

Revised

2006 BUDGET BRIEFING NOTE – 2006 Gapping Analysis

Issue/Background:

This briefing note summarizes by Program (City Operations and Agencies, Boards and Commissions (ABCs)), gapping included in the 2006 Proposed Operating Budget, and provides comparative gapping data for 2005. Please see Appendix 1.

Key Points:

- Gapping represents savings in the funding requirement for salaries and benefits realized as a result of (a) vacancies not intended to be filled for a full or part year (known gapping) and (b) unplanned or unanticipated staff turnover (unknown gapping). Adjustments are made to Program salary budgets for both known gapping and unplanned gapping at historically achieved levels. As in previous years, the 2006 Operating Budget Guidelines and Instructions Manual directed that gapping should be included in the 2006 Base Budget at 2005 budgeted levels.
- The gapping rate is based on experience and reductions to salaries and benefits are made annually on the basis of an established rate, unless changes are anticipated. Any proposed change to budgeted gapping rates is deemed to have a service impact and is treated as a New/Enhanced service change in the Operating Budget.
- Gapping rates are dependent on a Program's specific workforce profile. Note that for City Operations with a high proportion of part-time staff, the overall gapping level in the attached Appendix, appears to be significantly lower, since gapping is only applied, as noted, to permanent positions. For example, Parks, Forestry and Recreation gapping for permanent salaries and benefits is 3.5%, but when compared to its overall Salary & Benefits budget, which includes funding for seasonal and part-time staff, the gapping rate is 2.1 %.
- Positions fully funded by the Province are not gapped in order to maximize Provincial funding, nor are operations that provide 24/7 service such as Homes for the Aged.
- The 2006 Proposed Operating Budget includes \$37.742 million for City Operations. This represents a gapping rate of 2.2%. Budgeted gapping in 2005 was \$36.704 million or 2.2% of the 2005 approved salary and benefits budget.

- For ABCs, budgeted gapping is \$20.161 million or 1.1% of the 2006 Proposed salaries and benefits budget. Comparatively, gapping in 2005 was \$20.411 million or 1.2% of 2005 approved salaries and benefits.
- Total gapping included in the 2006 Proposed Operating Budget is \$57.902 million and represents an average rate of 1.6%. This compares to 2005 budgeted gapping of \$57.115 million or an average rate of 1.7%. (see columns (o) and (b) on Appendix 1).

Significant Changes in Gapping for 2006:

- Culture & Economic Development – (gapping reduced from 3.5% to 2.8% and from 4% to 3.3% respectively) Gapping was adjusted to 3.5% on permanent staff. Since non-permanent staff are not gapped, the gapping on full salaries and benefits budget is much lower. The reduction in gapping is required to maintain 2005 service levels in these programs.
- Tourism – (gapping reduced from 4.5% to 3.4%) The historically high gapping percentage for Tourism was reduced to reflect actual experience. The reduction in gapping is required to maintain 2005 service levels.
- Technical Services – (gapping reduced from 5.2% to 3.9%) Technical Services will not be able to sustain the gapping level of 2005, primarily due to the 2005 approved positions being filled to deliver the increased capital programs for Transportation and Toronto Water.
- Municipal Licensing & Standards – (gapping increased from 3.5% to 3.9%) Gapping has increased by 0.4% as a result of salary and benefit savings from the integration of the workload associated with the Normalization of Pilot Project into the core investigation program. This will allow the program to better meet its objective to resolve the long standing issues of bachelorette and rooming house conversions in Parkdale. Service levels will be maintained at the same levels as 2005.
- City Manager's Office – (gapping increased from 4.2 to 7.8%) The proposed minor service level adjustments for this Program include additional one-time gapping reductions to bring the City Manager's 2006 Operating Budget to the target level of a 2% increase over the Approved 2005 Operating Budget. Workload will be re-distributed among existing staff; resulting in higher lieu time hours and delays in some instances.
- Auditor General's Office – (gapping reduced from 3.2% to 1.0%) The planned one-time gapping reduction in 2005 is not available in 2006 since the Program will be fully staffed as of December 31, 2005. In addition, two new positions were recommended by the Audit Committee to address additional high risk projects and to meet the increasing workload related to the substantial growth of the City's Fraud and Waste Hotline Program.

