

CITY OF TORONTO

2007

Budget Summary

Internal Services



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FACILITIES & REAL ESTATE

MISSION STATEMENT

To work collaboratively and responsively with our clients to advance the city-wide priorities by protecting and maximizing the City's property assets in an innovative and fiscally sustainable manner.

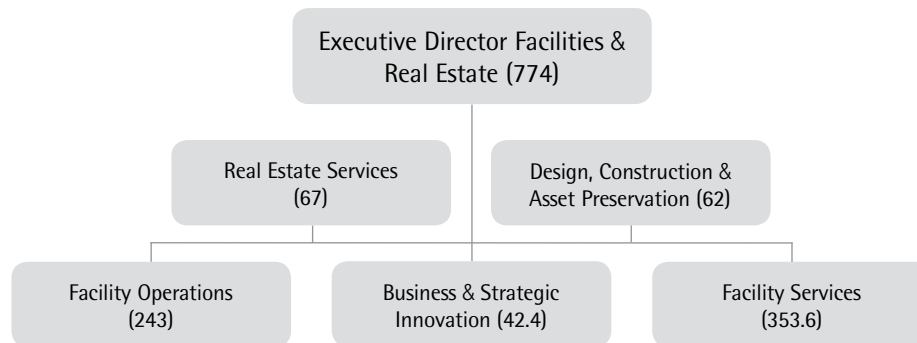
2006 KEY ACCOMPLISHMENTS

- completed renovations of 110,000 sq. ft. of office space, including City Hall, Metro Hall, East York and Etobicoke Civic Centres, 2 Civic Centre Court and 112 Elizabeth Street
- launched an open, two stage design competition for the revitalization of Nathan Phillips Square
- implemented the Deep Lake Water Cooling system at Metro Hall. (The system will draw cold water from Lake Ontario to cool the office buildings - there will be a significant reduction in energy use as well as noise pollution and humidity generated by chillers, fans, and cooling towers.)
- co-ordinated City participation in the Conservation and Demand Management Plan (initiated by the Toronto Hydro Electric System Limited)
- completed over 50 Better Buildings Partnership building assessments for energy efficiency
- achieved approximately 173,000 tonnes per year CO2 emission reductions
- co-ordinated participation in Ontario Power Authority's initiative to conserve 300 MW of electricity
- initiated development of an Energy Plan for Toronto
- completed 60% of inventory of moveable assets including four civic centres
- completed 90% of building condition assessments in Facilities and Real Estate's portfolio
- completed accessibility audits of the civic centres and all work identified in the critical areas at North York Civic Centre and Etobicoke Civic Centre
- completed the installation of exterior corporate signage at all civic centres, Metro Hall, and City Hall; the interior accessibility signage for 1530 Markham Road, all civic centres and City Hall; and the exterior accessibility signage for 1530 Markham Road, City Hall, and all civic centres with the exception of Etobicoke Civic Centre
- completed the exterior stone work at Old City Hall
- reported to Council over \$20.8 million in property sales
- completed 300 property appraisals
- managed 860 leases generating over \$20 million in revenue
- established Central Monitoring Security Site and added 26 Toronto Water sites, 12 Solid Waste sites and 10 Transportation sites to the Corporate Security Program

FACILITIES & REAL ESTATE

PROGRAM MAP

Facilities and Real Estate is comprised of five services, with a total staffing complement of 774 approved positions.



2007 PROGRAM OBJECTIVES

- provide construction project management, space planning and accommodation services facility life cycle planning and other technical services city-wide
- evaluate and improve all divisional processes to meet customer needs
- effectively deliver essential utilities
- improve the environment through waste reduction and recycling initiatives
- effectively deliver audio visual services throughout the City
- effectively manage the booking of various public spaces
- ensure facility systems and equipment operate effectively, efficiently, and safely
- manage City property strategically and provide innovative approaches to portfolio development
- improve the environment through reductions in carbon dioxide and other harmful emissions and maximize conservation opportunities
- provide effective project management services and engage in sound, long-term financial and resource planning in order to maintain the integrity of all physical assets
- ensure City facilities are adequately cleaned and maintained

2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

- select the winner of the Nathan Phillips Square design competition and commence implementation of the winning design
- progress on plans for West District Yards Study and St. Lawrence Market North Redevelopment
- continue to lead the DOTS initiative (Development of Transit Sites) to review existing properties
- continue Better Buildings Partnership program delivery and development
- complete co-ordination of Energy Plan
- continue to enhance the City's participation in the Toronto Hydro-Electric System Limited Conservation and Demand Management Plan

FACILITIES & REAL ESTATE

- maximize the City's energy efficiency incentive funding received from utilities
- implement Deep Lake Water Cooling at Old City Hall
- continue to implement the Business Integration Project (BIP) system
- update the Custodial Service Improvement project work plan
- complete final phase of audio/video connectivity between all Civic Centres, Metro Hall and City Hall

2007 OPERATING BUDGET BY CATEGORY

Description of Category	(in \$000s)				
	2006 Budget \$	2006 Actuals \$	2007 Approved Budget	Change from 2006 Approved Budget	
				\$	%
Salaries & Benefits	54,889.3	56,450.2	58,684.3	3,795.0	6.9
Materials & Supplies	26,901.7	23,031.8	26,281.1	(620.6)	-2.3
Equipment	746.9	762.6	760.9	14.0	1.9
Services & Rents	32,778.7	34,322.0	33,865.6	1,086.9	3.3
Contributions & Transfers	1,552.1	2,786.4	1,543.5	(8.6)	-0.6
Others (Includes IDCs)	892.4	1,782.5	1,285.6	393.2	44.1
Total Gross Expenditures	117,761.2	119,135.5	112,421.0	4,659.8	4.0
Funded by					
Prov. & Fed. Grants and Subsidies	0.0	0.0	0.0	0.0	N/A
User Fees	16,656.0	18,426.7	18,478.0	1,822.0	10.9
Reserves / Reserve Funds	0.0	0.0	0.0	0.0	N/A
Other (Includes IDRs)	48,144.4	48,324.5	49,998.8	1,854.5	3.9
Total Non-tax Revenues	64,800.4	66,751.2	68,476.8	3,676.5	5.7
Net Budget	52,960.8	52,384.3	53,944.2	983.2	1.9
Approved Positions	764.4	764.4	774.0	9.6	1.3

2007 OPERATING BUDGET BY SERVICE

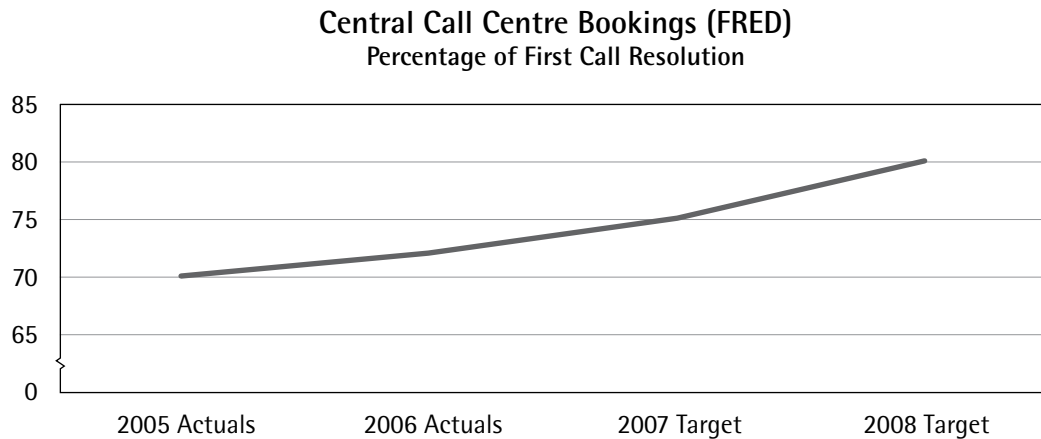
Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Facilities	99,123	61,367	104,253	64,662	108,529	65,922	4,273	4.1	1,261	1.9
Real Estate	12,480	(10,125)	13,509	(11,701)	13,895	(11,978)	387	2.9	(277)	2.4
Total Program Budget	111,603	51,240	117,761	52,961	122,421	53,944	4,660	4.0	983	1.9

FACILITIES & REAL ESTATE

KEY PERFORMANCE MEASURES

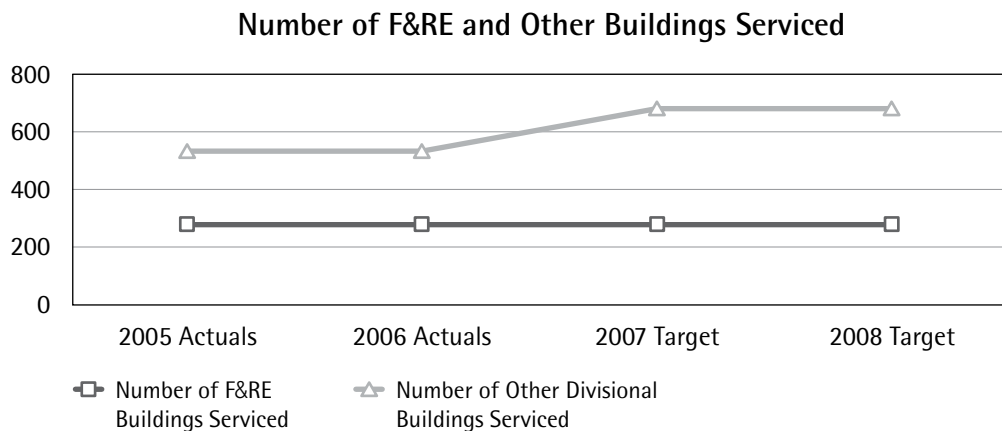
Efficiency Measure

Measures the first call resolution percentage.

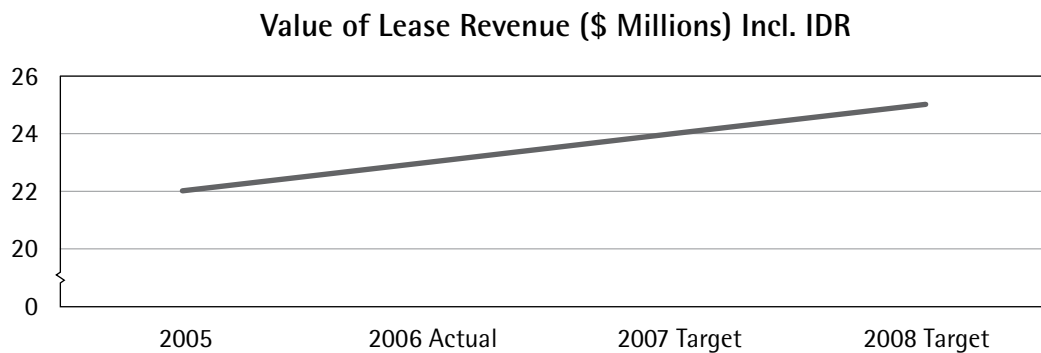


Output Measure

Measures the number of corporate and other buildings serviced.



This measure compares values of lease revenues achieved by the Facilities and Real Estate Division.



