the number of businesses that have made a decision to stay and expand in Toronto.

Business Expansions and Companies Retained



Capital Budget

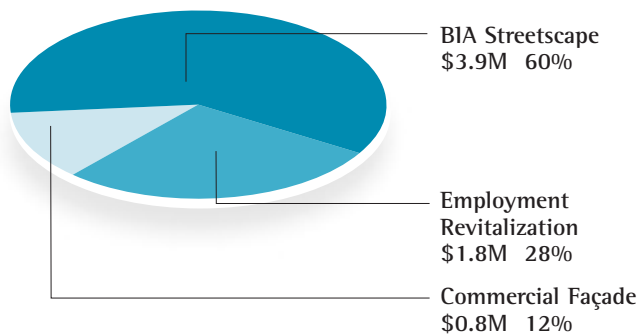
Total 2003 Gross Budget is \$6.514 million [2002 Budget - \$5.486 m]

- \$3.897 million is for streetscape improvement in Business Improvement Areas.
- \$0.766 million for commercial façade improvement in 8 areas in the City.
- \$1.851 million for improvement to employment revitalization areas.

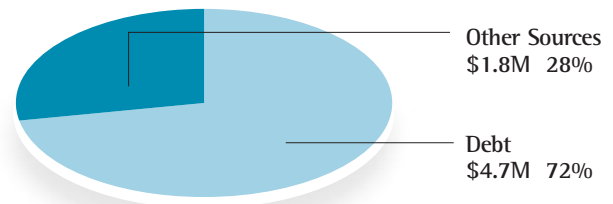
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	Commitments		2007	Total
			2005	2006		
Previously Approved						
Previously Approved						
BIA Streetscape	2,050	259	-	-	-	2,309
Commercial Façade Improvement	517	-	-	-	-	517
Employment Revitalization Program	905	-	-	-	-	905
Total Previously Approved	3,472	-	-	-	-	3,731
New						
BIA Streetscape	1,847	651	-	-	-	2,498
Commercial Façade Improvement	249	300	-	-	-	549
Employment Revitalization Program	946	-	-	-	-	946
Total	6,514	1,210	-	-	-	7,724

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



PARKS AND RECREATION PROGRAM

Mission Statement *Toronto will be known by the world as the "City within a Park" – a rich fabric of parks, open space, rivers and streams that will connect our neighbourhoods and join us to our clean, vibrant waterfront.*

The world will envy and seek to emulate the healthy, productive and balanced lives that the people of Toronto have achieved. Our Parks and Recreation Services will signal to the world Toronto's commitment to the best of all possible futures.

The people in the diverse communities of Toronto will have full and equitable access to high calibre, locally responsible recreational programs, efficiently operated facilities, and safe, clean and beautiful parks, open spaces, ravines and forests.

Program Objectives

SPORTS AND RECREATION PROGRAMMING

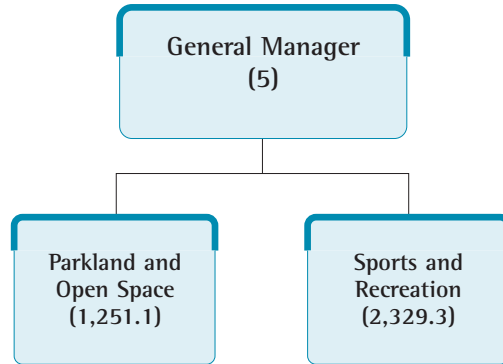
Our goal is to provide a variety of sports and recreational facilities and programs that are attractive, safe, well maintained, cost-effective, ecologically healthy, and which promote personal and social health and wellness while meeting community needs.

PARKLAND AND OPEN SPACE

Our goal is to provide a variety of green spaces and services that are safe, attractive, well maintained, cost-effective, ecologically healthy, and which promote personal and social health and wellness while meeting community needs.

Program Map

The Parks and Recreation Division is comprised of two services, with a total of 3,585.4 approved positions:



Strategic Direction and Service Priorities

PARKLAND AND OPEN SPACE

- To transport passengers year-round to the Island in a safe, timely and satisfactory manner
- To maintain and enhance the health of the urban forest
- To provide clean, safe and well-maintained greenspace and park amenities for passive and permit use.
- To develop effective risk management for physical resources
- To apply operational standards to meet expectations of users
- To ensure an adequate supply of quality plants for use in City facilities and at events supported by the City.
- To promote ways horticulture can enhance urban aesthetics
- To improve environmental health by protecting, cleaning and restoring the city's land, air and water.
- To develop and operate concessions and engage in new business agreements
- To enhance the Division's revenue outlook in non-programming streams
- To provide quality golf opportunities
- To provide safe and accessible skiing/snowboarding opportunities
- To directly operate special events or support community groups in the delivery of special events.

SPORTS AND RECREATION

- To continue to review and enhance program and service quality, and availability with the involvement of citizens and community organizations.
- To develop effective risk management in recreation programs and services
- To reduce barriers and increase access to recreation programs and services
- To review and improve program efficiency.

- To provide recreation facilities that are functional, clean and in a state of good repair
- To ensure that facilities are appropriate in number, location and type
- To review and improve the efficiency of all facility operations
- To continue to provide high quality facilities for our program and permit users

Operating Budget by Service

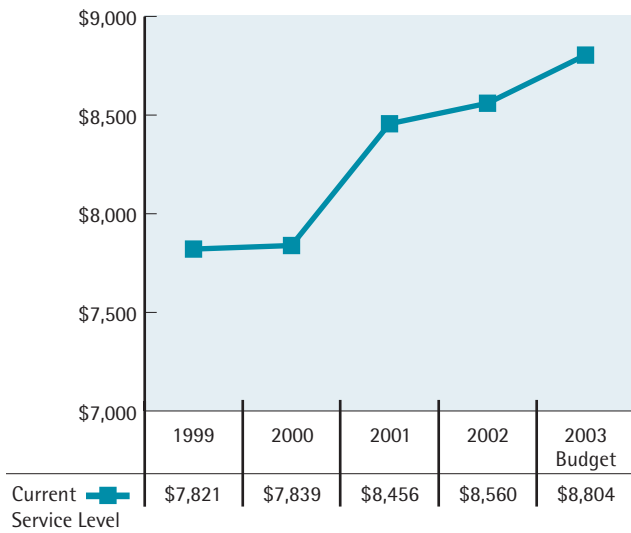
Service:	Gross (\$000s)	Net (\$000s)
Parkland and Open Space	93,538.9	79,319.6
Sports and Recreational Programming	126,586.7	71,083.0
Total Program Budget	219,745.6	150,402.6

HIGHLIGHTS

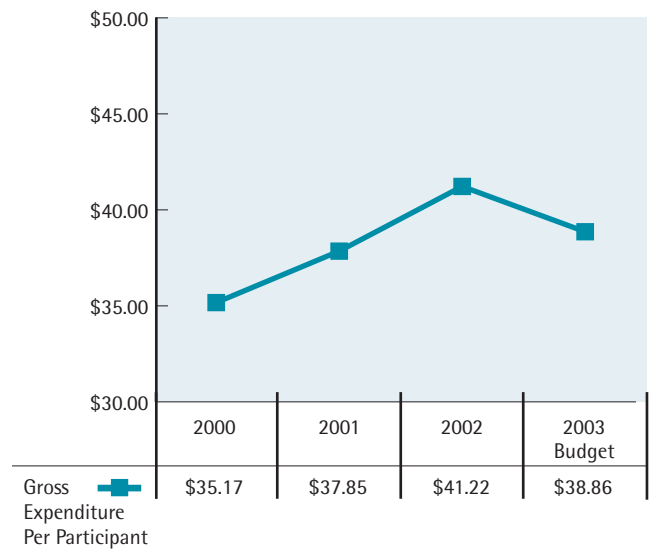
- Increases in Recreational Program Fees totalling \$1.016 M and Toronto Island Ferry rates of \$0.700 M
- Reduced 17 permanent staff positions for savings of \$1.180 M
- New funding of 1.6 M to ensure the availability of 47 TDSB pools used for public programming
- New funding of \$1.3 M to continue to deliver recreational programs in TDSB facilities
- Added 2 staff and \$0.093 M in 2003 to support the implementation of the Harmonized Ravine By-Law included in the City's new Official Plan
- Added 3 staff and \$0.184 M to fund environmental restoration of rivers, ravines and the waterfront
- Added \$0.025 M in ongoing funding and \$0.0200 M of one-time funding to remediate Playground Structures with CCA treated wood
- Added \$0.130 M of one-time funding for an expanded Goose Control Program in City Parks

Performance Measures

Parkland Cost Per Hectare Maintained



Gross Expenditure Per Camp Participant



The increase of \$706 or 9% between the 2001 cost of \$7,839 and the 2002 projected cost of \$8,545 pertains mainly to the increased cost of living, fleet and utilities.

Capital Budget

Total 2003 Gross Budget is \$72.211 million [2002 Budget – \$65.340 m]

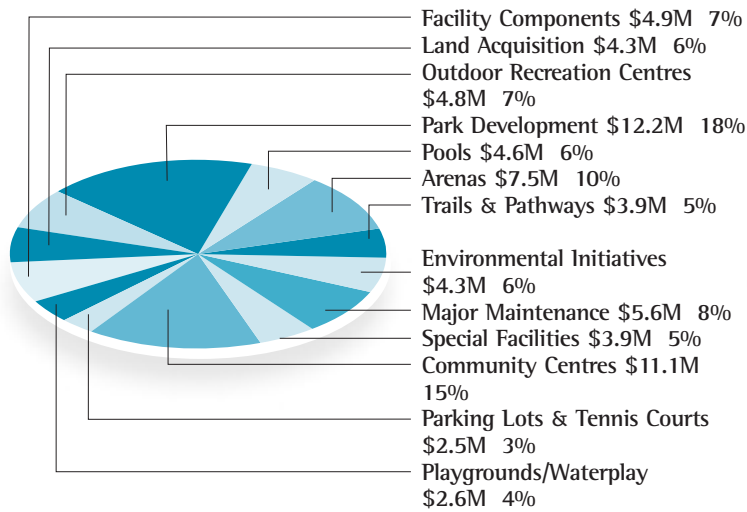
- Park Development and Community Centres comprise 32% of the budget for \$23.3 million.
- Arenas and Pools comprise 16.7% of the budget for \$12.1 million.

- Trails & Pathways, Parking Lots and Tennis Courts, Playgrounds / Waterplay, Outdoor Recreation Centres, and Environmental Initiatives comprise 25% for \$18.1 million.
- Special Facilities, Major Maintenance, Facility Components and Land Acquisition comprise 26% for \$18.7 million.

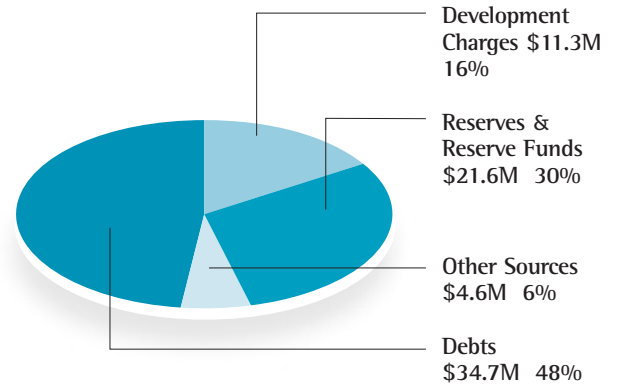
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	Commitments		2007	Total
			2005	2006		
Previously Approved						
Facility Components	1,442	-	-	-	-	1,442
Land Acquisition	2,323	-	-	-	-	2,323
Outdoor Recreation Centres	2,485	200	300	-	-	2,985
Park Development	5,306	910	671	-	-	6,887
Parking Lots and Tennis Courts	756	50	-	-	-	806
Playgrounds/ Waterplay	2,075	79	100	-	-	2,254
Pool	1,126	2,400	779	-	-	4,305
Arena	1,231	650	-	-	-	1,881
Trails & Pathways	2,236	355	-	-	-	2,591
Environmental Initiatives	1,225	100	-	-	-	1,325
Major Maintenance	2,292	-	-	-	-	2,292
Special Facilities	984	-	600	3,000	-	4,584
Community Centres	7,949	5,112	-	-	-	13,061
Total Previously Approved	31,430	9,856	2,450	3,000	-	46,736
New						
Facility Components	3,425	200	-	-	-	3,625
Land Acquisition	2,000	-	-	-	-	2,000
Outdoor Recreation Centres	2,275	-	-	-	-	2,275
Park Development	6,931	2,000	-	-	-	8,931
Parking Lots and Tennis Courts	1,750	-	-	-	-	1,750
Playgrounds/ Waterplay	525	1,500	-	-	-	2,025
Pool	3,425	-	-	-	-	3,425
Arena	6,070	-	-	-	-	6,070
Trails & Pathways	1,665	-	-	-	-	1,665
Environmental Initiatives	3,085	35	30	-	-	3,150
Major Maintenance	285	-	-	-	-	3,285
Special Facilities	2,955	-	-	-	-	2,955
Community Centres	3,190	-	-	-	-	3,190
Total New	40,581	3,735	30	-	-	44,346
Total	72,211	13,591	2,480	3,000	-	91,282

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



TOURISM PROGRAM

Mission Statement *The Tourism Division*

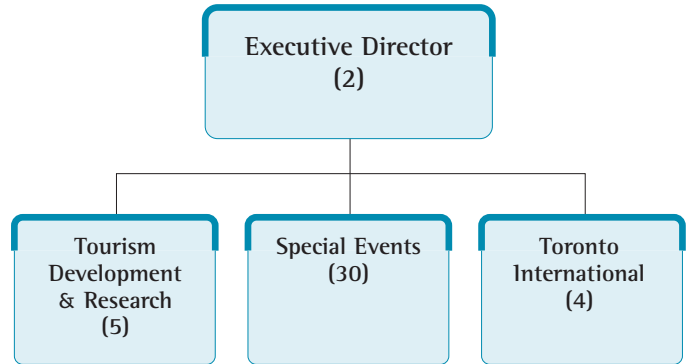
strives to position Toronto as a dynamic and culturally vibrant year round international destination and foster the development and rejuvenation of innovative attractions, facilities and globally significant events and festivals that will enhance the quality of life for citizens and visitors. The Tourism Division's mission is to accelerate opportunity, promote excellence and to liberate the potential that exists in this key economic sector.

Program Objectives

- ➔ Toronto Special Events will showcase Toronto to residents and the world by developing, producing and promoting innovative, large-scale special events and festivals.
- ➔ To foster the health and development of tourism sector by: engaging in strategic planning, establishing industry partnerships, undertaking product development initiatives, working with investors and providing tourism information and data services.
- ➔ To research, analyze, and bid to host large international and national sporting, arts/cultural, social or business events of significance designed to increase Toronto's international profile and stimulate investment in the Tourism sector.

Program Map

The Tourism Division is comprised of three services, with a total of 40.3 approved positions:



Strategic Direction and Service Priorities

Toronto Special Events - Toronto Special Events will showcase Toronto to residents and the world by developing, producing and promoting innovative, large-scale special events and festivals.

- ➔ To increase total annual event attendance (both resident and tourist) by increasing awareness through media partner promotions.
- ➔ To increase the value and economic impact of shoulder-season events.
- ➔ To continue the implementation of the five-year strategic plan approved by Toronto City Council to reposition Toronto Winterfest to draw a wider audience and bolster tourism.
- ➔ To strengthen the effectiveness of marketing campaigns for events and build brand awareness of events produced by the Special Events section to ultimately build event audience.
- ➔ To secure and maintain sponsorship revenue to offset the gross operational budget for the Special Events Section. This includes securing corporate cash and in-kind services, as well as government and foundation grants through strategic approach and experienced negotiation, and ensuring sponsors' return on investment via TSE events and products.

Tourism Development and Research - To foster the health and development of tourism sector by: engaging in strategic planning, establishing industry partnerships, undertaking product development initiatives, working with investors and providing tourism information and data services.

- To lead the development of long term strategies to support Toronto’s tourism sector.
- To develop a synergistic working partnership with Tourism Toronto that makes efficient use of resources to market Toronto internationally and to cooperatively develop and strengthen Toronto’s attractiveness as a convention and visitor destination.
- To support the development and enhancement of attractions by the development of packages and tours as well as the provision of information and guidance to tourism enterprises and entrepreneurs.
- To nurture a “tourist-friendly” environment and atmosphere in Toronto through advocacy, policy development, investment attraction, enhancing tourist information services, facilitating infrastructure development and enhancing public awareness.

Toronto International - To research, analyze, and bid to host large international and national sporting, arts/cultural, social or business events of significance designed to increase Toronto’s international profile and stimulate investment in the Tourism sector. To develop partnership agreements with local arts service organizations that receive municipal funding in order to better define service delivery

- To develop a 5-year strategy for targeting, hosting and facilitating bid opportunities.
- To establish a Toronto International Advisory Board.
- To identify and develop a funding framework for Toronto International.
- To create an inventory of major facilities and infrastructure projects.
- To establish a pro-active outreach program.
- To promote Toronto’s competitive position.
- To increase bid development opportunities.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Special Events	6,691.7	3,554.8
Tourism Development and Research	5,000.9	4,920.9
Toronto International	375.5	375.5
Total Program Budget	12,068.1	8,851.2

HIGHLIGHTS

- Secured a total of \$2.57 million in cash and in-kind valued sponsorship in 2001 to program City signature and community events as well as other special projects
- Attracted 70% return rate of sponsors from 2001 to 2002
- Negotiated \$1.53 million in contra advertising in 2002
- Consulted on and facilitated special projects such as the Toronto International Caravan and World Youth Day.
- Initiated a five-year strategy to reposition Toronto Winterfest from a three-day family festival to a two-week urban event experience.
- Completed Tourism Investment Study. The study identifies challenges and opportunities to attracting new tourism investment in Toronto. It recommends that the City and Province work together to provide tax incentives as inducements for new tourism development, such as arts/culture and entertainment facilities/attractions.
- Partnered with Tourism Toronto and the Toronto tourism industry to host the World Educational Conference of Meeting Professionals International bringing over 3,500 influential meeting planners to the city.
- Established a Tour Guide Training Advisory Committee that developed the first Tour Guide certification program in Toronto at George Brown College.
- Initiated a facilities inventory of sports, recreation, cultural and business venues.

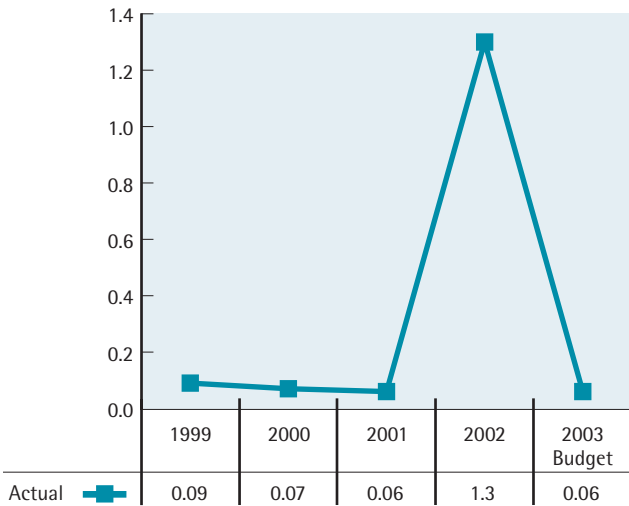
PERFORMANCE MEASURES

The increased net cost of attendees can be directly attributed to the summer labour dispute which forced the cancellation of several key event properties including the Celebrate Toronto Street Festival which, in 2001, attracted one million people, two of the City's largest Canada Day celebrations and three free summer concerts.

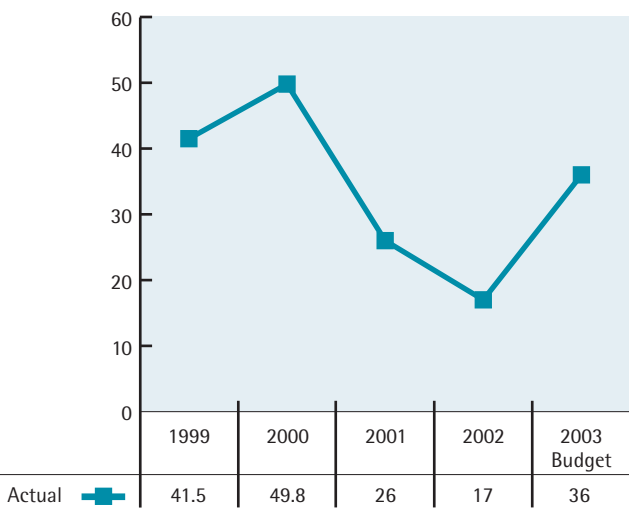
Capital Budget

Not applicable

Net Cost of Attendees



Revenue as a Percentage of Gross Expenditures



The downward trend in revenues can be attributed to the summer labour dispute, which forced the cancellation of several key summer events including the Celebrate Toronto Street Festival which, prior to cancellation, had generated \$560,500. in cash and \$432,000 in-kind, two of the largest Canada Day celebrations and three free summer concerts. It is important to note the chart below reflects cash revenue only and does not take into consideration in-kind revenues which, in 2002, amounted to \$783,600.

URBAN DEVELOPMENT SERVICES

Department Overview

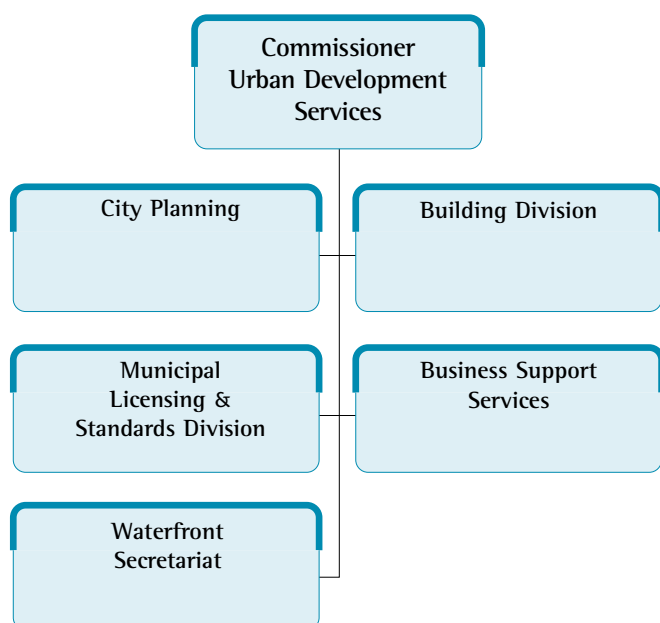
The Urban Development Services Department is a proud partner in sustaining, planning and building Toronto. Urban Development Services works with our community and business partners to guide and manage the city's growth and enhance public safety.

Mission Statement *The mandate of the Department is to:*

- *Manage growth and physical form of the city;*
- *Review and process development approval applications;*
- *Gather public input and research to develop plans, regulations and projects and enhance the urban environment;*
- *Regulate and support the construction and renovation of all buildings to ensure the health, safety and accessibility for those who use our City's buildings;*
- *Review all projects for compliance with legally mandated objectives through the timely issuance of building permits and on-site inspection of construction;*
- *Enhance the quality of life of all residents, businesses and visitors to Toronto through*
 - *the regulation and issuance of licences for stationary and mobile businesses, and permits for street vending, boulevard cafes and marketing on the City's right-of-way.*
 - *the regulation and control of activities on or associated with the use and maintenance of private property through the enforcement of Acts, by-laws, and regulations;*
- *Lead and direct the City's involvement in the Toronto Waterfront Revitalization initiative*

Department Map

The Urban Development Services Department is comprised of four divisions, with a total of 1,053 approved positions:



Operating Budget by Service:

Service:	Gross (\$000s)	Net (\$000s)
City Planning	26,583.8	17,628.6
Building	30,385.9	(16,997.6)
Municipal Licensing and Standards	24,248.9	6,116.3
Business Support Services	11,113.6	9,181.5
Total Department Budget	92,332.2	15,928.8

2002 Achievements

- Development Review Task Force established
- Council approval of the New Official Plan
- Central Waterfront Secondary Plan proposed
- With the Toronto Waterfront Revitalization Corporation, began implementation of four priority waterfront projects
- Etobicoke, New Toronto and Scarborough Civic Centre Secondary Plans completed
- Finalized non-exclusive, non-transferable licensing and service agreement with the City of Ottawa for the City's Ambassador and Accessible Taxicab Training Courses
- Harmonization of Noise and Ravine Bylaws
- 2002 Activity Levels:
 - 35,000 Building Permit Applications processed
 - 4,000 Development Applications processed
 - 55,000 Licences issued
 - 55,000 MLS investigations

Departmental Priorities and Pressures

Increasing volumes of activity (Building and MLS Divisions)

- Re-invest some of the revenues earned back into the programs to improve service delivery
- Predict and respond to fluctuations in the market

Streamlining Initiatives

- Through work with the Development Review Task Force, development applications sorted depending on complexity

Harmonization Initiatives

- New comprehensive Zoning By-law for the City of Toronto that will support the new Official Plan

New city-wide Sign By-law

- Development of key principles for the harmonization of the Street Vending and Mobile A-Frame Sign By-laws

Responding to Legislation

- Bill 124 "An Act to Improve Public Safety and Increase Efficiency in Building Code Enforcement"
- Municipal Act

HIGHLIGHTS

CUSTOMER SERVICE - BUILDING SERVICE CAPACITY:

To build better service in 2003, UDS is continuing to harmonize and enhance procedures and bylaws while developing ways to:

- improve turn-around time for development applications
- provide resources to improve service levels to respond to growth by adding resources for plan review, building inspections and taxi training
- reduce costly litigation through alternate dispute resolution

The department will also focus on the continued implementation of the Integrated Business Management System (IBMS) across the department.

CITY BUILDING INITIATIVES:

- The new City of Toronto's first Official Plan has been approved by Council
- Precinct development strategies will be prepared for various areas of the waterfront
- Detailed planning for Avenues and a tall buildings study will be done
- Continued work on the new Zoning Bylaw for the City of Toronto
- Waterfront Revitalization – the permanent contribution agreement between the three levels of government and the Toronto Waterfront Revitalization Corporation will be developed

PERFORMANCE MEASURES

- The target timeframe for the turnaround of large complex applications is 9 months. The ultimate objective is to achieve this turnaround time for 80% of applications. The 2003 target is to achieve the turnaround time for 60% of applications. For routine applications, the desired turnaround time is 4 months with a 80% achievement rate. The 2003 target is to achieve the turnaround time for 60% of applications. Timeframes rely on responses from other departments and applicants.
- The objective is to reduce the average timeframes for issuance of building permits by type as follows:
Residential: Performance Objective 10 days, Achievable Target 18 days, Residential High Rise: Performance Objective 20 days, Achievable Target 24 days, Mixed Residential: Performance Objective 20 days, Achievable Target 24 days, Other Part 3 Buildings: Performance Objective 20 – 30 days, Achievable Target 30 – 40 days, Other: Performance Objective 10 days, Achievable Target 12 days, Fastrack: Performance Objective 1 day, Achievable Target 1 day, Shortroute: Performance Objective 10 days, Achievable target 10 days.
- The objective is to increase the ratio of Preliminary Project Review applications to Committee of Adjustment applications to 80% overall, with a 2003 specific target of 70% for the North and East District offices which are currently not achieving this ratio.
- There is strong demand for new taxicab driver licenses, resulting in additional 40 registrants added to the waiting list each month. The current waiting list is in excess of 1,600 drivers with a approximate waiting time of 22 months. Additional resources requested in the 2003 budget will allow the waiting time to be reduced to approximately 8 months in 2003.

Capital Budget

Total 2003 Gross Budget is \$7.825 million [2002 Budget - \$7.081 m]

→ \$2.950 million for various streetscape projects across the city.

→ \$2.064 million for the implementation of the Permit, Development, Approval and Licensing system (IBMS).

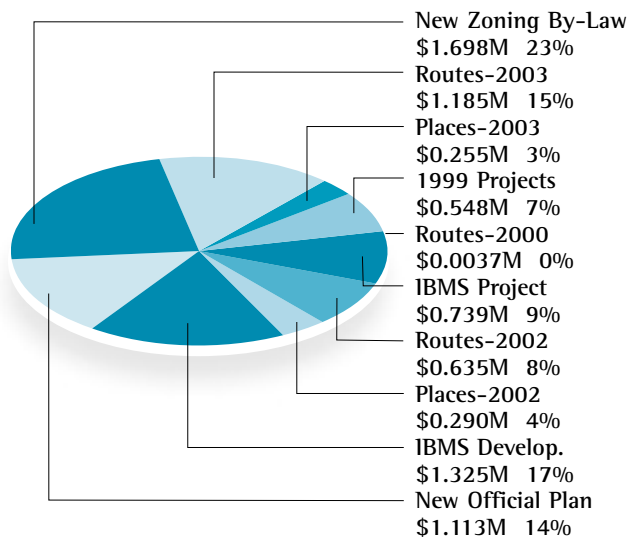
→ \$1.698 million for development of a new zoning by-law.

→ \$1.113 million for the new Official Plan.

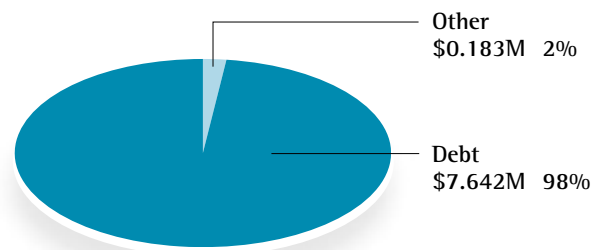
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
1999 Streetscape Projects	548	236	-	-	-	784
Routes 2000	37	250	-	-	-	287
Places 2000	-	75	-	-	-	75
Routes 2002	635	130	-	-	-	765
Places 2002	290	-	-	-	-	290
New Official Plan	363	-	-	-	-	363
IBMS Project	739	-	-	-	-	739
IBMS Development	1,325	-	-	-	-	1,325
New Zoning By-law	110	-	-	-	-	110
Total Previously Approved	4,047	691	-	-	-	4,738
New						
Routes 2003	1,185	-	-	-	-	1,185
Places 2003	255	-	-	-	-	255
New Official Plan	750	-	-	-	-	750
New Zoning By-law	1,588	200	-	-	-	1,788
Total New	3,778	200	-	-	-	3,978
Total	7,825	891	-	-	-	8,716

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



WATERFRONT REVITALIZATION

Capital Budget

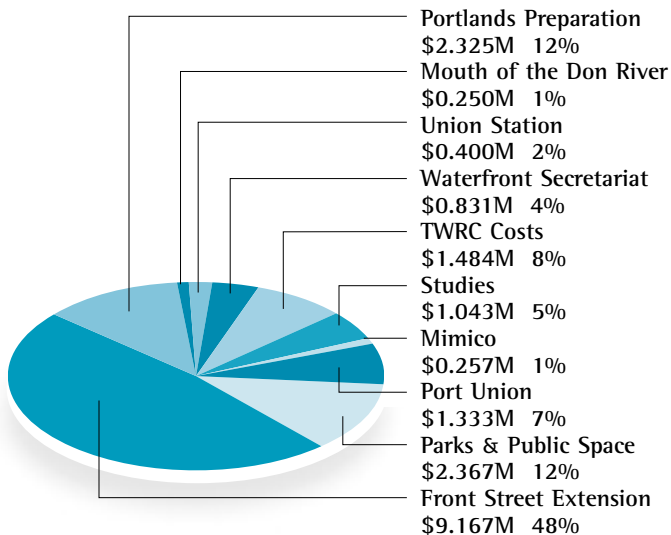
Total 2003 Gross Budget is \$19.457 million [2002 Budget – \$4.803 m]

→ \$56.709 million (\$19.457 million city share) for Waterfront Revitalization initiatives including: Front Street Extension, Union Station, Port Lands Preparation, Mouth of the Don Naturalization, Mimico and Port Union Strategic Projects and Parks and Public Spaces.

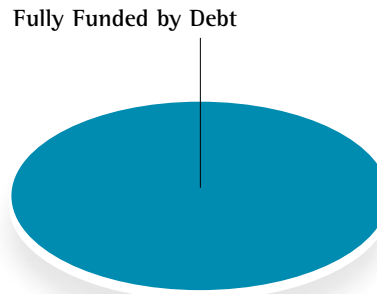
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
T.W.R.C.	13,626	28,169	27,167	20,011	26,760	115,733
Waterfront Secretariat	831	-	-	-	-	831
Total Previously Approved	14,457	28,169	27,167	20,011	26,760	116,564
New						
T.W.R.C.	5,000	-	-	-	-	5,000
Total	19,457	28,169	27,167	20,011	26,760	121,564

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



CORPORATE SERVICES

Department Overview

Corporate Services is a service delivery department providing leadership and support services to the corporation, as well as services directly to the public. Through dedicated and professional staff, the department manages corporate assets and resources, delivers and maintains critical services and systems, and fulfils governance responsibilities. Service is provided to the public, City Council and its Members, the corporation, employees, departments and the media. The department is organized into nine divisions: the City Clerk's Office, Corporate Communications, Court Services, Facilities and Real Estate, Fleet Services, Human Resources, Information and Technology, Legal Services, and Service Improvement and Innovation.

Mission Statement *Corporate Services*

mission is to ensure the organization operates efficiently and effectively by providing direct service delivery and managing corporate assets and resources. The department is focused on establishing and maintaining the foundations for responsible government and quality service delivery.

The department fulfils this mandate by:

Providing Corporate Leadership, through:

- *Building a strong corporate organization.*
- *Fulfilling corporate governance responsibilities.*
- *Developing and implementing key corporate programs.*
- *Establishing policy, standards and procedures to achieve corporate objectives.*

Building Service Capacity, through:

- *Improving core services to expand capacity.*

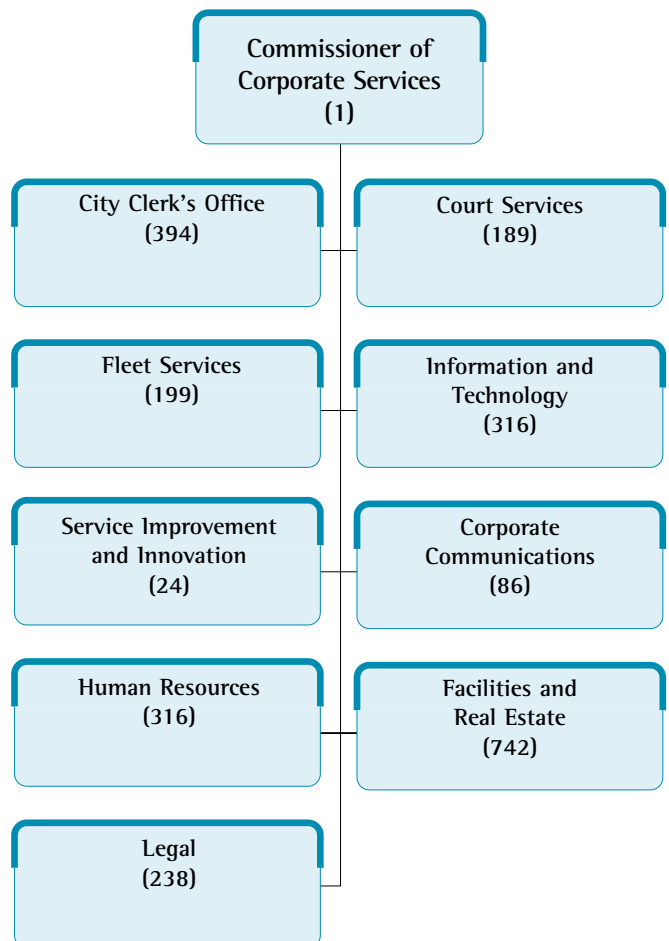
- *Using the right tools to deliver services.*
- *Developing staff expertise.*
- *Enhancing core services.*

Meeting Client Service Requirements, through:

- *Understanding clients needs.*
- *Delivering quality core services.*
- *Managing service expectations.*

Department Map

The Corporate Services Department is comprised of nine divisions, with a total of 2,504 approved positions in 2003:



Operating Budget by Program

The 2003 operating budget for the Corporate Services is \$287,645.5 million gross and \$138,848.7 million net, which is comprised of:

Program	Gross (\$000s)	Net (\$000s)
City Clerk's Office	44,436.0	20,940.6
Court Services	27,339.9	(4,422.6)
Fleet Services	31,296.8	0
Information and Technology	40,411.5	39,099.1
Service Improvement and Innovation	2,654.6	2,164.6
Corporate Communications	6,439.6	6,337.0
Facilities and Real Estate	84,241.1	31,536.7
Human Resources	26,472.7	25,155.4
Legal	24,353.3	18,037.9
Total Department Budget	287,645.5	138,848.7

2002 Achievements (departmental)

1. Provided corporate governance leadership through development of key corporate plans and initiatives:

- City Council adoption of eCity strategic directions
- development of People Strategy for City employees
- development of Energy Management Strategy for City Facilities
- City Council adoption of updated Master Accommodation Plan

2. Defined and confirmed departmental core services and activities.

3. Consulted with corporate clients to understand service requirements and plan service levels for 2003.

- convened consultations sessions with departmental senior management teams
- convened consultation session with Members of Council
- convened consultation session with Administration Committee

4. Initiated service and process reviews in core service areas to build service capacity across programs.

- Council meeting management and automation
- Human Resources management systems
- vehicle acquisitions process
- computer help desk
- collection of court offences fines

5. Developed a policy framework for inter-departmental charges to assist establishing transparency and accountability across departmental charge-backs and revenue sources

6. Completed the transfer of Provincial Offences Act responsibilities from the Province to the City and established a new service division through Court Services.

7. Improved organizational effectiveness of the department through structural reviews:

- review of internal departmental administrative functions
- implementation of new Fleet Services organization
- review of Information and Technology organization
- review of the City Clerk's Office
- review of Facilities and Real Estate organization through Business Improvement Project

8. Completed a RFP process for restoration and revitalization of Union Station.

Capital Budget

Not applicable.

CITY CLERKS

Mission Statement *The purpose of the City*

Clerk's Office is to support effective governance in the City of Toronto by facilitating City Council's decision making processes and promoting stewardship of corporate information, as follows:

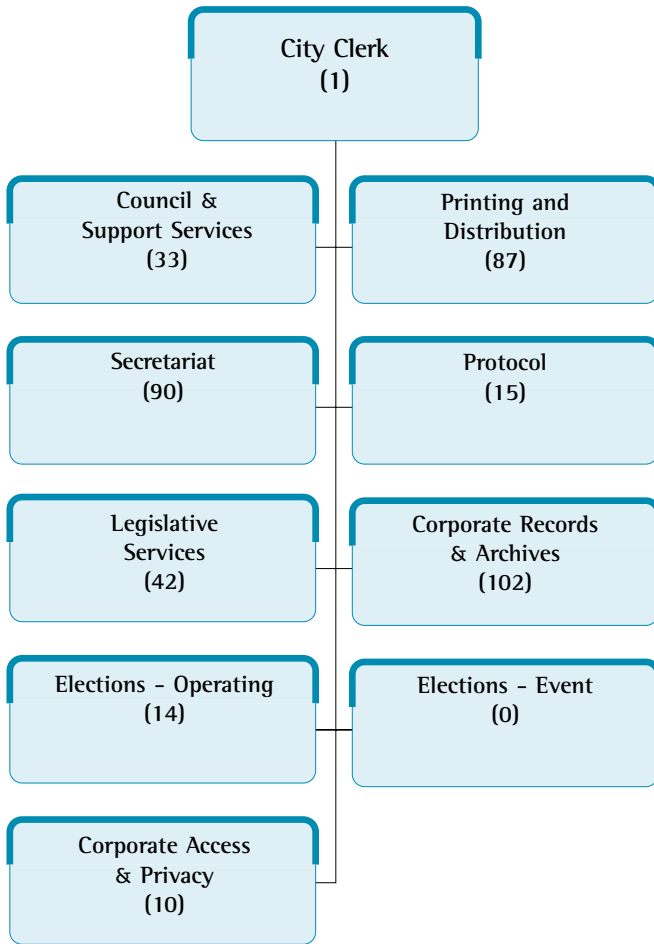
- **Supports the governance structure and process** through responsibility for the legislative process and related activities of City Council, Community Councils, Council Committees and other deliberative bodies, including the conduct of municipal elections, implementing freedom of information and privacy legislation compliance programs, and managing city protocol services;
- **Delivers key front-line public services,** including issuing licences to the public for births, deaths and marriages, as well as burial permits, and for charitable gaming, maintaining the assessment roll and the co-ordination of municipal reviews concerning liquor licence applications; and
- **Delivers critical corporate services,** including corporate records and archives and printing, mail and distribution services.

