



City Budget  
2013

Financial Services  
Capital Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Capital Budget funds major infrastructure.

# 2013 - 2022 Capital Program

## 2013 CAPITAL BUDGET ANALYST BRIEFING NOTES

BUDGET COMMITTEE NOVEMBER 29, 2012

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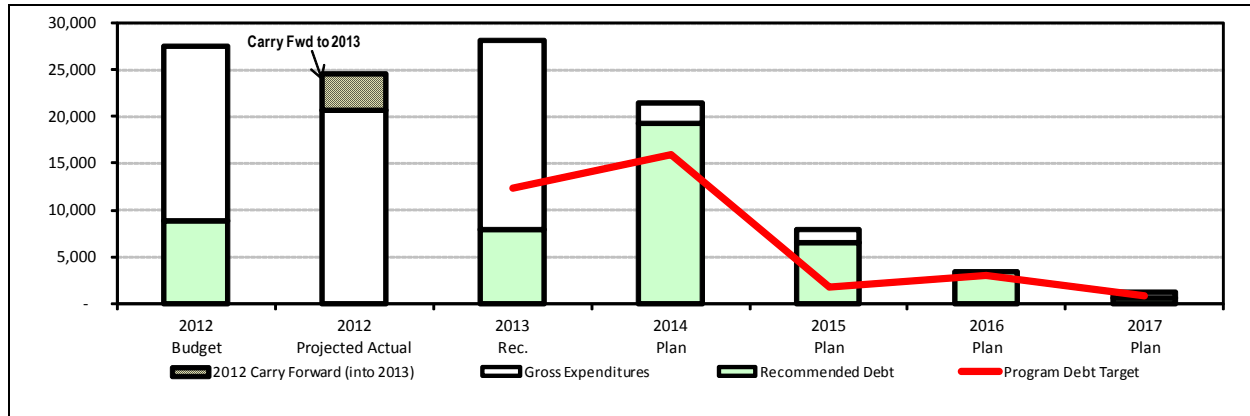
## PART I: RECOMMENDATIONS

The City Manager and Acting Chief Financial Officer recommend that:

1. City Council approve the 2013 Recommended Capital Budget for Financial Services with a total project cost of \$5.534 million, and 2013 cash flow of \$32.244 million and future year commitments of \$30.419 million comprised of the following:
  - a) New Cash Flow Funding for:
    - i) 2 new / change in scope sub-projects with a 2013 total project cost of \$5.534 million that requires cash flow of \$0.575 million in 2013 and a future year cash flow commitment of \$1.171 million in 2014; \$3.307 million in 2015 and \$0.481 million in 2016;
    - ii) 12 previously approved sub-projects with a 2013 cash flow of \$26.252 million; and a future year cash flow commitment of \$19.454 million in 2014; \$3.630 million in 2015; \$0.650 million in 2017; \$0.770 million in 2018 and \$0.956 million in 2019;
    - iii) 5 sub-projects from previously approved projects with carry forward funding from 2011 and prior years requiring 2013 cash flow of \$1.451 million which forms part of the affordability target that requires City Council to reaffirm its commitment; and
  - b) 2012 approved cash flow for 11 previously approved sub-projects with carry forward funding from 2012 into 2013 totaling \$3.966 million.
2. City Council approve new debt service costs of \$0.140 million in 2013 and incremental debt costs of \$1.081 million in 2014, \$3.231 million in 2015, \$0.298 million in 2017, \$0.114 million in 2019, \$0.236 million in 2020, and \$0.818 million in 2021 resulting from the approval of the 2013 Recommended Capital Budget, to be included in the 2013 and future year operating budgets.
3. City Council approve the 2014-2022 Recommended Capital Plan for Financial Services totaling \$14.500 million in project estimates, comprised of \$0.950 million in 2014; \$1.033 million in 2015; \$3.017 million in 2016; \$0.630 million in 2017; \$0.515 million in 2018; \$0.200 million in 2019; \$4.050 million in 2020; and \$4.105 million in 2021.
4. City Council consider operating costs of \$0.120 million net in 2013 and \$0.115 million net in 2014, emanating from the approval of the 2013 Recommended Capital Budget for inclusion in the 2013 and future year operating budgets.
5. City Council approve 3 temporary capital positions for the delivery of new 2013 capital projects and that the duration for the temporary positions not exceed the life and funding of its respective projects / sub-projects.

