



3. Transportation Services' Recommended 2008 Operating Budget be increased by \$125,000 (gross) and \$0 (net) to give effect to the above.

### **Financial Impact**

Operating costs to provide the mechanical leaf pick-up program in some areas of Etobicoke York, Scarborough and Toronto & East York districts totals \$525,000 annually. The proposed elimination of this service would result in net savings to the City of \$125,000 after provision of \$400,000 to the Solid Waste Management Services Division to cover the cost of collecting about 4,000 tonnes of bagged leaves annually.

In lieu of eliminating this service, net savings in the amount of \$125,000 can be achieved by increasing the Transportation Services' parking revenue estimates for 2008 due to higher actual experience in 2007. The original 2008 budget estimate for parking revenues was based on last year's budget level and combined with the adjustment of 2008 rates per the CPI increase will be sufficient to offset the net increase in costs to retain the mechanical leaf pick-up service.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

### **DECISION HISTORY**

The Budget Committee at its meeting on February 11, 2008 requested the General Manager, Transportation Services to report back to its Final Wrap-up Meeting on the 2008 Operating Budget on February 25, 2008 on potential offsets to re-establish the mechanical leaf pick-up program at 2006 service levels.

### **COMMENTS**

The elimination of the mechanical leaf collection program was recommended in the Transportation Services' 2008 Operating Budget in order to achieve net savings of \$125,000 towards bringing the program's overall budget request closer to the target guideline of 0% increase over 2007 budget level.

A review of the program's 2007 year-end revenues indicated higher than budgeted parking revenues which would allow an adjustment in the Transportation's 2008 revenue estimates. The resultant increase in revenue is sufficient to offset the loss of savings to retain the mechanical leaf pick-up in those areas of the City which received this service.

## **CONTACT**

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## **SIGNATURE**

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