Program Objectives

- Provides budgetary, administrative, and information technology support to the Clerk's Division and Members of Council.
- Manages the legislative process of Council, the Standing Committees, Community Committees, task forces, the appointment process for Members of Council and the public to Standing Committees, Agencies, Boards and commissions and maintain by-laws.
- Provides City printing, document reproductions and distribution services.
- Issue marriage licenses and register births and deaths in accordance with the Marriage Act and the Vital Statistics Act. Amend assessment rolls from assessment appeals in accordance with the decisions of the Assessment Review Board, and Ontario Municipal Board. Develop and administer gaming and lottery licensing and compliance programs.
- Develop and administer all activities related to corporate records management, and identify, select, describe, and preserve records of enduring value.
- Receive and process all requests for information in accordance with the Municipal Freedom of Information and Protection of Privacy Act.
- Manage the City's Protocol services; organize official visits, ceremonies, awards and recognition programs; produce scrolls, proclamations, greetings and correspondence for the Mayor and Council.

Program Map

City Clerk's has a total of 394 positions in the following services.



Strategic Directions and Service Priorities

- Ensure open, accountable, efficient and accessible legislative process.
- Ensure public access to information while maintaining the privacy of individuals.
- Develop and refine the City Clerk's multi-year business plan with meaningful and measurable performance indicators.
- Enhance access to Council legislation and decisions through electronic means.
- Conduct councillor and citizen appointment process.
- Provide fully networked, digital, large volume copying services to the Corporation.

- Extend corporate desktop access to network photocopying facilities.
- Co-ordinate printing and distribution services provided to the City toward a full-cost recovery basis.
- Deliver professional and high-quality operational, I.T. and administrative support to City Clerk's office, Members of Council, and the Corporation.
- Provide centralized management of legislatively mandated access and privacy services to Council, the public and to staff, and to ensure compliance with the Municipal Freedom of Information and Protection of Privacy Act across the Corporation.
- Manage all recorded information created and accumulated by the City, using a strong client-focused approach that satisfies requirements for corporate governance and to preserve and provide access to those documents of historical value and significance to the corporation.
- Communicate protocol guidelines and procedures to our clients.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Secretariat	7,626.2	7,078.7
Printing & Distribution	13,989.1	2,319.5
Council & Support Serv.	3,000.6	3,000.6
Corp. Access & Privacy	981.4	931.4
Corp. Records & Archives	6,143.0	5,791.1
Elections Operations	1,778.7	1,778.6
Elections Event	5,812.6	2,016.1
Legislative Services	3,714.4	(3,365.4)
Protocol	1,390.0	1,390.0
Total Program Budget	44,436.0	20,940.6

HIGHLIGHTS

Election Services: To manage and conduct the 2003 Municipal Election in accordance with the legislative and democratic principles of the Municipal Elections Act, 1996. To ensure that electors, candidates and all stakeholders are afforded the opportunity to exercise their democratic rights in a fair and equitable manner. Culminating on December 1, 2003 when City Clerk's will begin working with and supporting a newly elected Mayor and Council.

Co-ordination of Information Management: Development of initiatives to identify, link and better manage the City's information assets, regardless of media. To ensure the long-term preservation of recorded information with enduring value.

Council and Committee Automation: Continued investment in the automation of the City Council meeting chamber to better inform members and staff of motions under consideration, to display presentations/updated agendas and to integrate updated agenda, meeting materials and user documentation.

Printing and Distribution Service Improvement: To review the service delivery model for the PDU, within the corporate and industry context, to confirm its mandate and functional responsibilities and identify opportunities for service delivery improvements. Specific focus will be addressed on the printing and high-speed reproduction services of the PDU.

PERFORMANCE MEASURES

Underachieved budgeted number of meetings due to strike and cancelled meetings; anticipate activity to harmonize zoning by-laws once Official Plan is adopted.

The volumes fluctuate from year to year because they are client driven and difficult to accurately project. Minor fluctuations also occurred with the implementation of a transactional, fully cost recoverable budget.

The Council Services Unit answers and responds to inquiries regarding administrative support matters from Councillors and their staff on a daily basis, as well as the press and public. While staff costs have increased, the amount of time to answer an inquiry has decreased in recent years, as Councillors and their staff better understand the administrative policies and procedures affecting their offices, as well as having a better awareness of who to contact for what service.

The public has a high degree of interest in the City and the increasing number of access to information requests reflects that interest.

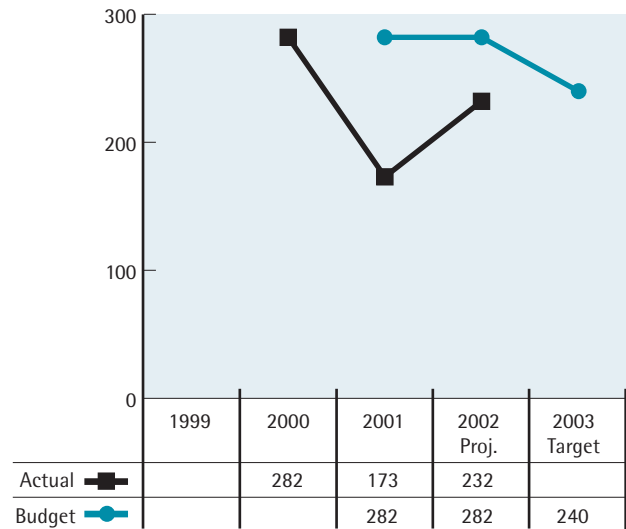
Transactions include document registration, coding documents according to the Corporate Records Classification System, filing documents in folders or electronic directories, retrieving files in response to requests by clients, re-shelving files, and

preparing folders for transfer to the City's Records Centre

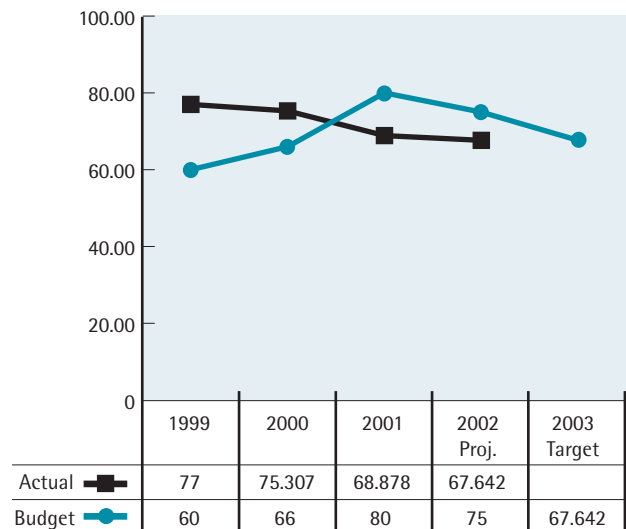
Legislative services registration of births and marriages in accordance with the Vital Statistics Act and Marriage Act.

The number of protocol events has been fairly consistent in the past, however, the impact of September 11, 2001 on our business has resulted a marked decrease. We assume that 2003 will see a return to the number of protocol events of 2000.

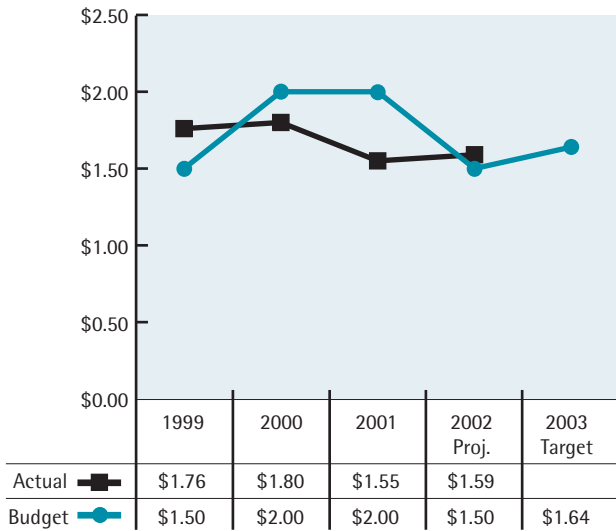
No. of Statutory Public Meetings Co-ordinated



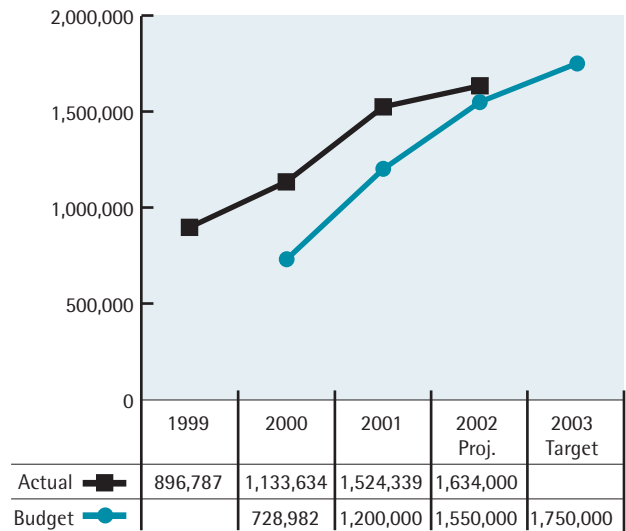
Reproduction Volumes



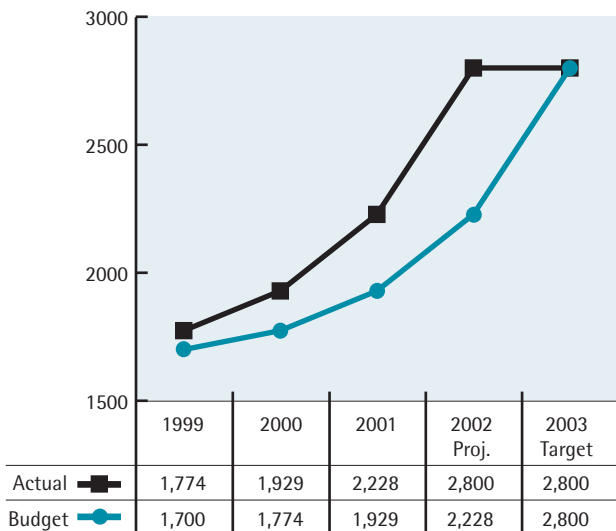
Unit Cost Per Inquiry by Members of Council, Press and Public



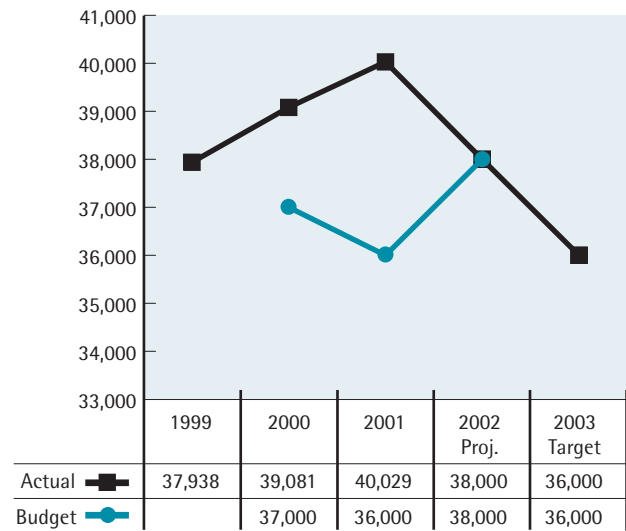
Number of Transactions handled by Central Records Rooms



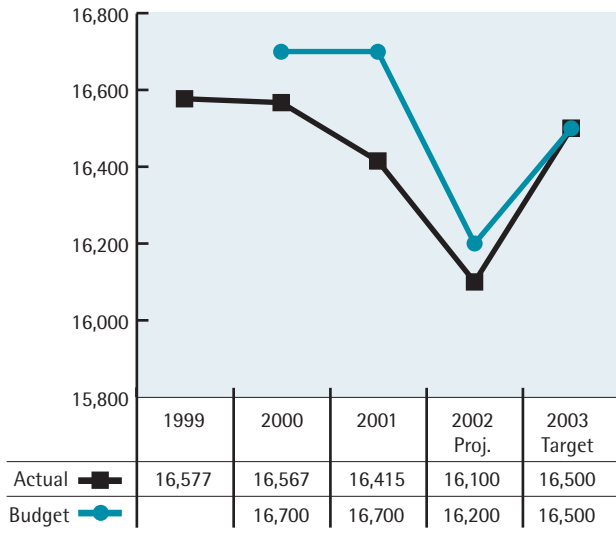
Number of Access Requests



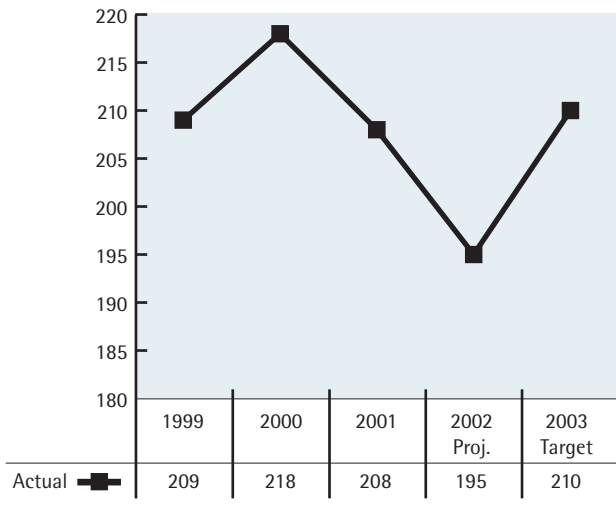
Number of Births Registered



Number of Marriage licences Issued



Protocol Events



Capital Budget

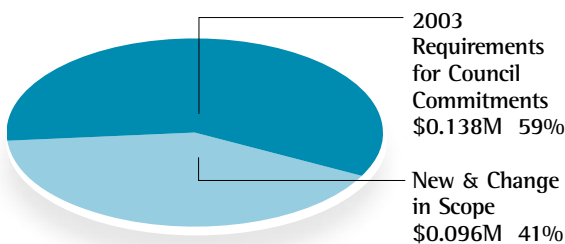
Total 2003 Gross Budget is \$0.234 million [2002 Budget – \$0.160 m]

- \$0.138 million is for Council Automation and Meeting Management project.
- \$0.096 million is for Corporate Records and Archives Digitization equipment.

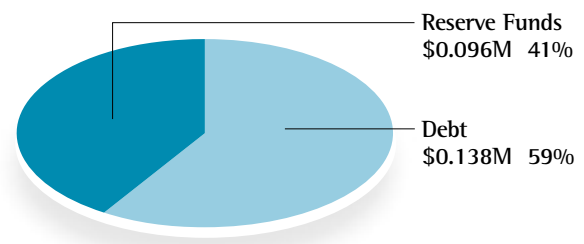
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Council Automation and Meeting Management	138	73	-	-	-	211
Total Previously Approved	138	73	-	-	-	211
Carry Forwards						
Total Carry Forwards	-	-	-	-	-	-
New/Change in Scope						
Corporate Records and Archives Digitization equipment.	96	-	-	-	-	96
Total New/Change in Scope	96	-	-	-	-	96
Total	234	73	-	-	-	307

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



CORPORATE COMMUNICATIONS

Mission Statement *To provide excellent corporate communications services that will ensure that our employees, the public, media, national and international communities have a clear understanding of the City of Toronto's policies, priorities and programs.*

Program Objectives

CORPORATE COMMUNICATIONS AND MEDIA SERVICES

- Provide communications services to Council and departments that develops the awareness and understanding of residents and business about city programs, services and issues facing the city.
- Provide corporate media relations support to the City to promote interest and understanding of Council programs and city services and provide corporate media relations support during major incidents and emergencies.
- Provide professional photography/videography services to City clients.

PUBLIC INFORMATION

- Facilitate access by the public to all municipal services offered by the City of Toronto
- Provide an education program for schools and community groups
- Manage and co-ordinate all translation and interpretation services for the City by providing guidance, advice and resources to City departments and selected ABC's to facilitate access to city services by residents who have difficulty understanding English.

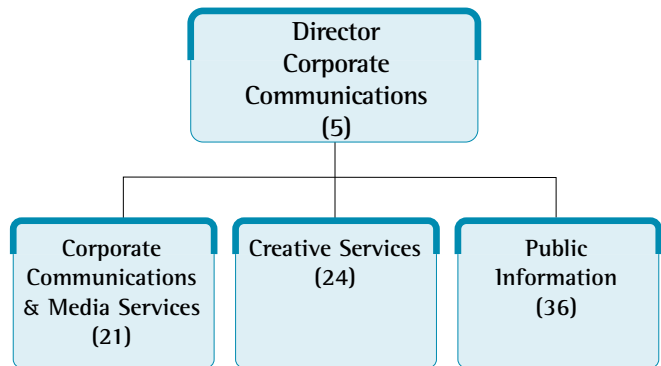
CREATIVE SERVICES

- Manages the development, content and organization of the city's corporate internet, intranet, and extranet Web sites, including portal site development.

- Manages the City of Toronto Corporate Identity Program. Guides, advises and interprets proper application and adherence to Corporate Identity manual to Council, city departments and special purpose bodies.
- Provides in-house and brokered creative services to City clients in support of corporate and departmental programs.

Program Map

The Corporate Communications program is comprised of three services, with a total of 86 approved positions:



Strategic Direction and Service Priorities

Corporate Communications & Media Services –

- Continue to enhance the understanding of city programs and issues through the implementation of communications plans that utilize a wide range of tools to reach Toronto's diverse population.
- Roll out of media relations training program across the City.
- Contribute to the ongoing success of the Toronto Corporate Identity, Toronto Web site, staff training and city communications products through the provision of professional photography and video services.
- Continue to examine ways to reduce advertising costs by leveraging the size of the city's advertising buy.

CREATIVE SERVICES

- Establish the City of Toronto’s Web site as a primary information resource for residents, business owners, visitors, and city stakeholders.
- Strengthen and expand the Corporate Identity Program.

PUBLIC INFORMATION

- Promote Access Toronto’s role as a one-window information and referral service for City of Toronto and to increase use of the service among departments.
- Increase student awareness and interest in municipal government
- To expand the city information communicated to residents in the appropriate languages.
- Support to Customer Service Improvement Initiative and establishment of first phase of selected customer service standards for all contact centres.

Operating Budget by Service

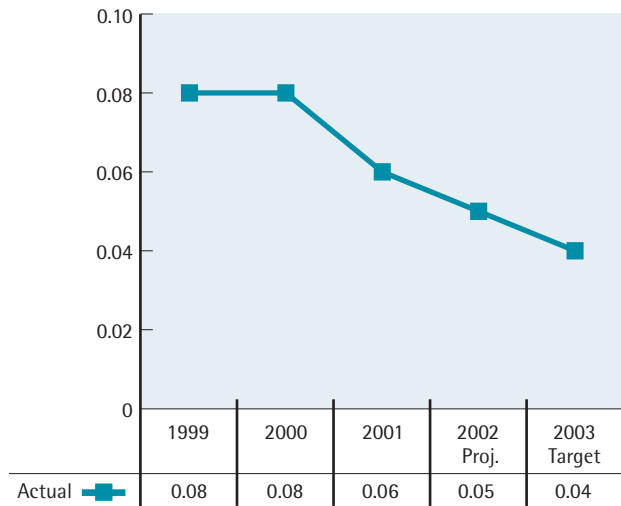
Service:	Gross (\$000s)	Net (\$000s)
Corporate Communications and Media Services	2,337.9	2,271.8
Public Information	2,262.0	2,262.0
Creative Services	1,839.7	1,803.2
Total Program Budget	6,439.6	6,337.0

HIGHLIGHTS

- Savings in Language Line services due to new contract.
- 40% increase in # of words translated (over 2001)
- 22% increase in # of tours and presentations (over 2000)
- 61% increase in # user sessions on city’s Web site (over 2001)

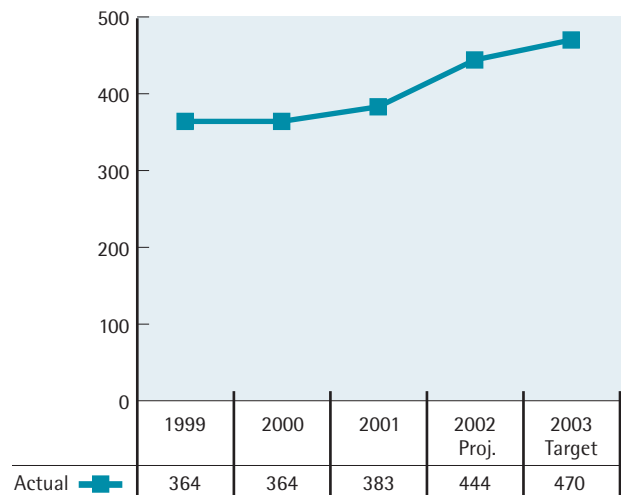
PERFORMANCE MEASURES

Cost Per User Session



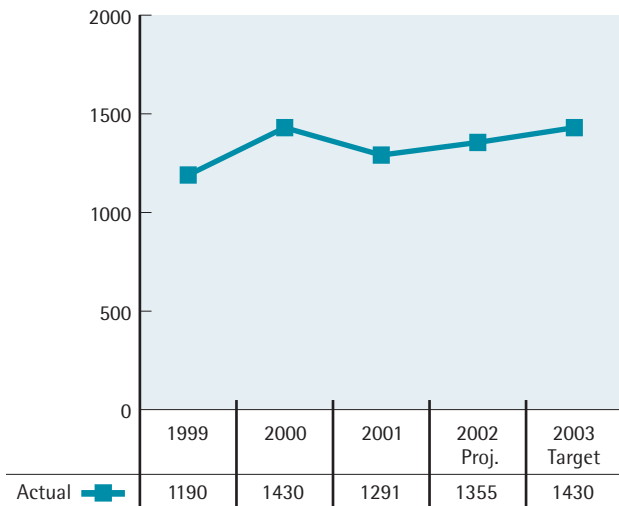
Explanatory Information of Performance Measure Trend: Establishes the City of Toronto’s Web site as a cost efficient and timely source of information for residents, business owners, visitors, and city stakeholders.

Number of Enquires to Access Toronto



Explanatory Information of Performance Measure Trend:
 Access Toronto's role as the key information and referral service for the City of Toronto is reflected in the increasing numbers of enquiries. This was especially evident during the labour disruption in the summer of 2002 when Access Toronto's phone number was widely publicized as a one-stop source of information for residents and businesses about the status of city services. As a result Access Toronto received 35,462 calls between June 27 to July 11, a 52% increase over the number of calls typically received during a 10 day period.

Number of Translation Projects Completed



Explanatory Information of Performance Measure Trend:
 To expand the city information communicated to residents in the appropriate language.

Capital Budget

Total 2003 Gross Budget is \$0.050 million [2002 Budget - \$0.070 m]

- ➔ \$0.050 million for the continuation of the City of Toronto Blue Page listings in the Bell Canada directory.
- ➔ Total 2003 cash flow is funded from Debt (100%).
- ➔ The 2003 cash flow is 100% State of Good Repair.
- ➔ The project is previously approved that will be completed in 2003 and no further requests for capital funding will be made.

COURT SERVICES

Mission Statement *The Court Services*

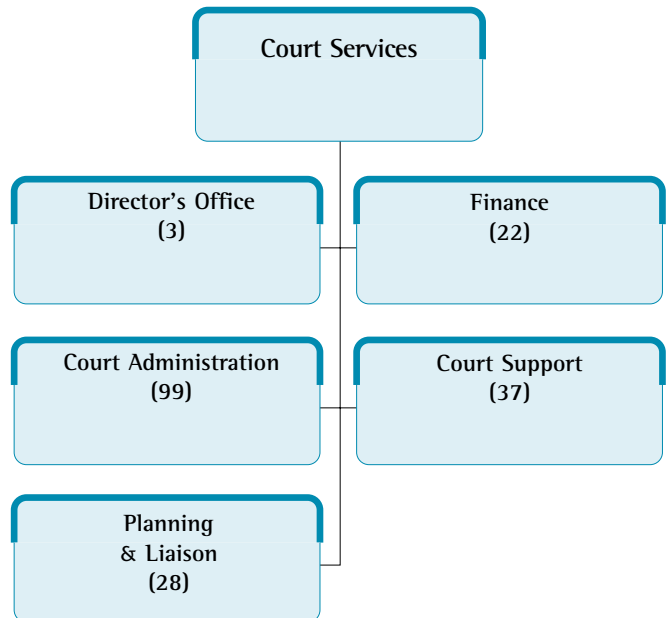
Division provides services to the public who use the Provincial Offences Courts in Toronto. By ensuring administrative and courtroom support services are delivered in an efficient and effective manner consistent with the terms of the Memorandum of Understanding between the City of Toronto and the Province of Ontario, the Division strives to provide service excellence.

Program Objectives

- Provide administrative Provincial Offences Act procedures that are fair, co-ordinated, timely, efficient and accessible to all stakeholders.
- Provide Court facilities that are accessible, user and staff friendly, and able to accommodate Toronto’s POA court needs.
- Provide quality services to stakeholders, including the Judiciary, Enforcement Agencies, Prosecutor’s office, Legal profession, and inter-departmental units.
- Maintain an effective and efficient trial scheduling procedure.
- Ensure well co-ordinated and functional operations including documentation, information processing, statistical reporting and records management.
- Provide effective and efficient financial administrative systems, standards and procedures.
- Maintain a comprehensive structure of accounts consistent with the financial requirements of the POA operations, and in accordance with Public Sector Accounting requirements and generally accepted accounting principles.
- Provide statutory, financial and management reports.

Program Map

Court Services operates with a total of 189 approved positions:



Strategic Direction and Service Priorities

- An organizational design to ensure stable administrative staff that is fully compliant in meeting responsibilities under Corporate and Divisional policies.
- Complete a business process review of all administrative court sites with a view to refining procedures in conjunction with technological changes.
- Develop comprehensive financial plans; establish appropriate accounts; ensure timely and accurate recording of financial transactions, and meet reporting requirements.
- A service delivery model that optimizes Court locations, and service provision in each.
- Implement policies and procedures that identify standards and provide consistent practices throughout Court Services.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Director's Office	280.6	280.6
Finance	12,861.4	12,861.4
Court Administration	6,478.8	(25,283.7)
Court Support	5,182.0	5,182.0
Planning & Liaison	2,537.1	2,537.1
Total Program Budget	27,339.9	(4,422.6)

HIGHLIGHTS

- Net Revenues is increased by (\$1.87 M) as a result of Police Services enhancement of their Traffic Safety Enforcement team.

PERFORMANCE MEASURES

- Complete process to staff Court Services at full complement.
- Optimized trial scheduling with maximum number of cases per Officer appearance, and maximized courtroom utilization.
- Completion of Court's system application development, including transfer readiness.
- Implementation of a centralized interpreter scheduling model for Court Support.
- Establishment of a collection unit; implementation of collection strategy to recover defaulted fines.
- Accuracy and timeliness of quarterly and annual financial reports; reporting compliance with generally accepted accounting principles and public sector accounting standards.

Note: Court Services was transferred from the Province during the first quarter of 2002 and therefore does not have an adequate history for charting performance measures.

Capital Budget

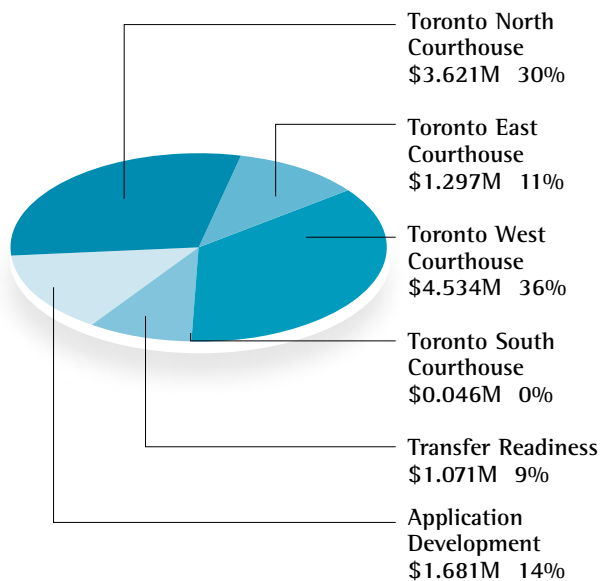
Total 2003 Gross Budget is \$12.250 million [2002 Budget – \$11.652 m]

- \$9.498 million is for the renovation and building of Courthouse Facilities.
- \$2.752 million is for Courthouse Information Technology.

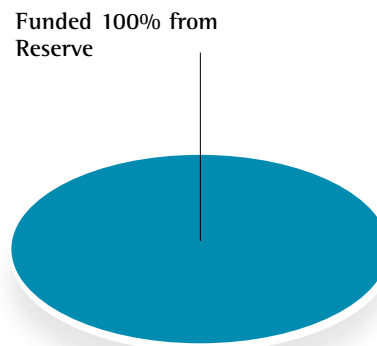
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Courthouse West	1,254	-	-	-	-	1,254
Total Previously Approved	1,254	-	-	-	-	1,254
Carry Forwards						
Courthouse West	3,280	-	-	-	-	3,280
Courthouse East	1,297	-	-	-	-	1,297
Courthouse North	621	-	-	-	-	621
Courthouse South	46	-	-	-	-	46
Transfer Readiness	1,071	-	-	-	-	1,071
Application Development	1,681	-	-	-	-	1,681
Total Carry Forwards	7,996	-	-	-	-	7,996
New/Change in Scope						
Courthouse North	3,000	-	-	-	-	3,000
Total New/Change in Scope	3,000	-	-	-	-	3,000
Total	12,250	-	-	-	-	12,250

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



FACILITIES & REAL ESTATE

Mission Statement *The Facilities & Real Estate Divisions vision is to contribute to the strategic goals and business priorities of the City of Toronto by providing a comprehensive range of effective and efficient real estate and facility management services.*

Program Objectives

FACILITIES

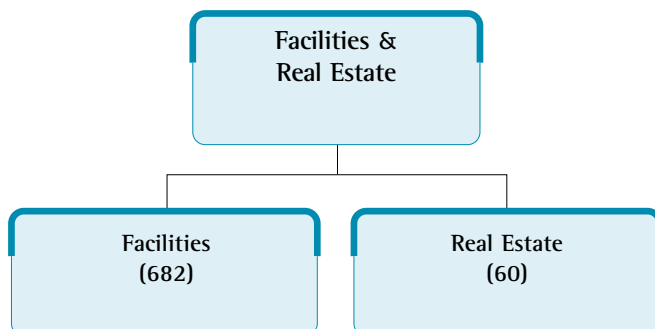
- To effectively manage strategic projects such as MAP, energy & waste management, and development of a service marketing plan
- To effectively manage design and construction, space planning & accommodation, as well as asset preservation
- To effectively manage building operations, security and life safety

REAL ESTATE

- To effectively manage appraisals & consulting activities, acquisitions & expropriations and leasing & site management.

Program Map

The Facilities & Real Estate Department is comprised of two divisions, with a total of 742 approved positions:



Strategic Direction and Service Priorities

FACILITIES:

1. **Business & Strategic Innovation** – To manage strategic projects, energy & waste management, develop a marketing service plan.
 - To implement MAP within budget and on schedule based on staff allocation and sequencing plans developed to consolidate and relocate staff workgroups to their final target locations
 - To manage the consolidated procurement of electricity and natural gas with a view to minimizing cost based on peak demand utilization patterns
 - To implement energy retrofit initiatives for City buildings
 - Evaluate and prioritize schedule "B" TTC related properties
 - Establish service level agreements with EDCT, Corporate Services, EMS, and UDS
 - To develop a customer satisfaction survey that helps the Facilities & Real Estate Division understand its clients and their needs
2. **Design Construction & Assets Preservation** – To manage the design, construction phases of projects as well as asset preservation initiatives.
 - Develop a project management schedule for DCAP staff
 - Quantify Corporate Services facilities and develop a 10 year capital program
 - In consultation with Legal, Purchasing and Materials Management, develop a set of construction tender and contract documents suited to facility construction and renovation
 - Establish responsibilities for Facilities and Real Estate with respect to facility environmental issues such as asbestos, mould, PCB's, etc.

- Research select and secure the software that is required by DCAP (document management, project management, condition assessment data). Develop a strategic direction for the use of AutoCAD and the collection of drawings
- Ensure that the implementation plan for Corporate Services, Facilities & Real Estate, portfolio is in place in order to comply with the Ontario Disabilities Act.

3. Facilities Operations – Building Operations, Security & Life Safety – To improve building operations, security and life safety.

- Complete City wide maintenance standards for City owned buildings in consultation with EDCT, CNS, and WES.
- Review security and life safety levels provided at all locations and redistribute resources appropriately
- Negotiate Electrical Safety Authority annual electrical inspections for CNS and EDCT buildings by Facilities & Real Estate
- Establish an effective contract administration process for the maintenance program to optimize contracting procedures and implement city-wide competitive contracts
- Implement a new work order maintenance system to replace SPAN/FM to improve our reporting functionality in regards to charge-backs and work order controls.
- Implement minor maintenance projects for clients

4. Facilities Services – Call Center Services, Custodial Services, Audio Visual Services, Event/Logistical Co-ordination, Financial Management.

- Conduct a study in relation to alternate service delivery (ASD) for the provision of cleaning services. Review service options and efficiencies
- Complete the final phase of the Business Integration Program by completing core internal F&RE policies and procedures to ensure appropriate controls and guidelines are in place
- Reorganization of custodial services into a client service model to facilitate a more effective administering of policy and procedure and a direct link to our customers
- Complete the restructuring of the Facilities & Real Estate accounting and budget structure and ensure that management are fully conversant with the framework and the overall process

- Develop a quality assurance program in relation to custodial services and customer support
- Complete the final phase of the business integration program by implementing a work order system to provide our clients with a detailed history of work and related charges.

REAL ESTATE:

5. Appraisals & Consulting, Acquisitions & Expropriations and Leasing & Site Management– To effectively manage appraisals & consulting activities, acquisitions & expropriations and leasing & site management.

- To generate \$15 to \$20 million in property sales during 2003
- Effective portfolio management program by processing 60 properties through the property management committee
- Processing the 20 long term leases for potential sales
- Realignment of Leasing and Site Management Unit to deliver more effective services – requires lease management software
- Effective supply of appraisal services
- Effective acquisition and expropriation services

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Facilities	70,023.5	41,211.2
Real Estate	14,217.6	(9,674.5)
Total Program Budget	84,241.1	31,536.7

HIGHLIGHTS

- Reduction of contracted staff at City Hall from 7 to 5 resulting in savings of \$145,000
- Creation of a TTC Property Manager position at an annual cost of \$92,000 (\$61,500 in 2003 for partial year service)

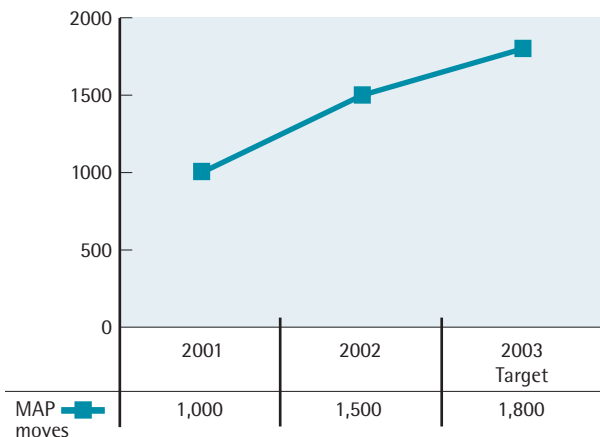
PERFORMANCE MEASURES

FACILITIES:

1. Number of staff moves per annum related to MAP (Master Accommodation Plan)

Since the commencement of the MAP project in 2001, significant momentum has resulted in an accelerated number of moves to accomplish the project goals. This level of activity is expected to taper off in future years as the project achieves the client departments' goals to consolidate staff and rationalize work locations consistent with their business needs.

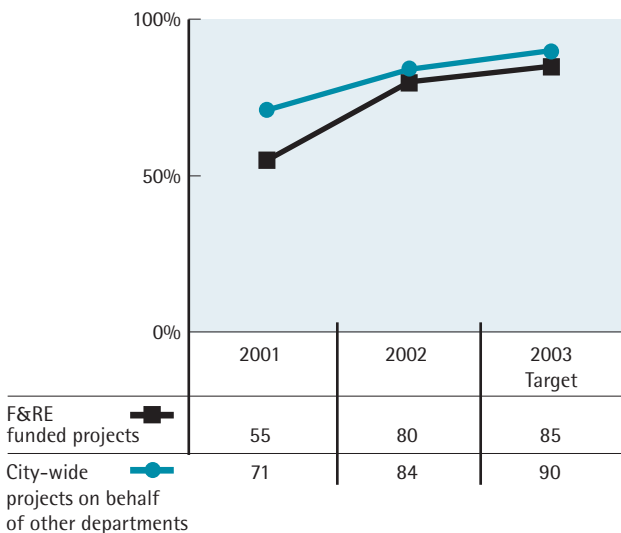
Number of Moves Per Annum Related to MAP



2. Percentage completion of FRE funded capital projects based on the total number of projects.

DCAP performs design, construction and asset preservation services for a defined number of Corporate Services facilities as well as for a majority of the City-owned facilities that are occupied by other departments and divisions. The following graph illustrates the rate of completion on the planned projects each year.

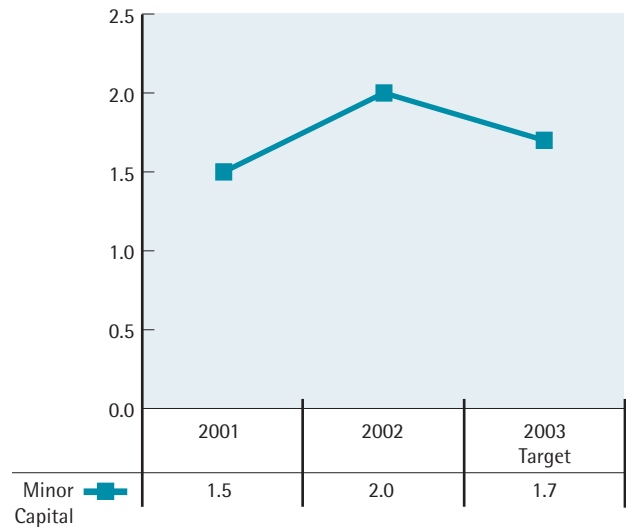
% of Capital Project Completion



3. Value of the capital budget portfolio

In 2002, Facilities Operations also implemented the WES/Fire minor maintenance projects.

Value of Minor Capital Projects Completed

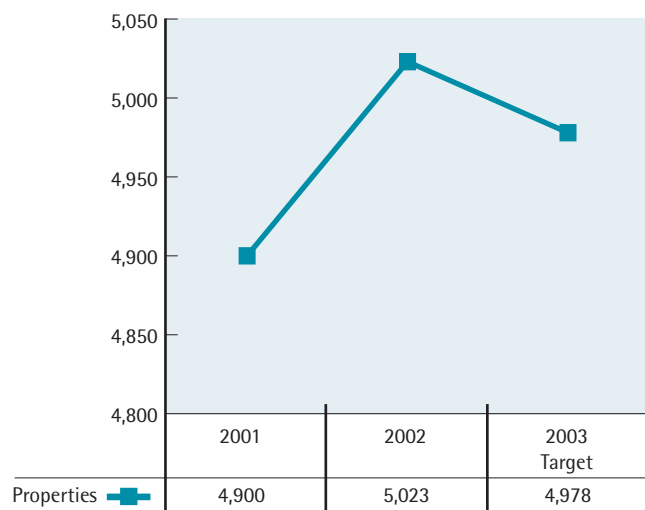


REAL ESTATE:

4. Number of properties in asset portfolio

A database was populated in 2001 and further reviewed in 2002 resulting in existing smaller City-owned properties being added.

Number of Properties in Asset Portfolio



Capital Budget

Total 2003 Gross Budget is \$46.751 million [2002 Budget – \$34.825 m]. Note: during the 2003 budget process, the MAP budget of \$12.403M was transferred from the Transition Projects budget to Facilities & Real Estate.

