

Executive Committee

Meeting No.	18 (Special)	Contact	Patsy Morris, Committee Administrator
Meeting Date	Tuesday, March 25, 2008	Phone	416-392-9151
Start Time	9:30 AM	E-mail	pmorris@toronto.ca
Location	Committee Room 1, City Hall		

Attendance

Members of the Executive Committee were present for some or all of the time periods indicated under the section headed "Meeting Sessions", which appears at the end of the Minutes.

Mayor David R. Miller, Chair	X
Councillor Shelley Carroll	X
Councillor Janet Davis	X
Councillor Glenn De Baeremaeker	X
Councillor Paula Fletcher	X
Councillor Norm Kelly	X
Councillor Gloria Lindsay Luby	X
Councillor Giorgio Mammoliti	X
Councillor Pam McConnell	X
Councillor Joe Mihevc	X
Councillor Howard Moscoe	X
Councillor Joe Pantalone, Vice-Chair	X
Councillor Kyle Rae	X

On motion by Deputy Mayor Pantalone, the Executive Committee adopted the Minutes of the Meeting held on February 6, 2008.

EX18.1	ACTION	Amended		
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2008 Budget Committee Recommended Operating Budget

(March 6, 2008) Report from Budget Committee

Recommendations

The Budget Committee recommended to the Executive Committee that City Council approve:

- I. The 2008 Budget Committee Recommended Tax Supported Operating Budget of \$8.170 billion gross and \$3.322 billion net, comprised of the following:
 - i. a Base Budget of \$8.113 billion gross and \$3.310 billion net as detailed in Appendix 1 to maintain current services and service levels; and
 - ii. \$56.703 million gross and \$12.385 million net, as detailed in Appendix 1 to invest in strategic new and enhanced services.
- II. The Budget Committee 2008 Recommended Operating Budget for the Toronto Parking Authority totalling \$63.498 million.
- III. A residential property tax increase of 3.75% or \$51.075 million and a commercial, industrial, and multi-residential tax increase of 1.25% or \$23.566 million.
- IV. The introduction of new user fees and charges, and changes to the price of existing user fees and charges included in the 2008 Budget Committee Recommended Operating Budgets of City Programs, Agencies, Boards and Commissions which will generate incremental revenues totalling \$11.490 million.
- V. The 2008 sinking fund levies of \$192,652,253.83 for the City of Toronto and \$2,293,802.99 for the Toronto District School Board.
- VI. The following Recommendations for City Programs, Agencies, Boards and Commissions:

CITIZEN CENTRED SERVICES “A”

Affordable Housing Office:

1. the 2008 Recommended Operating Budget for the Affordable Housing Office of \$3.032 million gross and \$1.419 million net, comprised of the following services, be approved:

Executive Committee – March 25, 2008 Minutes

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Housing Improvements	563.8	263.8
Affordable Housing Office	2,467.7	1,154.7
	<hr/>	<hr/>
Total Program Budget	<u>3,031.5</u>	<u>1,418.5</u>

Children's Services:

2. the 2008 Recommended Operating Budget for Children's Services of \$360.773 million gross and \$68.910 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Program Administration	23,119.8	7,989.1
Municipal Child Care	67,903.3	15,885.1
Purchased Child Care	269,750.3	45,036.0
	<hr/>	<hr/>
Total Program Budget	<u>360,773.4</u>	<u>68,910.2</u>

3. the recommendation contained in the report (December 19, 2007) from the General Manager of Children's Services entitled "Development of Child Care Centres with the Toronto District School Boards and Native Child and Family Services" be approved:
- Funds of up to \$2.9 million be approved for the construction of Ghesig House at 156 Galloway Road and Kiiwednong at 2784 Keele Street, two Aboriginal Child Care Centres to be developed by the Native Child and Family Services Toronto. The total project cost of \$2.9 million is to be funded from the Child Care Expansion Reserve Fund of \$2.4 million and from Provincial revenues of \$0.528 million as reflected in the 2008 Budget Committee Recommended Operating Budget.
 - Funds of up to \$2.0 million be approved to create three new child care centres at Highfield Junior School, Kennedy Public School, and Crescent Town Elementary School to be funded from the Child Care Capital Reserve Fund as reflected in the 2008 Budget Committee Recommended Operating Budget.
 - the General Manager of Children's Services Division be delegated authority to negotiate agreements and execute them on behalf of the City with the Toronto District School Board (TDSB) and with Native Child and Family Services Toronto (NCFST) for the design and construction of such projects,

and such agreements be on terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor.

Court Services:

4. the 2008 Recommended Operating Budget for Court Services of \$39.335 million gross and (\$11.383 million) net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Finance & Administration	23,112.4	22,035.7
Court Administration	7,128.5	(41,971.4)
Court Support	4,961.2	4,961.2
Planning & Liaison	3,591.2	3,591.2
Licensing Tribunal	541.3	0.0
	<hr/>	<hr/>
Total Program Budget	<u>39,334.6</u>	<u>(11,383.3)</u>

Economic Development, Culture and Tourism:

5. the 2008 Recommended Operating Budget for the Economic Development, Culture and Tourism of \$32.951 million gross and \$25.961 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Culture	13,783.6	10,334.7
Economic Development	11,240.7	9,489.0
Special Events	6,218.0	4,808.4
Tourism	1,708.6	1,328.6
	<hr/>	<hr/>
Total Program Budget	<u>32,950.9</u>	<u>25,960.7</u>

- 5.1 the Economic Development, Culture and Tourism 2008 Operating Budget be increased by \$0.300 million gross, zero net, funded by \$0.300 million from the Public Realm Reserve Fund, to develop the tourist information system and wayfinding content of the info pillar component of the Co-ordinated Street Furniture Program.
- 5.2 the General Manager of Economic Development, Culture and Tourism reporting to Budget Committee by the Summer of 2008 on the multi-year plan and associated funding required to develop and sustain the information content system to provide

tourist information and wayfinding signage for the Information pillar element of the Coordinated Street Furniture Program.” (BU28.1b)

6. the details of savings of \$0.140 million gross and net as a result of divisional realignment based on the findings of the Program Review be reported with the June 30, 2008, Operating Budget Variance report.

Emergency Medical Services:

7. the 2008 Recommended Operating Budget for Emergency Medical Services of \$151.968 million gross and \$61.875 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
CACC	13,530.1	0.0
Centralized Support Services	1,129.1	514.5
Corporate Charges	5,900.0	2,950.0
EMS Operations Support Services	20,809.9	7,533.7
EMS Operations	102,294.8	47,496.6
Program Development & Service Quality	8,304.6	3,380.3
	<hr/>	<hr/>
Total Program Budget	<u>151,968.5</u>	<u>61,875.1</u>

Homes for the Aged:

8. the 2008 Recommended Operating Budget for Homes for the Aged of \$206.613 million gross and \$40.734 million net, comprised of the following segments, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Divisional Office	1,553.6	72.0
Toronto Homes	194,757.1	38,938.7
Community Based Services	10,302.5	1,723.7
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Total Program Budget	<u>206,613.2</u>	<u>40,734.4</u>

9. the General Manager of Homes for the Aged continue to pursue all reduction strategies, such as exploring Adult-Day Program partnerships, addressing collective agreement impediments, and advocating for increased Long-Term Care funding, and report back during the 2009 Operating Budget Process on the viability of

implementing each option; and,

10. the new service enhancement priorities for Infection Prevention and Control (\$0.544 million gross, \$0 net) and Nutritional and Support Service (\$0.670 million gross, \$0 net), be approved and that implementation be subject to receipt of Provincial funding.

Parks, Forestry and Recreation:

11. the 2008 Recommended Operating Budget for Parks, Forestry and Recreation of \$322.078 million gross and \$239.288 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Parks	74,146.1	69,949.0
Community Recreation	105,827.6	58,043.6
Urban Forestry	31,077.7	25,251.7
Strategic Services	18,663.4	(2,138.0)
Development & Infrastructure Management	78,526.1	74,628.0
Divisional Coordination & Community Engagement Management Services	4,756.8	4,752.8
	9,080.2	8,801.0
	<hr/>	<hr/>
Total Program Budget	322,077.9	239,288.1
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Shelter, Support and Housing Administration:

12. the 2008 Recommended Operating Budget for Shelter, Support and Housing Administration of \$710.107 million gross and \$253.762 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000)</u>	<u>Net (\$000s)</u>
Program Support	2,314.4	2,314.4
Social Housing	537,367.2	191,946.0
Affordable Housing Programs	10,058.8	0.0
Hostel Services	117,672.4	55,308.5
Housing and Homelessness Supports	41,427.2	3,416.6
Partnership Development & Support	363.5	363.5
Emergency Planning Services	903.0	413.3
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Total Program Budget	<u>710,106.5</u>	<u>253,762.3</u>
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13. Council request the Province to fully upload all Social Housing operating and capital costs.

Social Development, Finance and Administration:

14. the 2008 Recommended Operating Budget for Social Development, Finance and Administration of \$27.207 million gross and \$15.980 million net, comprised of the following services, be approved:

<u>Service:</u>	Gross (\$000s)	Net (\$000s)
Financial Oversight and Control	13,693.9	8,284.1
Strategic Policy & Program Support	7,366.7	5,470.5
Community Development	<u>6,146.4</u>	<u>2,225.8</u>
Total Program Budget	<u>27,207.0</u>	<u>15,980.4</u>

Social Services:

15. the 2008 Recommended Operating Budget for Social Services of \$1,059.950 million gross and \$275.774 million net, comprised of the following services, be approved:

<u>Service:</u>	Gross (\$000s)	Net (\$000s)
Program Support	12,702.7	6,485.0
Social Assistance	<u>1,047,246.8</u>	<u>269,289.3</u>
Total Program Budget	<u>1,059,949.5</u>	<u>275,774.3</u>

16. the Province immediately upload the full cost of \$150.0 million of Ontario Disability Support Program included in the 2008 Recommended Operating Budget, as the ODSP is a provincial responsibility; and,
17. the Province honour its legislative requirements and be responsible for 50% of the Cost of Administration of Ontario Works.

3-1-1 Customer Service Strategy:

18. the 2008 Recommended Operating Budget for 3-1-1 Customer Service Strategy of \$3.731 million gross and \$0.665 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Project Management Office	921.3	665.3
Capital Program Related Work	2,809.4	0.0
	<hr/>	<hr/>
Total Program Budget	<u>3,730.7</u>	<u>665.3</u>

CITIZEN CENTRED SERVICES “B”

City Planning:

19. the 2008 Recommended Operating Budget for City Planning of \$35.317 million gross and \$14.051 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
City Planning	35,316.7	14,051.3
	<hr/>	<hr/>
Total Program Budget	<u>35,316.7</u>	<u>14,051.3</u>

20. the Deputy City Manager responsible for City Planning report back to the Budget Committee in mid-year 2008 on the results of the Development Application Review Project (DARP) and on an approach to increasing community planning and development application process fees in the future to allow for full cost recovery of all City wide costs related to the processing of community planning and development applications; and,
21. the Deputy City Manager responsible for City Planning report back to the Budget Committee through the Second Quarter Operating Variance Report on the anticipated service level increases resulting from the additional 12.0 recommended permanent positions.

Fire Services:

22. the 2008 Recommended Operating Budget for Fire Services of \$356.047 million gross and \$347.871 million net, comprised of the following services, be approved:

Executive Committee – March 25, 2008 Minutes

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Fire-Operations	289,850.1	283,080.7
Fire Prevention & Public Safety	13,899.3	13,547.8
Communications & Operational Support	24,069.9	23,614.0
Professional Develop. & Mechanical Support	24,579.8	24,080.8
Fire - Headquarters	3,647.3	3,547.0
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Total Program Budget	<u>356,046.6</u>	<u>347,870.5</u>

23. the Chief of Toronto Fire Services and the Director of Affordable Housing Office report to the Community Development and Recreation Committee in June 2008 on the financial implications of installing fire sprinklers in future City- funded affordable homes.

Municipal Licensing and Standards:

24. the 2008 Recommended Operating Budget for Municipal Licensing and Standards of \$34.150 million gross and \$11.420 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Head Office	2,068.8	2,068.8
Licensing	9,697.1	(12,713.3)
Investigations	22,383.8	22,064.0
	<hr/>	<hr/>
Total Program Budget	<u>34,149.7</u>	<u>11,419.5</u>

25. the Executive Director of Municipal Licensing and Standards report back to the Budget Committee in May 2008 to enable Council consideration by July 2008, on the recommended business license fee structure arising from the cost recovery model review.

Policy, Planning, Finance and Administration:

26. the 2008 Recommended Operating Budget for Policy, Planning, Finance and Administration of \$45.686 million gross and \$26.631 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Strategic Policy Coordination and Support	2,998.2	2,998.2
Toronto Environment Office	3,534.6	3,394.6
Finance and Administration	39,152.9	20,238.3
	<hr/>	<hr/>
Total Program Budget	<u>45,685.7</u>	<u>26,631.1</u>

27. the Toronto Environment Office develop eligibility criteria for the Community grants program as part of Live Green Toronto initiative to be presented to Executive Committee in early 2008; and,
28. the recommendation contained in the report (November 13, 2007) from the Deputy City Manager Butts and Deputy City Manager and Chief Financial Officer Pennachetti entitled “Climate Change Action Plan – Implementation of Key Program Initiatives”, referred to the 2008 Operating Budget process as amended be adopted as reflected in the 2008 Budget Committee Recommended Operating Budget for Policy, Planning, Finance and Administration:
- a. the operating budget impact of \$1.165 million gross, \$1.035 million net in 2008 be adopted.

Solid Waste Management Services:

29. the 2008 Recommended Operating Budget for Solid Waste Management Services of \$276.729 million gross and \$182.158 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Program Support	47,921.5	10,348.5
Collection	95,474.7	92,162.4
Transfer	24,164.5	14,094.8
Processing	43,138.8	19,801.1
Disposal	66,029.2	45,751.3
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Total Program Budget	<u>276,728.7</u>	<u>182,158.1</u>

30. the recommendations contained in the report (February 4, 2008) from the General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer entitled “Final 2008 Fees - Getting to 70% Diversion by 2010” be approved:

- a. the fees set out in Attachment A – “Residential Solid Waste Rate Structure, 2008 Fees” be adopted for 2008 and that fees for future years be included as part of the annual operating budget submission, to be effective January 1st in each calendar year;
 - b. the billing details and administrative fees set out in Attachment B to this report be adopted;
 - c. the volume-based rate structure commence on or about:
 - i. July 1, 2008 for residential bulk collection customers (i.e. multi-unit residential buildings including town homes currently receiving bulk waste collection)
 - ii. November 1, 2008 for residential curb side collection customers (i.e. single family residential buildings including town homes and small multi-unit dwellings currently receiving curb side collection);
 - d. the City not provide amnesty days or an amnesty for moving-out waste at the time of a residential move; and
 - e. the City Solicitor be authorized to introduce any necessary bill into Council.
31. the Deputy City Manager and Chief Financial Officer report back to Budget Committee in-year on the appropriate adjustments to the 2008 Recommended Operating Budget to reflect the 2008 phased implementation of the transition to a user fee supported budget which includes a tax rebate program once the volume-based user fee structure has been implemented; and,
 32. the General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer report to Budget Committee as part of the 2008 Year-End Variance Report on the actual net contribution to the Waste Management Reserve Fund as a result of the implementation of new user fees in 2008.

