

November 4, 2005

## New Deal money helps City of Toronto balance 2006 Capital Budget

Today the City of Toronto launched its 2006 Proposed Capital Budget review at a joint meeting of the Policy and Finance Committee and Budget Advisory Committee. This proposed budget shows the benefits of the provincial and federal governments' 2006 gas tax contribution totalling \$189 million.

"We are beginning to see the impact of the money we have secured through the New Deal," said Mayor David Miller. "As a result, this year we have some room in the budget to buy new TTC hybrid and diesel buses, address the backlog in road repairs, and fund waterfront improvements."

This proposed budget achieves a balance that meets council priorities and the City's affordability guidelines. The Budget Advisory Committee, challenged with financing the City's growing backlog in infrastructure maintenance, begins to review the budget that supports Council's city building priorities, including improving public services, making Toronto a clean and beautiful city, transportation and the waterfront.

"We have major fiscal challenges managing Toronto's role as Canada's economic engine," said the Chair of the Budget Advisory Committee, Councillor David Soknacki. "Still, our budget process has improved, we are reaching our fiscal targets and we are planning for the City's financial future with long-term budget strategies."

"Our Capital Budget places a priority on health and safety, legislation mandated, and state-of-good-repair, as well as service improvements aligned with Council's highest priorities," added City Manager Shirley Hoy. "We must meet these priorities, while maintaining our infrastructure and ensuring that growth demands are addressed."

"This proposed Capital Budget meets the Council approved targets," said Deputy City Manager and Chief Financial Officer, Joseph Pennachetti, "however we are faced with the challenge of meeting our future capital needs within our debt targets for the next four years."

With the 2006 Capital Budget, the City begins making changes to the budget process. Approvals will come by year end, allowing staff to work within a full fiscal year. Capital budget planning will now move to a longer term with the introduction of a five year capital plan.

Today's joint meeting signals the beginning of the budget review process. The 2006 proposed Capital Budget will be reviewed by City Council on December 8 and 9, 2005. The City's proposed Operating Budget will be launched on January 4, 2006 with final Council approvals scheduled for March 27-31.

<b>Standing Committees Reviews - Public Deputations</b> (Committee Rooms 1 or 2)	
Administration Committee [10 am]	November 7
Planning and Transportation Committee [9:45 am]	November 7
Works Committee [9:30 am]	November 9
Community Services Committee [10 am]	November 8
Economic Development and Parks Committee [11 am]	November 9
Budget Advisory/Policy & Finance Committee	November 23

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