

INTERNAL SERVICES

CITY OF TORONTO
2008 BUDGET SUMMARY



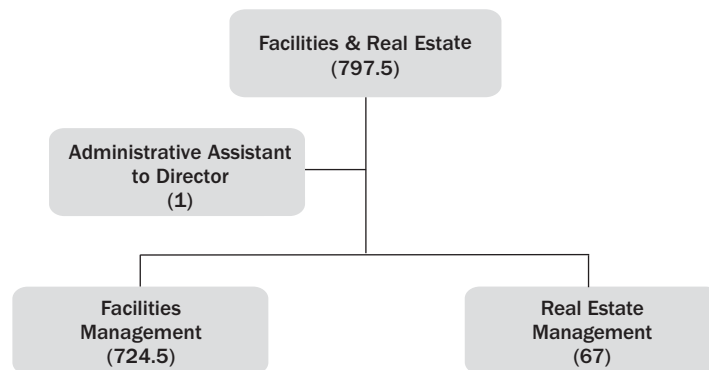
..... FACILITIES AND REAL ESTATE

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.

PROGRAM MAP

Facilities and Real Estate has two service functions: Facilities Management and Real Estate Management with 797.5 approved positions.



2007 KEY ACCOMPLISHMENTS

- Completed an open international design competition for the revitalization of Nathan Phillips Square design, obtained Council's approval of jury selected design and design team
- Completed over 50 Better Buildings Partnership building assessments for energy efficiency
- Co-ordinated City participation in the Conservation and Demand Management Plan (initiated by the Toronto Hydro Electric System Limited)
- Achieved approximately 173,000 tonnes per year CO₂ emission reductions
- Participated in Ontario Power Authority's initiative to conserve 300 MW of electricity
- Completed development of a comprehensive Energy Plan for Toronto to address critical energy issues faced by corporate and community partners
- Initiated implementation of Deep Lake Water Cooling at Old City Hall
- Updated the Custodial Service Improvement project work plan
- Completed the final phase of audio/video connectivity between all Civic Centres, Metro Hall and City Hall

2008 PROGRAM OBJECTIVES

- Manage facilities in accordance with prescribed use and service standards negotiated with the occupants to ensure adherence to federal, provincial and municipal technical and safety regulations.
- Reduce energy and green house gas emissions to meet reduction targets established by City Council.
- Divert waste generated by City facilities to meet waste diversion targets established by City Council.
- Manage the lease portfolio to maximize lease revenues.
- Identify properties for acquisition and disposal to ensure an optimal building portfolio that is focused on meeting the needs of City programs.

FACILITIES AND REAL ESTATE

2008 STRATEGIC PRIORITIES

Facilities and Real Estate, through the Energy Efficiency Office (EEO), will continue to coordinate energy efficiency efforts across the City and assists other Programs to enable the City's participation in various provincial and federal initiatives concerning renewable energy, clean energy generation and energy conservation and demand projects. This is aligned with an overall objective of lowering energy consumption rates and reducing greenhouse emissions. Most importantly, the Energy Efficiency Office is responsible for the implementation of the Toronto Sustainable Energy Plan approved by Council as part of the "Climate Change, Clean Air and Sustainable Energy Plan: Moving from Framework to Action" report in July 2007. The 2008 Operating Budget includes funding for the following new Strategic Priorities:

- Develop a Comprehensive Climate Change Plan to Cut Greenhouse Gas Emissions To Help Combat Global Warming:
 - > Administration and portfolio development of the City's Conservation and Demand Management Response Program in the amount of \$3.220 million to provide a framework for achieving 90 MW of electricity demand reduction and to promote cooperation among various entities delivering programs, consistent with the City's Agreement with the Ontario Power Authority to reduce future power generation demand in the City of Toronto.
 - > Financial portfolio management in support of the Sustainable Energy Plan in the amount of \$0.238 million to ensure strict financial oversight and fulfill various reporting requirements of this important initiative.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget provides the following Services:

- Commence implementation of the Sustainable Energy Plan consisting of Toronto Energy Conservation Fund (\$42 million), Toronto Green Energy Fund (\$20 million), City Hall/Nathan Phillips Square energy and sustainability improvements (\$15 million), Expansion of the Deep Lake Water Cooling program to Police Headquarters and Union Station (\$7 million), Energy Retrofit Program Funding (\$8 million).
- Continue to develop and administrate the implementation of the City's Conservation and Demand Management Response Program under the terms of the Master Program Agreement with the Ontario Power Authority (OPA) executed in 2007.
- Continue to implement the Business Integration Project (BIP) system including introduction of a new leasing data base application and upgrade and replacement of software for tracking and monitoring capital assets.
- Maximize the City's energy efficiency incentive funding received from other orders of government.
- Commence the Nathan Phillips Square redevelopment and revitalization initiative.
- Complete the Union Station revitalization project plan and funding assessment.

2008 OPERATING BUDGET

The 2008 Operating Budget for Facilities and Real Estate of \$131.126 million gross represents a \$6.590 million or 5.3% increase compared to 2007. The 2008 net operating budget of \$55.244 million reflects a \$0.278 million or 0.5% increase over the 2007 net budget as shown in Tables 1 and 2.

FACILITIES AND REAL ESTATE

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Facilities	104,253	64,662	109,798	66,944	116,925	68,012	7,127.6	10.6%	1,067.5	1.6
Real Estate	13,509	(11,701)	14,738	(11,978)	14,200	(12,768)	(537.9)	4.5%	(789.8)	6.6
Total Program Budget	117,761	52,961	124,536	54,966	131,126	55,244	6,589.7	5.3%	277.6	0.5

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	58,684.3	60,243.2	63,510.1	4,825.8	8.2%	64,539.8	65,691.6
Materials and Supplies	27,281.1	23,765.3	26,411.2	(869.9)	(3.2%)	26,411.2	26,411.2
Equipment	760.9	603.4	842.8	81.9	10.8%	842.9	842.8
Services & Rents	34,959.1	39,299.7	37,279.3	2,320.2	6.6%	36,850.3	36,850.3
Contributions to Reserve/Res Funds	1,565.6	1,472.4	1,573.7	8.1	0.5%	1,573.7	1,573.7
Other Expenditures	1,285.0	1,834.1	1,508.6	223.6	17.4%	1,508.6	1,508.6
Total Gross Expenditures	124,536.0	127,218.1	131,125.7	6,589.7	5.3%	131,726.4	132,878.2
Funded by:							
Provincial Subsidies			3,220.0	3,220.0	n/a	3,220.0	3,220.0
Federal Subsidies			155.6	155.6	n/a	155.6	155.6
Other Subsidies		54.5		0.0	n/a		
User Fees, Permits & Donations	18,478.0	19,068.8	19,179.1	701.1	3.8%	19,179.1	19,179.1
Contribution from Reserves/Res Funds	6,692.6	8,614.1	5,723.2	(969.4)	(14.5%)	5,294.2	5,294.2
Other Revenues	44,399.2	46,108.8	47,604.0	3,204.8	7.2%	47,744.0	47,744.0
Total Non Tax Revenues	69,569.8	73,846.2	75,881.9	6,312.1	9.1%	75,592.9	75,592.9
Net Budget (excluding Capital Financing)	54,966.2	53,371.9	55,243.9	277.6	0.5%	56,133.5	57,285.4
APPROVED POSITIONS	773.0	773.0	797.5	24.5	3.2%	797.5	797.5

2009/2010 OPERATING BUDGET OUTLOOK

A major challenge for 2009 and beyond will be to maintain the 2008 service levels within a constraining financial framework without further affecting the management and maintenance of the City's property asset portfolio as well as security, cleaning and other services provided at corporate buildings and at Special Events. The 2009 and 2010 Outlook will be further reviewed to identify potential service level gaps as well as service level adjustments required to meet future year targets.

FACILITIES AND REAL ESTATE

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

Facilities and Real Estate is responsible for the maintenance of 271 buildings identified as corporate facilities, valued at approximately \$2.46 billion. The main objective of the Five-Year Capital Plan is to ensure that all corporate facilities are maintained in a state-of-good repair and to ensure that facilities provide a safe and functional environment for all users. The Five-Year Capital Plan is also aligned with the strategic directions provided through the Mayor's Mandate, Council's priorities and Council- strategic plans.

The Facilities and Real Estate's Five-Year Plan will fund a number of multi-year projects, including mechanical and electrical upgrades of various corporate buildings and environmental emergency remediation projects across the various City locations. It also includes two major new capital initiatives, the Yards Consolidation Study and Old City Hall HVAC Upgrade. Nathan Phillips Square Revitalization, previously a stand alone project, has also been added to the Facilities and Real Estate's Five-Year Capital Plan as a core asset.

