

Corporate Services Department

Capital & Operating Budget



Corporate Services

Corporate Services provides internal services to the City, and manages its corporate assets and resources. Through its various responsibilities, the department provides services to City councillors, the general public, departments and employees.

Corporate Services

- City Clerk's
- Corporate Communications
- Facilities & Real Estate
- Fleet Management
- Human Resources
- Information & Technology
- Legal
- Service Improvement & Innovation

2001-2005 Capital Budget



Capital Budget Guiding Principles

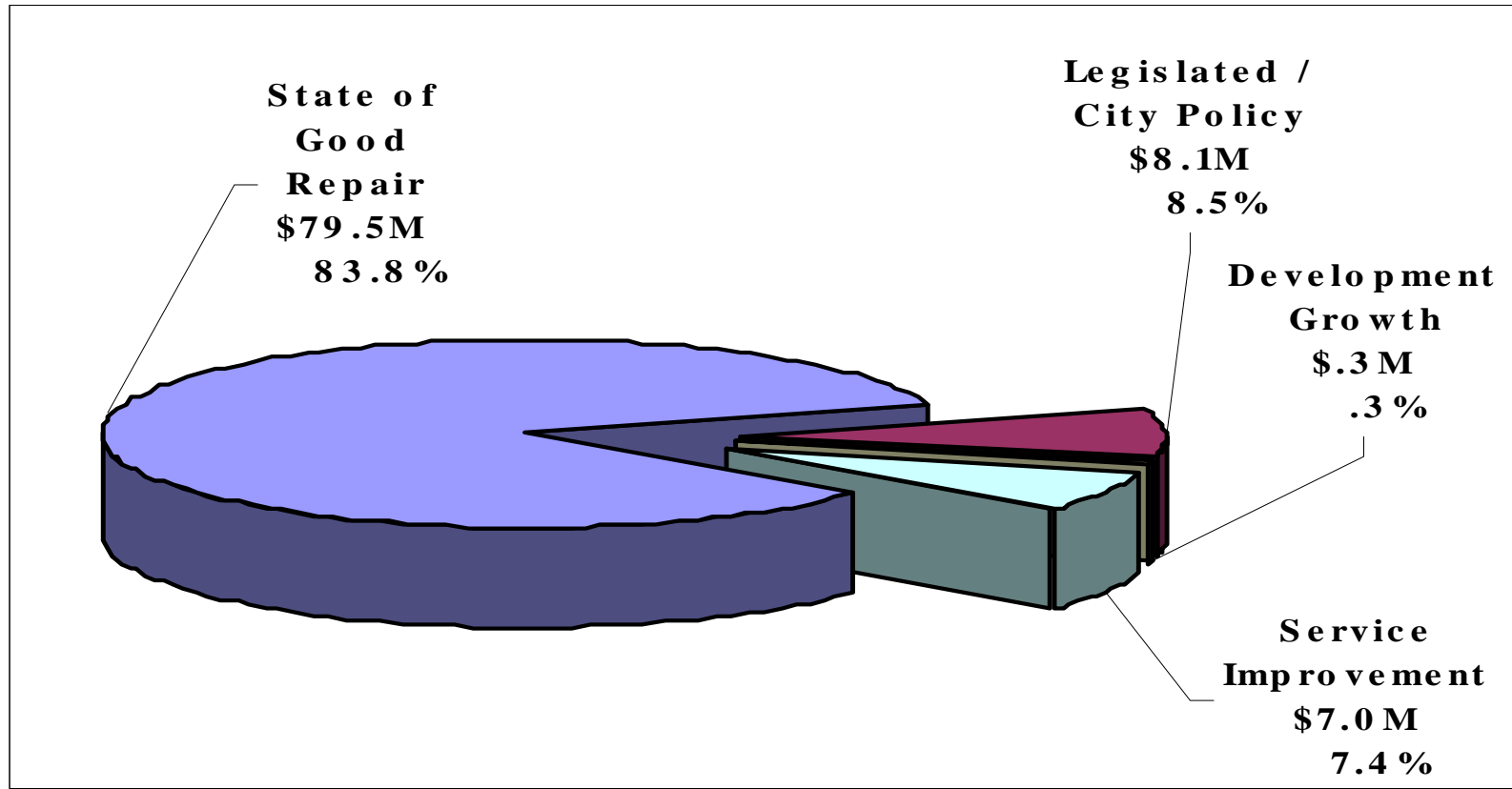
- Maintain existing inventory of infrastructure and address back-log issues in State of Good Repair
- Give priority to infrastructure investments required to ensure health & safety standards
- Capital investments generate operating savings
- 5 year plan subject to controls

Capital Budget Categories

- **Legislated / City Policy**
- **State of Good Repair**
- **Service Improvement**
- **Development/Growth**