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Attachment:

Appendix 1 - Gapping Analysis - 2006 Operating Budget

Date: February 3, 2006



**CITY OF TORONTO
2006 Operating Budget
Gapping Analysis**

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Appendix 1 - Revised

| Department/Program | 2005 Budget | | | | 2006 Base Budget Request | | | Admin Base Changes | | Admin Rec'd Base Request | | | New/Enhanc. Changes | | 2006 Proposed Budget | | |
|---|--------------------|--------------------|-----------------|----------------|--------------------------|-----------------|----------------|--------------------|----------------|--------------------------|-----------------|----------------|---------------------|--------------------|----------------------|------------|----------------|
| | Net Sal & Ben | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | Gross Sal & Ben | Gapping | % of Sal & Ben |
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | (p) | |
| Citizen Centred Services "A" | | | | | | | | | | | | | | | | | |
| Affordable Housing Office | 2,162.6 | 2,188.7 | 26.1 | 1.2 | 2,486.1 | 26.1 | 1.0 | | 20.8 | 2,486.1 | 46.9 | 1.9 | | 2,486.1 | 46.9 | 1.9 | |
| Children's Services | 58,384.0 | 58,551.9 | 167.9 | 0.3 | 62,080.8 | 167.9 | 0.3 | (290.2) | | 61,790.6 | 167.9 | 0.3 | 965.3 | 62,755.9 | 167.9 | 0.3 | |
| Court Services | 12,903.7 | 13,084.8 | 181.1 | 1.4 | 14,016.6 | 203.4 | 1.5 | | | 14,016.6 | 203.4 | 1.5 | | 14,016.6 | 203.4 | 1.5 | |
| Culture* | 8,403.6 | 8,709.5 | 305.9 | 3.5 | 9,315.2 | 206.7 | 2.2 | (34.7) | 50.0 | 9,280.5 | 256.7 | 2.8 | | 9,280.5 | 256.7 | 2.8 | |
| Economic Development* | 6,805.4 | 7,091.2 | 285.8 | 4.0 | 7,286.0 | 241.0 | 3.3 | | | 7,286.0 | 241.0 | 3.3 | | 7,286.0 | 241.0 | 3.3 | |
| Emergency Medical Services | 111,068.3 | 111,329.0 | 260.7 | 0.2 | 119,832.3 | 262.4 | 0.2 | (2,593.3) | | 117,239.0 | 262.4 | 0.2 | | 117,239.0 | 262.4 | 0.2 | |
| Homes for the Aged | 142,731.1 | 142,777.5 | 46.4 | 0.0 | 151,227.6 | 46.4 | 0.0 | | | 151,227.6 | 46.4 | 0.0 | | 151,227.6 | 46.4 | 0.0 | |
| Parks, Forestry & Recreation* | 188,497.3 | 192,335.4 | 3,838.1 | 2.0 | 200,527.5 | 4,110.7 | 2.0 | (1,110.4) | (10.2) | 199,417.1 | 4,100.5 | 2.1 | (0.2) | 199,416.9 | 4,100.5 | 2.1 | |
| Shelter Support & Housing Administration | 45,757.3 | 47,167.1 | 1,409.8 | 3.0 | 48,605.9 | 1,409.8 | 2.9 | | | 48,605.9 | 1,409.8 | 2.9 | 1,757.3 | 50,363.2 | 1,409.8 | 2.8 | |
| Social Development, Finance & Administration | 20,903.1 | 21,448.0 | 544.9 | 2.5 | 22,035.7 | 566.2 | 2.6 | (57.5) | 97.5 | 21,978.2 | 663.7 | 3.0 | 757.3 | 22,735.5 | 663.7 | 2.9 | |