Technical Services:

33. the 2008 Recommended Operating Budget for Technical Services of \$60.351 million gross and \$16.215 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Facilities & Structures	9,313.3	1,647.3
Survey & Mapping	20,183.9	3,281.1
Development Engineering	5,734.2	4,543.7
District Engineering	21,853.8	4,352.9
Office of Emergency Management	2,160.0	1,839.9

Program Administration	<u>1,106.0</u>	<u>549.5</u>
Total Program Budget	<u>60,351.4</u>	<u>16,214.6</u>

34. the Executive Director for Technical Services report to the Public Works and Infrastructure Committee prior to deliberations of the 2009 Capital Budget process on a strategy to manage delivery of capital works programs based on the planned and anticipated increase in the 5-Year Capital Plan.

Toronto Building:

35. the 2008 Recommended Operating Budget for Toronto Building of \$41.913 million gross and (\$11.660) million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Building	<u>41,912.6</u>	<u>(11,660.0)</u>
Total Program Budget	<u>41,912.6</u>	<u>(11,660.0)</u>

Transportation Services:

36. the 2008 Recommended Operating Budget for Transportation Services of \$259.610 million gross and \$166.655 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Roadway Services	127,362.6	94,990.7
Roadside Services	51,126.7	26,775.3
Traffic Planning/Right-Of-Way Management	18,232.7	(5,518.1)
Traffic and Safety Services	44,321.9	40,026.7
Infrastructure Management	16,510.4	13,622.6
District Management & Overhead	1,269.7	(2,228.9)
Technical & Program Support	<u>786.2</u>	<u>(1,013.8)</u>
Total Program Budget	<u>259,610.2</u>	<u>166,654.5</u>

37. the Deputy City Manager for Citizen Centred Services “B” and the General Manager of Transportation Services report to the Public Works and Infrastructure Committee early in 2008 on the success of the Red Light Camera program, the status of Phase 2

expansion and requirements for future proposed phases;

38. the General Manager of Transportation Services report back to Public Works and Infrastructure Committee by June 2008 on the finalization of the organizational structure and scope of the Public Realm Office;
39. the recommendations contained in the report (February 19, 2008) from the General Manager, Transportation Services entitled “Re-Establishment of Mechanical Leaf Pick-up ” be approved:
- a. Reinstate the mechanical leaf pick-up program in Etobicoke, York, Scarborough and Toronto and East York Districts at the 2006 service levels.
 - b. The net cost of this service be offset by a corresponding increase of \$125,000 in parking revenues based on 2007 actual experience which surpassed the budget level.
 - c. The Transportation Services’ Recommended 2008 Operating Budget be increased by \$125,000 (gross) and \$0(net), as reflected in the 2008 Budget Committee Recommended Operating Budget for Transportation Services.
40. the recommendations contained in the report (November 12, 2007) from the Deputy City Manager, Cluster B and the Deputy City Manager and Chief Financial Officer, entitled “Coordinated Street Furniture Program – Revenues”, referred to the 2008 Operating Budget process, be adopted as reflected in the 2008 Budget Committee Recommended Operating Budget:
- a. augmented maintenance of street trees on main and commercial streets – up to \$700,000 as reflected in the 2008 Budget Committee Recommended Operating Budget for Parks, Forestry and Recreation;
 - b. Clean and Beautiful City initiatives including administration, Ward-based community projects/demonstration projects and remaining instalment to cover orphan space maintenance – up to \$1,699,000 as reflected in the 2008 Budget Committee Recommended Operating Budget for Transportation Services.

Waterfront Secretariat:

41. the 2008 Recommended Operating Budget for the Waterfront Secretariat of \$1.413 million gross and \$1.082 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Waterfront Secretariat	1,412.7	1,081.7
Total Program Budget	1,412.7	1,081.7

“subject to:

- a. Amending the 2008 Capital Budget for Waterfront Revitalization as approved by Council in December 2007 to reflect an increase of \$150,000.00 to the Waterfront Secretariat sub-project, and a decrease of \$150,000.00 to the Financial Securities sub-project, with no net impact on the overall total of \$51,131,046.00.
- b. Amending the 2008 Recommended Operating Budget for the Waterfront Secretariat of \$1,412,615.06 (gross)/\$1,081,615.06 (net) to reflect an increase of \$150,000.00 (gross) in salary costs, and an increase of \$150,000.00 in the recoveries from the Capital Program for Waterfront Revitalization, with no net impact.
- c. Increasing the number of Approved Positions for the Waterfront Secretariat, recommended for 2008 at the level of 9.0, by 2.0 to 11.0 to reflect the hiring of two temporary Technical Coordinator positions to be funded from the Capital Program as outlined in Recommendations a and b above.

INTERNAL SERVICES

Facilities and Real Estate:

42. the 2008 Recommended Operating Budget for Facilities and Real Estate of \$131.126 million gross and \$55.244 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Facilities	116,925.4	68,011.6
Real Estate	14,200.3	(12,767.7)
	<hr/>	<hr/>
Total Program Budget	131,125.7	55,243.8

subject to a reduction of \$200,000 gross, \$0 net to reflect lower Interdivisional Recoveries (IDRs) from the Toronto Police Service, which will assist the Toronto Police Service in achieving reductions in its 2008 Operating Budget as reflected in the 2008 Budget Committee Recommended Operating Budget for Facilities and Real Estate.

43. the Executive Director of Facilities and Real Estate report back on criteria for the recovery from Special Events at Nathan Phillips Square with a view of generating revenues to offset cleaning expenses at such events, in time for consideration with the 2009 Operating Budget process;

44. the recommendations contained in the report (February 4, 2008) from the Chief Corporate Officer entitled "City Electricity Purchase Strategy - Green Power" be approved:
- a. City Council authorize the purchase of a sufficient amount of green electricity to meet the electricity usage requirements of City Hall on an annual basis commencing July 2008.
 - b. the Chief Corporate Officer start discussions with Toronto Hydro Energy Services and possibly other suppliers, including community groups, regarding partnership opportunities to develop green power projects which could be directed to the City's green power targets.
 - c. the Chief Corporate Officer report back to the Executive Committee for its September 2008 meeting with a recommended long-term strategy for the City's target of obtaining 25 per cent of its electricity from green power sources.
45. the recommendations contained in the report (February 4, 2008) from the City Manager entitled "City-Wide Security Plan" be approved:
- d. further improvements and enhancements be made to the current Corporate Security framework with the objective of enhancing corporate standards and further centralizing those security functions which have City-wide implications.
 - e. the Corporate Security Unit will undertake further consultations with the affected divisions and review existing divisional security plans and create plans for divisions currently without plans and report back in the fall of 2008.
 - f. staff report to the Budget Committee in July 2008 on the comparator information and options utilized by other major cities, and that staff report on the framework and implementation as they relate to ABCs
 - g. that the framework for the City-wide Security Plan include advice on civilian oversight, independent complaints process, access and equity hiring and training, and environmental design measure
 - h. that the City Manager request all City Divisions to declare a moratorium on new Security Staff hirings for 2009 until the City's Security Plan is submitted to the Executive Committee.

Fleet Services:

46. the 2008 Recommended Operating Budget for Fleet Services of \$41.460 million gross and \$0.000 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Fleet Maintenance	24,760.7	0.0
Infor Fuel Operations	11,963.8	0.0
nFleet Safety and Standards	1,232.9	0.0
a Fleet Management	3,502.4	0.0
t		
i		
oTotal Program Budget	41,459.8	0.0
n		

and Technology:

47. the 2008 Recommended Operating Budget for Information and Technology of \$57.685 million gross and \$48.412 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Desktop Computing	34,990.2	28,981.5
Applications and Delivery	18,330.9	15,736.8
Voice and Telecommunications	1,300.6	877.8
Land Information	3,063.7	2,815.9
Total Program Budget	57,685.4	48,412.0

Office of the Chief Financial Officer:

48. the 2008 Recommended Operating Budget for the Office of the Chief Financial Officer of \$14.244 million gross and \$10.189 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Finance & Administration	4,766.9	4,160.0
Corporate Finance	3,809.3	1,420.6
Financial Planning	5,076.1	4,161.4
Special Projects	592.1	447.0
Total Program Budget	14,244.4	10,189.0

Office of the Treasurer:

49. the 2008 Recommended Operating Budget for the Office of the Treasurer of \$69.923 million gross and \$31.195 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Pension, Payroll and Employee Benefits	12,266.9	10,494.5
Purchasing & Materials Management	9,204.8	6,850.0
Accounting Services	12,396.6	8,837.3
Revenue Services	36,054.9	5,013.2
Total Program Budget	<u>69,923.2</u>	<u>31,195.0</u>

Public Information and Creative Services:

50. the 2008 Recommended Operating Budget for Public Information & Creative Services of \$4.772 million gross and \$4.694 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Public Information	2,601.8	2,583.7
Creative Services	2,169.9	2,109.9
Total Program Budget	<u>4,771.7</u>	<u>4,693.6</u>

CITY MANAGER

City Manager's Office:

51. the 2008 Recommended Operating Budget for the City Manager's Office of \$39.651 million gross and \$37.391 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Executive Management	2,077.1	2,077.1
Strategic and Corporate Policy	4,250.9	4,250.9

Executive Committee – March 25, 2008 Minutes

Internal Audit	1,028.1	412.4
Strategic Communications	2,652.5	2,609.7
Human Resources	29,642.8	28,040.5
	<hr/>	<hr/>
Total Program Budget	39,651.4	37,390.6
	<hr/>	<hr/>

OTHER CITY PROGRAMS

City Clerk's Office:

52. the 2008 Recommended Operating Budget for the City Clerk's Office of \$45.625 million gross and \$31.880 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Secretariat	7,619.2	7,451.1
Records and Information Management	22,459.6	9,312.8
Council and Support Services	4,478.3	4,262.3
Corporate Access and Privacy	1,796.8	1,650.7
Elections and Registry Services	7,733.0	7,664.3
Protocol	1,538.3	1,538.3
	<hr/>	<hr/>
Total Program Budget	45,625.2	31,879.5
	<hr/>	<hr/>

City Council:

53. the 2008 Recommended Operating Budget for the City Council of \$19.744 million gross and net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Councillors' Salaries & Benefits Budget	5,198.6	5,198.6
Councillors' Staff Salaries & Benefits Budget	10,846.1	10,846.1
Councillors' Office Expenses Budget	2,336.4	2,336.4
Councillors' Business Travel Expenses Budget	50.0	50.0
Councillors' General Expenses Budget	1,312.6	1,312.6
	<hr/>	<hr/>
Total Program Budget	19,743.7	19,743.7
	<hr/>	<hr/>

Legal Services:

54. the 2008 Recommended Operating Budget for Legal Services of \$36.681 million gross and \$20.903 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Municipal Law	6,077.0	2,924.0
Litigation	5,653.1	3,171.5
Administration	2,548.2	2,264.2
Planning & Tribunal	4,714.9	3,534.9
Real Estate	4,583.3	3,931.3
Employment	2,561.2	2,511.2
Prosecutions	10,542.7	2,566.0
	<hr/>	<hr/>
Total Program Budget	<u>36,680.5</u>	<u>20,903.0</u>

Mayor's Office:

55. the 2008 Recommended Operating Budget for the Mayor's Office of \$2.601 million gross and net, comprised of the following service be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Mayor's Office	2,601.1	2,601.1
	<hr/>	<hr/>
Total Program Budget	<u>2,601.1</u>	<u>2,601.1</u>

ACCOUNTABILITY OFFICES

Auditor General's Office:

56. the 2008 Recommended Operating Budget for the Auditor General's Office of \$4.147 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Audit Services	4,147.4	4,147.4
	<hr/>	<hr/>

Total Program Budget	4,147.4	4,147.4
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Office of the Integrity Commissioner:

57. the 2008 Recommended Operating Budget for the Office of the Integrity Commissioner of \$0.200 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Office of the Integrity Commissioner	200.0	200.0
Total Program Budget	200.0	200.0

Office of the Lobbyist Registrar:

58. the 2008 Recommended Operating Budget for the Office of the Lobbyist Registrar of \$0.711 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Lobbyist Registrar	711.2	711.2
Total Program Budget	711.2	711.2

Office of the Ombudsperson:

59. the 2008 Recommended Operating Budget for the Office of the Ombudsperson of \$0.404 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Office of the Ombudsperson	404.3	404.3
Total Program Budget	404.3	404.3

60. once hired, the Ombudsperson report to Council on further operational and financial requirements for consideration during the 2009 Operating Budget process.

AGENCIES, BOARDS AND COMMISSIONS

Arena Boards of Management:

61. the 2008 Recommended Operating Budget for the Arena Boards of Management of \$6.025 million gross and \$0.042 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
George Bell Arena	529.2	(0.6)
William H. Bolton Arena	751.9	(0.1)
Larry Grossman Forest Hill Memorial Arena	907.4	(1.7)
Leaside Memorial Community Gardens	953.0	45.0
McCormick Playground Arena	655.0	(0.1)
Moss Park Arena	689.4	(0.1)
North Toronto Memorial Arena	781.3	(0.3)
Ted Reeve Arena	757.6	0.0
	<hr/>	<hr/>
Total Program Budget	6,024.7	42.1
	<hr/>	<hr/>

Association of Community Centres:

62. the 2008 Recommended Operating Budget for the Association of Community Centres of \$6.931 million gross and \$6.761 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
519 Church Street	1,128.9	1,128.9
Applegrove	375.4	375.4
Cecil	645.8	645.8
Central Eglinton	561.5	561.5
Community Centre 55	653.7	653.7
Eastview Neighbourhood	506.8	506.8
Harbourfront	1,150.8	1,150.8
Ralph Thornton	652.1	612.7
Scadding Court	833.0	833.0
Swansea Town Hall	422.7	292.2
	<hr/>	<hr/>

Total Program Budget	<u>6,930.7</u>	<u>6,760.8</u>
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Exhibition Place:

63. the 2008 Recommended Operating Budget for Exhibition Place of \$53.997 million gross and \$0.030 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Canadian National Exhibition	21,899.7	(797.9)
Exhibition Place & Direct Energy Centre	24,629.7	877.0
National Soccer Stadium	<u>7,467.8</u>	<u>(49.1)</u>
Total Program Budget	<u><u>53,997.2</u></u>	<u><u>30.0</u></u>

Heritage Toronto:

64. the 2008 Recommended Operating Budget for Heritage Toronto of \$0.694 million gross and \$0.390 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Heritage Education	310.1	255.1
Advocacy	209.8	209.8
Heritage Fund Development	<u>173.9</u>	<u>(75.1)</u>
Total Program Budget	<u><u>693.8</u></u>	<u><u>389.8</u></u>

Parking Tag Enforcement and Operations:

65. the 2008 Recommended Operating Budget for the Parking Tag Enforcement & Operations (which is included in Corporate Accounts) of \$45.377 million gross and \$36.439 million net revenue, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Parking Enforcement Unit	34,526.1	33,911.1
Revenue Services	5,773.7	5,773.7
Judicial Processing of Parking Tickets	1,076.7	1,076.7
Parking Tag Revenue	<u>4,000.0</u>	<u>(77,200.0)</u>

Total Program Budget	45,376.5	(36,438.5)
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Theatres:

66. the 2008 Recommended Operating Budget for Theatres of \$23.289 million gross and \$3.841 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Sony Centre for the Performing Arts	14,584.1	1,171.1
St. Lawrence Centre for the Arts	4,017.9	1,526.6
Toronto Centre for the Arts	4,686.7	1,142.9
Total Program Budget	<u>23,288.7</u>	<u>3,840.6</u>

67. the Deputy City Manager and Chief Financial Officer report back by May 2008 on the adoption of a by-law under Section 27.3 of the Assessment Act to enable Toronto Centre for the Arts to manage the realty tax issues arising from commercial programming of the main stage theatre for more than 183 days per year.