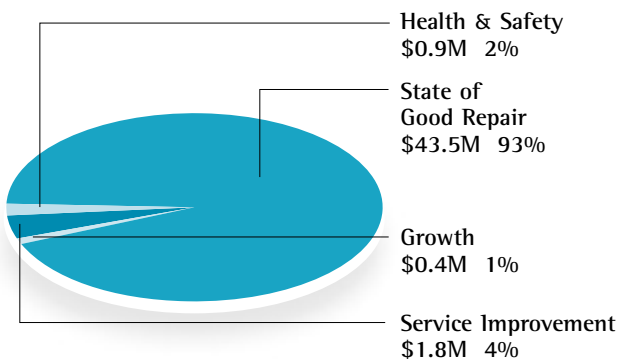
- \$9.282 million is for clock tower repairs and roof replacement of Old City Hall
- \$1.999 million for emergency capital repairs
- \$12.403 million is for MAP (Master Accommodation Plan)

- \$1.951 million for re-roofing
- \$2.471 million is for masonry rehabilitation
- \$1.538 million is for replacement of doors and windows
- \$1.000 million for energy retrofit program
- \$2.261 million for mechanical & electrical work
- the balance is for various small projects

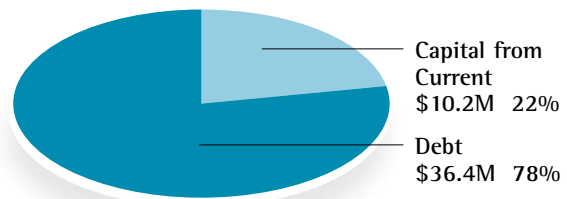
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	Commitments			Total
			2005	2006	2007	
Previously Approved						
Masonry	1,616	1,739	-	-	-	3,355
Old City Hall Clock/Roof	9,282	-	-	-	-	9,282
Energy Retrofit	1,000	723	799	818	838	4,178
Emergency Repairs	1,999	1,665	1,704	963	-	6,331
Special Corporate Projects	13,515	18,724	-	-	-	32,239
Barrier Free Access	1,080	878	579	-	-	2,537
Various	5,424	12,969	1,386	1,074	-	20,853
Total	33,916	36,698	4,468	2,855	838	78,775
New						
Re-roofing	1,951	-	-	-	-	1,951
Masonry	855	5,272	5,455	-	-	11,582
Plumbing/Electrical	1,188	736	-	-	-	1,924
Interior Finishes	1,127	-	-	-	-	1,127
Mechanical	2,104	300	-	-	-	2,504
POA/MAP	2,616	-	-	-	-	2,616
Various	2,994	3,857	115	-	-	6,966
Total	46,751	46,863	10,038	2,855	838	107,445

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



FLEET SERVICES

Mission Statement *Fleet Services is responsible for the trusteeship and maintenance of all City of Toronto departments' vehicles covered under the Highway Traffic Acts, Commercial Vehicle Operator's Registration (CVOR) program, and all vehicles and equipment with a replacement value exceeding \$5,000 with wheels and axles. Trusteeship encompasses inventory management, life cycle management, fleet replacement and disposal, and licensing and registration. The fleet maintenance for specific components of the Fire Services and Ambulance Services fleets resides with Works and Emergency Services. Fleet Services is also responsible for the Fleet Safety Program which is required under the CVOR. Fleet Management Services is a recognized signing authority with the Ministry of Transportation and provides driver license upgrading for employees.*

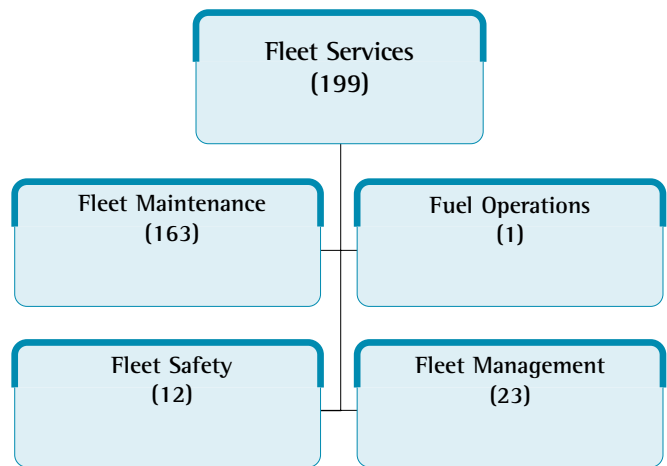
Fleet Services functions as an operational partner to its client divisions. Fleet will work co-operatively with clients to develop an understanding of each party's requirements to deliver efficient, effective, and economical service.

Program Objectives

- Manage Vehicles and Equipment. (Acquisition and disposal)
- Maintain Vehicles and Equipment.
- Manage Fuel Operations.
- Ensure Safe Fleet Operations.

Program Map

Fleet Services is comprised of four services, with a total of 199 approved positions:



Strategic Direction and Service Priorities

Fleet Services is to provide professional, cost effective and efficient service for the City of Toronto.

- Significant improvements in the Fleet Replacement program by re-engineering processes, standardizing specifications, and obtaining firm corporate commitments to the replacement reserve management and strategy.
- An organizational design to ensure clear accountability and remove burdens from Fleet Maintenance operations.
- A service delivery model that optimizes garage locations, service provisions in each and expansion of work conducted during client departments' non-peak hours.
- Develop and assess Green the Fleet initiatives; implements emission reduction options, investigates alternate fuels and other environmental strategies.
- A review of the charge-back model with the objective to streamline while maintaining cost control.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Fleet Maintenance	20,783.3	-
Fuel Operations	6,719.4	-
Fleet Safety	961.1	-
Fleet Management	2,832.2	-
Total Program Budget	31,296.8	-

HIGHLIGHTS

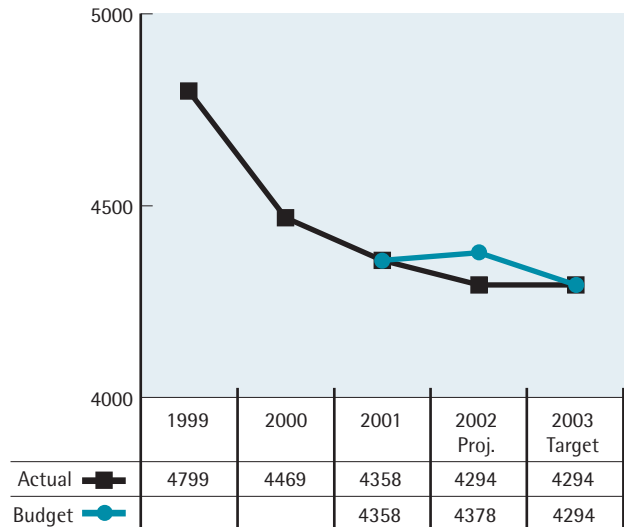
Part of the Green the Fleet initiatives for 2003 is the roll out of the Corporate anti-idling awareness campaign to promote emission reductions generated from city vehicles. The implementation of Bio-diesel fuel will significantly reduce vehicle emissions from the City's heavy truck fleet.

PERFORMANCE MEASURES

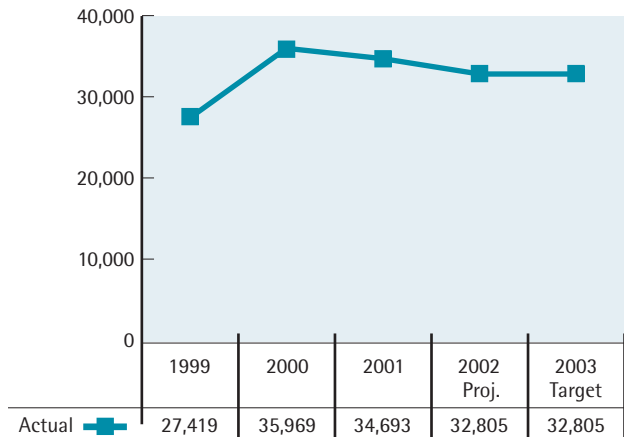
The number of vehicles managed by Fleet Services has declined slightly over the last three years due to enhanced disposal processes, reduction in spare vehicles and service deliver

changes. Note that the number of assets managed by Fleet Services does not include Police, Fire, Ambulance or the ABC's.

Number of Assets Managed

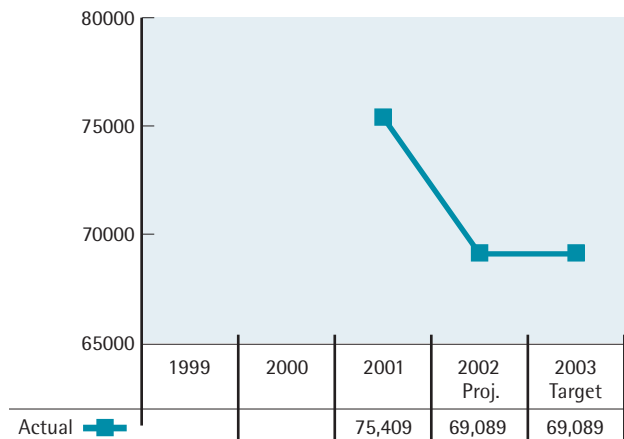


Number of Work Orders Completed

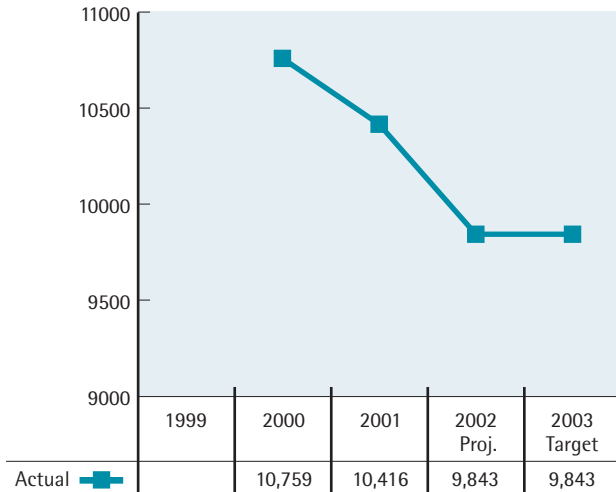


The number of work orders completed per year indicates the frequency of visits to a service location.

Number of Job Lines Created on Work Orders



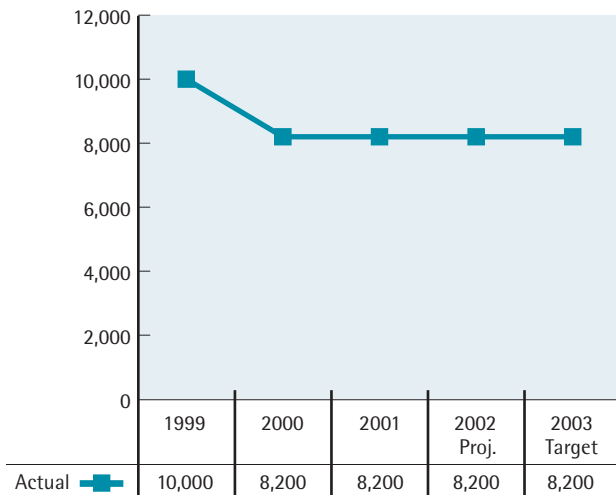
Litres of Fuel Managed



The number of job lines indicates the frequency of repair type. Each job line indicates a specific maintenance task required. In 2002, the amount of job codes were consolidated to standardize and simplify their assignment to maintenance activities.

Fleet Services currently operates 22 fuel sites across the City. In addition, Fleet Services arranges for the provision of fuel from various commercial sites operated in the City. The decreasing trend reflects change in service delivery from client areas and improved fuel consumption through vehicle replacement.

Number of Operator Permits Managed



The number of permits has remained consistent, as there has been no significant changes in service deliveries of programs throughout the City.

Capital Budget

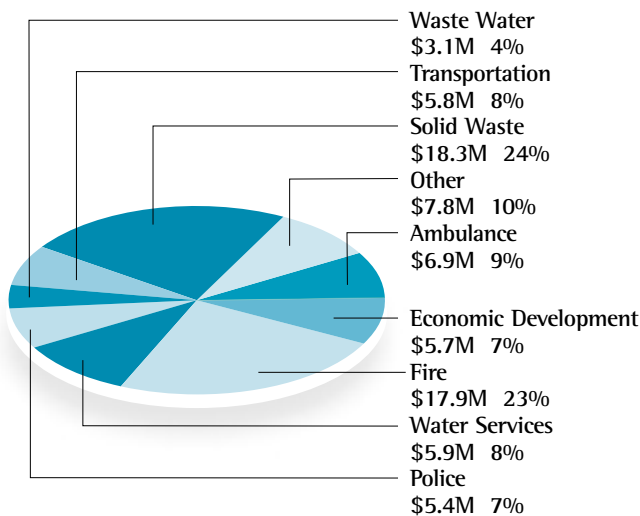
Total 2003 Gross Budget is \$76.883 million [2002 Budget – \$87.674 m]

→ \$76.883 million is for the replacement of vehicles and equipment.

5 YEAR CAPITAL WORKS PLAN

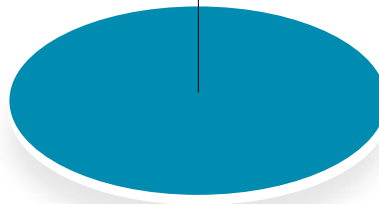
	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
None	-	-	-	-	-	-
Total Previously Approved	-	-	-	-	-	-
Carry Forwards						
Vehicles and equipment replacement	46,772	-	-	-	-	46,772
Total Carry Forwards	46,772	-	-	-	-	46,772
New/Change in Scope						
Vehicles and equipment replacement	30,111	-	-	-	-	30,111
Total New/Change in Scope	30,111	-	-	-	-	30,111
Total	76,883	-	-	-	-	76,883

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM

Funded 100% from Reserve



HUMAN RESOURCES

Mission Statement *To provide leadership and promote excellence in human resources, enabling the City to achieve its service and business objectives through committed and capable people. We achieve this by balancing our roles as strategic business partners, change agents, employee advocates and service providers.*

Program Objectives

EMPLOYEE AND LABOUR RELATIONS

- Provide grievance administration, negotiate and interpret collective agreements, mediation and arbitration, consultation with employees, management and unions, policy development.

COMPENSATION

- Provide job evaluation, wage harmonization, pay equity, job design.

STAFFING AND WORKFORCE PLANNING

- Provide internal and external recruitment strategies, human rights complaint management, employment equity reporting and analysis, systems review and program development, redeployment program, workforce reporting and analysis.

EMPLOYEE HEALTH AND SAFETY

- Provide training and education, accident prevention, employee health services, policy development, WSIB claims management, return to work accommodation, employee assistance program consultation, legislative compliance, audits and inspections.

EMPLOYEE AND ORGANIZATION DEVELOPMENT

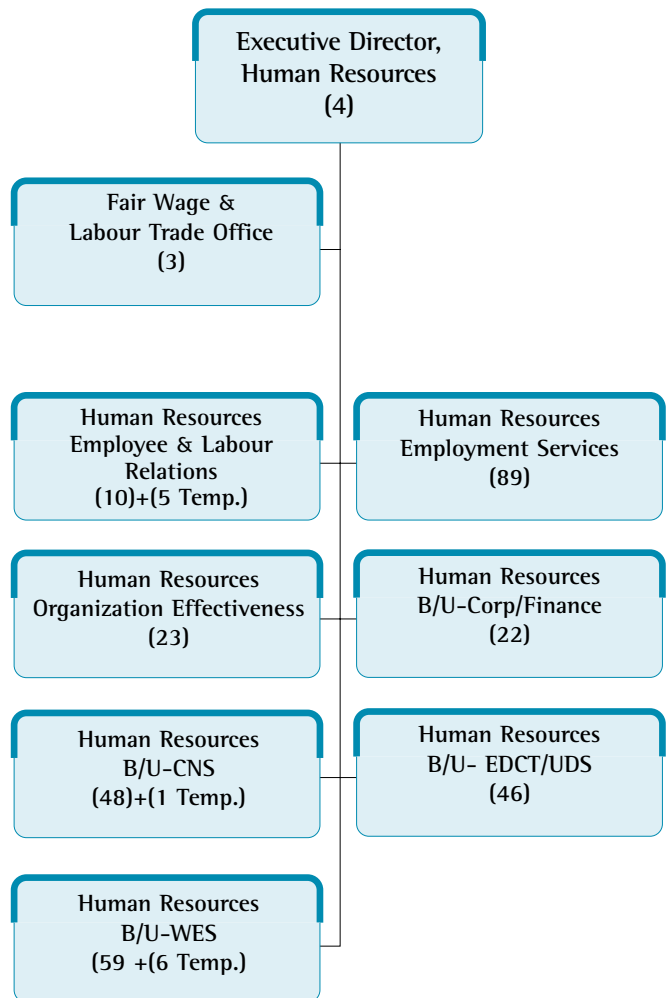
- Provide support for change management, team building and team alignment, support corporate initiatives, employee communication, employee coaching and counseling, identify training needs and resources, develop and evaluate training programs.

FAIR WAGE AND LABOUR TRADES

- Provide fair wage and labour trades approvals, work jurisdiction dispute resolution, investigative fieldwork, inspections and audits, set fair wage schedules, policy interpretation.

Program Map

The Human Resources program is comprised of five services, with a total of 316 approved positions:



Strategic Direction and Service Priorities

EMPLOYEE & LABOUR RELATIONS

- To create a joint senior Union/Management steering committee.
- To create and support additional joint union management committees.
- To work collaboratively with the unions in offering educational programs to enhance problem solving and facilitation skills.
- To review and resolve all outstanding step three grievances in collaboration with the unions.
- To work with Unions to move to a joint problem solving process to replace current grievance procedure.

COMPENSATION

- To implement Local 79 arbitration award.
- To finalize the work of the Job Rating panels.

STAFFING & WORKFORCE PLANNING

- To complete an Employment equity workforce survey.
- To analyze and report survey data results and to assist clients in HR business planning.
- To partner with client departments undergoing significant staffing changes to support their business goals i.e. INT recruitment, Corporate Services restructuring, Works Best Practices.

EMPLOYEE HEALTH & SAFETY

- To ensure a workplace that is accident free.
- To reduce WSI Claims.
- To expedite employee return to work.
- To enhance the integration of health, safety and ergonomics principles into business decisions

EMPLOYEE & ORGANIZATION DEVELOPMENT

- To develop and promote a people strategy that aligns with corporate strategic directions and client business directions.
- To conduct a program review of the human resources information systems.

- To conduct a program review of the staffing function.
- To conduct a program review of the Employee and Labour Relations function.

FAIR WAGE & LABOUR TRADES

- To increase the effectiveness of the Fair Wage and Labour Trades Office by increasing the number of payroll audits to determine compliance with the Fair Wage and Labour Trades policy.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Employment Services	8,234.9	7,882.7
Organizational Effectiveness	2,248.7	2,248.7
Employee and Labour Relations	1,899.2	1,855.2
Departmental Services	13,851.3	12,932.8
Fair Wage and Labour Trades	238.6	236.0
Total Program Budget	26,472.7	25,155.4

HIGHLIGHTS

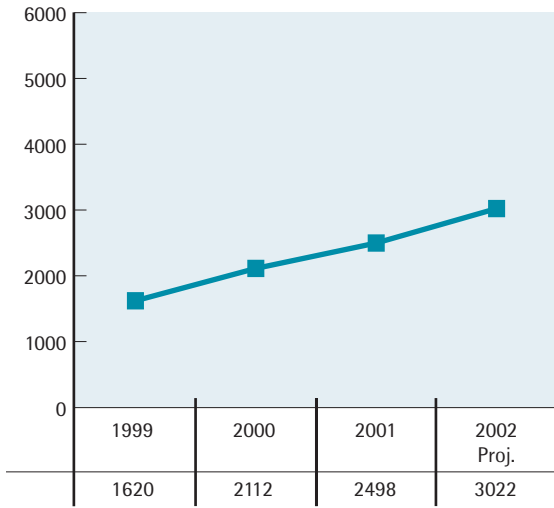
- Five additional staff in the Employee and Labour Relations Unit to help address workload created by significant grievance backlog and changes to collective agreement administration.

PERFORMANCE MEASURES

1. NUMBER AND COST OF EMPLOYEE ASSISTANCE PROGRAM CONSULTATIONS 1999 - 2002 PROJECTED.

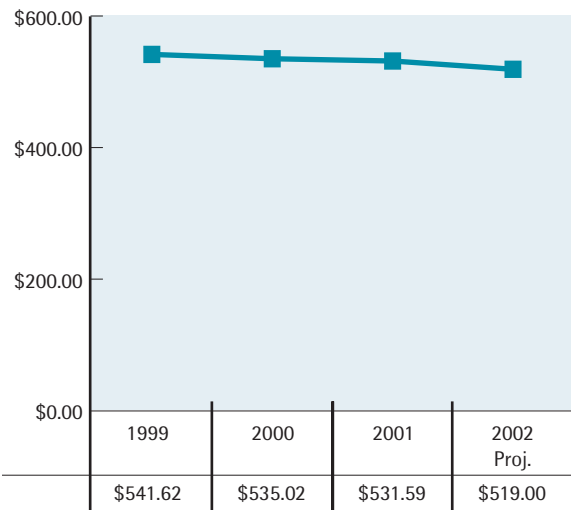
	1999	2000	2001	2002
# of consultations/assessments	1620	2112	2498	3022

Service Level Indicator: # of Consultations/ Assessments



	1999	2000	2001	2002
Staff Cost per Service Provision	\$541.62	\$535.02	\$531.59	\$519.00

Staff Cost Per Consultation/Assessment

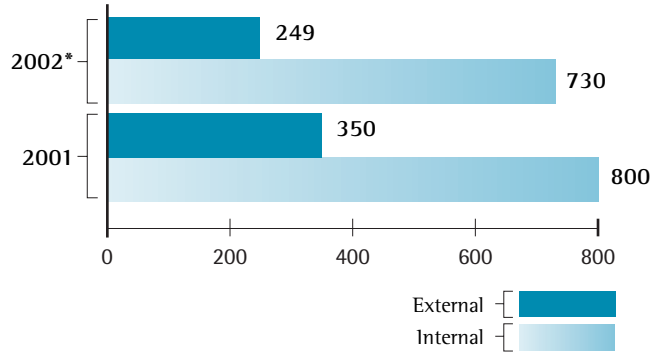


The number of employee consultations has increased 86% since 1999. EAP staff numbers and cost has remained stable resulting in a lower cost per consultation.

2. NUMBER OF CITY JOBS POSTED INTERNALLY AND EXTERNALLY.

Human Resources is projecting a 17% increase over 2001 for the number of internal and external job competitions managed.

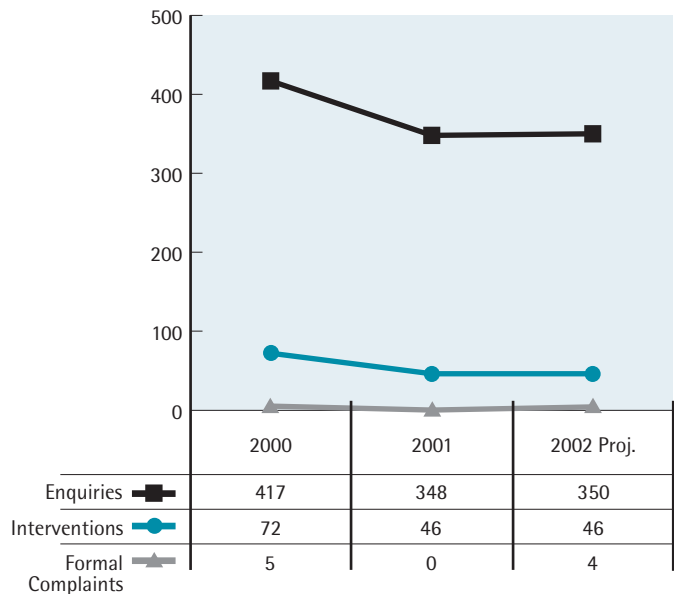
of Jobs Posted



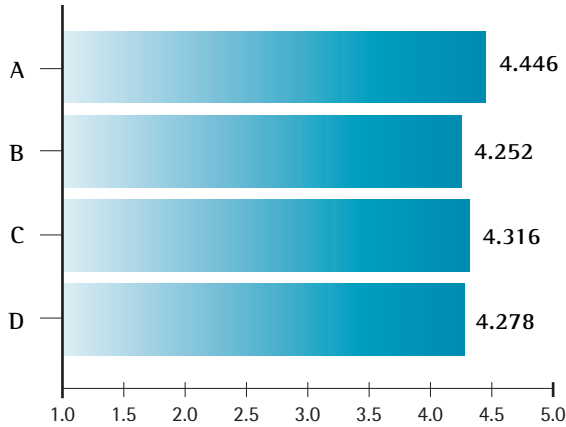
3. FAIR AND EQUITABLE TREATMENT OF EMPLOYEES (STAFFING SERVICES)

The number of Human Rights complaints and inquiries has dropped between 2000 and 2001 and are projected to remain at 2001 levels in 2002.

Human Rights Complaints Management



4. EMPLOYEE SATISFACTION WITH CITY TRAINING COURSES

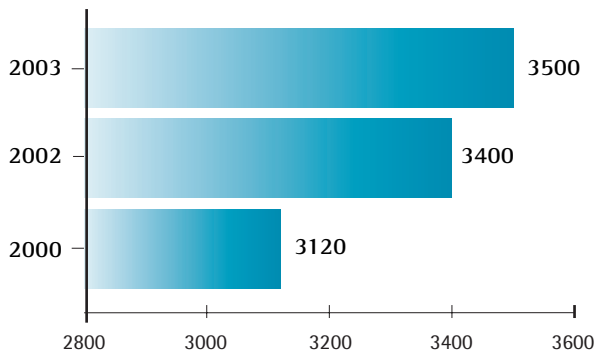


- A) Overall, Course Satisfaction
- B) Learning Applied on-the-job
- C) Employee Skill Level Increased
- D) Met Course Objectives

1= Strongly Disagree 2= Disagree 3= Neither 4= Agree

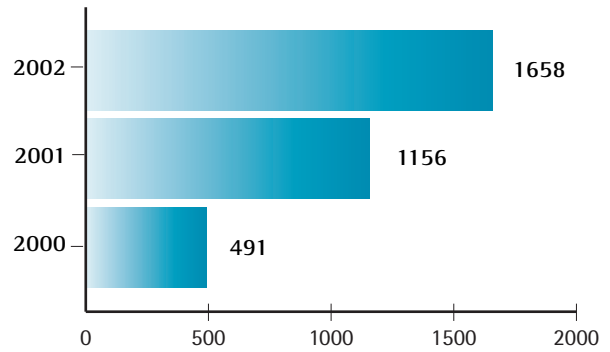
Explanatory Information of Performance Measure Trend: The above chart represents survey results of employee/participant satisfaction with City provided training offered by the Organizational Effectiveness Unit in 2002.

5. NUMBER OF CITY STAFF ATTENDING CITY OFFERED TRAINING AND DEVELOPMENT PROGRAMS PROJECTED TO 2003.



The above chart represents survey results of employee/participant satisfaction with City provided training offered by the Organizational Effectiveness Unit in 2002.

6. CAREER SERVICES - IMPROVED EFFICIENCY AND EFFECTIVENESS



Career Development Services supports Clients in corporate initiatives related to restructuring and redeployment; coaches and counsels employees in career and retirement planning; provides vocational, interest, skills and aptitude assessments for employees. In order to more effectively and efficiently provide the services the unit has moved from a primarily transactional one on one model to a consultative approach using a group format. This shift allows for more efficient use of staff resources and enables the professional expertise to be directed to projects rather than exclusively to individuals. The chart above demonstrates the increased number of participants utilizing this service.

Capital Budget

Not applicable.

INFORMATION & TECHNOLOGY

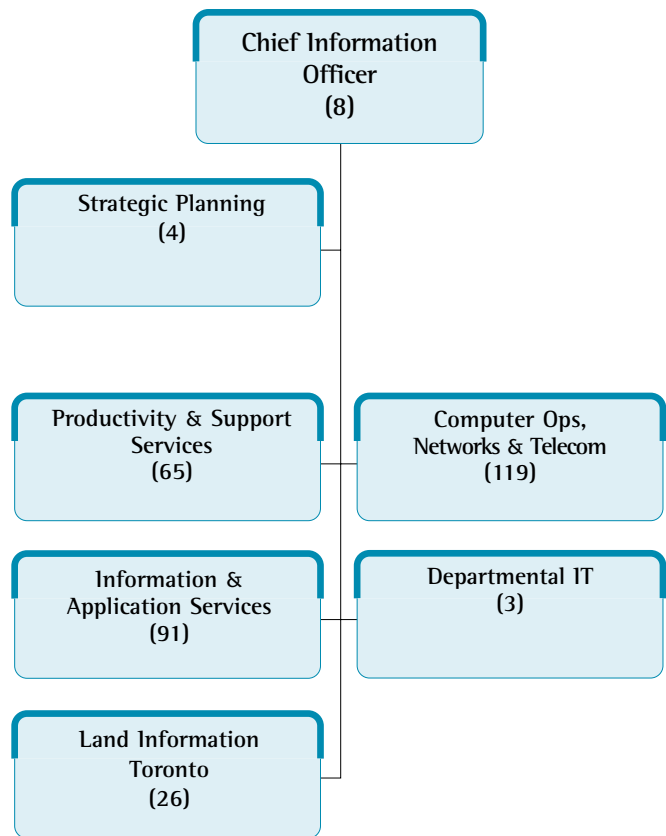
Mission Statement *The Information & Technology Services acts as a city-wide co-ordination point for driving business improvement by assisting city departments in re-designing business operations, translating business needs into information and technology solutions and implementing those solutions.*

Program Objectives

- Implement standardised procedures, including efficient and uniform Help desk call tracking and trend analysis
- Improve network stability and improved user accessibility to electronic data
- Implement asset management for desktop computers, servers and peripheral computer equipment
- Initiate and maintain corporate-wide IT contracts for maintenance and resource services
- Meet client demands for application development, enhancement and rationalisation
- Provide maintenance on corporate applications to benefit network backbone and application users
- To provide telecommunications capabilities to all functions of the corporation
- To provide voice mail capabilities, where necessary, to improve corporate-wide productivity
- To meet the demand for geography related information and technology services in the City of Toronto
- To encourage development of applications incorporating geospatial information

Program Map

The Information & Technology Division is comprised of four services, with a total of 316 approved positions:



Strategic Direction and Service Priorities

eSERVICE

- A suite of initiatives to support the city's service to the public, including electronic service delivery, 311 Phone Service
- To ensure network connectivity and network user support

eGOVERNMENT

- Initiatives intended to improve public engagement in the political process and enhance City governance processes
- To provide geospatial data to City business units, other levels of government, private industry and the public

eBUSINESS

- A wide range of Department-led projects to improve the delivery of City operations and services
- To improve corporate application utilisation, delivery and performance
- To develop, enhance, maintain and implement corporate solutions

FOUNDATION INITIATIVES

- A large number of infrastructure and policy initiatives necessary to support the three strategic directions above.

Operating Budget by Service

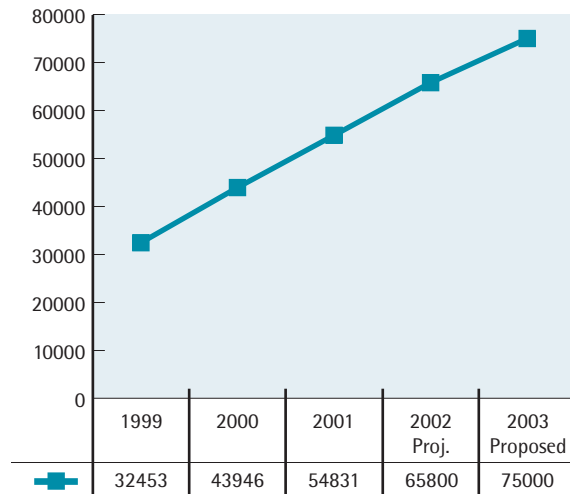
Service:	Gross (\$000s)	Net (\$000s)
Desktop Computing	25,756.7	24,849.3
Applications Delivery	10,320.2	9,915.2
Voice and Messaging Services	1,903.4	1,903.4
Information and Products	2,431.2	2,431.2
Total Program Budget	40,411.5	39,099.1

HIGHLIGHTS

(\$0.589) M - Reduction in hardware and software maintenance costs

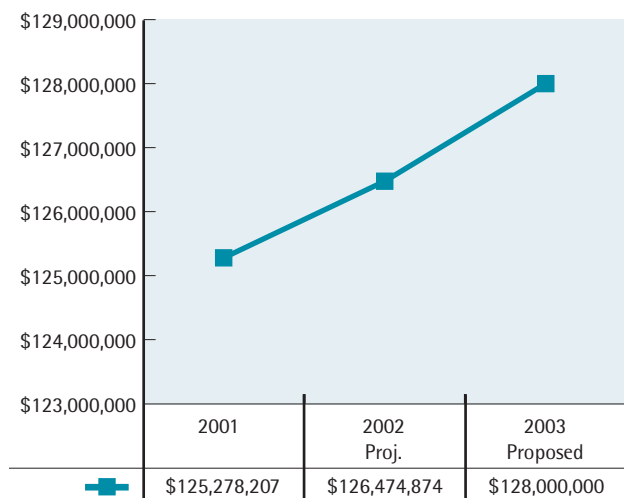
PERFORMANCE MEASURES

Help Desk Service Calls



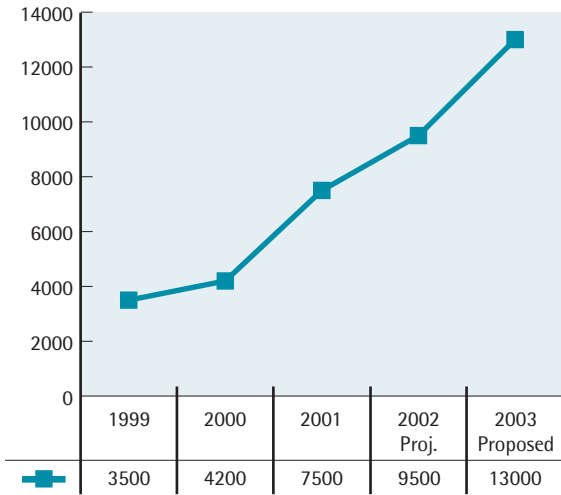
The Help Desk's ability to respond to additional calls is due to recent enhancements, to provide additional user assistance support, combined with upgrades to the Help Desk management tools. Ongoing improvements will increase their capabilities to the levels indicated in the chart above for 2002 & 2003.

Value of Contracts Maintained



The Contract Management Office maintained 278 contracts in 2001, with a total value of \$125,278,207. These contracts are for Information & Technology maintenance, equipment leases and professional services and they are managed on behalf of the entire corporation, representing the Information & Technology needs of the various operating departments.

Average Monthly Tape Back-Ups Performed



The escalation in demand of application and data management functions also impacts on the requirement for performing daily tape back-ups. The average monthly tape back-ups required maintaining the integrity of our electronic data has tripled since the amalgamation of the City of Toronto and is anticipated to continue growing rapidly as we expand our services to meet new requests.

Capital Budget

Total 2003 Gross Budget is \$14.784 million [2002 Budget - \$17.242]

- \$8.856 M to continue with key projects and to keep the core infrastructure current.
- \$1.0 M Data Warehousing Strategy & Pilot for developing an enhanced executive decision making tool which will enable the Corporation to make informed decisions.

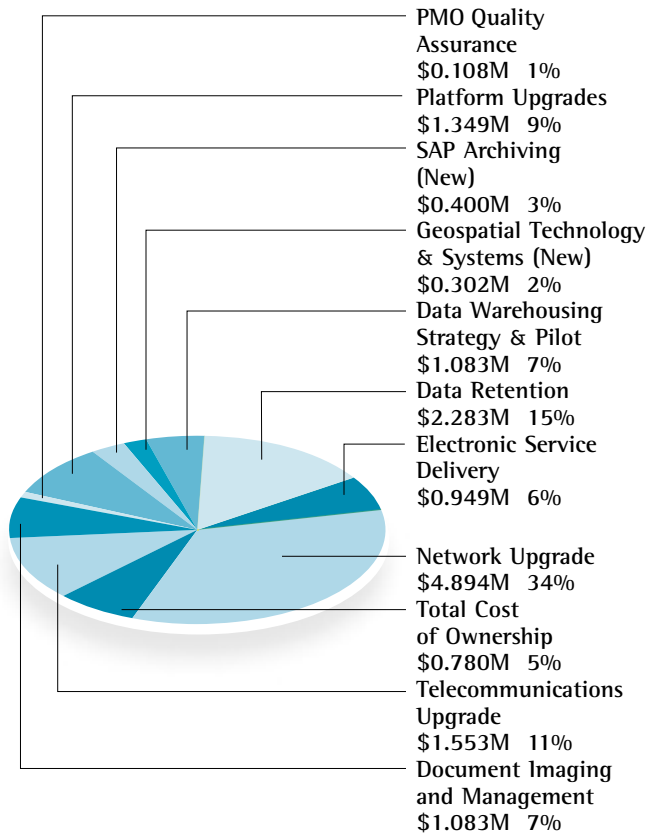
- \$1.2 M Data Retention Program to convert many different formats of electronic data, which currently exist in Mainframes and mid-range systems from other municipalities, into common formats.
- \$1.414 M Network Upgrade to cover a wide range of network improvements, security, disaster recovery plan, redundancy, monitoring tools, reliability and availability improvements, upgrade desktop and server platforms for next generation windows planning.

5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Electronic Service Delivery	349	155	47	-	-	551
Data Warehousing	908	-	-	-	-	908
Telecommunications Upgrade	1,553	360	-	-	-	1,913
Document Imaging & Management	548	-	-	-	-	548
PMO Quality Assurance	108	230	400	100	-	2,441
Data Retention	1,130	-	-	-	-	1,130
Total Cost of Ownership	780	1,191	470	-	-	2,441
Network Upgrade	3,480	1,046	750	-	-	5,276
Total Previously Approved	8,856	2,982	1,667	100	-	13,605
New						
Electronic Service Delivery	600	964	736	-	-	2,300
Data Warehousing	175	-	-	-	-	175
Document Imaging & Management	535	1,300	870	95	-	2,800
Platform Upgrades	1,349	-	-	-	-	1,349
Geospatial Technology & Systems	302	-	-	-	-	302
SAP Archiving	400	1,500	-	-	-	1,900
Data Retention	1,153	384	-	-	-	1,537
Data Retention Network Upgrade	1,414	1,034	750	-	-	3,198
Total New	5,928	5,182	2,356	95	-	13,561
Total*	14,784	8,164	4023	195	-	27,166

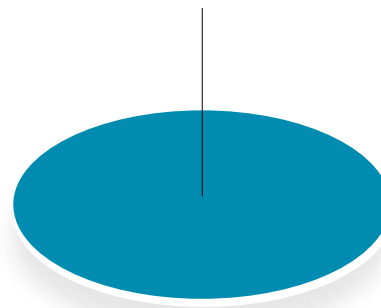
* The totals of 2004-2006 include future year estimates.

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM

Total 2003 cash flow applies funding as debt 100%.



LEGAL

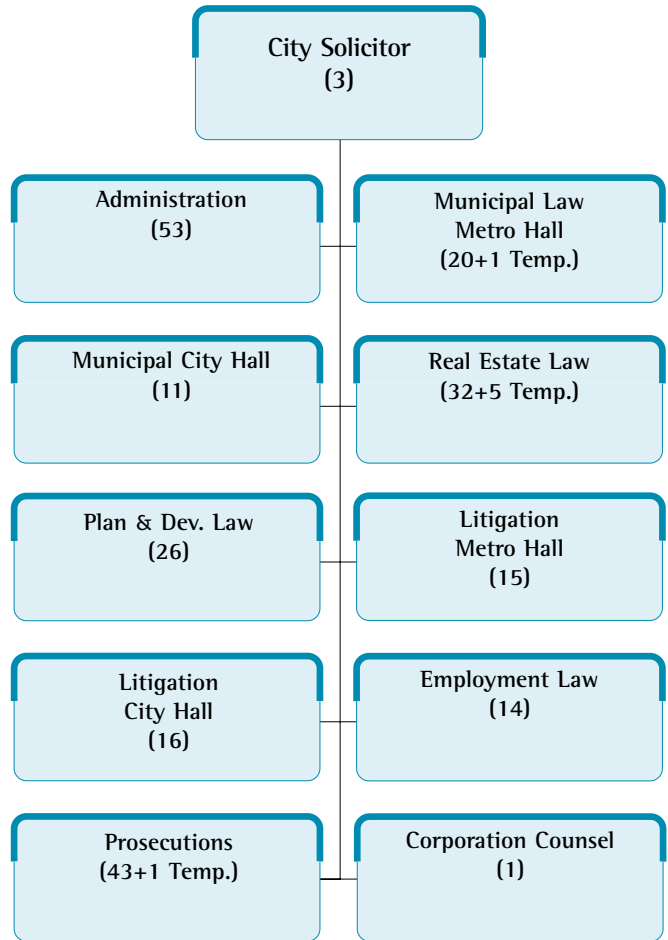
Mission Statement *To provide the highest quality of legal services to Council, its committees, departments, agencies, boards, and commissions, and to minimize the necessity to seek outside counsel to represent those interests.*

Program Objectives

- To provide a high quality service whereby the Legal Division is invited by clients to participate in the preliminary, strategic phases of projects as opposed to the production or final phases of an initiative.
- Legal agreements are delivered in a timely manner.
- To provide ongoing training for staff to keep them current of developments in law, and to permit staff to develop specialized expertise as an alternative to seeking specialized assistance of outside counsel.
- With the assistance of HR , prepare skill competency inventories, and training plans for all Legal Division position classifications.
- In partnership with IT prepare a business case for a project to pilot workflow and document management software.
- Continued progress on the Division’s intranet site with of view of providing a frequently asked questions section for clients.
- To restructure the Legal Division organization to provide Directors with Legal Assistants within the current complement numbers.
- To depool the legal secretaries so that lawyers can spend more time on legal matters as opposed to administrative duties.
- To develop a recruitment and retention plan in conjunction with Human Resources.