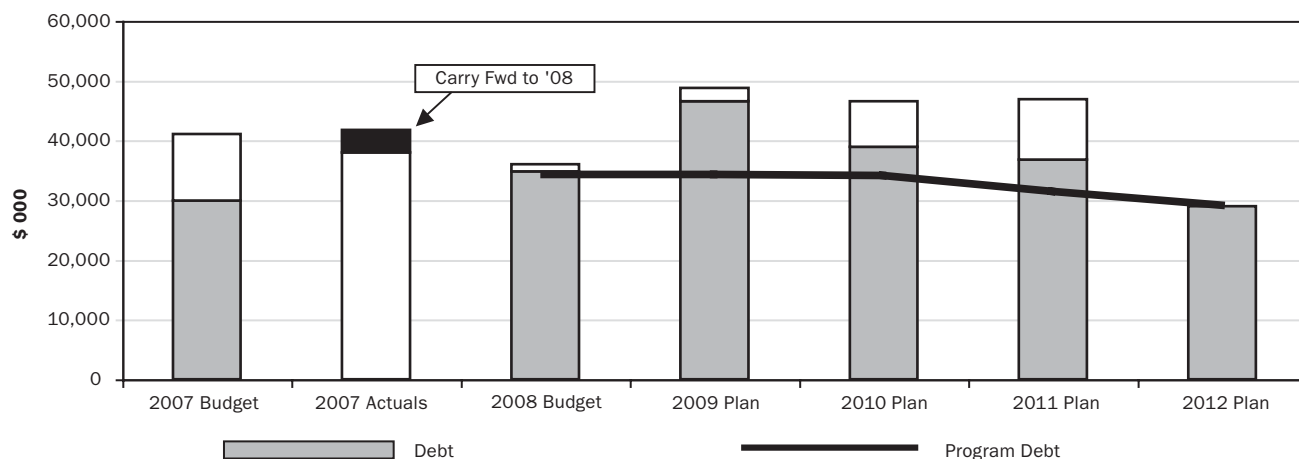
Facilities and Real Estate's 2008 Capital Budget and 2009-2012 Capital Plan totals \$207.211 million and requires cash flows of \$35.973 million in 2008; \$48.765 million in 2009; \$46.572 million in 2010; \$46.901 million in 2011; and \$29.000 million in 2012. The Facilities and Real Estate's Five-Year Capital Plan requires debt funding of \$186.033 million.

The Five-Year Capital Plan exceeds the Council debt affordability target for the program by \$0.7 million in 2008, \$12.4 million in 2009, \$5.0 million in 2010 and \$5.5 million in 2011, for a total of \$23.6 million over four years, due to the fact that it incorporates several major capital initiatives, such as the Yards Consolidation Study and Old City Hall HVAC Upgrade projects, requiring an increase in debt funding not identified or included in the previous 2007-2011 Capital Plan. The Five-Year Capital Plan also earmarks two projects for Toronto's 13 priority neighbourhoods, requiring new debt funding. Without these additions, the program meets the approved targets in all years for its own core building portfolio.

The Five-Year Capital Plan has strong emphasis on state-of-good-repair. Of the \$207.211 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$137.906 million (67%) for state-of-good repair initiatives, while 25.924 million (21%) is allocated to the health and safety projects, \$11.973 million (8%) to legislative or contractually required projects and \$31.408 million (15%) to service improvement and growth related projects through large scale redevelopment and space planning projects and facility rationalization studies.

FACILITIES AND REAL ESTATE

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007 Budget	2007 Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	54,598	37,936	23,492	8,953	5,332	3,562	1,785	43,124
Recommended Changes to Commitments			(2,921)	846	(1,045)	(305)	2,780	(645)
2008 New/Change in Scope and Future Year Commitments			15,402	19,361	6,106	6,416	16	47,301
2009 – 2012 Plan Estimates				19,605	36,179	37,228	24,419	117,431
1-Year Carry Forward to 2008		3,397						
Total Gross Annual Expenditures & Plan	54,598		35,973	48,765	46,572	46,901	29,000	207,211
Program Debt Target	29,900		34,128	34,128	33,916	31,316	29,000	162,488
Financing:								
Recommended Debt	29,900		34,794	46,565	38,872	36,801	29,000	186,032
Other Financing Sources:								
Reserves/Reserve Funds	15,254							0
Development Charges	696							0
Federal								0
Provincial				1,200				1,200
Other Revenue	8,748		1,179	1,000	7,700	10,100	0	19,979
Total Financing	54,598		35,973	48,765	46,572	46,901	29,000	207,211
By Category:								
Health & Safety	16,404		7,751	5,074	5,510	2,709	4,880	25,924
Legislated	8,950		2,891	2,757	2,967	1,978	1,380	11,973
SOGR	6,996		19,045	27,746	32,745	37,897	20,473	137,906
Service Improvement	8,687		5,726	10,213	5,350	4,317	2,226	27,832
Growth Related	15,254		560	2,975			41	3,576
Total By Category	54,598		35,973	48,765	46,572	46,901	29,000	207,211
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)		155,033	141,098	131,609	117,598	99,529	82,774	82,774
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			1,044	5,224	6,288	5,380	4,918	22,854

FACILITIES AND REAL ESTATE

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- ***A Cleaner and More Beautiful City – Developing a comprehensive public space beautification plan.***
Nathan Phillips Square was the first in a series of design competitions hosted by the City. The design competition has attracted international competitors with a variety of visions to revitalize the Square. In June 2007, City Council endorsed the winning design (Plant Architect Inc. and Shore Tribe Irwin and Partners) as well as a contract award to the winning team for architectural and other design related work. The Square will be revitalized to increase its attractiveness to both residents and visitors and become a public space vital to the city's lifestyle. The Five-Year Capital Plan includes the funding of \$31.975 million for the Nathan Phillips Square revitalization.
- ***Develop a comprehensive climate change plan to cut greenhouse gas emissions to help combat global warming***
Facilities and Real Estate, through the Energy Efficiency Office, coordinates energy efficiency efforts across the City and assists other Programs through their capital projects, to enable participation in various provincial and federal initiatives concerning renewable energy, clean energy generation and energy conservation and demand projects. This is aligned with an overall objective of lowering energy consumption rates and reducing greenhouse emissions and smog emissions to meet targets recently approved by Council through adoption of the Climate Change, Clean Air and Sustainable Energy Action Plan.
- ***Implement the recently approved Toronto Green Building Standard to ensure ecologically friendly buildings***
The 2008 Capital Budget includes funding for the conversion of existing refrigerant chillers to Deep Lake Water Cooling (DLWC) technology at Old City Hall (\$2.7 million), as well as a number of other projects concerning the retrofits of corporate buildings across the City, enabling the City to lead the way by ensuring that its own facilities meet the latest building standards and ecologically friendly initiatives.
- ***Invest \$13 million in Toronto's 13 priority neighbourhoods over the next four years***
The Five-Year Capital Plan for Facilities and Real Estate earmarks two service enhancement projects, valued at \$3.535 million, for Toronto's 13 priority neighbourhoods and its surrounding areas. This includes a total of \$0.560 million in 2008 for renovation of facility at 1652 Keele Street to provide additional third floor community space as well as lower level youth space (\$0.335 million), and initial planning work on the development of Father Henry Carr High School in the Rexdale Community Centre (\$0.225 million). The latter requires Council's approval for the lease agreement at the Facility and the establishment of a model for its operation.

Other Key Capital Initiatives:

The Facilities and Real Estate's Five-Year Capital Plan includes funding for the following major capital initiatives:

- approximately \$155 million will be allocated to various project groupings that focus on the types of capital maintenance required – i.e., structural maintenance, re-roofing, sitework etc., to keep assets in a state of good repair and provide for life cycle replacements. Within this portfolio of projects, mechanical and electrical projects, structural maintenance work and renovations with funding of \$79.3 million, \$19.6 million and \$17.1 million respectively, account for approximately 56% of the total. Information and Technology projects, such as the Capital Asset Management System project, Custodial Workload Management and Scheduling and Business Improvement Project (Plant Maintenance and Project Systems Module implementation) are included with \$4.3 million in approved funding. Another \$7.7 million is reserved for unplanned emergency projects and events.
- Work on condition assessments and cost-benefit studies to consolidate approximately 55 yards and 114 buildings across the City, used for transportation and other public works related services. The 2008 cash flow will fund initial assessments of facilities in the South District with the work on the North District segment planned for 2009, followed by the East District segment consolidation study in 2009.

FACILITIES AND REAL ESTATE

- The Old City Hall HVAC systems upgrades, an initiative which is phased over the four year period, with the funding in the total amount of \$10.487 million, with intent to combine the implementation of the Old City Hall and electrical systems together to maximize the cost effectiveness in upgrading the building's aging infrastructure. The advantages include cost reduction in labour, ductwork, air distribution and other equipment.
- Facilities and Real Estate have also initiated the Capital Asset Management System project (CAMS) which will result in implementation of an industry accepted facility asset management system by the end of 2008.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Energy efficiency projects that have been already completed across the City will materialize in energy savings estimated at \$1.8 million for 2008. These savings are included as a reduction option in the Facilities and Real Estate's 2008 Operating Budget. Similarly, further energy efficiency savings are expected from continuing energy retrofits of corporate buildings and they will be reported during the 2009 and future year operating budget processes.

STATE OF GOOD REPAIR BACKLOG

Facilities and Real Estate is responsible for the maintenance of 267 buildings identified as corporate facilities. Approximately 20% of City owned buildings are over 50 years old.

The 2007 year-end state-of-good repair backlog is valued at \$155 million. Within 5 years, at current funding levels, Facilities and Real Estate will reduce this backlog by approximately \$72 million or \$14 million on average annually. The backlog balance is expected to be eliminated by the end of 2018, subject to approval of consistent funding levels and the results of future building condition assessments.

In addition to addressing existing backlog, the Five-Year Capital Plan includes life cycle replacements of components that are at the end of their service life, at an average amount of \$9 million per year over the 2008-2012 period.

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.

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

The Financial Services Five-Year Capital Plan outlines the investments that are required to ensure compliance with new legislation and to address the state of good repair upgrades to the City's financial information systems.