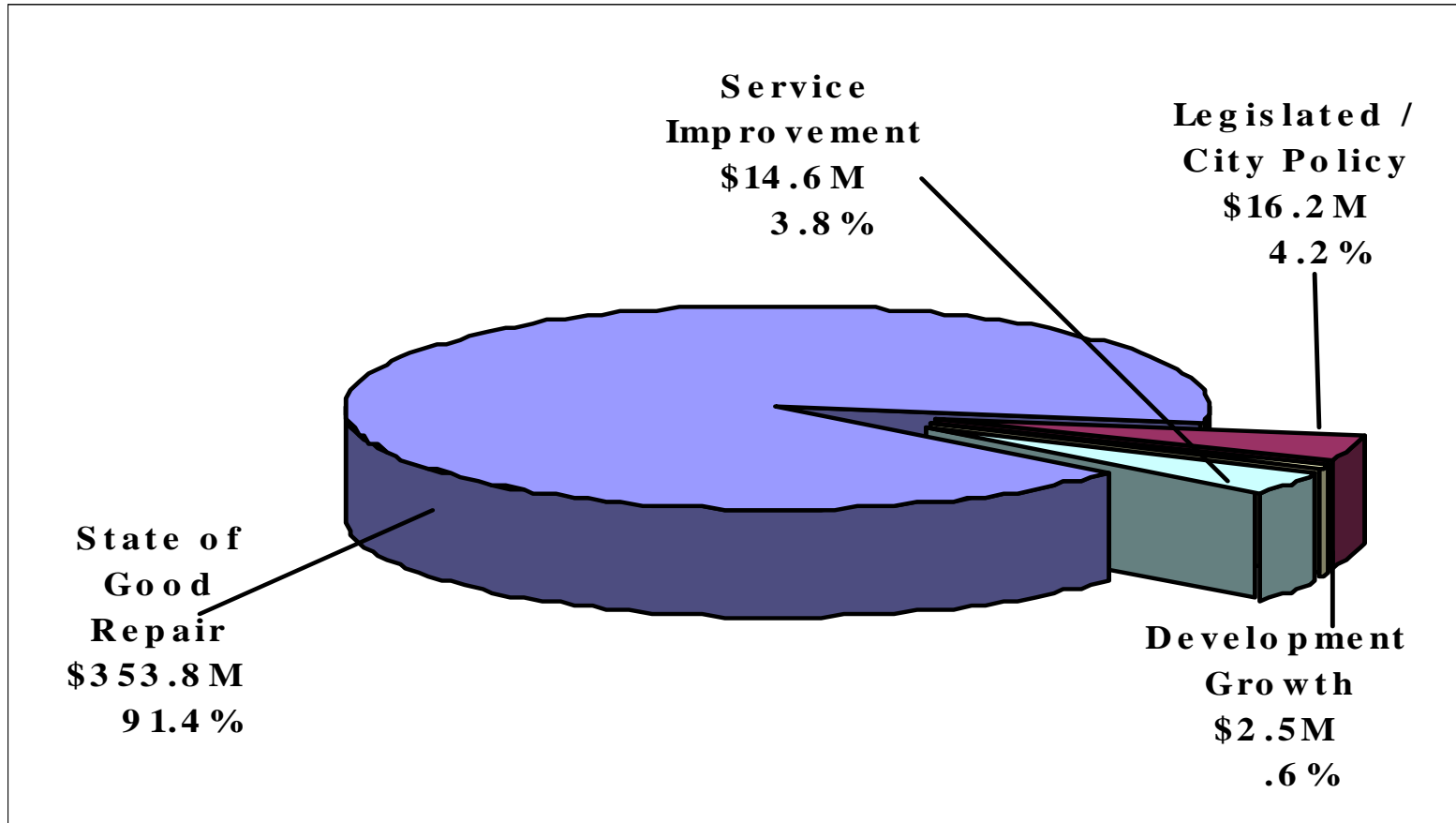
Capital Budget by Category

2001 Recommended \$94.9M



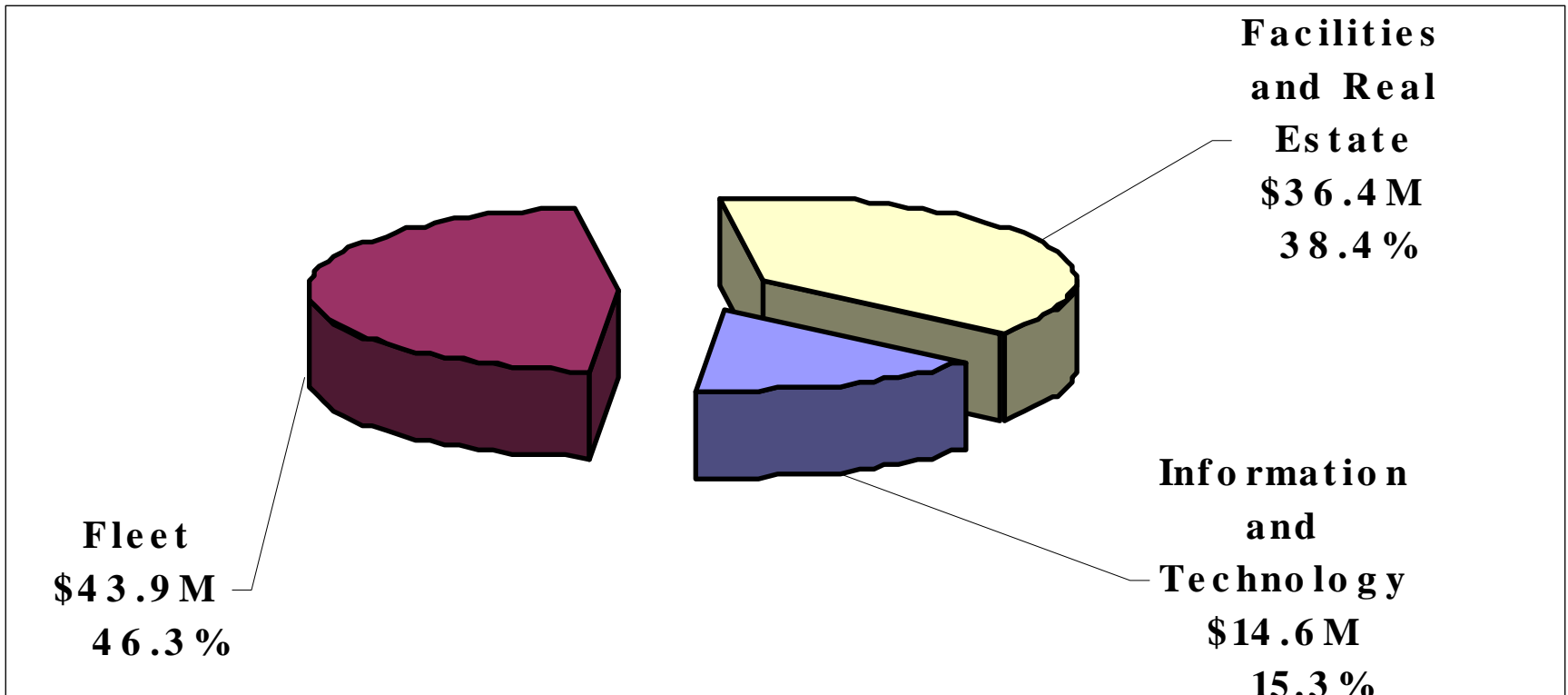
Capital Budget by Category

2001-2005 Recommended \$387.1M



Capital Budget by Program

2001 Recommended \$94.9M



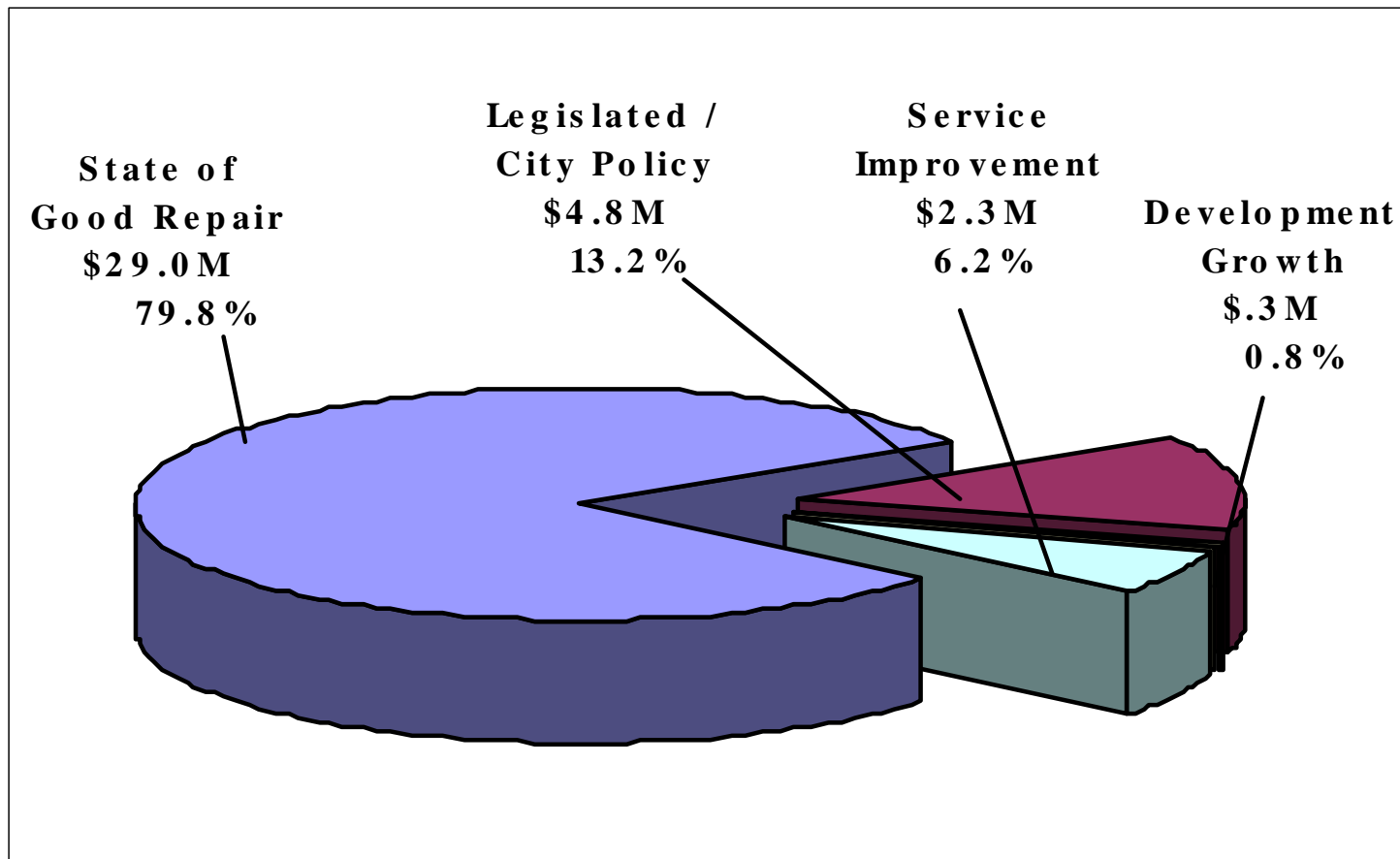
Facilities & Real Estate

2001-2005 Capital Budget



Capital Budget by Category

2001 Recommended \$36.4M



Corporate Services Building Profile

- 59 buildings supported by Corporate Services
- 5.1 million square feet
- Replacement value: \$1.7 billion