| Social Services | 131,655.1 | 134,334.1 | 2,679.0 | 2.0 | 141,856.7 | 2,679.0 | 1.9 | | | 141,856.7 | 2,679.0 | 1.9 | | 141,856.7 | 2,679.0 | 1.9 | |
| Tourism* | 3,712.6 | 3,888.1 | 175.5 | 4.5 | 4,071.9 | 141.4 | 3.5 | (25.0) | | 4,046.9 | 141.4 | 3.5 | 100.0 | 4,146.9 | 141.4 | 3.4 | |
| Sub-Total Citizen Centred Services "A" | 732,984.1 | 742,905.3 | 9,921.2 | 1.3 | 783,342.3 | 10,061.0 | 1.3 | (4,111.1) | 158.1 | 779,231.2 | 10,219.1 | 1.3 | 3,579.7 | 782,810.9 | 10,219.1 | 1.3 | |
| Citizen Centred Services "B" | | | | | | | n/a | | | | | | | | | | |
| Buildings | 32,386.8 | 33,552.7 | 1,165.9 | 3.5 | 35,864.8 | 1,165.9 | 3.3 | | | 35,864.8 | 1,165.9 | 3.3 | 400.0 | 36,264.8 | 1,165.9 | 3.2 | |
| Business Support Service | 7,030.9 | 7,331.6 | 300.7 | 4.1 | 7,353.6 | 300.7 | 4.1 | (292.2) | | 7,061.4 | 300.7 | 4.3 | 889.0 | 7,950.4 | 300.7 | 3.8 | |
| City Planning | 27,443.6 | 28,456.9 | 1,013.3 | 3.6 | 30,097.9 | 1,013.3 | 3.4 | | | 30,097.9 | 1,013.3 | 3.4 | 556.0 | 30,653.9 | 1,013.3 | 3.3 | |
| Clean and Beautiful City Secretariat | 216.5 | 216.5 | 0.0 | 0.0 | 314.0 | 0.0 | 0.0 | (117.0) | | 197.0 | 0.0 | 0.0 | | 197.0 | 0.0 | 0.0 | |
| Fire Services | 280,023.0 | 285,851.9 | 5,828.9 | 2.0 | 291,843.4 | 6,006.8 | 2.1 | 240.3 | 4.0 | 292,083.7 | 6,010.8 | 2.1 | | 292,083.7 | 6,010.8 | 2.1 | |
| Municipal Licensing & Standards | 21,623.3 | 22,411.3 | 788.0 | 3.5 | 24,310.8 | 788.0 | 3.2 | (77.0) | 154.0 | 24,233.8 | 942.0 | 3.9 | 188.8 | 24,422.6 | 942.0 | 3.9 | |
| Solid Waste Management Services | 88,635.3 | 90,997.1 | 2,361.8 | 2.6 | 99,289.9 | 2,354.0 | 2.4 | (1,757.5) | 136.9 | 97,532.4 | 2,490.9 | 2.6 | | 97,532.4 | 2,490.9 | 2.6 | |
| Transportation Services | 88,517.9 | 92,258.5 | 3,740.6 | 4.1 | 96,886.6 | 3,966.3 | 4.1 | (1,158.6) | (28.0) | 95,728.0 | 3,938.3 | 4.1 | 1,236.4 | 96,964.4 | 3,980.3 | 4.1 | |
| Waterfront Secretariat | 614.9 | 614.9 | 0.0 | 0.0 | 654.5 | 0.0 | 0.0 | | | 654.5 | 0.0 | 0.0 | 151.7 | 806.2 | 0.0 | 0.0 | |
| WES - Technical Services | 49,720.7 | 52,435.7 | 2,715.0 | 5.2 | 56,052.4 | 1,995.8 | 3.6 | (300.0) | 200.0 | 55,752.4 | 2,195.8 | 3.9 | | 55,752.4 | 2,195.8 | 3.9 | |
| Sub-Total Citizen Centred Services "B" | 596,212.9 | 614,127.1 | 17,914.2 | 2.9 | 642,667.9 | 17,590.8 | 2.7 | (3,462.0) | 466.9 | 639,205.9 | 18,057.7 | 2.8 | 3,421.9 | 642,627.8 | 18,099.7 | 2.8 | |
| Internal Services | | | | | | | | | | | | | | | | | |
| Office of the DCM and Chief Financial Officer | 15,246.4 | 15,813.9 | 567.5 | 3.6 | 16,664.9 | 584.1 | 3.5 | (547.6) | | 16,117.3 | 584.1 | 3.6 | | 16,117.3 | 584.1 | 3.6 | |
| Office of the Treasurer | 45,726.5 | 47,414.4 | 1,687.9 | 3.6 | 49,750.8 | 1,687.9 | 3.4 | (86.5) | | 49,664.3 | 1,687.9 | 3.4 | 803.7 | 50,468.0 | 1,687.9 | 3.3 | |
