

April 23, 2007

## **Toronto City Council approves \$7.8 billion operating budget**

Today the City of Toronto approved a \$7.8 billion Operating Budget that reflects the priorities of all Torontonians, and protects our City as we grow. The budget was balanced by property tax increases of 3.8 per cent for residents and 1.26 per cent for non-residential properties. As well, the City will use \$278 million from its reserve funds as a one-time solution to balance the 2007 Operating Budget.

However, Toronto taxpayers continue to cover the costs of provincially required programs putting a strain of approximately \$600 million on the City's Operating Budget each year. While the province has partnered with the City in providing funding for TTC's Capital program, the City needs a commitment from the Province to resolve the funding relationship for social service programs.

"The provincial government must comply with the requirements of their own programs and stop forcing Toronto to divert tax dollars from services its residents expect," said Mayor David Miller. "It's time for the Province to pay its bills."

Residents and businesses in Toronto rely on the City to provide important municipal services such as police, fire, emergency medical services, libraries, roads, transit, garbage collection, recycling, and parks and recreation.

"We went to great pains to protect services and made difficult choices," said Budget Committee Chair Councillor Shelley Carroll. "In the end, we had to go to our reserves and to the taxpayers to help balance this budget."

This budget provides modest improvements in specific areas to support the growth in transit ridership, the three emergency services, and areas such as solid waste collection and recycling and parks, forestry and recreation. The 2007 Operating Budget requires a 1.8 per cent increase over the 2006 budget, demonstrating the City's continued efforts to control expenditures while maintaining quality services.

"The City continues to operate efficiently and compares favourably to other municipalities in the delivery of services," said Shirley Hoy, City Manager. "Frontline service has been maintained, however, reliable funding is necessary to ensure that services continue in future."

"In order to achieve financial sustainability, the uploading of social services must start in 2008," said Joseph P. Pennachetti, Deputy City Manager and Chief Financial Officer.

For the 2008 budget and future years, the plan calls for continuous City service improvements, the uploading of social services costs to the Province, new revenues that grow with economic activity such as one-cent of the GST, creation of the national transit strategy and new taxation tools granted by the new City of Toronto Act.

Find out more: [www.toronto.ca/city\\_budget](http://www.toronto.ca/city_budget)

For information on the need for Canadian cities to have a share of revenues that grow with the economy visit: [www.onecentnow.ca](http://www.onecentnow.ca)

Toronto is Canada's largest city and sixth largest government, and home to a diverse population of about 2.6 million people. It is the economic engine of Canada and one of the greenest and most creative cities in North America. In the past three years Toronto has won more than 50 awards for quality and innovation in delivering public services. Toronto's government is dedicated to prosperity, opportunity and liveability for all its residents.

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