

Analyst Briefing Notes

Works Committee
(January 11, 2006)

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PART I: 2006 Operating Budget Overview

Table 1: 2006 Proposed Budget

	2005		2006 Proposed Operating Budget			Change 2006 Proposed from 2005 Budget		FY Incremental Outlook	
	2005 Approved Budget	2005 Proj Act.	2006 Proposed Base	2006 New Council Priorities	2006 Proposed Op. Bud.	\$	%	2007	2008
(In \$000s)	\$	\$	\$	\$	\$			\$	\$
GROSS EXP.	277,507.7	279,707.7	285,020.0	2,217.1	287,237.1	9,729.4	3.5	2,141.5	270.0
REVENUE	93,774.8	93,974.8	95,391.1	2,080.7	97,471.8	3,697.0	3.9	17.5	0.0
NET EXP.	183,732.9	185,732.9	189,628.9	136.4	189,765.3	6,032.3	3.3	2,124.0	270.0
Approved Positions *	1,357.4	1,357.4	1,355.4	27.1	1,382.5	25.1	1.8	0.0	0.0
TARGET			187,407.6						
\$ Over / (Under) Program Target			2,221.3						
% Over / (Under) Program Target			1.2%						

*Approved positions have been restated. Starting in 2006, Support Services is not recognized as a Program in the operating budget review process. Expenditures and approved positions have been allocated to client operating budgets based on the services provided

Executive Summary

- The 2005 projected year-end net expenditure of \$185.733 million is \$2.0 million over the 2005 Approved Budget. The variance is attributed to over expenditure in winter maintenance including standby and overtime and salt costs.
- The 2006 Proposed Budget for Transportation Services of \$189.765 million net is comprised of \$189.629 million net for Base funding and \$0.136 million net funding for New Council Priority services and is 3.3% higher than the 2005 Approved Budget. The resulting 2007 incremental increase of \$1.282 million net reflects the annualization of the impact of capital and the Red Light Camera program expansion included in 2006.
- 2006 Proposed Base Budget has been adjusted by \$1.805 million to 1.2% over the 2006 target. Any further reduction would result in a major service level reduction to road maintenance.
- Proposed Base Budget reduction adjustments of \$1.805 million to the Base include: a) reductions for overtime and standby, sidewalk maintenance and reduction options for Technical Services of \$1.472 million; b) various expenditure reductions including fringe benefits, totalling \$0.829 million and c) adjustments for street lighting, for the transfer of Dead Animal Pick-up service to Public Health, for reclassifying an increase for more utility cut inspectors as a new enhanced service and for Support Services totalling a net increase of \$0.496 million.

- Key cost drivers include merit/step increases, fringe benefits and non-labour inflationary increases totalling \$4.452 million. This proposed budget includes Cost of Living Adjustments (COLA) for all services including Support Services and Technical Services totalling \$2.816 million.
- New Council Priority Requests totalling \$0.136 million net are proposed for 2006. This includes \$0.876 million for the Clean & Beautiful Phase II initiative including the continuing phased implementation of increased grass cutting, weed control, maintenance of orphaned areas and cleaning around parked cars.

Approval of the proposed new requests will result in the addition of 27.1 positions and will have an incremental impact of \$1.030 million in 2007.

Recommendations

It is recommended that:

- (1) the Transportation Services 2006 Proposed Operating Budget of \$287.237 million gross and \$189.765 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000's)</u>	<u>Net</u> <u>(\$000's)</u>
Roadway Services	129,038.0	91,958.2
Roadside Services	57,936.8	24,220.3
Traffic Planning / Row Mgmt	11,229.7	(5,927.3)
Traffic & Safety Services	50,015.8	45,803.2
Infrastructure Management	14,892.3	12,576.3
District Mgmt & Overhead	1,268.1	(1,631.9)
Technical And Program Support	22,766.4	22,766.4
Total Program Budget	<u>287,237.1</u>	<u>189,765.3</u>

PART II: BASE BUDGET

Section A: 2005 Budget Variance Analysis

Table 2: 2005 Budget Variance Review

	2004 Actuals	2005 Approved Budget	2005 Projected Actuals *	2005 Approved vs Projected Actuals Variance Over / (Under)	
(In \$000s)	\$	\$	\$	\$	%
GROSS EXP.	251,570.0	277,507.7	279,707.7	2,200.0	0.8
REVENUES	82,203.1	93,774.8	93,974.8	200.0	0.2
NET EXP.	169,366.9	183,732.9	185,732.9	2,000.0	1.1
Approved Positions	1,363.1	1,357.4	1,357.4	0.0	0.0

*Projected Actual expenditures to year-end based on Revised 3rd Quarter Variance Report

2005 Experience

Transportation Services' Revised Third Quarter Variance report indicates that the Program will be \$2.0 million net overspent at year-end.