Toronto Atmospheric Fund:

68. the 2008 Recommended Operating Budget for Toronto Atmospheric Fund of \$2.684 million gross and \$0.000 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Atmospheric Fund	<u>2,684.3</u>	<u>0.0</u>
Total Program Budget	<u>2,684.3</u>	<u>0.0</u>

69. the Toronto Atmospheric Fund provide a quarterly variance report through 2008 to monitor the investment income that is being achieved from the endowment and third party fundraising activities; and,
70. the two new temporary positions continue to be funded conditionally upon the continued success of Toronto Atmospheric Fund fundraising activities.

Toronto and Region Conservation Authority:

71. the 2008 Recommended Operating Budget for Toronto and Region Conservation Authority of \$37.363 million gross and \$7.063 million net, of which \$3.892 million is a contribution from Toronto Water and \$3.171 million is tax-supported, and which

is comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Watershed Health	20,006.9	2,926.4
Public Use Recreation	11,934.8	631.9
Rouge Park Interim Management	478.6	70.4
Corporate Services	4,942.7	3,434.4
	<hr/>	<hr/>
Total Program Budget	37,363.0	7,063.1
		<hr/>
Less Toronto Water contribution		(3,892.0)
		<hr/>
Tax-Supported Budget		<u>3,171.1</u>

Toronto Police Service:

72. the 2008 Recommended Operating Budget for the Toronto Police Service of \$841.731 million gross and \$798.260 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Toronto Police Service	841,730.7	798,259.5
	<hr/>	<hr/>
Total Program Budget	841,730.7	798,259.5
	<hr/>	<hr/>

73. the Toronto Police Service's 2008 Operating Budget be set at an increase of 1.5% above their 2007 Approved Budget of \$786.218 million and that the Toronto Police Services Board advise the Budget Committee no later than the Third Quarter Operating Budget Variance Report on what adjustments have been made to achieve the 2008 recommended funding level;
74. the Toronto Police Services Board report back to the Budget Committee following the negotiation of a collective agreement between the Police Service and the Police Association identifying any required adjustments to the Police Service's approved budget; and,
75. the government of Ontario assume the full responsibility of court security and prisoner transportation costs estimated at \$41.400 million net in 2008 for Provincial courtrooms within the City of Toronto.

Toronto Police Services Board:

76. the 2008 Recommended Operating Budget for the Toronto Police Services Board of \$2.234 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Police Services Board	2,233.9	2,233.9
Total Program Budget	2,233.9	2,233.9

Toronto Public Health:

77. the 2008 Recommended Operating Budget for Toronto Public Health of \$219.296 million gross and \$50.571 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Office of the MOH	671.9	167.9
Public Health Planning & Policy	12,009.8	2,978.3
Healthy Families	56,710.6	6,691.1
Communicable Disease	40,409.3	8,302.9
Healthy Environments	33,607.7	12,918.7
Healthy Living	33,234.9	8,222.6
Dental / Oral Health	20,793.1	8,218.7
Finance & Administration	21,859.1	3,070.7
Total Program Budget	219,296.4	50,570.9

78. the Medical Officer of Health report to the Board of Health at its April 21, 2008 meeting on the details in achieving the revenue target of \$0.095 million within Animal Services; and,
79. the recommendations contained in the report (January 9, 2008) from the Medical Officer of Health entitled “Dog & Cat Licensing Strategy – 2008 Operating Budget Request” be approved:
- a. the additional gross request of \$833,100 for the Dog and Cat Licensing Strategy recommended by the Board of Health be reduced by \$275,000 by deferring the hiring of staff (\$150,000) and reducing expenditures in advertising/promotions, printing and others (\$125,000) as reflected in the 2008 Budget Committee Recommended Operating Budget; and,

- b. any year-end deficit resulting from the Dog and Cat Licensing Strategy initiative be reported to the Board of Health and Budget Committee and funded from within the Toronto Animal Services approved budget for 2008 and beyond.

Toronto Public Library:

80. the 2008 Recommended Operating Budget for Toronto Public Library of \$169.988 million gross and \$155.674 million net, comprised of the following services be approved:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Library Services	163,926.6	149,812.2
Library Administration	<u>6,061.5</u>	<u>5,861.5</u>
Total Program Budget	<u><u>169,988.1</u></u>	<u><u>155,673.7</u></u>

81. the unallocated adjustment in the 2008 Recommended Operating Budget for the Toronto Public Library (TPL) is limited to \$0.143 million.

Toronto Transit Commission– Conventional:

82. the 2008 Recommended Operating Budget for TTC of \$1.155 billion gross and \$202.323 million net, comprised of the following service, be approved:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
TTC Conventional Service	<u>1,155,414.1</u>	<u>202,323.0</u>
Total Program Budget	<u><u>1,155,414.1</u></u>	<u><u>202,323.0</u></u>

83. the Chief General Manager of the Toronto Transit Commission report back to the Budget Committee prior to the start of the 2009 Operating Budget process on the success of the program to bring IT contractors in house;
84. the Chief General Manager of the Toronto Transit Commission report back to the Budget Committee prior to the start of the 2009 Operating Budget process on the impact of the Health and Wellness program on absenteeism and on associated savings;
85. the Chief General Manager of the Toronto Transit Commission report back to the

Budget Committee in Spring 2008, as part of the City's Service Planning process, with a five-year Operating Plan, driven by ridership and TTC service delivery plans that would include various options for a multi-year fare strategy; and,

86. the Chief General Manager and the Chair of the TTC adjust the Commission's budget schedule beginning in 2008, so that it coincides with the City of Toronto's budget process, and associated requirements, and, in particular, that the Commission prepare and approve its Operating Budget by mid-September annually.

Toronto Transit Commission– Wheel-Trans:

87. the 2008 Recommended Operating Budget for Wheel-Trans of \$73.862 million gross and \$50.351 million net, comprised of the following service, be approved:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Accessible transit services	73,862.2	50,351.2
Total Program Budget	73,862.2	50,351.2

88. the Chief General Manager of the Toronto Transit Commission report back to Budget Committee in Spring 2008, as part of the City's Service Planning process, with a 5-year Operating Plan based on ridership and service delivery that would be updated annually to take into account expected trends in salary costs, fuel costs and general inflation and would address the continuing increase in demand for Wheel-Trans trips and would provide options to migrate passengers to the Toronto Transit Commission's conventional system.

Toronto Zoo:

89. the 2008 Recommended Operating Budget for the Toronto Zoo of \$41.240 million gross and \$11.706 million net, comprised of the following services, be approved:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Conservation, Education & Research	5,414.4	4,011.6
Marketing & Communications	11,284.6	(88.9)
Operations & Administration	22,485.5	22,229.2
General Management, Interpretation, Culture & Design	1,919.6	1,858.7
Animal & Endangered Species	136.0	0.0
Revenue & Recoveries	0.0	(16,304.5)

Total Program Budget	41,240.1	11,706.1
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Yonge-Dundas Square:

90. the 2008 Recommended Operating Budget for Yonge-Dundas Square of \$1.352 million gross and \$0.584 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Yonge-Dundas Square	1,351.5	583.5
Total Program Budget	1,351.5	583.5

RATE SUPPORTED PROGRAMS

Toronto Parking Authority:

91. the 2008 Recommended Operating Budget for the Toronto Parking Authority of \$63.498 million gross and \$49.617 million net revenue, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
On-Street Parking	13,134.2	(30,392.6)
Off-Street Parking	50,364.0	(19,224.6)
Total Program Budget	63,498.2	(49,617.2)

CORPORATE ACCOUNTS

Community Partnership and Investment Program:

92. the 2008 Recommended Operating Budget for Community Partnership and Investment Program of \$43.525 million gross and \$43.266 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Arts & Culture	18,042.0	18,042.0
Community Services	13,693.6	13,693.6
Recreation	1,377.4	1,377.4

Executive Committee – March 25, 2008 Minutes

Public Health	5,224.6	5,224.6
Housing	2,406.8	2,406.8
Access & Equity	773.8	773.8
Economic Development	556.3	556.3
Urban Development	259.0	0.0
Miscellaneous	1,191.7	1,191.7
	<hr/>	<hr/>
Total Program Budget	<u>43,525.2</u>	<u>43,266.2</u>

93. the City Manager be directed to appoint the General Manager of Economic Development and Culture and the Executive Director of Social Development as champions of the Community Partnership and Investment Program program; and further that, prior to the commencement of the 2009 operating budget, the General Manager and Executive Director report on the financial status and requirement of the various sectors that are funded by Community Partnership and Investment Program providing a budget request at the beginning of the budget process;
94. the City Manager and General Manager, Economic Development, Culture and Tourism, review and report back to the Economic Development Committee by September 2008 on how to best facilitate the Toronto Arts Council becoming one of the City's ABCs; and,
95. the Director of Culture report on the eligibility of the Toronto International Film Festival Group as a member of the Major Arts Cultural Organizations.

Capital and Corporate Financing / Non-Program:

96. the 2008 Recommended Operating Budget for Non-Program of \$992.146 million gross and (\$2.413) million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Capital and Corporate Financing	597,904.7	531,393.1
Non-Program Expenditures	394,241.1	300,711.9
Non-Program Revenue	<hr/>	<hr/> (834,518.1)
Total Program Budget	<u>992,145.8</u>	<u>(2,413.1)</u>

- 96.1 Council allocate the 2007 preliminary year-end net operating surplus of \$94.8 million to 2008 Operating Budget – Prior Year Surplus Revenue (\$78.0 million), Winter Control Stabilization Reserve (\$12.0 million) and an Extreme Weather Reserve (\$4.816 million). (BU28.1a)

- VII. The reports, transmittals and communications that are on file with the City Clerk's Office (including Appendix 4 herewith attached) as considered by the Budget Committee at its 2008 budget review meetings.

Financial Impact

Fiscal Challenges

In 2007, the City used a significant number of unsustainable revenue strategies to balance the operating budget. Reserve draws alone amounted to \$282 million, which, when added to other one-time revenues including Provincial one-time funding for transit operations of \$100 million and a reduction of Toronto Hydro revenues of \$21 million, contributed \$403 to the 2008 beginning budget pressure. On the expenditure side, uncontrollable or fixed costs such as inflation (\$159 million), capital financing charges (\$60 million) and other expenditures just to maintain services approved in 2007, resulted in an additional pressure of \$200 million. Altogether, the impact of non-recurring revenues, the cost of maintaining existing services and service levels, and modest investments in new and enhanced services resulted in a budget pressure of \$615 million (see Table 1).

Table 1 2008 Beginning Pressure		<u>Millions</u>
Base Budget Changes:		
- Cost of Living Allowance and Step/Merit		120
- Inflation		39
- Capital Financing		60
- Annualization and Other Base and Revenue Changes		<u>(19)</u>
Total Base Budget Impact		200
2007 Non-recurring Budget Balancing Strategies:		
- Provincial Assistance – Transit Operations	100	
- Hydro Revenue Reductions	21	
- Non Program Reserve Draws	<u>282</u>	
Total Non-Recurring Budget Balancing Strategies		<u>403</u>
2008 Base Budget Pressure		603
New and Enhanced Services		<u>12</u>
Total Pressure		615

2008 Budget Committee Recommended Operating Budget - Summary

The 2008 Operating Budget directions required staff to maintain existing services and service levels, and to restrict new investment to key initiatives that satisfy Council and the Mayor's priorities. Staff was further directed to continue the process of fixing the structural deficit and to bring forward a balanced operating budget. Consistent with the City's fiscal management practices, strategies to achieve the above objectives included continuation of the City's continuous improvement initiatives; increasing user fees to maximize cost recovery while

ensuring protection of the most vulnerable; and most importantly, to reduce reliance on one-time revenues to fund operating expenditures.

As shown in Table 2 below, the 2008 Budget Committee Recommended Operating Budget of \$8.170 billion is \$310.6 million higher than the 2007 Approved Budget, representing an increase of 4%. The 2008 Budget Committee Recommended Operating Budget is funded primarily by Property Taxes of \$3.322 billion, User Fees and Charges of \$1.273 billion and Provincial and Federal Grants and Subsidies of \$1.973 billion. It is noted that Property Taxes represent 41% of total revenues, approximately the same proportion as in 2007. Overall, property tax revenues are expected to increase by \$101 million, including growth in assessment.

	2007 Budget \$	2008 Budget \$	Budget % of Total	Change from 2007 \$ %	
2008 BC Recommended Budget (Gross)	7,859.6	8,170.2	100.0%	310.6	4.0%
Less:					
Provincial & Federal Grants & Subsidies	1,823.6	1,972.6	24.1%	149.1	8.2%
User Fees and Donations	1,206.5	1,272.8	15.6%	66.3	5.5%
Reserves and Reserve Funds	571.3	272.4	3.3%	(298.9)	(52.3%)
New Taxation Revenues	-	175.0	2.1%	175.0	n/a
Other Non Tax Revenues	1,037.6	1,155.5	14.1%	118.0	11.4%
Net Budget – Property Tax Revenues	3,220.7	3,321.9	40.7%	101.2	3.1%

Balancing the 2008 Operating Budget

Table 3 below shows how the 2008 Operating Budget was balanced. Council's decision to institute a Municipal Land Transfer Tax and a Personal Vehicle Tax will generate new revenues of \$175 million in 2008. These revenues are sustainable and therefore, will contribute significantly toward fixing the City's structural deficit. Savings resulting from efficiency reviews, service and service level adjustments, and continuance of the cost containment measures introduced in 2007, along with revenue increases will reduce the budget pressure by \$73 million. In addition, it is projected savings from the 2007 cost containment measures along with other favourable variances will result in a 2007 operating surplus of \$78 million, that will be fully utilized to reduce the 2008 budget pressure.

Ongoing negotiations with the Province to upload social services and to increase transit funding resulted in an increase in provincial funding of \$188 million comprised of \$39 million upload of the Ontario Disability Support Program and \$149 million in additional transit funding. It is

noted that the transit funding includes \$49 million to fund part of the debt service cost associated with the Toronto Transit Commission (TTC) capital works program. Finally, assessment growth of \$26.6 million (0.8% of the total property tax base) along with property tax rate increases which will generate revenues of \$74.643 million will ensure a balanced budget in 2008. The tax revenues reflect a Residential property tax rate increase of 3.75%, which will generate incremental revenues of \$51.075 million and a Commercial, Industrial, and Multi-residential tax rate increase of 1.25% or \$23.566 million. On the total 2007 tax base of \$3.221 billion, this represents a net tax rate increase of 2.3%, which approximates the City of Toronto rate of inflation.