The Five-Year Plan will allow for the completion in 2008 of the Development Charges Background Study and the adoption of a new bylaw by 2009; financing advisory support for the Spadina Subway Extension Financing project; consolidation of Water and Solid Waste collection bill into one Utility Bill and Workflow & Document Management.

The Five-Year Plan includes funding for the continuation of the Fixed Assets Record Systems; development and implementation of a general ledger interface for Tax and Water Systems; upgrade the current Parking Tag Management Software. Projects to commence in 2008 and continue over the Five-Year Capital Plan period include upgrading the Tax Billing System with new software and hardware technology; upgrade the Water Billing System to accommodate new system with automated meter reading initiative; E-Procurement Implementation to utilize corporate technology to streamline the purchasing functions; to complete the Financial Planning Analysis and Reporting System final phase for the 2010 Budget process; replacement of the Payment Processing Equipment to process payment cheques and to implement an improved accounts payable process with technology enablers.

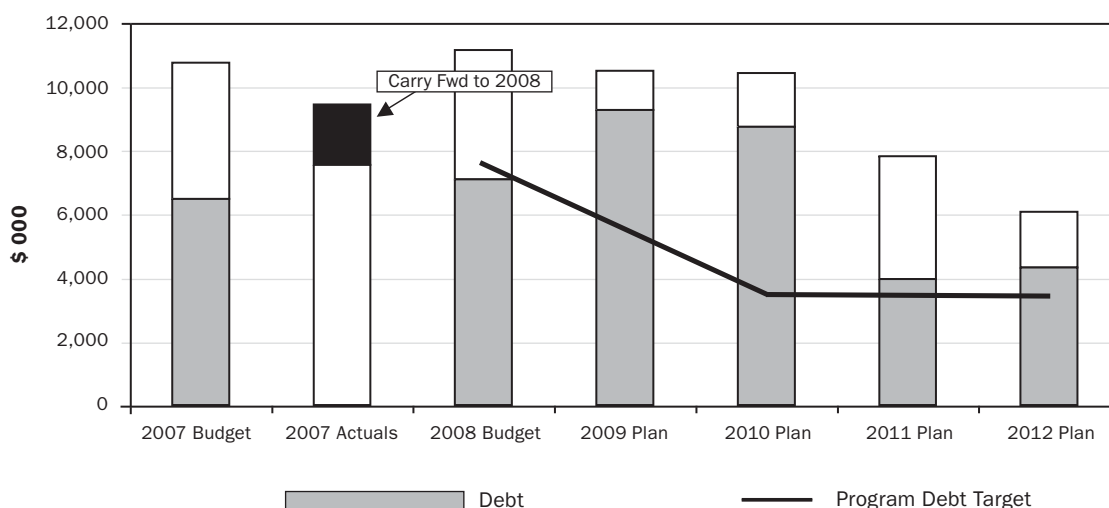
Financial Services 2008 Capital Budget and 2009-2012 Capital Plan totals \$45.928 million with 2008 cash flow of \$11.073 million; \$10.566 million in 2009; \$10.493 million in 2010; \$7.676 million in 2011 and \$6.120 million in 2012.

The Council approved debt level for the Program exceeds the aggregate debt target of \$21.650 million by \$9.941 million. The 2008-2012 Capital Plan includes changes to future year cash flow commitments previously approved by Council to reduce the impact on debt from 2009 onwards. The majority of the debt over target is due to projects requiring compliance with new legislation and the state of good repair upgrades to the City's financial information systems.

Excluding one-year carry forward funding, the recommended Five-Year Plan for Financial Services includes projects that maintain current technology in a state of good repair and strategic service improvements to meet corporate financial management and control needs. Of the \$43.985 million in recommended funding for 2008-2012, the Plan earmarks \$29.686 million (68%) for state-of-good repair (SOGR) initiatives, \$12.452 million (28%) for service enhancements while the remaining \$1.847 million is legislated. Of the \$31.591 million in debt financing proposed over the next five years, 85% (\$26.859 million) is assigned to service improvement and state-of-good repair initiatives.

FINANCIAL SERVICES

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	10,763	3,338	5,970	2,815	650	0		9,435
Recommended Changes to Commitments			(839)	946	2,442	325	0	2,874
2008 New/Change in Scope and Future Year Commitments			5,942	5,775	4,876	3,176	0	19,769
2009 – 2012 Plan Estimates				1,030	2,525	4,175	6,120	13,850
1-Year Carry Forward to 2008		1,748						
Total Gross Annual Expenditures & Plan	10,763	5,086	11,073	10,566	10,493	7,676	6,120	43,985
Program Debt Target	3,900		7,550	5,300	3,000	2,900	2,900	21,650
Financing:								
Recommended Debt	6,283		6,861	8,473	7,582	4,085	4,590	31,591
Other Financing Sources:								
Reserves/Reserve Funds	1,994		14,08	105	500		105	2,118
Development Charges	553		228					228
Federal								0
Provincial								0
Other Revenue	1,933		2,576	1,988	2,411	3,591	1,425	11,991
Total Financing	10,763		11,073	10,566	10,493	7,676	6,120	45,928
By Category:								
Health & Safety								
Legislated	818		1,420	514				1,934
SOGR	1,318		2,650	6,050	9,291	6,776	5,120	20,887
Service Improvement	8,627		7,003	4002	1,202	900	1,000	14,107
Growth Related				2,975			41	3,576
Total By Category	410,763		11,073	10,566	10,493	7,676	6,120	45,928
Yearly SOGR Backlog Estimate (not addressed by current plan)								
Accumulated Backlog Estimate (end of year)								
Operating Impact on Program Costs			0	436	187	282	282	1,187
Debt Service Costs			206	1,009	1,159	957	587	3,918

FINANCIAL SERVICES

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following strategic priorities:

- The Five-Year Capital Plan also contributes to the City's Strategic Priorities:
 - > 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; and
 - > 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.

Other Key Capital Initiatives:

Most of the projects in this Five-Year Capital plan are systems related; focussing on supporting the City's financial processes. They are primarily state of good repair or service improvement projects.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

The 2008-2012 Capital Plan will increase future year Operating Budgets by a total of \$1.187 million net over the five-year period, with no impact in 2008.

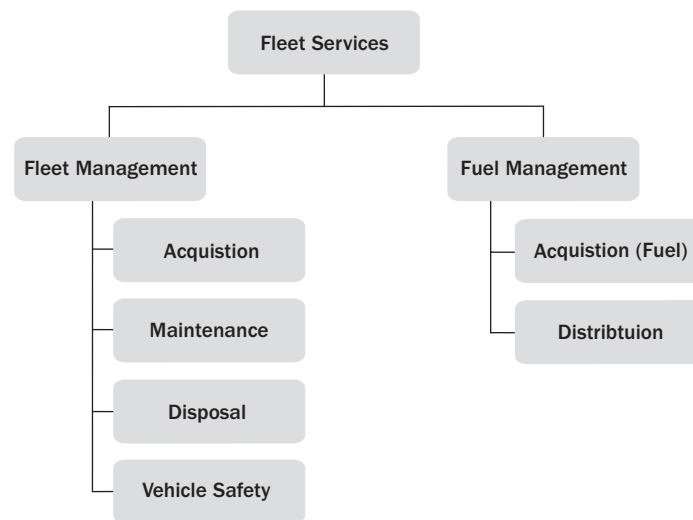
FLEET SERVICES

MISSION STATEMENT

- To provide responsive, flexible, efficient and comprehensive Fleet Management and Fuel Management Services to reduce the Fleet lifecycle costs to the City, and to mitigate the risk of unsafe Drivers, Vehicles, and Equipment Operation.

PROGRAM MAP

As indicated in the Program map, Fleet Services has two service functions: Fleet Management and Fuel Management with 205 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- As per the Green Fleet Transition Plan, further advanced the implementation of the clean fuels program at Fleet managed fuels sites to help reduce the negative effects of vehicle emissions.
- Implemented single sourcing for parts on consignment. This has significantly decreased the turnaround time for parts, enhanced the billing process and provided savings.
- Improved exception reporting to provide better customer service. Initiated a sub-committee, of the Fleet Steering Committee, with a mandate to customize the exception reports available in M4 and upgrading to M5 which will develop user friendly reports that could be circulated to front-line managers to assist them with fleet-related decision making.
- Implemented the Idle Free program to reduce fuel costs and related emissions.
- Closed 8 fuel sites pursuant to recommendations of the Fuel Sites Review.

2008 PROGRAM OBJECTIVES

- To provide repair and preventive maintenance services for vehicles and equipment to support divisional operations and comply with legislative requirements.
- To provide fuel to support divisional operations and oversight at all City fuel sites.

FLEET SERVICES

2008 STRATEGIC PRIORITIES

The 2008 Budget for Fleet Services directly advances the following strategic priorities outlined in the Council's policy agenda:

- A Greener City
- Reduce smog-causing pollutants by implementing the Idle Free Campaign.
- Increase the use of bio-diesel, and ethanol-enriched fuel.
- Continue to increase the number of vehicles in the City's fleet to green technology.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will achieve the following:

- Reduction in fuel consumption from the Idle Free campaign.
- Reduction in fuel consumption from the Green Fleet Plan
- Bulk savings from parts consignment contract, and maintenance operation efficiencies.