FACILITIES & REAL ESTATE

2007 OPERATING BUDGET HIGHLIGHTS

The 2007 Operating Budget provides funding to maintain the same level of service as in 2006 and also includes some new/enhanced service priorities:

- A team for Union Station will be established to provide stewardship, renewal and revitalization of this heritage building (\$0.683 million gross, \$0 net).
- The Toronto Energy Plan to guide future energy demand management and conservation initiatives will be developed in 2007 (\$0.570 million gross, \$0 net).
- Ontario Power Authority will provide incentives to achieve, through demand response measures, 20 MW of energy savings (\$0.150 million gross, \$0 net).

2008/2009 OPERATING BUDGET OUTLOOK

A key objective for Facilities and Real Estate continues to be the development and evaluation of different strategies, programs and priorities which promote the latest building maintenance standards and green initiatives that reduce energy consumption.

2007 CAPITAL BUDGET

2006 MAJOR ACCOMPLISHMENTS

- Facilities and Real Estate worked on 292 capital projects and 600 on-demand construction and asset preservation work orders on a city-wide basis.
- completed audit assessments of actual conditions for 90% of corporate buildings
- achieved 80% spending rate

FIVE-YEAR STRATEGIC OBJECTIVE

- To continually and proactively maintain corporate facilities in a state of good repair and ensure that they provide a safe and functional environment for all users
- To complete the remaining 10% of building audits to assess actual conditions of all corporate buildings
- To reduce the current backlog of essential projects and to continue addressing essential life cycle replacements at the same time

2007 CAPITAL BUDGET HIGHLIGHTS

- on-going Health and Safety projects (\$13.558 million), Legislative or contractually required projects (\$7.397 million), State-of-Good-Repair (SOGR) projects (\$5.383 million) and Service Improvement projects (\$6.180 million)
- completion of approximately 80 projects involving mechanical, electrical, structural, environmental and other capital maintenance work on various corporate facilities across the City, reducing the current State-of-Good Repair project backlog by \$9 million

FACILITIES & REAL ESTATE

FIVE-YEAR CAPITAL PLAN HIGHLIGHTS

- The Five-Year Capital Plan will fund a number of multi-year projects, including renewal of all external corporate signage, installation of an Uninterruptible Power Supply at Police Headquarters, environmental emergency remediation at various City locations and compilation of an inventory of moveable corporate assets, which will all be completed within the next five years.
- Implemented projects will ensure adherence to the latest building standards and ecologically friendly initiatives such as the Green Roof project (\$ 1.0 million, to be completed in 2008) and the Deep Lake Water Cooling (DLWC) project at Old City Hall (\$3.27 million, to be completed in 2012).

2007 APPROVED CAPITAL BUDGET

Project Description	2007 Cash Flow and Future Year Commitments (\$000s)					
	2007	2008	2009	2010	2011	Total
Previously Approved						
Reroofing & Structural/Building En.	139	864	-	-	-	1,003
Mechanical/Electrical	6,549	4,464	5,000	2,509	816	19,338
Emergency & SOGR Police	181	666	367	45	-	1,259
Other	4,486	1,422	1,260	1,040	1,257	9,465
Total Previously Approved	11,355	7,416	6,627	3,594	2,073	31,065
New Projects						
Reroofing & Structural/Building En.	4,866	2,801	70	-	-	7,737
Mechanical/Electrical	8,735	7,148	1,066	804	744	18,497
Emergency & SOGR Police	267	-	-	-	-	267
Other	7,295	6,127	1,190	934	745	16,291
Total New Projects	21,163	16,076	2,326	1,738	1,489	42,792
Total Facilities & Real Estate	32,518	23,492	8,953	5,332	3,562	73,857

INCREMENTAL OPERATING IMPACT OF THE 2007 CAPITAL BUDGET

The incremental operating impact of the 2007 Capital Budget is limited to debt service costs only.

ASSET INVENTORY

Facilities and Real Estate is responsible for the maintenance of 267 corporate buildings; their asset categories correspond to individual buildings.

BACKLOG ANALYSIS

The Five-Year Capital Plan incorporates essential life cycle replacements and addresses existing state of good repair backlogs. The corporate facilities portfolio has an estimated \$167 million in essential backlog projects. Within five years, at the current funding level, Facilities and Real Estate will reduce this backlog by approximately \$71 million, or \$14 million on average annually. The backlog balance is expected to be eliminated by the end of 2018, subject to the approval of consistent funding levels and the results of future building condition assessments.

FINANCIAL SERVICES

In the City of Toronto the capital budgets and five-year capital plans for the Office of the Chief Financial Officer and the Office of the Treasurer are consolidated under Financial Services.

2007 CAPITAL BUDGET

2006 MAJOR ACCOMPLISHMENTS

Financial Services spent \$2.2 million or 32% of its approved cash flow budget in 2006. As a result, \$4.0 million is being carried forward into 2007.

Projects progressing on schedule include the Program Planning Information System, Development Charges Bylaw Review, Time Entry System Replacement and the Corporate Materials Management Stores Review.

FIVE-YEAR STRATEGIC OBJECTIVE

The Financial Services' Five-Year Capital Plan has been developed to balance a commitment to maintain current technology in a state of good repair and to maximize the use of the City's current financial information systems within the assigned debt targets. The majority of the capital projects in this capital plan are systems-oriented, focussing on technological improvements that enhance City-wide financial processes. The Five-Year Plan includes projects that maintain existing systems in a state of good repair and facilitate the need for flexible and timely information, such as:

- Tax and Water Upgrade
- Parking Tag Revenue Management and Parking Tag Scanner Replacement
- Workflow & Document Management Technology
- Captor Migration to New System
- Business Information Warehouse

The Five-Year Plan will provide new funding for projects to commence in 2007 and continue over the Five-Year Capital Plan which includes:

- planning and scoping of the Financial Planning, Analysis and Reporting System with the implementation of new SAP technologies to manage the information flows from source divisional systems into SAP
- upgrade of the current outdated Parking Tag Management Software due to changing technology after completion of the feasibility studies
- E-Procurement Implementation after the feasibility studies are completed to utilize corporate technology to streamline the purchasing functions
- Tax and Water Upgrade with feasibility study in 2007 and implementation in 2008 through 2011
- Tax/Water/Parking Tags Counter Relocation to merge the customer service operations on the same floor as the security desk for improved customer accessibility
- Development Charges Background Study to undertake a review of the current development charges to adapt to the new bylaw by 2009

FINANCIAL SERVICES

2007 CAPITAL BUDGET HIGHLIGHTS

2007 priorities focus on the completion of tasks in previously approved projects that assist other City programs with improving service delivery to the public and other City divisions. These projects include:

- Accounts Payable Improvements – Imaging Initiatives
- Program Planning Development (Phase I and II)
- Collective Agreement Implementation
- Time Entry Replacement System to be completed in the first half of 2007
- Revenue Systems – Phase II
- Workflow and Document Management
- Fixed Asset Records System

Projects that maintain a state of good repair, enhance services delivery and meet legislated requirements that are new to the 2007 program include:

- Planning and Scoping of the Financial Planning, Analysis and Reporting System utilizing new SAP technologies to manage the information flows from operational sub-systems into the City's financial information system
- Tax/Water/Parking Tags Counter Relocation that will merge the customer service operations on the same floor improved customer accessibility
- Development Charges Background Study which undertakes a review of the current development charges to adapt to the new bylaw by 2009
- Tax and Water System Upgrade, starting with a feasibility study in 2007 and implementation in 2008 through 2011
- Parking Tag Software Upgrade (Phase II)
- Corporate Material Management (Phase II)

FIVE-YEAR CAPITAL PLAN HIGHLIGHTS

The Five-Year Plan includes projects that maintain existing systems in a state of good repair and that facilitate the need for flexible and timely information such as:

- Tax and Water Upgrade
- Parking Tag Revenue Management and Parking Tag Scanner Replacement
- Workflow & Document Management Technology
- Captor Migration to New System
- Business Information Warehouse

The Five-Year Capital Plan also contributes to the Mayor's mandate:

- Better Transit Today by financing a consultant who will provide advisory support to the City in connection with the financing of the Spadina Subway Extension to York University and beyond into Vaughan
- Efficiency and accountability at City Hall by implementing a multi-year planning and budgeting system to support a performance based service model with the Financial Planning, Analysis and Reporting System project

FINANCIAL SERVICES

2007 APPROVED CAPITAL BUDGET

Project Description	2007 Cash Flow and Future Year Commitments (\$000s)					
	2007	2008	2009	2010	2011	Total
Previously Approved						
Accounts Payable Process Improvements	161	-	-	-	-	161
Workflow & Document Mgmt Technology	1,590	936	-	-	-	2,526
Revenue System-Phase 11	200	1,372	-	-	-	1,572
Time Entry System Replacement	385	-	-	-	-	385
Collective Agreements Implementation	88	-	-	-	-	88
Fixed Asset Records System	468	-	-	-	-	468
Revenue System-IVR	543	320	-	-	-	863
Financial Planning, Analysis & Reporting System	1,015	-	-	-	-	1,015
Total Previously Approved	3,907	2,628	0	0	0	6,535
New Projects						
Parking Tag Mgmt Software Upgrade	348	1,237	815	-	-	2,400
Financial Planning, Analysis & Rept. System (Planning & Scoping)	1,385	455	-	-	-	1,840
Tax Water System Upgrade 2	250	850	1500	650	-	3,250
Tax/Water/Parking Tag Counter Relocation	175	175	-	-	-	350
Development Background Studies	275	125	-	-	-	400
Corporate Materials Mgmt & Stores Review	115	-	-	-	-	115
E-Procurement	300	500	500	-	-	1,300
Total New Projects	2,848	3,342	2,815	650	-	1,815
Total Financial Services	6,755	5,970	2,815	650	0	16,190

INCREMENTAL OPERATING IMPACT OF THE 2007 CAPITAL BUDGET

The incremental operating impact of the 2007 Capital Budget is limited to debt service costs only.

FLEET SERVICES

MISSION STATEMENT

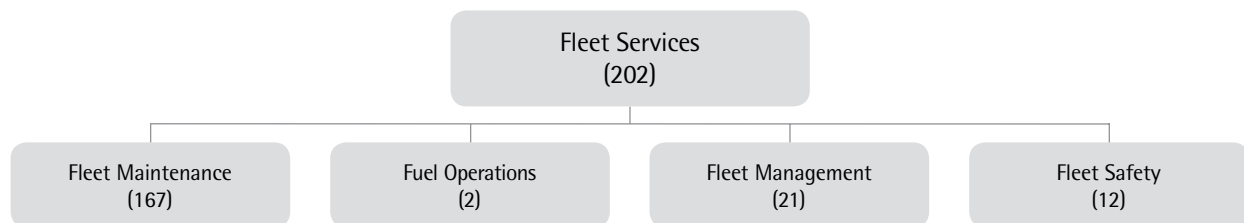
To provide responsive, flexible, efficient and comprehensive Fleet Services to support the delivery of public programs and services.