Composition of Recommended 2001-2005 Capital Budget

(\$ in 000's)

Type of Project	2001	%	2001-2005	%
Old City Hall & Other Heritage	10,540	42.3	56,952	42.2
City Hall	4,551	18.3	15,139	11.2
Civic Centres	3,204	12.9	13,287	9.9
City Wide (Systems, Legislative, etc)	5,763	23.1	32,635	24.2
Corp Buildings	732	2.9	9,292	6.9
Comm Fac & AOCC's	120	0.5	7,535	5.6
Cash Flow for 2001	24,910			
Old City Hall/Swansea Cash Flow for 2002	11,458			
TOTAL	36,368	100.0	134,840	100.0

Capital Budget

Performance Measures

The City of Toronto is under investing in State of Good Repair:

- **Benchmark: percentage of replacement value**
- **Portfolio value is \$1.7 billion**
- **Industry average = 2% to 4%**
- **Actual = 1.3%**

Challenges

- **State of Good Repair budget underfunded**
- **Approved budget as a % of replacement value:**
 - 1998 - .6%
 - 1999 - .6%
 - 2000 - .8%
 - 2001 - 1.3% (recommended)
- **Disproportionate budget consumed by heritage buildings (42.3%)**
- **Insufficient funds left to service the balance of the Corporate Services portfolio**

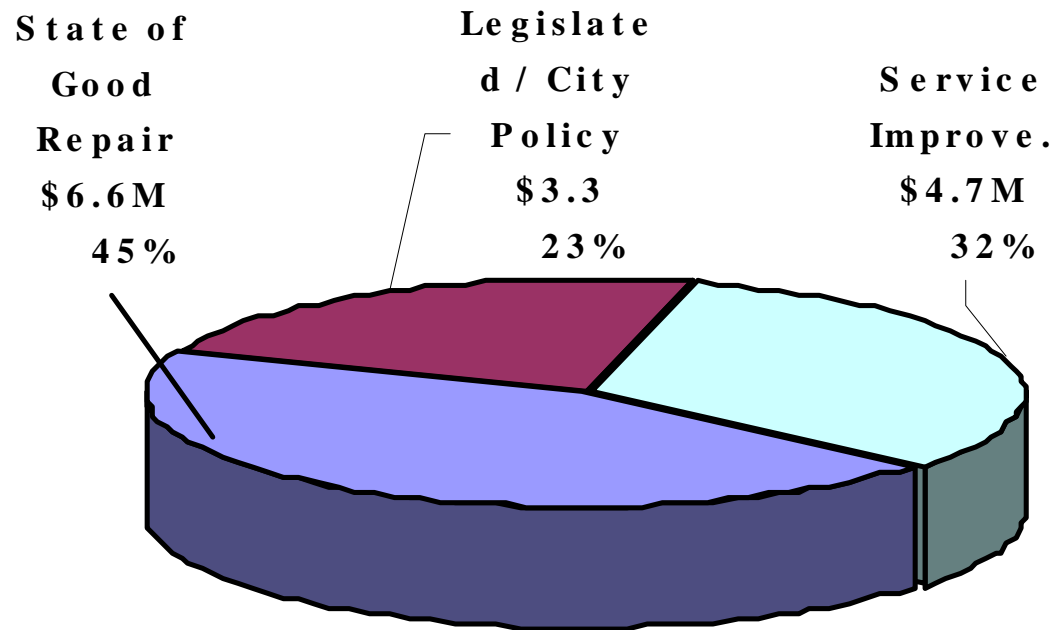
Information & Technology

2001-2005 Capital Program



Budget by Category

2001 Recommended \$14.6M



Inventory of Existing Equipment in State of Good Repair Program

Hardware:

• Desktops, laptops & printers	12,777
• Servers	740
• Network Locations	874
• Terabytes of Disk Storage	20

Software:

• Messaging & Calendaring	14,725
• Networking	27,465
• Databases	10,000
• Office Automation	26,725
• Specialty Testing & Server Backup	1,190

Telecom:

• Telephone Handsets	17,740
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Capital Investment Outcome

- Reduce impact of technology obsolescence
- Increase system availability & network capacity
- Achieve project milestones
- Provide secure environment for web services
- Achieve retention of corporate electronic data
- Development of a Business Continuity Plan
- Successful completion of data warehouse (CNS)

Challenges

- **Legislative Compliance**
 - Retention of electronic data
- **State of Good Repair**
 - Technology evolves on an 18-36 month cycle
 - Fluctuations triggered by business needs
 - Ability to eliminate technology obsolescence
- **Service Improvements**
 - Sponsorship of multi-departmental initiatives

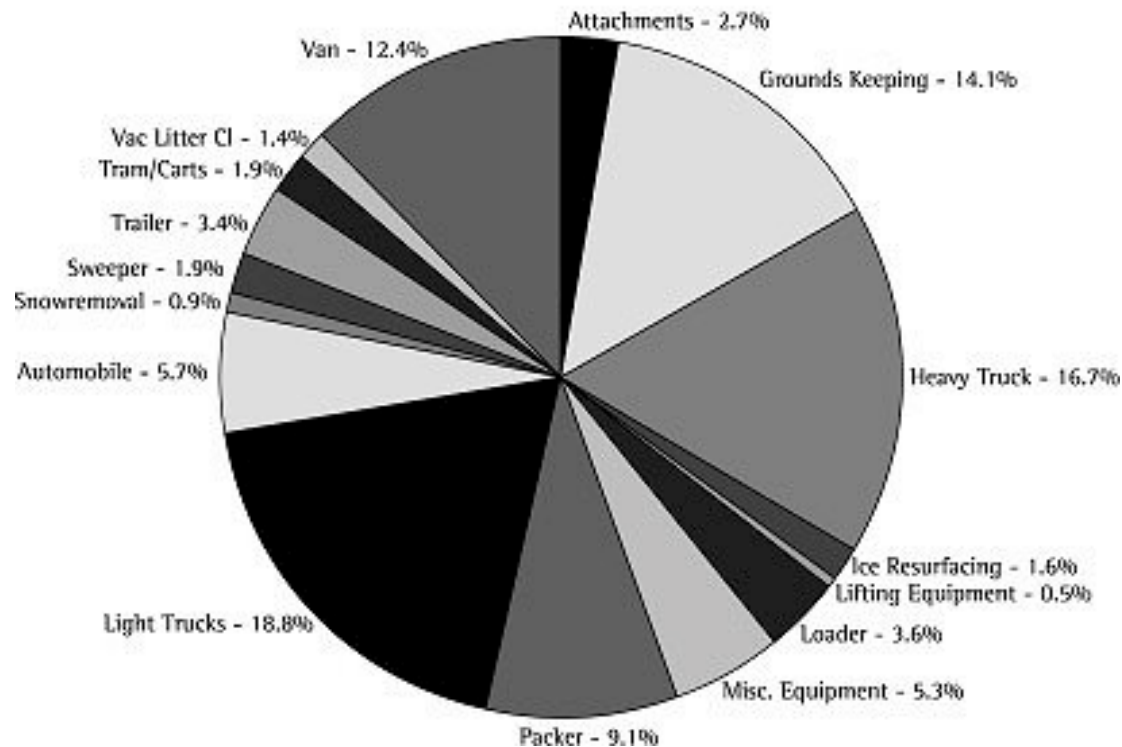
Fleet Services

2001-2005 Capital Budget



Inventory of Existing Vehicle & Equipment

Fleet by Category



Recommended Projects by Department

(\$ in 000's)