- Based on the 2005 Approved Budget, the projected year-end gross variance is \$2.200 million.
 - Of the \$2.2 million in over expenditures, \$2.0 million in estimated over expenditures are attributable to winter maintenance and over expenditures for salt early in 2005. This is partially offset by under-expenditure of \$1.6 million in winter maintenance contracted services. If winter conditions are more severe in the last quarter of the year this overage is not expected to be offset. It is recommended that this variance be funded through the Winter Control Stabilization reserve fund if necessary. Also included are unbudgeted expenditures and revenues of \$0.200 million for higher than expected accident recoveries that have no net impact on 2005.
- Notwithstanding winter maintenance all other service expenditures (salaries and benefits, utilities, materials & supplies and equipment) are expected to be close to budget or slightly under budget by year-end.

Impact of 2005 Operating Variance on 2006 Proposed Budget

- Cost of Living Adjustments (COLA) for Local 416/79 and non-union staff will continue to impact the 2006 Proposed Budget with an amount of \$2.724 million for 2006 and a further \$0.927 million for merit/step increases and harmonization provisions.

- The year-end variance of \$2.0 million due to winter maintenance activities may be offset by reduced expenditures for this activity in the last quarter of the year. However, this variance will likely have to be offset by drawing on the Winter Control Stabilization reserve fund that currently has a balance of approximately \$11.701 million, with no outstanding commitments as of September 30th, 2005. The Deputy City Manager and Chief Financial Officer will report on the disposition of this matter as part of the 2005 Year-End Variance Report. The winter maintenance budget has been reduced in previous years and its capacity to address all winter maintenance needs is wholly dependant on weather conditions in any given year. Should 2006 result in significant winter activity, the 2006 Budget provision for winter maintenance could be insufficient and result in over-expenditures by 2006 year-end. This matter is monitored throughout the year.

Section B: 2006 Proposed Base Budget

Table 3: 2006 Proposed Base Budget

	2005 Approved Budget	2006 Requested Base	2006 Proposed Base	Change 2006 Proposed Base v. 2005 Approved Budget		FY Incremental Outlook	
						2007	2008
(In \$000s)	\$	\$	\$	\$	%	\$	\$
GROSS EXP.	277,507.7	287,168.0	285,020.0	7,512.3	2.7	270.0	270.0
REVENUE	93,774.8	95,733.8	95,391.1	1,616.3	1.7	17.5	0.0
NET EXP.	183,732.9	191,434.2	189,628.9	5,895.9	3.2	252.5	270.0
Approved Positions	1,357.4	1,368.4	1,355.4	(2.0)	(0.1)	0.0	0.0
NET TARGET		187,407.6					
\$ Over / (Under) Program Target		2,221.3					
% Over / (Under) Program Target		1.2%					

2006 Proposed Base Budget

The 2006 Proposed Base Budget of \$285.020 million gross (\$189.629 million net) compared to the 2005 Approved Budget reflects a \$7.513 million (2.7%) gross expenditure increase and a net expenditure increase of \$5.896 million (3.2%).

The 2006 Proposed Base Budget of \$285.020 million gross (\$189.629 million net) compared to the 2006 Requested Base Budget reflects the reduction of \$1.805 million in base changes, service efficiencies and minor service level reductions. These reductions include proposed reductions for overtime and standby, sidewalk maintenance and reduction options for Technical Services. Also included are various expenditure reductions based on 2005 experience, the completion of the transfer of Dead Animal Pick-up service to Public Health and a reduction in fringe benefits to 24% of Salaries. Other base changes include transfer of the street lighting budget to the Non-Program Expenditure Budget, Support Services COLA and reclassifying an increase for more utility cut inspectors as a new enhanced service (10 positions). Major service level reductions for contracted road sweeping and in-house road maintenance activities are not proposed.