2006 KEY ACCOMPLISHMENTS

- received a Bronze Award at the Public Service Quality Fair for the Green Fleet Expo
- implementation of the final phase of the Taxi Inspections program
- implementation of the long-range plan to stabilize vehicle and equipment reserve contributions
- initiated the use of bio-diesel and ethanol-enriched gasoline at fleet operated fuel sites
- completed a comprehensive RFP seeking partnership with a large parts distributor
- release of recommendations resulting from the corporate-wide fuel site review

PROGRAM MAP

Fleet Services is comprised of four services, with a total staffing complement of 202 approved positions.



2007 PROGRAM OBJECTIVES

- to improve public services by reducing vehicle downtime
- to help make Toronto a clean and beautiful City by continued implementation of the recommendations in the Green Fleet Plan
- to improve public services by implementing an effective infrastructure for fueling activities
- to improve public service by "right sizing" the inventory of the fleet vehicles
- to implement an "Idle Free" campaign targeting City operated vehicles and equipment through partnership with the user divisions

2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

- further implementation of the clean fuels program at Fleet managed fuel sites
- evaluate the Green Fleet Transition Plan against set targets and use the lessons learned to draft the next plan for 2008–2010

FLEET SERVICES

- continue the standardization of vehicle specifications, to expedite vehicle procurement and reduce the overall cost to the City
- begin implementation of system integration and parts consignment
- implement Fleet management system upgrade to allow for exception reporting to provide better customer services and fleet information to divisions
- enhance the vehicle maintenance billing process by using a fixed monthly charge-back

2007 OPERATING BUDGET BY CATEGORY

Description of Category	(in \$000s)				
	2006	2006	2007	Change from	
	Budget	Actuals	Approved	2006 Approved	Budget
	\$	\$	Budget	\$	%
Salaries & Benefits	15,806.0	14,219.6	16,576.4	770.4	5
Materials & Supplies	14,278.3	18,262.8	15,833.2	1,554.9	11
Equipment	103.7	196.6	103.7	0.0	0
Services & Rents	2,959.4	5,895.8	2,959.4	0.0	0
Contributions & Transfers	839.0	844.0	97.7	(741.3)	-88
Others (Includes IDCs)	701.8	58.4	251.0	(450.8)	-64
Total Gross Expenditures	34,688.2	39,477.2	35,821.4	1,133.2	3
Funded by					
User Fees	0.0	0.0	0.0	0.0	N/A
Reserves/Reserve Funds	0.0	0.0	0.0	0.0	N/A
Other (Includes IDRs)	34,688.2	38,910.3	35,821.4	1,133.2	3
Total Non-tax Revenues	34,688.2	38,910.3	35,821.4	1,133.2	3
Net Budget	0.0	566.9	0.0	0.0	N/A
Approved Positions	199.0	199.0	202.0	3.0	2

2007 OPERATING BUDGET BY SERVICE

Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Fleet Maintenance	22,165	-	22,406	-	22,952	-	546	2.4	-	-
Fuel Operations	7,672	-	8,184	-	8,805	-	621	7.6	-	-
Fleet Safety	1,034	-	1,087	-	1,098	-	11	N/A	-	-
Fleet Management	3,130	-	3,011	-	2,967	-	(44)	(1.5)	-	-
Total Program Budget	34,001	-	34,688	-	35,822	-	1,134	3.3	-	-

FLEET SERVICES

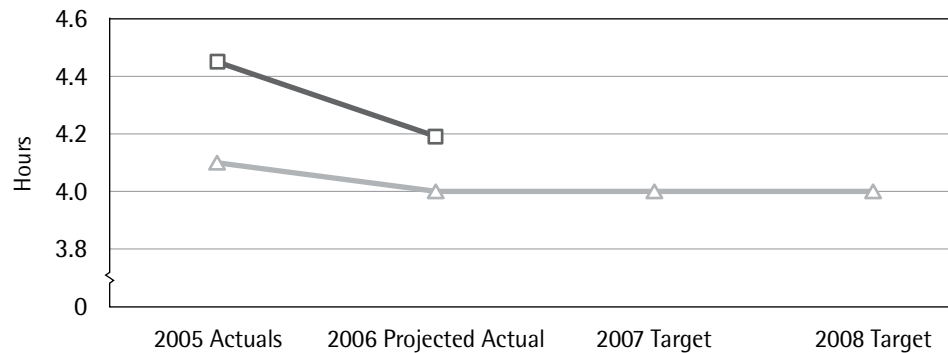
KEY PERFORMANCE MEASURES

Efficiency Measure

Average Unit Downtime

The average downtime indicates the amount of time required to have a vehicle out of service for maintenance. The trend indicates an enhancement in customer satisfaction by reducing delays in service.

Average Unit Downtime

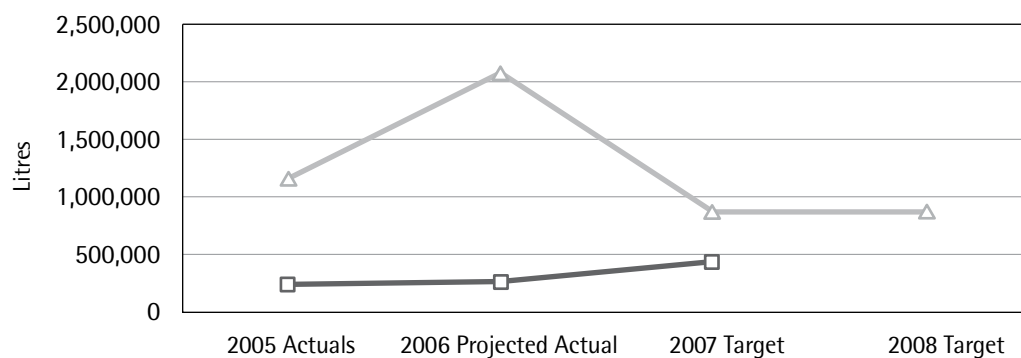


□ Service Level	4.45	4.19		
△ Target	4.1	4	4	4

Quantity of Pure Biodiesel

Increased usage of pure biodiesel (B100) to reduce fossil fuels and emissions of greenhouse gases and smog pollutants.

Quantity of Pure Biodiesel

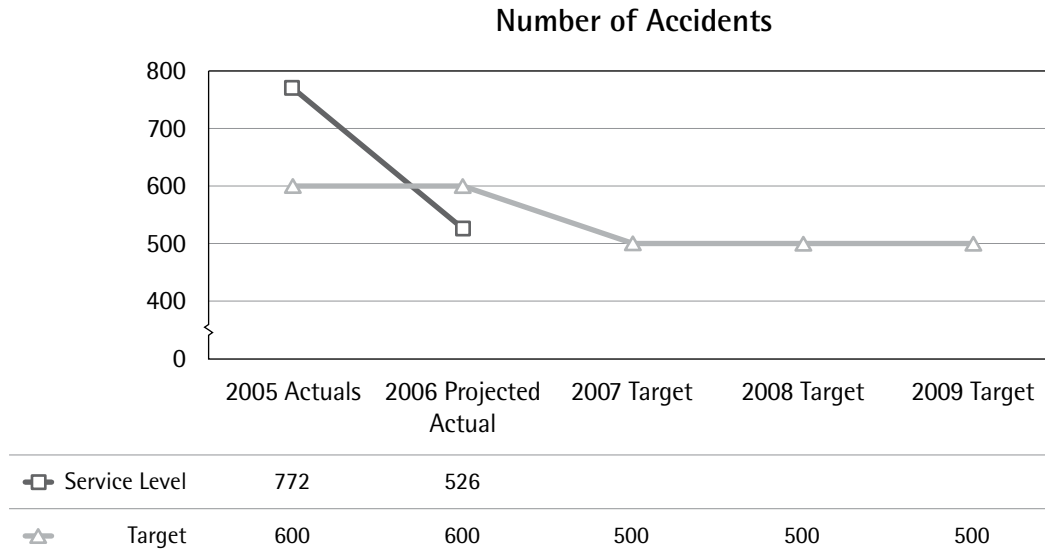


□ Service Level	231,491	258,232	430,000	
△ Target	1,150,000	2,070,000	860,000	860,000

FLEET SERVICES

Number of Accidents

Tracking the accidents can provide valuable information in gearing training requirements regarding safe use of vehicles. With increased emphasis on training, the number of accidents is being reduced.



2007 OPERATING BUDGET HIGHLIGHTS

The 2007 Operating Budget will provide funding for Fleet Services to deliver flexible, efficient and comprehensive fleet services to support the delivery of public programs and services. To do so requires the provision and maintenance of 4,800 vehicles and equipment, training and licensing drivers and operators of City vehicles and equipment to ensure compliance with safety standards, managing fuel site operations and supply of fuel from internal and commercial sites and leading the review of all City fuel site operations.

2008/2009 OPERATING BUDGET OUTLOOK

Fleet Services will continue to evaluate the Green Fleet Transition Plan against set targets and use the lessons learned for the next plan for 2008-2010. As well, continue the standardization of vehicle specifications, to expedite vehicle procurement and reduce the overall cost to the City.

2007 CAPITAL BUDGET

2006 MAJOR ACCOMPLISHMENTS

- replaced vehicles and equipment totalling \$26.545 million, including \$0.326 million for hybrid-electric vehicles, and \$4.067 million to replace the old mechanical street sweepers with regenerative-air street sweepers to reduce the environmental impact of the City's fleet operations to support reduction of carbon dioxide, and pollutants to the environment
- assisted Parks, Forestry and Recreation with their "Clean and Beautiful City" initiatives

FLEET SERVICES

FIVE-YEAR STRATEGIC OBJECTIVE

- to continue with more timely replacement of vehicles and equipment
- to expand the inventory of hybrid-electric vehicles in pursuit of a cleaner environment

2007 CAPITAL BUDGET HIGHLIGHTS

Total 2007 Cash Flow is \$49.425 million:

- \$11.269 million for Fire Services fleet replacements
- \$8.342 million for Solid Waste Management Services fleet replacements
- \$10.022 million for Toronto Water fleet replacements.
- \$6.248 million for Parks, Forestry and Recreation fleet replacements
- \$4.481 million for Emergency Medical Services fleet replacements
- \$3.944 million for Transportation Services fleet replacements
- \$5.119 million for Other City Programs

FIVE-YEAR CAPITAL PLAN HIGHLIGHTS

The 2007-2011 Capital Plan primarily addresses the need for timely replacement of vehicles and associated equipment. In addition, the plan provides for the continuation of the Green Fleet initiative to lower emissions and save fuel by taking advantage of innovative greener technology, the closure of fuel sites and the Fleet Management System upgrade. The Five-Year Capital Plan is based on three key factors: expected life of the assets, ability to spend and reducing backlog.