	\$	%
1. Vehicle and Equipment Replacement Program:	43,418.3	98.9%
Community & Neighbourhood Services	102.4	0.2%
Corporate Services	1,005.6	2.3%
Economic Development, Culture & Tourism	6,068.5	14.0%
Finance	99.5	0.2%
Urban Development Services	122.9	0.3%
Works & Emergency Services	31,338.6	72.2%
ABC's	4,680.8	10.8%
2. Insurance Contingency:	300.0	0.7%
Premature replacement of vehicles due to accident		
3. Overhaul of Maintenance Equipment	190.0	0.4%

Capital Performance Measures

	2000	2001
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- **Vehicle and Equipment Replacement Program:**

• Salvage Value as % of Replacement Value	3%	3%
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- **Maintenance Equipment Overhaul/Upgrade:**

• Maintenance/Repair Cost Per Hoist (\$ in 000's)	\$2.2	\$0.2
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• Improvement in Preventative Maintenance downtime resulting from returning hoist to service	2,080 hrs	1,040 hrs
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Capital Challenges

- **Underfunded vehicle and equipment replacement program**
- **Overhaul/Upgrade of maintenance equipment**

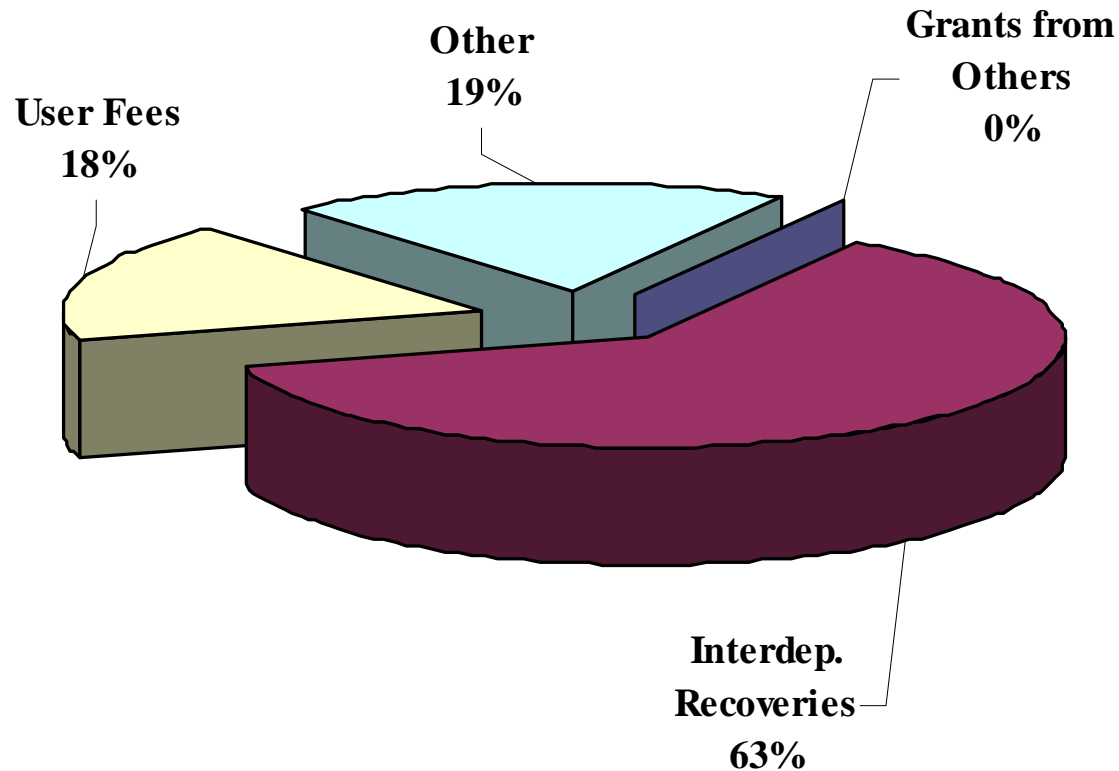
2001 Operating Budget



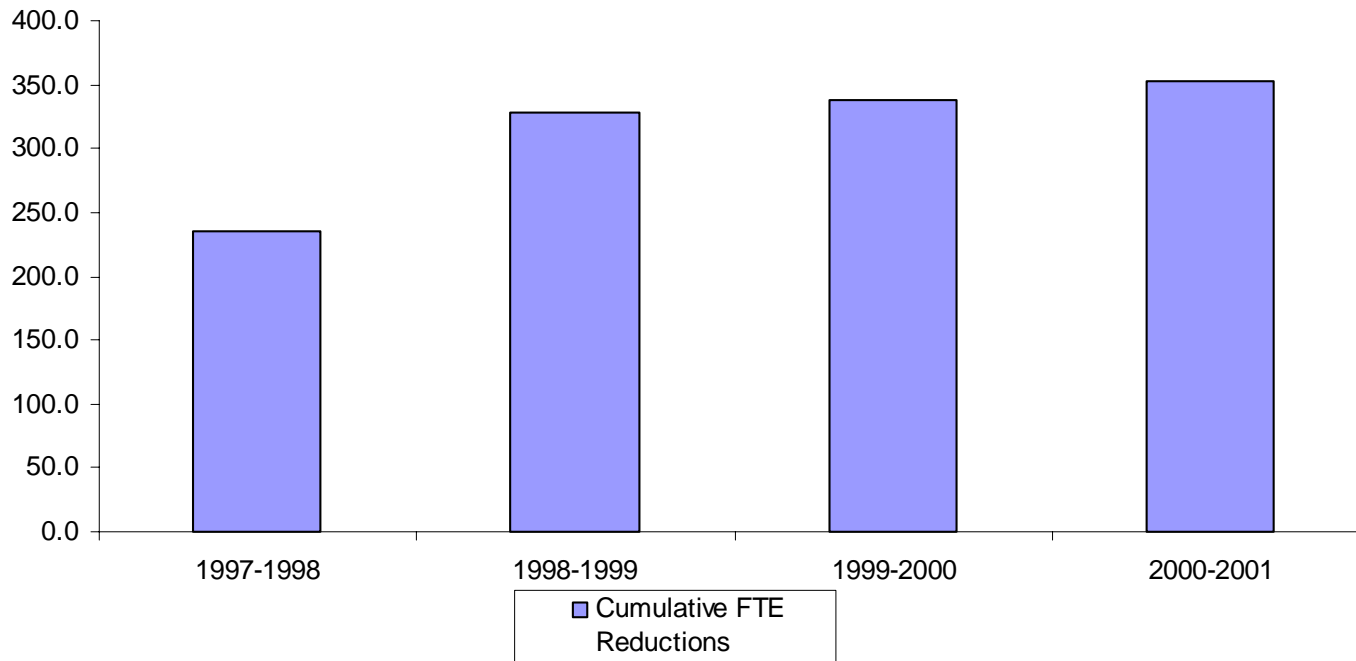
Overview of Recommended Departmental Operating Budget