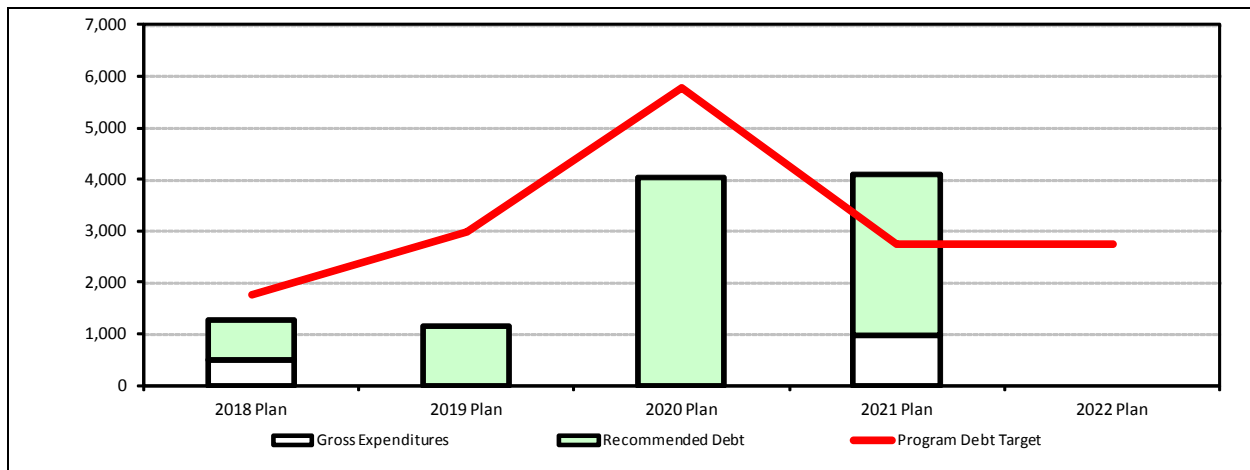
**PART II: 2013 – 222 CAPITAL PROGRAM**

**10-Year Capital Plan  
2013 Recommended Budget, 2014 - 2017 Recommended Plan  
(In \$000s)**



	2013 Rec. Budget and 2014-2017 Plan								5-Year Total Percent
	2012		2013	2014	2015	2016	2017	2013-2017	
	Budget	Projected Actual							
<b>Gross Expenditures:</b>									
2012 Capital Budget & Approved FY Commitment	27,637	20,669	34,881	15,911	1,956	3,517	1,930	58,195	93.0%
Recommended Changes to Approved FY Commitments			(8,629)	4,493	2,812		(1,150)	(2,474)	-4.0%
2013 New/Change in Scope and Future Year Commitments			575	1,171	3,307	481		5,534	8.8%
2014- 2017 Capital Plan Estimates					(105)	(500)	500	(105)	-0.2%
2-Year Carry Forward for Reapproval			1,451					1,451	2.3%
1-Year Carry Forward to 2013		3,966							
<b>Total Gross Annual Expenditures &amp; Plan</b>	<b>27,637</b>	<b>20,669</b>	<b>28,278</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>62,601</b>	<b>100.0%</b>
<b>Program Debt Target</b>	<b>9,814</b>		<b>12,392</b>	<b>15,911</b>	<b>1,851</b>	<b>3,017</b>	<b>900</b>	<b>34,071</b>	
<b>Financing:</b>									
Recommended Debt	8,853		7,993	19,409	6,518	3,498	650	38,068	60.8%
Reserves/Reserve Funds	14,561		19,115	1,931	1,452		500	22,998	36.7%
Development Charges	338		228				130	358	0.6%
Provincial/Federal									
Debt Recoverable									
Other Revenue	3,885		942	235				1,177	1.9%
<b>Total Financing</b>	<b>27,637</b>		<b>28,278</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>62,601</b>	<b>100.0%</b>
<b>By Project Category:</b>									
Health & Safety									
Legislated	1,555		377	177			130	684	0.0%
SOGR	4,300		5,733	6,586	7,970	3,498	1,150	24,937	1.1%
Service Improvement	21,644		22,140	14,812				36,952	39.8%
Growth Related	138		28					28	59.0%
<b>Total by Project Category</b>	<b>27,637</b>		<b>28,278</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>62,601</b>	<b>100.0%</b>
<b>Asset Value (\$) at year-end</b>									
Yearly SOGR Backlog Estimate (not addressed by current plan)									
Accumulated Backlog Estimate (end of year)									
<b>Backlog: Percentage of Asset Value (%)</b>									
Debt Service Costs			140	1,161	3,409	(1,076)	347	3,981	
Operating Impact on Program Costs			120	115				235	
New Positions			1	-				1	