2006 Base Budget Key Cost Drivers

Key cost drivers over the 2005 Approved Budget for all services include:

- An increase for merit /step increases of \$0.432 million.
- An increase for fringe benefits of \$1.714 million that includes the fringe impact of COLA adjustments for 2006 for approximately \$0.914 million and an overall increase to 24.5% of salaries (\$0.800 million). As discussed above, this was somewhat mitigated by the reduction of \$0.322 million adjusting the fringe benefit rate to 24% which is based on recent experience.

- A Cost of Living Adjustment (COLA) of 3% for local 416/79 and non-union staff for 2006 of \$2.816 million.
- An increase for non-labour inflationary increases of \$3.525 million including \$2.853 million for contracted services for winter and summer maintenance and \$0.672 million for material & supplies.
- A total increase for Support Services and Technical Services of \$1.627 million which is partially offset by proposed reduction options from Technical Services of \$0.190 million.
- The impact of minor service level reductions for standby/overtime of \$0.500 million and sidewalk repair of \$0.650 million.
- Increasing the revenue base by \$1.532 million including volume increases of \$0.547 million for street occupation permits, \$0.534 for On and Off-street parking fees and miscellaneous revenue inflationary increases of \$0.450 million.
- The incremental outlooks for 2007 and 2008 reflect the impact of capital for \$0.270 million and the 2007 increment for annualization of the expansion of Red Light Cameras \$1.030 million.

**Table 4: Summary of Proposed Base Budget Changes
From 2005 Approved Budget**

	Summary of 2006 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2007	2008
(\$000's)		\$	\$	\$	\$	\$
2005 Approved Operating Budget	1,367.4	264,133.8	87,654.8	176,479.0	(17.5)	
In-year approvals and technical adjustments	(10.0)	13,373.9	6,120.0	7,253.9		
2005 Approved Operating Budget	1,357.4	277,507.7	93,774.8	183,732.9	(17.5)	
Annualizations		1,541.5		1,541.5	270.0	270.0
Economic factors		6,017.1		6,017.1		
Adjusted Base Budget	1,357.4	285,066.3	93,774.8	191,291.5	252.5	270.0
Other base changes	11.0	2,101.7	427.0	1,674.7		
Base revenue changes			1,532.0	(1,532.0)		
2006 Base Budget Request	1,368.4	287,168.0	95,733.8	191,434.2	252.5	270.0
Recommended Base Adjustments:						
Other base changes	(10.0)	335.2	(342.7)	677.9		
Service efficiencies	(3.0)	(1,143.0)		(1,143.0)		
Revenue adjustments						
Minor service impact		(1,340.2)		(1,340.2)		
Major service impact						
Total Proposed Base Adjustments	(13.0)	(2,148.0)	(342.7)	(1,805.3)		
2006 Proposed Base Budget	1,355.4	285,020.0	95,391.1	189,628.9	252.5	270.0
2006 Program Operating Target	N/A	N/A	N/A	187,407.6		
% Over (Under) Program Target	N/A	N/A	N/A	1.2		
% Over (Under) 2005 Approved Budget	(0.1)	2.7	1.7	3.2		

Section C: 2006 Base Budget Issues**Key Issues / Recommendations****2006 Proposed Operating Budget vs. Guideline**

The 2006 Proposed Budget is \$2.221 million or 1.2% over the operating guideline of 2% over the 2005 Approved Budget. This reflects proposed reductions of \$1.805 million which involve minimal service impacts. The Program has suggested it would have to continue to defer essential repairs to pavements and sidewalks in addition to major reductions in road sweeping and general maintenance. In order to reduce the budget to the 2% target such service cuts would compromise proposed new and enhanced services for the Council priority that supports a Clean and Beautiful City. It should also be noted that the recent approval of the Transportation Services' Capital Budget for 2006 includes a plan to address the roads backlog that could result in less required maintenance thereby allowing the Program to reallocate resources to priority areas. It should also be noted that the provision for gapping in the 2005 budget is approximately 4.2% of salaries and benefits and will be achieved for 2005. The gapping level for 2006 is 4.2% and is reasonable based on recent experience.

Winter Control Stabilization Reserve

As a result of severe weather in the early part of 2005, winter maintenance activities have resulted in increased levels of overtime and over-expenditure for road salt. However, any over expenditure for winter maintenance activities is usually offset by funding from the Winter Control Stabilization Reserve Fund resulting in zero net impact on the Program's Operating Budget, at year-end.