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Fleet Maintenance	22,406	–	23,060	–	24,761	–	1,701.0	7.4%	–	n/a
Fuel Operations	8,184	–	8,805	–	11,964	–	3,159.0	35.9%	–	n/a
Fleet Safety	1,086	–	1,097	–	1,233	–	136.0	12.4%	–	n/a
Fleet Management	3,012	–	3,125	–	3,502	–	377.0	12.1%	–	n/a
Total Program Budget	34,688	–	36,087	–	41,460	–	5,373.0	14.9%	–	n/a

FLEET SERVICES

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)							
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook		2010 Outlook
	\$	\$	\$	\$	%	\$		\$
Gross Expenditures:								
Salaries and Benefits	16,624.4	15,899.3	17,543.6	919.2	5.5%	17,834.6	18,156.3	
Materials and Supplies	15,843.0	19,185.9	19,789.7	3,946.7	24.9%	19,791.2	19,791.2	
Equipment	99.4	149.8	101.6	2.2	2.2%	101.6	101.6	
Services & Rents	3,195.4	5,110.0	3,721.7	526.3	16.5%	3,720.2	3,720.2	
Contributions to Reserve/Res Funds	76.6	76.6	76.6	0.0	0.0%	76.6	76.6	
Other Expenditures	248.4	182.7	226.6	(21.8)	(8.8%)	226.6	226.6	
Total Gross Expenditures	36,087.2	40,604.3	41,459.8	5,372.6	14.9%	41,750.8	42,072.5	
Funded by:								
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0	
Other Revenues	36,087.2	40,511.7	41,459.8	5,372.6	14.9%	41,750.8	42,072.5	
Total Non Tax Revenues	36,087.2	40,511.7	41,459.8	5,372.6	14.9%	41,750.8	42,072.5	
Net Budget (excluding Capital Financing)	0.0	92.6	0.0	(0.0)	n/a	0.0	0.0	
APPROVED POSITIONS	202.0	202.0	205.0	3.0	1.5%	205.0	205.0	

2009/2010 OPERATING BUDGET OUTLOOK

- Increase scheduled maintenance to help minimize maintenance costs.
- Negotiate with all divisions on downsizing fleet size through service level agreements.

FLEET SERVICES

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

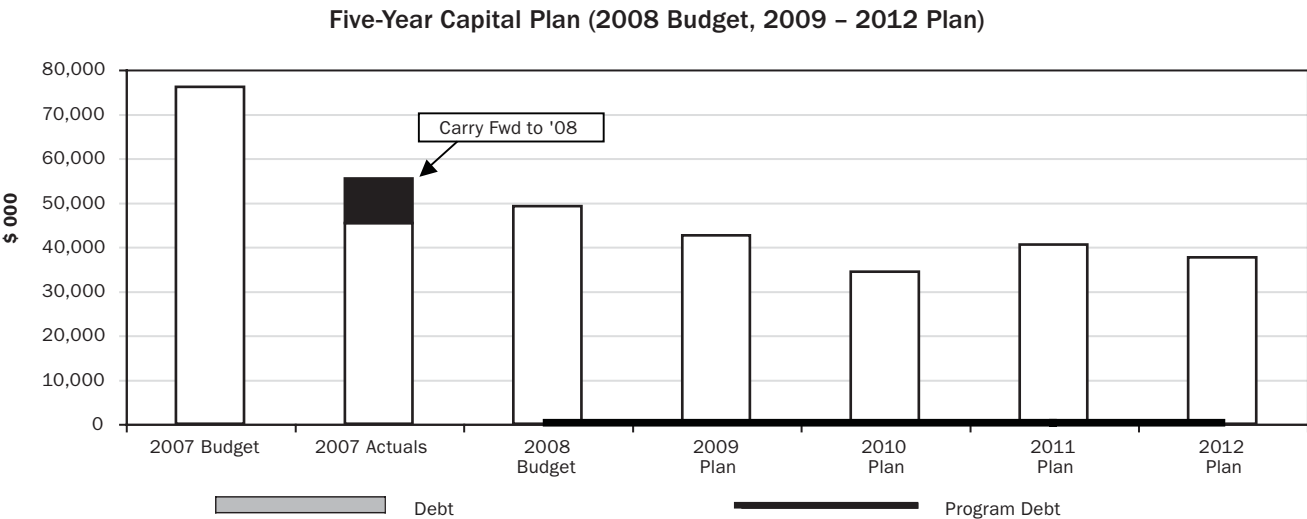
FIVE-YEAR CAPITAL PLAN OVERVIEW

Fleet Services Five-Year Plan is aligned with the strategic priorities for a “Greener City”. In 2008, \$1.149 million is provided for the continuation of the Green Fleet initiatives to lower carbon emissions by taking advantage of innovative green technology available.

The Five-Year Plan is primarily comprised of funding to maintain the state of good repair of the City’s fleet utilized by various City Programs. In 2008, the Plan will fund the replacement of vehicles for Parks, Forestry and Recreation in the amount of \$3.800 million; \$7.625 million for Solid Waste, \$1.700 million for Transportation, \$2.600 million for Emergency Medical Services, and \$3.311 million for Fire Services. These Programs represent the operators of the majority of the City’s fleet. Action to close out fuel sites as identified in the fuel sites review will continue in 2008 at a cost of \$1.077 million.

Fleet Services’ 2008 Capital Budget and 2009-2012 Capital Plan totals \$204.142 million and requires cash flows of \$49.116 million in 2008; \$42.544 million in 2009; \$34.366 million in 2010; \$40.497 million in \$2011; and \$37.619 million in 2012.

Fleet Services’ 2008 Capital Budget, including previously approved commitments, requires new cash flow of \$49.116 million. This cash flow combined with carry forward funding of \$10.085 million for 2007 projects brings the total 2008 Capital Budget to \$59.201 million gross, fully funded from the Vehicles and Equipment Reserves.



FLEET SERVICES

	2007		Five-Year Plan					
	Budget	Actual	2008	2009	2010	2011	2012	2008-12
Gross Expenditures:								
2007 Capital Budget & Future Year Commitments	76,080	45,264	16,459					16,459
Recommended Changes to Commitments								0
2008 New/Change in Scope and Future Year Commitments			32,657	16,459				49,116
2009 - 2012 Plan Estimates				26,085	34,366	40,497	37,619	138,567
1-Year Carry Forward to 2008		10,085	→					
Total Gross Annual Expenditures & Plan	76,080	55,349	49,116	42,544	34,366	40,497	37,619	204,142
Program Debt Target			NA	NA	NA	NA	NA	NA
Financing:								
Recommended Debt								0
Other Financing Sources:								
Reserves/Reserve Funds	76,080		49,116	42,544	34,366	40,497	37,619	204,142
Development Charges								0
Federal								0
Provincial								0
Other								0
Total Financing	76,080		49,116	42,544	34,366	40,497	37,619	204,142
By Category:								
Health & Safety								
Legislated	1,061		796	500	500	500	500	2,796
SOGR	74,183		47,023	41,062	33,034	39,170	36,199	196,488
Service Improvement	836		1,297	982	832	827	920	4,858
Growth Related								
Total By Category	76,080		49,116	42,544	34,366	40,497	37,619	204,142
Yearly SOGR Backlog Estimate (not addressed by current plan)			(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(30,000)
Accumulated Backlog Estimate (end of year)		45,370	39,370	33,370	27,370	21,370	15,370	15,370
Operating Impact on Program Costs			0	0	0	0	0	0
Debt Service Costs			0	0	0	0	0	0

* Note that the One-Year Carry Forward reflects the latest estimate as used in the 2007 2nd Quarter Capital Variance Report.

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Capital Plan advances the following Strategic Priorities:

- A Clean, Green and Beautiful City
Fleet Services Five-Year Capital Plan will continue to invest in innovative greener technology available, such as hybrids, and newer hydrogen-based platforms for the City's fleet utilized by various City Programs. The replacement of "standard" vehicles with a "green" vehicles will significantly reduce carbon dioxide emissions and fuel consumption. The Green Fleet Plan originated from a vision to move towards operating City's vehicles and equipment that leave fewer negative impacts on the environment.

FLEET SERVICES

Other Key Capital Initiatives:

Fleet Services Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Fleet Services continue to lead the City's fuel sites management and control. This includes identifying fuel sites for upgrades and closures for those that are not viable, and ensuring consistent operations and compliance with regulations.
- Complete the implementation of the Fleet Management System upgrades and enhancements. This will improve exception reporting to provide better customer services and fleet information to client Divisions.
- Implement a new fuel management solution to allow for real time integration between the Fleet Management and Fuel systems at City's fuelling sites. This will improve the day-to-day operation of the City's fuelling sites with an ability to obtain accurate fuel inventories for monitoring purposes, thus reducing the potential for waste or incorrect dispensations.

STATE OF GOOD REPAIR BACKLOG

Funding for the Five-Year Capital Plan reduces the current state of good repair backlog by approximately \$6.000 million annually. At the end of the five-year time frame, backlog will be reduced by 66.1% or \$30.000 million to \$15.370 million.