**10-Year Capital Plan  
2018-2022 Recommended Plan  
(In \$000s)**



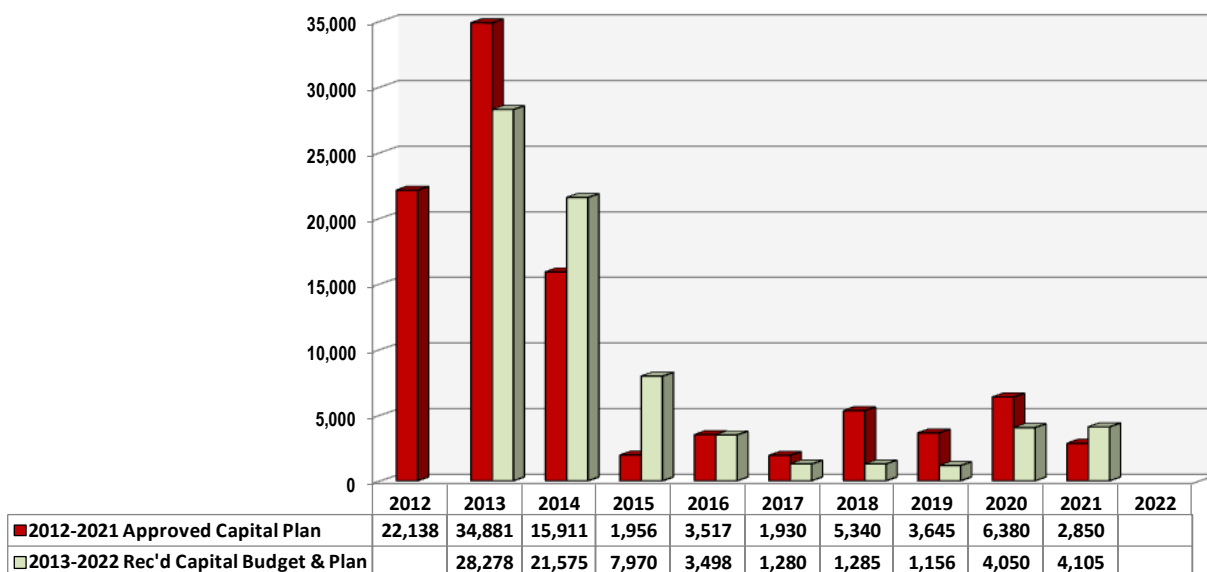
	2018-2022 Capital Plan						10-Year Total Percent
	2018	2019	2020	2021	2022	2013-2022	
<b>Gross Expenditures:</b>							
2012 Capital Budget & Approved FY Commitments	5,340	3,645	6,380	2,850		76,410	104.4%
Recommended Changes to Approved FY Commitments	(4,180)	(2,489)	(2,330)	1,255		(10,218)	-14.0%
2013 New/Change in Scope and Future Year Commitments						5,534	7.6%
2-Year Carry Forward for Reapproval						1,451	2.0%
2018 - 2022 Capital Plan Estimates	125					20	0.0%
<b>Total Gross Annual Expenditures &amp; Plan</b>	<b>1,285</b>	<b>1,156</b>	<b>4,050</b>	<b>4,105</b>		<b>73,197</b>	<b>100.0%</b>
<b>Program Debt Target</b>	<b>1,750</b>	<b>2,970</b>	<b>5,780</b>	<b>2,725</b>	<b>2,725</b>	<b>50,021</b>	
<b>Financing:</b>							
<b>Recommended Debt</b>	770	1,156	4,050	3,115		47,159	64.5%
Reserves/Reserve Funds	125			990		24,113	32.9%
Development Charges	390					748	1.0%
Provincial/Federal Debt Recoverable							
Other Revenue						1,177	1.6%
<b>Total Financing</b>	<b>1,285</b>	<b>1,156</b>	<b>4,050</b>	<b>4,105</b>		<b>73,197</b>	<b>100.0%</b>
<b>By Project Category:</b>							
Health & Safety							
Legislated	390					1,074	1.5%
SOGR	895	1,156	4,050	4,105		35,143	48.0%
Service Improvement						36,952	50.5%
Growth Related						28	0.0%
<b>Total by Project Category</b>	<b>1,285</b>	<b>1,156</b>	<b>4,050</b>	<b>4,105</b>		<b>73,197</b>	<b>100.0%</b>
<b>Asset Value(\$)</b> at year-end							
Yearly SOGR Backlog Estimate (not addressed by current plan)							
Accumulated Backlog Estimate (end of year)							
<b>Backlog: Percentage of Asset Value (%)</b>							
Debt Service Costs	(204)	114	236	819		4,945	
Operating Impact on Program Costs						235	
New Positions						1	