| Corporate Communications | 5,948.3 | 6,164.3 | 216.0 | 3.5 | 6,547.6 | 196.4 | 3.0 | (26.1) | 32.7 | 6,521.5 | 229.1 | 3.5 | | 6,521.5 | 229.1 | 3.5 | |
| Facilities & Real Estate | 51,990.8 | 53,718.8 | 1,728.0 | 3.2 | 56,844.3 | 1,728.0 | 3.0 | | 147.7 | 56,844.3 | 1,875.7 | 3.3 | | 56,844.3 | 1,875.7 | 3.3 | |
| Fleet Services | 15,282.7 | 15,890.0 | 607.3 | 3.8 | 16,363.9 | 607.3 | 3.7 | | | 16,363.9 | 607.3 | 3.7 | | 16,363.9 | 607.3 | 3.7 | |
| Information & Technology | 34,393.6 | 35,443.3 | 1,049.7 | 3.0 | 34,071.5 | 1,112.7 | 3.3 | | | 34,071.5 | 1,112.7 | 3.3 | | 34,071.5 | 1,112.7 | 3.3 | |
| Sub-Total Internal Services | 168,588.3 | 174,444.7 | 5,856.4 | 3.4 | 180,243.0 | 5,916.4 | 3.3 | (660.2) | 180.4 | 179,582.8 | 6,096.8 | 3.4 | 803.7 | 180,386.5 | 6,096.8 | 3.4 | |
| City Manager | | | | | | | | | | | | | | | | | |
| City Manager's Office | 5,801.1 | 6,054.2 | 253.1 | 4.2 | 6,549.7 | 288.4 | 4.4 | | 239.7 | 6,549.7 | 528.1 | 8.1 | 220.0 | 6,769.7 | 528.1 | 7.8 | |
| Human Resources | 25,048.0 | 25,955.1 | 907.1 | 3.5 | 27,844.5 | 974.0 | 3.5 | (470.9) | (13.9) | 27,373.6 | 960.1 | 3.5 | | 27,373.6 | 960.1 | 3.5 | |
| Sub-Total City Manager | 30,849.1 | 32,009.3 | 1,160.2 | 3.6 | 34,394.2 | 1,262.4 | 3.7 | (470.9) | 225.8 | 33,923.3 | 1,488.2 | 4.4 | 220.0 | 34,143.3 | 1,488.2 | 4.4 | |
| Other City Programs | | | | | | | | | | | | | | | | | |
| City Clerk's Office** | 25,059.7 | 25,849.9 | 790.2 | 3.1 | 26,683.3 | 800.5 | 3.0 | (225.2) | (6.8) | 26,458.1 | 793.7 | 3.0 | | 26,458.1 | 793.7 | 3.0 | |
| Legal Services | 23,871.7 | 24,737.2 | 865.5 | 3.5 | 25,927.0 | 907.2 | 3.5 | (61.1) | (2.1) | 25,865.9 | 905.1 | 3.5 | 423.1 | 26,289.0 | 919.9 | 3.5 | |
| Auditor General's Office | 3,078.0 | 3,180.2 | 102.2 | 3.2 | 3,390.3 | 36.2 | 1.1 | | | 3,390.3 | 36.2 | 1.1 | 253.8 | 3,644.1 | 36.2 | 1.0 | |
| Office of the Mayor | 1,617.0 | 1,625.0 | 8.0 | 0.5 | 1,699.7 | 8.8 | 0.5 | | | 1,699.7 | 8.8 | 0.5 | | 1,699.7 | 8.8 | 0.5 | |
| Council | 15,101.4 | 15,187.7 | 86.3 | 0.6 | 15,602.8 | 79.1 | 0.5 | | | 15,602.8 | 79.1 | 0.5 | | 15,602.8 | 79.1 | 0.5 | |
| 3-1-1 Project Management Office | 312.9 | 312.9 | 0.0 | 0.0 | 540.7 | 0.0 | 0.0 | | | 540.7 | 0.0 | 0.0 | | 540.7 | 0.0 | 0.0 | |
| Sub-Total Other City Programs | 69,040.7 | 70,892.9 | 1,852.2 | 2.6 | 73,843.8 | 1,831.8 | 2.5 | (286.3) | (8.9) | 73,557.5 | 1,822.9 | 2.5 | 676.9 | 74,234.4 | 1,837.7 | 2.5 | |
| TOTAL - CITY OPERATIONS | 1,597,675.1 | 1,634,379.3 | 36,704.2 | 2.2 | 1,714,491.2 | 36,662.4 | 2.1 | (8,990.5) | 1,022.3 | 1,705,500.7 | 37,684.7 | 2.2 | 8,702.2 | 1,714,202.9 | 37,741.5 | 2.2 | |