FLEET SERVICES

2007 APPROVED CAPITAL BUDGET

Project Description	2007 Cash Flow and Future Year Commitments (\$000s)					
	2007	2008	2009	2010	2011	Total
Previously Approved						
Fire Services-Fleet Replacement	8,569	-	-	-	-	8,569
Toronto Water-Fleet Replacement	7,408	-	-	-	-	7,408
Solid Waste-Fleet Replacement	3,267	-	-	-	-	3,267
Parks, Forestry & Rec-Fleet Replacement	2,684	-	-	-	-	2,684
Transportation Services-Fleet Replacement	2,364	-	-	-	-	2,364
Emergency Medical Services-Fleet Replacement	981	-	-	-	-	981
Green Fleet	221	-	-	-	-	221
Exhibition Place-Fleet Replacement	74	-	-	-	-	74
Internal Services-Fleet Replacement	206	-	-	-	-	206
Public Health-Fleet Replacement	220	-	-	-	-	220
Library-Fleet Replacement	10	-	-	-	-	10
Urban Development Services-Fleet Replacement	107	-	-	-	-	107
Zoo-Fleet Replacement	125	-	-	-	-	125
Technical Services-Fleet Replacement	32	-	-	-	-	32
Total Previously Approved	26,268	0	0	0	0	26,268
New Projects						
Solid Waste-Fleet Replacement	5,075	3,000	-	-	-	8,075
Parks, Forestry & Rec-Fleet Replacement	3,564	2,100	-	-	-	5,664
Emergency Medical Services-Fleet Replacement	3,500	-	-	-	-	3,500
Fire Services-Fleet Replacement	2,700	2,750	-	-	-	5,450
Toronto Water-Fleet Replacement	2,614	1,500	-	-	-	4,114
Transportation Services-Fleet Replacement	1,580	1,000	-	-	-	2,580
Replacement of Leased Vehicles	664	-	-	-	-	664
Fleet Management System Upgrade	500	-	-	-	-	500
Green Fleet	420	-	-	-	-	420
Internal Services-Fleet Replacement	765	-	-	-	-	765
Technical Services-Fleet Replacement	360	-	-	-	-	360
Zoo-Fleet Replacement	356	-	-	-	-	356
Fuel Sites Closure	336	-	-	-	-	336
Exhibition Place-Fleet Replacement	300	-	-	-	-	300
Library-Fleet Replacement	250	-	-	-	-	250
Public Health-Fleet Replacement	93	-	-	-	-	93
City Clerk's-Fleet Replacement	59	-	-	-	-	59
Urban Development Services-Fleet Replacement	21	-	-	-	-	21
Total New Projects	23,157	10,350	0	0	0	33,507
Total Fleet Services	49,425	10,350	0	0	0	59,775

FLEET SERVICES

INCREMENTAL OPERATING IMPACT OF THE 2007 CAPITAL BUDGET

There is no incremental impact on the Operating Budget associated with the 2007 Capital Budget.

BACKLOG ANALYSIS

The 2007-2011 Capital Plan is based on the replacement values of the vehicles that become due in that year. Vehicles that are older than eight years are identified for replacement and become part of the future year estimates. Units that are still active after the eight years, or 150,000 kilometres have been reached, become part of the backlog of unfunded replacement. The expected backlog at the end of 2006 is \$38.500 million. Approval of the Five-Year Capital Plan will reduce this backlog annually by \$6.000 million. By the end of the five-year time frame, fleet backlog for City's Programs will be reduced by 77.9% to \$8.500 million.

INFORMATION AND TECHNOLOGY

MISSION STATEMENT

To provide information technology leadership, applications, and services to the City of Toronto to support effective program delivery and to enable service improvement and operational efficiencies through the innovative application of information technology.

2006 KEY ACCOMPLISHMENTS

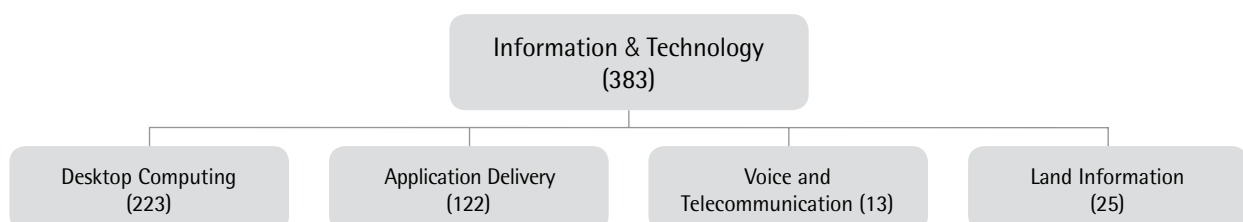
- successfully completed many application and technology infrastructure upgrades for Elections 2006
- developed RFP technical requirements for 3-1-1
- led the development of information architecture for the common knowledge base
- led/participated in projects that brought services online and improved existing online services
- Meeting Management system – Phase 1
- received three Public Service Quality Fair awards, including a gold award for the Technology End of Lease initiative
- implemented upgrades to geospatial environment and completed many successful projects with clients
- implemented Information Technology Infrastructure Library (ITIL) service management and operations best practices – Service Desk/related Incident Management process flow and upgraded the Service Desk tool
- 2006 Desktop Sustainment – completed the deployment of 7527 units (860 Desktops, 658 Notebooks, 244 Printers, and 5770 monitors).
- Service Desk handled 70,000 calls and 33,000 e-mails.

2007 PROGRAM OBJECTIVES

- To continue to support the City's business operations in achieving service improvements, operational efficiency and City building
- To improve services and access through eService, and eGovernment programs
- To ensure a state of good repair for the technology infrastructure
- To ensure that the network, data centre, server/storage, applications and data are secure, available and reliable
- To embrace 'best practice' process improvement

PROGRAM MAP

Information and Technology is comprised of four services, with a total staffing complement of 383 approved positions.



INFORMATION AND TECHNOLOGY

2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

- continued development of the eCity multi-year Strategic Plan – to progressively leverage IT to drive City service and operational effectiveness improvements
- 3-1-1 technology implementation
- City website renewal
- document management implementation
- participate in planning the implementation of the records management strategy
- SAP technical upgrade
- successfully complete the 2007 lifecycle replacement program (Sustainment)
- network upgrades and security improvements
- initiate disaster recovery planning
- implement the Corporate Technology Asset Management System and the Telecommunications Expense Management System

2007 OPERATING BUDGET BY CATEGORY

Description of Category	(in \$000s)				
	2006 Budget \$	2006 Actuals \$	2007 Approved Budget	Change from 2006 Approved Budget	
				\$	%
Salaries & Benefits	34,442.7	32,872.6	37,536.2	3,093.5	9
Materials & Supplies	429.7	214.5	449.8	20.1	5
Equipment	294.1	927.8	390.5	96.4	33
Services & Rents	17,085.2	14,223.5	17,828.6	743.4	4
Contributions & Transfers	80.4	80.4	80.4	0.0	0
Others (Includes IDCs)	329.5	386.9	404.0	74.5	23
Total Gross Expenditures	52,661.6	48,705.7	56,689.5	4,027.9	8
Funded by					
User Fees	0.0	0.0	0.0	0.0	N/A
Reserves / Reserve Funds	0.0	0.0	0.0	0.0	N/A
Other (Includes IDRs)	6,160.0	3,636.8	8,634.7	2,474.7	40
Total Non-tax Revenues	6,160.0	3,636.8	8,634.7	2,474.7	40
Net Budget	46,501.6	45,068.9	48,054.8	1,553.2	3
Approved Positions	373.0	373.0	383.0	10.0	3

INFORMATION AND TECHNOLOGY

2007 OPERATING BUDGET BY SERVICE

Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Desktop Computing	32,611	24,046	33,030	29,378	36,243	30,935	3,213	9.7	1,558	5.3
Application Delivery	14,708	13,234	15,234	13,271	16,097	13,432	863	5.7	161	1.2
Voice & Telecom	2,511	2,511	1,222	713	1,192	769	(30)	N/A	56	N/A
Information & Products	2,926	2,707	3,175	3,139	3,157	2,918	(18)	(0.6)	(221)	(7.0)
Total Program Budget	52,756	42,498	52,661	46,501	56,689	48,054	4,028	7.6	1,553	3.3

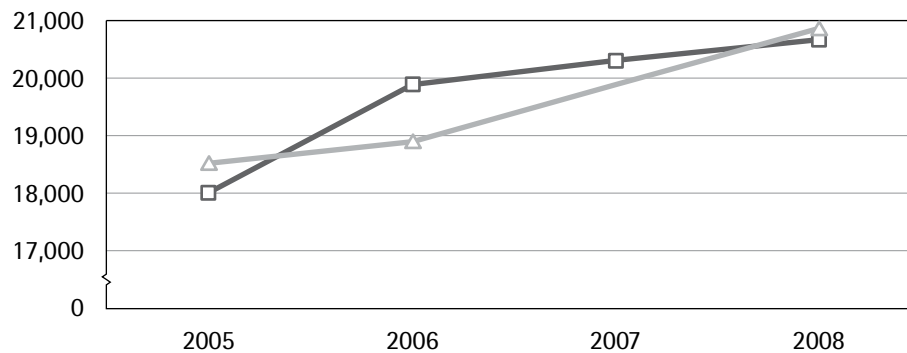
KEY PERFORMANCE MEASURES

Efficiency Measure

Number of Desktop and Laptops and Mailboxes

The number of desktop computers on the network and the GroupWise mailboxes is increasing, and impacts desktop support capabilities and Service Desk services. Each computer represents a minimum of one user requiring support.

Number of Desktops/Laptops and Number of Mailboxes



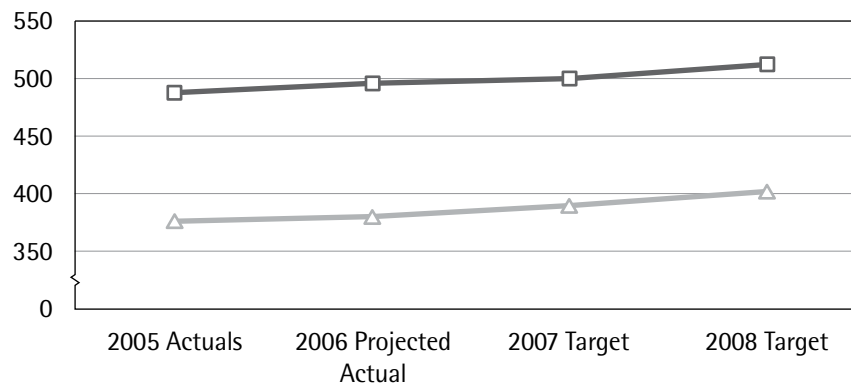
□	No. of Desktops/Laptops	18,016	19,869	20,266	20,671
△	No. of Mailboxes	18,491	18,893	19,838	20,830

INFORMATION AND TECHNOLOGY

Requests for Application Development & Number of Application Maintained

The number of requests for new applications and/ or significant new functionality is increasing. As new applications are developed the annual maintenance continues to increase.