With the current projected over-expenditure for road salt in 2005 at \$2.0 million and with the \$1.0 million balance of the year-end projected over expenditure being driven by related winter maintenance activities like standby and overtime, the sustainability of funding from the Winter Control Stabilization Reserve Fund, based on past winter maintenance experience, could be jeopardized.

The 2005 estimated year-end balance for this reserve is approximately \$11.7 million. It is estimated that current required withdrawals to cover the year-end operating overspending is \$2.0 million. Typically, operating surpluses within the Program are transferred to this reserve fund when appropriate. The current estimate for the remaining balance, \$9.7 million, is low compared to historical levels. A typical snow storm, where plowing starts between 5 and 8 cms of accumulation may incur costs of approximately \$1.5 million. This cost can then be multiplied by the frequency of similar weather to ascertain the City's overall cost. The 3rd Quarter projected actuals are based on assuming fairly favourable conditions in the last quarter of 2005. This has not been the actual experience to date. Furthermore, if there is more than one major weather event in the first quarter and the beginning of the second quarter of 2006, the Winter Control Stabilization Reserve Fund, may be inadequate producing an unfavourable variance heading into the 2006/2007 winter season.

3 Year Operating Budget Overview

Transportation Services' overall objectives include maintaining the transportation infrastructure including roads, bridges, sidewalks and boulevards in a state of good repair with regard to public safety and efficient movement of people, goods and services.

- Transportation Services is responsible for all aspects of traffic operations, roadway regulation, street maintenance and cleaning, transportation infrastructure management, road, sidewalk and boulevard occupation and snow removal.
- Transportation Services is committed to serving the mobility needs of the population in a safe and efficient manner.

The Program continues to shape their plan in accordance with the Council 2001 Strategic Plan. This plan includes deliverables such as optimizing areas related to:

- Transportation Services will continue to focus on the harmonization of service levels across the City in response to Council directives and the need to adjust service delivery resources to meet fiscal and human resources available.
- In keeping with Council's directive to make Toronto a clean and beautiful City, during the 2006 fiscal period ongoing efforts will be directed toward improving the aesthetics of the road system, in particular litter around parked vehicles and grassed and landscaped areas adjacent to roadways. The physical condition of the visible traffic plant such as signal heads, poles, pavement markings and signs will also be highlighted as part of our overall initiative to be more aware of the contextual nature of our responsibilities.
- As stewards of the roadway network including expressway, arterial and local roads, the division is committed to ensure that the infrastructure assets are properly maintained and that public access is provided safely.

The 2006 Operating Budget assumes that roadway, roadside and traffic services will be maintained at last year's levels except for the following important needs which will be met by reallocating as necessary and managing internal resources:

- Improving roadside grass cutting, especially early in the season
- Expanding the maintenance orphaned landscaped areas and manual weed control based on the phasing of services recommended in 2005
- Continue harmonizing street cleaning and enhanced litter cleaning around parked vehicles
- Greater priority in directing resources to accommodate the movement of pedestrians and cyclists
- Resources in the area of traffic plant installation and maintenance in support of the city-wide LED traffic signal lamp conversion program
- Some cost increases owing to an increase in the road system inventory, especially in the Scarborough and North York Districts

A number of internal and external factors had an impact on the budget building process. Some of the salient factors are:

- Increased Support and Technical Services charges resulting from the previously approved shift in allocation from rate-support to levy-supported programs and other cost increases
- Increased requirement for winter maintenance standby and overtime costs

- Increase in the number of Street Lighting and Traffic Signal plant installations, resulting in system expansion and necessitating increased expenditures to maintain acceptable levels of service
- Road and roadside appearance necessitating increased expenditures to maintain acceptable levels of service (grass cutting, sweeping and flushing)
- State of good repair (asset management) relative to potential Capital Budget reduction
- Road safety and gridlock

Management of the Operating target is generally concerned with ensuring that expenditures are budgeted and managed at an adequate level to ensure that public safety and infrastructure maintenance and repair is not compromised.

