



# **CITIZEN CENTRED SERVICES “B”**

## **Technical Services**

**2006 Operating Budget Overview**

**Presentation to Works Committee**

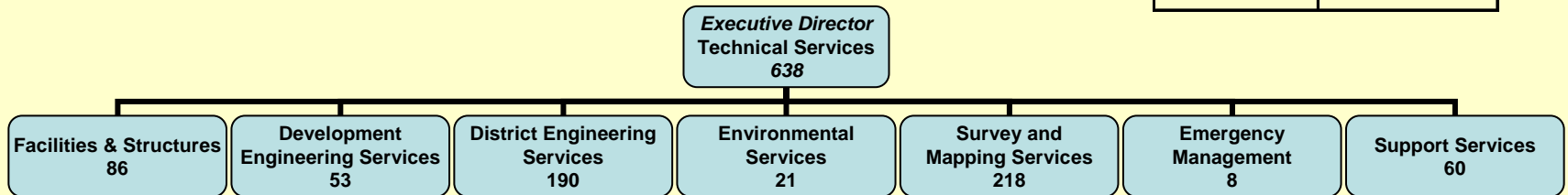
**January 11, 2006**

## Mission Statement / Strategic Direction

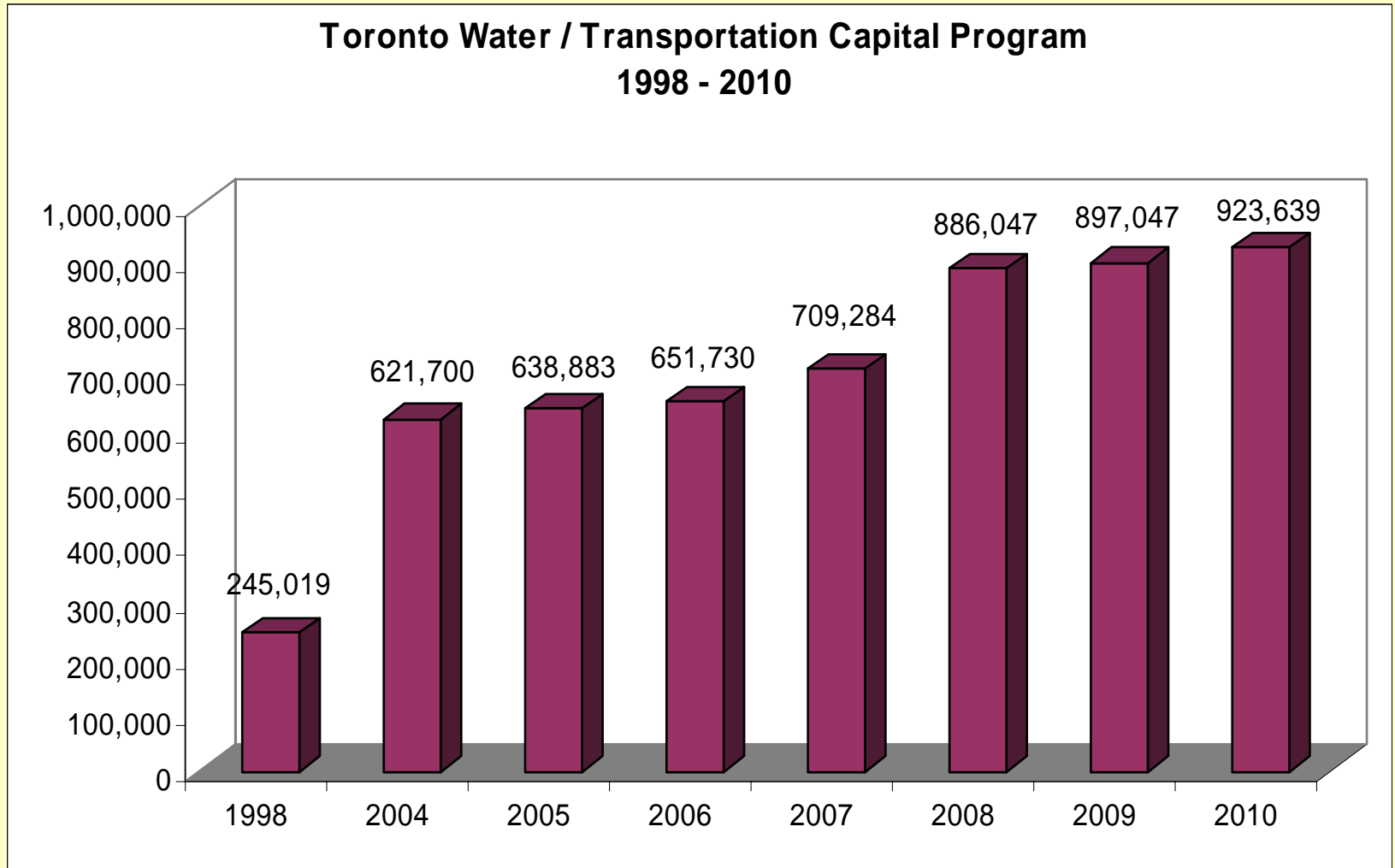
- Provide enhanced support and management oversight to deliver the City's environmental objectives.
- Improve management oversight of construction contracts including improved internal control & quality assurance.
- Strengthen enterprise-wide Emergency Management Coordination across all City programs.
- Establish a financing mechanism for Development Engineering for full cost recovery of development review.
- Improve overall coordination of Capital Works Program and increase overall completion rate.
- Provide professional design, planning and project management services in the delivery of the City's Capital Works Program.