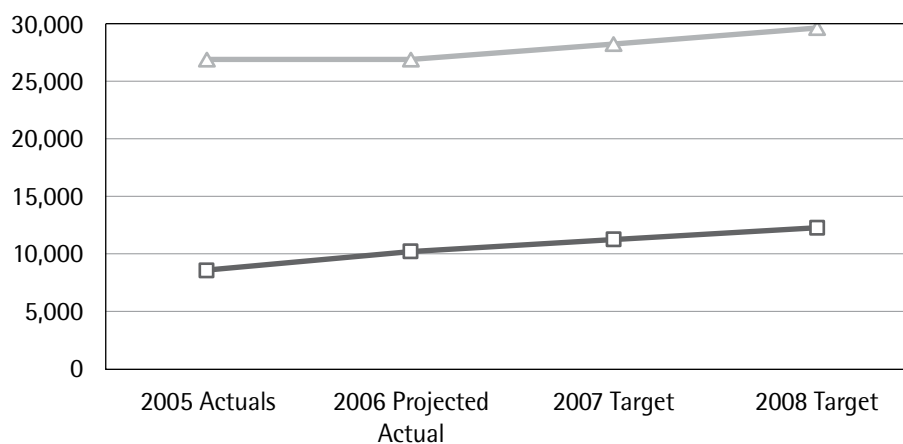
Requestst for Application Development and Number of Business Applications Maintained



■	No. of Requests	488	495	500	510
▲	No. of Applications Maintained	375	380	390	400

Number of Wireless Devices and Telephone Lines

Number of Wireless Devices and Telephone Lines



■	No. of Wireless Services	8,600	10,238	11,262	12,388
▲	No. of Telephone Lines	26,808	26,774	28,113	29,518

The number of wireless devices and telephone lines used are increasing.

INFORMATION AND TECHNOLOGY

2007 OPERATING BUDGET HIGHLIGHTS

The 2007 Operating Budget provides funding for Information and Technology to provide optimal IT products, services and training, and to establish and maintain a reliable and robust technical environment with the highest possible levels of availability, performance, and security. It also allows for the implementation of the IT Governance and Transformation to enable the City to meet strategic and service delivery targets and continue working toward the eCity vision of "Local government – anywhere, any time, for everyone."

2008/2009 OPERATING BUDGET OUTLOOK

Corporate I & T will focus its activities on:

- Building eCity: Leveraging IT to Drive City Service and Operational Effectiveness Improvements
- Providing a High Performance Technology Infrastructure
- IT Service Delivery Excellence
- Completing the IT Transformation

Work will commence towards implementation of an architecture-based eCity Strategic Plan, which will continue to increase the capabilities of information technology to directly support the City of Toronto's business goals and to increase the use of information technology to better engage and provide services to the community. As the technology infrastructure investment grows due to increased use of IT/eCity to directly and indirectly service City's constituents, the ongoing cost to support (e.g. labour, and hardware / software maintenance contracts) this technology will increase as well. Corporate I & T often pay for technology costs that result in business benefits for program areas.

2007 CAPITAL BUDGET

2006 MAJOR ACCOMPLISHMENTS

- completed a number of projects to ensure the security and state of good repair of the City's network and computing infrastructure and application systems, including the eCity Strategic Plan, the Integrated Geospatial Technology, Applications Response, Webtrends Integration, and the Telecom Management system

FIVE-YEAR STRATEGIC OBJECTIVE

- To continue with the emphasis on ensuring that the City has a secure, high performance technology infrastructure and systems environment that is maintained in a state of good repair and can be flexible enough to responsively adapt to changing business priorities
- To ensure that technology enablers are established for the City to continuously improve and operate more effectively and efficiently
- To ensure a good state of repair on the City technology and information assets

INFORMATION AND TECHNOLOGY

2007 CAPITAL BUDGET HIGHLIGHTS

Total 2007 Cash Flow is \$14.460 million

- \$7.086 million for application systems
- \$4.387 million for corporate planning and management
- \$2.987 million for technology infrastructure

FIVE-YEAR CAPITAL PLAN HIGHLIGHTS

The 2007-2011 Capital Plan addresses the need to improve the City's network and computing infrastructure, business applications and data integration environment, and the City's website to make it easier to navigate and take advantage of new technology.

2007 APPROVED CAPITAL BUDGET

Project Description	2007 Cash Flow and Future Year Commitments (\$000s)					
	2007	2008	2009	2010	2011	Total
Previously Approved						
Application Systems	2,923	1,034	420	0	-	4,377
Corporate Planning & Management	2,925	2,911	2,367	2,024	3,510	13,737
Technology Infrastructure	2,420	1,987	1,314	309	-	6,030
Total Previously Approved	8,268	5,932	4,101	2,333	3,510	24,144
New						
Application Systems	4,163	3,553	852	-	-	8,568
Corporate Planning & Management	1,462	528	606	393	550	3,539
Technology Infrastructure	567	1,003	-	-	-	1,570
Total New	6,192	5,084	1,458	393	550	13,677
Total Information & Technology	14,460	11,016	5,559	2,726	4,060	37,821

INCREMENTAL OPERATING IMPACT OF THE 2007 CAPITAL BUDGET

The incremental operating impact of the 2007 Capital Budget is limited to debt service cost, and for additional maintenance charges and licensing fees once project implementation is completed.

INFORMATION AND TECHNOLOGY SUSTAINMENT

2007 CAPITAL BUDGET

2006 MAJOR ACCOMPLISHMENTS

The City's end-of-lease deployment of desktops computer equipment was completed in 2005, however, due to procurement issues, the server/storage deployments were not completed until 2006. In addition, a significant effort was required in 2006 to complete project documentation and other administrative activities, such as invoice processing.

In 2006, the replacement of computer assets in the initial 2006-2010 Sustainment Plan commenced, with 97% assets (typically purchased in 2001/2) replaced. These included:

- desktops/laptops and peripheral equipment such as printers and scanners (In addition, the monitors which were not replaced during TELS were replaced in 2006, with completion expected in 2007.)
- servers/storage equipment
- network equipment
- security equipment

FIVE-YEAR STRATEGIC OBJECTIVE

The continued emphasis of Corporate I & T's Five-Year Sustainment Capital Program is to ensure that the City's technology assets are replaced at the end of their established lifecycles to ensure a secure, high performance technology infrastructure and systems environment that is maintained in a state of good repair, and can be flexible enough to responsively adapt to changing business priorities.

The Five-Year Capital Plan would provide a stable source of funding for routine replacement of technology assets that are older than four years, including servers, printers and other peripherals.

2007 CAPITAL BUDGET HIGHLIGHTS

2007 will focus on replacing server, desktop and network technology assets purchased in the 2002-3 timeframe, depending upon the lifecycle of the asset. Exceptions include:

- monitors (As stated above, the final replacement of the 1998-2002 vintage monitors will occur in 2007.)
- voice mail system replacement (This asset is 10-years-old and has reached/exceeded the end of its useful life.)

FIVE-YEAR CAPITAL PLAN HIGHLIGHTS

The five-year Sustainment Reserve Plan is based on a number of key assumptions:

- Unit prices are estimated based on mid-year 2006 pricing. While price reductions in technology were evident in past years, it is expected that there will be minimal price reductions in the future (however higher performance equipment will be provided at similar pricing).
- Some cascading of equipment may allow the extension of some high-end equipment to lower end requirements.

INFORMATION AND TECHNOLOGY SUSTAINMENT

- Some general smoothing of the "spike" in desktop/laptop implementation seen in TELS in 2005 will be undertaken; however, given the number of desktops/laptops replaced in 2005, the plan shows a reduction in units replaced in 2006-7, with lifecycle replacements being heavier in 2008-2010.
- The TELS charter was to replace only defective desktop monitors in 2005. These monitors have achieved their useful life and newer standards have improved ergonomics and energy requirements. A cathode ray tube (CRT) monitor replacement program was undertaken in 2006.
- The server replacement schedule is relatively smooth over the five-year period, although it again ramps up in 2009-2010 as the units replaced through TELS in 2004-2005 reach the end of their useful life.

2007 APPROVED CAPITAL BUDGET

Project Description	2007 Cash Flow and Future Year Commitments (\$000s)					
	2007	2008	2009	2010	2011	Total
New						
Technology Asset Refresh	13,402	-	-	-	-	13,402
Total New	13,402	0	0	0	0	-
Total Sustainment	13,402	0	0	0	0	-

INCREMENTAL OPERATING IMPACT OF THE 2007 CAPITAL BUDGET

There are no operating impacts on the Information and Technology Operating Budget.

ASSET INVENTORY

- The Information & Technology asset inventory is based on assets that are presently under the control of Corporate I & T. These include:
 - > desktops and laptops that were replaced or re-imaged under the Technology End-of-Lease Strategy
 - > printers, scanners and related peripherals
 - > servers and storage equipment in the Don Mills Data Centre
 - > network equipment (routers, switches, hubs, etc.)

BACKLOG ANALYSIS

The I & T Sustainment Program replaces equipment as it becomes obsolete. No backlog exists.

OFFICE OF THE CHIEF FINANCIAL OFFICER

MISSION STATEMENT

The Office of the Chief Financial Officer (CFO) 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 providing timely, accurate and efficient services to divisions, agencies, boards, commissions and the public.

2006 KEY ACCOMPLISHMENTS

- recipient of two prestigious awards for the City's Long-Term Fiscal Plan:
- the Award for Excellence from the Government Finance Officers Association (GFOA) of the United States and Canada
- a Silver Award from the Public Sector Quality Fair
- recipient of the Distinguished Budget Presentation Award from the GFOA of the United States and Canada for the 2005 Financial Annual Report and 2006 Budget Summary document
- comprehensive review of reserves and reserve funds which provided \$160 million to support the 2006 Operating Budget
- produced the 2006 Operating Budget, and the 2006 Capital Budget and 2007 - 2011 Capital Plan within Council's target
- negotiated final settlement of the two remaining site-specific appeals, allowing the Development Charges Bylaw to remain unmodified with revenue projections exceeding \$300 million over its life
- implemented Finance and Administration Review in Internal Services resulting in operating budget savings of \$543 thousand
- completion of Program Reviews for selected Internal Services Divisions
- developed an integrated capital financial plan inclusive of long-term debt strategies
- development of mid/long term financing strategies and policies
- continued development and implementation of new Financial Planning process
- continued negotiations for funding partnership with other orders of government
- development of policies for the application of new municipal financial tools, in accordance with the City of Toronto Act and other provincial legislation

2007 PROGRAM OBJECTIVES

Key objectives for this group of divisions in 2007 will be:

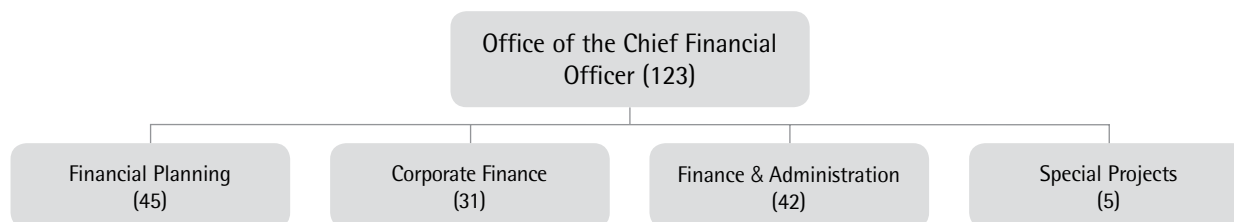
- to improve the long-term financial sustainability of the City of Toronto by:
 - > managing debt in a manner that balances the amount of debt service costs against the need to provide services and service levels demanded by the public;
 - > keeping the property tax rate increases at or below the rate of inflation or other Council direction
 - > ensuring that the City maintains a favourable bond rating
 - > managing the City's unfunded liability to ensure liquidity in the long term