Program Map

The Legal program is comprised of seven services, with a total of 238 approved positions:



Strategic Direction and Service Priorities

- Obtain a high rate of client satisfaction on client surveys, and in focus groups
- Professional development targets to be set for all positions
- Continued implementation of the Division's technology plan
- Ongoing organizational review and refinement to meet the needs of the Division and the clients it serves.
- Manage lawyer turnover
- Office consolidation

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Municipal Law	4,336.6	3,108.5
Litigation	4,106.0	3,080.0
Administration	2,461.8	2,461.8
Planning and Development Law	3,846.3	3,490.3
Real Estate	4,016.5	3,029.1
Employment Law	1,928.0	1,828.0
Prosecutions	3,658.1	1,040.2
Total Program Budget	24,353.3	18,037.9

HIGHLIGHTS

- Reduction in use of outside Counsel.
- Assisting with the TTC Development Planning Studies.
- Providing staff to Human Resources to assist in reducing arbitration costs.
- Providing expertise with the Federal Court of Appeal Decision regarding the Canadian Radio-Television & Telecommunication Commission Decision.

PERFORMANCE MEASURES

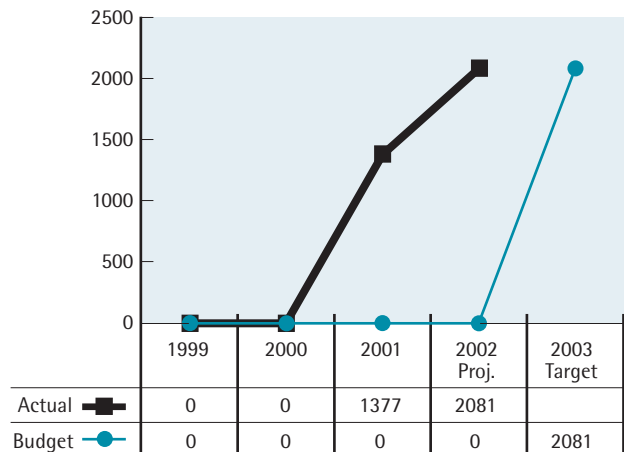
The docketing and the collection of statistics is an ongoing project. The upward trend can be attributed to a higher participation rate for docket submissions, and increased workload. Statistical significance will be apparent in subsequent years.

In January and February 2002 the City assumed responsibility for the prosecution under Part I of the Provincial Offences Act of a large number of offences formerly prosecuted by prosecutors with the Ministry of the Attorney General.

Since amalgamation, all new legal work has been insourced where practical. The outside counsel budget funded legal work already in progress, in addition to the Union Station project. It is anticipated that the downward trend will continue into 2003.

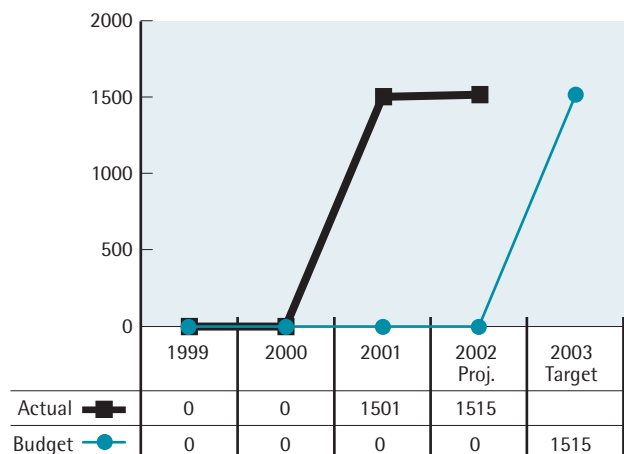
1. THE NUMBER OF HOURS SPENT AT EMPLOYMENT HEARINGS, GRIEVANCES, ARBITRATIONS, APPEARANCES BEFORE THE ONTARIO LABOUR RELATIONS BOARD, ONTARIO HUMAN RIGHTS COMMISSION AND OTHER TRIBUNALS.

Employment Hearings (Hours)



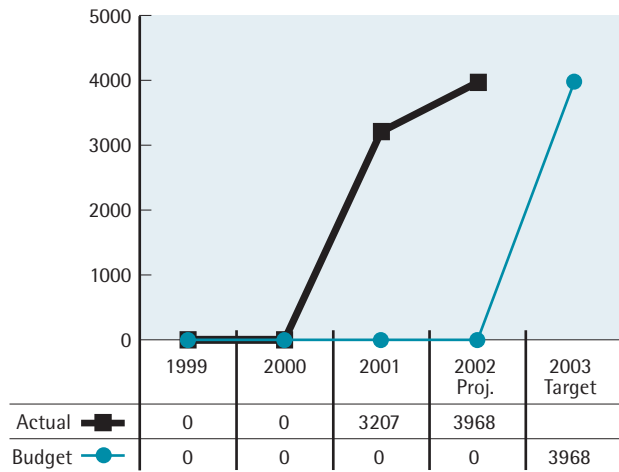
2. THE NUMBER OF HOURS SPENT IN COURT ON MOTIONS, APPLICATIONS, PRETRIALS, AND APPEALS

Number of Hours in Court (Litigation Practice)



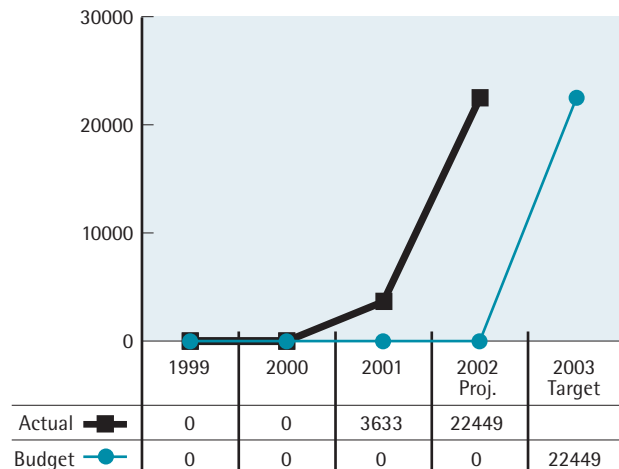
3. THE NUMBER OF HOURS SPENT AT OMB AND OTHER ADMINISTRATIVE TRIBUNALS.

Number of Hours Spent at OMB and Other Tribunals



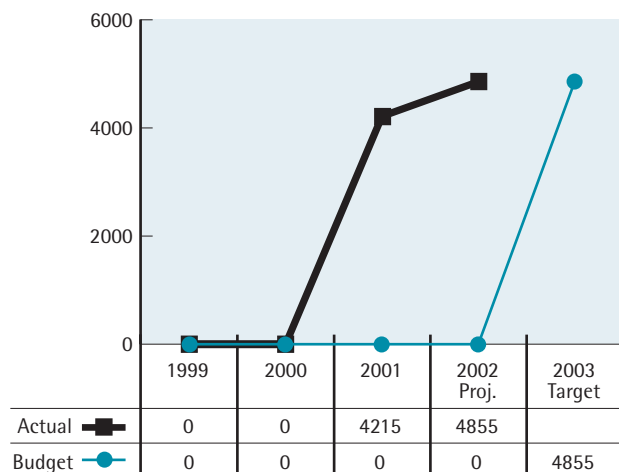
4. THE NUMBER OF COURT TIERS PROSECUTED

Number of Court Tiers Prosecuted



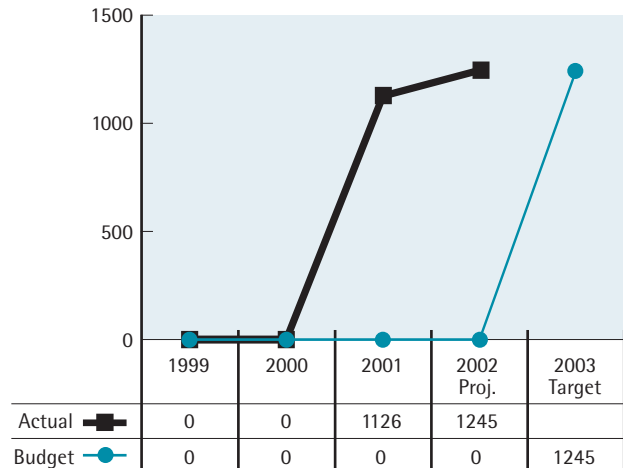
5. THE NUMBER OF TITLE SEARCHES COMPLETED

Number of Title Searches Completed



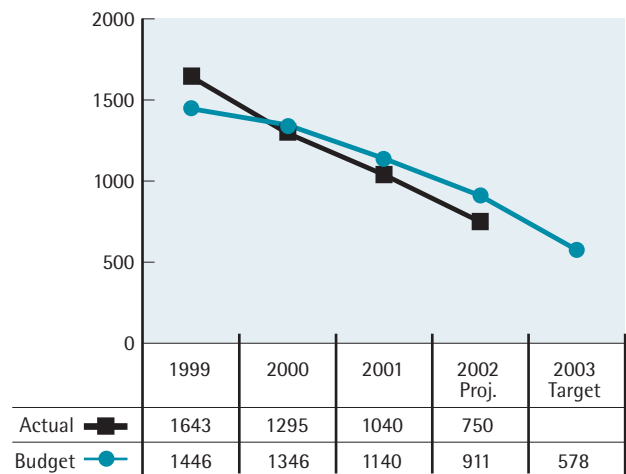
6. THE NUMBER OF CONVEYANCING REGISTRATIONS COMPLETED

Number of Conveyancing Registrations Completed



7. THE TOTAL DOLLARS SPENT ON OUTSIDE COUNSEL

Total Dollars Spent on Outside Counsel



SERVICE IMPROVEMENT AND INNOVATION

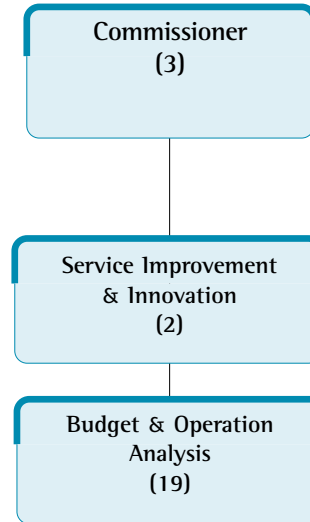
Mission Statement *To assist the Commissioner and the management staff in program areas, by providing department direction and coordination for the effective and efficient delivery of Corporate Services and implementation of Council and Corporate directives.*

Program Objectives

- Lead &/or support inter/intra departmental activities in the coordination, development application, compliance and monitoring of corporate &/or departmental policies through strategic advice and support to programs.
- Assist organizational design and restructuring process to improve service delivery; problem analysis and solution design.
- Lead &/or support assessment and analysis of corporate and department.
- Lead &/or support effective budget preparation, analysis, research and operational support.

Program Map

The Service Improvement and Innovation program is comprised of two services, with a total of 24 approved positions:



Strategic Direction and Service Priorities

- Policy Development and Coordination
- Organizational Innovation
- Project Management Implementation
- Effective budget and operational services

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Executive Office	408.4	408.4
Departmental Program Support	2,246.2	1,756.2
Total Program Budget	2,654.6	2,164.6

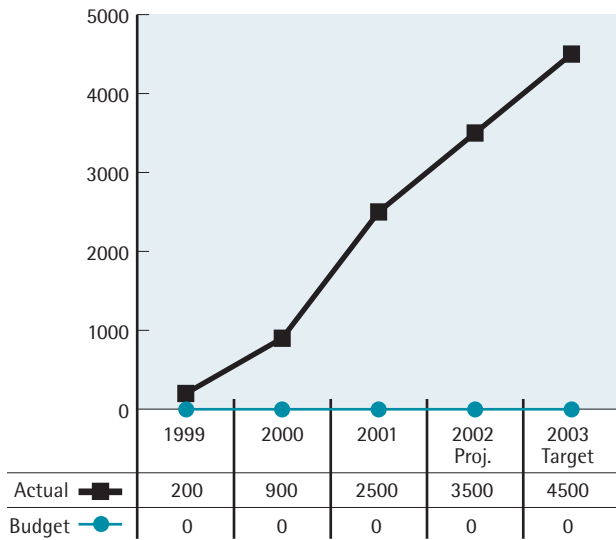
Capital Budget

Not applicable

Performance Measures

1. NUMBER OF BUDGET INQUIRIES

Number of Budget Enquires



Request for budget information and expertise has increased. The upward trend can be attributed to increased demand in this area.

Further measures will be collected in 2003.

FINANCE DEPARTMENT

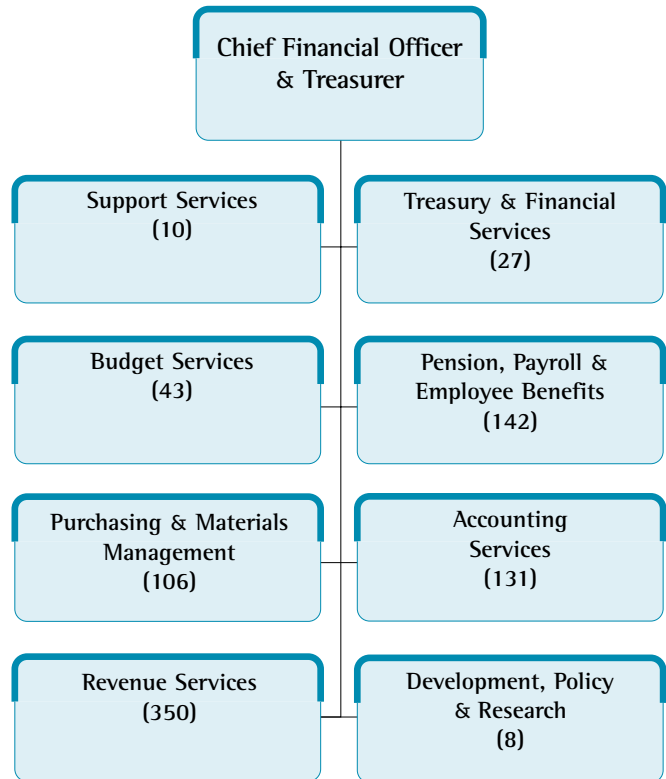
Department Overview

The Finance Department provides quality financial services to the City of Toronto and effectively manages its financial assets and resources. These services are provided through the following divisions: Support Services, Treasury & Financial Services, Budget Services, Pension, Payroll & Employee Benefits, Purchasing & Materials Management, Accounting Services, Revenue Services, and Development, Policy & Research.

Mission Statement *The Finance Department 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 Departments, Agencies, Boards, Commissions and the public.*

Department Map

The Finance Department is comprised of eight divisions, with a total of 817 approved positions:



2002 Achievements

SUPPORT SERVICES:

- Prepared and supported the 2002 departmental operating and capital budgets
- Monitored and controlled operating and capital variances and managed operations within approved budget allocations
- Provided effective communication strategies and support to departmental initiatives

TREASURY & FINANCIAL SERVICES:

- Successfully managed a \$150 million debenture issue
- Exceeded benchmark rates of return for City's investment portfolio
- Restructured shareholder direction and existing Toronto Hydro Corporate debt to facilitate first commercial debt issuance of \$225 million, including negotiations pertaining to the offering prospectus/trust indenture/promissory note
- Completed and executed multi-year power (electricity) purchase agreement with Toronto Hydro Energy Services Inc., hedging City's energy costs in the volatile energy market
- Implemented final phase of water rate harmonization by-laws, facilitating single rate structure across the entire City for the first time
- Analyzed and reported to Council on the adequacy of the Water and Wastewater Stabilization Reserves and provided strategies for funding inadequacies

BUDGET SERVICES:

- Co-ordinated development of the 2002 Operating Budget, and the 2002-2006 Capital Budget and Plan that achieved Council's tax increase goal without reducing the level and/or quality of services
- Provided critical analysis and comparative assessment of available budget alternatives in co-operation with program areas in order to recommend best options
- Evaluated 2002 capital and operating budget submissions of Departments and Agencies, Boards and Commissions (DABCs) for compliance with approved guidelines and made recommendations on resource allocation strategies to decision makers

- Improved the 2003 budget process through consultations and debriefing meetings with DABCs and Councillors
- Improved timing and content of financial reporting to Council by producing new quarterly capital budget variance reports

PENSION PAYROLL & EMPLOYEE BENEFITS:

- Processed salary and benefit increases for Local 79, 416, firefighters and management/non-union staff effective January 1, 2002
- Harmonized benefit plans for management/non-union employees to ensure fairness and equity among staff

PURCHASING & MATERIALS MANAGEMENT:

- Processed \$1.0 billion in purchases on behalf of the City of Toronto
- Held a Public Auction, which brought in \$1.8 million in recovery for obsolete items to the City of Toronto for 2002

ACCOUNTING SERVICES:

- Commenced the Electronic Matching of Vendor Invoices Project (3-Way Match) with Fleet Services acting as the pilot
- Completed 2001 financial statements in accordance with the Public Sector Accounting Board requirements
- Completed reporting requirements in accordance with the Municipal Performance Measurement Program (MPMP)
- Produced a detailed report on reserve and reserve fund transactions and balances

REVENUE SERVICES:

- Developed and fully implemented the new vacancy rebate program including a verification process
- All system maintenance and support for the revenue systems has been brought in-house
- Conducted a review of the City's water infrastructure in conjunction with WES and analyzed water reading technology options available in the market
- Recommended the most financially sound meter reading strategy to Council

DEVELOPMENT, POLICY & RESEARCH:

- Consolidated a manual of current financial policies and by-laws

- Led the Business Plan Review Team in assessing the proposals received from proponents responding to the City's RFP for the redevelopment and operation of Union Station, including performing the financial analysis and due diligence associated with each of the proposals
- Developed a policy governing land transactions among City Agencies, Boards, Commissions and Departments
- Provided financial expertise and review of business plans related to road transportation alternatives, and on the future of the Island Airport

PROGRAM OBJECTIVES:

The Finance Department is a team of dedicated professionals providing the following services:

SUPPORT SERVICES:

- Provide strategic, operational and business planning for the department
- Operating and capital budget preparation, monitoring and control including variance reporting
- Development of departmental and divisional communication strategies
- Financial systems coordination and overall information technology management

TREASURY & FINANCIAL SERVICES:

- Oversee long-term financial strategies (e.g. reserve/reserve fund adequacy reviews, capital financing strategies)
- Actively manage all of the City's financial investments through money market and bond fund portfolios
- Coordinate all inter-governmental finance related activities for federal, provincial and municipal governments
- Oversee insurance functions for the corporation and develop and implement risk mitigation strategies

BUDGET SERVICES:

- Coordinate the development of the corporate operating and capital budgets
- Provide timely advice to Council, executive management and all programs on key resource allocation strategies and principles
- Prepare quarterly capital and operating variance reports to monitor and report on corporate spending

PENSION, PAYROLL & EMPLOYEE BENEFITS:

- Process pension, payroll and benefit transactions while ensuring compliance with collective agreements and policies
- Provide policy development and administration services of pension and benefit plans
- Provide support to all users of the payroll system by ensuring business processes are documented and communicated and users are trained
- Provide administrative services to pensioners as members of five different city sponsored pension plans as well as participate as a member of each of the Boards of Trustees of these plans
- Provide counselling services to employees and retirees related to pension, payroll or employee benefit issues

PURCHASING & MATERIALS MANAGEMENT:

- Purchase goods and services for the corporation and maintain an effective and efficient materials and inventory management system to ensure that warehoused items are delivered to clients on a timely basis
- Issue all tenders, RFQs and RFPs to ensure competitive bidding and maintain the highest standards of business ethics in dealing with suppliers
- Establish and monitor purchasing policies and purchasing by-law
- Disposal of surplus/obsolete assets through annual public auctions
- Act as Purchasing Agent as specified in by-law for City Departments, Police Services and Toronto Atmospheric Fund

ACCOUNTING SERVICES:

- Pay vendors for goods and services provided to the City Departments in accordance with Council policies
- Prepare annual financial statements and Financial Information Return, Statistics Canada reports, etc for submission to senior levels of government
- Provide monthly financial and management reports to Departments
- Provide Financial System support and training and Financial System user administration and security

- Provide financial reporting advice and general ledger support to Departments
- Ensure compliance with financial policies and procedures and internal controls

REVENUE SERVICES:

- Prepare and process annual interim and final tax bills
- Administer tax rebate programs and process assessment and tax appeals
- Provide efficient, courteous and accessible service to the public through 6 cash and counter locations and responding to tax and water inquiries promptly
- Prepare and process weekly water billings and semi-annual flat rate water billings
- Prepare analytical water and tax policy related reports
- Process and collect all parking tickets issued in the City of Toronto
- Operate 3 First Appearance Facilities and provide direction in dispute resolution and parking tag adjudication for customers

DEVELOPMENT, POLICY & RESEARCH:

- Prepare policy & financial analysis regarding development charges, real estate and other major issues
- Prepare comprehensive reports and policy papers including relevant financial strategies
- Conduct special operational research and analysis on corporate programs and business processes

Strategic Direction and Service Priorities

The Finance Department is committed to the on-going review and continuous improvements that are required to ensure the effective use of the Corporation's financial resources. The major corporate initiatives for 2003 include the following:

SUPPORT SERVICES:

- Re-alignment of the departmental organizational structure to maximize service delivery
- Continue development of a departmental performance measurement program to monitor performance, develop service standards and identify improvements

- Enhance the Finance Department Website to improve communications and create a stronger financial presence for users

TREASURY & FINANCIAL SERVICES:

- Update and distribute manual of financial policies and procedures and enhance their communication
- Establish new financial partnerships with senior levels of government
- Develop a draft five year fiscal plan by supporting Council's Ad Hoc Committee
- Develop and implement long-term Debt and Reserve/Reserve Fund Management Policies

BUDGET SERVICES:

- Provide operating and capital budget analysis, manage and support the administrative and political processes effectively by providing strategic advice at every stage of the review that balances program needs and Council priorities and financial constraints
- Commence implementation of financial protocols to ensure that all financial implications and impacts are provided to Council to support informed decision making
- Conduct debriefing meetings with key stakeholders on the 2003 budget process and implement improvements to the budget process for inclusion in 2004
- Commence implementation of the Financial Planning, Budgeting and Reporting System and its capability in meeting the financial planning, budgeting and reporting needs of the City

PENSION, PAYROLL & EMPLOYEE BENEFITS:

- Commence replacement of Time Entry System (TES). All attendance time entry, payroll information, system security and upgrades will be harmonized to one system
- Continue to review business processes on end-to-end basis to ensure the most effective and efficient processes and internal controls are in place
- Commence the review of the city sponsored pension plans related to options available regarding the ongoing administration and sponsorship of these plans as well as develop service level agreements with each board of trustees
- Implement the harmonized benefit plans for management and non-union employees, consisting of the transfer of approximately 3,600 employees to a common policy

PURCHASING & MATERIALS MANAGEMENT:

- Conduct a feasibility study on E-Procurement to identify requirements, quantify benefits, review potential risks and assess potential savings
- Review and implementation of Auditor General recommendations arising from the Procurement Review

ACCOUNTING SERVICES:

- Continue implementation of accounts payable process improvements, including the additional roll-out of electronic matching of vendor invoices and improvements to outstanding invoice follow-up and vendor inquiry
- Financial reporting for management purposes will be reviewed and enhanced
- Work in conjunction with the Auditor General and Chief Administrative Officer in the transition to the new financial roles for the internal and external audit

REVENUE SERVICES:

- Co-ordinate the implementation and rollout (in conjunction with WES) of the universal metering project and uniform meter reading technology
- Continue enhancements to maximize system potential in Revenue Services including customer service initiatives such as integrated voice recognition and unified cashing

DEVELOPMENT, POLICY & RESEARCH:

- Conduct comprehensive studies and develop strategies for Joint Utility Billing, Waterfront Financing, User Fees and Development Charges
- Undertake a review of the City’s development charges; prepare and present the requisite Background Study; initiate and lead the consultation process; and develop appropriate City policies and by-law in respect of development charges
- Review potential options, rationale and the financial implications of providing financial incentives to encourage brownfield redevelopment in the City of Toronto, and to recommend a Brownfields and Contaminated Lands policy for Council approval

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Support Services	1,049.5	883.2
Treasury & Financial Services	2,632.4	1,094.0
Budget Services	4,240.3	3,437.2
Pension, Payroll & Employee Benefits	10,111.8	8,005.0
Purchasing & Materials Management	7,072.7	5,869.1
Accounting Services	12,135.3	10,048.1
Revenue Services	30,970.1	6,049.5
Development, Policy & Research	762.3	698.5
Total Program Budget*	68,974.4	36,084.6

* Gross and Net include technical adjustment of (\$0.8) thousand.

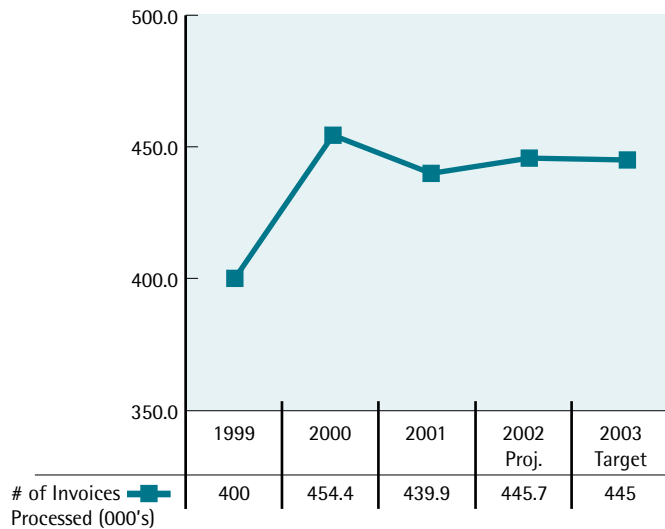
HIGHLIGHTS

- **\$0.075 M Gross; \$0.0 M Net** - Addition of one temporary contract position to oversee commodity tax function
- **\$0.150 M Gross; \$0.0 M Net** - New First Appearance Facility and staffing for volume increase in parking tags.
- **\$0.265 M** - Additional license and maintenance costs for financial systems
- **\$0.079 M** - Revenue from increased charge for NSF cheques from \$25 to \$35
- **\$0.032 M** - Revenue from increased annual Bidder’s List fees from \$50 to \$60

Performance Measures

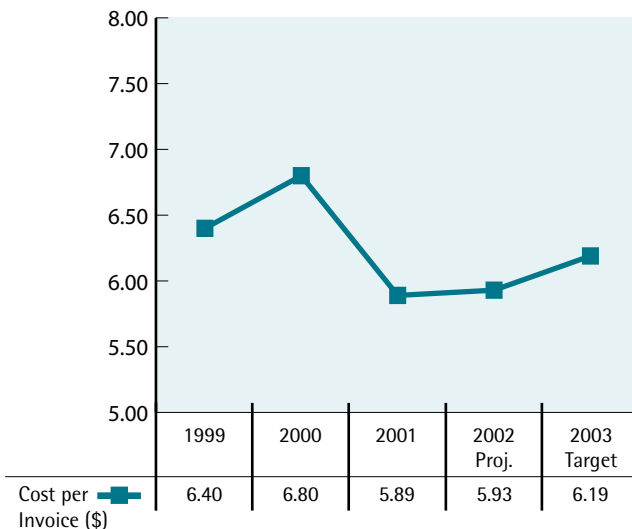
ACCOUNTING SERVICES:

Number of Invoices Processed



→ The volume of invoices processed has been consistent over the last 3 years. Efforts are made to reduce invoices received by requesting suppliers to issue combined invoice for program areas on a monthly basis rather than billing each invoice separately.

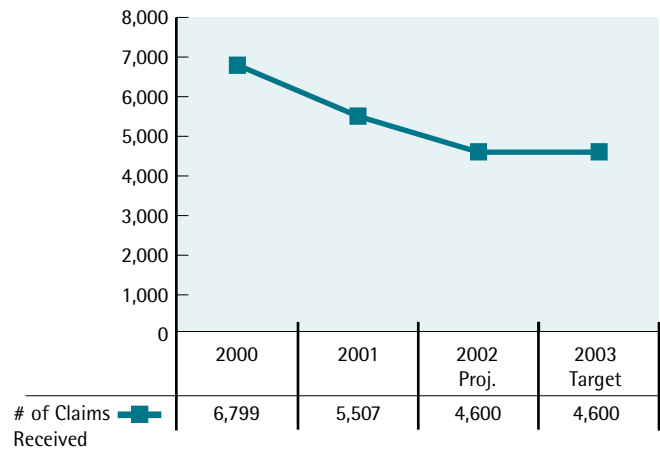
Cost Per Invoice Processed



→ The overall trend outlines a decrease in cost of invoice processed from 1999 to 2003. 2001 and 2002 actual are lower than 2003 target due to temporary vacancies that resulted in under-spending. The 2003 target assumes full staffing (less gapping) and is adjusted for inflationary increases.

TREASURY & FINANCIAL SERVICES:

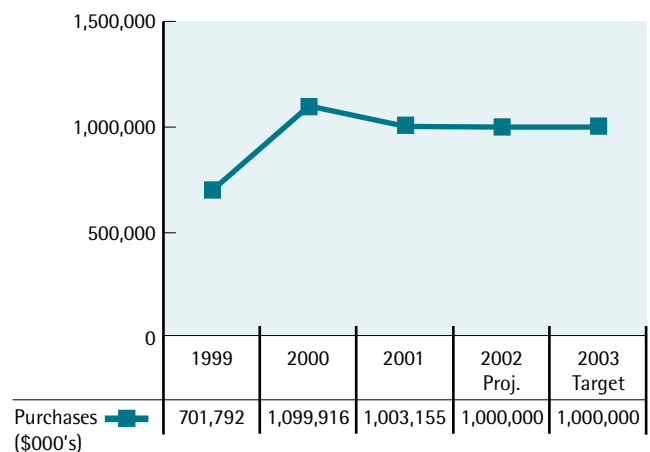
Number of Claims Received



→ Claims volume reductions (actuals) - year 2000 to 2001 due to significant rain storm events in 2000, mild 2001 winter, instructions to adjusters to maintain a consistent message on denial and better education of City staff on what qualifies as an insurance claim. Projected claims volumes for 2002 is 4,600 which will reduce in subsequent years with the implementation of internal departmental deductibles, staffing changes to allow greater management over adjusting and legal service contracts and finalization of the implementation of the City's Risk Management Information System.

PURCHASING & MATERIALS MANAGEMENT:

Dollar Value of Purchases Processed



→ The dollar value of purchases should remain at approximately the \$1.0 billion mark. The increase from 1999-2000 was a result of amalgamation. After amalgamation, purchasing activities that departments were performing were transferred to the Purchasing & Materials Management Division.

Capital Budget – Finance

Total 2003 Gross Budget is \$8.348 million [2002 Budget – \$3.755 million]

→ \$1.547 million for new funding to replace the current Time Entry System.

→ \$0.250 million for background study on the adoption of the City policy and by-law regarding development charges.

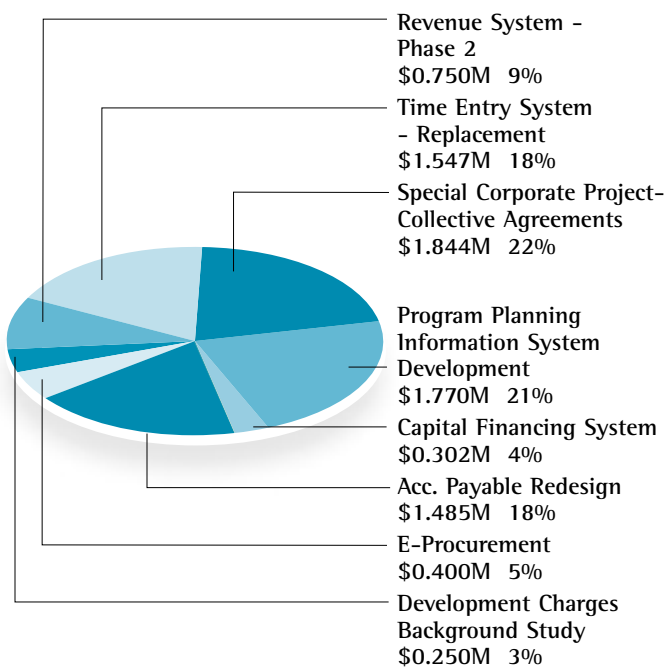
→ \$0.400 million for feasibility study on implementation of E-Procurement.

→ \$6.151 million for the completion of previously approved projects currently underway.

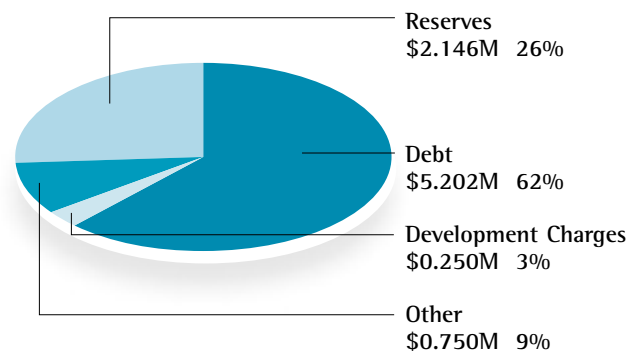
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	2005	Commitments 2006	2007	Total
Previously Approved						
Capital Financing	302	-	-	-	-	302
Revenue System-Phase 2	750	868	867	-	-	2,485
Accounts Payable Redesign	1,485	-	-	-	-	1,485
Program Planning Information System Development	1,770	380	-	-	-	2,150
Special Corporate Projects-Collective Agreement	1,844	-	-	-	-	1,844
Total Previously Approved	6,151	1,248	867	-	-	8,266
New						
E-Procurement	400	4,825	1,925	450	-	7,600
Time Entry System Replacement	1,547	734	-	-	-	2,281
Development Charges	250	-	-	-	-	250
Background Study 2003						
Total New	2,197	5,559	1,925	450	-	10,131
Total	8,348	6,807	2,792	450	-	18,397

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



CHIEF ADMINISTRATOR'S OFFICE

Overview

The Chief Administrative Officer leads the municipal corporation of the City of Toronto, and provides guidance and advice to Council on the City's fiscal, organizational, intergovernmental and service challenges. The CAO is accountable to Council for the policy direction and program delivery of all departments and programs. The CAO leads the Executive Management Team (EMT), which includes the six departmental Commissioners, sets overall broad direction and strategy for the Corporation. The Executive Management, Strategic & Corporate Policy and the newly approved Internal Audit division comprise the Office of the CAO.

The Executive Management and Strategic & Corporate Policy functions support the CAO in fulfilling this leadership role and in ensuring that the City's policies and services respond to the diversity of needs within the Toronto community by providing day-to-day advice, co-ordination and support as well as independent advice on matters related to governance and corporate performance, strategic planning, corporate policies, diversity management, citizen engagement and intergovernmental relations.

The Internal Audit function will be responsible for providing internal audit services to support senior management in the City. It will provide impartial and objective assurance and consulting services designed to improve the administration of municipal operations, and promote compliance with policies and regulations.

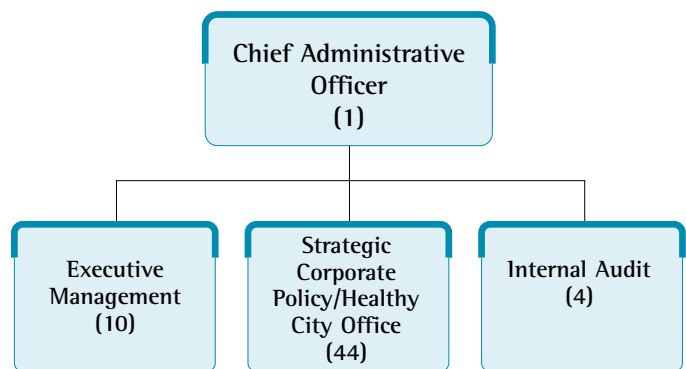
Mission Statement *Provide effective leadership to the municipal corporation of the City of Toronto, and guidance and advice to Council on the City's fiscal, organizational, intergovernmental and service challenges, and ensuring that the City's policies and services effectively respond to the diversity of needs within the Toronto communities.*

Program Objective

Continue to effectively lead the municipal administration and provide guidance and advice to Council on the City's fiscal, organizational, intergovernmental and service challenges.

Program Map

The Chief Administrator's Office is composed of three divisions, with a total of 59 approved positions:



Strategic Direction & Service Priorities

- ➔ Develop and implement a strategy for the City to establish targets and standards of performance and continue to build a strong working relationship among senior staff.
- ➔ Continue co-ordinating a number of corporate integration and improvement initiatives.
- ➔ Develop and implement a corporate customer service plan to guide and support a multi-channel (counter, phone, e-mail, Web, fax and mail) approach to customer service. The plan is to include customer service standards, a policy framework, corporate implementation plan for all customer surveys, and service standards for all call centres.
- ➔ Complete, in conjunction with program staff, multi-year program (business) plans for the Solid Waste Management and Parks and Recreation Divisions for the 2004 budget cycle as pilots for eventual corporate-wide implementation of program (business) planning.

- Continue participation and involvement in benchmarking activities with other municipal partners through the Municipal Performance Measurement Program (MPMP), the Ontario Municipal CAO's Benchmarking Initiative (OMBI) and the Ontario Centre for Municipal Best Practices (OCMBP).
- Complete the Council governance review, development of an accountability framework for agencies, boards and commissions, the ongoing implementation of Council's alternative service delivery framework, implementation of the Auditor General and Internal Audit functions, and the development of the Plan of Action to Eliminate Racism and Discrimination.
- Devote additional efforts to advancing Council's quest for additional powers and authority. This will include influencing the federal government's urban agenda, development of draft city charter legislation, and support to the Mayor and Members of Council taking part in the work Federation of Canadian Municipalities, the Big City Mayor's Caucus, the C5 Initiative and the Association of Municipalities of Ontario.
- Develop a Guide for Access and Equity planning for internal use and provide ongoing assistance to departments to incorporate diversity management principles into their programs.
- Develop an interdepartmental network aimed at co-ordinating civic engagement activities.
- Continue to lead interdepartmental projects and supporting the Policy Co-ordinating Team, and develop and launch a policy capacity building aimed at policy professionals across departments and agencies.
- Continue to support the Ethics Steering Committee in its mandate of improving the accountability framework for members of Council.
- Participate in hosting the 2003 annual conference of the Institute of Public Administration of Canada.
- Make resources available to address emerging priorities of Council and the CAO.

Operating Budget by Program

Service:	Gross (\$000s)	Net (\$000s)
Executive Management	1,352.3	1,352.3
Strategic & Corporate Policy	3,823.3	3,823.3
Internal Audit	450.0	450.0
Total Program Budget	5,625.5	5,625.5

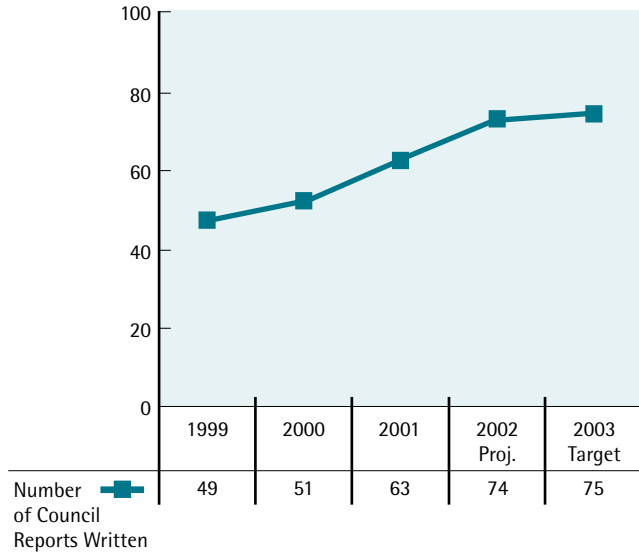
HIGHLIGHTS

- Creation of the new Internal Audit function (Director and Auditors). Staffing of the Director to take place shortly.
- Continued focus on internal controls and enhancing management accountability.
- First on-line service with an electronic banking interface for the City (on-street permit parking renewals).
- Development of 311 telephone/Internet service strategy for the corporation.
- Lead corporate team in developing information for year 3 of the Municipal Performance Measurement Program (MPMP) and examine Toronto's year over year performance as well as comparisons to other municipalities. As part of the MPMP Advisory Committee to the Province, provide input and advice on changes to the program in the future.
- Work with the Solid Waste Management Division and Parks and Recreation Division to complete business plans for the 2004 budget cycle as pilots for eventual corporate-wide implementation in the future
- Managed the review of council governance, including support to the Council governance task force.
- Supported the Ethics Steering Committee and undertook policy work in support of Council's desire to establish a lobbyists' registry and integrity commissioner.
- Developed key elements for a new legislative framework for the City of Toronto to serve as basis for negotiation with the Province of Ontario.
- Developed corporate policies applicable to ABCs including remuneration and expense reimbursement policy, access and privacy policy, nomination policy and recruitment strategy.
- Conducted governance reviews of Toronto Atmospheric Fund, Association of Community Centres and Hummingbird Centre, initiated reviews of arena boards of management, and prepared governance documentation for Toronto Parking Authority and Heritage Toronto.
- Completed the CAO's Status Report on the implementation of the Final Report of the Task Force on Community Access and Equity by facilitating a corporate process for reporting.
- Completed the City of Toronto's Plan of Action for the Elimination of Racism and Discrimination by facilitating the city wide consultation process of over 50 sessions involving 1000 persons

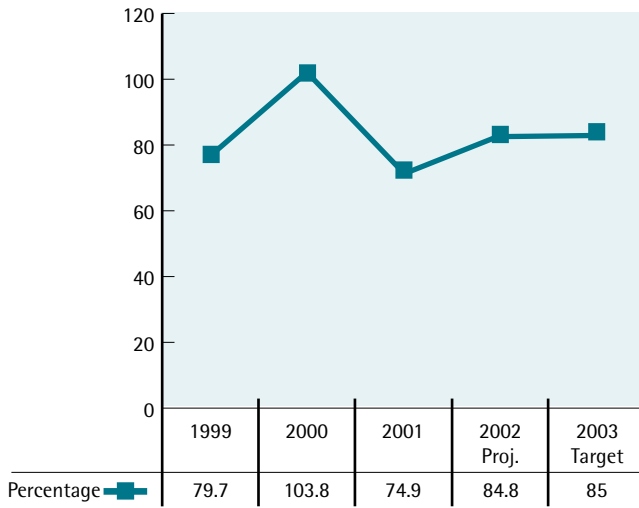
PERFORMANCE MEASURES

Explanatory Information of Performance Measure Trend: Due to the project-oriented nature of the work, tracking of the following performance measures help to determine workload and allow effective allocation of resources to respond to demand.