- The reduction options proposed are centered around maintaining service levels while deferring repair and maintenance and gradually reducing expectations in terms of service levels as perceived by the public.
- The Program needs to report back on whether there are plans to implement efficiency initiatives including service reviews and/or service rationalizations to achieve the 0% target in 2007 and 2008. Given that the current proposed budget includes incremental outlook numbers in the magnitude of \$1.3 million, it may be difficult to meet the mandated operating budget guidelines without imposing serious service reductions. Such major service reductions would probably have a major negative impact on Council priorities.

Operating impacts resulting from the Program's 2005 Capital plan require \$0.255 million for on-going traffic plant and signal installation and repair. These increases are required to cover additional system and maintenance costs for the Traffic Control RESCU System and New Traffic Control Signals.

Service Levels, Delivery, or Gap Issues

In requesting funding for new initiatives, Transportation Services has identified service gaps that cannot be met. This gap relates to an established Council priority. Specifically, "Improve Public Service" In allocating resources to the other Council priority of "Make Toronto a clean and beautiful city" problems specific to road and sidewalk repair and maintenance may continue to be deferred. Transportation Services is advising that these activities are important in that it relates ultimately to public safety. Requests for \$0.523 million in new funding for mechanical street sweeping, sidewalk backlog repairs and pedestrian zones have not been recommended due to funding constraints. However, recently approved capital funding specifically targeted at reducing the road work backlog may have a positive impact on operating costs by reducing maintenance and allowing the Program to manage service requirements currently identified as a gap.

Issues Referred to 2006 Operating Budget Process

There were no issues referred to the 2006 Operating Budget process

Outstanding Issues from 2005 and Prior Years

There are no outstanding issues from 2005 and prior years.

Appendix A

Summary of Service Level Adjustments

PART III: NEW COUNCIL PRIORITIES

Section D: 2006 Proposed New Council Priorities

Table 5: Summary of 2006 Proposed New Council Priorities (\$000)

Council Priority	Description	Total 2006 New Requests		2006 Not Proposed		2006 Proposed Council Priorities		Proposed New Positions	Net Incremental Impact	
		Gross Exp.	Net Exp.	Gross Exp.	Net Exp.	Gross Exp.	Net Exp.		2007	2008
		\$	\$	\$	\$	\$	\$		#	\$
Council Priorities:										
4	Clean & Beautiful Phase 2	885.9	885.9	9.6	9.6	876.3	876.3	5.5	841.6	
	Sub-Total Council Priorities	885.9	885.9	9.6	9.6	876.3	876.3	5.5	841.6	
New Requests Referred to 2006 Operating Budget:										
4	Idling Control Bylaw	401.5	401.5	401.5	401.5					
4	Publication Box Strategy	344.6	(819.4)			344.6	(819.4)	8.0		
1	Taxi Rate Signage at Hotels	250.0	250.0	250.0	250.0					
	Sub-Total Referred	996.1	(167.9)	651.5	651.5	344.6	(819.4)	8.0		
New Program Requests:										
5	Red Light Camera Expansion	530.9	181.9			530.9	181.9	1.6	1,029.9	
1	Inspection of utility cuts	465.3	(102.4)			465.3	(102.4)	10.0		
1	Support & Technical Services	320.7	320.7	320.7	320.7					
4	Mechanical Street Sweeping	300.0	300.0	300.0	300.0					
1	TMMS interface with SAP	300.0	300.0	300.0	300.0					
1	Sidewalk Repair Backlog	200.0	200.0	200.0	200.0					
1	St. Clair Transit Improvement-Signage	50.0	50.0	50.0	50.0					
1	Increase in Overtime	30.0	30.0	30.0	30.0					
1	Pedestrian Zones	22.5	22.5	22.5	22.5					
1	Financial Analysts- Traffic Mgmt							1.0		
1	Support Assistant- Infrastr. Mgmt							1.0		
	Sub-Total New Program Requests	2,219.4	1,302.7	1,223.2	1,223.2	996.2	79.5	13.6	1,029.9	
Total New Council Priorities		4,101.4	2,020.7	1,884.3	1,884.3	2,217.1	136.4	27.1	1,871.5	
Council Priority		6 - Ensure housing is affordable 7 - Get the powers and funded needed for Toronto to succeed 8 - Improve the planning process 9 - Increase public involvement in civic affairs 10 - N/A								
1 - Improve Public Service										
2 - Make Progress on the Waterfront										
3 - Improve Business Climate										
4 - Make Toronto a clean and beautiful city										
5 -Strengthen our at-risk neighbourhoods										