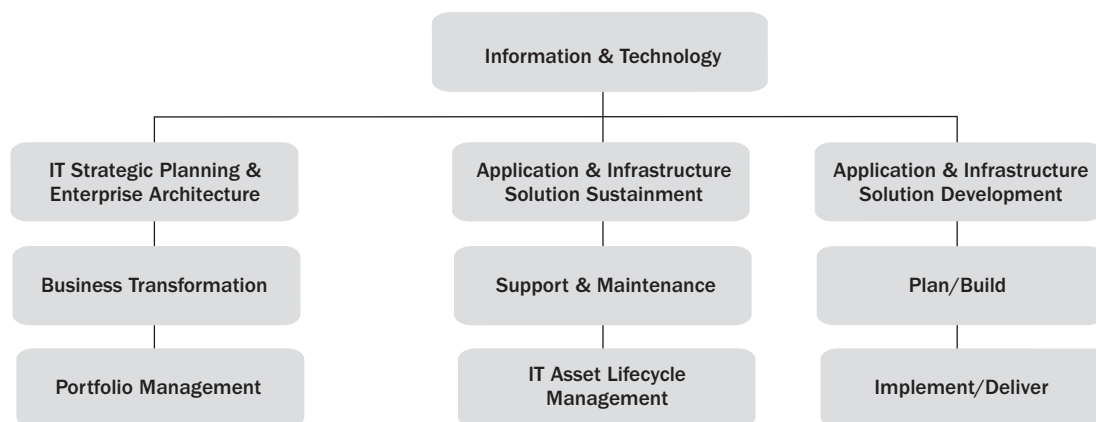
INFORMATION AND TECHNOLOGY

MISSION STATEMENT

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

PROGRAM MAP

As indicated in the Program map, Information and Technology has three service functions: I&T Strategic Planning & Enterprise Architecture; Application & Infrastructure Solution Sustainment; and Application & Infrastructure Solution Development with 386 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Developed e-City Project Management Office processes for project identification, business case development, evaluation, prioritization, and monitoring.
- Developed a business case template for IT capital projects that emphasizes business priorities, service improvements and other measurable benefits.
- Completed IT governance and organizational design review.
- Developed business integration model with emphasis on alignment with strategic business priorities.
- Established an Enterprise Architecture Framework Working group.
- Revised descriptive metadata standard based on web content and document management project experience.
- Developed logical data model and enterprise data modeling standards.
- Developed an Enterprise Information Architecture to support 3-1-1 Contact Centre, the City Clerk's Meeting Management and enterprise information management initiatives.
- Developed an electronic records management strategy.
- Developed new information security standards, including Operating Systems, Mobile Device, Remote Access security standards.
- Expanded central geographic data repository by adding data layers common to many business applications.
- Implemented Enterprise Applications Integration technology to provide integration capability for enterprise application environment and to support 3-1-1 Contact Centre services.
- Delivered technical environment for consolidated Web Services Page for 3-1-1.

INFORMATION AND TECHNOLOGY

- Delivered SAP Archiving and SAP Solution Manager functionality.
- Extended the integrated geospatial environment model to manage transportation attributes and metadata.
- Launched the IT Transformation Project that will establish a new governance and organizational structure for information technology that enables the City to meet strategic and service delivery targets.

2008 PROGRAM OBJECTIVES

- Provide information technology that supports effective City Programs delivery and enable services to be progressively improved and delivered in a cost effective manner.
- Sustain critical enterprise and/or divisional computer applications and infrastructure to support client business objectives.
- Design and implement critical enterprise and/or divisional computer applications and infrastructure to enable client business objectives.
- Continue with the transitions to a new governance and organizational structure for information technology as a result of the IT Transformation Project.

2008 STRATEGIC PRIORITIES

The 2008 Operating Budget for Information and Technology provides funding to advance the following priorities:

- ***Improve the City's website to make it easier to navigate and take advantage of new technology***
The Information and Technology's 2008 Operating Budget provides the resources to redesign the City's website to improve functionality, and navigation; to upgrade the underlying software (Websphere) to provide more functionality and expedite online applications and to implement the "Content Management Solution Software (Vignette)" for better management of web content.
- ***Establish a 3-1-1 technology solution so that every resident has direct and simple access to a person at City Hall who can help resolve problems.***
The City of Toronto's 3-1-1 customer service strategy, when fully implemented, will improve accessibility to City services and will increase the City's effectiveness in responding to public inquiries. Services and business processes will be designed and organized from the public's perspective. The public will be able to obtain information and access to non-emergency City government services using their method of choice: over the telephone, on the City's Web site, by e-mail, mail, fax, in person and eventually at a self-serve kiosk.

Information and Technology continues to participate in required work on front-end content development and business reviews, core technology implementation, work order system integration and other components related to technology infrastructure and applications for 3-1-1.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will enable Information and Technology to continue to develop the e-City multi-year Strategic Plan. It will also enable the Program to make advance towards completing the IT Transformation Project that will allow the City to meet strategic and service delivery targets and continue working toward the e-City vision.

INFORMATION AND TECHNOLOGY

2008 OPERATING BUDGET

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Desktop Computing	33,030	29,557	34,653	29,345	34,990	28,982	337.3	1.0%	-363.7	(1.3%)
Applications Delivery	15,234	13,271	17,784	15,119	18,331	15,737	547.1	3.1%	618.1	3.9%
Voice & Telecommunications	1,222	713	1,191	768	1,301	878	109.5	9.2%	109.8	12.5%
Land Information	3,175	2,960	3,072	2,833	3,064	2,816	(8.6)	(0.3%)	-17.3	(0.6%)
Total Program Budget	52,662	46,502	56,700	48,065	57,685	48,412	985.3	1.7%	346.9	0.7%

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007	2007	2008	Change from 2007		2009	2010
	Budget	Actuals	Approved	Approved		Outlook	Outlook
	\$	\$	Budget	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	37,536.2	35,349.9	39,903.4	2,367.2	6.3%	40,549.0	41,404.8
Materials and Supplies	449.8	148.2	332.7	(117.1)	(26.0%)	319.3	319.3
Equipment	357.1	404.2	163.2	(193.9)	(54.3%)	190.5	190.5
Services & Rents	17,862.0	14,190.6	16,780.6	(1,081.4)	(6.1%)	17,269.5	17,269.5
Contributions to Reserve/Res Funds	90.9	90.9	90.9	0.0	0.0%	90.9	90.9
Other Expenditures	403.9	460.2	414.5	10.6	2.6%	426.0	426.0
Total Gross Expenditures	56,699.9	50,644.0	57,685.3	985.4	1.7%	58,845.2	59,701.0
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Revenues	8,634.6	6,010.5	9,273.4	638.8	7.4%	8,490.8	8,590.8
Total Non Tax Revenues	8,634.6	6,010.5	9,273.4	638.8	7.4%	8,490.8	8,590.8
Net Budget (excluding Capital Financing)	48,065.3	44,633.5	48,411.9	346.6	0.7%	50,354.4	51,110.2
APPROVED POSITIONS	384.0	384.0	386.0	2.0	0.5%	389.0	389.0

2009/2010 OPERATING BUDGET OUTLOOK

Information and Technology will continue working on the IT Transformation project to increase the City's technology leadership and innovation while supporting continuous improvement and effective, cost efficient service delivery within its new corporate administrative structure.

INFORMATION AND TECHNOLOGY

2008 CAPITAL BUDGET AND 2009 – 2012 CAPITAL PLAN

FIVE-YEAR CAPITAL PLAN OVERVIEW

Information and Technology Five-Year Plan is aligned with the strategic directions provided through the Mayor's Mandate, Council's priorities and Council- strategic plans, to Improve the City's Website to make it easier to navigate and take advantage of new technology.

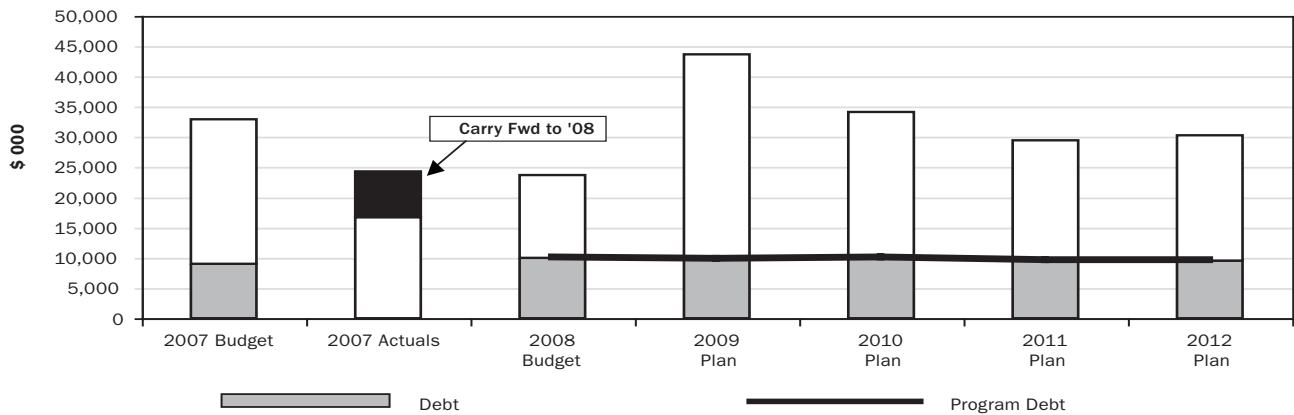
Information and Technology's 2008 Capital Budget and 2009-2012 Capital Plan totals \$168.702 million and requires cash flows of \$31.214 million in 2008; \$43.666 million in 2009; \$34.091 million in 2010; \$29.457 million in 2011; and \$30.274 million in 2012.