Number of Council Reports Written



Percentage of Directives Received and Cleared Within the Same Calendar Year



Capital Budget – Chief Administrator's Office

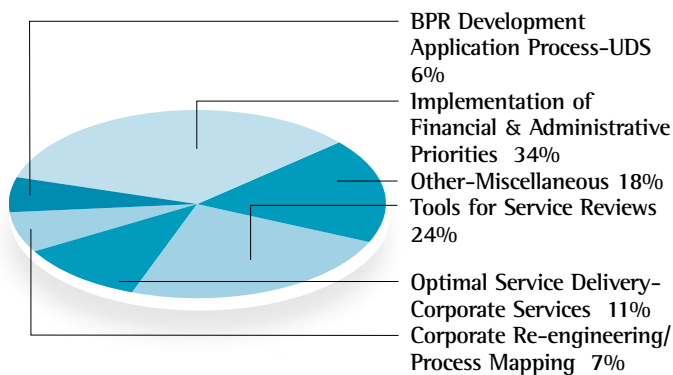
Total 2003 Gross Budget is \$0.845 million [2002 Budget – \$0.842 m]

→ \$0.845 million is for the Amalgamation and Service rationalization Studies.

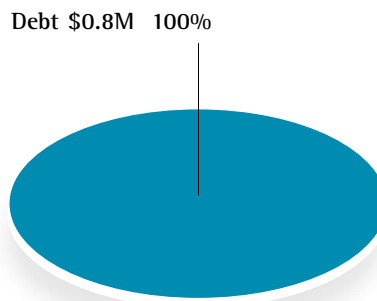
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Cultural Infrastructure Development	-	-	-	-	-	-
Service Enhancement	0.845	0.180	0.080	0	0	1.105
Restoration/Preservation of Heritage Elements	-	-	-	-	-	-
Refurbishment and Rehabilitation	-	-	-	-	-	-
Collections Care	-	-	-	-	-	-
Major Maintenance	-	-	-	-	-	-
Total Previously Approved	0.845	0.180	0.080	-	-	1.105
New						
Cultural Infrastructure Development	-	-	-	-	-	-
Service Enhancement	-	-	-	-	-	-
Restoration/Preservation of Heritage Elements	-	-	-	-	-	-
Refurbishment and Rehabilitation	-	-	-	-	-	-
Collections Care	-	-	-	-	-	-
Major Maintenance	-	-	-	-	-	-
Total New	-	-	-	-	-	-
Total	0.845	0.180	0.080	-	-	1.105

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



AUDITOR GENERAL'S OFFICE

Department Overview

In May 2002, City Council approved an Independent Auditor General's Office for the City of Toronto that will be responsible for performing independent audits of the City's business activities and controls. The Auditor General reports to City Council through the Audit Committee and the Auditor General will provide assurance to both Council and taxpayers on the quality of stewardship over public funds to ensure that money is spent with due regard to economy, efficiency and effectiveness.

Mission *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.*

Objectives

In the pursuit of the above stated mission the Auditor General's Office has adopted the professional audit and ethical standards of the Institute of Internal Auditors. Audits are conducted in accordance with these standards, which relate to independence, objectivity, professional proficiency, scope and performance of work, and departmental management.

The Auditor General's Office is independent of management, and has the authority to conduct financial, operational, compliance, information systems, forensic and other special reviews of all City departments, agencies, boards and commissions, as well as other entities the City is related to or has an interest in.

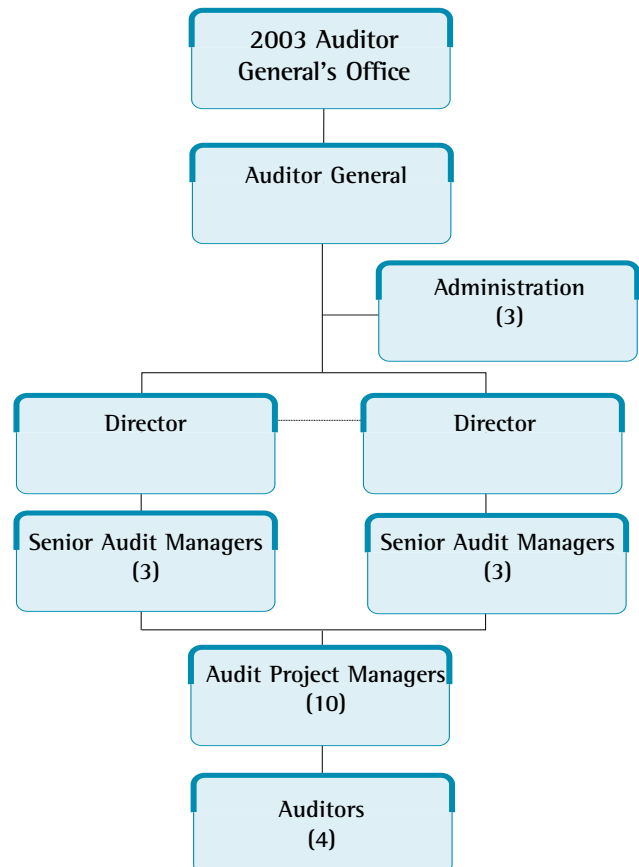
The mandate empowers the Auditor General to:

- (a) conduct or cause to be conducted operational audits, defined as evaluating the management of public funds and resources from a standpoint of economy, efficiency and effectiveness, and making recommendations on operating improvements;
- (b) examine and evaluate the adequacy of the City's policies and systems of internal control, both financial and operational;

- (c) evaluate the procedures used by management to measure and report on program effectiveness. A review of the results of such programs or activities will include an evaluation relating to the results or benefits achieved, and whether the programs or activities are meeting established objectives;
- (d) examine problem areas identified by the Auditor General or brought to the Auditor General's attention by Council;
- (e) perform special assignments ranging from consulting work to investigating suspected fraud or wrongdoing;
- (f) assess whether the City's information technology infrastructure contains adequate controls and security; and
- (g) co-ordinate the financial audit activities with the external auditors of the City to ensure the efficient and effective use of audit resources.

Department Map

The Auditor General's Office is administratively structured as follows, with a total of 26 approved positions:



2003 Operating Budget by Program

The 2003 operating budget for the Auditor General's Office is \$3.003 million gross and \$2.887 million net, which is comprised of:

Program	Gross (\$000s)	Net (\$000s)
Auditor General's Office	3,003.2	2,886.9
Total Department Budget	3,003.2	2,886.9

Capital Budget

Not applicable

COMPARATIVE MEASURES/BENCHMARK

The Department has benchmarked its costs with those of major municipalities across Canada, as well as those of a number of municipalities in the United States. The following comparison of costs with other major municipalities for comparable levels of audit services indicates that, as a percentage of total municipal budget, the audit costs at the City of Toronto are at the lower end of the scale.

	Municipal Operating Budget (in \$000s) \$	Audit Costs (in \$000s) \$	Audit Costs as a % of Municipal Operating Budget %
Canada			
City of Toronto (excludes TTC)	5,198,000	2,916	0.06
City of Ottawa	1,680,000	1,060	0.06
Winnipeg	1,000,000	911	0.09
Calgary	1,115,700	1,182	0.11
Edmonton	953,400	1,100	0.12
United States			
Los Angeles	12,200,000	3,000	0.02
District of Columbia	5,676,000	2,394	0.04
Detroit	3,383,000	3,038	0.09
Phoenix	2,329,000	2,300	0.10
Philadelphia	4,627,000	11,253	0.24

CITY COUNCIL

Overview

The City of Toronto Council sets corporate strategic direction, priorities and policies; authorizes the raising of revenues and approves the expenditures of funds for the provision high quality and affordable services that respond to the needs of the community and invest in infrastructure to create a thriving, vibrant city. It ensures a system of responsible and accountable governance where the interests of individuals and communities are balanced with those of the city as a whole.

The City Council program staff provide the administrative and other resources that Councillors require to carry out their duties.

Mission Statement *City Council at its meeting on November 23, 24 and 25, 1999 adopted, without amendment, Council's Strategic Plan - Part I, Clause 22 embodied in Report No. 10 of the Policy and Finance Committee which contained the following mission statement:*

"The Government of the City of Toronto champions the economic, social and environmental vitality of the city. The City strives to provide high quality and affordable services that respond to the needs of our communities and invests in infrastructure to support city building. The City is a leader in identifying issues of importance and in finding creative ways of responding to them.

The City of Toronto promotes and maintains a system of responsible and accountable governance where the interests of individuals and communities

are balanced with those of the city as a whole.

Public participation is an integral part of the City's decision-making processes.

OUR ACTIONS ARE GUIDED BY THE FOLLOWING PRINCIPLES:

Advocacy: *We are advocates on behalf of our city's needs with other orders of government*

Community Participation: *We facilitate active community involvement in all aspects of civic life, both locally and citywide*

Equity: *We respond to and support diverse needs and interests and work to achieve social justice*

Effectiveness: *We set and accomplish objectives, pursue innovative approaches, safeguard public assets and make efficient use of our resources*

Leadership: *We plan for change and take a leadership role on issues of importance to the City*

Partnerships: *We actively seek out partnerships with constituents, community groups, businesses and other public institutions and orders of government*

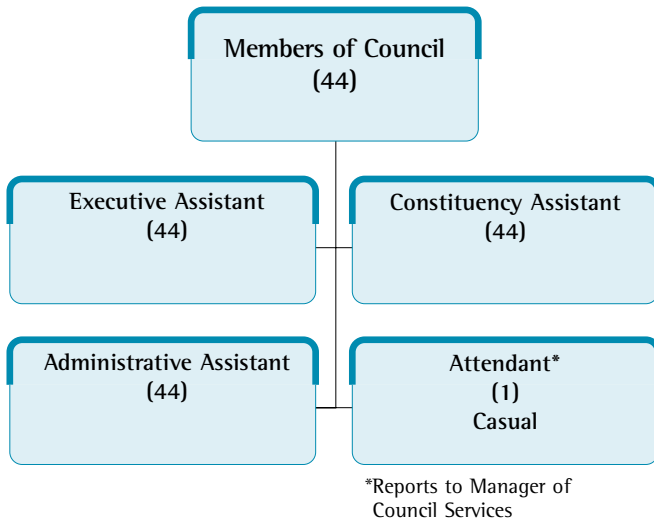
Sustainability: *We integrate environmental, social, economic and fiscal perspectives in our actions"*

Program Objective

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.

Program Map

The City Council Program is comprised of four divisions with a total of 177 approved positions.



Operating Budget by Service

The 2003 operating budget for the City Council is \$17.615 million gross and net, which is comprised of:

Service:	Gross (\$000s)	Net (\$000s)
Councillor's Salaries & Benefits	4,254.2	4,254.2
Councillor's Staff Salaries & Benefits	9,434.8	9,434.8
Councillor's Office Budget	2,200.0	2,200.0
Councillor's General Expenses	1,726.7	1,726.7
Total Program Budget	17,615.7	17,615.7

HIGHLIGHTS

- ➔ Set individual Member's Office Budget at \$53.1k with a general gapping in the overall member's Office Budget of \$136.4k
- ➔ Service provided to constituents will remain at 2002 levels.

Strategic Direction and Service Priorities

The City of Toronto Council sets corporate strategic direction, priorities and policies; authorizes the raising of revenues and approves the expenditures of funds for the provision of services in the City. The Council program provides the administrative and other resources that Councillors require to carry out their duties.

OFFICE OF THE MAYOR

Mission Statement *The Office of the Mayor provides leadership and representation of the corporation in the governance of the City of Toronto through open communications and exchange of information with its citizens, elected officials, dignitaries and staff. Through initiating and guiding the development and implementation of the City Councils priorities and policies the Office of the Mayor remains accountable to the community for ensuring the highest possible standards of City services.*

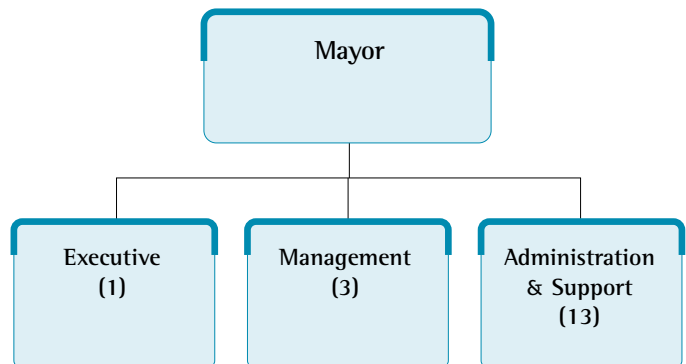
Program Objectives

In 2003 the Office of the Mayor continues its commitment to keep Toronto the greatest city in the world. Other initiatives include:

- ➔ A new financial deal from both the province and federal governments to pay for their responsibilities.
- ➔ Innovation and change in the way we provide services to ensure the best services are provided efficiently and at the lowest possible cost.
- ➔ Eliminating waste in city spending while making the best use of our assets.

Program Map

The Office of the Mayor is comprised of one service, with a total of 18 approved positions as follows:



Strategic Direction and Service Priorities

- ➔ Provide support to the Mayor on citizens requested information
- ➔ Co-ordinate activities of the Office of the Mayor and those of Council; and co-ordinate the Mayors attendance at public and private events and meetings locally, nationally, and internationally
- ➔ Research background on topics that may benefit the City of Toronto
- ➔ Provide advice to the Mayor on current issues

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Office of the Mayor	1,763.7	1,763.7
Total Program Budget	1,763.7	1,763.7

Capital Budget

Not applicable.

2003 HIGHLIGHTS

- During the 2003 budget process, 3 approved positions from Council and 4 approved positions from Clerks were transferred into the budget.

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 Objectives

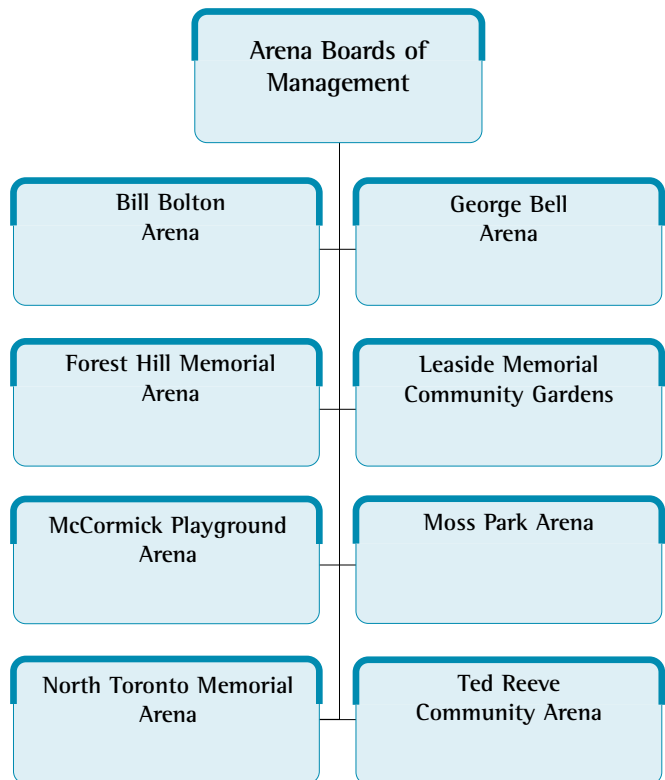
The Arena Boards of Management are in business to do the following:

1. 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.
2. Efficiently and effectively 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.

Program Map

The program is comprised of eight Arena Boards of Management, with a total of 62.5 approved positions:



Strategic Directions and Service 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.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
George Bell Arena	376.3	17.7
William H. (Bill) Bolton Arena	624.3	(0.7)
Forest Hill Memorial Arena	809.8	(11.6)
Leaside Memorial Community Gardens	840.9	86.0
McCormick Playground Arena	509.1	(15.7)
Moss Park Arena	594.9	(12.0)
North Toronto Memorial Arena	654.7	(1.4)
Ted Reeve Community Arena	611.4	(5.0)
Total Program Budget	5,021.3	57.4

HIGHLIGHTS

- \$0.301 million or 6.5% revenue growth from increased ice facility rental and accessory operation revenues.
- \$0.057 million net budget, a decrease of \$0.035 million or 38% less funding requirement from the City to maintain the delivery of current services and service levels.
- Six out of eight arenas breaking even or generating net surpluses.

PERFORMANCE MEASURES

- No performance measure information is available at this time.
- No service level indicator information is available at this time.

Capital Budget

Not applicable.

ASSOCIATION OF COMMUNITY CENTRES

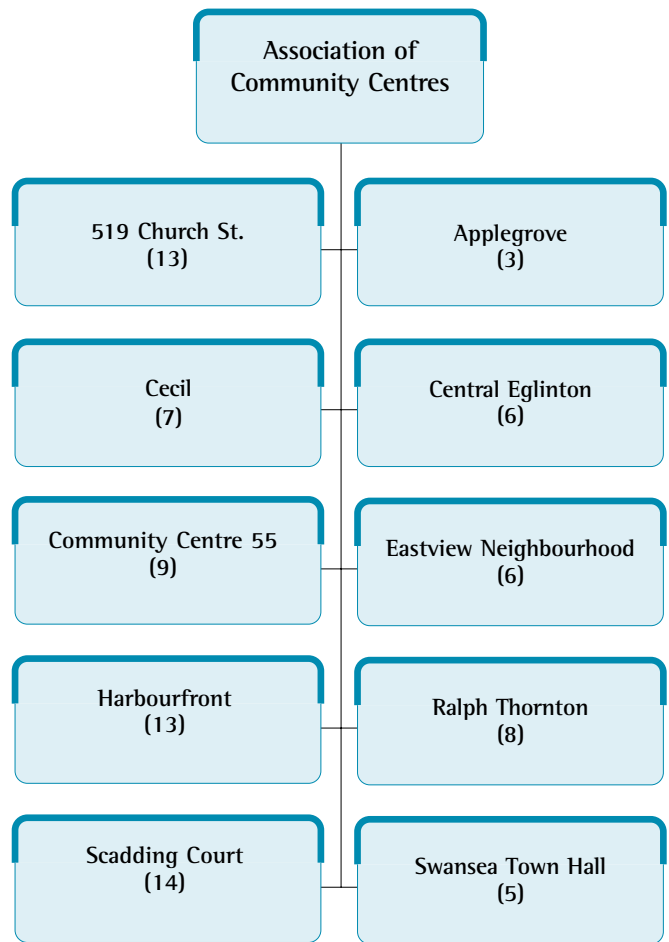
Mission Statement *The Association of Community Centres, which is made up of ten community centres, is to implement City's Social Development Strategy by fostering a sense of community, promoting civic engagement and enhancing the quality of life through the development, provision and support of activities, services and programs responsive to local needs.*

Program 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.

Program Map

The Association of Community Centres is comprised of ten community centres, with a total of 84 approved positions.



2002 Achievements

- Leveraged 2 new Federal youth training projects totalling \$0.3 million.
- Started three capital campaigns with joint target of over \$5.5 million.
- Implemented 2 new Success by Six School Readiness grants from United Way.
- Created 2 Centres' websites by community volunteers.
- Supported local and city wide community festivals (Gay Pride, East Toronto Lunar New Year Community Fair, Lions Dance, World Youth Day, Toronto International Carnival).
- Completed Innovative Green Roof Research Project.

Strategic Direction and Service Priorities

- 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.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
519 Church St.	842.7	842.7
Applegrove	275.2	275.2
Cecil	486.6	486.6
Central Eglinton	394.7	394.7
Community Centre 55	439.5	434.3
Eastview Neighbourhood	353.3	353.3
Harbourfront	810.9	810.9
Ralph Thornton	494.0	446.9
Scadding Court	581.6	581.6
Swansea Town Hall	283.3	166.1
Total Program Budget	4,961.8	4,792.3

HIGHLIGHTS

- Increase in bookkeeper's hours for Scadding Court Community Centre.
- Increase in janitorial services for Cecil Community Centre.
- Increase in maintenance services for 519 Church St. Community Centre.

PERFORMANCE MEASURES

Community Centre	# of Clients Contact	# of Individuals Served	# of Volunteers
519 Church St.	163,500	24,200	1,036
Applegrove	27,000	1,650	178
Cecil	83,511	26,371	237
Central Eglinton	60,700	6,435	340
Community Centre 55	122,247	40,000	2,319
Eastview Neighbourhood	179,000	5,600	250
Harbourfront	256,000	13,686	135
Ralph Thornton	60,354	8,298	390
Scadding Court	670,000	82,100	257
Swansea Town Hall	80,000	3,000	200
Total	1,702,312	211,340	5,342

Capital Budget

Not applicable.

CONSOLIDATED GRANTS

Mission Statement *The Consolidated Grants program contributes to the enhancement of the quality of life in the City of Toronto. Through its various responsibilities, it guides change and manages growth in the environment with the objective of promoting general social, cultural and economic prosperity. The Grant-making activities are guided by accessibility, fairness and equity, openness and transparency, accountability and responsiveness.*

Program Objectives

- Provide strategic tools to achieve Council’s social, cultural 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.

Program Map

The Consolidated Grants Program is comprised of nine service areas:



2002 Achievements

- Developed a Grants Accountability and Risk Management Framework.
- Implemented City Auditor’s recommendations regarding grant program administration.
- Selected a new corporate grants information system.

Strategic Direction and Service Priorities

- Implement the Grants Accountability and Risk Management Framework.
- Develop a Grant Making Roundtable.
- Develop common components and standards for a well managed grant program.
- Develop and implement corporate program performance measures.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Arts & Culture	13,443.5	13,389.5
Community Services	10,987.9	10,987.9
Recreation	1,280.4	1,280.4
Public Health	4,024.6	4,024.6
Housing	6,927.0	2,398.3
Access & Equity	473.8	473.8
Economic Development	581.3	581.3
Urban Development	319.5	319.5
Property & Miscellaneous	1,524.7	1,524.7
Total Program Budget	39,562.7	34,980.0

HIGHLIGHTS

- Implementation of the Corporate Grants Information System.
- Implementation of the "City-Owned Space Provided at Below Market Rent" Policy.
- Provision of Corporate Grants Program Support to oversee the implementation of the Corporate Grants Information System.
- Establishing a pilot partnership program between the City and three Business Improvement Areas for the removal of graffiti in those retail strips.

PERFORMANCE MEASURES

Given the breadth of activities funded under the Consolidated Grants budget, it is difficult to provide program wide service level indicators. Funded activities include recreation programs, arts and culture activities, community festivals, street outreach for the homeless, outreach to at risk youth, health education, children's breakfast programs etc. Due to the variety of types of activity funded by grant programs, activity level information is not collected in a standard format. Two new initiatives: the Corporate Grants Information System, now under development; and the Grants Accountability and Risk Management Framework will facilitate the standard collection of service activity information across grants programs.

EXHIBITION PLACE

Overview

Consisting of approximately 192 acres of parkland with many historical buildings that are owned by the City of Toronto and managed by a Board of Governors, Exhibition Place is venue to more than 100 special events and trade and consumer shows annually. Exhibition Place has matured from a day-stay attraction to a year-round diversified destination. We work with our clients to build their events from the ground up. Our seasoned event management team is fully supported by a complete range of in-house services.

The National Trade Centre is a state of the art trade and consumer show facility which is the largest in Canada and sixth largest in North America. It has over one million square feet of contiguous space and is managed by O&Y/SMG on behalf of Exhibition Place and the City of Toronto.

The Canadian National Exhibition is one of the largest annual Fairs in North America. The fair is held annually for the 18 days prior to and including Labour Day and had total attendance in 2002 in excess of 1.4 million.

The Exhibition Place program is responsible for the general management and operation of the 192 acre urban park and promotes new business opportunities on the grounds.

Mission Statement *The mission and mandate of the Exhibition Place is to:*

- *To provide an opportunity for business stimulation and economic development in the community*
- *To provide a focus for public celebrations and events*
- *To preserve the architecturally and historically significant structures on grounds*
- *To provide a world class venue for trade and consumer shows*

Department Map

Exhibition Place is comprised of three divisions, with a total of 425 approved positions:



Operating Budget by Service

The 2003 operating budget for Exhibition Place is \$ 40.778 million gross and \$ (.250) million net (surplus), which is comprised of:

Service:	Gross (\$000s)	Net (\$000s)
Canadian National Exhibition Association	16,846.3	(145.3)
Exhibition Place	11,289.6	1,779.1
National Trade Centre	12,642.4	(1,883.4)
Total Program Budget	40,778.3	(249.6)

2002 Achievements

EXHIBITION PLACE

- Hosted World Youth Day event and Papal Visit
- Increase in parking revenue (\$ 320,500 over budget)
- Very strong attendance at consumer shows
- Successful full year of operations of Liberty Grand.

NATIONAL TRADE CENTRE

- 75 new events for 2002
- Successfully managed the ISH North America international trade show from Munich, Germany
- Favorable budget variance of \$656,700 in very competitive environment and shrinking corporate business activity

CANADIAN NATIONAL EXHIBITION

- Well managed and successful fair
- Revenues exceeded budget expectation and \$ 1,495,000 favorable surplus.

Strategic Direction and Service Priorities

- To maximise the use of the National Trade Centre by increasing the number and scope of the trade and consumer shows.
- To attract to the CNE as many different segments of the community as possible
- To operate a profitable business operation, increasing attendance, growing revenue and improving the net surplus.
- To preserve and maintain the historically important structures on the grounds
- The new Ricoh Coliseum will address the increasing demand within the GTA for a sports and entertainment venue geared towards affordable corporate and cultural events.

HIGHLIGHTS

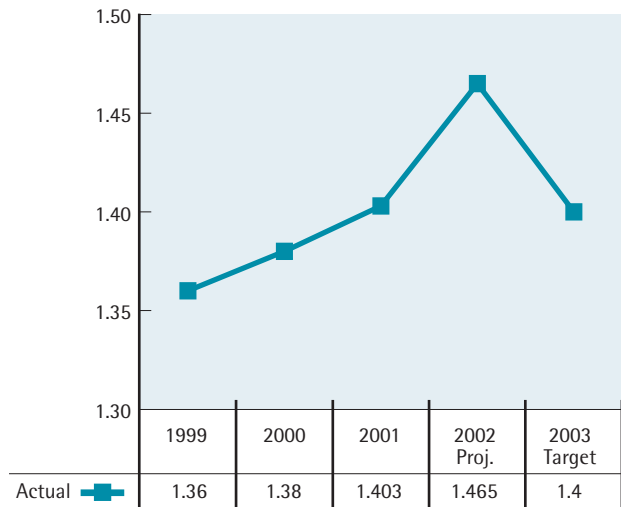
- Construction for the Ricoh Coliseum
- The 125th Anniversary Celebration at the CNE
- Attracting new long term tenants to Exhibition Place
- Develop waste management policy with increased recycling
- Development of green protocols for the grounds
- Update & improve web site
- Maximizing parking revenues while controlling costs

PERFORMANCE MEASURES

CANADIAN NATIONAL EXHIBITION

Each year the CNE management strives to increase attendance by innovative programming, aggressive marketing strategies in print, radio, TV and outdoor advertising. Extensive consumer research is conducted in further attempts to refine and improve the product offered to the public. The result has been modest but steady increases in total attendance.

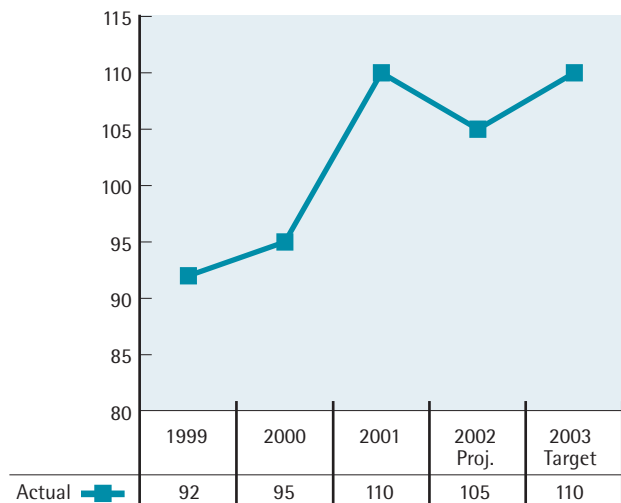
CNE Annual Attendance - Millions



NATIONAL TRADE CENTRE

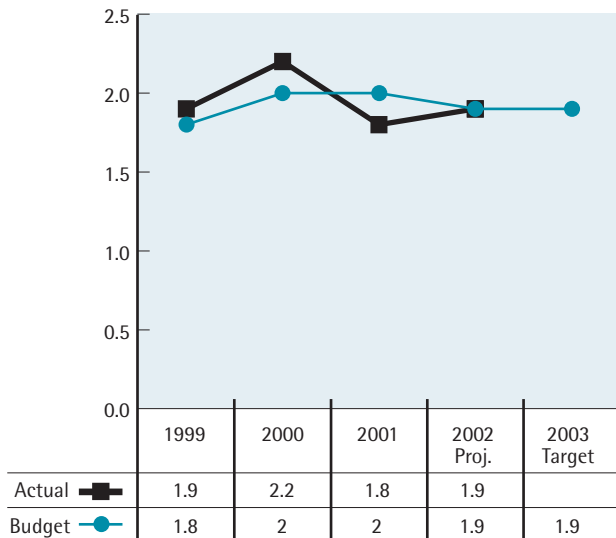
The National Trade Centre is located in a very competitive market with the Metro Convention Centre and other trade and consumer show venues in the GTA. In spite of these market conditions the National Trade Centre has been able to maintain and increase its market share.

Show per Year at NTC



The National Trade Centre has operated as a profitable entity each year since construction was completed and it opened in April, 1997

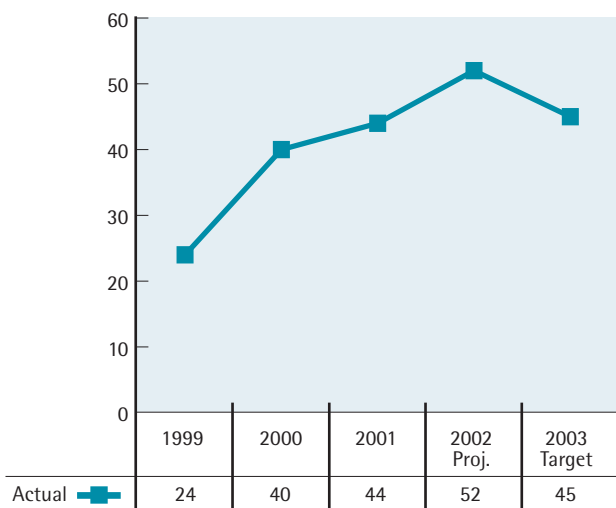
NTC - Annual Income- \$'s Million



EXHIBITION PLACE

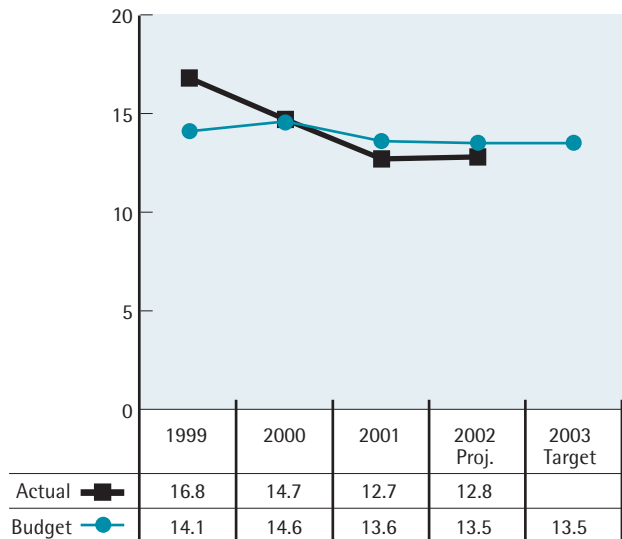
Each year Exhibition Place attracts a wide variety of events. Some of them are large scale commercial undertakings such as the Molson Indy car race. Other events have an important impact on the community such as the CHIN picnic or the Toronto International Carnival. Each year strategies are developed to increase the number of events. For 2003 it is expected that three buildings will have long-term tenants so that there could be a decrease in individual events but an increase in the total revenue stream from building rentals.

Events Per Year



The most important single source of revenue for Exhibition Place Operations results from the parking program. The 2001 actual results were \$3.6 million of revenue and a higher amount is expected for 2002. A very important management concern is to operate this program in an efficient manner and control costs. This has been achieved as can be seen by the trend in the graph below.

Parking - Expense to Revenue Ratio



Capital Budget

Total 2003 Gross Budget is \$13.917 million [2002 Budget – \$4.690 m]

- \$9.0 million is for the renovation of the Coliseum Arena
- \$0.50 million for replacement of flat roof on the Automotive Building

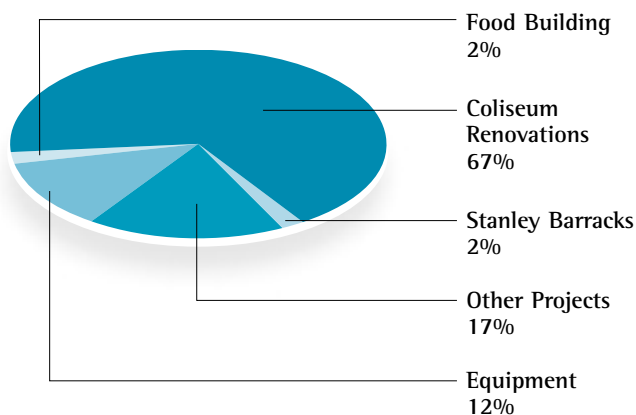
- \$1.59 million for equipment projects such as: \$0.550 million to replace old PCB Transformers, \$0.170 million to replace radio system, \$0.370 million for new financial system and \$0.500 million for various equipment,
- \$0.275 million for the food building, \$0.255 for Stanley Barracks
- \$2.297 million for other projects

5 YEAR CAPITAL WORKS PLAN

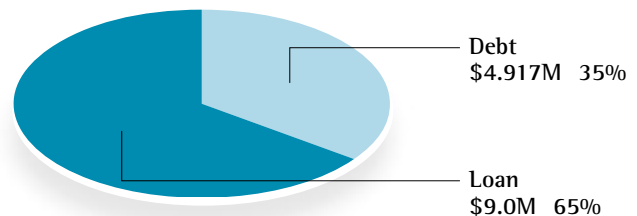
	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Coliseum renovation	9,000	-	-	-	-	9,000
Princes' Gates	300	235	-	-	-	535
Horse Palace	232	-	-	-	-	232
Colliseum	55	-	-	-	-	55
Total Previously Approved	9,587	235	-	-	-	9,822
New						
Princes' Gates	-	295	-	-	-	295
Pre-Engineering	125	-	-	-	-	125
Coliseum Complex	275	-	-	-	-	275
Stanley Barracks	255	-	-	-	-	255
National Trade Centre	185	-	-	-	-	185
Automotive Building	500	520	-	-	-	1,020
Environmental Restoration	300	-	-	-	-	300
Parks, Parking Lots	250	-	-	-	-	250
Horse Palace	125	75	-	-	-	200
Queen Ellizabeth Building	200	-	-	-	-	200
Food Building	275	-	-	-	-	275
Equipment	1,590	40	-	-	-	1,630
Other Buildings	250	-	-	-	-	250
Total New	4,330	930	-	-	-	5,260
Total*	13,917	1,165	-	-	-	15,082

* The totals of 2004, includes future year estimates.

Where the money goes



Where the money comes from



THEATRES

Mission Statement *To present promote and produce performing arts for both the profit and "not-for-profit" performing arts sector.*

Program Objectives

The three major City owned theatres include the Hummingbird Centre for the Performing Arts, the St Lawrence Centre for the Performing Arts and the Toronto Centre For the Arts.

The Hummingbird Centre provides performance space for its two primary tenants The National Ballet of Canada and the Canadian Opera Company as well as hosting a variety of other touring and locally produced attractions. It is the largest soft seat theatrical facility in Canada with 3,223 seats.

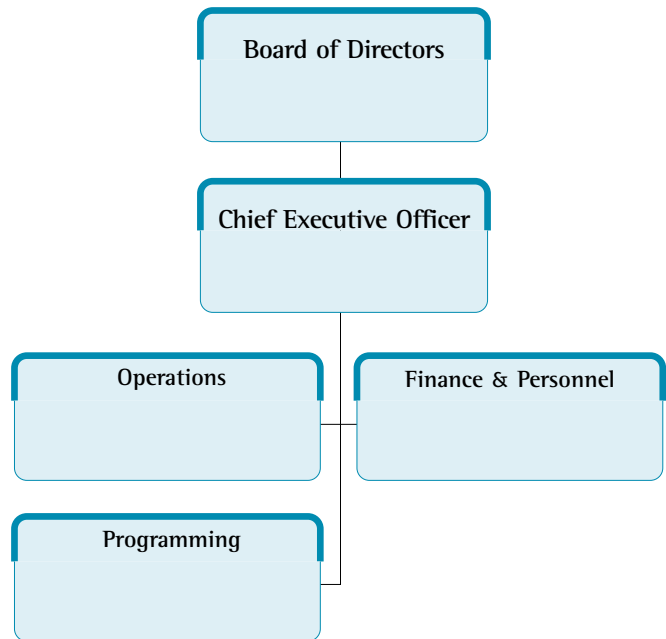
The St. Lawrence Centre for The Arts has two theatre facilities, the Bluma Appel Theatre with 876 seats and the Jane Mallett Theatre with 497 seats. The Centre is the home to the Canadian Stage Company. As well as music theatre, dance opera and public affairs representing multicultural demographics of the city, the facility hosts a number of corporate events, AGM's, medical seminars, product launches, fashion shows, and book launches.

The Toronto Centre for the Arts is located adjacent to the North York Civic Centre and includes three theatre venues, the state-of-the art 1,800 seat Main Stage, formerly called the Apotex, the 1,036 seat George Weston Recital Hall and the 200 seat Studio Theatre. The Toronto Centre for the Arts has been host and home to many community groups. Broadway-bound musicals and internationally acclaimed stars of the classical and jazz scene have performed simultaneously with school and community groups, corporate functions and other amateur associations in the three halls

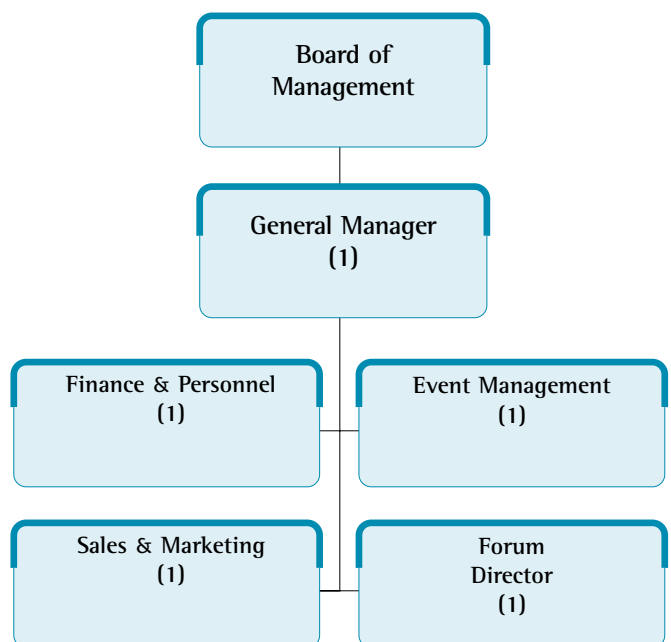
PROGRAM MAP

The Theatre program consists of the Humming Centre, the St. Lawrence Centre and the Toronto Centre for the Arts –with a total of 187.0 approved positions.