To provide the services and service levels incorporated in the 2008 Budget Committee Recommended Operating Budget will result in a 2009 starting budget pressure of \$532.8 million. The 2009 Outlook, which is discussed in detailed later in this report, indicates that the net financial impact of providing 2008 services and services levels is \$183.4 million. On an \$8.2 billion budget, this reflects a 2% increase which is quite reasonable. However, despite significant progress in mitigating the structural deficit problem that has existed since amalgamation, non-recurring revenues used to balance the 2008 Budget totals \$349.4 million, and represent 66% of the estimated 2009 starting pressure.

Table 3
2008 Budget Balancing Strategies

	<u>\$Millions</u>
Total Pressure	<u>615</u>
Cost Containment/Revenue:	
Prior Year Surplus including 2007 Cost Containment	(78)
2008 Annualized Cost Containment and Revenue Increases	<u>(73)</u>
Total Cost Containment and Prior Year Surplus	<u>(151)</u>
Adjusted Pressures	464
Provincial Upload:	
Social Services (ODB)	(39)
Transit Operations & Debt Charges (One-Time)	<u>(149)</u>
Total Provincial Upload	<u>(188)</u>
Net Pressure after Provincial Upload	276
City Taxation Revenues:	
New Taxes	(175)
Assessment Growth	(26)
Property Tax Increase – 3.75%	<u>(75)</u>
Total Taxation Revenues	<u>(276)</u>
	0

The 2008 Budget Committee Recommended Operating Budget achieves the major goals of maintaining services while controlling expenditures and addressing the structural deficit challenge that has prevailed since amalgamation. It is anticipated that the ongoing Provincial / Municipal Fiscal and Service Delivery Review, which will be completed in the spring of 2008

will result in permanent funding for transit operations and increased upload of social services costs. Should this materialize, the structural deficit problem will be substantively addressed beginning with the 2009 Operating Budget.

Summary

The purpose of this report is to present the 2008 Budget Committee (BC) Recommended Operating Budget for City Programs, Agencies, Boards and Commissions, and to obtain Council's approval of the service levels and spending plans proposed therein. The recommendation results in a residential property tax increase of 3.75 % and a Commercial, Industrial and Multi-residential increase of 1.25%.

The 2008 Recommended Operating Gross Expenditure Budget is \$8.170 billion and is funded primarily by Property Taxes (the net budget) totalling \$3.322 billion. Compared to 2007, the 2008 Recommended Gross Budget reflects an increase of \$310.614 million or 4.0%. The budget includes strategic investments in new and enhanced services of \$56.703 million gross and \$12.385 million net including public transit, waste diversion, public safety, community health and wellness, economic development and culture, and climate change.

In accordance with the Mayor's guidelines and directions, the 2008 Recommended Operating Budget continues the strategic process of balancing short-term needs against long-term objectives. For the first time since amalgamation, the 2008 Operating Budget was balanced when introduced by staff on January 28, 2008. This significant achievement was the culmination of Council's decision to introduce a municipal land transfer tax (MLTT) and a vehicle ownership tax (VOT) in the Fall of 2007; moderate increases in user fees without impairing access to services for the less privileged; savings from cost containment initiatives implemented in 2007 which will be continued in 2008; and successful negotiations for increased provincial assistance for public transit, in particular. The 2008 BC Recommended Operating Budget maintains services and service levels needed by residents and businesses.

Communications

- (March 7, 2008) letter from Ms. Debbie Stubbs (EX.Main.EX.18.1.1)
- (March 10, 2008) letter from Ms. Stephanie Wells (EX.Main.EX.18.1.2)
- (March 3, 2008) letter from Orla Kipling (EX.Main.EX.18.1.3)
- (March 11, 2008) letter from Mr. Fred Horler (EX.Main.EX.18.1.4)
- (March 13, 2008) letter from Ms. Alison Kinross (EX.Main.EX.18.1.5)
- (February 27, 2008) letter from Mr. Norman Taylor (EX.Main.EX.18.1.6)
- (March 4, 2008) letter from Ms. Eva D'Andrea (EX.Main.EX.18.1.7)
- (March 4, 2008) letter from Hamila Lolfi (EX.Main.EX.18.1.8)
- (March 14, 2008) letter from Mr. Adam Zhelka (EX.Main.EX.18.1.9)
- (March 12, 2008) letter from Hannah Materne (EX.Supp.EX.18.1.10)
- (March 14, 2008) letter from Kaitlyn Axelrod (EX.Supp.EX.18.1.11)
- (March 18, 2008) letter from Mona Rozenblum (EX.Supp.EX.18.1.12)
- (March 19, 2008) letter from Shazena Harripersaud (EX.Supp.EX.18.1.13)
- (March 17, 2008) letter from Maureen O'Neill, President, Toronto Real Estate Board (EX.New.EX.18.1.14)
- (March 14, 2008) letter from Steve R. (EX.New.EX.18.1.15)
- (March 25, 2008) letter from Doug Lennox and Diane Hind (EX.New.EX.18.1.16)

(March 25, 2008) letter from Mona Rozenblum (EX.New.EX.18.1.17)

(March 25, 2008) Submission from Wrap-up notes to the Executive Committee respecting the 2008 Operating Budget: Summary of Budget Review Process (up to March 6, 2008) (EX.New.EX.18.1.18)

Committee Recommendations

On motion by Councillor Carroll, the Executive Committee recommended to City Council that:

A. City Council approve a total residential class tax increase of 3.75% inclusive of a 3.385% budgetary levy increase and a 0.36% policy shift, and accordingly the following amendments be made to the 2008 Budget Committee Recommended Operating Budget and the 2008 Property Tax Levy and Other Related Matters:

I. the 2008 Budget Committee Recommended Tax Supported Operating Budget of \$8.170 billion gross and \$3.315 billion net, comprised of the following:

- i. a Base Budget of \$8.113 billion gross and \$3.303 billion net as detailed in Appendix 1 to maintain current services and service levels; and
- ii. \$56.703 million gross and \$12.385 million net, as detailed in Appendix 1 to invest in strategic new and enhanced services.

II. the Budget Committee 2008 Recommended Operating Budget for the Toronto Parking Authority totalling \$63.498 million.

III. a residential budgetary related property tax increase of 3.385% or \$46.104 million and a commercial, industrial, and multi-residential tax increase of 1.128% or \$21.272 million.

IV. the introduction of new user fees and charges, and changes to the price of existing user fees and charges included in the 2008 Budget Committee Recommended Operating Budgets of City Programs, Agencies, Boards and Commissions which will generate incremental revenues totalling \$11.490 million.

V. the 2008 sinking fund levies of \$192,652,253.83 for the City of Toronto and \$2,293,802.99 for the Toronto District School Board.

VI. City Council approve the following Recommendations for City Programs, Agencies, Boards and Commissions:

CITIZEN CENTRED SERVICES "A"

Affordable Housing Office:

- 1. the 2008 Recommended Operating Budget for the Affordable Housing Office of \$3.032 million gross and \$1.419 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Housing Improvements	563.8	263.8
Affordable Housing Office	2,467.7	1,154.7
	<hr/>	<hr/>
Total Program Budget	3,031.5	1,418.5
	<hr/>	<hr/>

Children's Services:

2. the 2008 Recommended Operating Budget for Children's Services of \$360.733 million gross and \$68.910 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Program Administration	23,119.8	7,989.1
Municipal Child Care	67,903.3	15,885.1
Purchased Child Care	269,750.3	45,036.0
	<hr/>	<hr/>
Total Program Budget	360,773.4	68,910.2
	<hr/>	<hr/>

3. the recommendation contained in the report (December 19, 2007) from the General Manager of Children's Services entitled "Development of Child Care Centres with the Toronto District School Boards and Native Child and Family Services" be approved:
- a. Funds of up to \$2.9 million be approved for the construction of Ghesig House at 156 Galloway Road and Kiiwednong at 2784 Keele Street, two Aboriginal Child Care Centres to be developed by the Native Child and Family Services Toronto. The total project cost of \$2.9 million is to be funded from the Child Care Expansion Reserve Fund of \$2.4 million and from Provincial revenues of \$0.528 million as reflected in the 2008 Budget Committee Recommended Operating Budget.
 - b. Funds of up to \$2.0 million be approved to create three new child care centres at Highfield Junior School, Kennedy Public School, and Crescent Town Elementary School to be funded from the Child Care Capital Reserve Fund as reflected in the 2008 Budget Committee Recommended Operating Budget.
 - c. the General Manager of Children's Services Division be

delegated authority to negotiate agreements and execute them on behalf of the City with the Toronto District School Board (TDSB) and with Native Child and Family Services Toronto (NCFST) for the design and construction of such projects, and such agreements be on terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor.

Court Services:

4. the 2008 Recommended Operating Budget for Court Services of \$39.335 million gross and (\$11.383 million) net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Finance & Administration	23,112.4	22,035.7
Court Administration	7,128.5	(41,971.4)
Court Support	4,961.2	4,961.2
Planning & Liaison	3,591.2	3,591.2
Licensing Tribunal	541.3	0.0
	<hr/>	<hr/>
Total Program Budget	39,334.6	(11,383.3)

Economic Development, Culture and Tourism:

5. the 2008 Recommended Operating Budget for the Economic Development, Culture and Tourism of \$32.951 million gross and \$25.961 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Culture	13,783.6	10,334.7
Economic Development	11,240.7	9,489.0
Special Events	6,218.0	4,808.4
Tourism	1,708.6	1,328.6
	<hr/>	<hr/>
Total Program Budget	32,950.9	25,960.7

- 5.1 the Economic Development, Culture and Tourism 2008 Operating Budget be increased by \$0.300 million gross, zero net, funded by \$0.300 million from the Public Realm Reserve Fund, to develop the tourist information system and wayfinding content of the info pillar component of the Co-ordinated Street Furniture Program.

- 5.2. the General Manager of Economic Development, Culture and Tourism reporting to Budget Committee by the Summer of 2008 on the multi-year plan and associated funding required to develop and sustain the information content system to provide tourist information and wayfinding signage for the Information pillar element of the Coordinated Street Furniture Program." (BU28.1b)
6. the details of savings of \$0.140 million gross and net as a result of divisional realignment based on the findings of the Program Review be reported with the June 30, 2008, Operating Budget Variance report.

Emergency Medical Services:

7. the 2008 Recommended Operating Budget for Emergency Medical Services of \$151.968 million gross and \$61.875 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
CACC	13,530.1	0.0
Centralized Support Services	1,129.1	514.5
Corporate Charges	5,900.0	2,950.0
EMS Operations Support Services	20,809.9	7,533.7
EMS Operations	102,294.8	47,496.6
Program Development & Service Quality	8,304.6	3,380.3
	<hr/>	<hr/>
Total Program Budget	151,968.5	61,875.1

Homes for the Aged:

8. the 2008 Recommended Operating Budget for Homes for the Aged of \$206.613 million gross and \$40.734 million net, comprised of the following segments, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Divisional Office	1,553.6	72.0
Toronto Homes	194,757.1	38,938.7
Community Based Services	10,302.5	1,723.7
	<hr/>	<hr/>

Total Program Budget	<u>206,613.2</u>	<u>40,734.4</u>
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9. the General Manager of Homes for the Aged continue to pursue all reduction strategies, such as exploring Adult-Day Program partnerships, addressing collective agreement impediments, and advocating for increased Long-Term Care funding, and report back during the 2009 Operating Budget Process on the viability of implementing each option; and,
10. the new service enhancement priorities for Infection Prevention and Control (\$0.544 million gross, \$0 net) and Nutritional and Support Service (\$0.670 million gross, \$0 net), be approved and that implementation be subject to receipt of Provincial funding.

Parks, Forestry and Recreation:

11. the 2008 Recommended Operating Budget for Parks, Forestry and Recreation of \$322.078 million gross and \$239.288 million net, comprised of the following services, be approved:

Service:	Gross (\$000s)	Net (\$000s)
Parks	74,146.1	69,949.0
Community Recreation	105,827.6	58,043.6
Urban Forestry	31,077.7	25,251.7
Strategic Services	18,663.4	(2,138.0)
Development & Infrastructure Management	78,526.1	74,628.0
Divisional Coordination & Community Engagement Management Services	4,756.8	4,752.8
	<u>9,080.2</u>	<u>8,801.0</u>
Total Program Budget	<u>322,077.9</u>	<u>239,288.1</u>

- 11.1 the Deputy City Manager and Chief Financial Officer, in consultation with appropriate staff, be requested to submit a report to the Executive Committee in time for the consideration of the 2009 Capital Budget on a program to bring to a complete state of good repair all of Toronto's City-owned Urban Forest. **(Motion by Deputy Mayor Pantalone)**

Shelter, Support and Housing Administration:

12. the 2008 Recommended Operating Budget for Shelter, Support and Housing Administration of \$710.107 million gross and \$253.762 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Program Support	2,314.4	2,314.4
Social Housing	537,367.2	191,946.0
Affordable Housing Programs	10,058.8	0.0
Hostel Services	117,672.4	55,308.5
Housing and Homelessness Supports	41,427.2	3,416.6
Partnership Development & Support	363.5	363.5
Emergency Planning Services	903.0	413.3
	<hr/>	<hr/>
Total Program Budget	<u>710,106.5</u>	<u>253,762.3</u>

13. Council request the Province to fully upload all Social Housing operating and capital costs.

Social Development, Finance and Administration:

14. the 2008 Recommended Operating Budget for Social Development, Finance and Administration of \$27.207 million gross and \$15.980 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Financial Oversight and Control	13,693.9	8,284.1
Strategic Policy & Program Support	7,366.7	5,470.5
Community Development	6,146.4	2,225.8
	<hr/>	<hr/>
Total Program Budget	<u>27,207.0</u>	<u>15,980.4</u>

Social Services:

15. the 2008 Recommended Operating Budget for Social Services of \$1,059.950 million gross and \$275.774 million net, comprised of the following services, be approved:

Executive Committee – March 25, 2008 Minutes

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Program Support	12,702.7	6,485.0
Social Assistance	<u>1,047,246.8</u>	<u>269,289.3</u>
Total Program Budget	<u>1,059,949.5</u>	<u>275,774.3</u>

16. the Province immediately upload the full cost of \$150.0 million of Ontario Disability Support Program included in the 2008 Recommended Operating Budget, as the ODSP is a provincial responsibility; and,
17. the Province honour its legislative requirements and be responsible for 50% of the Cost of Administration of Ontario Works.

3-1-1 Customer Service Strategy:

18. the 2008 Recommended Operating Budget for 3-1-1 Customer Service Strategy of \$3.731 million gross and \$0.665 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Project Management Office	921.3	665.3
Capital Program Related Work	2,809.4	0.0
Total Program Budget	<u>3,730.7</u>	<u>665.3</u>

CITIZEN CENTRED SERVICES "B"

City Planning:

19. the 2008 Recommended Operating Budget for City Planning of \$35.317 million gross and \$14.051 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
City Planning	<u>35,316.7</u>	<u>14,051.3</u>
Total Program Budget	<u>35,316.7</u>	<u>14,051.3</u>

20. the Deputy City Manager responsible for City Planning report back to the Budget Committee in mid-year 2008 on the results of the Development Application Review Project (DARP) and on an approach to increasing community planning and development application process fees in the future to allow for full cost recovery of all City wide costs related to the processing of community planning and development applications; and,
21. the Deputy City Manager responsible for City Planning report back to the Budget Committee through the Second Quarter Operating Variance Report on the anticipated service level increases resulting from the additional 12.0 recommended permanent positions.