**CITY OF TORONTO
2006 Operating Budget
Gapping Analysis**

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Appendix 1 - Revised

| Department/Program | 2005 Budget | | | | 2006 Base Budget Request | | | Admin Base Changes | | Admin Rec'd Base Request | | | New/Enhanc. Changes | | 2006 Proposed Budget | | |
|---|--------------------|--------------------|-----------------|----------------|--------------------------|-----------------|----------------|--------------------|----------------|--------------------------|-----------------|----------------|---------------------|-------------|----------------------|-----------------|----------------|
| | Net Sal & Ben | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | Gross Sal & Ben | Gapping | % of Sal & Ben | Gross Sal & Ben | Gapping | Gross Sal & Ben | Gapping | % of Sal & Ben |
| | (a) | (b) | (c) | | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | (p) |
| Special Purpose Bodies | | | | | | | | | | | | | | | | | |
| Toronto Public Health*** | 135,868.2 | 140,767.1 | 4,898.9 | 3.5 | 145,514.2 | 5,376.2 | 3.7 | 175.3 | 7.9 | 145,689.5 | 5,384.1 | 3.7 | | | 145,689.5 | 5,384.1 | 3.7 |
| Toronto Public Library | 114,048.3 | 117,880.6 | 3,832.3 | 3.3 | 120,481.5 | 3,832.3 | 3.2 | | | 120,481.5 | 3,832.3 | 3.2 | | | 120,481.5 | 3,832.3 | 3.2 |
| Association of Community Centers | 4,892.6 | 4,892.6 | - | 0.0 | 4,984.2 | - | 0.0 | | | 4,984.2 | 0.0 | 0.0 | | | 4,984.2 | 0.0 | 0.0 |
| Exhibition Place | 22,160.9 | 22,310.4 | 149.5 | 0.7 | 25,003.2 | 149.5 | 0.6 | | | 25,003.2 | 149.5 | 0.6 | 126.1 | | 25,129.3 | 149.5 | 0.6 |
| Heritage Toronto | 346.0 | 346.0 | - | 0.0 | 393.4 | - | 0.0 | | | 393.4 | 0.0 | 0.0 | | | 393.4 | 0.0 | 0.0 |
| Theatres | 10,857.1 | 10,857.1 | - | 0.0 | 9,539.8 | - | 0.0 | (304.9) | | 9,234.9 | 0.0 | 0.0 | 203.2 | | 9,438.1 | 0.0 | 0.0 |