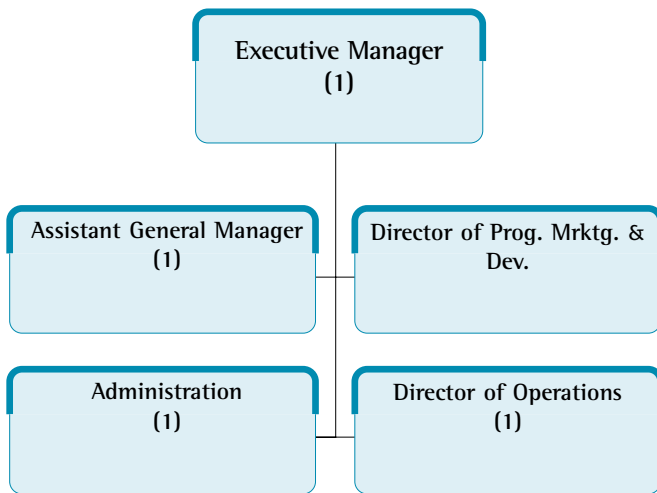
HUMMINGBIRD CENTRE FOR THE ARTS:



ST. LAWRENCE CENTRE FOR THE ARTS



TORONTO CENTRE FOR THE ARTS



Strategic Direction and Service Priorities

HUMMINGBIRD CENTRE

- To increase the number of paid admissions.
- To increase the per capita yield on ancillary revenues directly tied to audience attendance
- Achievement of budget targets in days used
- Aggressive improvement in yield per day over the last two years.

ST. LAWRENCE CENTRE FOR THE ARTS

- Increase the number of days booked throughout the year
- Reduce the average cost per seat
- Increase the net rental revenue per day when the theatre has programming

TORONTO CENTRE FOR THE ARTS

- Increase servicing and building on solid base of Recital Hall and Studio renters that are both community and commercially based.
- Determine effective branding initiatives.
- Maintain current recognised products.
- Continue the implementation of the Ungerboek event management system to reduce the City's direct investment in the day to day organisation of the Centre.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Hummingbird Centre	13,886.2	0.0
Toronto Centre For The Arts	3,724.5	1,795.5
St. Lawrence Centre For The Arts	2,891.6	1,158.0
Total Program Budget	20,502.3	2,953.5

HIGHLIGHTS

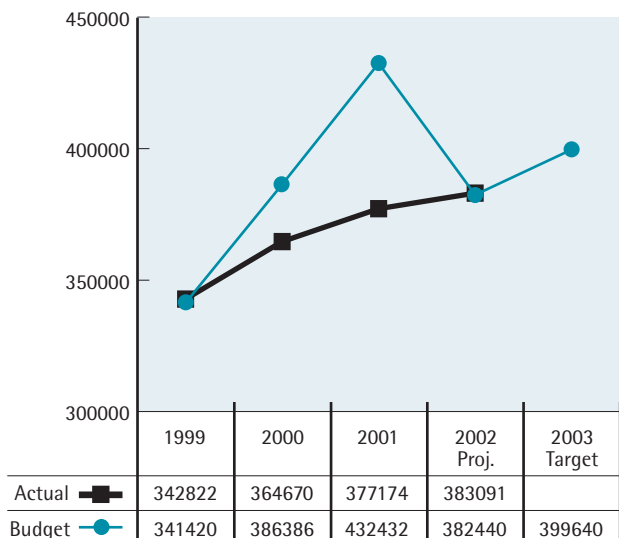
- No City funding required in budget for The Hummingbird Centre For the Performing Arts is.
- Reduced City funding of \$ 0.092 million for The Toronto Centre For The Arts achieved through a combination of revenue increases and efficiency gains.
- Reduced City funding of \$ 0.029 million for The St. Lawrence Centre For The Arts achieved through efficiency gains and revenue increases.

PERFORMANCE MEASURES

HUMMINGBIRD CENTRE

Volume Indicator - Paid Admissions - Steady trend towards increase in number of paid admissions.

Volume Indicator - Paid Admissions

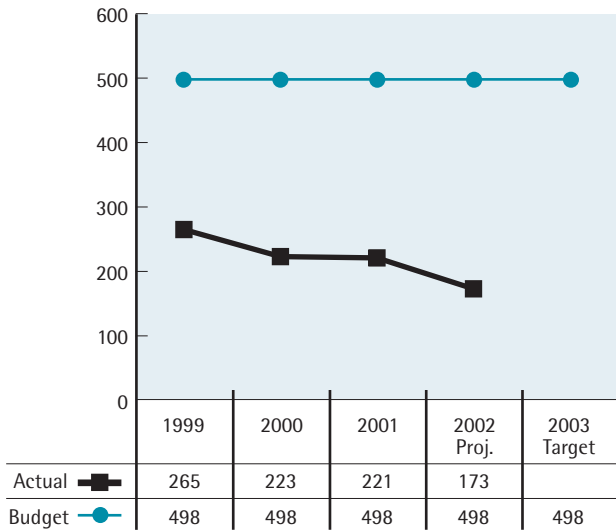


ST. LAWRENCE CENTRE FOR THE ARTS

Capital Budget

Not applicable.

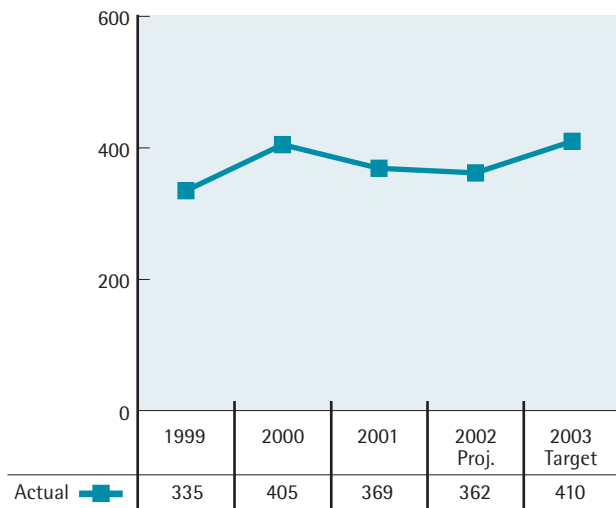
Average Forum Attendance



TORONTO CENTRE FOR THE ARTS

Facility days rented. Number of days the facility is rented to rental clients. Facility rentals days is the combined rental days for the three venues in the facility.

Facility Days Rented



TORONTO ATMOSPHERIC FUND

Overview

Toronto City Council established the Toronto Atmospheric Fund (TAF) in 1991 to finance local initiatives to combat global warming and improve air quality in Toronto.

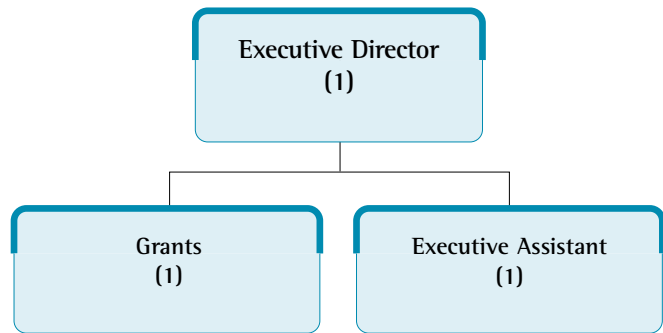
The Toronto Atmospheric Fund is a financially self-sustaining not-for-profit corporation. It supports, through grants and loans, projects that address its mandate. Eligible grant applicants include not-for-profit organizations; registered charities; public institutions and schools.

Mission Statement *TAF's mandate is to promote:*

- *Global climate stabilization through the reduction of greenhouse gas emissions such as CO2 and methane;*
- *Local air quality;*
- *Energy conservation and efficiency;*
- *Public understanding of global warming and its implications for the urban environment;*
- *"Carbon sinks" such as Toronto's urban forest that absorbs CO2 from the air;*
- *Related scientific research and technology development; and*
- *Partnerships with non-governmental organizations, other levels of government, business and academic institutions*

Program Map

The Toronto Atmospheric Fund fulfills a multi-service mandate, with a total of 3 approved positions:



Strategic Direction and Service Priorities

STRATEGIC PLANNING:

In 2003, TAF will re-assess its unique role in the context of changing external conditions to establish new strategic priorities and chart its direction over the next term of Council, 2004-2006. The planning process will include:

- Environmental scan;
- Analysis of internal strengths, weaknesses and external opportunities and challenges;
- Priority-setting discussions at Committee level;
- Board retreat.

PROGRAM INTEGRATION:

In 2003, TAF will strengthen the synergy between its diverse financial activities – grants, loans and investment – to better fulfil TAF's potential as a full-service financing organization:

- Focus on the development of 2-3 pilot mandate-related financing projects;
- Establish an approach to mission-based investing that enables TAF to maximize achievement of its mandate through asset management;

- Develop the internal accounting capacity to support and manage varied financial activities seamlessly;
- Revisit granting priorities and programs in the context of the organization’s strategic planning, external factors, learning from long-term evaluation of its past funding and development of lending and investing activities;
- Develop case studies of previous TAF initiatives that demonstrate its full-service financing potential.

ORGANIZATIONAL DEVELOPMENT:

In 2003, TAF will complete its governance restructuring, attract even more talent and expertise to the organization to ensure TAF’s capacity to fully develop its potential in all areas:

- Work closely with the CAO in its governance review of TAF and with the ABC Ad Hoc Committee to determine and implement required governance changes;
- Activate Budget/Finance/Audit committee – final standing committee approved for establishment;
- Develop operational and governance framework for TAF’s financing program.

Operating Budget by Service:

Service:	Gross (\$000s)	Net (\$000s)
Toronto Atmospheric Fund	1,627.0	0.000
Total Program Budget	1,627.0	0.000

TAF 2002 HIGHLIGHTS

In 2002, the Toronto Atmospheric Fund was successful in building its capacities in a number of areas to meet the changing and increasingly complex needs of its stakeholders. TAF’s achievements in the past year include:

- Strengthening its committee and governance structure to involve more community volunteers and increase the expertise in its new, specialized standing committees;
- Successfully establishing the Clean Air Partnership (Toronto Atmospheric Fund Foundation) as an independent organization that is attracting significant government and corporate sponsorship and is building a strong reputation for the quality of its programs, including the Smog Summit and the GTA Clean Air Council;

- Enabling the City, with financial and staff support, to undertake the development of a comprehensive air quality strategy for the City of Toronto addressing all outdoor air quality issues;
- Significantly elevating the community’s recognition and awareness of the Toronto Atmospheric Fund, the Clean Air Partnership and the City’s leadership in clean air and emission-cutting work;
- Successfully launching the Clean Air Consumers Guide;
- Completing the transfer of its asset management from the City to private investment managers – Phillips, Hager & North and YMG Capital Management;
- Completing business planning for its financing program and successfully negotiating its first financing project (\$5 million).

TAF ACHIEVEMENTS

SINCE TAF’S ESTABLISHMENT,

- TAF has provided over \$6.6 million in grants and over \$18.5 million in income-generating loans to community and City organizations
- TAF’s endowment has grown from \$23 million originally, to over \$25 million today
- TAF has financed, at no taxpayer expense, CO2 emission reductions totalling upwards of 225,000 tonnes - equal to about half the City’s annual energy-related emissions
- Projects financed by TAF loans have saved the City \$17.5 million - over \$2.7 million annually - in cumulative energy and maintenance costs
- TAF has provided essential development support for many of the City’s most important air quality initiatives including:
 - Better Buildings Partnership
 - Heat-health watch warning system;
 - Tree Advocate’s program;
 - Annual Smog Summit;
 - GTA Clean Air Council
- Over the past 3 years, TAF has raised over \$1 million in external funding – primarily from corporate and federal sources, to support City and TAF projects

PERFORMANCE MEASURES

GOVERNANCE

- Fully constituted Board of 10 members reflective of all areas of expertise needed to carry out TAF's mandate
- Strategic planning and priority setting completed to inform priorities in all areas of the organization
- All additional governance changes recommended by the CAO implemented
- Six appointments to the CAP Board confirmed by TAF
- All standing committees as approved by the TAF Board at full complement and operational
- Organizational planning ensures achievement of benchmark performance target (total administration costs below 1.0% of assets per year)

INVESTMENT

- TAF assets are fully invested in accordance with investment policy and applicable legislation
- Investments achieve benchmark return established in TAF's Investment Policy (Consumer Price Index + 3% measured on a 4-year rolling average basis)
- Framework for mission-based investing is developed for Board approval

GRANTS

- Grant funding opportunities are provided to the community and the City that best achieve TAF's mandate and priorities
- Evaluation of past TAF-funded projects is documented, communicated and used to inform future grant making
- Benchmark performance target achieved (Grant payout of 4.5% of assets, excluding administration, measured on a four-year rolling average basis)

LOANS

- 2-3 pilot financings completed involving diverse elements and partners to test utility of the model
- Final recommendations presented to TAF Board and to Council concerning next steps for TAF's financing program

FINANCE

- Internal accounting systems fully operational and enable timely monitoring, reporting and processing
- Fund-based accounting enables project and donor tracking as required
- Cash flow management procedures are integrated to ensure fulfilment of loan financing and grant requirements and the least disruption possible to investment portfolios

CITY INITIATIVES SUPPORT

- City's Air Quality Interim Strategy completed by June 2003. Comprehensive Air Quality Strategy finalized by early 2004
- City's access to external sources of funding for projects related to TAF's mandate is maximized

COMMUNICATIONS

- Visibility and public awareness of TAF and CAP projects is increased
- Recognition of the City of Toronto's leadership in emissions reduction is enhanced

Capital Budget

Not applicable

TORONTO PARKING ENFORCEMENT OPERATIONS

Operating Budget

Not applicable

Capital Budget

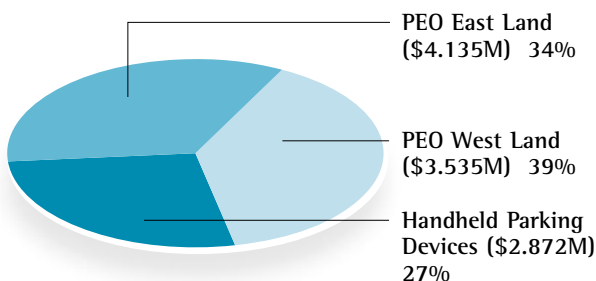
Total 2003 Gross Budget is \$4.116 million [2002 Budget – \$0 m]

- \$4.135 million for the PEO East Land.
- \$2.872 million for Handheld Parking Devices.
- \$3.535 million for PEO West Land.

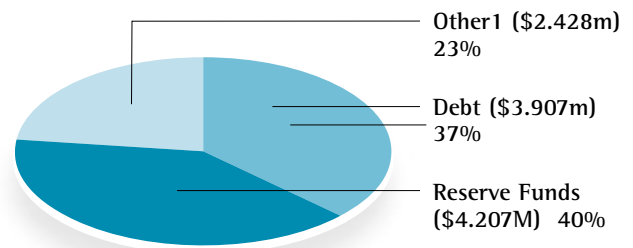
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
New						
PEO East Land	2,960	317	858	-	-	4,135
Handheld Parking Devices	1,156	1,666	50	-	-	2,872
PEO West Land	0	3,462	73	-	-	3,535
Total New	4,116	5,445	981			10,542
Total*	4,116	5,445	981			10,542

Where the money goes*



Where the money comes from*



* The tables and pie-charts include future year estimates.

TORONTO POLICE SERVICE

Mission Statement *The Toronto Police Service are dedicated to delivering police services in partnership with our communities to keep Toronto the best and safest place to be.*

Program Objectives

The Toronto Police Service is mandated by the Police Services Act (Section 4(2)) to provide:

(2) Adequate and effective police services must include, at a minimum, all of the following police services:

- Crime prevention
- Law enforcement
- Assistance to victims of crime
- Public order maintenance
- Emergency response

Program Map

The Toronto Police Service is comprised of four commands, with a total of 7,288 approved positions:



Strategic Direction and Service Priorities

CHIEF OF POLICE

- To administer the Police Service and oversee its operation in accordance with the objectives, priorities and policies established by the Board
- To ensure that the members of the Police Service carry out their duties in accordance with the Police Service Act and the regulations, and in a manner that reflects the needs of the community, and ensure that discipline is maintained in the Police Service
- To ensure that the Police Service provides community-oriented Police Services
- To administer the complaints system

CORPORATE SUPPORT COMMAND

- To assist in the development of Service policy and provide advice to the Chief of Police and the Police Services Board on matters pertaining to all areas of the organization
- To provide corporate administrative support to serve the operational needs of the Service
- To co-ordinate the efficient and effective operation of the units under its Command: Executive Support, Finance & Administration, Human Resources, and Information Technology Services

POLICING SUPPORT COMMAND

- To deliver an effective, efficient and economical support service to the Service
- To provide an exemplary Mounted Unit that serves as a positive reinforcement to the public by effectively managing crowd control and addressing everyday policing issues;
- To represent the Service at public events
- To provide timely and accurate information to police field units
- To oversee the operations of the Emergency Measures and the Duty Desk

- To enforce the Criminal Code, Canada Shipping Act, Provincial Offences Act and related Regulations on the water
- To monitor and evaluate the level of internal and external service provided by members of Communications Service
- To provide efficient and cost-effective, specialized criminal investigation of major and complex crimes occurring within the geographical boundaries of the City of Toronto
- To provide centralized investigative service to field units
- To work with other police and government agencies to encompass the cohesive and competent investigation of criminal matters

POLICING OPERATIONS COMMAND

- To provide efficient and effective uniform, investigative and specialized policing services to meet the needs of all communities in the City of Toronto
- To apprise the Chief of Police and Command Officers of all pertinent matters occurring within Policing Operations Command
- To ensure appropriate information exchange and Service response to major issues
- To ensure adequate financial and staffing levels are maintained in all Field Units
- To secure the safety of the citizens of our communities and the proper investigation, apprehension and prosecution of offenders as outlined in the Police Service Act

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Chief of Police	7,742.3	7,364.3
Corporate Support Command	167,628.0	145,443.4
Policing Operations Command	325,537.0	318,007.0
Policing Support Command	168,787.0	163,782.3
Total Program Budget	669,694.3	634,597.0

HIGHLIGHTS

- Front-Line Policing Levels of 5,245 maintained
- \$724,000 towards a Traffic Safety Enforcement Team with a proposed hiring of 11 temporary officers on a trial basis for one year.

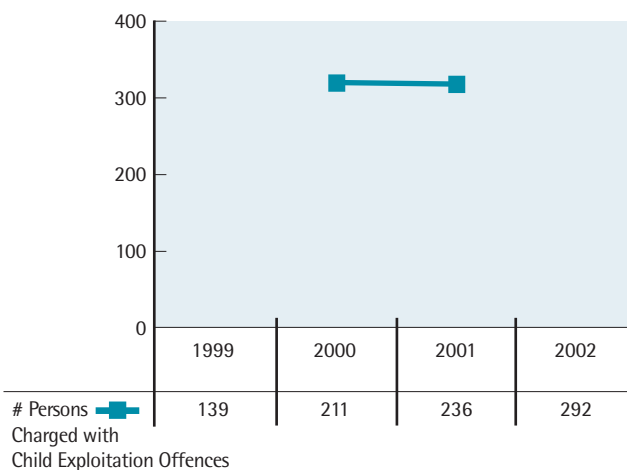
PERFORMANCE MEASURES

The Toronto Police Service have identified seven service priorities for 2002-2004:

1. Youth Violence and Victimization of youth
2. Organized Crime
3. Traffic Safety
4. Drug Enforcement and Education
5. Human Resource Development
6. Service Infrastructure
7. Community Safety and Satisfaction

Under each service area, a number of goals and objectives have been identified. For each objective there is a corresponding performance measurement. The following three measures are samples only and do not reflect any form of priority.

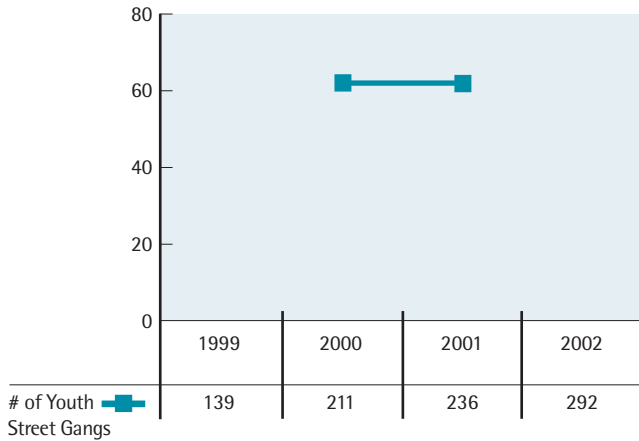
Number of Persons Charged with Child Exploitation Offences



- The graph shows a marginal decrease of the number of people charged with child exploitation offences from 2000 to 2001 while the goal was for the number of charges to increase. The Toronto Police Service have cited limited human and technological resources as well as the complexity and lengthiness of the cases as the main contributors to this decrease.

→ The Toronto Police Service have requested funding/grants from the Province to assist in technical support and staffing.

Number of Youth Street Gangs

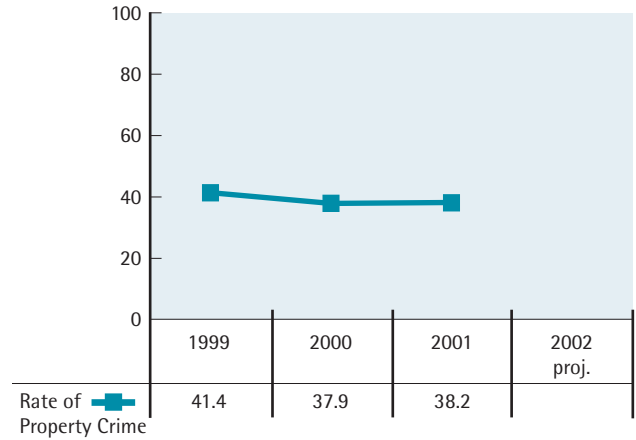


→ While the goal is to decrease the number of street gangs, there is no change in the number of street gangs as estimated by Detective Services, Toronto Police Service. The Toronto Police Service did not receive the requested funding for the formation of a gang unit for 2001. Nevertheless, through reorganization of existing functions and joint efforts with other law enforcement agencies, the Service disrupted the activities of some gangs within the City.

→ In 2002, the Toronto Police Service received \$0.700 million from the City to establish its Anti Gang Squad consisting of 13 officers and 2 civilians. The Anti Gang Squad will work closely with GTA Police Services.

→ The recommended 2003 Base Budget contains \$1.100 million funding for Police Anti-Gang enforcement, including a \$0.400 million annualization. This funding should help the Toronto Police Service to make more gang member arrests and disrupt more gangs.

Rate of Property Crime



→ Property Crimes constitute almost half of all Criminal Code offences reported to the Police. In 2001, there was an increase over 2000 in all types of property crime, with the exception of Break and Enter-Apartments. The overall increase was due partly to the increase in the property offences of Fraud, Break and Enter to Commercial Establishments and theft.

→ Fraud using debit cards and credit cards, and incidents of identity theft have escalated and accounts for a major portion of the increase in frauds reported. The Fraud Squad is attempting to keep up with the increasing demand for their investigative experience given limited resources.

Capital Budget

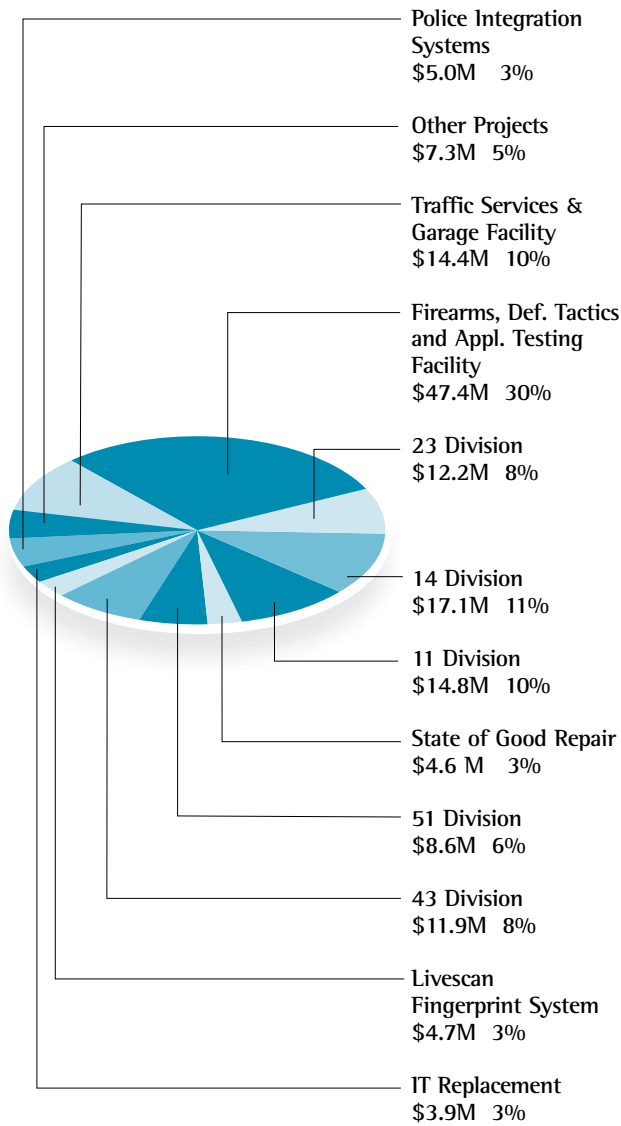
Total 2003 Gross Budget is \$58.817 million [2002 Budget – \$24.877 m]

- \$28.939 million is for land acquisition
- \$3.900 million for IT Replacement Plan
- \$8.550 million for 51 Division
- \$4.565 million for State of Good Repair
- \$1.800 million for Firearms, Defensive Tactics and Applicants Testing Facilities
- \$1.500 million for Police Integration System

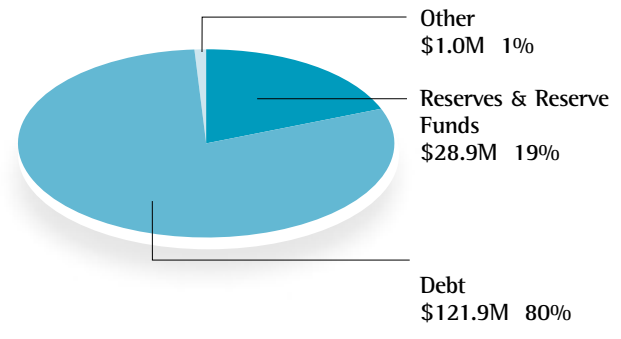
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
51 Division	6,449	-	-	-	-	6,449
43 Division	3,000	7,471	-	-	-	10,471
Emergency Generators	880	500	-	-	-	1,380
Time Resource Management System	600	-	-	-	-	600
TPS Headquarter Renovation	300	561	263	250	-	1,374
Automated Vehicle Locating System	200	-	-	-	-	200
Livescan Fingerprint System	1,163	3,516	-	-	-	4,679
Video Tape Storage and Processing	1,516	-	-	-	-	1,516
11 Division	780	7,416	2,444	-	-	10,640
Police Integration Systems	1,500	1,950	1,550	-	-	5,000
Firearms, Def. Tactics and Appl. Testing Facility	1,800	6,000	11,000	700	-	19,500
Total Previously Approved	18,188	27,414	15,257	950	-	61,809
New						
43 Division	-	1,429	-	-	-	1,429
51 Division	2,101	-	-	-	-	2,101
State of Good Repair	4,565	-	-	-	-	4,565
Boat Replacement	500	-	-	-	-	500
11 Division	2,500	-	1,690	-	-	4,190
14 Division	4,230	624	3,432	6,604	2,250	17,140
23 Division	889	6,864	4,412	-	-	12,165
IT Replacement	3,900	-	-	-	-	3,900
Firearms, Def. Tactics and Appl. Testing Facility	5,789	-	-	13,300	8,800	27,889
54 Division	1,708	-	-	-	-	1,708
Traffic Services and Garage Facility	14,447	-	-	-	-	14,447
Total New	40,629	8,917	9,534	19,904	11,050	90,034
Total	58,817	36,331	24,791	20,854	11,050	151,843

WHERE THE MONEY GOES *



WHERE THE MONEY COMES FROM *



* The pie-charts include future year commitments.

TORONTO PUBLIC HEALTH

Mission Statement *Our Toronto will be the healthiest city possible, where all people enjoy the highest achievable level of health.*

We strive for excellence and innovation in public health practice. We work to enhance the health of all communities and individuals that live, work, and play in Toronto.

We pledge to work with the people of Toronto to make our programs and services effective, efficient and responsive to the health needs of all people in Toronto.

Program Objectives

As a division of the city of Toronto, with responsibilities under the provincial Health Protection and Promotion Act, we achieve our mission through:

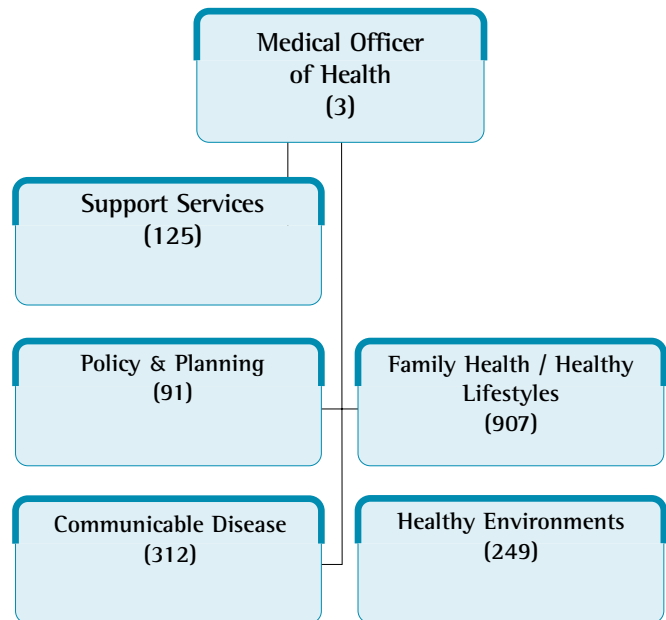
- **Health promotion.** Raising awareness and educating people about health issues and working with communities to meet their health needs.
- **Advocacy.** Encouraging and enabling policymakers to recognize possible health consequences of their activities and to develop policies that promote the health of the public.
- **Health Protection.** Controlling infectious diseases, reducing exposure to health hazards in our environment, and enforcing laws that protect the health of the public.
- **Prevention.** Reducing the risk of disease, injury and premature death.
- **Health Assessment.** Monitoring community health, identifying health trends and needs, and effectively communicating this information.

Program Map

In Ontario, the Health Protection and Promotion Act requires Boards of Health to provide a minimum level of public health programs and services in specified areas. The Mandatory Health Programs and Services Guidelines, issued by the Ministry of Health and Long-Term Care, set out minimum requirements for core programs and services targeted at disease prevention, health promotion and health protection.

In Toronto, the Board of Health also ensures that Toronto Public Health delivers programs and services in response to local needs. The Board of Health determines and sets public health policy and advises City Council on a broad range of health issues. Recommendations with city-wide or financial implications are forwarded to City Council for final approval. The Board of Health has 13 members - six Toronto City Councillors, six citizen representatives and an elected school board representative. The Medical Officer of Health for the City of Toronto is the Executive Officer of the Board.

Public Health is comprised of five main services, with a total of 1,687 approved positions:



2002 Service Achievements

COMMUNICABLE DISEASES

- Responded to 36,876 notifications of reportable/communicable diseases and investigated and managed 273 disease outbreaks;

FAMILY HEALTH

- Provided 36,291 Public Health Nurse and Family Home Visitor HBHC home visits to high risk families;

HEALTHY ENVIRONMENTS

- Implemented West Nile Virus contingency plan including 1763 calls to the WNV information line, 7160 visits on Web Site, distribution of 28,000 fact sheets to school boards, physicians, libraries, and community centres. Also implemented 20 set trap locations and human surveillance system;

HEALTHY LIFESTYLES

- Provided training, consultation and site support to 335 student nutrition programs serving 64,000 children;

POLICY & PLANNING

- Undertook research on the health risks associated with outdoor pesticide use and implemented a major public and stakeholder consultation process directed at finding out the best ways to greatly reduce outdoor pesticide use in the City;

Strategic Direction and Service Priorities

COMMUNICABLE DISEASES

- Reduce incidence of vaccine preventable disease.
- Control infectious disease and infection.

FAMILY HEALTH

- Promote reproductive and child health.
- Promote dental health.

HEALTHY ENVIRONMENTS

- Ensure food safety.
- Minimize health hazards from man-made or natural environmental emergencies, exposure to toxic chemical and physical agents, and unsafe water.

HEALTHY LIFESTYLES

- Promote chronic disease prevention and sexual health.
- Foster injury, disease and substance abuse prevention.

PLANNING & POLICY

- Provide community health status information and epidemiological services in support of the planning, monitoring and evaluation of programs.
- Ensure that Public Health programs address the diverse health needs of Toronto, are equitable and accessible, and are based on evidence of need, efficiency and effectiveness.

SUPPORT SERVICES

- Deliver Information Technology (IT) projects that provide measurable efficiencies to Public Health operations.
- Increase the capacity of all Public Health Managers for fiscally responsible use of funds within their program budgets.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Communicable Diseases	26,113.2	12,374.9
Family Health/Healthy Lifestyles	92,067.1	32,262.4
Healthy Environments	23,861.0	13,678.7
Policy & Planning	9,987.4	4,828.9
Support Services	18,072.1	6,471.8
Total Program Budget	170,100.8	69,616.7

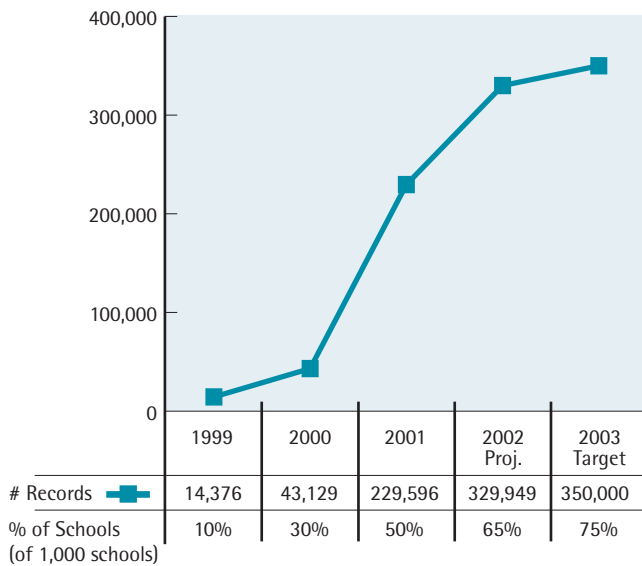
BUDGET HIGHLIGHTS

- The approved 2003 Operating Budget of Public Health is \$170.1 million (gross) and \$69.6 million (net). The budget represents a 6.1% (gross) and 6.7% (net) increase over last year's budget.
- In terms of expenditures, salaries and benefits comprised 69%, followed by Services & Rents at 17% and Inter-Departmental Charges at 10%.

- In terms of revenue sources, grants from the provincial and federal governments account for 86% of total revenues.
- The budget reflects increased spending for environmental studies, one-time expansion of tuberculosis control, pesticide reduction strategy development, West Nile Virus prevention, and partial harmonization of dental services. It also reflects reduced spending level for consulting and translation services. There were no direct program cuts approved in this year's budget.
- The budget incorporates a gapping target of 4% which amounts to \$4.2 million or approximately 60 positions. It also assumes a full provincial cost-sharing for eligible programs.

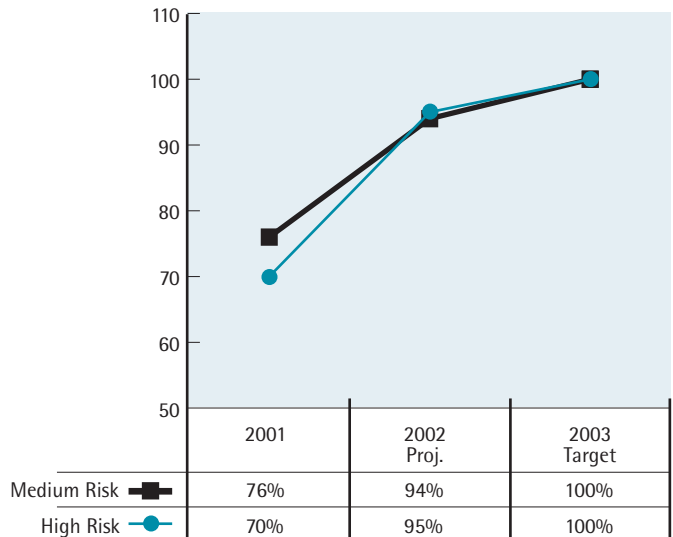
PERFORMANCE MEASURES

Number of Student Immunization Records Assessed & Percentage of Schools



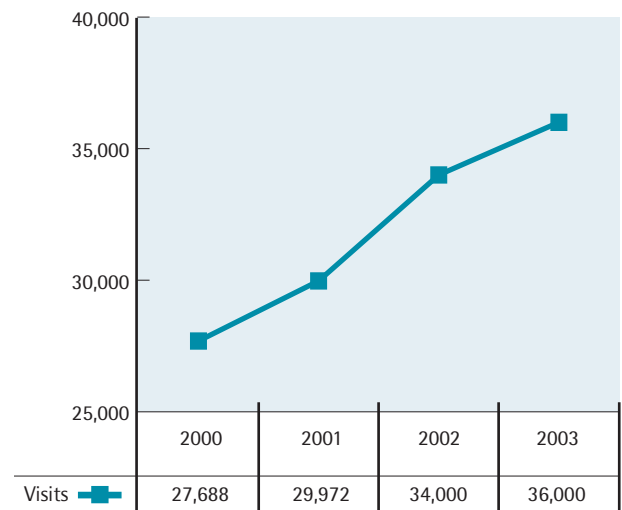
The chart above represents Public Health's actual and projected compliance levels in the assessment of student records for up-to-date immunization under the Immunization of School Pupils Act and to ensure provision of vaccines as required.

Percentage of Food Handling Premises Mandatory Compliance Inspections Completed



All food handling premises are assessed annually using a standardized risk assessment tool to determine their risk status (high, medium, low). The chart above represents the percentage of mandatory compliance inspections achieved in 2001 and 2002, as well as the 2003 projected target.

Number of Home Visits to High Risk Families (HBHC)



As part of the Healthy Babies Healthy Children program, Public Health's efforts to increase parent's knowledge and skills for raising healthy children and youth are measured in this chart showing the number of home visits to high risk families for the purpose of assessment, counselling, service coordination and referral

Capital Budget – Public Health

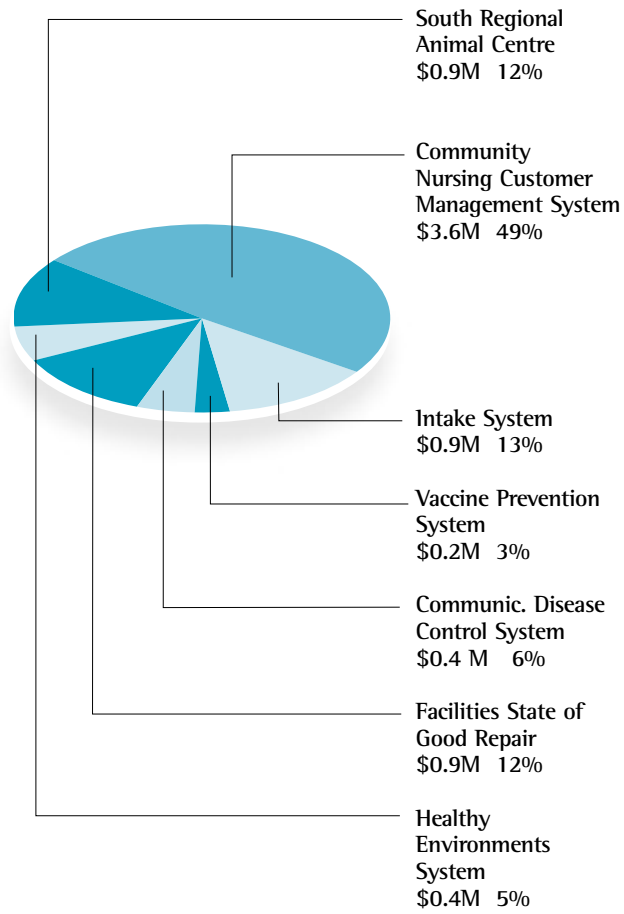
Total 2003 Gross Budget is \$7.3 million [2002 Budget – \$4.2 million]

- \$0.861 million for the South Regional Animal Centre
- \$0.902 million for facilities state of good repair
- \$5.574 million for various information technology projects.