Fire Services:

22. the 2008 Recommended Operating Budget for Fire Services of \$356.047 million gross and \$347.871 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Fire-Operations	289,850.1	283,080.7
Fire Prevention & Public Safety	13,899.3	13,547.8
Communications & Operational Support	24,069.9	23,614.0
Professional Develop. & Mechanical Support	24,579.8	24,080.8
Fire - Headquarters	3,647.3	3,547.0
	<hr/>	<hr/>
Total Program Budget	356,046.6	347,870.5

23. the Chief of Toronto Fire Services and the Director of Affordable Housing Office report to the Community Development and Recreation Committee in June 2008 on the financial implications of installing fire sprinklers in future City- funded affordable homes.

Municipal Licensing and Standards:

24. the 2008 Recommended Operating Budget for Municipal Licensing and Standards of \$34.150 million gross and \$11.420 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Head Office	2,068.8	2,068.8
Licensing	9,697.1	(12,713.3)
Investigations	22,383.8	22,064.0
	<hr/>	<hr/>
Total Program Budget	34,149.7	11,419.5
	<hr/>	<hr/>

25. the Executive Director of Municipal Licensing and Standards report back to the Budget Committee in May 2008 to enable Council consideration by July 2008, on the recommended business license fee structure arising from the cost recovery model review.

Policy, Planning, Finance and Administration:

26. the 2008 Recommended Operating Budget for Policy, Planning, Finance and Administration of \$45.686 million gross and \$26.631 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Strategic Policy Coordination and Support	2,998.2	2,998.2
Toronto Environment Office	3,534.6	3,394.6
Finance and Administration	39,152.9	20,238.3
	<hr/>	<hr/>
Total Program Budget	45,685.7	26,631.1
	<hr/>	<hr/>

27. the Toronto Environment Office develop eligibility criteria for the Community grants program as part of Live Green Toronto initiative to be presented to Executive Committee in early 2008; and,
28. the recommendation contained in the report (November 13, 2007) from the Deputy City Manager Butts and Deputy City Manager and Chief Financial Officer Pennachetti entitled "Climate Change Action Plan – Implementation of Key Program Initiatives", referred to the 2008 Operating Budget process as amended be adopted as reflected in the 2008 Budget Committee Recommended Operating Budget for Policy, Planning, Finance and Administration:
- a. the operating budget impact of \$1.165 million gross, \$1.035 million net in 2008 be adopted.

Solid Waste Management Services:

29. the 2008 Recommended Operating Budget for Solid Waste Management Services of \$276.729 million gross and \$182.158 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Program Support	47,921.5	10,348.5
Collection	95,474.7	92,162.4
Transfer	24,164.5	14,094.8
Processing	43,138.8	19,801.1
Disposal	66,029.2	45,751.3
	<hr/>	<hr/>
Total Program Budget	276,728.7	182,158.1

30. the recommendations contained in [the report \(February 4, 2008\)](#) from the General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer entitled “Final 2008 Fees - Getting to 70% Diversion by 2010” be approved:
- a. the fees set out in Attachment A – “Residential Solid Waste Rate Structure, 2008 Fees” be adopted for 2008 and that fees for future years be included as part of the annual operating budget submission, to be effective January 1st in each calendar year;
 - b. the billing details and administrative fees set out in Attachment B to this report be adopted;
 - c. the volume-based rate structure commence on or about:
 - i. July 1, 2008 for residential bulk collection customers (i.e. multi-unit residential buildings including town homes currently receiving bulk waste collection)
 - ii. November 1, 2008 for residential curb side collection customers (i.e. single family residential buildings including town homes and small multi-unit dwellings currently receiving curb side collection);
 - d. the City not provide amnesty days or an amnesty for moving-out waste at the time of a residential move; and
 - e. the City Solicitor be authorized to introduce any necessary bill into Council.

31. the Deputy City Manager and Chief Financial Officer report back to Budget Committee in-year on the appropriate adjustments to the 2008 Recommended Operating Budget to reflect the 2008 phased implementation of the transition to a user fee supported budget which includes a tax rebate program once the volume-based user fee structure has been implemented; and,
32. the General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer report to Budget Committee as part of the 2008 Year-End Variance Report on the actual net contribution to the Waste Management Reserve Fund as a result of the implementation of new user fees in 2008.

Technical Services:

33. the 2008 Recommended Operating Budget for Technical Services of \$60.351 million gross and \$16.215 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Facilities & Structures	9,313.3	1,647.3
Survey & Mapping	20,183.9	3,281.1
Development Engineering	5,734.2	4,543.7
District Engineering	21,853.8	4,352.9
Office of Emergency Management	2,160.0	1,839.9
Program Administration	<u>1,106.0</u>	<u>549.5</u>
Total Program Budget	<u>60,351.4</u>	<u>16,214.6</u>

34. the Executive Director for Technical Services report to the Public Works and Infrastructure Committee prior to deliberations of the 2009 Capital Budget process on a strategy to manage delivery of capital works programs based on the planned and anticipated increase in the 5-Year Capital Plan.

Toronto Building:

35. the 2008 Recommended Operating Budget for Toronto Building of \$41.913 million gross and (\$11.660) million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Toronto Building	41,912.6	(11,660.0)
Total Program Budget	41,912.6	(11,660.0)

Transportation Services:

36. the 2008 Recommended Operating Budget for Transportation Services of \$259.610 million gross and \$166.655 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Roadway Services	127,362.6	94,990.7
Roadside Services	51,126.7	26,775.3
Traffic Planning/Right-Of-Way Management	18,232.7	(5,518.1)
Traffic and Safety Services	44,321.9	40,026.7
Infrastructure Management	16,510.4	13,622.6
District Management & Overhead	1,269.7	(2,228.9)
Technical & Program Support	786.2	(1,013.8)
Total Program Budget	259,610.2	166,654.5

37. the Deputy City Manager for Citizen Centred Services "B" and the General Manager of Transportation Services report to the Public Works and Infrastructure Committee early in 2008 on the success of the Red Light Camera program, the status of Phase 2 expansion and requirements for future proposed phases;
- 37.1 the Deputy City Manager for Citizen Control Services "B" and the General Manager of Transportation Services be requested to submit a report to the Public Works and Infrastructure Committee by September 2008, on the contribution made to automobile safety by the installation of pedestrian count down signals. (**Motion by Councillor Moscoe**)
38. the General Manager of Transportation Services report back to Public Works and Infrastructure Committee by June 2008 on the finalization of the organizational structure and scope of the Public Realm Office;
39. the recommendations contained in the report (February 19, 2008) from the General Manager, Transportation Services entitled "Re-

Establishment of Mechanical Leaf Pick-up ” be approved:

- a. Reinstatement of the mechanical leaf pick-up program in Etobicoke, York, Scarborough and Toronto and East York Districts at the 2006 service levels.
 - b. The net cost of this service be offset by a corresponding increase of \$125,000 in parking revenues based on 2007 actual experience which surpassed the budget level.
 - c. The Transportation Services’ Recommended 2008 Operating Budget be increased by \$125,000 (gross) and \$0(net), as reflected in the 2008 Budget Committee Recommended Operating Budget for Transportation Services.
40. the recommendations contained in the report (November 12, 2007) from the Deputy City Manager, Cluster B and the Deputy City Manager and Chief Financial Officer, entitled "Coordinated Street Furniture Program – Revenues:", referred to the 2008 Operating Budget process, be adopted as reflected in the 2008 Budget Committee Recommended Operating Budget:
- a. augmented maintenance of street trees on main and commercial streets – up to \$700,000 as reflected in the 2008 Budget Committee Recommended Operating Budget for Parks, Forestry and Recreation;
 - b. Clean and Beautiful City initiatives including administration, Ward-based community projects/demonstration projects and remaining instalment to cover orphan space maintenance – up to \$1,699,000 as reflected in the 2008 Budget Committee Recommended Operating Budget for Transportation Services.

Waterfront Secretariat:

41. the 2008 Recommended Operating Budget for the Waterfront Secretariat of \$1.413 million gross and \$1.082 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Waterfront Secretariat	1,412.7	1,081.7
Total Program Budget	1,412.7	1,081.7

“subject to:

- a. Amending the 2008 Capital Budget for Waterfront Revitalization as approved by Council in December 2007 to reflect an increase of \$150,000.00 to the Waterfront Secretariat sub-project, and a decrease of \$150,000.00 to the Financial Securities sub-project, with no net impact on the overall total of \$51,131,046.00.
- b. Amending the 2008 Recommended Operating Budget for the Waterfront Secretariat of \$1,412,615.06 (gross)/\$1,081,615.06 (net) to reflect an increase of \$150,000.00 (gross) in salary costs, and an increase of \$150,000.00 in the recoveries from the Capital Program for Waterfront Revitalization, with no net impact.
- c. Increasing the number of Approved Positions for the Waterfront Secretariat, recommended for 2008 at the level of 9.0, by 2.0 to 11.0 to reflect the hiring of two temporary Technical Coordinator positions to be funded from the Capital Program as outlined in Recommendations a and b above."

INTERNAL SERVICES

Facilities and Real Estate:

42. the 2008 Recommended Operating Budget for Facilities and Real Estate of \$131.126 million gross and \$55.244 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Facilities	116,925.4	68,011.6
Real Estate	14,200.3	(12,767.7)
	<hr/>	<hr/>
Total Program Budget	131,125.7	55,243.8

subject to a reduction of \$200,000 gross, \$0 net to reflect lower Interdivisional Recoveries (IDRs) from the Toronto Police Service, which will assist the Toronto Police Service in achieving reductions in its 2008 Operating Budget as reflected in the 2008 Budget Committee Recommended Operating Budget for Facilities and Real Estate.

43. the Executive Director of Facilities and Real Estate report back on criteria for the recovery from Special Events at Nathan Phillips Square with a view of generating revenues to offset cleaning expenses at such events, in time for consideration with the 2009 Operating Budget process;

44. the recommendations contained in the report (February 4, 2008) from the Chief Corporate Officer entitled "City Electricity Purchase Strategy - Green Power" be approved:
- a. City Council authorize the purchase of a sufficient amount of green electricity to meet the electricity usage requirements of City Hall on an annual basis commencing July 2008.
 - b. the Chief Corporate Officer start discussions with Toronto Hydro Energy Services and possibly other suppliers, including community groups, regarding partnership opportunities to develop green power projects which could be directed to the City's green power targets.
 - c. the Chief Corporate Officer report back to the Executive Committee for its September 2008 meeting with a recommended long-term strategy for the City's target of obtaining 25 per cent of its electricity from green power sources.
45. the recommendations contained in the report (February 4, 2008) from the City Manager entitled "City-Wide Security Plan", as amended be approved:
- d. further improvements and enhancements be made to the current Corporate Security framework with the objective of enhancing corporate standards and further centralizing those security functions which have City-wide implications.
 - e. the Corporate Security Unit will undertake further consultations with the affected divisions and review existing divisional security plans and create plans for divisions currently without plans and report back in the fall of 2008.
 - f. staff report to the Budget Committee in July 2008 on the comparator information and options utilized by other major cities, and that staff report on the framework and implementation as they relate to ABCs.
 - g. that the framework for the City-wide Security Plan include advice on civilian oversight, independent complaints process, access and equity hiring and training, and environmental design measure.
 - h. that the City Manager request all City Divisions to declare a moratorium on new Security Staff hirings for 2009 until the City's Security Plan is submitted to the Executive Committee.

Fleet Services:

46. the 2008 Recommended Operating Budget for Fleet Services of \$41.460 million gross and \$0.000 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Fleet Maintenance	24,760.7	0.0
Fuel Operations	11,963.8	0.0
Fleet Safety and Standards	1,232.9	0.0
Fleet Management	3,502.4	0.0
	<hr/>	<hr/>
Total Program Budget	41,459.8	0.0
	<hr/>	<hr/>

Information and Technology:

47. the 2008 Recommended Operating Budget for Information and Technology of \$57.685 million gross and \$48.412 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Desktop Computing	34,990.2	28,981.5
Applications and Delivery	18,330.9	15,736.8
Voice and Telecommunications	1,300.6	877.8
Land Information	3,063.7	2,815.9
	<hr/>	<hr/>
Total Program Budget	57,685.4	48,412.0
	<hr/>	<hr/>

Office of the Chief Financial Officer:

48. the 2008 Recommended Operating Budget for the Office of the Chief Financial Officer of \$14.244 million gross and \$10.189 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Finance & Administration	4,766.9	4,160.0
Corporate Finance	3,809.3	1,420.6

Executive Committee – March 25, 2008 Minutes

Financial Planning	5,076.1	4,161.4
Special Projects	592.1	447.0
	<hr/>	<hr/>
Total Program Budget	14,244.4	10,189.0
	<hr/>	<hr/>

Office of the Treasurer:

49. the 2008 Recommended Operating Budget for the Office of the Treasurer of \$69.923 million gross and \$31.195 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Pension, Payroll and Employee Benefits	12,266.9	10,494.5
Purchasing & Materials Management	9,204.8	6,850.0
Accounting Services	12,396.6	8,837.3
Revenue Services	36,054.9	5,013.2
	<hr/>	<hr/>
Total Program Budget	69,923.2	31,195.0
	<hr/>	<hr/>

Public Information and Creative Services:

50. the 2008 Recommended Operating Budget for Public Information & Creative Services of \$4.772 million gross and \$4.694 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Public Information	2,601.8	2,583.7
Creative Services	2,169.9	2,109.9
	<hr/>	<hr/>
Total Program Budget	4,771.7	4,693.6
	<hr/>	<hr/>

CITY MANAGER

City Manager's Office:

51. the 2008 Recommended Operating Budget for the City Manager's Office of \$39.651 million gross and \$37.391 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Executive Management	2,077.1	2,077.1
Strategic and Corporate Policy	4,250.9	4,250.9
Internal Audit	1,028.1	412.4
Strategic Communications	2,652.5	2,609.7
Human Resources	29,642.8	28,040.5
	<hr/>	<hr/>
Total Program Budget	39,651.4	37,390.6

OTHER CITY PROGRAMS

City Clerk's Office:

52. the 2008 Recommended Operating Budget for the City Clerk's Office of \$45.625 million gross and \$31.880 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Secretariat	7,619.2	7,451.1
Records and Information Management	22,459.6	9,312.8
Council and Support Services	4,478.3	4,262.3
Corporate Access and Privacy	1,796.8	1,650.7
Elections and Registry Services	7,733.0	7,664.3
Protocol	1,538.3	1,538.3
	<hr/>	<hr/>
Total Program Budget	45,625.2	31,879.5

City Council:

53. the 2008 Recommended Operating Budget for the City Council of \$19.744 million gross and net, comprised of the following services, be approved:

Executive Committee – March 25, 2008 Minutes

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Councillors' Salaries & Benefits Budget	5,198.6	5,198.6
Councillors' Staff Salaries & Benefits Budget	10,846.1	10,846.1
Councillors' Office Expenses Budget	2,336.4	2,336.4
Councillors' Business Travel Expenses Budget	50.0	50.0
Councillors' General Expenses Budget	1,312.6	1,312.6
	<hr/>	<hr/>
Total Program Budget	19,743.7	19,743.7

Legal Services:

54. the 2008 Recommended Operating Budget for Legal Services of \$36.681 million gross and \$20.903 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Municipal Law	6,077.0	2,924.0
Litigation	5,653.1	3,171.5
Administration	2,548.2	2,264.2
Planning & Tribunal	4,714.9	3,534.9
Real Estate	4,583.3	3,931.3
Employment	2,561.2	2,511.2
Prosecutions	10,542.7	2,566.0
	<hr/>	<hr/>
Total Program Budget	36,680.5	20,903.0

Mayor's Office:

55. the 2008 Recommended Operating Budget for the Mayor's Office of \$2.601 million gross and net, comprised of the following service be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Mayor's Office	2,601.1	2,601.1
	<hr/>	<hr/>
Total Program Budget	2,601.1	2,601.1
	<hr/>	<hr/>

ACCOUNTABILITY OFFICES

Auditor General's Office:

56. the 2008 Recommended Operating Budget for the Auditor General's Office of \$4.147 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Audit Services	4,147.4	4,147.4
	<hr/>	<hr/>
Total Program Budget	4,147.4	4,147.4
	<hr/>	<hr/>

Office of the Integrity Commissioner:

57. the 2008 Recommended Operating Budget for the Office of the Integrity Commissioner of \$0.200 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Office of the Integrity Commissioner	200.0	200.0
	<hr/>	<hr/>
Total Program Budget	200.0	200.0
	<hr/>	<hr/>

Office of the Lobbyist Registrar:

58. the 2008 Recommended Operating Budget for the Office of the Lobbyist Registrar of \$0.711 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Lobbyist Registrar	711.2	711.2
Total Program Budget	711.2	711.2

Office of the Ombudsperson:

59. the 2008 Recommended Operating Budget for the Office of the Ombudsperson of \$0.404 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Office of the Ombudsperson	404.3	404.3
Total Program Budget	404.3	404.3

60. once hired, the Ombudsperson report to Council on further operational and financial requirements for consideration during the 2009 Operating Budget process.