| Toronto Zoo | 19,434.4 | 20,206.9 | 772.5 | 3.8 | 21,210.3 | 772.5 | 3.6 | 35.0 | | 21,245.3 | 772.5 | 3.6 | 58.0 | | 21,303.3 | 772.5 | 3.6 |
| Arena Boards of Management | 2,988.9 | 2,988.9 | - | 0.0 | 3,126.0 | - | 0.0 | | | 3,126.0 | 0.0 | 0.0 | | | 3,126.0 | 0.0 | 0.0 |
| Yonge/Dundas Square | 206.0 | 206.0 | - | 0.0 | 210.0 | - | 0.0 | | | 210.0 | 0.0 | 0.0 | 26.7 | | 236.7 | 0.0 | 0.0 |
| Toronto & Region Conservation Authority | 20,588.4 | 20,588.4 | - | 0.0 | 23,743.3 | - | 0.0 | (75.0) | | 23,668.3 | 0.0 | 0.0 | | | 23,668.3 | 0.0 | 0.0 |
| Toronto Transit Commission - Conventional | 720,859.0 | 724,018.8 | 3,159.8 | 0.4 | 788,734.2 | 2,990.3 | 0.4 | (6,441.0) | | 782,293.2 | 2,990.3 | 0.4 | | | 782,293.2 | 2,990.3 | 0.4 |
| Toronto Transit Commission - Wheel Trans | 31,670.3 | 31,781.0 | 110.7 | 0.3 | 35,811.2 | 120.7 | 0.3 | | | 35,811.2 | 120.7 | 0.3 | | | 35,811.2 | 120.7 | 0.3 |
| Toronto Police Service | 658,929.3 | 666,416.5 | 7,487.2 | 1.1 | 699,596.3 | 6,911.5 | 1.0 | | | 699,596.3 | 6,911.5 | 1.0 | 6,634.5 | | 706,230.8 | 6,911.5 | 1.0 |
| Toronto Police Service Board | 682.5 | 682.5 | - | 0.0 | 697.7 | - | 0.0 | | | 697.7 | 0.0 | 0.0 | | | 697.7 | 0.0 | 0.0 |
| TOTAL - SPECIAL PURPOSE BODIES | 1,743,531.9 | 1,763,942.8 | 20,410.9 | 1.2 | 1,879,045.3 | 20,153.0 | 1.1 | (6,610.6) | 7.9 | 1,872,434.7 | 20,160.9 | 1.1 | 7,048.5 | 0.0 | 1,879,483.2 | 20,160.9 | 1.1 |
| TOTAL | 3,341,207.0 | 3,398,322.1 | 57,115.1 | 1.7 | 3,593,536.5 | 56,815.4 | 1.6 | (15,601.1) | 1,030.2 | 3,577,935.4 | 57,845.6 | 1.6 | 15,750.7 | 56.8 | 3,593,686.1 | 57,902.4 | 1.6 |

Note: Gross Salaries and Benefits excludes gapping

* Culture, Economic Development and Parks & Rec.- Gapping represents 3.5% of permanent staffing complement

** City Clerk's 2006 Salaries & Benefits excludes items not gapped such as payroll costs relating to Capital Projects and the Election event

*** Public Health excludes 100% Provincially funded programs from salaries & benefits