The Five-Year Plan meets the Council debt affordability target for the program. The major portion of the Five-Year Plan is related to asset sustainment comprising 65% or \$105.830 million funded from the Information and Technology Equipment Reserve.

The Five-Year Plan has a strong emphasis on state-of-good-repair and an attempt to satisfy some demand for service improvement. Of the \$168.702 million in funding for 2008-2012, the Approved Five-Year Plan earmarks \$157.631 million (97%) for state-of-good repair initiatives, while the remaining \$3.504 million is reserved for service improvement projects.

The 2008 Capital Budget, including previously approved commitments requires new 2008 cash flow of \$23.647 million. This cash flow combined with carry forward funding of \$7.567 million for 2007 projects brings the total 2008 Capital Budget to \$31.214 million gross.

Five-Year Capital Plan (2008 Budget, 2009 – 2012 Plan)



INFORMATION AND TECHNOLOGY

	2007		Five-Year Plan				
	Budget	Actual	2008	2009	2010	2011	2012 2008-12
Gross Expenditures:							
2007 Capital Budget & Future Year Commitments	32,869	16,731	11,016	5,559	2,726	4,060	23,361
Recommended Changes to Commitments							0
2008 New/Change in Scope and Future Year Commitments			12,631	3,190	7,518	6,165	1,750 31,254
2009 – 2012 Plan Estimates				34,917	23,847	19,232	28,524 106,520
1-Year Carry Forward to 2008		7,567	→				
Total Gross Annual Expenditures & Plan	32,869	24,298	23,647	43,666	34,091	29,457	30,274 161,135
Program Debt Target			10,000	9,769	10,000	9,500	9,500 48,769
Financing:							
Recommended Debt	9,000		10,000	9,769	10,000	9,500	9,500 48,769
Other Financing Sources:							
Reserves/Reserve Funds	23,561		12,847	32,247	20,947	16,350	20,024 102,415
Development Charges							0
Federal							0
Provincial							0
Other	308		800	1,650	3,144	3,607	750 9,951
Total Financing	32,869		23,647	43,666	34,091	29,457	30,274 161,135
By Category:							
Health & Safety							
Legislated			251	55			306
SOGR	31,458		22,485	43,156	33,259	28,857	29,874 157,631
Service Improvement	1,411		911	455	832	600	400 3,198
Growth Related							
Total By Category	32,869		23,647	43,666	34,091	29,457	30,274 161,135
Yearly SOGR Backlog Estimate (not addressed by current plan)			(1,100)	(1,100)	(1,100)	(1,100)	(1,100) (5,500)
Accumulated Backlog Estimate (end of year)		7,900	6,800	5,700	4,600	3,500	2,400 2,400
Operating Impact on Program Costs			347	427	326	0	48 1,147
Debt Service Costs			300	1,393	1,375	1,385	1,330 5,783

CAPITAL PROJECT HIGHLIGHTS

Strategic Priorities:

The Five-Year Plan advances the strategic priority *to improve the City's website to make it easier to navigate and take advantage of new technology* with the following projects:

- Website Redesign to improve functionality of the City's Website.
- Webshere Upgrade – Portal Infrastructure to speed up the time to deliver online applications resulting in better end users' experiences, and employee productivity.
- Content Management Software (Vignette) Upgrade to migrate the web content to a newer version of the Vignette Content Management Software for better tracking and management of the growth in information content.

INFORMATION AND TECHNOLOGY

Other Key Capital Initiatives:

Information and Technology Approved Five-Year Capital Plan includes funding for the following major capital initiatives:

- Geospatial Projects to upgrade the geospatial technology and data warehouse to facilitate on-line geospatial information to better integrate with City information to the common geographic foundation.
- Data and Document Management upgrades to ensure that data storage and management are operated with current, versatile and economical technology.
- CA Unicentre ServicePlus Service Desk and Enterprise Desktop Tools which is part of the Corporate Help Desk Services Enhancement initiatives based on the e-City strategy, and to upgrade to existing desktop support related tools used to manage the IT desktop computer infrastructure.
- Consolidated Data Centre to establish a long-term solution to the need for a Data Centre in the City that will contain the current and future enterprise computer systems, consolidating the disparate Data Centres that are presently scattered and operated by different Divisions, and ABCs such as the Toronto Police, Fire Services, EMS, the Toronto Zoo, and TTC.
- eCity Strategic Plan and Planning to maximize the City's investment in information and technology.
- ePrint to address the City's requirements, and future challenges.
- eCity Enterprise Architecture to ensure that anomalies in business information, application, technology, security, and privacy domain architecture are addressed during the design and development of complex systems.
- SAP Projects to upgrade the SAP systems, develop and implement applications for Corporate requirements, and divisions' needs for human resources, financial administration, planning and reporting, and facilities and real estate.
- Asset Lifecycle Management for the ongoing replacement of the City's information and technology assets, including hardware, software, servers and storage equipment.

INCREMENTAL OPERATING IMPACT OF THE 2008 CAPITAL BUDGET

Information and Technology 2008-2012 Capital Plan increases future-year Information and Technology operating budgets by approximately \$1.147 million net over the five-year period. The operating budget impacts of these Information and Technology capital projects will be 100% City-funded. These figures represent only an estimate of operating budget impacts and do not include positions required.

STATE OF GOOD REPAIR BACKLOG

Information and Technology has a state-of-good-repair backlog attributed to the Disaster Recovery project. This project will identify and establish a standby site for the City's Data Centre, with the objective to have a back-up facility to provide business continuity to critical applications in the event of a disaster affecting the main Data Centre. The Five-Year Capital Plan includes funding to address the backlog.

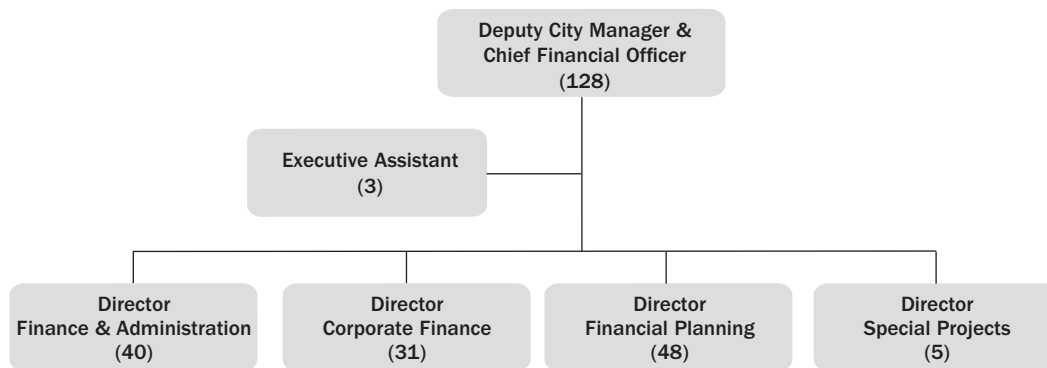
..... OFFICE OF THE CHIEF FINANCIAL OFFICER

MISSION STATEMENT

- The Office of the DCM and Chief Financial Officer ensures effective use of the Corporation's financial resources by providing sound financial management and advice; maintaining financial controls; developing and implementing effective financial strategies; and by providing timely, accurate and efficient services to Divisions, Agencies, Boards, Commissions and the public.

PROGRAM MAP

As indicated in the program map, The Office of the Chief Financial Officer has four service functions: Finance and Administration, Corporate Finance, Financial Planning and Special Projects with 128 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Produced the 2007 Operating Budget, and the 2007 Capital Budget and 2008 – 2012 Capital Plan within Council's target
- Commenced 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
- Development of policies for the application of new municipal financial tools, in accordance with the City of Toronto Act and other provincial legislation.
- Maximized the City's return on investment and maintained favourable credit rating.
- Participated in Exercise Health Guard and modelled financial consequences of pandemic flu episode.

2008 PROGRAM OBJECTIVES

- Provision of timely and objective financial management and advice to support informed decision making and minimize financial risk to the City
- Analysis and implementation of long term financial plans, investment and risk management strategies to ensure the sustainability of services in support of Council's strategic plan and direction and corporate priorities
- To effectively manage the allocation of available resources in order to deliver services and investment in capital assets that support present and future service delivery needs

OFFICE OF THE CHIEF FINANCIAL OFFICER

- To provide strategic guidelines to programs and Agencies, Boards and Commissions (ABCs) in preparing their budgets and analyzing, monitoring and reporting to the leadership on spending, performance as well as compliance with corporate reporting requirements on a timely basis
- To provide financial analysis and expertise on major corporate policies, programs and initiatives
- To provide effective financial and administrative services and advice to management to support divisional business operations

2008 STRATEGIC PRIORITIES

- The 2008 strategic direction and service priorities include the following:
 - > Maximize the City's return on invested funds while preserving capital
 - > Minimize the City's incidence and cost of risk
 - > Continue to influence/implement best budgeting practices with a focus on multi-year financial planning including firm five-year Capital Budget and Plan and multi-year service planning and operating budgets to support longer-term financial planning and fiscal sustainability, to improve accountability, to increase stakeholder participation and encourage openness and priority setting – this will also provide a framework for detailed reviews of large programs/ABCs
 - > Produce operating budget and the capital plan within Council's tax rate goal while ensuring that the level and quality of services provided are maintained – this will entail critical analysis and comparative assessment of viable alternatives in cooperation with program areas in order to recommend best options
 - > Manage specific initiatives including new revenue and related policies, capital financing tools available through the City of Toronto Act and other provincial legislation
 - > Introduce service planning to prepare for 2009 process that links service planning and budget processes
 - > Conduct special operational research and analysis on corporate programs and business processes