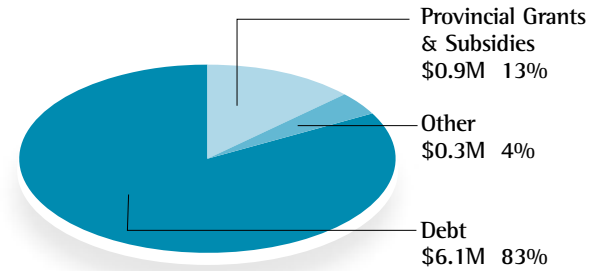
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Community Nursing Cust.Mgmt. System	3,612	2,600	517	-	-	6,729
Coordination of Intake System	941	-	-	-	-	941
Toronto Healthy Environment I.S.	334	-	-	-	-	334
Vaccine Preventable Disease Redesign	239	-	-	-	-	239
Reportable Disease Information System	24	-	-	-	-	24
South Regional Animal Centre	861	-	-	-	-	861
Total Previously Approved	6,011	2,600	517	-	-	9,128
New						
Facilities State of Good Repair	902	-	-	-	-	902
Communicable Disease Control I.S.	424	-	-	-	-	424
Total New	1,326	-	-	-	-	1,326
Total	7,337	2,600	517	-	-	10,454

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



TORONTO PUBLIC LIBRARY PROGRAM

Mission Statement *Toronto Public Library (TPL) provides free and equitable access to public library services which 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 the library walls.

The 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 Objectives

CHILDREN & YOUTH

- Provide programs and services to promote a lifelong love of reading and foster achievement in school

SERVICES & COLLECTIONS

- Provide circulating and reference collections in over 40 languages and a variety of formats
- Provide information services to support the citizens of Toronto in their leisure, personal, business and academic interests and pursuits
- Improve access to library services for seniors, people with disabilities and offer literacy support for adults

GLOBAL LIBRARY

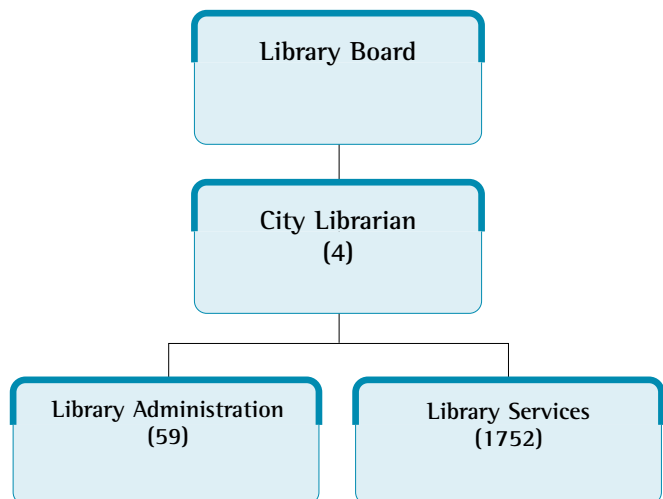
- Provide programs and services to promote a lifelong love of reading and foster achievement in school

PARTNERSHIPS

- Pursue partnerships with both public and private sector organizations to extend and expand library services

Program Map

The Toronto Public Library Board is comprised of 2 services, with a total of 1815 approved positions:



Strategic Direction and Service Priorities

1. Expand reading support programs in high needs areas of the City
2. Improve library collections by beginning collection assessment process
3. Enhance the library's electronic services through the introduction of a new Public Access Catalogue (PAC) and All In One Search Software to permit searching more quickly
4. Maintain attractive functional library space through a continuous maintenance program

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Library Administration	4,921.3	4,646.3
Library Services	129,831.5	117,120.8
Total Program Budget*	134,752.8	121,767.1

* Gross and Revenue include technical adjustment of (\$79.8) thousand.

SUMMARY

- \$3.710 M increase in staffing costs including Collective Agreement Settlement.
- \$0.200 M one time funding for hosting the American Library Association/Canadian Library Association (ALA/CLA) conference, which will be the single largest conference in Toronto in 2003 attracting about 25,000 delegates.
- \$0.050 M for expansion of Leading to Reading Program, a reading support program targeting children in grades 2–6, which would provide support to an additional 300 children, increasing the total program capacity to 2,500 children.
- \$1.156 M (net of \$0.175 M reduction) increase in library material funding will provide an estimated 51,500 additional items to the library collection.

- \$0.200 M increase for Multi-branch Painting program which is being phased in over three years.
- \$0.152 M increase for Electronic Services.
- \$0.900 M one time funding to update TPL's Strategic Plan for the Period 2004–2006.
- Reduction in summer Friday evening services of approximately 87.5 hours weekly to 111.5 hours weekly.
- Gapping target is currently maintained at a high level of 3.6% which is one of the highest in the City.
- 2003 approved budget does not include any costs associated with harmonization of wage rates or job classifications.
- Reduction in staffing costs of \$0.400 M as a result of 8 FTE reduction to support departments,
- Delay in start of IT hardware leasing of \$0.200 M and maintenance work of \$0.100 M.

PERFORMANCE MEASURES

- Circulation is up 7% over last year (17.5% since amalgamation)
- Visits to the Library are up by 6% (14.7% since amalgamation)
- Electronic visits are up by 37% over last year (796% since amalgamation)
- Reservations or holds on materials are up by 25% over last year (126% since amalgamation)
- The number of Child & Youth Programs offered increased by 5% over last year (6.5% since amalgamation)
- Adult Programs organized and delivered by library staff are up by 5% over last year (24.9% since amalgamation)
- 80+% of patrons are satisfied with the helpfulness and knowledge of staff, the availability of materials and the welcoming environment of our branches.

Capital Budget

Total 2003 Gross Budget is \$12.468 million comprising of \$7.547 M Previously Approved Projects & \$4.921 M New Projects. [2002 Budget – \$11.876 M].

Approval of \$7.547 M in 2003 to complete previously approved capital projects include:

- \$1.500 M to complete the Maria A. Shchuka Library reconstruction
- \$1.271 M for the renovation component of the Malvern District Library
- \$1.116 M for the expansion component of the Malvern District Library
- \$1.000 M for the construction of St. James Town Neighbourhood Library
- \$1.391 M for renovation of Runnymede Neighbourhood Library
- \$1.043 M for reconstruction of McGregor Park Neighbourhood Library

- \$0.226 M for remote and personalized library services to complete a 3 year program to allow self-serve reservation of public internet PCs, improved search capabilities on the Library's web-site, upgraded telephone notification and renewal services.

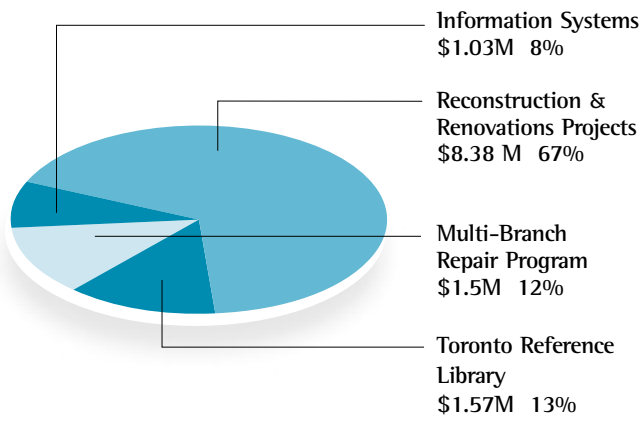
Approval of \$4.921 M in 2003 for new capital projects include:

- \$1.566 M to repair & retrofit of the Toronto Reference Library
- \$1.500 M for Multi-Branch repair program – Roofing (\$0.251 M), Building systems (\$0.502 M), Flooring (\$0.301 M), and Shelving (\$0.446 M)
- \$0.218 M for renovation of Beaches Neighbourhood Library
- \$0.153 M for renovation of Long Branch Neighbourhood Library
- \$0.800 M for Electronic Information Services to redesign the Virtual Reference Library web-site, increased disk space for digitization of library materials, and improved technology for security of Library Materials.
- \$0.684 M for relocation of Jane Sheppard Neighbourhood Library

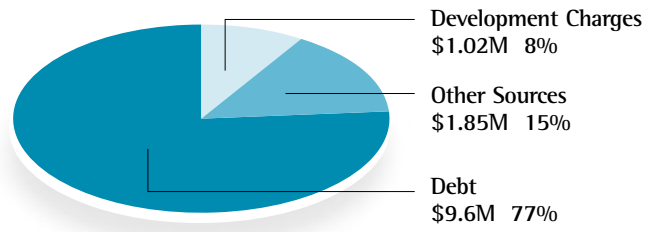
5 YEAR CASH FLOW (2003 APPROVED PROJECTS)

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Malvern Expansions & Renovations	2,387	2,121	-	-	-	4,508
St. James Town New Construction	1,000	1,000	-	-	-	2,000
Maria A. Schchuka Reconstruction	1,500	-	-	-	-	1,500
McGregor Park Reconstruction	1,043	1,043	-	-	-	2,086
Remote and Personalized Library Service	226	-	-	-	-	226
Runnymede Renovation	1,391	1,391	-	-	-	2,782
Intranet Document Management	-	-	527	-	-	527
Public Database Remediation	-	-	569	-	-	569
Total Previously Approved	7,547	5,555	1,096	-	-	14,198
New						
Jane Sheppard Reconstruction	684	884	-	-	-	1,568
Toronto Reference Library Retrofit & Reconstruction	1,566	-	-	-	-	1,566
2003 Multi Branch Program	1,500	-	-	-	-	1,500
Beaches Renovation	218	868	868	-	-	1,954
Long Branch Renovation	153	619	619	-	-	1,391
Electronic Info System	800	-	-	-	-	800
Total New	4,921	2,371	1,487	-	-	8,779
Total	12,468	7,926	2,583	-	-	22,977

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



TORONTO & REGION CONSERVATION AUTHORITY

Mission Statement *Our mission is to work with our partners to ensure that The Living City is built upon a natural foundation of healthy rivers and shorelines, green space and bio-diversity, and sustainable communities.*

Vision Statement

The quality of life on Earth is being determined in the rapidly expanding city regions. Our 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.

Program Objectives

1. HEALTHY RIVERS AND SHORELINES

To restore the integrity and health of the region's rivers and waters from the headwaters in the Oak Ridges Moraine, throughout each of the nine watersheds in TRCA's jurisdiction, to the Toronto waterfront on Lake Ontario

2. REGIONAL BIODIVERSITY

To protect and restore a regional system of natural areas that provide habitat for plants and animal species, improve air quality and provide opportunities for the enjoyment of nature.

3. SUSTAINABLE COMMUNITIES

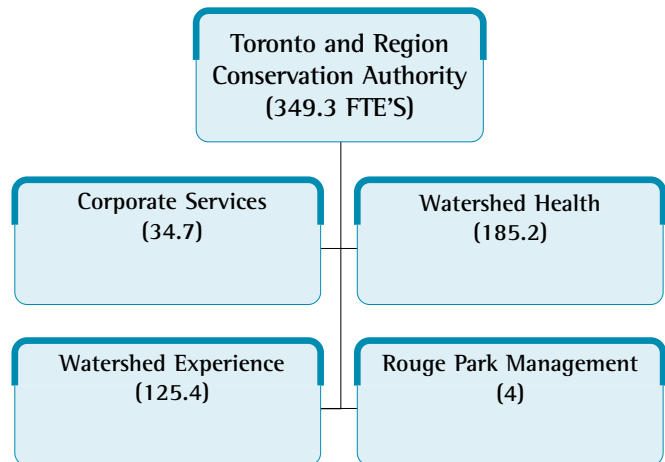
To facilitate broad community understanding, dialogue and action toward integrated approaches to sustainable living and city building that improves the quality of life for residents, businesses and nature.

4. BUSINESS EXCELLENCE

To pursue continuous improvement in the development and delivery of all programs through creative partnerships, diverse funding sources and careful auditing of outcomes and effectiveness.

Department Map

The Toronto and Region Conservation Area is comprised of four divisions, with a total of 349.3 approved positions:



2002 Achievements

- Provided input into Provincial Smart Growth and National Urban Strategy, Toronto Sustainability Roundtable, and World Summit on Sustainable Development in Johannesburg.
- Provided input into the Source Protection Planning for Ontario as well as progressed on our own watersheds groundwater protection planning and water management plans.
- Released revitalization strategies for Etobicoke and Mimico Creeks and State of the Watershed reports for Duffins/Carruthers Creeks.

Strategic Direction and Service Priorities

Flat-lined service level in general but more emphasis on completing baseline science and monitoring work in support of restoration strategies.

SERVICE PRIORITIES INCLUDE:

1) Corporate Services: the mandate of Corporate Services is to provide high quality administrative support services to organizational programs and staff. Activities include accounting and budgets, HR, Information Systems, Legal services, corporate communication, Board and committee support, printing and office services, and head office maintenance. This service is located at the head office site at Downsview.

2) Watershed Health: the products and services of this category are at the core of the TRCA's environmental protection mandate. The purpose of this service is to deliver preventative and regenerative services supported by specialized expertise. In addition, the service provides Asset Management related to the costs of maintaining the lands and infrastructure held in trust by the TRCA on behalf of residents. This would include activities such as Municipal Planning Services to analyse the impact to the Watershed for land use planning and ensure environmental quality and management of risk. Also included in the mandate of this service are Resource Science for research and studies, Watershed Strategies focusing on coordinated stakeholder environmental planning. Watershed Health comprises numerous other products and services such as:

- Geographic info systems, cartography
- Engineering
- Plant material, planting and forestry
- Habitat rehabilitation
- Water control structures: operation and maintenance

- Water level monitoring
- Water quality
- Capital project management
- Greenspace management
- Conservation education
- Environmental education
- Heritage artifact collection, storage and research
- Rental property management

This service is located at various locations within the TRCA's jurisdiction including specific sites such as the head office at Downsview, the Kortright Conservation Centre, 3 residential conservation field centres, the Conservation Services Workshop and Nursery. The jurisdiction of the TRCA includes over 34,000 acres of land holdings as well as dams and water control structures.

3) Watershed Experience: This service represents outdoor recreation and programming at the TRCA's public use facilities. The mandate of this service is to make the land and resource holdings of the TRCA available to the public for recreational and educational opportunities including hiking, skiing, swimming and camping for over 450,000 visitors annually. Educational and heritage programming includes the top rated Black Creek Pioneer Village which is visited by 180,000 people annually.

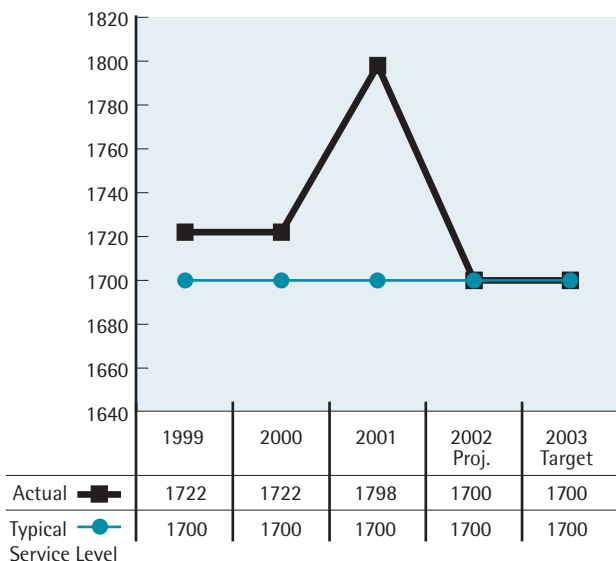
4) Rouge Park Interim Management: The mandate of this service is to oversee the assembling of the land base and restoration of the watershed for areas incorporated into the Rouge Park. This is a joint initiative between the Federal, Provincial and Municipal governments meant to increase land holdings for conservation along the Rouge River corridor and create the largest urban park in North America.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Corporate Services	3,154.9	1,499.8
Watershed Health	13,361.5	3,655.6
Watershed Experience	7,019.8	415.0
Rouge Park Interim Management	376.3	66.3
Total Program Budget	23,912.5	5,636.7

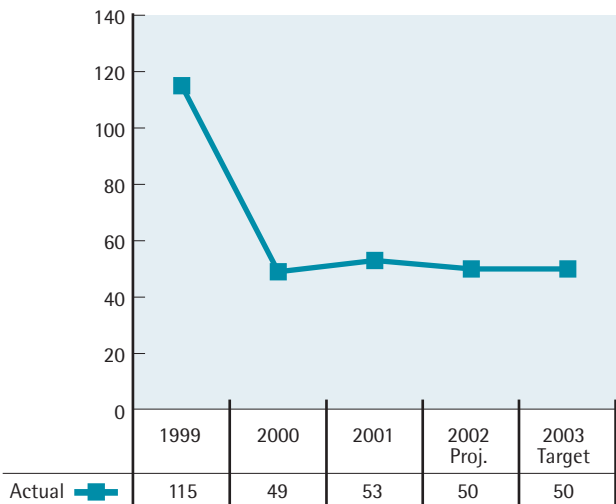
PERFORMANCE MEASURES

Number of Development Applications Processed



→ The Authority is an agency with a legislated mandate to enforce regulations concerning the impact a proposed development or expansion may have in terms of the impact of storm water run-off in terms of increasing flood risk and associated water quality issues. It should be noted that the numbers presented do not tell the whole story in that though absolute volumes appear to be fairly constant, because of a better pre-screening process worked out with area municipalities, the applications that do come are more complex and demanding than 5 years ago.

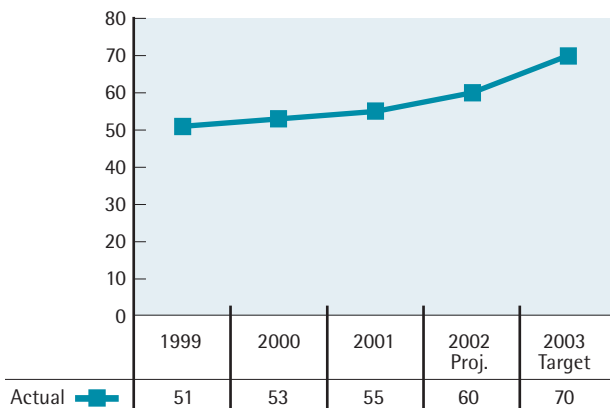
Number of Fill Violations Issued



→ In addition to administering its regulations through the process of screening applications, the Authority also directly inspects for compliance and monitors its areas of jurisdiction for infractions committed outside of the

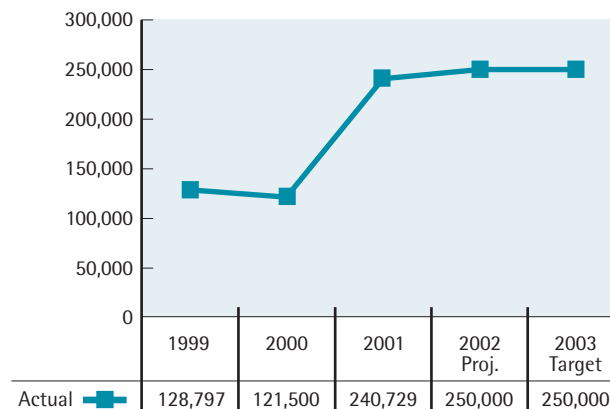
application process. A fill violation represents a situation where a party has illegally dumped fill into a river or valley system creating the potential for flooding of the site, an unstable site on the edge of a valley, or blockages that create heightened flood vulnerability upstream. The Authority employs its own group of trained officers to inspect and charge as necessary. It is assumed that for every discovered infraction there are other undiscovered ones and others prevented by the possibility of detection. The trend is downward because as a result of funding reductions in recent years vacant positions have not been filled.

Number of Baseline Resource Science/Monitoring Completed



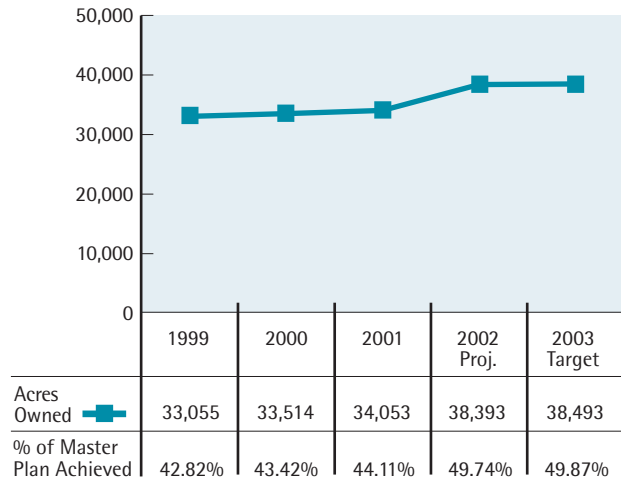
→ The many environmental protection and regeneration activities of the TRCA require scientific information to plan and carry out. The Authority employs biologists, engineers, ecologists, hydrologists etc. to carry out such work. The TRCA has a framework around what studies and monitoring activities are required to put in place what is referred to as an Integrated Watershed Plan, the comprehensive context for decision making. It encompasses items ranging from hydrological and water hydraulics studies to inventories of aquatic species, terrestrial landform data, some 30- 40 items in all. The measure below describes how much of that base science has been completed to date and is planned for this key strategic activity.

Number of Trees Planted Annually



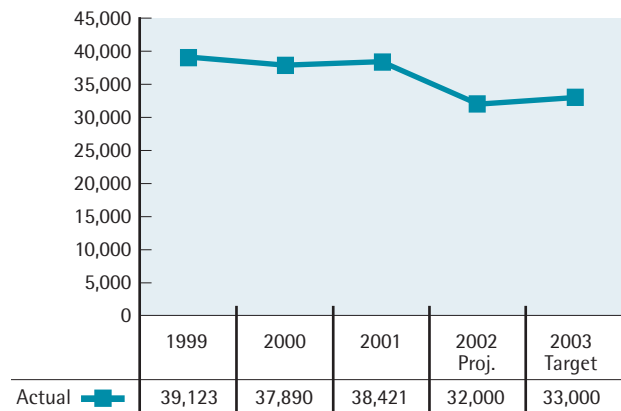
→ While the planting of trees is only one activity among many of the kinds of things the TRCA does to regenerate the watersheds of our jurisdiction, it provides some insight into the substantial volume. As can be seen, the trend is upward reflecting the Authority's goal of planting 1 million trees over each 4 year cycle.

TRCA Land Ownership



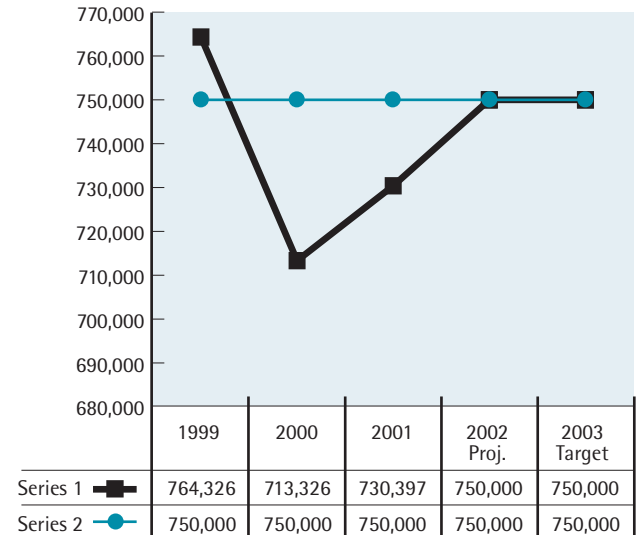
→ The TRCA is one of the largest landholders in the GTA. While there is more than one way to protect environmentally important land, it has been found that outright ownership, particularly in headwater areas, is often advisable. It may be of interest to mention that much of the Toronto Parks system is actually TRCA owned land managed by Toronto Parks. The pace of land acquisition is dependent on availability of a willing seller and the necessary funding.

Number of Students Using TRCA Residential Environmental Education Programs



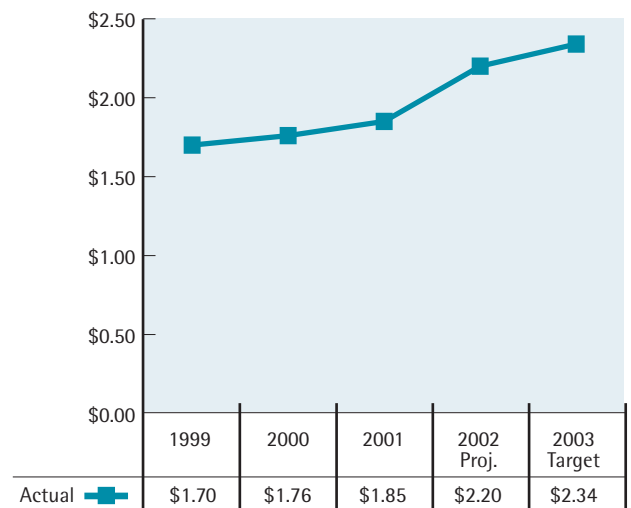
→ The Authority runs 3 Field Centres which are used by GTA students. A fourth was closed in mid-2001 when the Toronto District School Board did not renew its contract for usage, an arrangement in place for 25 years.

Number Visitors to TRCA Public Use Facilities



→ The TRCA operates 9 Conservation Areas, the Kortright Centre for Conservation and Black Creek Pioneer Village, all used extensively by the public. Actual attendance is very influenced by seasonal weather.

Per Capita Levy Cost



→ While the trend is upward the 1999 start point was the end of a 5 year series of reductions to the levy.

Capital Budget

Total 2003 Gross Budget is \$6.452 million [2002 Budget - \$5.715 m]

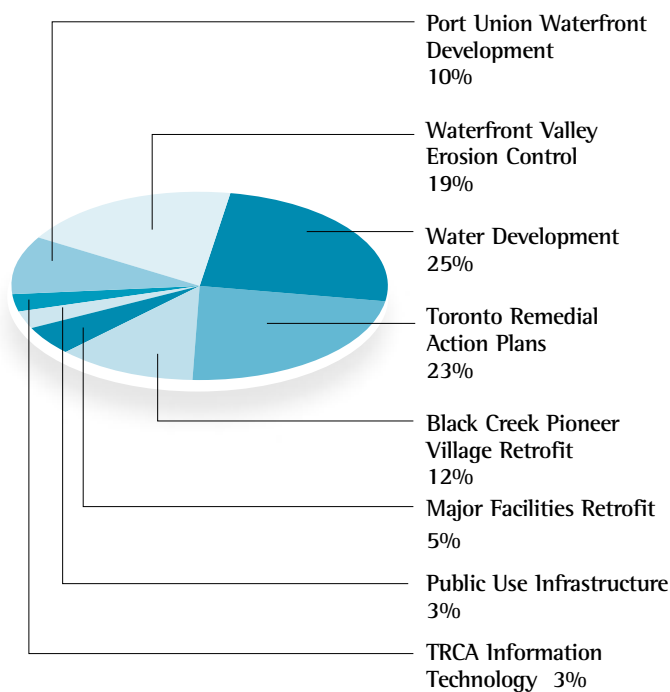
- \$1.2 million is for Waterfront and Valley Erosion Control
- \$1.657 million for Waterfront Development, including Ashbridge's Bay, Tommy Thompson Park and the Mimico Apartment Strip

- \$1.528 million for the implementation of the Toronto Remedial Action Plan.
- \$2.067 million for other projects including, BlackCreek Pioneer Village Retrofit (\$0.75 million); Major Facilities Retrofit (\$0.291 million); TRCA Information Technology (\$0.188 million); Public Use Infrastructure (\$0.188 million); and Port Union Waterfront Development (\$0.65 million).

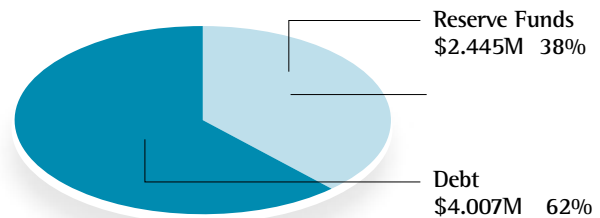
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Port Union Waterfront Development	650	-	-	-	-	650
Total Previously Approved	650	-	-	-	-	650
New						
Waterfront & Valley Erosion Control	1,200	-	-	-	-	1,200
Waterfront Development	1,657	-	-	-	-	1,657
Toronto Remedial Action Plan	1,528	-	-	-	-	1,528
Black Creek Pioneer Village Retrofit	750	-	-	-	-	750
Major Facilities Retrofit	291	-	-	-	-	291
TRCA Information Technology	188	-	-	-	-	188
Public Use Infrastructure	188	-	-	-	-	188
Total New	5,802	-	-	-	-	5,802
Total	6,452	-	-	-	-	6,452

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



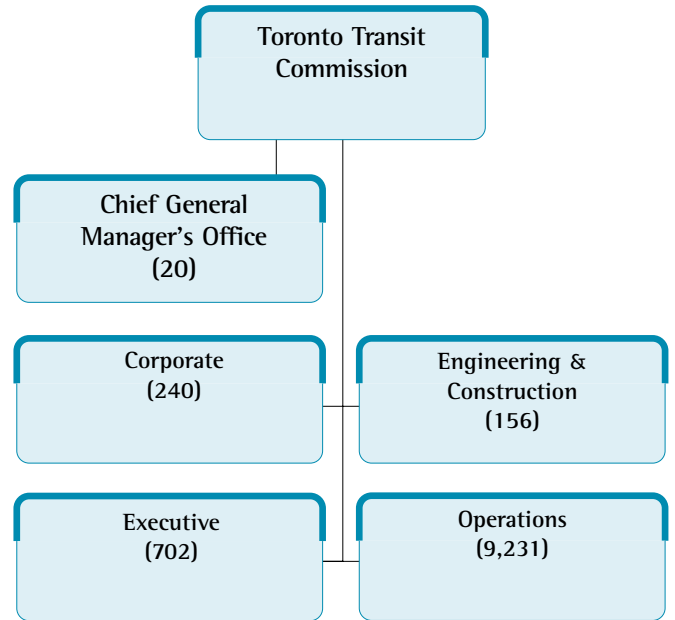
TORONTO TRANSIT COMMISSION

Mission Statement *The Toronto Transit Commission (TTC) is the third largest transit property in North America after New York City and Mexico. TTC carries over 400 million riders per year and operates heavy and light rail, streetcar and bus services totalling over 2400 vehicles throughout the City of Toronto. In addition, TTC provides special door-to-door transit service (Wheel-Trans) for persons with disabilities. TTC carries 90 percent of all transit trips in the Greater Toronto Area and 68 percent of the Toronto population uses the TTC at least once per month. Fully 96 percent of Toronto residents live within 400 meters of any TTC service.*

Program Objectives

- The TTC is responsible for the provision and maintenance of transit infrastructure and service in the City of Toronto.
- The TTC operates and maintains a highly integrated transit system and a multi-modal fleet.
- TTC provides special door-to-door transit service (Wheel-Trans) for persons with the greatest need for accessibility transit as established by eligibility criteria based upon an individual's physical functional mobility.

Program Map



2002 Achievements (TTC Conventional)

- On November 22, 2002 the Sheppard Subway was officially opened, marking the first time in 17 years that transit riders set foot – and wheel chair – on a new rapid transit line in Toronto.
- Summer 2002 saw the TTC carry more than four million riders using special passes issued during World Youth Day festivities and Papal Visit over a one-week period in July.
- On December 10, 2002, turnstiles at Bloor-Yonge Station officially welcomed the TTC's 24 billionth rider. With one billion customers riding every 30 months, the 25 billionth rider is expected in 2005.

Strategic Direction and Service Priorities

TTC CONVENTIONAL

- The Toronto Transit Commission essentially offers two main services: TTC Conventional and Wheel-Trans. TTC Conventional consists of transit services provided to the general public on surface routes, utilizing buses, streetcars, RT vehicles (rapid transit) and subways. The TTC operates a system comprising over \$3.6 billion in fixed assets, providing service on over 6500 kilometres of bus routes, 306 kilometres of streetcar routes and 68 kilometres of subway including the Scarborough Rapid Transit line.
- The TTC accomplishes this with a staff of 10,349 (including 785 staff working on capital projects and 34 staff assigned to the Toronto Coach Terminal). At the end of 2002 the fleet consisted of 1468 buses, 248 streetcars, 692 subway cars and 28 Scarborough RT cars. In 2003 service hours increased slightly by just over 1 percent from 6.86 million hours of service operated in 2002 to 6.97 million hours of service operated in 2003.
- On an average business day there are approximately 1.3 million revenue passengers (2.2 million revenue passengers including transfer fares). Of the 149 surface routes, 148 make 242 connections with the subway/Scarborough RT system during the morning rush period. The 2003 service budget is based on service levels in 2003 being the same as were operated in the Fall of 2002; the 2002 service budget was, itself, scaled back to remove all service improvements which had originally been planned, in order to reflect the ridership downturn which occurred after September 11, 2001. The 2003 service budget is consistent with the expectation that ridership will remain relatively stable, at the current forecast level of 415 million customer trips for 2003.
- The 2003 service budget calls for 123.6 million miles of service. This is approximately 2% greater than the service miles planned in 2002. With the exception of the new Sheppard Subway, none of these additional hours or miles are associated with service improvements, additional capacity, or carrying more riders. Instead, these additional resources are necessitated by changes in facilities, logistics, operational practices or external factors, such as traffic congestion, which are increasing the costs of doing business, or by increases in contract services, outside of Toronto, which are fully paid for by the contracting municipality.

WHEEL-TRANS

- Wheel-Trans Operations is a division of the TTC responsible for the provision of a 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 provided on contracted taxi services using both accessible and sedan vehicles. In addition to the door-to-door service, Wheel-Trans operates a fixed route Community Bus. These four 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. The Wheel-Trans application process as well as trip booking, planning, scheduling, and dispatch functions are handled in-house.
- Customer demand in 2003 has increased by 5 percent or to 1.6 million passengers carried. In 2003 there are 145 specialized buses and 85 contracted taxis. Contracted accessible and sedan taxis are the primary provider during the off-peak periods.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Conventional System	908,965.1	48,202.1
Wheel-Trans	182,162.1	45,740.9
Total Program Budget	957,167.2	227,903.0

HIGHLIGHTS

TORONTO TRANSIT COMMISSION (CONVENTIONAL)

Budget \$908.9 M Gross, \$182.1 M net. (2002 \$859.7 M gross, \$152.1 M net)

- increase in operating subsidy over 2002, \$30.0 M
- 10 cent fare increase in revenue effective January 1, 2003, \$21.0 M
- negotiated salaries & benefits increases and 50 additional drivers, \$46.5 M
- net full year impact of Sheppard Subway (opened November 2002) \$3.9 M

TORONTO TRANSIT COMMISSION (WHEEL-TRANS)

Budget: \$48.2 M gross, \$45.7 M net. (2001 Budget \$46.9 M gross, \$2.4 M net).

- to maintain unaccommodated rate at 2%, \$1.0 M
- operating subsidy increased over 2002, \$1.1 M
- negotiated salaries & benefits increases, \$1.5 M

PERFORMANCE MEASURES

- A key performance measure for the Conventional System is ridership, the amount of rides taken by passengers on all conventional modes of transportation operated by the Commission. Ridership projections are based on a number of factors including economic activity both locally and in relation to the national economy and the U.S. economy focusing on such factors as growth in employment and consumer spending. Ridership in 2002 was around 412 million riders, down from the projected 418 million riders used in the 2002 budget. The decline in ridership is not unique to the TTC, as almost all the other GTA transit properties have also experienced a decline in ridership since September 11, 2001.
- A key service indicator for the Wheel-Trans Operation is the unaccommodated rate defined as the percentage of trips lost due to inability to meet demand. This is projected to be 2% in 2003 representing a 75% improvement since 1994. Budgeted ridership in 2003 is projected to be 1.6 million riders.

Capital Budget

Total 2003 Gross Budget is \$319.870 million [2002 Budget – \$275.883 million]

- \$3.8 billion required over the next ten years
- \$311 million in 2003 to maintain the existing system and \$8.7 million to complete the Sheppard Subway
- in 2003 the base program of \$311 million is comprised of: \$257 million for State of Good Repair and Safety projects; \$12 million for Legislated projects; \$34 million for Ridership Growth Related projects; \$8 million for System Improvement projects

Several Provincial and Federal funding announcements have been made in the past year and funding programs are in various stages of being rolled out. The specific nature, level and duration of this transit funding support have yet to be fully confirmed. The funding, will, by virtue of the municipal act, flow through the City for TTC capital needs.

Historically, the Province paid up to 75% of net capital expenditures based on detailed eligibility criteria. On October 4, 1996, the TTC, Metro and the Province executed Capital Subsidy Agreements under which the Province agreed to pay

\$511 million towards the construction of the new Sheppard Subway and \$915 million towards the TTC's State-of Good-Repair Budget covering the period January 1, 1996 to December 31, 2000.

The Province in September of 2001 announced renewed funding for transit under with two main elements: (I) cost-sharing of municipal transit capital renewal requirements (State of Good Repair) under the Ontario Transit Renewal Program (OTRP) and (II) cost-sharing of certain inter-regional or advanced transit technology projects through the Golden Horseshoe Transit Investment Partnerships (GTIP). In 2002 the Province provided \$62.3 million for the TTC capital program.

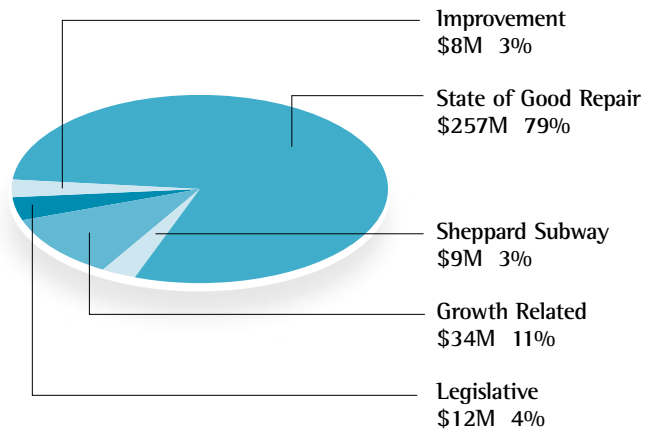
In April 2002, the Federal government announced \$76 million in funding for the TTC under the Canada-Ontario Infrastructure Program (COIP). Funding of \$62.3 million was received in 2002 for the TTC capital program to match the Ontario Transit Renewal Program allocation. A further \$14 million, to match the Provincial GTIP funding, is anticipated.

In 2003 the TTC capital budget requires \$104 million from the Province and the Government of Canada, respectively. The budget is premised on a one-third funding plan where the Province, the Government of Canada and the City of Toronto each contribute a one-third share of the funding required for the TTC capital program. The on-going challenge will be to secure this one-third funding partnership in 2003 and beyond.

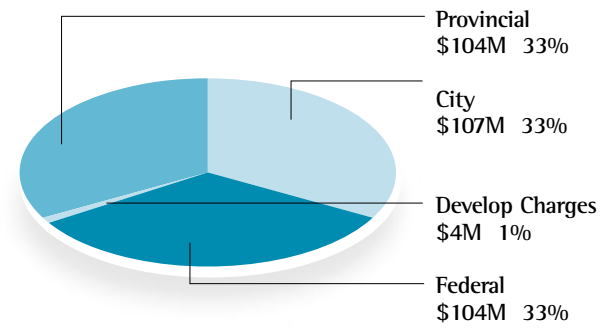
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	2004	2005	Commitments 2006	2007	Total
Previously Approved						
State of Good Repair	203,707	119,706	22,940	42,965	16,573	405,891
Growth Related	30,755	37,175	22,429	159	0	90,518
Service						
Improvement	7,796	1,541			0	9,337
Legislative	10,075	9,377	8,196	7,910	0	35,558
Sheppard Subway	8,771	0	0	0	0	8,771
Total Previously Approved	261,104	167,799	53,565	51,034	16,573	550,075
New						
State of Good Repair	54,522	32,796	27,157	-11,971	8,025	110,529
Growth Related	3,245	20,143	4,271	2520	0	30,169
Service						
Improvement	0	365	3185	0	0	3,550
Legislative	1,009	0	0	0	0	1,009
Sheppard Subway	0	0	0	0	0	0
Total New	58,776	53,304	34,613	-9,451	8,025	145,257
Total	319,870	221,103	88,178	41,583	24,598	695,332

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



TORONTO ZOO

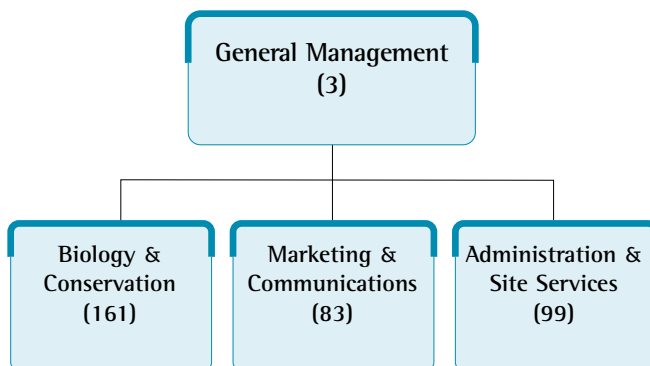
Mission Statement *The Toronto Zoo is Canada's premier zoo, known for its interactive education and conservation activities. As a unique wildlife experience, we inspire people to live in ways that promote the well being of the natural world. .*

Program Objectives

Overall Program Objectives for the Zoo flow from the Vision, Strategic Direction, Implementation and Business Plan which was approved as the outcome of a Strategic Planning process in 2001. The Plan includes a "conservation" focus in all programs, exhibity and future site development. The new Vision sees the Zoo re-positioned as a leader in conservation efforts, a centre for education and research, and, a respected community institution. Following through on this vision, the Zoo must: offer exciting experiences that inspire visitors to care about nature and commit to personal action; build a higher profile in wildlife education, conservation and research by actively promoting the work that goes on behind the scenes; and, strengthen community involvement to increase public pride in, and ownership of the Zoo.