## 2006 Program Map

Staffing Levels	
2005 Approved	2006 Proposed
638.5	638.5

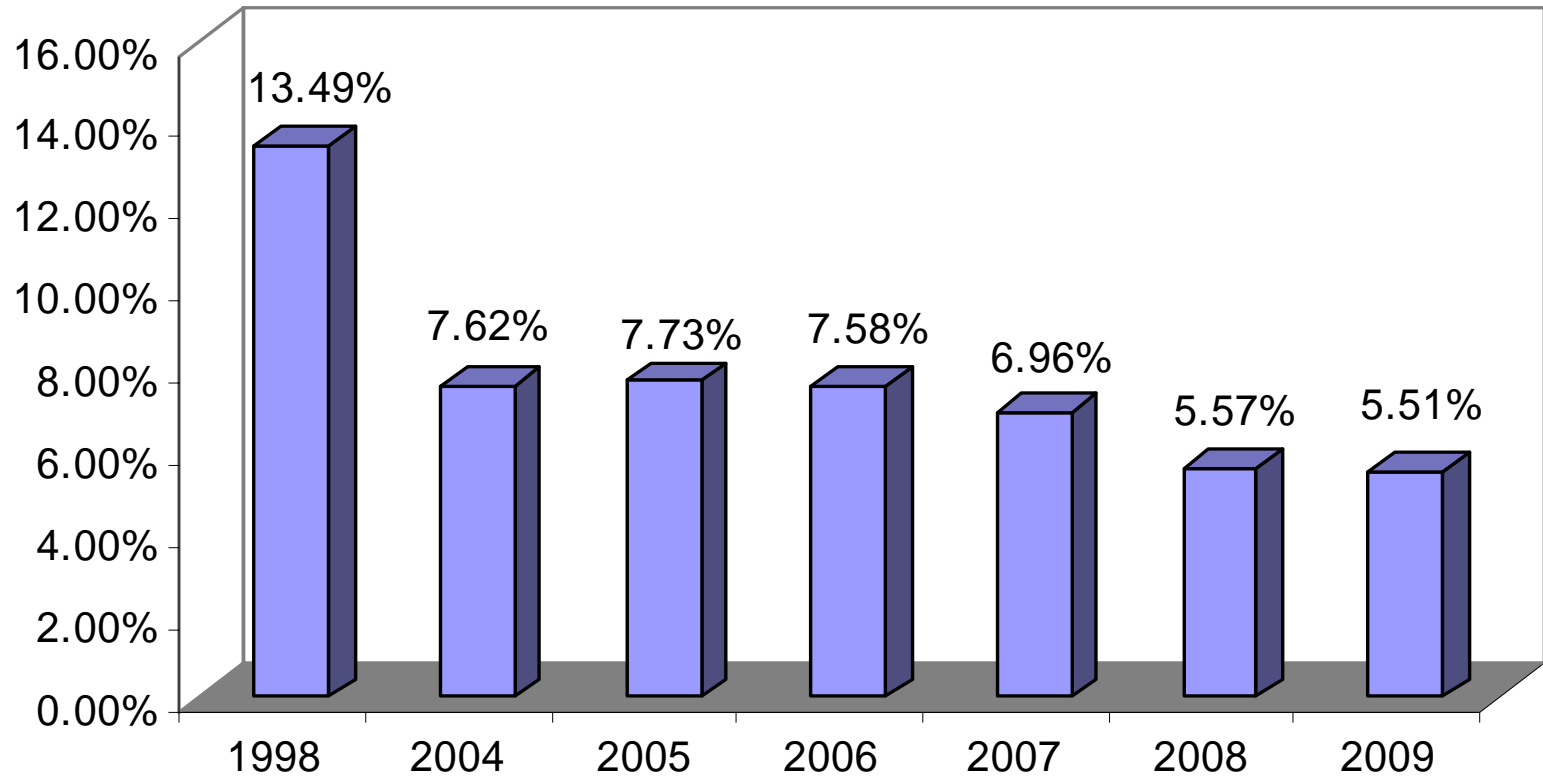


## Service Level Indicators Capital Program Growth



## Service Level Indicators Staffing - Capital Program Delivery

### Staff Costs as a Percent of Capital Program



## Accomplishments

- Managed significantly increased capital works program (100% increase between 1999 & 2004) and maintained overall completion rate at 80%.
- New initiatives fully funded by capital recoveries, rate based programs or external revenue sources (no impact on tax levy).
- Increased gapping and deferred hiring new staff while maintaining delivery of Capital Program.
- Achieved 65% compliance rate for STAR Development Review timeframes.
- Spending restraint program for discretionary items.

## 2006 Operating Budget Issues

- Phase-in implementation of cost recovery initiative for development review.
- Improve turnaround times for STAR development review.
- Provide enhanced support and management oversight to deliver City's environmental initiatives.
- Provide enhanced oversight to management of capital construction contracts.
- Comply with new Emergency Management Act requirements.

## Opportunities for City-Wide Collaboration

- Cost recovery initiative for development review to be coordinated with City Planning Division.
- Joint report approved Planning & Transportation / Works Committee November 30, 2005. Approved by Council December 5, 2006.



## 2006 Operating Budget Pressures

- The 2006 Net Base Operating Budget Request of \$6.511 million is \$2.1 million greater than the 2005 approved net operating budget, of which;
  - \$2.5 million is related to prior-year impacts, such as;
    - Staff cost changes (fringe benefits, merit ) \$1.518 million
    - Annualizations from prior year staffing approvals \$0.651 million
    - Economic factors re: COLA & Harmonization \$0.388 million
  - \$1.8 million is related to other base budget adjustments, such as;
    - Adjustments to Support Services costs \$0.850 million
    - Non-staff costs (equipment & vehicle replacements etc) \$1.0 million
  - Offset by \$2.2 million net increase in revenues;
    - Increased capital and operating recoveries \$3.3 million
    - Reduction in other revenues \$1.1 million

