

## ..... A MESSAGE FROM TORONTO MAYOR DAVID MILLER



Last year, City Council made some critically important decisions to put Toronto on stable financial footing. Some, like the Municipal Land Transfer Tax and Vehicle Registration Tax were difficult to make. But they have helped put Toronto on the path to a prosperous future. After 10 years of focusing on survival, we have turned the corner to focus instead on Toronto's future growth and success.

Part of this success is ensuring financial sustainability, and the City of Toronto continues to balance assets and liabilities, revenues and expenditures for the most efficient delivery of excellent City services. Most recently, Standard and Poor's recognized our enhanced stability, and upgraded Toronto's AA credit rating from stable to positive.

In the fall of 2007, City Council showed courage in supporting the Land Transfer Tax and the Vehicle Registration Fee proposals. The result is real investment and real change for betterment of all Torontonians. By accessing new sources of revenue, Toronto Council was able to support investments that maintain and enhance core services and programs, and support the City's strategy to achieve fiscal balance and sustainability. These new taxation measures were made possible through new legislative powers from the Province's City of Toronto Act, 2006, that acknowledges the City's unique and diverse needs and status as a mature government, and were proposed as a means to maintain the City's vital services.

But our work is not yet done. If Toronto is to succeed and our neighbourhoods are to prosper, we need to invest in our city. These new taxes are a first step to allowing us to make those investments. We've done our part and we need the senior orders of government to do theirs. We have already made significant progress: the Province is working with Toronto, and has begun the process of taking back the costs of social services that were downloaded to the City in 1998 with the upload of the Ontario Drug Benefit and Ontario Disability Support Program. We have a seat at the table with the Province to negotiate the remainder of the upload, and are also discussing important issues like sustainable shared transit funding.

At the federal level, we still need the federal government to leave one cent of the GST in Toronto. Our campaign for one cent of the GST began in Toronto and has since been widely endorsed by municipalities across the country. It would provide Toronto with \$400-million-a-year; money that will allow us to invest in public transit, affordable public housing, community centres, libraries and parks. It is my hope that the federal government will now act to provide cities with a sustainable source of revenue that grows with the economy.

By leaving more tax revenue here in cities where it's generated, we can create more wealth for all of Canada's urban regions and we'll narrow the \$1.1 billion fiscal gap that the Conference Board of Canada has identified as the extra money Toronto needs just to keep its infrastructure in a state of good repair.

We'll also secure a prosperous future by using the input from the Economic Competitiveness Advisory Committee – a group of more than two dozen leading Torontonians, each of them recognized for their success in business, labour, education, culture and politics, who came together to produce an achievable vision for Toronto's long-term prosperity. Their Agenda for Prosperity will guide Toronto's pursuit of economic excellence for years to come and is based on four pillars that will foster a proactive, global, creative, and inclusive Toronto.

The City has certainly received a lot of good news and recognition from leading outside agencies that bodes well for the future. Standard and Poor's recent ranking of the top ten economic centres in the world includes Toronto. We're in good company; Chicago, London, Los Angeles, Madrid, Milan, Moscow, New York City, Paris and Yokohama are all included in the same league.

And in its Blueprint for Fiscal Stability and Economic Prosperity, the Independent Fiscal Review Panel of business, education and labour professionals reported on the City's fiscal operations and wrote: "In the end, the City remains one of the most liveable in the world and much of what seems transparent to us all is the result of several layers of good work by good people behind the scenes."

Toronto's transformation into a 21st Century world city is underway, and we know we're on the right track. By taking charge of its destiny and making some tough decisions, Toronto has come into its own and is being recognized for its incredible strengths — building a city that is liveable and prosperous, with opportunity for all.

A handwritten signature in black ink that reads "David Miller". The signature is written in a cursive, slightly slanted style.

David Miller, Mayor  
City of Toronto

## ..... A MESSAGE FROM THE CITY MANAGER



I'm pleased to present the 2007 Financial Report for the City of Toronto. Over the past year, the City has made strides in achieving fiscal sustainability using new legislative powers acquired from the Province of Ontario through the City of Toronto Act, 2006.

In the fall of 2007, Council approved a new Land Transfer Tax and the Personal Vehicle Tax to maintain and improve the City's important programs and services that are vital for a prosperous city.

Along with considering new taxation measures, City staff continues to foster a culture of continuous improvement to ensure efficient and effective service delivery. I'm very proud to say that the Toronto Public Service has performed well, and displayed its commitment in this regard.

Most recently, the Mayor received the final report of his independent Fiscal Review Panel comprised of business, education and labour professionals charged with reviewing and reporting on the City's fiscal health. Their final report, Blueprint for Fiscal Stability and Economic Prosperity – a Call to Action, illustrated many things that the City does well and has made a number of recommendations which include maximizing City assets, improving capital project coordination, streamlining the City's budget process, and developing a comprehensive human resource and staff training and development strategy.

Much of this work was already underway and I will be working closely with staff to move forward with the rest of the panel's recommendations to help the City do even better. Results from the Ontario Municipal CAOs Benchmarking Initiative (OMBI) and the City's Performance Measurement and Benchmarking Report also confirm Toronto's stable performance as compared to other Ontario municipalities in terms of service level, efficiency, customer service and community impact performance indicators.

In 2007, the ongoing effort and commitment of the Toronto Public Service continued to be recognized from the broader public sector. A total of 24 achievement awards in the 2007 Public Sector Quality Fair (PSQF – an annual event showcasing service quality excellence within Ontario in the federal, provincial and municipal sectors) and five Showcase Ontario Awards of Merit (for using information technology to deliver City services) were received. Since 2004, the City has won a total of 74 PSQF awards for a wide variety of innovative projects and programs.

I would like to express my sincere thanks to all members of the Toronto Public Service who have made everyone in this municipal government proud in serving a great city and its people.

A handwritten signature in black ink, appearing to read 'Shirley Hoy'.

Shirley Hoy  
City Manager