- Gross Budget \$261.3 Million
- Revenues \$105.3 Million
- Net Budget \$155.9 Million

Departmental Revenue Sources



Staff Reductions 1997 - 2001



City of Toronto / Corporate Services

Request vs Recommended

- 2001 Requested Budget Pressures - \$24.7 (m)
- Reductions Achieved - \$13.2 (m)
- 2001 Recommended Budget Pressures - \$11.5 (m)

Reductions to Achieve Recommended Budget

- **Service Level Reductions**
- **No New Services**
- **Managing Salaries & Wages**
- **Incorporating External Pressures**

Challenges

- Increased service demand
- Rising utility and maintenance costs
- Higher operating costs resulting from under funding in capital state of good repair

No Provisions

- Environmental Plan
- Provincial Offences Act
- Housing Devolution

Examples of Performance Measures

External Garage Door Rate Comparison

	Light Vehicles				Heavy Vehicles			
	Fleet**		Vendor*		Fleet**		Vendor*	
Service Depot "A"	\$	66.00	\$	65.00	\$	66.00	\$	65.00
Service Depot "B"	\$	66.00	\$	84.00	\$	66.00	\$	84.00
Service Depot "C"	\$	66.00	\$	75.00	\$	66.00	\$	75.00

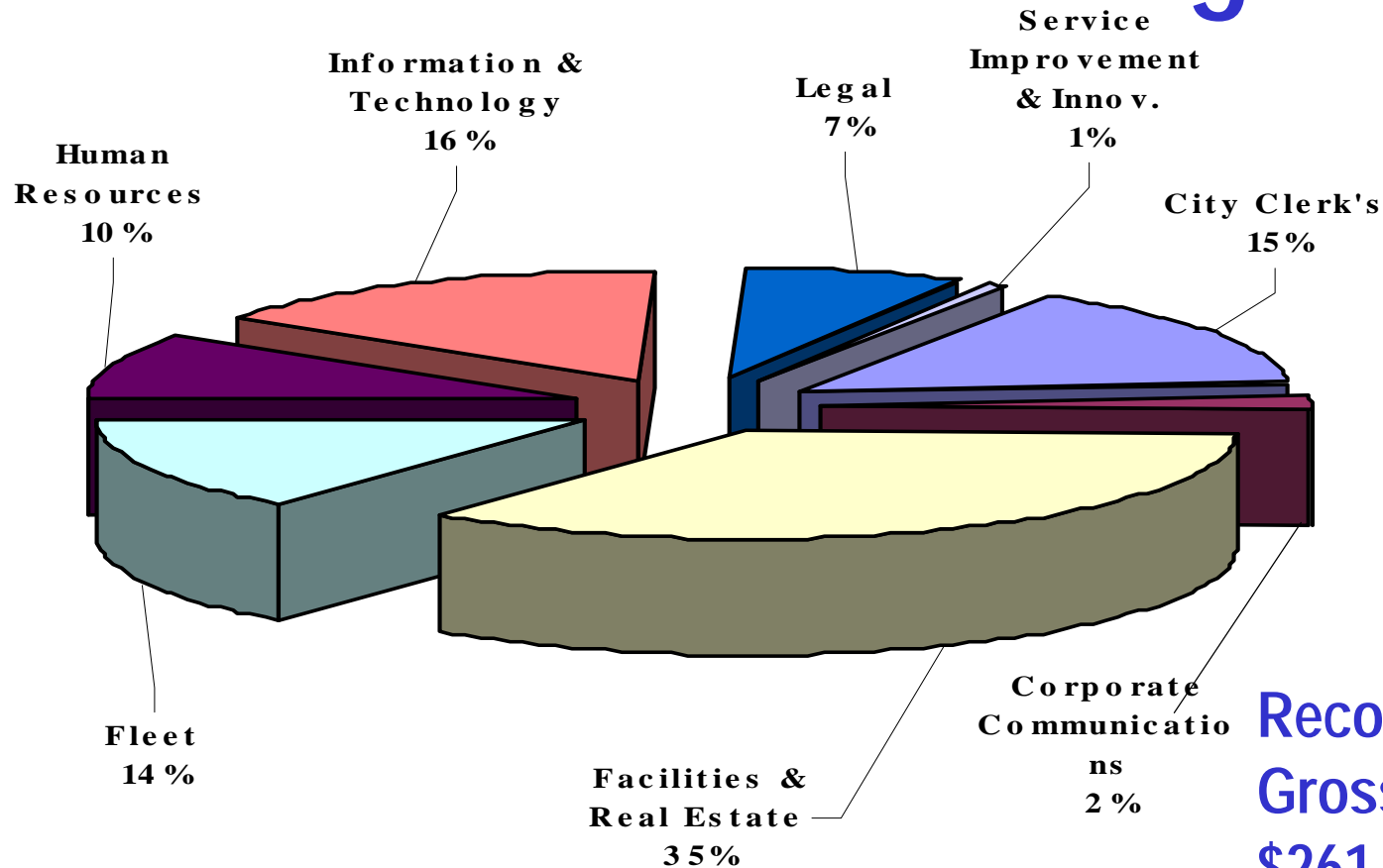
* Rate shown does not include Federal or Provincial Taxes

**Federal and Provincial taxes are not applicable to Fleet Services' door rate

Examples of Performance Measures

Performance Measures		1997 Actual	1998 Actual	1999 Actual	2000 Budget	2000 Projected Actual	2001 Budget Request	2002 Outlook
Output Measure 1:	Fleet: Number of work orders completed			27,419	27,419	37,492	37,492	37,492
Output Measure 1:	Corp. Communications: # of hits to the Web site			62.5 M		75M	90 M	TBD
Output Measure 1:	I&T: Avg monthly # of Telephone software change requests			850	900	950	1,000	1,050
Output Measure 1:	City Clerk's: Formal Access Requests Received	920	1,530	1,774	1,774	1,900	1,900	1,900
Customer Service Measure	City Clerk's: Response Within 30 Days			69%	69%	65%	65%	65%