**2006 Proposed Budget  
(Net \$000's)**

	Net	% Incr / (Decr) from 2005
<b>2005 Approved Budget (Adjusted)</b>	<b>4,386.1</b>	
<b>2006 Requested Base Budget</b>	<b>6,511.4</b>	
<b>Proposed Adjustments</b>	<b>(610.0)</b>	
<b>Proposed Base Budget</b>	<b>5,901.4</b>	<b>34.5%</b>
<b>Net Target</b>	<b>4,473.8</b>	
<b>Over / (Under) Target (Base Budget)</b>	<b>1,427.6</b>	
<b>Proposed New Services</b>	<b>(750.0)</b>	
<b>Reductions Reflected in Client Budgets</b>	<b>(705.0)</b>	
<b>Additional Net Reductions</b>	<b>(1,455.0)</b>	
<b>(Under) Target</b>	<b>(27.4)</b>	

## 2006 Proposed Budget Summary (Net \$000's)

Category of Change	Amount (\$000's)	% Increase (Decrease) Over Net
<b>2005 Approved Operating Budget (Net)</b>	<b>4,386.1</b>	
Prior Year Impacts (Annualizations, in-year approvals)	2,184.1	49.8%
Economic Factors	388.6	8.9%
Other Base Changes	1,834.0	41.8%
Revenues	(2,281.4)	(52.0%)
<b>Sub-Total (Net)</b>	<b>2,125.3</b>	<b>48.5%</b>
<b>2006 Requested Base Budget (Net)</b>	<b>6,511.4</b>	
Service Level Reductions / Adjustments	(610.0)	
New / Enhanced Service Changes	(750.0)	
<b>2006 Proposed Operating Budget (Net)</b>	<b>5,151.4</b>	
<b>Net Target</b>	<b>4,473.8</b>	
<b>Net (Under) / Over Target</b>	<b>677.6</b>	<b>15.1%</b>
Net Savings Reflected in Client Budgets	(705.0)	
<b>Revised Net (Under) / Over Target</b>	<b>(27.4)</b>	<b>(0.6%)</b>

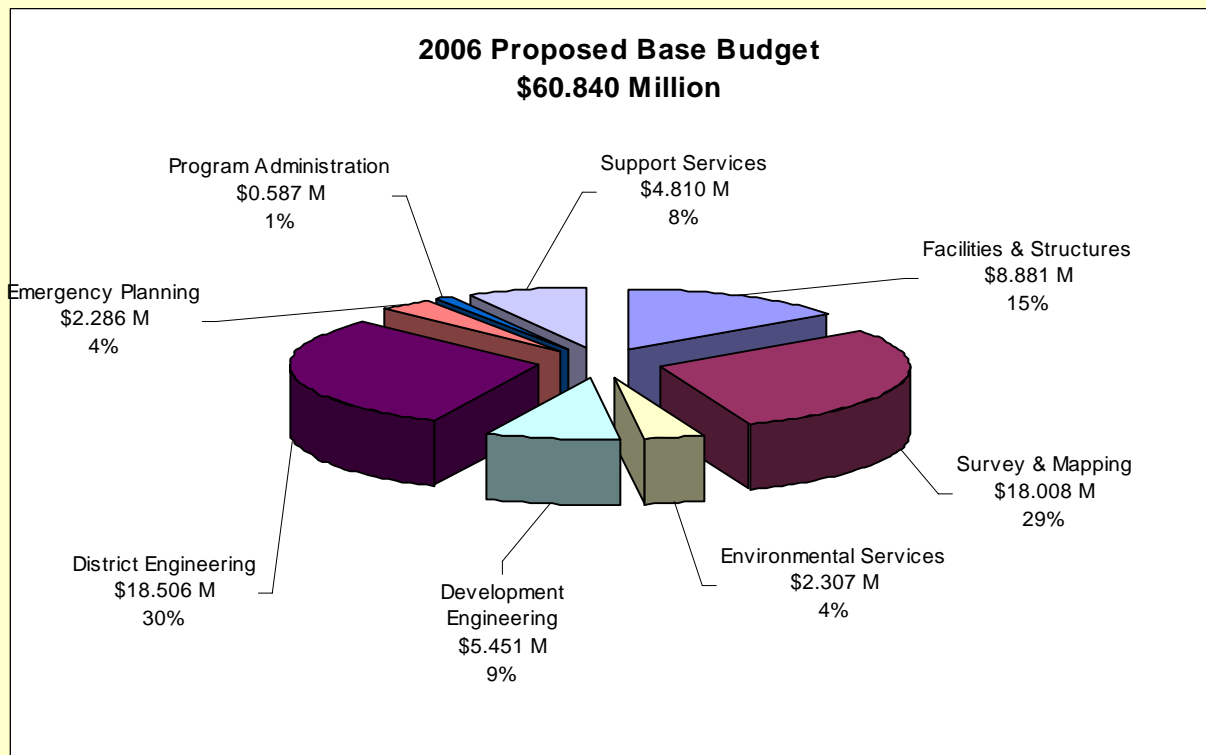
## 2006 Proposed Reductions (Net \$000's)