OFFICE OF THE CHIEF FINANCIAL OFFICER

- implement a multi-year Program and Service Based Budget Process
- manage specific initiatives including:
 - > new revenue and related policies:
 - > research and recommend application of new revenues using new City of Toronto Act powers
 - > support negotiations for share of growth revenues from the provincial and federal governments (e.g. income and/or sales taxes)
 - > support discussions regarding phase-out of municipal funding responsibility for social assistance, social housing, ambulance (partial), public health (partial)
 - > develop strategies for managing the use of non-recurring revenue sources, e.g. reserve funds
 - > update a long-term financial forecast to identify status of fiscal imbalance, updating for gas tax, other revenue changes
- Comprehensive Capital Financing Strategy
 - > comprehensive review of innovative and alternative capital financing tools available through the new City of Toronto Act and pending new debt and investment regulations
- undertake all aspects related with the introduction of a new development charges bylaw
- support for the implementation of a new comprehensive section 37 agreements tracking, monitoring and reporting system
- participate in a number of major, ongoing site-specific projects:
 - > the multi-lateral contribution and cost-sharing agreements for the Spadina Subway Extension and the redevelopment of the West Don Land and the East Bayfront
 - > the preparation of a new business plan for Union Station
 - > the project, management and team agreements for the National Soccer Stadium
 - > the financial analysis and negotiation of agreement for a new conference centre at Exhibition Place
 - > the development of financing plans for various options related to the future of the Gardiner Expressway

PROGRAM MAP

Office of the Chief Financial Officer is comprised of four services, with a total staffing complement of 123 approved positions.



2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

- continued development and implementation of new Financial Planning process
- completion of Program Reviews for selected Internal Services Divisions
- updating of mid/long term financing strategies and policies

OFFICE OF THE CHIEF FINANCIAL OFFICER

- continued negotiations for funding partnerships with other orders of government
- development of policies for the application of new municipal financial tools in accordance with the City of Toronto Act and other provincial legislation

2007 OPERATING BUDGET BY CATEGORY

(in \$000s)

Description of Category	2006	2006	2007	Change from	
	Budget \$	Actuals \$	Approved Budget	2006 Approved Budget	
				\$	%
Salaries & Benefits	11,924.9	11,444.0	12,373.0	448.1	4
Materials & Supplies	132.3	86.4	121.6	(10.7)	-8
Equipment	112.5	51.2	62.3	(50.2)	-45
Services & Rents	774.3	606.5	720.6	(53.7)	-7
Contributions & Transfers	34.7	34.7	34.7	0.0	0
Others (Includes IDCs)	236.8	199.7	234.2	(2.6)	-1
Total Gross Expenditures	13,215.5	12,422.5	13,546.4	330.9	3
Funded by					
User Fees	0.0	0.0	0.0	0.0	N/A
Reserves / Reserve Funds	1,048.8	913.3	1,082.5	33.7	3
Other (Includes IDRs)	2,225.9	2,006.0	2,495.6	269.7	12
Total Non-tax Revenues	3,274.7	2,919.3	3,578.1	303.4	9
Net Budget	9,940.8	9,503.2	9,968.3	27.5	0
Approved Positions	122.0	122.0	123.0	1.0	1

2007 OPERATING BUDGET BY SERVICE

Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Finance & Administration	8,520	7,731	4,630	4,285	4,630	4,285	0	0.0	-	0.0
Corporate Finance	3,333	1,449	3,537	1,449	3,680	1,477	143	4.0	28	1.9
Financial Planning	4,409	3,592	4,602	3,759	4,670	3,759	68	N/A	-	N/A
Special Projects	426	426	447	447	567	447	120	26.7	(0)	(0.1)
Total Program Budget	16,688	13,198	13,216	9,941	13,546	9,968	331	2.5	28	0.3

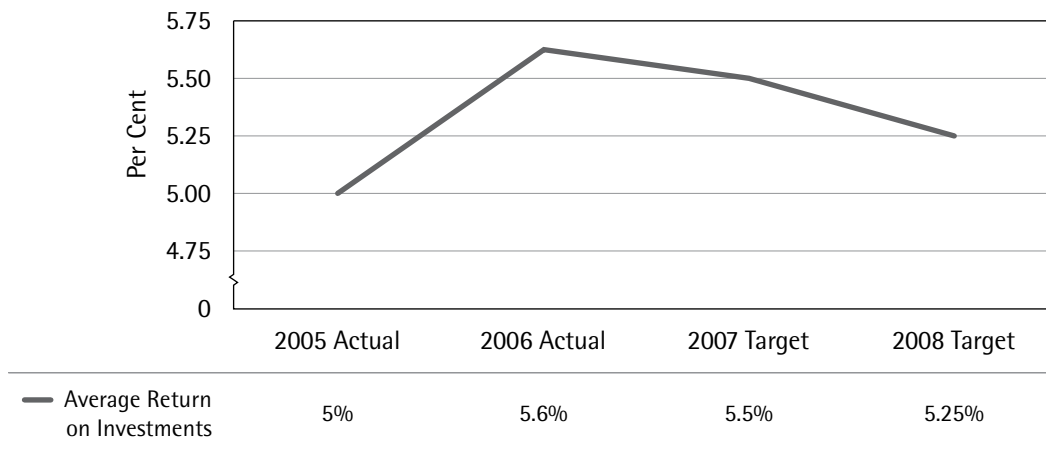
OFFICE OF THE CHIEF FINANCIAL OFFICER

KEY PERFORMANCE MEASURES

Efficiency Measure

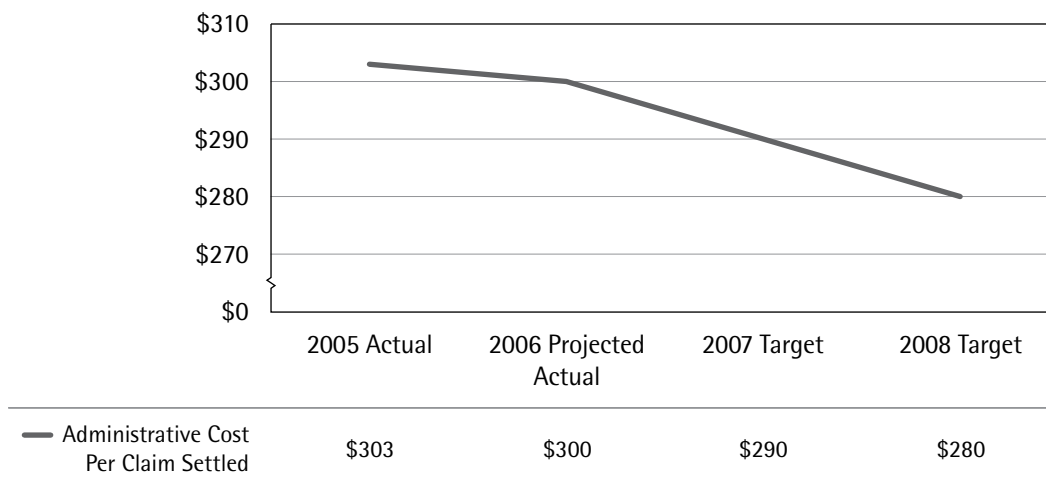
The 2006 investment returns forecast reflects the higher interest rate environment in Canada through 2006 to date. Capital Markets are currently anticipating a trend to higher interest rate in 2007 and a moderation effect in 2008. Therefore, the City is forecasting slightly lower returns for 2007 and 2008.

Average Return on Investments



Measures ratio of insurance claims adjusting fees paid per insurance claims opened and closed.

Administrative Cost Per Insurance Claim Settled



OFFICE OF THE CHIEF FINANCIAL OFFICER

2007 OPERATING BUDGET HIGHLIGHTS

The 2007 Operating Budget will provide the following services:

- funding for the continued development and implementation of a new Financial Planning process and the New Development Charges system at the same time focusing on improving services to all City programs
- continued development and implementation of the multi-year Financial Planning process based on the City's new governance model
- continued negotiations for funding partnerships with other orders of government
- complete program reviews for selected Internal Services Divisions
- development of mid/long-term financing strategies and policies
- development of policies for the application of new municipal financial tools in accordance with the City of Toronto Act and other provincial legislation
- support Strategic Asset Management and other corporate policies and processes

2008/2009 OPERATING BUDGET OUTLOOK

- The Office of the Chief Financial Officer will continue to partner with City programs to deliver excellent public service while continuing to ensure Toronto's financial sustainability.
- managing specific initiatives including new revenue and related policies, a comprehensive Capital Financing Strategy, a review of innovative and alternative capital financing tools available through the new City of Toronto Act and pending new debt and investment regulations
- providing research and support for establishment of new financial partnerships and continued negotiation of mid and longer-term funding partnerships with other orders of government
- maintaining and improving the City's financial assets, fiscal health and services by providing information, analysis and recommendations to develop and implement performance based operating and capital budgets
- providing financial analysis, negotiations and advisory services in a number of major, ongoing site-specific projects including the Spadina Subway Extension, redevelopment of the West Don Land and East Bayfront, Union station and the waterfront renewal. (The division is also involved in the development and administration of all activities associated with the introduction of a new Development Charges Bylaw. A dedicated resource to assist in managing this initiative is included in this recommended budget.)

2007 CAPITAL BUDGET

See Financial Services on page 293 for a summary on the 2007 Capital Budget and Five-Year Capital Plan for the Office of the Chief Financial Officer.

OFFICE OF THE TREASURER

MISSION STATEMENT

The Office of the Treasurer provides effective financial services to divisions, agencies, boards and commissions by ensuring accurate and timely pension, payroll and benefit services; procurement and materials management services; accounting, banking and accounts payable services; and billing, collection and payment processing services related to property taxation, water and sewage services and parking tags.