Program Map

The Toronto Zoo is comprised of three services, with a total of 346 approved positions:



Strategic Direction and Service Priorities

THE FOLLOWING ASSUMPTIONS WERE MADE FOR THE 2003 BUDGET:

- The attendance target of 1,200,000 will be met.
- The downturn in the tourism market following September 11, 2001 will level off. The decline in visitors originating from the United States and overseas will be partially offset by an increase in visits from GTA and southern Ontario residents.
- The second phase of the Zellers Discovery Zone will be completed on schedule.
- The Toronto Zoo Foundation will be able to meet its financial obligations in support of Zoo programs.

GOALS AND OBJECTIVES FOR 2003 ARE THE FOLLOWING:

- Open the second phase of the Zellers Discovery Zone, a redesign of the current children's area.
- Present a unique program of events for the new amphitheatre to be completed in the Spring as part of the children's area.
- Continue to add new activities that involve the public, such as animal encounters, animal feeding, special viewing experiences and passport stamping.
- Continue implementation of new human resource initiatives including new training programs, the performance management process, succession planning, and an emphasis on positive labour relations.
- Complete the concept plan for the Canadian Wilderness project, the next major capital development.
- Pursue alternative sources of revenue and major initiatives to broaden the Zoo's program and funding base.
- Support the arts and culture program, through grants and creative partnerships.
- Actively seek grants and donations to support important education, conservation and research work.

Operating Budget by Service

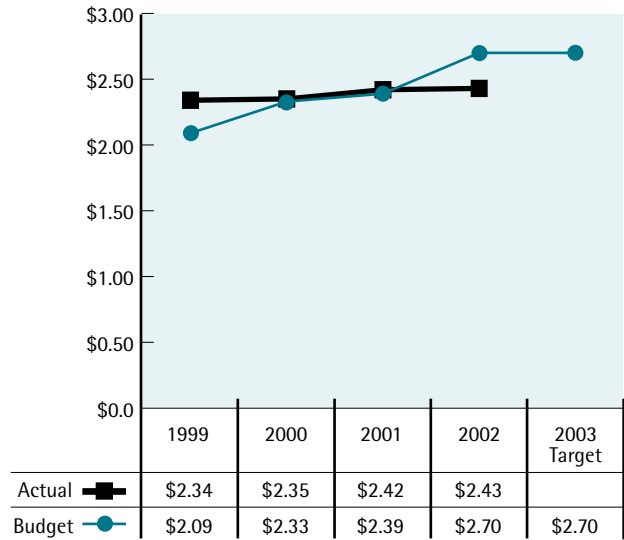
Service:	Gross (\$000s)	Net (\$000s)
Biology & Conservation	9,581.4	8,915.2
Marketing & Communications	10,064.4	9,887.4
Administration & Site Services	12,239.8	2,558.4
General Management	835.5	791.5
Revenue & Recoveries	0	(13,896.9)
Animal & Endangered Species Transactions	136.0	0.0
Total Program Budget	32,857.1	8,255.6

HIGHLIGHTS

- \$1 increase in Admission Fees projected to generate \$0.450 million in new revenue.
- \$2 increase in Parking Fees, from \$6 to \$8 projected to generate \$0.400 million in new revenue.
- Membership Fee increases are expected to generate \$0.102 million in new revenue.
- Additional resources of \$0.053 million for West Nile Virus prevention in animal collection
- Seasonal hourly staff was reduced by 10.4 approved positions for savings of \$0.183 million.

PERFORMANCE MEASURES

Retail Sales Per Visitor



Food Sales Per Visitor



Capital Budget

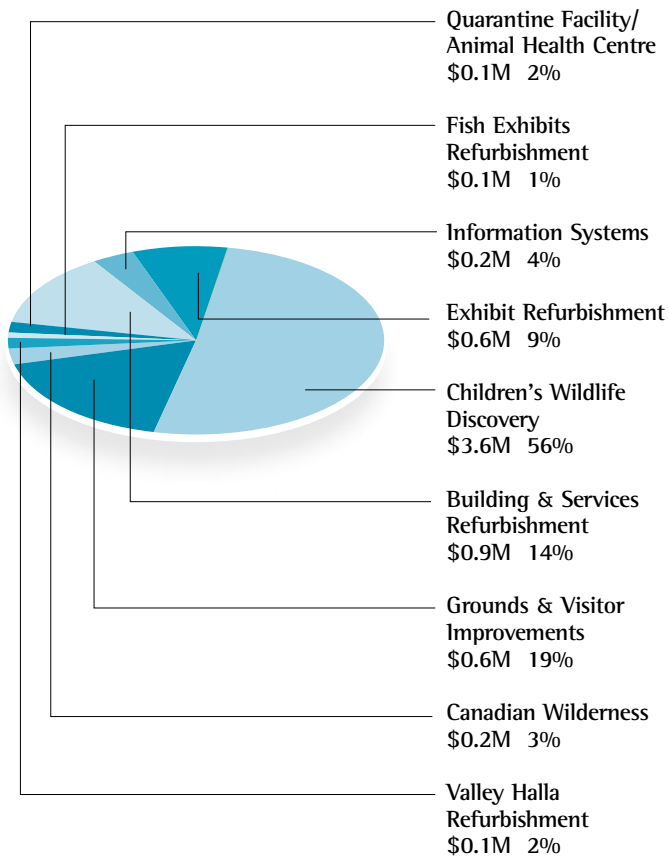
Total 2003 Gross Budget is \$6.377 million [2002 Budget – \$6.056 m]

- \$3.600 million or 56% is carried forward for completion of the Children’s Wildlife Discovery area.
- \$2.177 million or 34% is for renewal of the Zoo infrastructure and site services.
- \$0.245 million or 3.8% is for IT system improvements and replacements.
- \$0.355 million 5.6% is for Feasibility and planning work for the Canadian Wilderness, the Quarantine Facility / Animal Health Centre and the Fish Exhibits Refurbishment.

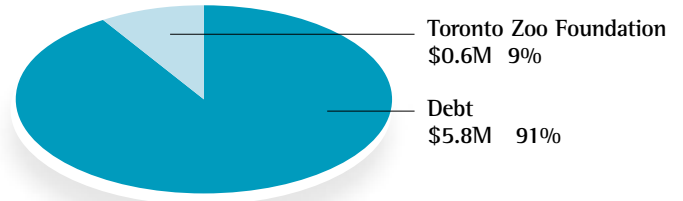
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Children’s Wildlife Discovery	3,600	-	-	-	-	3,600
Building & Services Refurbishment	5	-	-	-	-	5
Exhibit Refurbishment	67	-	-	-	-	67
Grounds and Visitor Improvements	200	-	-	-	-	200
Information Systems	131	-	-	-	-	131
Canadian Wilderness	165	-	-	-	-	165
Total Previously Approved	4,168	-	-	-	-	4,168
New						
Building & Services Refurbishment	901	100	-	-	-	1,001
Exhibit Refurbishment	506	-	-	-	-	506
Grounds and Visitor Improvements	398	-	-	-	-	398
Information Systems	114	-	-	-	-	114
Canadian Wilderness	38	-	-	-	-	38
Quarantine Facility / Animal Health Centre	102	-	-	-	-	102
Fish Exhibits Refurbishment	50	-	-	-	-	50
Valley Halla Refurbishment	100	-	-	-	-	100
Total New	2,209	100	-	-	-	2,309
Total	6,377	100	-	-	-	6,477

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



YONGE-DUNDAS SQUARE

Overview

The City of Toronto’s Official Plan sets out the vision for a vibrant, competitive, safe and livable downtown. At the heart of the city, the area surrounding Yonge and Dundas was targeted for significant improvements.

The intersection of Yonge and Dundas is Toronto’s number one visitor destination. The goal is to create a strong, dynamic area, bringing Yonge Street back to its former glory restoring the vitality of Yonge and Dundas. The objectives of the Yonge Dundas Redevelopment Project are to make improvements to the area landscape, create a sense of space and attract additional development to the area. Toronto City Council approved the Redevelopment project in 1998.

One of the conditions of approval was the development of a key element - a new public space at the southeast corner of Yonge and Dundas Streets. Yonge-Dundas Square will be a unique focal point of the area.

Program Objectives

The one-acre Square is designated for use as a public open space. It is also designated as an event venue that can accommodate events of various sizes. A wide range of activities - community celebrations, theatrical events, concerts, receptions, promotions - would appeal to residents and tourists alike and showcase local and national businesses.

A unique aspect of the Square is that it is not operated like other Civic Squares in the city. It was recommended to City Council that a Board of Management operate Yonge-Dundas Square as a business venture.

Program Map

The Yonge-Dundas Square is comprised of 1 small Administration and Marketing Unit with a total of 2 approved positions:

**General Manager
(2)**

Strategic Direction and Service Priorities

Official opening May 30, 2003.

Operating Budget by Service

Service:	Gross (\$000s)	Net (\$000s)
Total Program Budget	1,030.5	545.5

HIGHLIGHTS

- Throughout the summer, the 22 fountains will be operating 24 hours a day, seven days a week. Buskers will be entertaining on the Square. Café style seating will also be available for residents and tourists to enjoy the charm and character of the Square
- Community celebrations, theatrical events, concerts, receptions, promotions...

Capital Budget

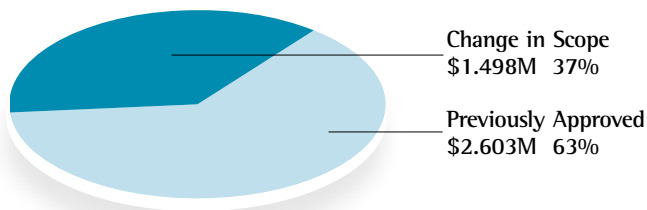
Total 2003 Gross Budget is \$4.101 million [2002 Budget – \$8.992 m]

- 4.101 million for completion of Yonge Dundas project, including installation of a new stairway connection to the TTC, furnishings for the square and completion of land acquisition component of the project.

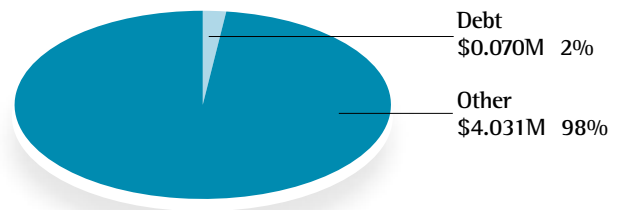
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Yonge Dundas	2,603	-	-	-	-	2,603
Total Previously Approved	2,603	-	-	-	-	2,603
New						
Yonge Dundas	1,498	-	-	-	-	1,498
Total New	1,498	-	-	-	-	1,498
Total	4,101	-	-	-	-	4,101

WHERE THE MONEY GOES

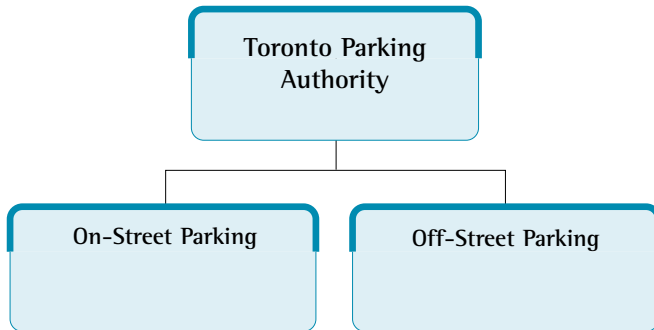


WHERE THE MONEY COMES FROM



TORONTO PARKING AUTHORITY

Program Map



Operating Budget by Service

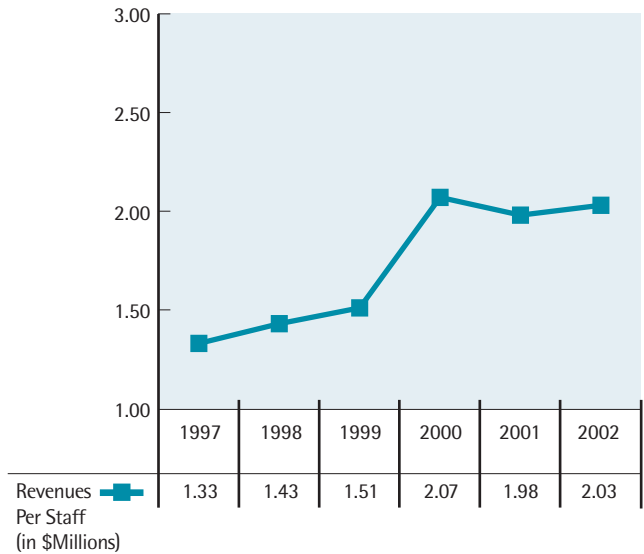
Service:	Gross (\$000s)	Net (\$000s)
On-Street Parking	8,034.7	-2,913.2
Off- Street Parking	40,258.3	-18,495.0
Total Program Budget	48,293.0	-42,762.5

HIGHLIGHTS

→ Increased revenue due to on-street rate change \$1.2M

PERFORMANCE MEASURES

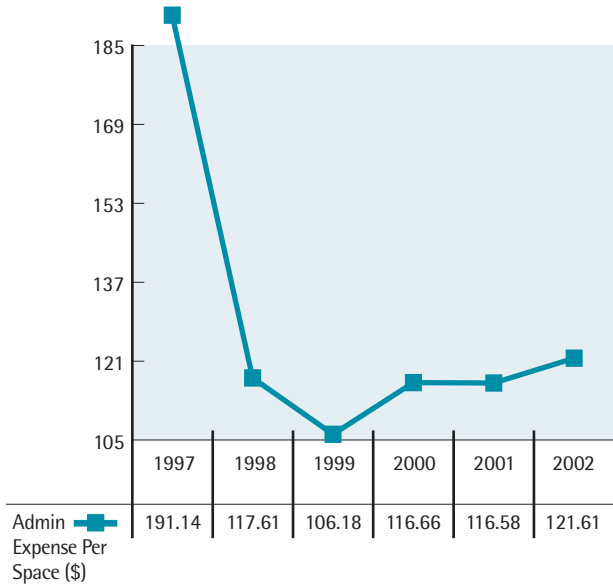
Revenue Per Admin Staff (\$millions)



→ When customers park at a meter and left when the meter is not used up, the next customer can often park without paying. In the case of Pay and Display machines, each customer has to pay their own fees. The Toronto Parking Authority installed about 150 Pay and Display machines through 1998 and 1999 and then 400 more Pay and Display machines in 2000. This is why there is a pronounced increase in revenue in 2000.

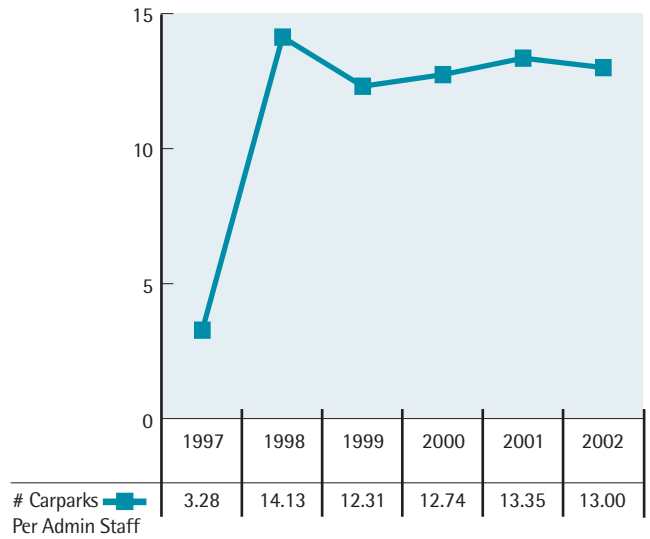
→ In 2003, 350 more Pay and Display machines will be installed.

Admin Expense Per Space



- In 1998, the Toronto Parking Authority assumed approximately 50 more additional parking lots after amalgamation without adding as many staff, thus the pronounced dip in administration expense per space.
- The rising trend from 1999 to 2002 reflects the living cost adjustment and operating expense increases such as the expenses of putting in Pay and Display machines.

Number of Carparks Per Admin Staff



- Similarly, after the amalgamation, the Toronto Parking Authority has assumed approximately 50 lots in 1998 without adding many staff, which caused the number of carparks per administrative staff to rise prominently.

Capital Budget – Toronto Parking Authority

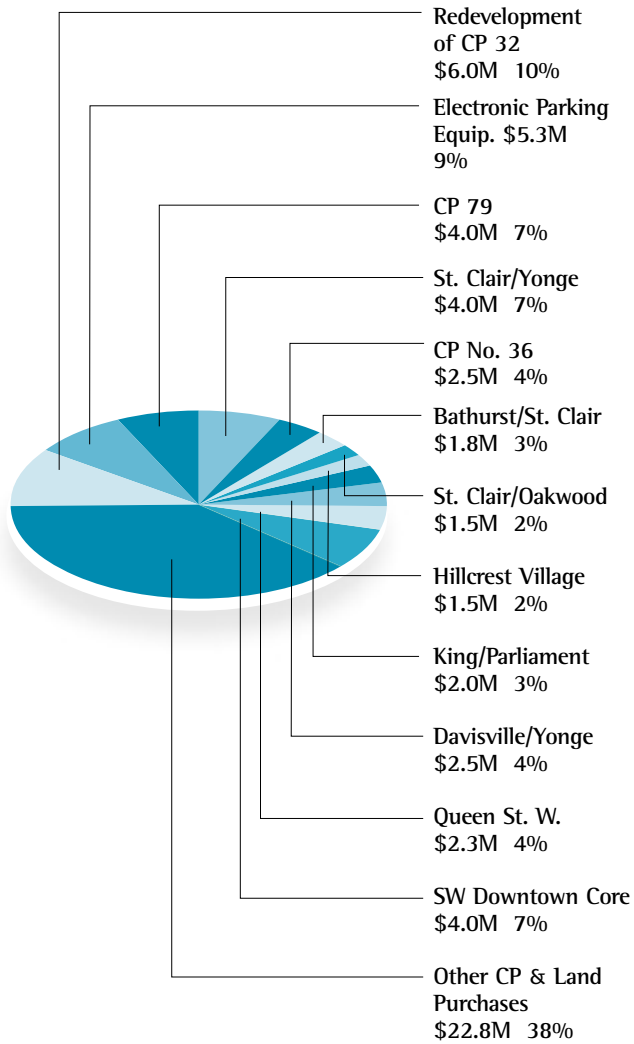
Total 2003 Gross Budget is \$32.522 million [2002 Budget – \$30.090 m]

- \$5.300 million is for Electronic Parking Equipment
- \$4.000 million for purchase of CP 79
- \$4.000 million for St. Clair & Yonge Carpark
- \$2.500 million for CP 36

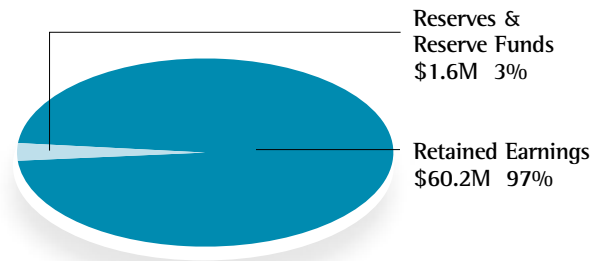
5 YEAR CAPITAL WORKS PLAN

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously Approved						
Expanded facilities – Bloor St. W.	-	-	-	-	1,700	1,700
Yorkville – Property Acquisition	1,200	-	-	-	-	1,200
SW Downtown Core	2,100	-	4,000	-	-	6,100
Harboard – Spadina to Major	-	-	-	-	1,000	1,000
Queen St. West	-	-	-	2,250	-	2,250
Vincinity of Sporting Life	-	-	-	1,700	-	1,700
Davisville/Yonge	-	2,500	-	-	-	2,500
King/Parliament	-	2,000	-	-	-	2,000
Queen East	-	1,473	-	-	-	1,473
Queen W. Duncan to Spadina	-	-	2,500	-	-	2,500
Avenue to Bathurst	-	-	-	1,500	-	1,500
Bloor West	-	1,000	-	-	-	1,000
Bloor / Islington	-	1,000	-	-	-	1,000
Bay / Queen St.	2,500	-	-	-	-	2,500
Other Carpark	2,322	-	-	-	-	2,322
Total Previously Approved	8,122	7,973	6,500	5,450	2,700	30,745
New						
Kingston Rd	1,000	-	-	-	-	1,000
Purchase of CP 79	4,000	-	-	-	-	4,000
St. Clair / Yonge	4,000	-	-	-	-	4,000
Electronic Parking Equipment	5,300	-	-	-	-	5,300
Willowdale / Sheppard	1,000	-	-	-	-	1,000
Hillcrest Village	1,500	-	-	-	-	1,500
Redevelopment of CP 32	1,000	5,000	-	-	-	6,000
Bathurst / St. Clair	1,750	-	-	-	-	1,750
Other Carpark	1,850	-	-	-	-	1,850
Extension of CP 111	1,500	-	-	-	-	1,500
St. Clair/Oakwood	1,500	-	-	-	-	1,500
Total New	24,400	5,000	-	-	-	29,400
Total	32,522	12,973	6,500	5,450	2,700	60,145

WHERE THE MONEY GOES *



WHERE THE MONEY COMES FROM *



* The pie-charts include future year commitments.

WATER AND WASTEWATER SERVICES

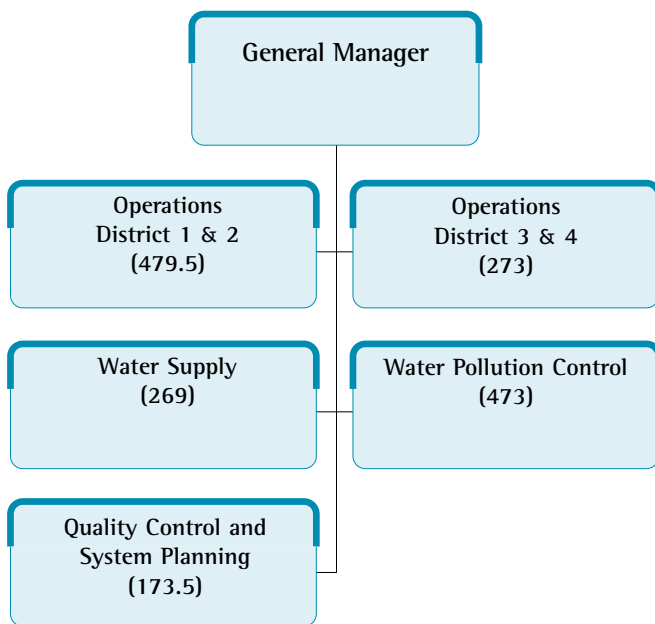
Mission Statement *Water and Wastewater Program is committed to provide quality water services to the community in order to protect public health and safety.*

Key Program Services

- Water Production
- Water Distribution
- Wastewater Treatment
- Wastewater Collection

Program Map

The Water and Wastewater Services Program is comprised of five distinct service areas, with a total of 1,671 approved positions:



Strategic Direction and Service Priorities

The Water and Wastewater division is committed to providing services of the highest quality in the areas of water pollution control and water supply for the inhabitants of the City of Toronto and parts of York Region. The Program provides leadership in enhancing the quality of the environment by the use of the best available technology, water efficiencies and other sound conservation principles, public participation, and departmental teamwork. The division is required to be self-sustaining under the terms of the Municipal Act, with a separate budget that does not impact the municipal tax levy.

MAJOR INITIATIVES INCORPORATED IN THE 2003 OPERATING BUDGET:

Works Best Practices Program – a complex multi-year improvement initiative, with significant long-term implications on future reliability and efficiency of the water and wastewater production and operation systems. The initiative is currently being implemented and is expected to be fully completed by the end of 2004. Highlights of the Program:

- Introduced new technologies and organizational structure
- Implemented new work practices and multi-skill technical training
- Once in place a new organizational structure will promote a development of strong leadership skills at all levels and foster a team-based decision making process

District Services Improvement – another multi-year initiative that was introduced to improve efficiencies of the water distribution and sewage collection systems, and storm water management. In addition it covers other areas that are not included in the Works Best Practices Program such as Quality Control, Systems Planning, etc. Highlights of the Program:

- Program was introduced throughout District Operations work areas in late 2000
- The initiative is expected to achieve immediate savings through implementation of a new Work Management System technology for District Operations in 2003
- Savings of \$12 million annually in operating expenditures are projected upon completion of the DSI Program in 2005

Water Efficiency - the primary objective of this plan is to reduce capital costs associated with new water and wastewater facilities by about \$220 million. This will be accomplished through a reduction of the City's average annual water demand by 15% by the year 2011. Highlights of the Program:

- ➔ More Efficient Use of Water - it provides a way of creating capacity within the existing system for future needs, while providing environmental benefits
- ➔ Environmental Benefits – decreased energy use for pumping and corresponding decrease in CO2 emissions, decreased usage of water and wastewater treatment chemicals and a decrease in wastewater treatment plant effluent discharges
- ➔ Reduction of Operating and Capital expenditures, as well as savings for consumers and end-users as a result of lower water consumption and corresponding reduction of water and wastewater service charges.

Water Operating Budget by Service

Water Service:	Gross (\$000s)	Net (\$000s)
Water Production	57,856.0	0.0
Water Distribution	52,349.9	0.0
Administration & Other	41,216.1	0.0
Capital Financing	89,096.9	0.0
Total Water Budget	240,518.9	0.0

Wastewater Operating Budget by Service

Wastewater Service:	Gross (\$000s)	Net (\$000s)
Wastewater Treatment	85,076.0	0.0
Wastewater Collection	39,436.0	0.0
Administration & Other	41,619.1	0.0
Capital Financing	113,492.8	0.0
Total Wastewater Budget	279,623.9	0.0

Combined Water and Wastewater Operating Budget

Service:	Gross (\$000s)	Net (\$000s)
Total Program Budget	520,142.8	0.0

HIGHLIGHTS

- Continued efforts to improve efficiency by implementation of Works Best Practices and District Service Improvement initiatives.
- The implementation of the Water Efficiency Plan will continue in 2003 with the ultimate objective of reducing the City's water demand by 15% in the year 2010.
- The City's Wet Weather Flow Management Master Plan and its objectives will be finalized in 2003. The main long-term target is the redevelopment of the of the City's Waterfront. Emphasis will be placed on storm water management initiatives. The Plan includes also measures that would address the recurring basement flooding problems.
- The Biosolids Beneficial Use Program that was initiated to end incineration at the Ashbridges Bay Treatment Plan will continue. The objective is to take out of service all incinerators in the City in 2003.
- Development of an Asset Management Technology system is currently underway. The objective is to assess the needs and condition of the linear pipe system which will eventually assist with the development of the annual capital works program aimed at the City's pipe system rehabilitation and/or replacement process in a timely manner.

PERFORMANCE MEASURES

- The cost of water production has risen slightly in the past years due to aging Plants and Equipment. A significant effort has been made to reverse this trend. As part of this effort a number of initiatives have been undertaken such as Works Best Practices and the Water Efficiency Plan.
- Cost of water production is measured as cost per cubic meter of water distributed. The 2003 target is 20.0 cents per cubic meter of water distributed.
- In a similar trend cost of wastewater treatment and collection has been rising in recent years. This is also primarily a result of aging Plants and Equipment. In an effort to reverse this trend the Program have undertaken a number of initiatives such as Works Best Practices and the District Service Improvement Plan.
- Cost of wastewater treatment is measured in terms of cost of treatment per cubic meter of wastewater treated. The 2003 target is 10.0 cents per treatment of one cubic meter of wastewater.

Capital Budget

Total 2003 Gross Budget is \$242.327 million [2002 Budget – \$270.943 m]

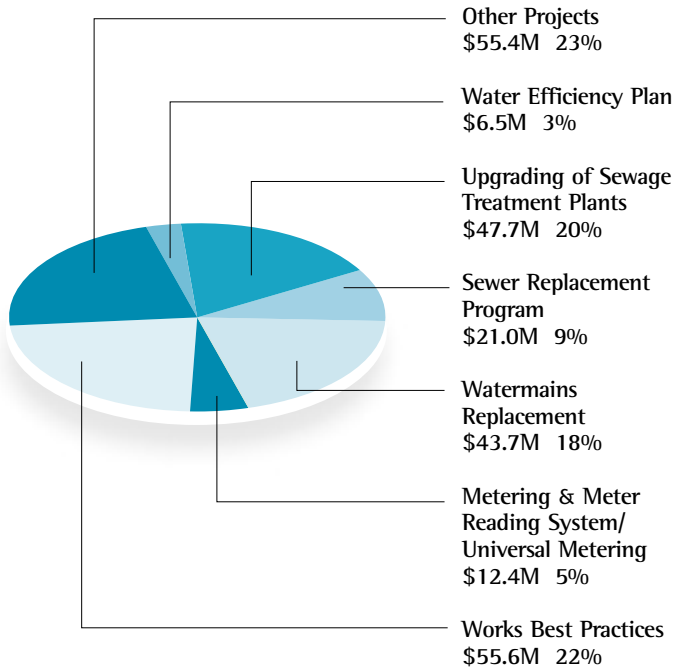
- \$55.6 million is for Works Best Practices, a complex multi-year improvement initiative, with significant long-term implications on future services. Its purpose is to improve efficiency and reliability of water and wastewater production and operation systems.
- \$6.5 million for Water Efficiency Plan. It is part of a comprehensive, multi-year Program. The objective is to use the existing water and wastewater infrastructure more efficiently, thus providing a way of creating capacity within the existing system for future needs.
- \$43.7 million and \$21.0 million to be spent on the replacement program of the City's ageing watermain and wastewater infrastructures respectively.
- \$32.4 million has been budgeted for upgrading of four wastewater treatment plants. Major initiatives would include upgrade of the old digestion tanks and the construction of new anaerobic digestion facilities at different treatment plants.

5 YEAR CAPITAL WORKS PLAN

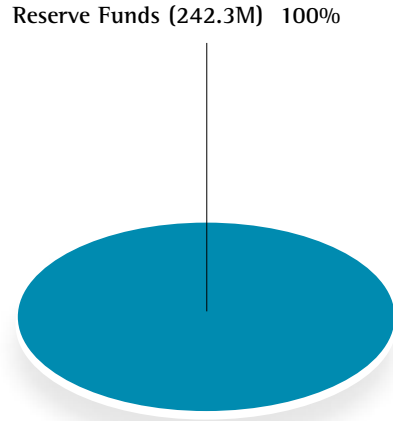
The Water and Wastewater Capital Plan is comprised of a large number of projects. Thus, only major projects are highlighted and similar projects are grouped together. Because of the continuous nature of many of these projects there is no distinction made here between previously approved and new projects.

	Approved 2003	Commitments				Total
		2004	2005	2006	2007	
Previously & New Approved						
Works Best Practices	55,598	34,094	8,756	-	-	98,448
Water Efficiency Plan	6,546	9,635	10,623	9,631	7,952	44,387
Watermains Replacement and Rehab. Program	43,679	58,142	68,886	75,888	114,686	361,281
Sewer Replacement and Rehab. Program	20,967	20,922	20,292	50,633	56,412	169,226
Upgrading of Water Production/ Sewage Treatment Plants	47,699	110,762	165,230	180,304	187,220	691,215
Metering & Meter Reading Systems/ Universal Metering	12,400	20,900	23,601	21,100	15,800	93,801
Other Projects	55,438	106,029	123,479	162,996	168,390	616,332
Total	242,327	360,484	420,867	500,552	550,460	2,074,690

WHERE THE MONEY GOES



WHERE THE MONEY COMES FROM



CORPORATE & CAPITAL FINANCING / NON-PROGRAM

Overview

Corporate and Capital Financing provides the financing for the City of Toronto's 2003 Capital Budget and other assets that are financed corporately. Non-Program Expenditures consists of corporate items, of which 83% are Tax Related and Employee Related. Non-Program revenues consist of corporate revenue items, of which 78% fall into the following categories: Tax Related Revenues; Parking Tags; Provincial Assistance and Investment Income.

Operating Budget by Program

Service:	Gross (\$000s)	Net (\$000s)
Corporate and Capital Financing	391,078.9	386,829.8
Non-Program Expenditures	236,357.3	181,270.8
Non-Program Revenues	-	-481,314.9
Total Program Budget	627,436.2	86,785.7

Capital and Corporate Financing

City Council approved the 2003 Tax Supported Capital Program with capital expenditures and future year commitments totalling \$2.293 billion. The 2003 cash flow requirement (excluding the 2002 carry-forward of \$143 million) is \$965 million. The 2003 Debt Financing budget provides support for the capital program through net debt charges of \$243.5 million and capital from current funding of \$124.1 million.

The 2003 Capital Financing budget provides funding for computer hardware and software totalling \$20.7 million and the corporate contribution to the Fleet Reserve Fund totalling \$2.5 million.

The following chart summarizes the 2003 Approved Budget for Corporate and Capital Financing, with comparative figures for 2002. The Corporate and Capital Financing budget has been reduced by \$19.540 million or 4.8% from the 2002 Budget:

→ Council approved a transfer of \$18.791 million from the Capital from Current budget to the Solid Waste Program to provide funding for the City's solid waste disposal contract.

Capital & Corporate Financing Summary

	\$ 000's			
	2002 Budget	2003 Approved	Increase (Decrease)	% Incr. (Decr.)
DEBT FINANCING				
Debt Charges	243,587.2	243,587.2	-	0.0%
Housing Company Recovery	-3,500.0	-3,500.0	-	0.0%
NET DEBT FINANCING	240,087.2	240,087.2	-	0.0%
CONTRIBUTION FROM RESERVE				
		-749.1	-749.1	
CAPITAL FROM CURRENT	142,963.0	124,172.0	-18,791.0	-13.1%
CAPITAL FINANCING				
Computer Hardware & Software	20,769.7	20,769.7	-	0.0%
Corporate Fleet	2,550.0	2,550.0	-	0.0%
CAPITAL FINANCING	23,319.7	23,319.7	-	0.0%
TOTAL CAPITAL & CORPORATE FINANCING	406,369.9	386,829.8	-19,540.1	-4.8%

NON-PROGRAM EXPENDITURES

This budget consists of expenditure items considered to be corporate in nature. The following chart summarizes the 2003 Approved Budget for Non-Program Expenditures, with comparative figures for 2002. Non-Program Expenditures have increased \$10.418 million or 6.1% over the 2002 Budget:

- The fee charged by MPAC (Municipal Property Assessment Corporation) has increased \$0.900 million or 3.4%. This provides for assessment services across the City.
- Council has approved a new Tax Cancellation Program in the amount of \$1.5 million to provide property tax relief for low income seniors and disabled persons.

- The Non-Program contribution to the Reserve Fund for Insurance Premiums and Claims has increased \$5.0 million or 64.9% to ensure a stable level is achieved to fund future claims.
- Parking Tag Enforcement and Operations expenditures increased \$3.220 million or 8.9% to reflect inflationary pressures and the full year impact of 48 new Parking Enforcement Officers approved by Council in 2002.
- Corporate Utilities has been included in the Non-Program budget to provide a mechanism to monitor and control utility costs.
- Council approved a Green Power Purchase program, funded by a \$0.250 million grant and a \$0.250 million loan from the Toronto Atmospheric Fund.

Non-Program Expenditure Summary

	\$ 000's			
	2002 Budget	2003 Approved	Increase (Decrease)	% Incr. (Decr.)
TAX RELATED				
Tax Deficiencies / Write-Offs	84,000.0	84,000.0	0.0	0.0%
Assessment Function (MPAC)	26,807.0	27,707.0	900.0	3.4%
Vacancy Rebate Program	12,000.0	12,000.0	0.0	0.0%
Tax Cancellation Program	0.0	1,500.0	1,500.0	
TOTAL TAX RELATED	122,807.0	125,207.0	2,400.0	2.0%
OTHER				
Temporary Borrowing	750.0	750.0	0.0	0.0%
Employee Related Liabilities	25,482.6	25,482.6	0.0	0.0%
Other Corporate Expenditures	5,598.1	3,528.7	-2,069.4	-37.0%
Insurance Premiums & Claims	7,700.0	12,700.0	5,000.0	64.9%
Parking Tag Enforcement & Operations	36,114.9	39,335.0	3,220.1	8.9%
Corporate Utilities	24,877.6	27,085.5	2,207.9	8.9%
Green Power Purchase	500.0	500.0	0.0	0.0%
RECOVERIES				
Recovery 2% OMERS Contribution	-26,218.0	-26,218.0	0.0	0.0%
Corporate Recovery - Health / Ambulance	-19,100.0	-19,100.0	0.0	0.0%
Corporate Utilities	-7,159.6	-7,500.0	-340.4	4.8%
Green Power Purchase	-500.0	-500.0	0.0	0.0%
TOTAL NON-PROGRAM EXPENDITURES	170,852.6	181,270.8	10,418.2	6.1%

NON-PROGRAM REVENUES

This budget consists of tax related and other revenue items considered to be corporate in nature. The following chart summarizes the 2003 Approved Budget for Non-Program Revenues, with comparative figures for 2002. Non-Program Revenues have increased \$67.149 million or 16.2% over the 2002 Budget, the bulk of which relates to one-time assistance from the Province totalling \$64.0 million:

→ Reduction in Payments in Lieu of Taxes offset by \$28.999 M transfer to tax base revenues for social housing properties.

- Increase of \$6.0 M in Supplementary Taxes is based on the 2002 actual level.
- Prior Year Surplus includes a base budget amount of \$15.0 M plus a general allocation of \$24.0 M to offset corporate budget pressures.
- Provincial Revenue includes one-time assistance of \$64.0 M to fund safety upgrades for the TTC.
- Additional Parking Tag Enforcement revenue of \$4.938 M reflects the impact of hiring additional 48 Parking Enforcement Officers in 2002.

Non-Program Revenue Summary

	\$ 000's			
	2002 Budget	2003 Approved	Increase (Decrease)	% Incr. (Decr.)
TAX RELATED				
Payments in Lieu of Taxes	141,573.0	113,165.7	-28,407.3	-20.1%
Supplementary Taxes	15,000.0	21,000.0	6,000.0	40.0%
Tax Penalty Revenue	30,000.0	31,000.0	1,000.0	3.3%
Other Tax Revenues	17,774.0	16,934.1	-839.9	-4.7%
TOTAL TAX RELATED	204,347.0	182,099.8	-22,247.2	-10.9%
OTHER				
Interest / Investment Earnings	61,000.0	61,000.0	0.0	0.0%
Prior Year Surplus	24,041.3	39,000.0	14,958.7	62.2%
Other Corporate Revenues	1,569.0	3,569.0	2,000.0	127.5%
Provincial Revenue	0.0	64,000.0	64,000.0	
Parking Authority Revenues	25,502.4	27,371.9	1,869.5	7.3%
Woodbine Slot Revenues	12,000.0	13,630.0	1,630.0	13.6%
Corporate Recoveries - Water	18,973.0	18,973.0	0.0	0.0%
Parking Tag Enforcement & Operations	66,732.6	71,671.2	4,938.6	7.4%
TOTAL NON-PROGRAM REVENUES	414,165.3	481,314.9	67,149.6	16.2%

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 ADVISORY 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 Advisory Committee is a sub-committee of the Policy and Finance Committee.

BUDGET SCENARIO

The term used in SAP to describe a particular data set reflecting all budget detail at a particular point in the review process (as submission, CAO recommended, etc.). Each scenario includes a number of budget versions in the CO SAP module that represent such analytical categories as projected actuals, adjusted base, new service changes, total budget, future year outlook.

BUDGET VERSIONS

In each budget scenario, the categories of analysis and presentation are in separate structures in the SAP budget module known as versions. The projected actuals, the prior year base budget, the categories of change, service changes, new services, total request, and future year outlook all exist as versions in the SAP CO budget module.

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.

CATEGORIES OF CHANGE

Descriptive categories are used in analysis of the 2004 Operating Budget at the submission phase, as well as analysis and reporting during the review and approval phases of the process. In SAP each category of change is maintained as a separate budget version and a particular stage in the budget version is referred to as a budget scenario. The Operating Budget Impact of Capital Projects will be included in these categories according to how the definitions apply to the nature of these costs. Examples of categories of change are: Base Budget, Adjusted Base Budget, Revenue Change, etc. (see page 12).

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.

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 or 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 2003 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 2004.

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 Department 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 Works and Emergency Services Department) 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 actuals year to date as of June 30, 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.

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. Grouping below Program. 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), encompassing cost elements 8500 to 8680. Donations are not included.

VARIANCES

Programs/agencies are expected to clearly detail all assumptions with respect to year-over-year changes, which are greater than \$250,000 or 5% of total gross expenditures. Rationale provided should be based on changes in service levels, objectives or funding requirements.

ZERO BASED

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. (see page 45).

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 5 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. (see Capital Budget Policy FP-FS-003).

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.

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 below).

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.

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.



Produced by the Finance Department - August 2003