Reductions	\$
Increase Gapping / Reduce Vehicle & Equipment Funding *	0.0
Reduce Fringe Benefits from 24.5% to 24.0% *	0.0
Miscellaneous Reductions - Non-Staff Costs *	(45.0)
Development Fee Cost Recovery	(565.0)
<b>Total Reductions towards Base Budget Target</b>	<b>(610.0)</b>

\* Gross reductions total \$750,000 , with \$705,000 savings reflected in client's budgets:

Increase Gapping	(200.0)
Reduce Vehicle & Equipment Funding	(100.0)
Reduce Fringe Benefits from 24.5% to 24.0%	(300.0)
Miscellaneous Reductions	(150.0)
Total Gross Reductions	(750.0)
Client Recoveries	(705.0)
Net Reduction (Technical Services)	(45.0)

## 2006 Proposed Budget Gross Expenditures \$60.840 Million



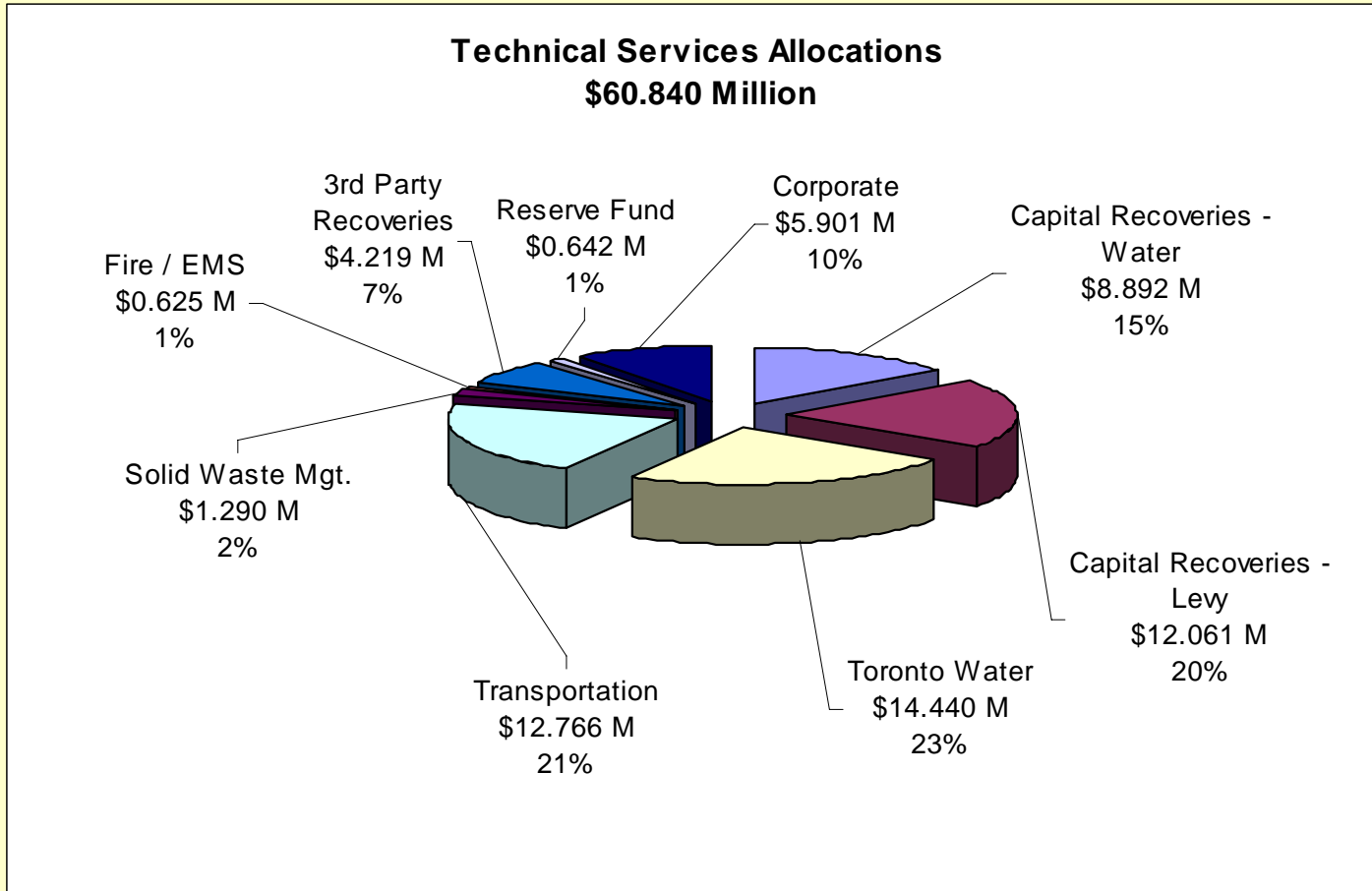
### BASE BUDGET COMPARISON (\$000s)