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Service Objectives:

- Providing Finance and Administration services to support the service objectives of all divisions in the Internal Services Cluster and ensure that all relevant shared services are provided efficiently and effectively.
- Provide consulting and project management services to improve planning and promote continuous improvement.
- Continue development and implementation of the multi-year Financial Planning process based on the City's new governance model in the spring of 2008 to prepare for the 2009 process that links service planning and budget processes.
- Provide independent sound financial advice to protect the City.
- Provide leadership to protect the City's physical and financial assets by reducing risk and expeditiously resolving legitimate claims.
- Continue negotiations for funding partnerships with other orders of government.
- Development of all aspects related to the introduction of a new Development Charges Bylaw to be completed in 2008.
-

OFFICE OF THE CHIEF FINANCIAL OFFICER

2008 OPERATING BUDGET

The 2008 Operating Budget for the Office of the Chief Financial Officer of \$14.244 million gross represents a \$0.572 million or 4.2% increase compared to 2007. The 2008 net operating budget of \$10.189 million reflects a \$0.085 million or 0.8% increase over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Finance & Administration	4,630	4,285	4,505	4,160	4,767	4,160	262	5.8%	–	–
Corporate Finance	3,537	1,450	3,669	1,477	3,809	1,421	140	3.8%	-57	-3.8
Financial Planning	4,602	3,759	4,931	4,020	5,076	4,162	145	2.9%	142	3.5
Special Projects	447	447	567	447	592	447	25	4.4%	–	–
Total Program Budget	13,216	9,941	13,672	10,104	14,244	10,189	572	4.2%	85	0.8

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	12,509.3	11,734.0	13,128.6	619.3	5.0%	13,442.2	13,808.3
Materials and Supplies	125.8	65.4	110.7	(15.1)	(12.0%)	115.7	110.7
Equipment	61.5	30.6	48.0	(13.5)	(22.0%)	53.0	48.0
Services & Rents	715.1	537.7	688.1	(27.0)	(3.8%)	688.1	688.1
Contributions to Reserve/Res Funds	23.7	23.7	23.7	0.0	0.0%	23.7	23.7
Other Expenditures	236.3	222.7	245.3	9.0	3.8%	245.3	245.3
Total Gross Expenditures	13,671.7	12,614.1	14,244.4	572.7	4.2%	14,568.0	14,924.1
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserves/Res Funds	1,487.9	1,374.8	1,736.5	248.6	16.7%	1,775.2	1,804.5
Other Revenues	2,079.3	2,014.2	2,318.9	239.6	11.5%	2,338.7	2,353.4
Total Non Tax Revenues	3,567.2	3,389.0	4,055.4	488.2	13.7%	4,113.9	4,157.9
Net Budget (excluding Capital Financing)	10,104.5	9,225.1	10,189.0	84.5	0.8%	10,454.1	10,766.2
APPROVED POSITIONS	128.0	128.0	128.0	0.0	0.0%	128.0	128.0

OFFICE OF THE CHIEF FINANCIAL OFFICER

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget will provide funding for the Office of the Chief Financial Officer to continue to partner with City Programs to deliver excellent public service while continuing to ensure Toronto's financial sustainability. It will also provide funding to ensure effective use and oversight of the Corporation's financial resources; the continued development and implementation of a new Financial Planning process and development of the City's Development Charge policies.

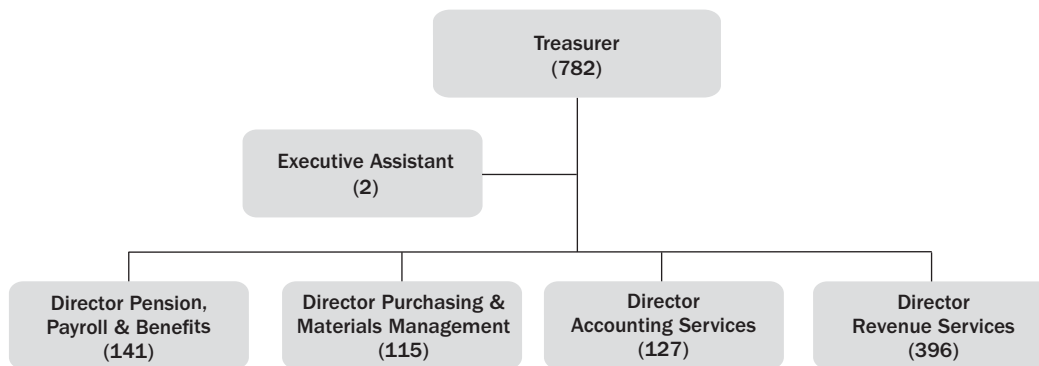
..... OFFICE OF THE TREASURER

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 tickets.

PROGRAM MAP

As indicated in the program map, The Office of the Treasurer has four service functions: Pension, Payroll & Employee Benefits, Purchasing & Materials Management, Accounting Services and Revenue Services with 782 approved positions to carry out the mandate of the program.



2007 KEY ACCOMPLISHMENTS

- Received Canadian Award for Financial Reporting from the Government Finance Officers Association (GFOA) of Canada and the United States for the 2006 annual report.
- Capital Asset Accounting Policies completed in draft and initial opening inventory of capital assets largely complete
- Implemented On-line Procurement Call Sale and Distribution Process
- Obtained Council and City Manager approval for a number of procurement streamlining issues including higher delegated staff authority to award calls and to issue divisional purchase orders, a new unsolicited proposal policy and a revised selection and hiring of professionals and consultants policy.
- Warehouse & Stores Rationalization Project largely completed
- Implemented new short term disability plan for non-union staff
- Assisted with the development of the new solid waste user fee, the municipal land transfer tax and implemented the new water rate structure
- Assisted with the establishment of the Toronto Office of Partnerships

OFFICE OF THE TREASURER

2008 PROGRAM OBJECTIVES

- Implementing and maintaining Council-approved changes to tax existing policies to enhance Toronto's business competitiveness.
- Planning, implementing and maintaining new revenue programs approved by Council including municipal land transfer tax, personal vehicle registration tax, solid waste billing.
- Implementing and maintaining Council-approved changes to the water rate structure, including a new water rebate program for low-income seniors and disabled persons.
- Incorporating new processes and water billing system changes necessary to enable the Automated Meter Reading project.
- Assisting with the upgrade and improvement to the City's financial information and planning system.
- Strengthening internal controls, continuous improvements in transaction processing services.
- Providing quality, timely and accurate Financial Information that adds value and ensures compliance with Generally Accepted Accounting Principles (GAAP), the Public Service Accounting Body (PSAB), Federal and Provincial legislation and Council policies.
- Improving materials and management and warehousing services in support of public Programs by reducing stock-outs and maintaining low cost of goods and services purchased.
- Improving the processing and collection of parking tickets.
- Issuing, processing, collecting and maintaining tax and water accounts on a timely and accurate basis.

2008 STRATEGIC PRIORITIES

To promote the objectives of the Program, the 2008 Council Approved Operating Budget incorporates various new/enhanced services. A number of these initiatives align with Council's priorities:

- To implement Council approved changes to the Municipal Land Transfer Tax policies for 2008 and beyond.
- Implement new taxation measures.
- To implement the new Council directive to bill solid waste collection fees, and to integrate the current water billing process with solid waste in a single utility bill.
- City Council Program Review Framework of City Programs to be undertaken by Accounting Services.
- New CICA-Public Sector Reporting Requirement to account for and record tangible capital assets in the City's annual Financial Statements.

2008 OPERATING BUDGET HIGHLIGHTS

The 2008 Operating Budget will provide the following Services:

- An increase of 3 full time procurement positions to support Solid Waste Management's 70% Diversion Program. Funding of \$0.221 million is included in the Solid Waste 2008 Approved Budget;
- \$0.210 million gross with \$0 million net to undertake the Accounting Services Program Review as approved by Council on June 27, 28 and 29, 2006;
- Funding in the amount of \$2.626 million gross and \$0 net is required to administer the new Council initiated Municipal Land Transfer Tax measures. New programs and systems to administer this initiative will require 12 new staffing positions. Revenues generated from this initiative will fund this additional cost; and
- Additional 8 full time and 11 part time staff positions to design, develop and sustain the Solid Waste Billing System to issue bills for solid waste collection as approved by City Council on June 19, 20 and 22, 2007. Funding of \$1.110 million is fully recoverable from Solid Waste.