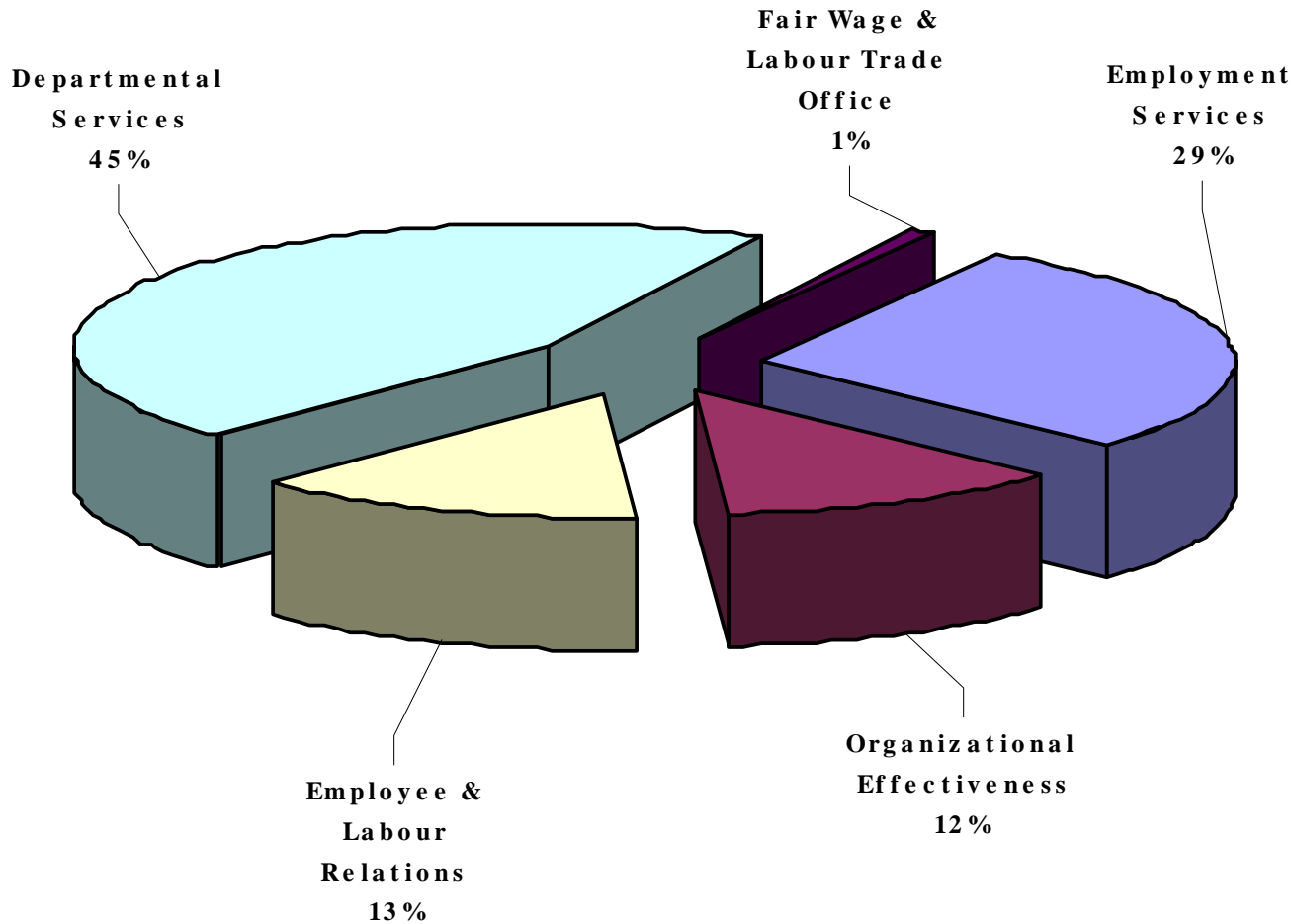
Recommended Budget



City of Toronto / Corporate Services

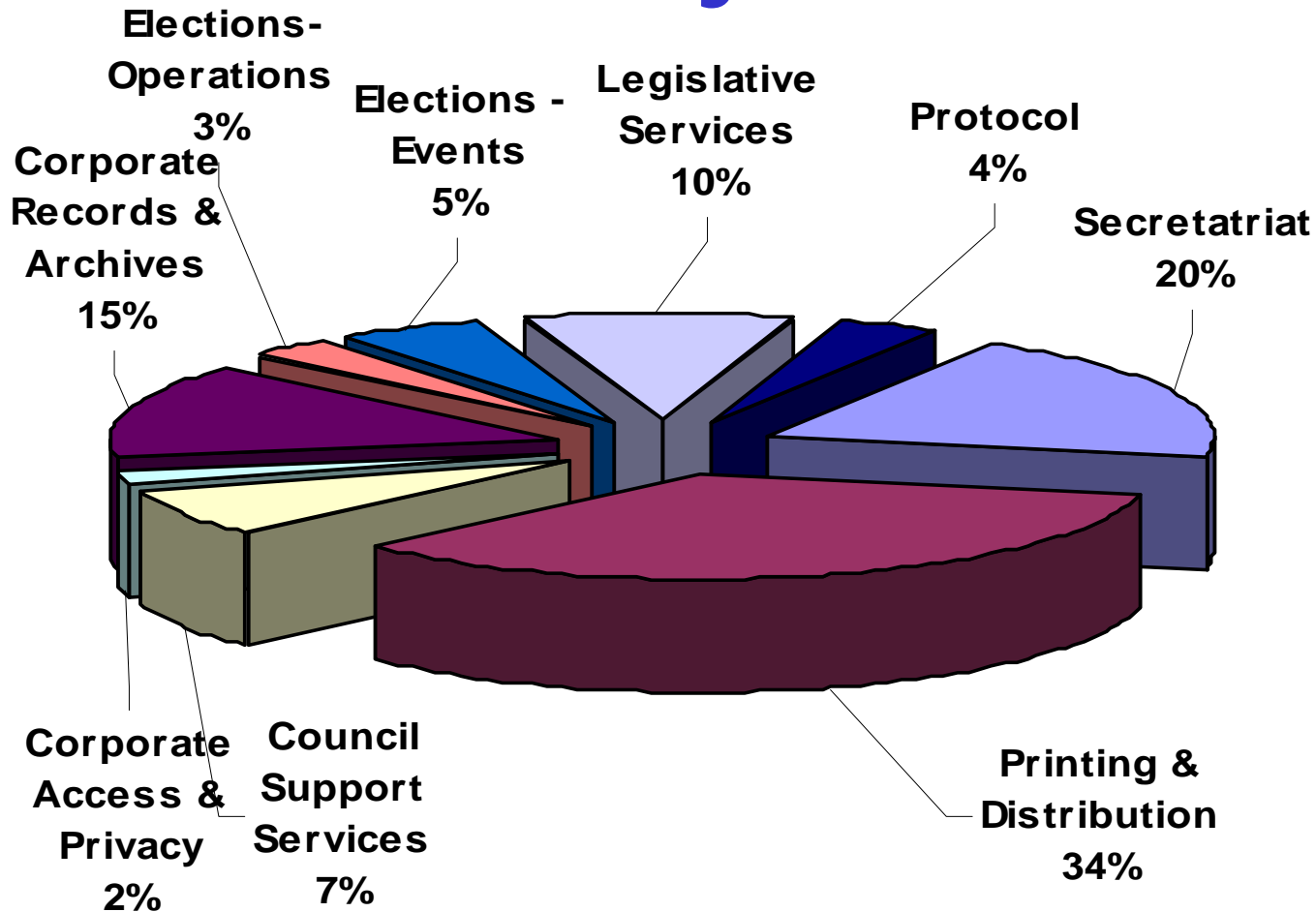
Recommended:
Gross Budget
\$261.3 m
Net Budget
\$155.9 m