AGENCIES, BOARDS AND COMMISSIONS

Arena Boards of Management:

61. the 2008 Recommended Operating Budget for the Arena Boards of Management of \$6.025 million gross and \$0.042 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
George Bell Arena	529.2	(0.6)
William H. Bolton Arena	751.9	(0.1)
Larry Grossman Forest Hill Memorial Arena	907.4	(1.7)
Leaside Memorial Community Gardens	953.0	45.0
McCormick Playground Arena	655.0	(0.1)
Moss Park Arena	689.4	(0.1)
North Toronto Memorial Arena	781.3	(0.3)
Ted Reeve Arena	757.6	0.0

Total Program Budget	6,024.7	42.1
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Association of Community Centres:

62. the 2008 Recommended Operating Budget for the Association of Community Centres of \$6.931 million gross and \$6.761 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
519 Church Street	1,128.9	1,128.9
Applegrove	375.4	375.4
Cecil	645.8	645.8
Central Eglinton	561.5	561.5
Community Centre 55	653.7	653.7
Eastview Neighbourhood	506.8	506.8
Harbourfront	1,150.8	1,150.8
Ralph Thornton	652.1	612.7
Scadding Court	833.0	833.0
SwanseaTownHall	422.7	292.2
Total Program Budget	6,930.7	6,760.8

Exhibition Place:

63. the 2008 Recommended Operating Budget for Exhibition Place of \$53.997 million gross and \$0.030 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Canadian National Exhibition	21,899.7	(797.9)
Exhibition Place & Direct Energy Centre	24,629.7	877.0
National Soccer Stadium	7,467.8	(49.1)
Total Program Budget	53,997.2	30.0

Heritage Toronto:

64. the 2008 Recommended Operating Budget for Heritage Toronto of

\$0.694 million gross and \$0.390 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Heritage Education	310.1	255.1
Advocacy	209.8	209.8
Heritage Fund Development	173.9	(75.1)
	<hr/>	<hr/>
Total Program Budget	693.8	389.8
	<hr/>	<hr/>

Parking Tag Enforcement and Operations:

65. the 2008 Recommended Operating Budget for the Parking Tag Enforcement & Operations (which is included in Corporate Accounts) of \$45.377 million gross and \$36.439 million net revenue, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Parking Enforcement Unit	34,526.1	33,911.1
Revenue Services	5,773.7	5,773.7
Judicial Processing of Parking Tickets	1,076.7	1,076.7
Parking Tag Revenue	4,000.0	(77,200.0)
	<hr/>	<hr/>
Total Program Budget	45,376.5	(36,438.5)
	<hr/>	<hr/>

Theatres:

66. the 2008 Recommended Operating Budget for Theatres of \$23.289 million gross and \$3.841 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Sony Centre for the Performing Arts	14,584.1	1,171.1
St. Lawrence Centre for the Arts	4,017.9	1,526.6
Toronto Centre for the Arts	4,686.7	1,142.9
	<hr/>	<hr/>
Total Program Budget	23,288.7	3,840.6
	<hr/>	<hr/>

67. the Deputy City Manager and Chief Financial Officer report back by May 2008 on the adoption of a by-law under Section 27.3 of the Assessment Act to enable Toronto Centre for the Arts to manage the realty tax issues arising from commercial programming of the main stage theatre for more than 183 days per year.

Toronto Atmospheric Fund:

68. the 2008 Recommended Operating Budget for Toronto Atmospheric Fund of \$2.684 million gross and \$0.000 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Atmospheric Fund	2,684.3	0.0
Total Program Budget	2,684.3	0.0

69. the Toronto Atmospheric Fund provide a quarterly variance report through 2008 to monitor the investment income that is being achieved from the endowment and third party fundraising activities; and,
70. the two new temporary positions continue to be funded conditionally upon the continued success of Toronto Atmospheric Fund fundraising activities.

Toronto and Region Conservation Authority:

71. the 2008 Recommended Operating Budget for Toronto and Region Conservation Authority of \$37.363 million gross and \$7.063 million net, of which \$3.892 million is a contribution from Toronto Water and \$3.171 million is tax-supported, and which is comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Watershed Health	20,006.9	2,926.4
Public Use Recreation	11,934.8	631.9
Rouge Park Interim Management	478.6	70.4
Corporate Services	4,942.7	3,434.4
Total Program Budget	37,363.0	7,063.1

Less Toronto Water contribution	(3,892.0)
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Tax-Supported Budget	<u>3,171.1</u>
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Toronto Police Service:

72. the 2008 Recommended Operating Budget for the Toronto Police Service of \$841.731 million gross and \$798.260 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Police Service	<u>841,730.7</u>	<u>798,259.5</u>
Total Program Budget	<u>841,730.7</u>	<u>798,259.5</u>

73. the Toronto Police Service's 2008 Operating Budget be set at an increase of 1.5% above their 2007 Approved Budget of \$786.218 million and that the Toronto Police Services Board advise the Budget Committee no later than the Third Quarter Operating Budget Variance Report on what adjustments have been made to achieve the 2008 recommended funding level;
74. the Toronto Police Services Board report back to the Budget Committee following the negotiation of a collective agreement between the Police Service and the Police Association identifying any required adjustments to the Police Service's approved budget; and,
75. the government of Ontario assume the full responsibility of court security and prisoner transportation costs estimated at \$41.400 million net in 2008 for Provincial courtrooms within the City of Toronto.

Toronto Police Services Board:

76. the 2008 Recommended Operating Budget for the Toronto Police Services Board of \$2.234 million gross and net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Toronto Police Services Board	<u>2,233.9</u>	<u>2,233.9</u>
Total Program Budget	<u>2,233.9</u>	<u>2,233.9</u>

Toronto Public Health:

77. the 2008 Recommended Operating Budget for Toronto Public Health of \$219.296 million gross and \$50.571 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Office of the MOH	671.9	167.9
Public Health Planning & Policy	12,009.8	2,978.3
Healthy Families	56,710.6	6,691.1
Communicable Disease	40,409.3	8,302.9
Healthy Environments	33,607.7	12,918.7
Healthy Living	33,234.9	8,222.6
Dental / Oral Health	20,793.1	8,218.7
Finance & Administration	21,859.1	3,070.7
	<hr/>	<hr/>
Total Program Budget	219,296.4	50,570.9

78. the Medical Officer of Health report to the Board of Health at its April 21, 2008 meeting on the details in achieving the revenue target of \$0.095 million within Animal Services; and,
79. the recommendations contained in the report (January 9, 2008) from the Medical Officer of Health entitled “Dog & Cat Licensing Strategy – 2008 Operating Budget Request”, as amended, be approved:
- a. the additional gross request of \$833,100 for the Dog and Cat Licensing Strategy recommended by the Board of Health be reduced by \$275,000 by deferring the hiring of staff (\$150,000) and reducing expenditures in advertising/promotions, printing and others (\$125,000) as reflected in the 2008 Budget Committee Recommended Operating Budget; and,
 - b. any year-end deficit resulting from the Dog and Cat Licensing Strategy initiative be reported to the Board of Health and Budget Committee and funded from within the Toronto Animal Services approved budget for 2008 and beyond.

Toronto Public Library:

80. the 2008 Recommended Operating Budget for Toronto Public Library of \$169.988 million gross and \$155.674 million net, comprised of the following services be approved:

Executive Committee – March 25, 2008 Minutes

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Library Services	163,926.6	149,812.2
Library Administration	<u>6,061.5</u>	<u>5,861.5</u>
 Total Program Budget	 <u>169,988.1</u>	 <u>155,673.7</u>

81. the unallocated adjustment in the 2008 Recommended Operating Budget for the Toronto Public Library (TPL) is limited to \$0.143 million.

Toronto Transit Commission– Conventional:

82. the 2008 Recommended Operating Budget for TTC of \$1.155 billion gross and \$202.323 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
TTC Conventional Service	<u>1,155,414.1</u>	<u>202,323.0</u>
 Total Program Budget	 <u>1,155,414.1</u>	 <u>202,323.0</u>

83. the Chief General Manager of the Toronto Transit Commission report back to the Budget Committee prior to the start of the 2009 Operating Budget process on the success of the program to bring IT contractors in house;
84. the Chief General Manager of the Toronto Transit Commission report back to the Budget Committee prior to the start of the 2009 Operating Budget process on the impact of the Health and Wellness program on absenteeism and on associated savings;
85. the Chief General Manager of the Toronto Transit Commission report back to the Budget Committee in Spring 2008, as part of the City's Service Planning process, with a five-year Operating Plan, driven by ridership and TTC service delivery plans that would include various options for a multi-year fare strategy; and,
86. the Chief General Manager and the Chair of the TTC adjust the Commission's budget schedule beginning in 2008, so that it coincides with the City of Toronto's budget process, and associated requirements, and, in particular, that the Commission prepare and approve its

Operating Budget by mid-September annually.

Toronto Transit Commission – Wheel-Trans:

87. the 2008 Recommended Operating Budget for Wheel-Trans of \$73.862 million gross and \$50.351 million net, comprised of the following service, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Accessible transit services	73,862.2	50,351.2
	<hr/>	<hr/>
Total Program Budget	73,862.2	50,351.2
	<hr/>	<hr/>

88. the Chief General Manager of the Toronto Transit Commission report back to Budget Committee in Spring 2008, as part of the City's Service Planning process, with a 5-year Operating Plan based on ridership and service delivery that would be updated annually to take into account expected trends in salary costs, fuel costs and general inflation and would address the continuing increase in demand for Wheel-Trans trips and would provide options to migrate passengers to the Toronto Transit Commission's conventional system.

Toronto Zoo:

89. the 2008 Recommended Operating Budget for the Toronto Zoo of \$41.240 million gross and \$11.706 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Conservation, Education & Research	5,414.4	4,011.6
Marketing & Communications	11,284.6	(88.9)
Operations & Administration	22,485.5	22,229.2
General Management, Interpretation, Culture & Design	1,919.6	1,858.7
Animal & Endangered Species	136.0	0.0
Revenue & Recoveries	0.0	(16,304.5)
	<hr/>	<hr/>
Total Program Budget	41,240.1	11,706.1
	<hr/>	<hr/>

Yonge-Dundas Square:

90. the 2008 Recommended Operating Budget for Yonge-Dundas Square of

\$1.352 million gross and \$0.584 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Yonge-Dundas Square	1,351.5	583.5
Total Program Budget	<u>1,351.5</u>	<u>583.5</u>

RATE SUPPORTED PROGRAMS

Toronto Parking Authority:

91. the 2008 Recommended Operating Budget for the Toronto Parking Authority of \$63.498 million gross and \$49.617 million net revenue, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
On-Street Parking	13,134.2	(30,392.6)
Off-Street Parking	<u>50,364.0</u>	<u>(19,224.6)</u>
Total Program Budget	<u>63,498.2</u>	<u>(49,617.2)</u>

CORPORATE ACCOUNTS

Community Partnership and Investment Program:

92. the 2008 Recommended Operating Budget for Community Partnership and Investment Program of \$43.525 million gross and \$43.266 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Arts & Culture	18,042.0	18,042.0
Community Services	13,693.6	13,693.6
Recreation	1,377.4	1,377.4
Public Health	5,224.6	5,224.6
Housing	2,406.8	2,406.8
Access & Equity	773.8	773.8

Executive Committee – March 25, 2008 Minutes

Economic Development	556.3	556.3
Urban Development	259.0	0.0
Miscellaneous	1,191.7	1,191.7
	<hr/>	<hr/>
Total Program Budget	43,525.2	43,266.2
	<hr/>	<hr/>

92.1 upon the approval of the 2008 Operating Budget by City Council, that staff advance PRIDE Toronto with its grant based on last year's application, and if further funds are allocated through adjudication then those funds follow. **(Motion by Councillor Rae)**

93. the City Manager be directed to appoint the General Manager of Economic Development and Culture and the Executive Director of Social Development as champions of the Community Partnership and Investment Program; and further that, prior to the commencement of the 2009 operating budget, the General Manager and Executive Director report on the financial status and requirement of the various sectors that are funded by Community Partnership and Investment Program providing a budget request at the beginning of the budget process;

94. the City Manager and General Manager, Economic Development, Culture and Tourism, review and report back to the Economic Development Committee by September 2008 on how to best facilitate the Toronto Arts Council becoming one of the City's ABCs; and,

95. the Director of Culture report on the eligibility of the Toronto International Film Festival Group as a member of the Major Arts Cultural Organizations.

Capital and Corporate Financing / Non-Program:

96. the 2008 Recommended Operating Budget for Non-Program of \$992.146 million gross and (\$9,678) million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Capital and Corporate Financing	597,904.7	531,393.1
Non-Program Expenditures	394,241.1	300,711.9
Non-Program Revenue	<hr/>	<hr/> (841,783.2)
Total Program Budget	992,145.8	(9,678.2)
	<hr/>	<hr/>

96.1 Council allocate the 2007 Preliminary Year End Net Operating Surplus of \$94.8 million to the 2008 Operating Budget – Prior Year Surplus

Revenue (\$85.3 million), and the Winter Control Stabilization Reserve (\$9.5 million).