OFFICE OF THE TREASURER

2008 OPERATING BUDGET

The 2008 Operating Budget for the Office of the Treasurer of \$69.923 million gross represents a \$6.576 million or 10.4% increase compared to 2007. The 2008 net operating budget of \$31.195 million reflects a \$0.759 million or 2.4% decrease over the 2007 net budget as shown in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Pension, Payroll & Employee Benefits	11,252	9,645	12,033	10,092	12,267	10,495	234	1.9%	403	4.0
Purchasing & Materials Management	8,343	6,630	8,924	6,662	9,205	6,850	281	3.1%	188	2.8
Accounting Services	11,119	8,783	11,734	8,833	12,396	8,837	662	5.6%	4	0.0
Revenue Services	32,444	6,479	30,656	6,367	36,055	5,013	5,399	84.8%	(1,354.0)	(21.3)
Total Program Budget	63,158	31,537	63,347	31,954	69,923	31,195	6,576	20.6%	-759	-2.4

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007		2008	Change from 2007		2009	2010
	Budget	Actuals	Approved	Approved	Budget	Outlook	Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	52,579.1	49,070.0	56,826.0	4,246.9	8.1%	57,902.3	58,975.5
Materials and Supplies	1,794.9	1,576.6	2,009.3	214.4	11.9%	2,009.3	2,009.3
Equipment	116.8	29.9	719.4	602.6	515.9%	719.4	719.4
Services & Rents	5,477.9	5,225.9	7,042.4	1,564.5	28.6%	7,042.4	7,042.4
Contributions to Reserve/Res Funds	709.6	684.6	703.8	(5.8)	(0.8%)	703.8	703.8
Other Expenditures	2,668.9	3,869.9	2,622.2	(46.7)	(1.7%)	2,622.2	2,622.2
Total Gross Expenditures	63,347.2	60,456.9	69,923.1	6,575.9	10.4%	70,999.4	72,072.6
Funded by:							
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	2,959.3	3,593.7	8,075.8	5,116.5	172.9%	8,075.8	8,075.8
Contribution from Reserves/Res Funds	1,194.0	815.0	1,435.7	241.7	20.2%	1,435.7	1,435.7
Other Revenues	27,239.9	27,289.2	29,216.6	1,976.7	7.3%	29,463.1	29,714.4
Total Non Tax Revenues	31,393.2	31,697.9	38,728.1	7,334.9	23.4%	38,974.6	39,225.9
Net Budget (excluding Capital Financing)	31,954.0	28,759.0	31,195.0	(759.0)	(2.4%)	32,024.8	32,846.7
APPROVED POSITIONS	745.0	745.0	782.0	37.0	5.0%	782.0	782.0

OFFICE OF THE TREASURER

2009/2010 OPERATING BUDGET OUTLOOK

- The 2009/2010 Operating Budget will provide funding for the Office of the Treasurer funding for the delivery of effective financial services to Divisions, Agencies, Boards and Commissions through the provisions of 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 tickets.

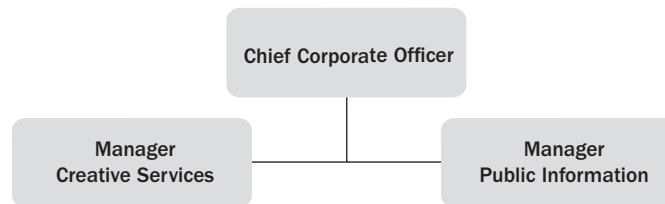
..... PUBLIC INFORMATION & CREATIVE SERVICES

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.

PROGRAM MAP

Public Information and Creative Services is comprised of two services reporting directly to the Chief Corporate Officer, with a total of 61 approved positions for 2008.



2007 KEY ACCOMPLISHMENTS

- Completed the 2007 organizational review 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.
- Provided creative, Web and public information support on major projects and issues of interest to residents and business; e.g., 3-1-1
- Improved public access to online service with the launch of a new online service portal within the City's website 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.

2008 PROGRAM OBJECTIVES

Public Information & Creative Services will be focusing its 2008 activities on:

- promoting awareness and understanding of Council's accomplishments
- communicating Council's priorities and ensuring members of the public and the Toronto Public Service have access to the information they require
- continually developing the City's online service portal and providing Web content management in coordination with the 3-1-1 customer service strategy to facilitate growth and increase accessibility of City websites
- providing guidance and support in the development of policies and procedures for the 3-1-1 knowledge base, thesaurus and training module
- maintaining student awareness and the understanding of municipal government by delivering tours and presentations
- developing and maintaining several critical databases including the online telephone directories and providing interpretation and translation services
- expanding the Corporate Identity Program (CIP) by increasing compliance with CIP standards and ensuring that all Web Related Communication initiatives are delivered accurately and consistently and in a timely manner
- ensuring multilingual access to City Services and improving the City's website to make it easier to navigate

PUBLIC INFORMATION & CREATIVE SERVICES

2008 STRATEGIC PRIORITIES

Public Information & Creative Services' strategic direction will be focused on enhancing the understanding of Council's priorities, developing and implementing an integrated governance structure for the City's corporate website and the continual development of the City's online service portal in coordination with the 3-1-1 customer service strategy. Public Information & Creative Services is focused on ensuring that the City's programs and services are clearly and easily understood and accessible.

The 2008 Operating Budget for Public Information and Creative Services supports the following strategic priorities:

- ***Establish a 3-1-1 hotline to provide every resident with simple and direct access to staff at City Hall.***
Public Information & Creative Services will be continually developing the City's online service portal, in coordination with the 3-1-1 customer service strategy, to provide easier access to the City. PICS will help ensure that the 3-1-1 transition is as seamless as possible and that the public is not adversely affected by the service changes.
- ***Ensure multilingual access to City Services through the 3-1-1 project.***
The City of Toronto provides residents with oral interpretations in 92 languages and written translations in 42 languages. These services are provided by the Multilingual Services Unit which serves all City Programs and many agencies. These services will be accessible through the 3-1-1 project. Once the 3-1-1 project is implemented, it will improve the multilingual accessibility and increase the City's effectiveness in responding to public inquiries.
- ***Improving the City's website to make it easier to navigate and take advantage of new technology.***
Public Information & Creative Services will continue to provide management and design services to support the City's websites. The public will be able to obtain information and access City services more easily and will become more engaged with the City, resulting in a greater level of public confidence in local government.

Public information & Creative Services' staff are working on improving other strategies which include:

- A mentoring program to enhance in-house skills retraining and upgrading, and coordinating cross division collaboration of major initiatives.
- Working more closely with clients to determine online needs and providing more cost effective and efficient solutions.

2008 OPERATING BUDGET HIGHLIGHTS

Public Information and Creative Services will be restructuring in early 2008. Effective March 5, 2008, the Design Services and Multilingual Services units will be transferred to the City Clerk's Office while the Access Toronto, Corporate Directories & Databases and Tours & Education units will remain in the Public Information Division of the Chief Corporate Office. As part of the corporate strategic direction over the next three years to develop and implement an integrated governance structure for the long-term strategic development of the City's corporate Web, the Web Services unit will be merged with Web Management Services in I&T to create the Web Centre. Public Information will continue to focus 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.

PUBLIC INFORMATION & CREATIVE SERVICES

2008 OPERATING BUDGET

The 2008 Operating Budget for Public Information & Creative Services of \$4.772 million gross represents a 0.015 million or 0.3% increase compared to 2007. The 2008 net operating budget of \$4.694 million reflects a \$0.050 million or 1.1% increase over the 2007 net budget as show in Tables 1 and 2.

2008 Operating Budget by Service

Table 1

Services	Approved Budget (\$000s)						Change over 2007			
	2006		2007		2008		Gross		Net	
	Gross	Net	Gross	Net	Gross	Net	\$	%	\$	%
Public Information	2,495	2,489	2,607	2,524	2,601	2,583	(6.0)	(0.2%)	59.0	2.3
Creative Services	2,314	2,134	2,179	2,119	2,170	2,110	(9.0)	(0.4%)	(9.0)	(0.4)
Total Program Budget	4,809	4,623	4,786	4,643	4,771	4,693	(15.0)	(0.3%)	50.0	1.1

2008 Operating Budget by Category

Table 2

Description of Category	(in \$000s)						
	2007 Budget	2007 Actuals	2008 Approved Budget	Change from 2007 Approved Budget		2009 Outlook	2010 Outlook
	\$	\$	\$	\$	%	\$	\$
Gross Expenditures:							
Salaries and Benefits	4,239.7	4,072.5	4,395.1	155.4	3.7%	4,593.8	4,676.5
Materials and Supplies	74.3	14.4	48.4	(25.9)	(34.9%)	48.4	48.4
Equipment	21.3	2.2	21.8	0.5	2.3%	21.8	21.8
Services & Rents	347.9	261.6	203.1	(144.8)	(41.6%)	188.2	188.2
Contributions to Reserve/Res Funds	86.3	86.3	86.3	0.0	0.0%	86.2	86.2
Other Expenditures	17.0	17.3	17.0	0.0	0.0%	17.0	17.0
Total Gross Expenditures	4,786.5	4,454.3	4,771.7	(14.8)	(0.3%)	4,955.4	5,038.1
Funded by:							
Provincial Subsidies	80.0	118.0	15.0	(65.0)	(81.3%)	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees, Permits & Donations	0.0	0.7	0.0	0.0	n/a	0.0	0.0
Transfers from Capital	60.0	56.2	60.0	0.0	0.0%	60.0	60.0
Other Revenues	3.1	(0.4)	3.1	0.0	0.0%	3.1	3.1
Total Non Tax Revenues	143.1	174.5	78.1	(65.0)	(45.4%)	63.1	63.1
Net Budget (excluding Capital Financing)	4,643.4	4,279.8	4,693.6	50.2	1.1%	4,892.3	4,975.0
APPROVED POSITIONS	61.0	61.0	61.0	0.0	0.0%	61.0	279.8

2009/2010 OPERATING BUDGET OUTLOOK

Public Information and Creative Services will focus activities in 2009 on promoting awareness and understanding of Council's accomplishments, progress on Council's priorities, and ensuring members of the public and the Toronto Public Service have access to the information they need. Significant resources will be allocated to further supporting work required to establish and build the 3-1-1 service.