Key Issues / Recommendations

The new & enhanced services proposed for a net cost of \$0.136 million are for four specific projects as follows:

2006 New Council Priorities

The New Council Priority relates to the objective of “Make Toronto a clean and beautiful city”. These proposed New Council Priorities represent Year 2 of the Clean & Beautiful Initiative for Transportation Services and is consistent with the 3-Year Action Plan approved by Council in 2005. A further Phase is scheduled for 2007. The 2006 proposed initiatives include cleaning around parked cars \$0.145 million, weed control \$0.125 million, grass cutting \$0.200 million, maintenance of orphaned areas like expressway ramps and medians \$0.407 million. This initiative comprises 40% of the proposed gross new requested funding and is largely offset by fully funded requests such as the Publication Box Strategy and utility cut revenues.

Approval of Transportation Services’ Clean & Beautiful Initiative will result in the addition of 5.5 position equivalents with no incremental impact in 2007.

New Requests Referred to 2006 Operating Budget Process

Funding referred to 2006 process through Committee/Council includes:

- Publication Box Strategy, \$0.819 million net revenue:
 - > At its meeting of October 26, 27, 28, 2004 Council adopted the Works Committee Report 8 Clause 1(a) headed “Publication Box Strategy”. This has been referred for funding to the 2006 budget process.
 - > This proposed new request is for additional staff resources for the licensing, administration and enforcement of the City's Publication Box Strategy and to provide enhanced pick-up of litter surrounding news vending box locations.
 - > The Program submitted a request of \$0.345 million gross and \$0.819 million net revenue and 8 additional positions. There is no incremental impact for 2007.
 - > This project is proposed for 2006 given that it is fully funded from revenues to be generated.
- Enforcement of the Idling Control Bylaw, \$0.402 million net:
 - > At its meeting of July 19, 20, 21 and 26, 2005 Council referred the Works Committee report Report 7 Clause 16(s) headed “Idling Control Bylaw” and referred the report back to Works Committee. This has been referred for funding to the 2006 budget process.
 - > Transportation Services requires 6 Bylaw officers in order to enforce the Idling Control By-law as proposed through Board of Health to Works Committee. The enforcement will reduce vehicle emissions which have been linked to smog alerts and impact public health.

- > The Program submitted a request of \$0.402 million gross and net with 6 additional positions. There is no incremental impact for 2007.
- > This project is not proposed for 2006 due to funding constraints.
- Taxi Rate Signage at Hotels, \$0.250 million net:
 - > At its meeting of May 17, 18, and 19, 2005 Council adopted the Planning & Transportation Committee Report 4 Clause 3 headed "Regulation of Airport Taxicabs and Licensing of Hotels". This has been referred for funding to the 2006 budget process.
 - > Council has directed that signs be erected as close as possible to the pedestrian entrances of hotels, which indicate clearly, flat rates from the hotel to Pearson International Airport for taxis and limousines. The estimated cost for the manufacture and installation of signs for taxi and limousine rates to be posted outside hotel locations is \$0.250 million.
 - > The Program submitted a request of \$0.250 million gross and net with no additional positions. There is no incremental impact for 2007.
 - > This project is not proposed for 2006 due to funding constraints.

2006 New Program Requests

There were two proposed New Program Requests that are 100% funded. Fully funded requests are for the Utility Cut Inspectors with \$0.102 million net revenue and the Red Light Camera program expansion for \$0.182 million net. While the latter project is a net cost to Transportation Services, corporately, with the fine revenues accruing to Court Services, this program expansion is a net gain for the City. Two more New Program Requests add 2 positions for support staff that are offset by a reduction in contracted services.

Funding for new program requests for 2006 includes:

- Red Light Camera Expansion
 - Expansion of the red light camera program by eleven (11) cameras. To improve the safety at intersections controlled by traffic control signals. The existing red-light cameras have been successful in reducing right-angle collisions resulting in personal injury or death by 48%.
 - The Program submitted a request of \$0.531 million gross and \$0.182 million net and 1.6 additional position equivalents. The incremental impact for 2007 is \$1.030 million.
 - This project is proposed for 2006 given that corporately, it is fully funded from fine revenues to be generated.
- Inspection Of Utility Cuts
 - Transportation Services undertakes the permanent repair of roadway and sidewalk utility cuts necessitated to access underground facilities and installation of various telecommunication and other equipment in the City's road allowances. Ten (10) additional inspection positions are required to facilitate the on-going increase in utility cut work being performed across the City. The cost of the inspectors will be recovered from the additional utility cut revenue.