B. with respect to the 2008 Property Tax Levy and Related Matters, that the budgetary-related tax rate increase for the restricted property classes (commercial, industrial and multi-residential properties) be 1/3 of the budgetary-related property tax rate increase on the unrestricted property class as adopted by Council as the policy on Enhancing Toronto's Business Climate (October, 2005), noting that the policy shift is primarily to provide for the recently approved small business tax rate reductions, it is recommended that:

1. Council enact a by-law to have the Residual Commercial property class apply for the 2008 tax year, such a class being real property of the Commercial property class but excluding real property of the Office Building property class, the Shopping Centre property class, the Parking Lots and Vacant Land property class, and the Professional Sports Facility property class, and as described and set out in the Table below:

Description	Property Classes of Commercial
Commercial General	Office Building property class, Shopping Centre property class, the Parking Lots and Vacant Land property class, and the Professional Sports Facility property class
Residual Commercial	Commercial property not included in the above property classes

2. Council enact a by-law to establish two bands of assessment of property for the purposes of facilitating graduated tax rates for the Residual Commercial property class in 2008, and setting such bands of assessment for each band shown in Column II at the amount shown in Column III, and setting the ratio of the ending tax rates for each band in relation to each other at the ratio shown in Column IV:

Column I	Column II	Column III	Column IV
Property Class	Bands	Portion of Assessment	Ratio of Ending Tax Rate to Each Other
Residual Commercial	Lowest Band	Less than or equal to \$1,000,000	0.972664
Residual Commercial	Highest Band	Greater than \$1,000,000	1.000000

3. Council elect to raise the tax rates on the restricted property classes (commercial, industrial, and multi-residential) by one-third of the percentage tax rate increase on the unrestricted property classes (residential, new multi-residential, pipelines, farmlands, and managed forests) as adopted by Council as policy during consideration of the "Enhancing Toronto's Business Climate" initiative in October 2005, and in accordance with Provincial Regulation.
4. the 2008 tax ratios shown in Column II (before budgetary levy increase) for each of the property classes shown in Column I, as set out below, be adopted, wherein the adoption of such ratios together with the 2008 municipal budgetary tax levy increase and 2008 tax rate adjustment to achieve Council's tax ratio targets provided for in Recommendations 5(b) and 5(c), respectively, will result in the 2008 ending tax ratios shown in Column III:

Column I	Column II	Column III
Property Class	2008 Recommended Tax Ratios (before levy increase)	2008 Ending Ratios (after levy increase and policy tax rate adjustments)
Residential	1.000000	1.000000
Multi-Residential	3.546257	3.468850
New Multi-Residential	1.000000	1.000000
Commercial General – Unbanded	3.584069	3.505837
Residual Commercial – Lowest Band	3.584069	3.410000
Residual Commercial – Highest Band	3.584069	3.505837
Industrial	3.920000	3.740000
Farmlands	0.250000	0.250000
Pipelines	1.923564	1.923564
Managed Forests	0.250000	0.250000

5. City Council adopt:
 - a. the tax rates set out below in Column II, which rates will raise a base local municipal general tax levy for 2008 of \$3,247,267,378; and,
 - b. the tax rates set out below in Column III, which rates will raise an additional local municipal tax levy for 2008 of \$67,375,973 to fund the 2008 operating budget tax levy increase, as determined in accordance

with legislative requirements; and,

- c. the tax rate adjustments set out below in Column IV, which rate adjustments are necessary to achieve the tax ratio targets for the various property classes and the small business property tax treatment as previously approved by Council, and which rate adjustments do not raise any additional local municipal tax levy for 2008 but rather redistributes the tax burden between property classes:

Column I	Column II	Column III	Column IV	Column V
Property Class	2008 Tax Rate for Base General Local Municipal Levy	2008 Additional Tax Rate for to Fund Budgetary Levy Increase)	2008 Tax Rate Adjustment to Achieve Council's Tax Ratio Targets for 2008	2008 Ending Municipal Tax Rate (excluding Charity rebates)
Residential	0.5888434%	0.0199323%	0.0021469%	0.6109226%
Multi-Residential	2.0881901%	0.0235617%	0.0074472%	2.1191990%
New Multi-Residential	0.5888434%	0.0199323%	0.0021469%	0.6109226%
Commercial General – Unbanded	2.1104551%	0.0238130%	0.0075271%	2.1417952%
Residual Commercial - Lowest Band	2.1104551%	0.0238130%	-0.0510219%	2.0832462%
Residual Commercial - Highest Band	2.1104551%	0.0238130%	0.0075271%	2.1417952%
Industrial	2.3082662%	0.0260449%	-0.0494605%	2.2848506%
Farmlands	0.1472109%	0.0049831%	0.0005367%	0.1527307%
Pipelines	1.1326782%	0.0383412%	0.0041294%	1.1751488%
Managed Forests	0.1472109%	0.0049831%	0.0005367%	0.1527307%

6. a technical adjustment be made to the 2008 Non-Program Tax Account in the amount of \$5,327,254 to fund the mandatory 2008 property tax rebates to registered charities in the commercial and industrial property classes, which adjustment is to be funded, for a net impact on the 2008 operating budget of zero, by the following:
- a. the additional tax rates set out below in Column III be levied as part of the general local municipal levy on the commercial classes set out in Column I and Column II to raise a further additional local municipal tax levy of \$5,284,828 to fund the total estimated rebates to registered charities for properties in the commercial class in 2008, and

Column I	Column II	Column III
Commercial Property Classes	Bands	Additional Tax Rate to Fund Rebates to Eligible Charities
Commercial General	Unbanded	0.0096429%
Residual Commercial	Lowest Band	0.0093793%
Residual Commercial	Highest Band	0.0096429%

- b. an additional tax rate of 0.0007300% be levied as part of the general local municipal levy on the industrial class to raise a further additional local municipal tax levy of \$42,425 to fund the total estimated rebates to registered charities for properties in the industrial class in 2008.

C. Council receive, for information:

1. the letter (March 10, 2008) from City Council, entitled "Community Development and Recreation Committee – Item 14.2 – 2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters". (EX18.1a)
2. the communication (March 19, 2008) from the Toronto Pedestrian Committee respecting the 2008 Operating Budget – Parks, Forestry and Recreation – Priorities for Walking. (EX18.1d)
3. the communication (March 18, 2008) from the Toronto Cycling Advisory Committee Requesting Funding - Full Time Trails and Pathways Planner. (EX18.1e)
4. the communication (March 18, 2008) from the Toronto Cycling Advisory Committee, entitled 2008 Bike Month - Presentation on the Various Events. (EX18.1f)
5. the reports, transmittals and communications that are on file with the City Clerk's Office (including Appendix 4 herewith attached) as considered by the Budget Committee at its 2008 budget review meetings.

Decision Advice and Other Information

The Executive Committee:

1. referred the communication (March 14, 2008) from Mr. Adam Zhelka, Co-Chair, Toronto Island Community Association (EX18.1.9) to the Deputy City Manager and Chief Financial Officer with a request that he submit a report to the Budget Committee and the Executive Committee prior to the introduction of the 2009 Operating Budget on

a full evaluation of ferry use, cost analysis, any impact of the increase in fees in 2008 and a go forward strategy for the Toronto Island Ferry Service to ensure accessibility, affordability, value for money, maintenance and replacement; **(Motion by Councillor McConnell)** and

2. directed staff to amend the report dated March 17, 2008, from the Deputy City Manager and Chief Financial Officer entitled "2008 Property Tax Levy and Related Matters", (EX18.1c), based on the revised tax rates as recommended by the Executive Committee, and report thereon directly to Council for its meeting scheduled to be held on March 31 and April 1, 2008. **(Motion by Councillor Carroll)**

Councillor Shelley Carroll, Chair, Budget Committee, provided opening remarks concerning the 2008 Operating Budget.

Ms. Shirley Hoy, City Manager, and Mr. Joseph Pennachetti, Deputy City Manager and Chief Financial Officer provided a presentation to the Executive Committee on the 2008 Operating Budget and filed a copy of their presentation material.

Motions

Amend Item (Additional) motion moved by Councillor Howard Moscoe (Out of Order)

The Executive Committee recommends to City Council that the Deputy City Manager for Citizen Control Services "B" and the General Manager of Transportation Services, in consultation with the General Manager of Parking Tag Enforcement, be requested to submit a report to the Executive Committee on the feasibility of transferring the responsibility for the enforcement of the Idling By-law to Parking Tag Enforcement.

Amend Item (Additional) motion moved by Councillor Howard Moscoe (Out of Order)

The Executive Committee recommends to City Council that Recommendation 40 be amended by adding a new 40 c. as follows:

- c. each Ward Councillor be requested to provide a priority listing of streets within their Ward that would require "augmented maintenance" for street trees.

Amend Item motion moved by Councillor Shelley Carroll (Carried)

Declared Interests (Committee)

Councillor Norman Kelly - Declared his interest in Recommendations 72 through 75 dealing with the Toronto Police Services Budget in that his wife is employed by Toronto Police Services.

Councillor Howard Moscoe - Declared his interest in the Children's Services Budget in that his daughter is employed as a part time Child Care Worker by the City of Toronto.

Links to Background Information

2008 Budget Committee Recommended Operating Budget - Budget Committee letter
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11474.pdf>)

2008 Operating Budget - Appendix 4A
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11475.pdf>)

2008 Operating Briefing Notes - Appendix 4B
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11476.pdf>)

2008 Operating Budget - Reports and Communications Recommended by the Budget Committee to be Received - Appendix 4C
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11477.pdf>)

Climate Change Action Plan - Implementation of Key Program Initiatives
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11478.pdf>)

Final 2008 Fees - Getting to 70% Diversion by 2010
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11479.pdf>)

Re-Establishment of Mechanical Leaf Pick-up
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11480.pdf>)

Coordinated Street Furniture Program - Revenues - Budget Committee letter
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11481.pdf>)

Coordinated Street Furniture Program - Revenues - Staff Report
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11482.pdf>)

City Electricity Purchase Strategy - Green Power
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11483.pdf>)

City-Wide Security Plan
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11484.pdf>)

City-Wide Security Plan - Attachment 1
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11485.pdf>)

Dog & Cat Licensing Strategy - 2008 Operating Budget Request
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11486.pdf>)

2008 Budget Committee Recommended Operating Budget - Staff Report
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11487.pdf>)

Appendix 1 - 2008 Budget Committee Recommended Operating Budget - Summary by Program
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11488.pdf>)

Appendix 2 - 2008 Budget Committee Recommended Positions - Operating Positions Only
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11489.pdf>)

Appendix 3 - Program Recommendations
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11490.pdf>)

Appendix 4 - City Clerk's Office Reports, Transmittals and Communications
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11491.pdf>)

Preliminary Operating Variance Report for the Year Ended December 31, 2007
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11492.pdf>)

Preliminary Operating Variance Report for the Year Ended December 31, 2007 - Appendices A, B and C
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11493.pdf>)

Staffing Resources for the Waterfront Secretariat
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11494.pdf>)

1a Community Development and Recreation Committee - Item 14.2 2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters

(March 10, 2008) Letter from City Council

Recommendations

City Council on March 3, 4 and 5, 2008, adopted Community Development and Recreation Committee Item 14.2, entitled “2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters”, as amended, and in so doing, referred the following motion to the Budget Committee for consideration:

Moved by Councillor Shiner:

1. That Council approve a minimum rate of \$60.00 per bed night for all youth shelters, effective July 1, 2008.
2. That Appendix A, headed “2008 Recommended Per Diem Rates, Bed Capacities and Personal Needs Allowances”, be amended to reflect this rate.
3. That the matter of the funding required be referred to the Budget Committee for consideration during the 2008 budget process.

Financial Impact

See report (November 19, 2007) from the General Manager, Shelter, Support and Housing Administration for the Financial Impact.

Summary

Respecting recommendations on the 2008 Bed Capacities and Per Diem rates for the purchase of service shelter system and funding levels for other various operating contracts; a report back on the Youth Shelter Interagency Network report a “System in Crisis”; information on the preliminary findings and consultation process regarding the Hostel Services Funding Model Review; and an update on shelter system directions.

Links to Background Information

2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters - March 10, 2008 letter

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11469.pdf>)

2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters - Clause
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11470.pdf>)

2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters -
December 3, 2007 letter

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11471.pdf>)

2008 Per Diem Rates for the Purchase of Service Shelter System and Related Matters - Staff
Report

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11472.pdf>)

1b Funding Strategies to Mitigate Financial Impacts on the City Due to Extreme Weather Conditions

(March 17, 2008) Report from the Deputy City Manager and Chief Financial Officer

Recommendations

The Deputy City Manager and Chief Financial Officer recommends to City Council that:

1. City Council establish a reserve group within the Stabilization Reserves, called the “Extreme Weather Reserve Group”, with separate accounts for specific risks, to mitigate the expenditure impacts on the City’s budget as a result of extreme weather conditions in accordance with the policies and criteria as set out in Appendix 1.
2. City Council transfer the Winter Control Stabilization Reserve, along with its balance, to the Extreme Weather Reserve Group as an account.
3. City Council establish within the Extreme Weather Reserve Group an additional reserve account called ‘Parks, Forestry and Recreation Extreme Weather Reserve’ in accordance with the policies and criteria as set out in Appendix 1b, the purpose of which is to mitigate the expenditure impacts arising from extreme weather conditions on the annual Parks and Urban Forestry budgets, by providing funding at the end of the year to offset wholly or partly a budget shortfall resulting from unbudgeted and uninsured extreme weather-related costs incurred during the year.
4. Municipal Code Chapter 227 (Reserves and Reserves Funds) be amended by adding the Extreme Weather Reserve Group and its reserve accounts to Schedule #3 (Stabilization Reserves).
5. The Deputy City Manager and Chief Financial Officer be delegated authority to create new reserve accounts within the Extreme Weather Reserve Group and address their funding through the annual budget process and in accordance with the Surplus Management Policy.
6. Leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

There is no direct financial impact associated with this report since the recommended provisions to reserves have been included in the Budget Committee Recommended 2008 Operating Budget. The new reserve group and its accounts will assist in stabilizing future annual budgets and minimizing the impacts of extreme weather events on the City’s future net financial results.

The financial impact is reflected in the (February 29, 2008) staff report titled ‘Preliminary Operating Variance Report for the Year ended December 31, 2007’ considered by the Budget Committee on March 6, 2008, where it recommended that \$4.816 million of the \$94.8 million 2007 preliminary year-end net operating surplus be allocated to the Extreme Weather Reserve, and \$12.0 million be transferred from the 2007 preliminary year-end net operating surplus into the Winter Control Stabilization Reserve.

Summary

This report discusses the City’s funding strategies to mitigate the expenditure impacts of extreme weather on City’s annual budgets. More and more extreme weather conditions, such as extreme heat, extreme cold, high winds, rainstorms, snowstorms, flooding and drought, have caused economic losses to the city.

This report recommends the creation of an ‘Extreme Weather Reserve Group’ which will consist of separate accounts for specific weather risks. The Winter Control Stabilization Reserve will be transferred into this Reserve Group as an account. A new reserve account called the ‘Parks, Forestry and Recreation Extreme Weather Reserve’ will be created within the Group.