2006 KEY ACCOMPLISHMENTS

- received a Silver Award at the Public Service Quality Fair for the Vendor Early Payment Discount Project
- received Council approval for new sick leave plan for management/non-union employees
- implemented Electronic Call Distribution Process
- completed PMMD Warehouse & Stores Rationalization Review and implementation of the approved project recommendations started
- Accounts Receivable credit & collection protocols policies and procedures approved
- developed and implemented Request for Proposal (RFP) template
- negotiated an agreement with EPO Inc. (i.e. e-post) for the electronic water bill presentment and delivery services
- completed Time Entry System (TES) Replacement Project-Phase I, replacing TES functionality with SAP functionality
- streamlined and strengthened contract signing procedure by assisting the Legal Services Division in developing criteria and guidelines that outline the circumstances in which a formal contract is required and when a standard contract template is to be used/executed by divisions (for straight forward purchases, and where there is no negotiation involved with respect to the terms and conditions in the bid document)
- developed a framework for an alternative dispute mechanism for parking tickets in conjunction with Court Services and the City Solicitor's office
- re-designed and implemented revised parking ticket business processes to accommodate the roll out of hand-held parking ticket issuance devices

2007 PROGRAM OBJECTIVES

Key objectives for the program in 2007 focus on:

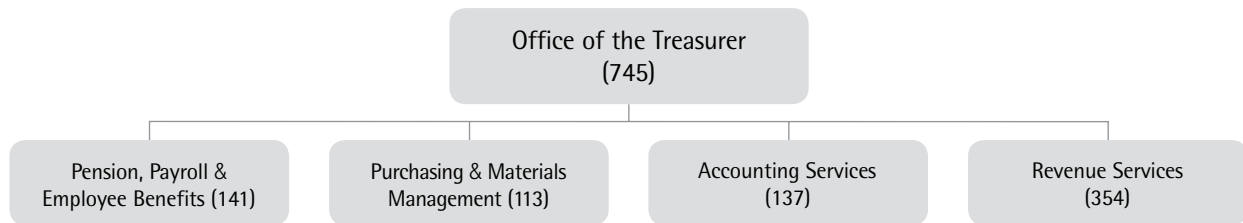
- Improving Service:
 - > implement harmonized sick leave plan for management/non-union employees
 - > implement Fixed Area Network project in partnership with Toronto Water
 - > complete program review for Accounting Services
 - > implement the Document and Workflow Management pilot project
- Strengthening Internal Controls:
 - > implement PMMD Warehouse & Stores Rationalization recommendations

OFFICE OF THE TREASURER

- > begin implementation of Public Sector Accounting Board (PSAB) Capital (fixed) Asset Accounting requirements
- > continuous improvement of vendor payment processing

PROGRAM MAP

Office of the Treasurer is comprised of four services, with a total staffing complement of 745 approved positions.



2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

A key direction for the division in 2007 will be to improve service and to strengthen internal controls. Major initiatives that started in late 2006 and in 2007 will be completed during the 2008 and 2009 period. These include:

- completing the replacement of the Time Entry System (TES) with SAP in order to harmonize all attendance time entry, payroll information, system security and upgrades to one system
- continuing review of business processes on an end-to-end basis to ensure the most effective and efficient processes and internal controls are in place
- supplying all divisions and designated agencies, boards and commissions of the City of Toronto with the best value and service possible for public monies spent, at all times maintaining the highest standards of business ethics in our dealings with suppliers
- promoting improved client services and supplier relations
- providing an efficient process to pay on a timely basis and to provide vendors with a central point of contact to follow up their accounts with the City
- providing general purpose financial statements that are free from material error and that comply with generally accepted accounting standards (GAAP) as recommended by the Canadian Institute of Chartered Accountants (CICA), Public Sector Accounting (PSAB) and provincial legislation
- providing corporate policies, standards and procedures with respect to financial internal controls over billing, cash collection and disbursements, accounting and reporting policies and procedures, CCRA (Revenue Canada) tax policy and the costing of city services
- reviewing and implementing updated property assessment values and tax policies for 2006, including system and process modifications to meet new legislative requirements and/or City bylaws
- redesigning business processes to accommodate the introduction of hand-held ticket writers that enhance the efficiency and effectiveness of the Parking Tag operation.
- implementing new water billing and collection processes including system modifications

OFFICE OF THE TREASURER

2007 OPERATING BUDGET BY CATEGORY

Description of Category	(in \$000s)				
	2006 Budget \$	2006 Actuals \$	2007 Approved Budget	Change from 2006 Approved Budget	
				\$	%
Salaries & Benefits	48,660.7	47,154.3	52,579.1	3,918.4	8
Materials & Supplies	1,770.0	1,570.5	1,795.5	25.5	1
Equipment	116.8	126.2	116.8	0.0	0
Services & Rents	9,258.7	9,332.4	8,819.4	(439.3)	-5
Contributions & Transfers	723.4	725.7	714.6	(8.8)	-1
Others (Includes IDCs)	2,628.2	5,913.8	2,668.9	40.7	2
Total Gross Expenditures	63,157.8	34,822.9	66,694.3	3,536.5	6
Funded by					
User Fees	2,020.7	2,193.0	2,959.3	938.6	46
Reserves / Reserve Funds	324.6	1,035.9	1,194.0	869.4	268
Other (Includes IDRs)	29,275.5	31,181.3	30,582.1	1,306.6	4
Total Non-tax Revenues	31,620.8	34,410.2	34,735.4	3,114.6	10
Net Budget	31,537.0	30,412.7	31,958.9	421.9	1
Approved Positions	731.0	731.0	754.0	14.0	2

2007 OPERATING BUDGET BY SERVICE

Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Pension, Payroll Employee & Benefits	10,727	9,120	11,252	9,645	12,033	10,092	781	6.9	447	4.6
Purchasing & Materials Mgmt	7,564	6,361	8,343	6,630	8,924	6,663	582	7.0	32	0.5
Accounting Services	10,862	8,493	11,119	8,783	11,739	8,837	620	N/A	55	N/A
Revenue Services	31,299	6,352	32,444	6,479	33,999	6,367	1,554	4.8	(113)	(1.7)
Total Program Budget	60,452	30,326	63,158	31,537	66,694	31,959	3,537	5.6	422	1.3

KEY PERFORMANCE MEASURES

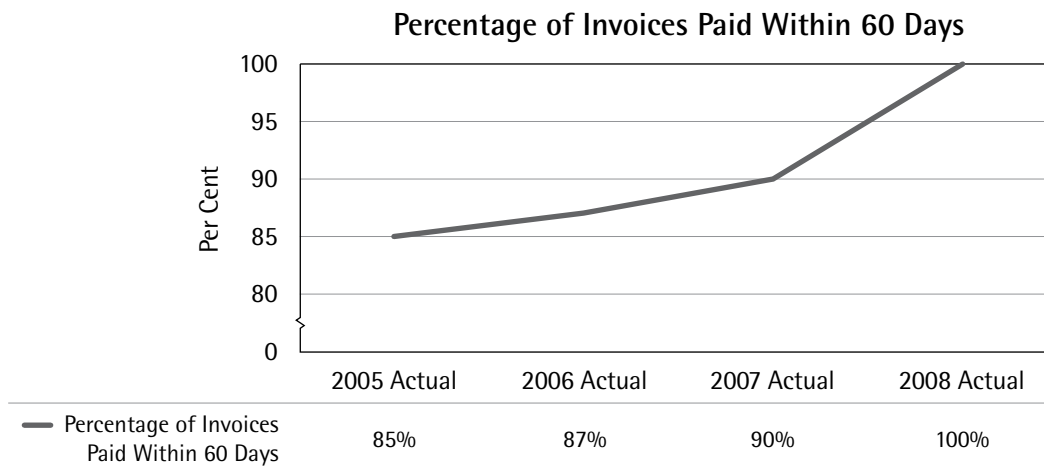
In order to meet the division's goal of paying 100% of vendor invoices within 60 days and to take advantage of all vendor early payment discounts, the division continues to pursue initiatives to improve timeliness and control of vendor payments. The major initiative in progress is the implementation of vendor invoice imaging, as part of the City's larger Document Management System, that will eliminate the need for paper record storage and the approximate 17-day travel time for invoices that are not suited for three-way match.

OFFICE OF THE TREASURER

This imaging initiative combined with the broader use of Pcards and three-way electronic match for invoice approval will not only enable more early payment discounts to be generated but also improve the City's relationship with its suppliers.

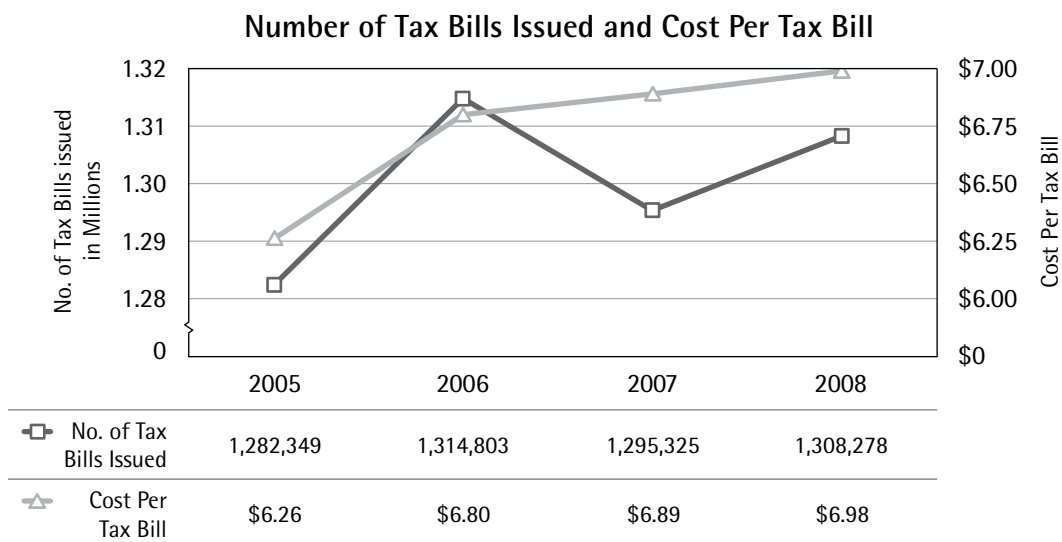
In 2006, approximately 87% (2005: 85%) of vendor payments were processed within 60 days. With the implementation of three-way-match and imaging, it is anticipated that all invoices will be paid within 60 days.

Efficiency Measure



The 2006 increase is due to normal inflationary impacts, primarily in staff salaries and retroactive wage settlements. Targeted costs are expected to increase slightly in 2007 and 2008 to reflect approximate 3.0% anticipated increase in salary and benefit costs, and a 1.0% increase in volume of tax bills issued.

Efficiency Measure



OFFICE OF THE TREASURER

2007 OPERATING BUDGET HIGHLIGHTS

The 2007 Operating Budget will provide the following services:

- implementing a harmonized sick leave plan for management and non-union employees
- implementing a Fixed Area Network project in partnership with Toronto Water to enhance meter reading and reduce errors and complaints (Included in the New Priorities of this budget is a recommendation to hire new in-house temporary staff to read meters in the former municipalities of Scarborough and York until this project is operational in these locations.)
- complete program review of Accounting Services
- for its external customers, the implementation of the Document Management System in Revenue Services and Accounts Payable to improve the response time to taxpayer, water customer and vendor inquiries
- strengthening the internal controls in Accounting Services with continuous improvement in vendor payment processing
- improve the service levels provided to its internal and external customers by implementing the Purchasing and Materials Management Division Warehouse and Stores Rationalization recommendations through the capital budget, and to begin the implementation of the Fixed Asset project to meet the Public Service Accounting Body (PSAB) accounting requirements

2008/2009 OPERATING BUDGET OUTLOOK

It is expected that the major initiatives started in late 2006 and 2007 will be completed during the 2008 and 2009 period. These major initiatives include the capital asset accounting project, the Fixed Area Network for wireless water meter reading (in conjunction with Toronto Water, Document Management (electronic storage and routing of documents) and improvements in e-service across the divisions. Also, during this period the Office of the Treasurer will be working in conjunction with Corporate I & T and the Financial Planning Division on the upgrade to the City's Financial Information and Planning System (SAP).