### 10-Year Capital Plan Overview

- Financial Services' 2013-2022 Recommended Capital Plan focuses on system and business process improvements and enhancements, including self-service options that result in improved financial and management information for divisional and corporate decision making using leading and best practices.
- Financial Services 10-Year Recommended Capital Plan allocates state of good repair funding to sustain the financial and payroll systems and implement system upgrades to support automation of processes and reduction of manual effort allowing for greater efficiencies.
- The 10-Year Recommended Capital Plan also allocates \$36.952 million in funding to service improvements for the implementation of multi-year, service-based and performance focussed planning and budgeting processes and technologies.
- The 2013–2022 Recommended Capital Plan totals \$77.163 million, including carry forward funding of \$3.966 million, of which \$66.567 million or 86.3% is required for the first 5 years, with the final 5 years requiring \$10.596 million or 13.7% of planned cash flow funding.
- The 10-Year Recommended Capital Plan requires new debt funding of \$47.159 million and is below the debt affordability target over the 10 years by \$2.862 million.
  - Debt funding of \$47.159 million comprises 64.5% of Financial Services' 10 Year Recommended Capital Plan financing.
  - Other sources of funding include Reserves/Reserve Funds of \$24.113 million (33.5%), other revenue from rate supported programs in the amount of \$0.746 million (1.0%) and Development Charge funding of \$1.177 million (1.0%).
- The 10-Year Recommended Capital Plan will increase future year Operating Budgets by a total of \$1.325 million net. The operating impact is primarily for maintenance and service costs required to sustain completed capital systems projects.

Key Changes to the 2012 - 2021 Approved Capital Plan

Changes to the 2012 -2021 Approved Capital Plan  
(In \$000s)



The 2013 Recommended Capital Budget and the 2014 - 2022 Recommended Capital Plan reflects a decrease of \$3.213 million from the 2012 to 2021 Approved Capital Plan. The changes to the 2012-2021 Approved Capital Plan are outlined below:

- Reprioritization of the Tax and Utility Billing Systems as the cash flow funding for the upgrades are now moved to 2015 and future years beyond 2022 resulting in a decrease of \$7.950 million from the 2012-2021 Approved Capital Plan.
- Due to changes in the project timelines, the Parking Tag Management Software Replacement project planned for 2019 and 2020 totalling \$2.500 million has been delayed to beyond 2022.
- Additional funding of \$5.184 million has been allocated to move forward with critical state of good repair to the existing SAP system (the Cross Applications Timesheet Project, or 'CATS') to ensure the long-term sustainability of the time management component of the payroll system.
- The following chart details the key project cash flow changes to the 2012 – 2021 Approved Capital Plan.

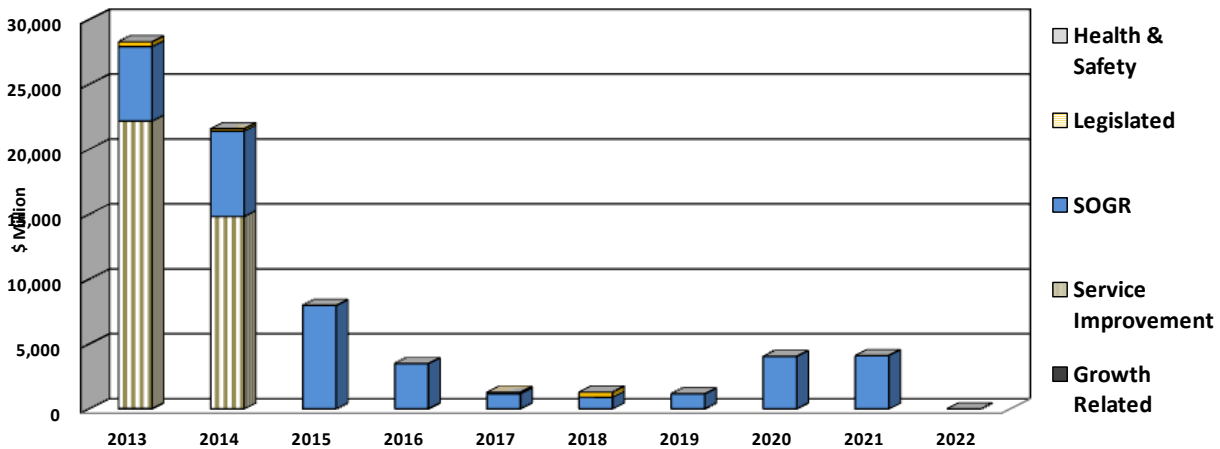
**Summary of Project Changes  
(In \$000s)**