Links to Background Information

Funding Strategies to Mitigate Financial Impacts on the City Due to Extreme Weather Conditions

<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11747.pdf>

1c 2008 Property Tax Levy and Related Matters

(March 17, 2008) Report from the Deputy City Manager and Chief Financial Officer

Recommendations

The Deputy City Manager and Chief Financial Officer recommends to Council that:

1. Council enact a by-law to have the Residual Commercial property class apply for the 2008 tax year, such a class being real property of the Commercial property class but excluding real property of the Office Building property class, the Shopping Centre property class, the Parking Lots and Vacant Land property class, and the Professional Sports Facility property class, and as described and set out in the Table below:

Description	Property Classes of Commercial
Commercial General	Office Building property class, Shopping Centre property class, the Parking Lots and Vacant Land property class, and the Professional Sports Facility property class
Residual Commercial	Commercial property not included in the above property classes

2. Council enact a by-law to establish two bands of assessment of property for the purposes of facilitating graduated tax rates for the Residual Commercial property class in 2008, and setting such bands of assessment for each band shown in Column II at the amount shown in Column III, and setting the ratio of the ending tax rates for each band in relation to each other at the ratio shown in Column IV:

Column I	Column II	Column III	Column IV
Property Class	Bands	Portion of Assessment	Ratio of Ending Tax Rate to Each Other
Residual Commercial	Lowest Band	Less than or equal to \$1,000,000	0.974925
Residual Commercial	Highest Band	Greater than \$1,000,000	1.000000

3. Council elect to raise the tax rates on the restricted property classes (commercial, industrial, and multi-residential) by one-third of the percentage tax rate increase on the unrestricted property classes (residential, new multi-residential, pipelines, farmlands, and managed forests) as adopted by Council as policy during consideration of the “Enhancing Toronto’s Business Climate” initiative in October 2005, and in accordance with Provincial Regulation.
4. the 2008 tax ratios shown in Column II (before budgetary levy increase) for each of the property classes shown in Column I, as set out below, be adopted, wherein the adoption of such ratios together with the 2008 municipal budgetary tax levy increase and 2008 tax rate adjustment to achieve Council’s tax ratio targets provided for in Recommendations 5(b) and 5(c), respectively, will result in the 2008 ending tax ratios shown in Column III:

Column I	Column II	Column III
Property Class	2008 Recommended Tax Ratios (before levy increase)	2008 Ending Ratios (after levy increase and policy tax rate adjustments)
Residential	1.000000	1.000000
Multi-Residential	3.546257	3.460805
New Multi-Residential	1.000000	1.000000
Commercial General - Unbanded	3.584069	3.497706
Residual Commercial – Lowest Band	3.584069	3.410000
Residual Commercial – Highest Band	3.584069	3.497706
Industrial	3.920000	3.740000
Farmlands	0.250000	0.250000
Pipelines	1.923564	1.923564
Managed Forests	0.250000	0.250000

5. Council adopt:

- a. the tax rates set out below in Column II, which rates will raise a base local municipal general tax levy for 2008 of \$3,247,267,378;
- b. the tax rates set out below in Column III, which rates will raise an additional local municipal tax levy for 2008 of \$74,641,103 to fund the 2008 operating budget tax levy increase, as determined in accordance with legislative requirements; and
- c. the tax rate adjustments set out below in Column IV, which rate adjustments are necessary to achieve the tax ratio targets for the various property classes and the small business property tax treatment as previously approved by Council, and which rate adjustments do not raise any additional local municipal tax levy for 2008 but rather redistributes the tax burden between property classes:

Column I	Column II	Column III	Column IV	Column V
Property Class	2008 Tax Rate for Base General Local Municipal Levy	2008 Additional Tax Rate for to Fund Budgetary Levy Increase)	2008 Tax Rate Adjustment to Achieve Council's Tax Ratio Targets for 2008	2008 Ending Municipal Tax Rate (excluding Charity rebates)
Residential	0.5888434%	0.0220816%	0.0019680%	0.6128930%
Multi-Residential	2.0881901%	0.0261024%	0.0068106%	2.1211031%
New Multi-Residential	0.5888434%	0.0220816%	0.0019680%	0.6128930%
Commercial General - Unbanded	2.1104551%	0.0263807%	0.0068837%	2.1437195%
Residual Commercial - Lowest Band	2.1104551%	0.0263807%	-0.0468707%	2.0899651%
Residual Commercial - Highest Band	2.1104551%	0.0263807%	0.0068837%	2.1437195%
Industrial	2.3082662%	0.0288533%	-0.0448997%	2.2922198%
Farmlands	0.1472109%	0.0055204%	0.0004920%	0.1532233%
Pipelines	1.1326782%	0.0424754%	0.0037853%	1.1789389%
Managed Forests	0.1472109%	0.0055204%	0.0004920%	0.1532233%

6. a technical adjustment be made to the 2008 Non-Program Tax Account in the amount of \$5,327,254 to fund the mandatory 2008 property tax rebates to registered charities in the commercial and industrial property classes, which adjustment is to be funded, for a net impact on the 2008 operating budget of zero, by the following:

- a. the additional tax rates set out below in Column III be levied as part of the

Column II to raise a further additional local municipal tax levy of \$5,284,828 to fund the total estimated rebates to registered charities for properties in the commercial class in 2008, and

Column I	Column II	Column III
Commercial Property Classes	Bands	Additional Tax Rate to Fund Rebates to Eligible Charities
Commercial General	Unbanded	0.0096373%
Residual Commercial	Lowest Band	0.0093956%
Residual Commercial	Highest Band	0.0096373%

- b. an additional tax rate of 0.0007300% be levied as part of the general local municipal levy on the industrial class to raise a further additional local municipal tax levy of \$42,425 to fund the total estimated rebates to registered charities for properties in the industrial class in 2008.
7. The tax rates for school purposes set out in Column II, which rates will raise an education tax levy for 2008 of \$1,892,724,079, be adopted and come into effect when the regulation prescribing these rates is filed:

Column I	Column II
Property Class	2008 Tax Rate for Education Levy
Residential	0.264000%
Multi-Residential	0.264000%
New Multi-Residential	0.264000%
Commercial	1.968305%
Industrial	2.050709%
Farmlands	0.066000%
Pipelines	1.798540%
Managed Forests	0.066000%

8. a. Council enact a by-law for the 2008 taxation year to limit reassessment-related tax increases for the commercial, industrial, and multi-residential property classes, such a cap limit to be based on 5% of the preceding year's current value taxes, for the 2008 taxation year; and
- b. The Deputy City Manager and Chief Financial Officer be directed to report directly to Council at its meeting scheduled for April 28 and 29, 2008, on the percentage of the tax decreases required to recover the revenues foregone as a result of the cap limit on properties in the commercial, industrial and multi-residential property classes (the 2008 'clawback' rates).
9. Council enact a by-law to establish the New Multi-Residential tax class for new multi-residential properties constructed in 2008, and that the applicable tax rate for this class be set at a tax rate equivalent to the 2008 residential tax rate.

10. Council enact a by-law to phase-out the comparable property tax treatment for new construction in the commercial, industrial and multi-residential classes by establishing the minimum property taxes for new construction at 100% of the full uncapped CVA level of taxes for 2008 and future years.
11. As in past years, the instalment dates for the 2008 final tax bills be set as follows:
 - a. the regular instalment dates be the first business days of July, August and September;
 - b. for taxpayers who are enrolled in the monthly pre-authorized property tax payment program, the instalment dates be the 15th, or first business day thereafter, of each of the months of July to December; and
 - c. for taxpayers who are enrolled in the two installment program, the final instalment date be July 1.
12.
 - a. The collection of taxes for 2008, other than those levied under By-law No. 1404-2007 (the interim levy by-law) be authorized; and
 - b. a penalty charge for non-payment of taxes of 1.25 percent of taxes due and unpaid be added on the first day of default, and interest be charged at a rate of 1.25 percent per month on all outstanding taxes accruing from the first day of default.
13. In the event the necessary regulations are not filed by Province by April 2, 2008, to enable the City to implement the tax policies described in recommendations (1) through (7) above, Toronto Council waive, on a one-time basis, its policy for a clear 30 days from the date of mailing of the tax bill to the first due date for the final 2008 tax bill, and instead adopt a notice period of 21 days for the final 2008 tax bill.
14. The appropriate officials be authorized to take the necessary action to give effect thereto and authority be granted for the introduction of the necessary bills in Council.

Financial Impact

The recommended 2008 City of Toronto Operating Budget requires a 2008 property tax levy of \$3,321,908,482. The returned assessment roll for 2008 will raise a municipal tax levy of \$3,247,267,378 prior to any tax increase for 2008. The adoption of the revenue sources contained in the budget will require that the balance be raised by a 3.75% tax increase (\$51,075,406) for municipal purposes on the unrestricted classes (residential, new multi-residential, farmlands, pipelines and managed forest property classes), and a 1.250% municipal tax increase (\$23,565,697) on the restricted classes (commercial, industrial, and multi-residential property classes). The latter represents one-third of the tax rate increase on the residential class as adopted as policy under the City's 'Enhancing Toronto's Business Climate' initiative, and as permitted by regulation for 2008, for a total tax levy increase of \$74,641,103, which represents an effective tax rate increase of 2.3%.

The two key business tax rate reduction initiatives adopted by Council under the “Enhancing Toronto’s Business Climate” initiative included:

- i. reducing the tax rates for all businesses and multi-residential properties to 2.5-times the residential tax rate over fifteen years (by the year 2020); there are twelve years remaining to complete this initiative; and
- ii. providing tax relief for smaller businesses by way of an accelerated tax rate reduction to 2.5-times the residential tax rate over ten years (by the year 2015); there are seven years remaining to complete this initiative.

These initiatives will be accomplished by, in addition to the restriction on tax rate increases on the business and multi-residential property classes, a shift of tax burden onto the residential class. Such a shift does not result in any tax revenue to the City; rather, it requires a transfer of tax burden from the non-residential classes onto the residential class.

For 2008, a 3.75% residential municipal budgetary tax rate increase will result in an impact of \$80.70 for the average household assessed at \$365,468 (all residential types including condominiums and detached homes). In order to achieve the business and multi-residential tax ratio reductions, and the target of 2.5-times the residential rate within the fifteen year time frame, as adopted as policy by Council under the City’s ‘Enhancing Toronto’s Business Climate’ initiative, an additional tax rate adjustment on the residential class of + 0.33% will be imposed in 2008, which amounts to approximately \$7.19 for the average household, resulting in a total municipal tax bill of \$2,239.93 for the average residential home in 2008 (a total increase of \$87.89). Corresponding tax shifts (reductions) for the business and multi-residential property classes result in no additional tax revenue for the City from these tax rate adjustments.

It is also recommended that the City raise an additional amount of \$5,327,254 by way of an additional tax rate on the commercial and industrial property classes, representing an estimate for 2008 of the municipal portion of the mandatory 40% property tax rebate for registered charities operating in commercial and industrial properties. The recommended technical adjustment to the non-program tax deficiency account in this amount results in no net impact to the operating budget because the funds will be collected by the City and remitted directly to eligible charities as permitted by provincial regulation.

There are no direct financial implications to the City of Toronto arising from education tax rates. The City is required by legislation to levy and collect property taxes for school purposes at the tax rates prescribed by the Minister of Finance. The 2008 education levy is \$1,892,724,079, which reflects a reduction of \$4,678,692 arising from the business education tax rate reductions announced by the Province as part of the 2007 Provincial Budget, which will eventually see the rates fall to 1.6% Province-wide over seven-years. The average household assessed at \$365,468 will pay an education tax bill of \$964.83 in 2008.

Summary

The City is required by legislation to enact in each year a by-law establishing tax ratios and levying tax rates on each class of rateable property for municipal and school purposes for the given year.

This report recommends the establishment of the 2008 municipal tax ratios and 2008 municipal tax rates that result from Council's approval of the City of Toronto 2008 Operating Budget inclusive of a 3.75% residential tax rate increase and a 1.25% multi-residential, commercial and industrial tax rate increase for budgetary purposes. The latter represents one-third of the tax rate increase on the residential class as adopted as policy under the City's 'Enhancing Toronto's Business Climate' initiative, and as permitted by regulation for 2008, for a total tax levy increase of \$74,641,103, which represents an effective tax rate increase of 2.3%.

This report also recommends the adoption of the 2008 education tax rates for the City of Toronto as will be prescribed by the Minister of Finance, and the small business property tax treatment previously approved by Council.

Links to Background Information

2008 Property Tax Levy and Related Matters

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11748.pdf>)

1d 2008 Operating Budget - Parks, Forestry and Recreation - Priorities for Walking

(March 19, 2008) from the Toronto Pedestrian Committee

Recommendations

The Toronto Pedestrian Committee on March 18, 2008 endorsed the attached draft letter which recommends the following, and requested that it be sent to the Executive Committee for consideration at its special meeting on March 25, 2008:

1. That a full-time trails and pathways planner be hired to coordinate the planning, consultation, construction and maintenance of pedestrian paths and the bikeway network infrastructure projects in Toronto's parks, and that funding in the approximate amount of \$80,000 be included in the Parks, Forestry and Recreation operating budget.

Summary

Communication (March 19, 2008) from the Toronto Pedestrian Committee respecting the 2008 Operating Budget - Parks, Forestry and Recreation - Priorities for Walking.

Communications

(March 19, 2008) letter from the Toronto Pedestrian Committee (EX.Supp)

(<http://www.toronto.ca/legdocs/mmis/2008/ex/comm/communicationfile-6626.pdf>)

1e Request for Funding - Full Time Trails and Pathways Planner

(March 18, 2008) Letter from the Toronto Cycling Advisory Committee

Recommendations

The Toronto Cycling Advisory Committee requests the Executive Committee to request City Council to fund a full-time trails and pathways planner to coordinate the planning, consultation, construction and maintenance of pedestrian paths and the bikeway network infrastructure projects in Toronto parks, in the amount of approximately \$80,000.00 in the Parks, Forestry and Recreation Division Operating Budget.

Summary

Communication (March 18, 2008) from the Toronto Cycling Advisory Committee respecting a Request for Funding - Full Time Trails and Pathways Planner.

Communications

(March 18, 2008) letter from the Toronto Cycling Advisory Committee (EX.Supp) (<http://www.toronto.ca/legdocs/mmis/2008/ex/comm/communicationfile-6627.pdf>)

1f 2008 Bike Month - Presentation on the Various Events

(March 18, 2008) Letter from the Cycling Advisory Committee

Recommendations

The Toronto Cycling and Advisory Committee requests the Executive Committee to request City Council to allocate an additional \$15,000.00 in the Transportation Planning, City Planning Division Operating Budget, for 2008 Bike Month.

Summary

Communication (March 18, 2008) from the Toronto Cycling Advisory Committee respecting 2008 Bike Month - Presentation on the Various Events.

Communications

(March 18, 2008) letter from the Toronto Cycling Advisory Committee (EX.Supp) (<http://www.toronto.ca/legdocs/mmis/2008/ex/comm/communicationfile-6628.pdf>)

Speakers

Councillor Mike Del Grande, Ward 39, Scarborough-Agincourt
 Councillor Denzil Minnan-Wong, Ward 34, Don Valley East
 Councillor David Shiner, Ward 24, Willowdale
 Councillor Karen Stintz, Ward 16, Eglinton-Lawrence
 Councillor Michael Walker, Ward 22, St. Paul's

Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2008-03-25	Morning	9:40 AM	12:20 PM	Public