- The Program submitted a request of \$0.465 million gross and \$0.102 million net revenue and 10 additional positions. There is no incremental impact for 2007.
- This project is proposed for 2006 given that it is fully funded from revenues to be generated.
- Support & Technical Services
 - The Support Services and Technical Services Divisions which provide administrative, information technology and technical services have requested additional staffing and restoration of gapping in order to provide the required level of service to Transportation Services and their other clients. Included is an increase of \$115,200 required to fund: District Engineering - Computer Software \$20,200; Emergency Planning support/software \$22,400 and Technical Services charge-backs re Support Service costs \$56,936.
 - The Program submitted a request of \$0.321 million gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- Mechanical Street Sweeping
 - To increase contracted mechanical sweeping and flushing levels of service as follows: 1. BIA areas increased to 4 times per week from once a week. 2. Permit and 12 hour parking increased to 4 times per week from once a week or once a month. 3. Heavily treed streets increased to once every 2 weeks from once a month. 4. Roads which have bicycle lanes increased to 4 times per week from once a week. To be consistent with the Toronto East York District's level of service for mechanical sweeping and flushing.
 - The Program submitted a request of \$0.300 million gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- TMMS Interface With SAP
 - The Transportation Management Maintenance System (TMMS) Steering Committee has requested funding to allow Support Services IT to build an interface between TMMS and SAP to avoid the duplication of data entry by the Transportation staff and the Support Services staff.
 - The Program submitted a request of \$0.300 million gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- Sidewalk Repair Backlog
 - Additional funding is requested to start to address the \$2.0 million backlog and reduce the number of service requests that are up to four years old. Further, sidewalks and illegal encroachments require a higher level of service when sidewalk snow clearing is provided.
 - The Program submitted a request of \$0.200 million gross and net with no additional positions. There is no incremental impact for 2007.

- This request is not proposed for 2006 due to funding constraints
- St. Clair Transit Improvement-Signage
 - On May 4, 2005, Toronto City Council approved that Transportation Services waive non-departmental permit fees associated with street events on St.Clair Ave. West. In addition Transportation Services is also required to provide these events with traffic control barricades and traffic control signage at no cost to the applicant. However, these costs cannot be absorbed without impacting other services, therefore additional funding is required.
 - The Program submitted a request of \$50,000 gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- Increase In Overtime
 - In 2005, the MOL legislated a restriction on hours worked for all road operations staff. As a result, heavy equipment operators (HEO) can only work a maximum of 60 hour/week. During the winter months this threshold is exceeded on a regular basis. Additional over time, standby, or other considerations will need to be made to be in compliance.
 - The Program submitted a request of \$30,000 gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- Pedestrian Zones
 - This project would provide support for closing the main Kensington Market streets for seven Sundays in the summer of 2006, including barricades, signs, police, consultation, community notice, towing, permit-parking compensation, planning and on-site coordination.
 - The Program submitted a request of \$22,500 gross and net with no additional positions. There is no incremental impact for 2007.
 - This request is not proposed for 2006 due to funding constraints
- Financial Analyst- Traffic Management
 - Provide a permanent staff resource in the area of Traffic Plant Installation and Maintenance to support the use of the Toronto Maintenance Management System (TMMS).
 - The Program submitted a request of \$0 gross and net with one additional position. There is no incremental impact for 2007.
 - This request is proposed for 2006 as the required cost for the position is offset by a reduction in contracted services.

- Support Assistant- Infrastructure Management
 - This creates a permanent Support Assistant B position in Support Services, Administrative Services to provide secretarial, clerical and administrative support to the Manager, Infrastructure Management and to the management team of the Infrastructure Asset Management and Programming unit in Transportation Services.
 - The Program submitted a request of \$0 gross and net with one additional position. There is no incremental impact for 2007.
 - This request is proposed for 2006 as the required cost for the position is offset by a reduction in contracted services.

Appendix B

Summary of Council Priority Services and New Service Requests