Key Projects	Total Project Cost	2013	2014	2015	2016	2017	2018	2019	2020	2021	2013 - 2021	Revised Total Project Cost
<b>Previously Approved</b>												
Tax Billing System Replacement	9,922	(3,731)	2,679	2,178							1,126	9,922
Utility Billing System Replacement	5,971	(2,508)	1,786	1,452							730	5,971
Financial Planning Analysis & Reporting System (FPARS)	61,100	(1,299)	1,061								(238)	61,100
eProcurement	1,955	463									463	1,955
Investment & Debt Mgmt. System Replacement	1,575	216									216	1,575
Revenue System - Phase ii	3,500	(235)	235									3,500
Workflow & Document Mgmt. Technology	2,852	(112)	290								178	2,852
Tax Increment Financing Implementation	100	28									28	100
Parking Tag Mgmt. Software Replacement	2,376		(1,558)	(818)		650	770	956				2,376
<b>Total Previously Approved</b>	<b>89,351</b>	<b>(7,178)</b>	<b>4,493</b>	<b>2,812</b>		<b>650</b>	<b>770</b>	<b>956</b>			<b>2,503</b>	<b>89,351</b>
<b>New</b>												
Tax Billing System Replacement	3,975					(900)	(1,750)	(1,325)			(3,975)	
Utility Billing System Replacement	3,975					(900)	(3,075)				(3,975)	
Risk Mgmt. Information System Upgrade	1,207	350		(105)						(125)	120	1,557
Cross Application Timesheet (CATS)		225	1,171	3,307	481						5,184	5,184
Payment Processing Equipment Replacement	780							(1,350)		780	(570)	780
Parking Tag Mgmt. Software Replacement	2,500							(770)	(1,730)		(2,500)	
Investment & Debt Mgmt. System	500				(500)	500						500
<b>Total New</b>	<b>4,987</b>	<b>575</b>	<b>1,171</b>	<b>3,202</b>	<b>(19)</b>	<b>(1,300)</b>	<b>(4,825)</b>	<b>(3,445)</b>	<b>(1,730)</b>	<b>655</b>	<b>(5,716)</b>	<b>186,723</b>
<b>Total Changes</b>	<b>94,338</b>	<b>(6,603)</b>	<b>5,664</b>	<b>6,014</b>	<b>(19)</b>	<b>(650)</b>	<b>(4,055)</b>	<b>(2,489)</b>	<b>(1,730)</b>	<b>655</b>	<b>(3,213)</b>	<b>276,074</b>



2013 – 2022 Recommended Capital Plan

2013–2022 Capital Plan by Project Category  
(In \$000s)



The 10-Year Recommended Capital Plan of \$73.197 million provides funding for Legislated projects of \$1.074 million; State of Good Repair (SOGR) projects of \$35.143 million; Service Improvement projects of \$36.952 million, and Growth Related of \$0.028 million.

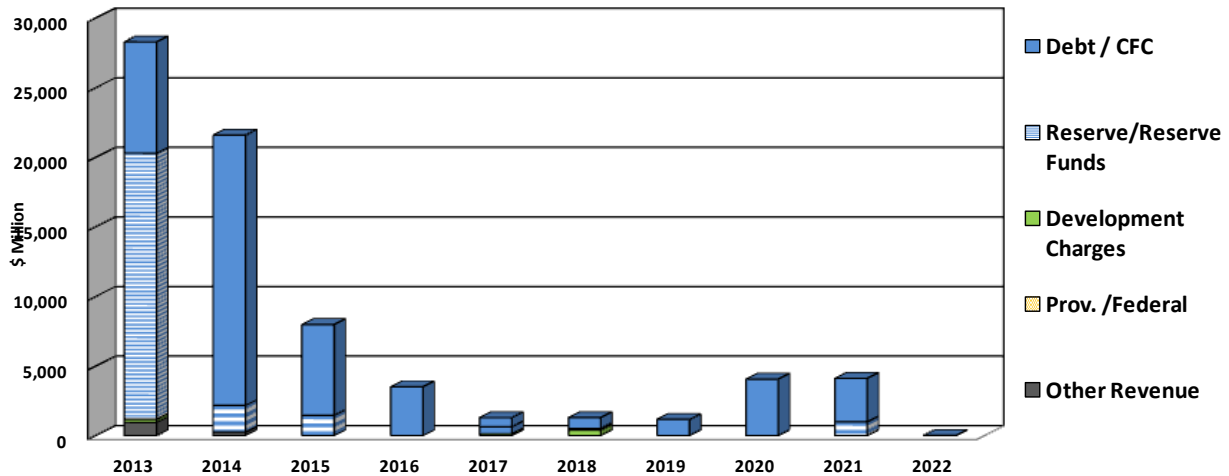
- Capital funding requirements for Legislated projects total \$1.074 million or 1.5% of total funding over the 10 years of the Recommended Capital Plan period.