	2005 Approved Budget (Adjusted)	2006 Proposed Base Budget	\$ Increase (Decrease)	% Incr. (Decr.)
Gross Expenditures	55,487.9	60,840.4	5,352.5	9.6%
Revenues	51,101.8	54,938.8	3,837.1	7.5%
Net	4,386.1	5,901.6	1,515.4	34.6%
No. of Positions	638.5	638.5	0.0	0.0%

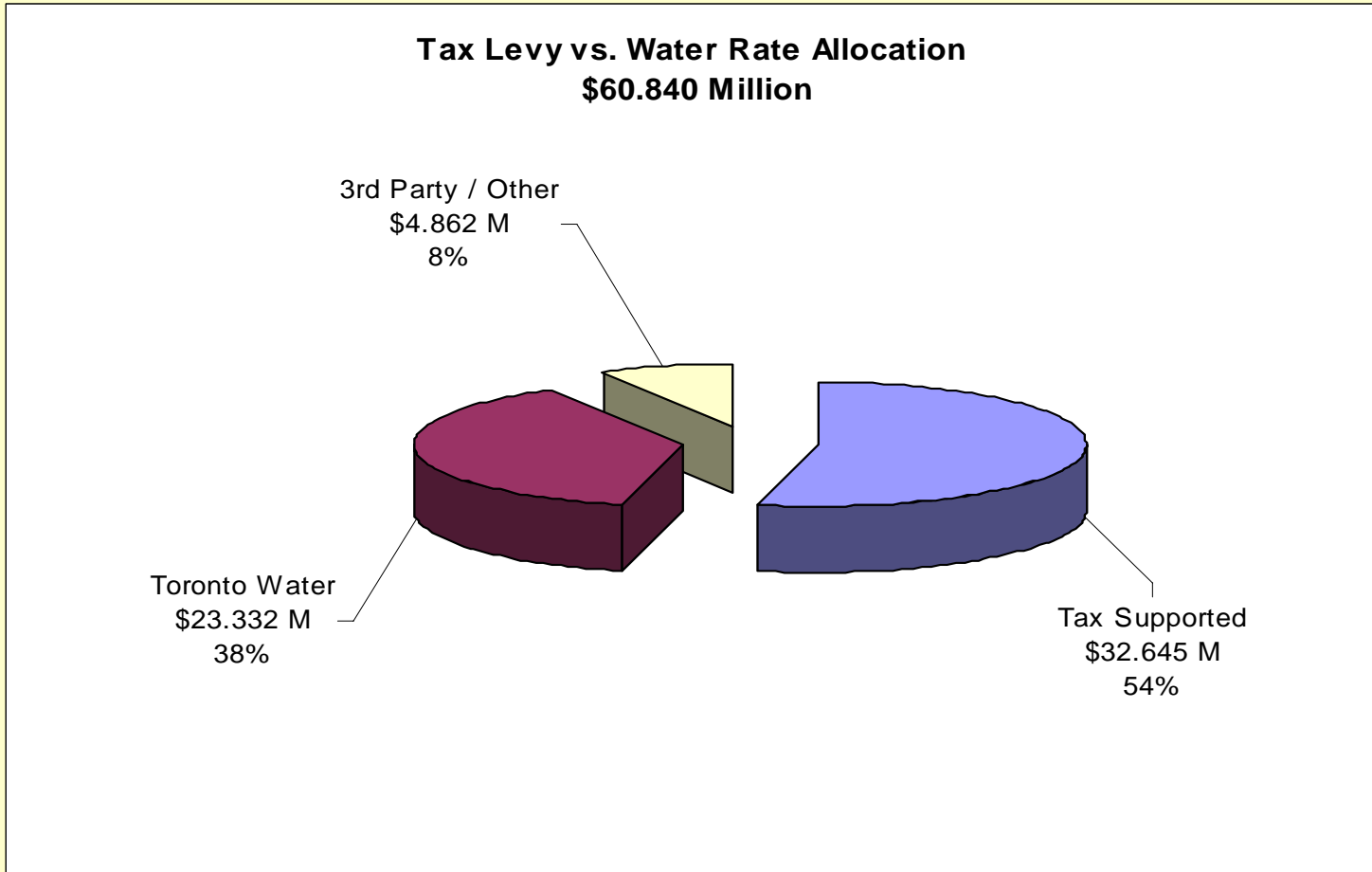
### TARGET REDUCTION (\$000s)

Reduction Required for 2% Target	1,427.7
Reductions included in client IDCs	705.0
New development fee in new request	750.0
<b>Total</b>	<b>1,455.0</b>
<b>(Under) 2% Target</b>	<b>-27.3</b>

## 2006 Proposed Budget Allocations \$60.840 Million



## 2006 Proposed Budget Allocations \$60.840 Million



## New And Enhanced Requested / Recommended – (Net \$000's)

New & Enhanced	Requested Net	Requested Positions	Recommended Net	Recommended Positions	Approved (Y / N)	Description
GIS Mapping for Critical Infrastructure Program	14.8	1.0	0.00	0.0	N	80% Funded by OEM
Improve safe working conditions for survey crews	0.0	2.0	0.00	0.0	N	61% Trans / 39% Water Capital Recovery
Green Toronto Awards	60.0	0.3	0.00	0.0	N	Tax Levy
CBRN Support & GIS related software	30.0	1.0	0.00	0.0	N	86% Tax Levy / 14% Water Operating Recovery
STAR Development Review Timeframes	0.0	5.0	0.00	0.0	N	Planning Application Fees
Computer software	0.0	0.0	0.00	0.0	N	Tax Levy
Increased Gapping and IT Support	0.0	1.2	0.00	0.0	N	51% Tax Levy / 49% Water Operating Recovery
Development Fee Cost Recovery	0.00		(750.0)		Y	Development Fee Cost Recovery
<b>Total New &amp; Enhanced</b>	<b>104.8</b>	<b>10.5</b>	<b>(750.0)</b>	<b>0.0</b>		