Human Resources



Recommended:
Gross Budget
\$26.3 m
Net Budget
\$23.5 m

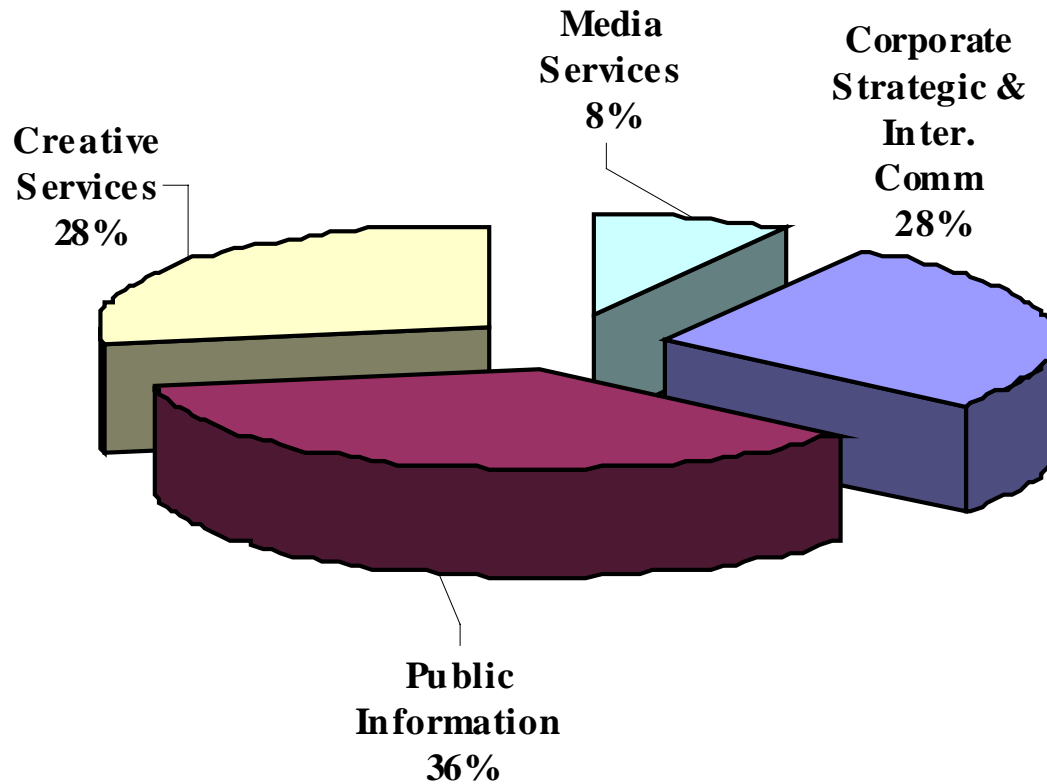
City Clerk's



City of Toronto / Corporate Services

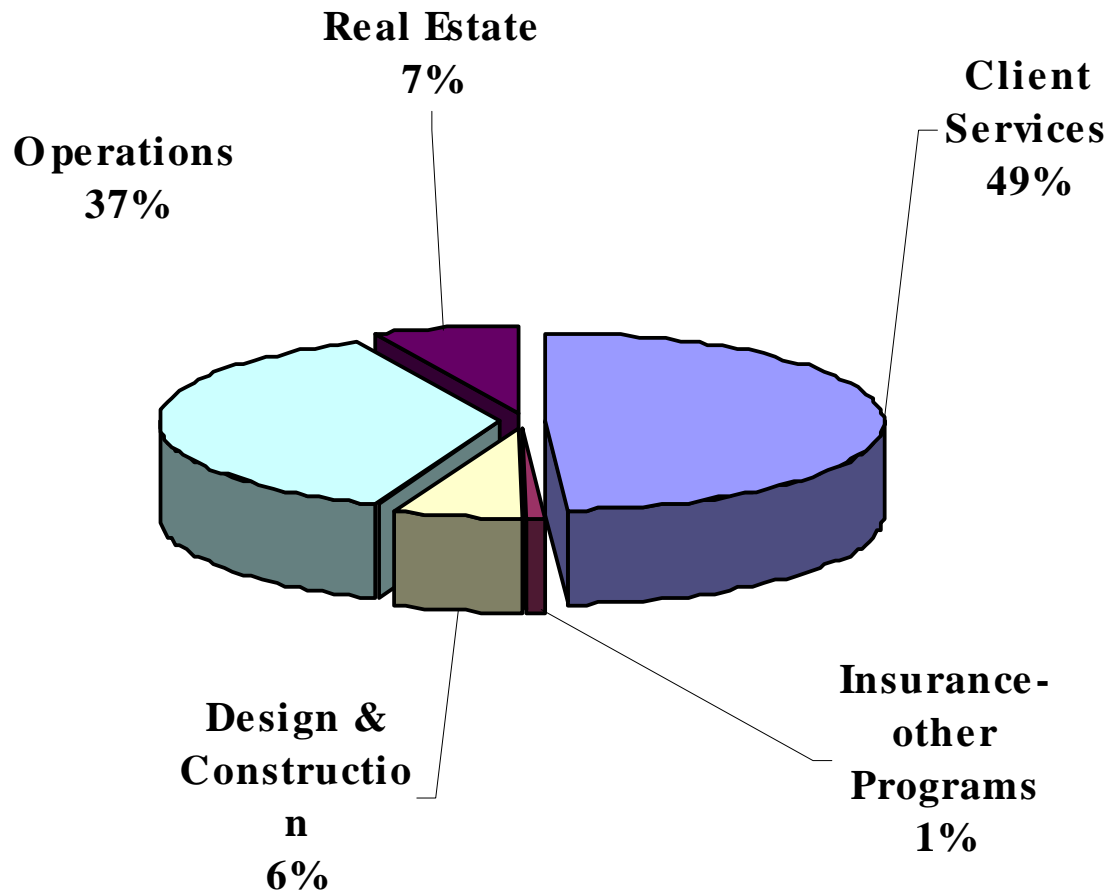
Recommended:
Gross Budget
\$39.8 m
Net Budget
\$19.9 m

Corporate Communications



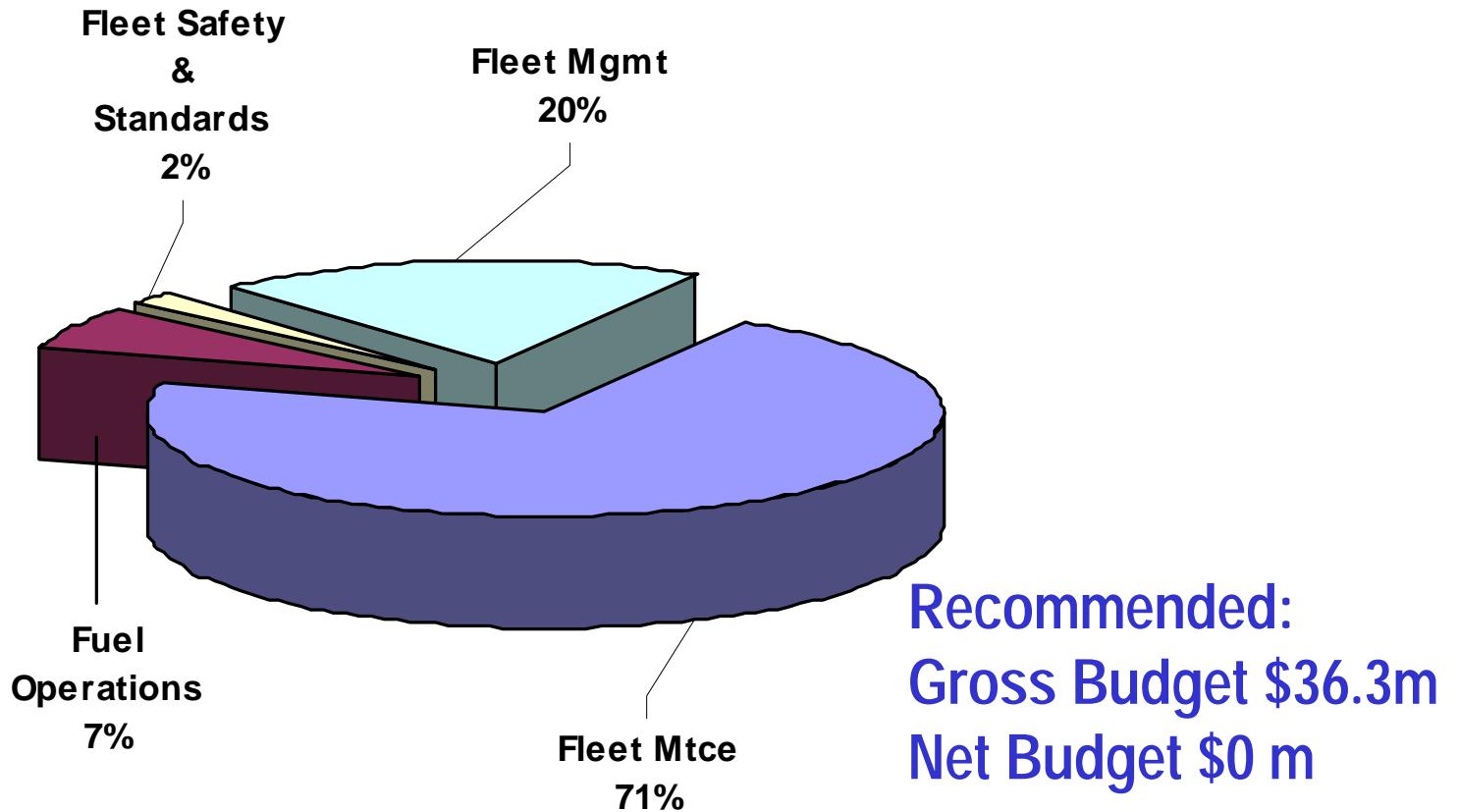
Recommended:
Gross Budget \$6.1m
Net Budget \$6.0 m