  - \$0.354 million or 33% is required in the first five years to complete the PCI Compliance project. Security standards to ensure the financial integrity of all processing of card transactions must be completed by 2014 to ensure the sustainment of the City's business.
  - \$0.720 million or 67% is required for the Development Charges Background Study project of which \$0.200 million is required in the first five years starting in 2013 and \$0.520 million is required in the second 5 years for the next update starting in 2017 and ending in 2018. Funding is recovered from developer's contributions for the legislated 5 year update of the Development Charges By-Law.
- The 10-Year Recommended Capital Plan allocates \$35.143 million or 48% of financial resources to State of Good Repair projects to replace and revitalize current financial information systems to improve accuracy and to maintain the existing technology infrastructure.

  - Over the first 5 years, a significant investment of \$24.937 million is recommended for periodic system replacements.
  - The majority of investments are for replacement of the Tax and Utility Billing System (\$13.037 million); repairs to the time management component of the City's SAP payroll (CATS) (\$5.184 million); and CAPTOR migration to a new capital budgeting system (\$5.000 million).

- During the second 5 years, additional investments of \$10.206 million are required to replace systems based on life-cycle management and technological advancements. Included are mandatory system upgrades such as the lifecycle replacement for FPARS (\$4.000 million); CAPTOR system upgrade (\$2.975 million); upgrade to the Parking Tag Management Software (\$1.726 million) and replacement of the Payment Processing Equipment (\$0.780 million).
- Service Improvement projects make up the largest category of projects with funding totalling \$36.952 million or 50.5% of the total project funding recommended in the 10-Year Capital Plan, all of which resides in the first 5 years.
- Capital funding for projects residing in the first 5 years total \$22.140 million in 2013 and \$14.812 million in 2014. Funding of \$34.727 million is required to complete the FPARs implementation project by 2014. Funding is required to complete the Workflow and Document Management Technology project (\$1.027 million) and sustainment of the Revenue System Phase 2 project (\$0.435 million). Funding for the Growth related project is recommended at a cost of \$0.028 million. The Tax Increment Financing Implementation project will take place in 2013.

2013–2022 Capital Plan by Funding Source  
(In \$000s)



The 10-Year Recommended Capital Plan of \$73.197 million will be financed by \$47.159 million from debt, \$24.113 from Reserve / Reserve Funds, \$0.748 million from Development Charges, and \$1.177 million in Other Revenue from Rate Supported Programs.

- Financial Services' 10-Year Recommended Capital Plan is primarily funded by debt, which accounts for \$47.159 million or 64.5% of total recommended financing. The recommended debt funding is below the debt affordability guideline of \$50.021 million by \$2.862 million.

  - Debt for the first five years totals \$38.068 million or 60.8% of total financing for the period. It exceeds the debt affordability guideline of \$34.071 million by \$3.997 million as a result of the inclusion of the new, mandatory CATS project.
  - Total debt funding drops to \$9.091 million in the second five years. This is \$6.859 million below the debt affordability guideline of \$15.950 million for this period.
- Reserve and Reserve Funds constitute \$22.998 million or 36.7% of required financing in the first 5 years and \$24.113 million or 32.9% over 10 years.

  - Reserve-funded projects include a portion of the FPARS project (\$17.083 million) and the Utility Billing System Replacement project (\$4.624 million).
- Development Charges (DCs) fund approximately 1.0% or \$0.748 million of the 10-Year Recommended Capital Plan's expenditures.

  - The first five years will draw Development Charge funding of \$0.330 million for an update to the Development Charges By-Law in 2014. In the second five years, \$0.390 million has been provided for a Development Charges By-Law update in 2018.
- Other sources of revenue represent 1% or \$1.177 million of total capital financing.

- This is primarily funding from Rate Supported Programs where all of the funding is required in the first five years for the Revenue System Phase II and the Workflow and Document Management Technology projects.

## Major Capital Initiatives by Category

### Summary of Major Capital Initiatives by Category (In \$000s)

	Total Project Cost	2013 Rec. Budget	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2013-2022 Total
<b>Health &amp; Safety</b>												
<b>Sub-Total</b>												
<b>Legislated</b>												
Development Charges Background Study	720	200				130	390					720
PCI Compliance	354	177	177									354
<b>Sub-Total</b>		377	177			130	390					1,074
<b>State of Good Repair (SOGR)</b>												
Tax Billing System Replacement	7,908	3,104	2,679	2,178								7,961
Utility Billing System Replacement	4,346	1,838	1,786	1,452								5,076
SAP- Supported Cross Application Timesheet (CATS)	5,184	225	1,171	3,307	481							5,184
CAPTOR Migration To New system	7,975		950	1,033	3,017				250	2,725		7,975
Financial Planning Analysis & Reporting System Upgrade	4,000							200	3,800			4,000
Payment Tag Mgmt. Software Replacement	2,376					650	770	956				2,376
Investment & Debt Mgmt. System Replacement	1,316	216				500				600		1,316
Payment Processing Equipment Replacement	780									780		780
Risk Mgmt. Information System Replacement	475	350					125					475
<b>Sub-Total</b>	34,360	5,733	6,586	7,970	3,498	1,150	895	1,156	4,050	4,105		35,143
<b>Service Improvements</b>												
Financial Planning Analysis & Reporting System	61,100	20,608	14,119									34,727
Revenue System - Phase II	3,300	200	235									435
Workflow & Document Mgmt. Technology	2,852	737	290									1,027
eProcurement Implementation	1,955	595	168									763
<b>Sub-Total</b>	69,207	22,140	14,812									36,952
<b>Growth Related</b>												
Tax Increment Financing Implementation	100	28										28
<b>Sub-Total</b>	100	28										28
<b>Total</b>	103,667	28,278	21,575	7,970	3,498	1,280	1,285	1,156	4,050	4,105		73,197