2007 CAPITAL BUDGET

See Financial Services on page 293 for a summary on the 2007 Capital Budget and Five-Year Capital Plan for the Office of the Treasurer.

PUBLIC INFORMATION AND CREATIVE SERVICES

MISSION STATEMENT

To provide excellent information, services and strategies to ensure the public, members of the Toronto Public Service and national and international communities have a clear understanding of the City of Toronto's programs and services, how they may be accessed and how to participate in municipal government.

2006 KEY ACCOMPLISHMENTS

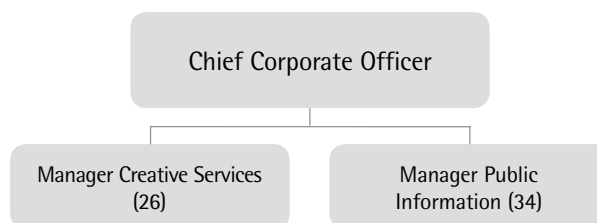
- provided creative, Web and public information support on major projects and issues of interest to residents and business e.g., 3-1-1, Live With Culture, Clean and Beautiful City, 2006 Election, Winter City and Green Toronto
- improved public access to online service with the launch of a new online service portal within the City's website as the first deliverable for the 3-1-1 customer service strategy project
- provided design, Web, public information and event support to the Office of the Mayor
- developed new model for ongoing signage improvements to civic facilities and provided design consultation and developed unique signage systems for Toronto's heritage sites
- expanded the City's multilingual capacity by training divisional and agency staff on services available for communicating City programs and services

2007 PROGRAM OBJECTIVES

- To continue support for key City initiatives by implementing activities and tactics that further the goals of this Council's priorities, and by providing public information and customer service support through telephone and e-mail service.
- prioritise resources to support the ongoing success of the Toronto Corporate Identity Program, Toronto website, staff training and City Communications products through the provision of professional design services
- undergo an organizational review in 2007 to determine how the services provided by Public Information and Creative Services should be structured. (This is the second step of the organizational review of the former Corporate Communications.)

PROGRAM MAP

Public Information and Creative Services is comprised of two services reporting directly to the Chief Corporate Officer, with a total of 60 approved positions for 2006.



PUBLIC INFORMATION AND CREATIVE SERVICES

2007 STRATEGIC DIRECTION AND SERVICE PRIORITIES

- support initiatives to enhance the understanding of Council's priorities, City programs and issues
- develop and implement an integrated governance structure for long-term strategic development of the City's corporate Web presence
- continue development of the City of Toronto online service portal in coordination with the 3-1-1 customer service strategy
- increase accessibility to the City's websites
- continue support for the Clean and Beautiful City initiative

2007 OPERATING BUDGET BY CATEGORY

Description of Category	(in \$000s)				
	2006 Budget \$	2006 Actuals \$	2007 Approved Budget	Change from 2006 Approved Budget	
				\$	%
Salaries & Benefits	4,152.0	4,001.2	4,239.7	87.7	2
Materials & Supplies	77.5	54.7	74.3	(3.2)	-4
Equipment	52.2	33.5	21.3	(30.9)	-59
Services & Rents	394.7	170.3	347.9	(46.8)	-12
Contributions & Transfers	65.0	65.0	65.0	0.0	0
Others (Includes IDCs)	67.0	46.4	17.1	(49.9)	-74
Total Gross Expenditures	4,808.4	4,371.1	4,765.3	(43.1)	-1
Funded by					
Prov. & Fed. Grants and Subsidies	0.0	0.0	0.0	0.0	N/A
User Fees	0.0	1.1	0.0	0.0	N/A
Reserves / Reserve Funds	0.0	0.0	0.0	0.0	N/A
Other (Includes IDRs)	186.1	83.1	143.1	(43.0)	-23
Total Non-tax Revenues	186.1	84.2	143.1	(43.0)	-23
Net Budget	4,622.3	4,286.9	4,622.2	(0.1)	0
Approved Positions	60.0	60.0	60.0	0.0	0

2007 OPERATING BUDGET BY SERVICE

Services	Approved Budget (\$000s)						Change over 2006			
	2005		2006		2007		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Public Information	2,340	2,340	2,495	2,489	2,597	2,514	102	4.1	25	1.0
Creative Services	1,997	1,997	2,314	2,134	2,169	2,109	(145)	(6.3)	(25)	(1.2)
Total Program Budget	4,337	4,337	4,808	4,622	4,765	4,622	(43)	(0.9)	-	0.0

PUBLIC INFORMATION AND CREATIVE SERVICES

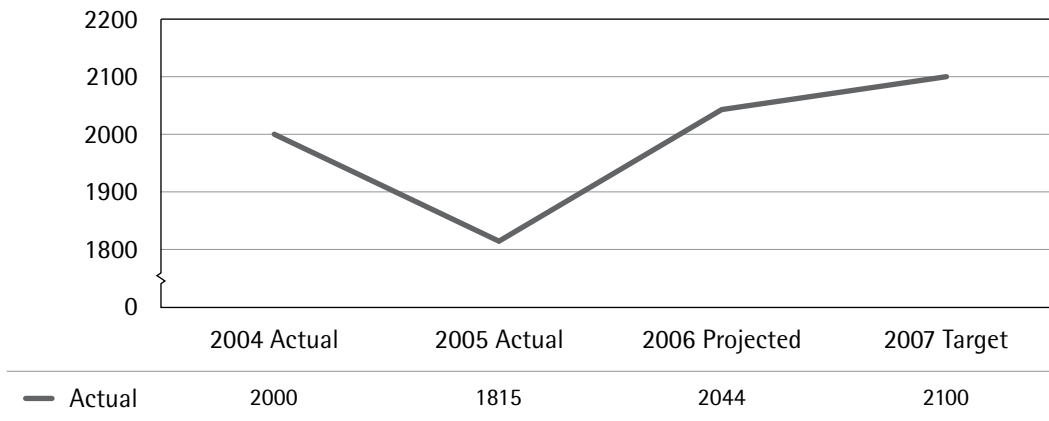
KEY PERFORMANCE MEASURES

Community Impact Measures

Translation:

Promotes immigrants' understanding of and access to City programs and services by expanding City information communicated to residents in the appropriate language.

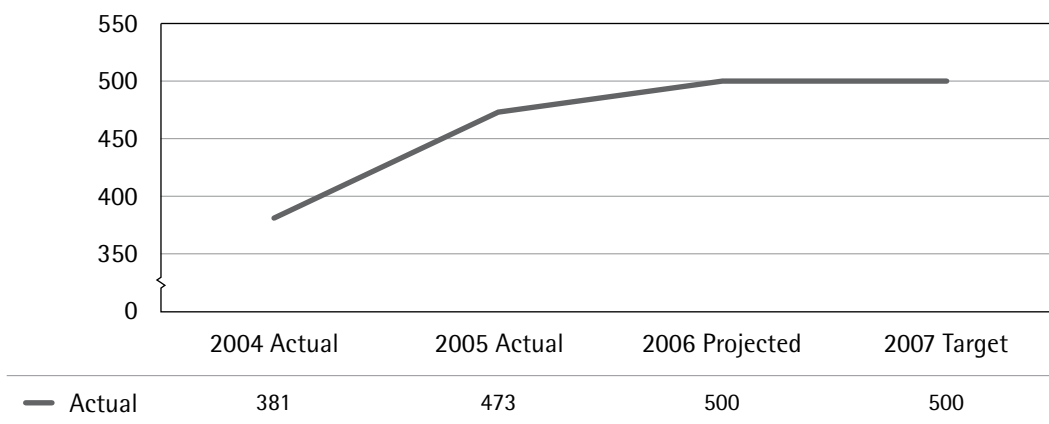
Number of Translation Projects Completed



Education:

To increase student awareness and interest in municipal government by delivering an educational presentation program that introduces Grade 5 and Grade 10 students to the workings of municipal government, encourages active citizenship and satisfies the new curriculum requirements in Civics. (Includes a program geared specifically to ESL students.)

Number of Tours and Presentations Conducted

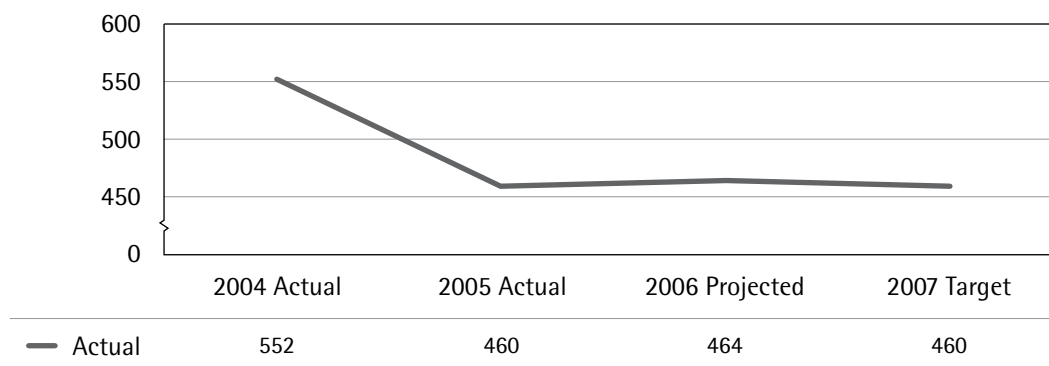


PUBLIC INFORMATION AND CREATIVE SERVICES

Inquiries to Access Toronto

Facilitates access by the public to all municipal services offered by the City of Toronto by providing one point of contact (Access Toronto's Call Centre, email and counter service at City Hall and Civic Centres). The importance of this communications link to the public was evident in 2003 during the SARS outbreak(s) and the hydro blackout 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. In 2004, Access Toronto assumed the responsibility for registering residents for the Listening to Toronto public meetings.

Number of Inquiries to Access Toronto (000's)



2007 OPERATING BUDGET HIGHLIGHTS

- Public Information & Creative Services' strategic direction over the next three years is to develop and implement an integrated governance structure for the long-term strategic development of the City's corporate Web. Public Information & Creative Services staff are continually developing the City's online service portal in coordination with the 3-1-1 customer service strategy.
- Public Information & Creative Services focus 2007 activities on promoting awareness and understanding of Council's accomplishments and progress made on Council's priorities and on ensuring members of the public and the Toronto Public Service have access to the information they require. Significant resources will be allocated to further supporting work required to establish and build the 3-1-1 service.

2008/2009 OPERATING BUDGET OUTLOOK

Public Information and Creative Services will focus activities in 2008 on promoting awareness and understanding of Council's accomplishments and progress on Council's priorities and on ensuring members of the public and the Toronto Public Service have access to the information. Significant resources will be allocated to continuing work establishing and building the 3-1-1 service.