Facilities & Real Estate

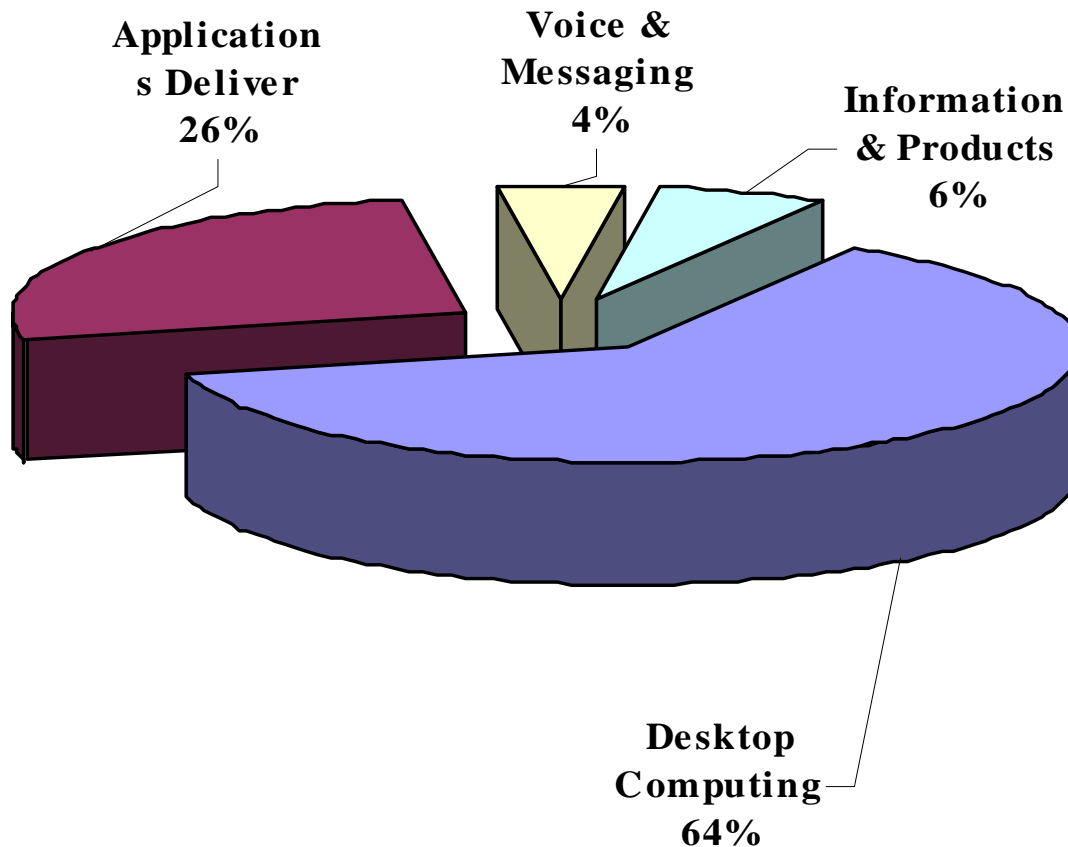


Recommended:
Net Budget \$49.7 m
Gross Budget \$91.2m

Fleet Services

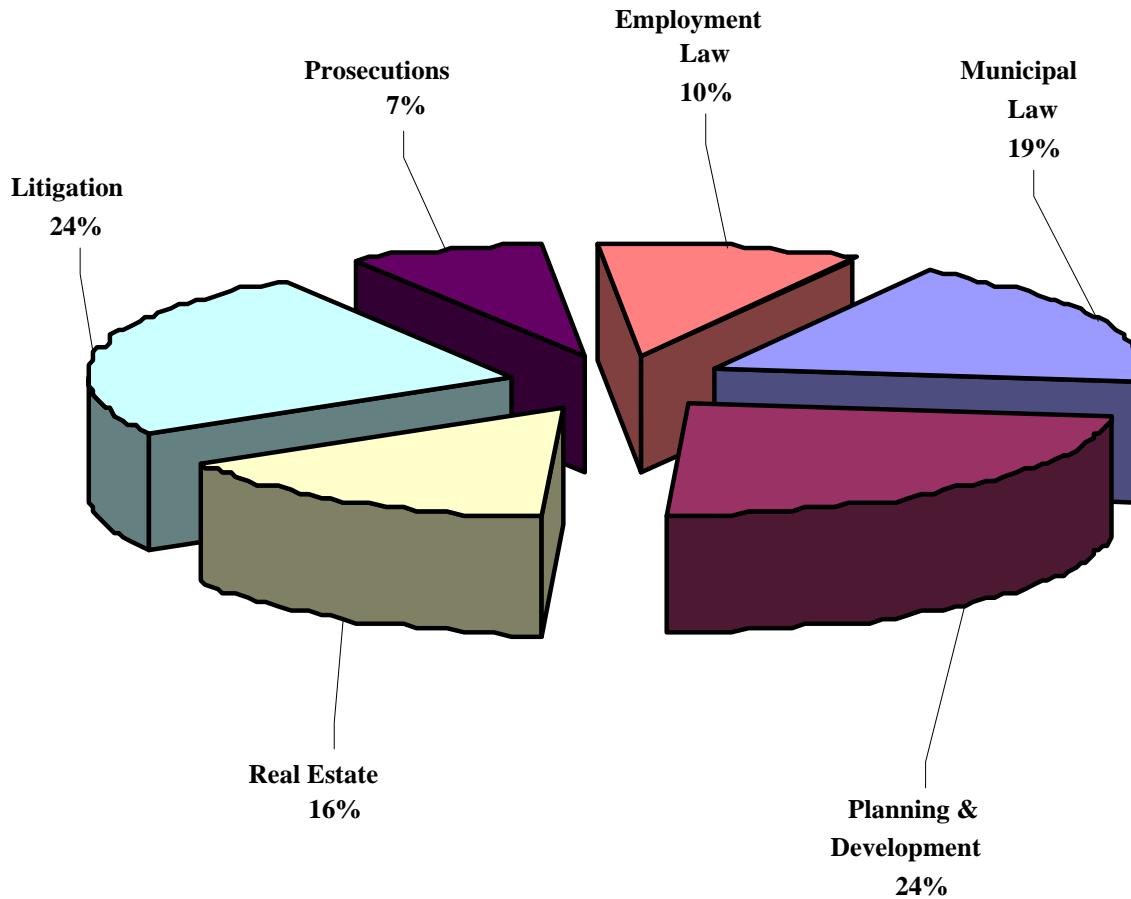


Information & Technology



Recommended:
Gross Budget \$41.0m
Net Budget \$38.7m

Legal



Recommended:
Gross Budget \$19.1m
Net Budget \$16.9m