The 10-Year Recommended Capital Plan supports Financial Services' objectives for improvements to the City's financial processes; focussing on efficiency, transparency and accountability, through sound financial planning, management control and reporting.

### Legislated Projects

- Capital funding requirements for Legislated projects total \$0.354 million for the PCI Compliance project and \$0.720 million for the Development Charges Background Study project.

*State of Good Repair Projects*

- *State of Good Repair projects* provide funding for upgrades to leverage and implement information systems, to improve accuracy and timeliness of information, standardize reporting practices across the City and facilitate improved information distribution to Programs, Committees and Council.
- Major SOGR projects include the Tax Billing Replacement system (\$7.961 million), the Utility Billing Replacement system (\$5.076 million), migrating the functionality in the current capital software program, CAPTOR, to a new system and its future upgrade (\$7.975 million), sustaining the CATS time management payroll function (\$5.184 million), the future year lifecycle upgrade of the Public Sector Formulation (PBF) System commencing in 2019 (\$4.000 million), lifecycle replacement of the Parking Tags Software System (\$2.376 million) and Upgrades to the Investment & Debt Management System (\$1.316 million).

*Service Improvements Projects*

- The majority of the *Service Improvement* projects will enable improvements and enhancements in systems and processes that result in better financial planning, management information and reporting for divisional, corporate and Council decision-making.
  - Service Improvement projects deliver the FPARS service-based multi-year planning and budgeting system and performance reporting project with cash flow funding of \$20.608 million in 2013 and \$14.119 million in 2014, development of a technological model to improve the workflow of document management (\$1.027 million), e-Procurement implementation (\$0.763 million) and the completion of the Revenue System Phase II project (\$0.435 million).

*Growth Related Projects*

- The Tax Increment Financing Implementation project (\$0.028 million) is the only growth related project which is recommended for 2013.

## 10-Year Capital Plan Impact on the Operating Budget

Operating Impact Summary  
(In \$000s)

Program Costs, Revenues and Net (\$000s)	2013 Rec. Budget	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2013-2022 Total
<b>2013 Recommended Capital Budget</b>											
Program Gross Expenditure	120.0										120.0
Program Revenue											
Program Costs (Net)	120.0										120.0
Approved Positions	1.0										1.0
<b>Recommended 10-Year Capital Plan</b>											
Program Gross Expenditure		115.0									115.0
Program Revenue											
Program Costs (Net)		115.0									115.0
Approved Positions											
<b>Total</b>											
Program Gross Expenditure	120.0	115.0									235.0
Program Revenue											
Program Cost (Net)	120.0	115.0									235.0
Approved Positions	1										1

The 10-Year Recommended Capital Plan will increase future year Operating Budgets by a total of \$1.325 million net over the 2013 – 2022 period. Approved positions will increase by 10 over the 10-year time frame. This is comprised of costs to maintain:

- Salaries and benefits for 1 Accounting Services position to sustain the Financial Planning, Analysis and Reporting System with operating costs of \$0.120 million in 2013.
- The Workflow & Document Management Technology project for the Revenue Services Division will require funds to maintain equipment resulting in \$0.085 million in 2014.
- The E-Procurement Implementation will require \$0.030 million for maintenance support in 2014.

Net Operating Impact by Project  
(In \$000s)

Project	2013 Rec. Budget		2014 Plan		2015 Plan		2016 Plan		2017 Plan		2013 - 2017 Capital Budget		2018 - 2022 Capital Plan	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved Projects</b>														
Financial Planning Analysis & Reporting	120	1									120	1		
Workflow & Document Mgmt. Technology			85								85			
eProcurement			30								30			
<b>New Projects - 2013</b>														
<b>New Projects - Future Year</b>														
<b>Total Recommended (Net)</b>	<b>120</b>	<b>1</b>	<b>115</b>								<b>235</b>	<b>1</b>		

## Capital Project Delivery: Temporary Positions

Position Title	CAPTOR Project Number	# of Positions	Project Delivery		Salary and Benefits \$ Amount( \$000s)					
			Start Date	End Date (m/d/yr)	2013	2014	2015	2016	2017	2018-2022
Sr. Financial Application Analyst	TRE906890-2	1.0	1/1/2013	6/30/2014	123.0	62.0				
Senior Systems Integrator	FNS907850-1	2.0	7/1/2013	7/30/2014	120.0	120.0				
<b>Total</b>		<b>3.0</b>			<b>243.0</b>	<b>182.0</b>				

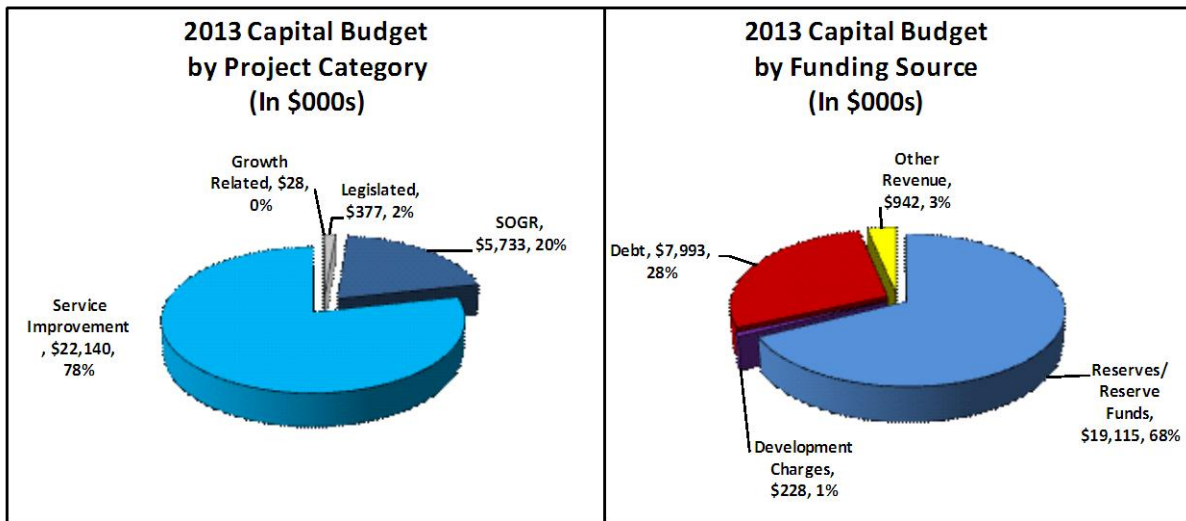
Approval of the 2013 Recommended Capital Budget will require 3 new temporary capital positions.

- One Senior Financial Application Analyst position is required to support the Purchasing Materials and Management Division's business process changes in SAP as a result of the eProcurement project implementation starting in January, 2013 and ending in June, 2014.
- 2 Senior Systems Integrator positions to begin the design phase of the CATS payroll time management component project.

It is recommended that Council approve 3 temporary capital positions for the delivery of new 2013 capital projects / sub-projects and that the duration for the temporary positions not exceed the life of the funding of its respective capital projects / sub projects.

## PART III - 2013 RECOMMENDED CAPITAL BUDGET

## 2013 Capital Budget by Project Category and Funding Source



The 2013 Recommended Capital Budget, excluding funding carried forward from 2012 to 2013, requires 2013 cash flow funding of \$28.278 million.

- Legislated projects represent \$0.377 million or 1.3% of the 2013 Recommended Capital Budget and include Development Charges Background Studies and PCI Compliance projects.
- State of Good Repair projects account for \$5.733 million or 20.3% of the recommended capital expenditures in the 2013 Capital Budget. A priority of the 2013 Recommended Capital Budget is to address SOGR projects identified for replacement – mainly the Tax and Utility Billing System upgrades at \$4.942 million.
- Service Improvement projects account for \$22.140 million or 78.3% of the cash flow funding included in the 2013 Recommended Capital Budget. The largest service improvement project underway in 2013 is the multi-year service-based and performance focused planning and budgeting system (FPARS) at \$20.608 million with the Public Sector Formulation (PBF) SAP system to GoLive in April 2013 and the implementation of the restructured finance, human resources and performance data to provide costs/complement performances for the City's service inventory established by Program maps delivered by this project to follow in January 2014. The Workflow & Document Technology project (\$0.737 million), e-Procurement implementation project of \$0.595 million and on-going work for Revenue systems improvements (\$0.200 million) are also proceeding in 2013.
- Growth projects represent \$0.028 million or 0.1% of the cash flow funding in the 2013 Recommended Capital Budget and is allocated to the Tax Increment Financing Implementation project to be completed in 2013.



- The 2013 Recommended Capital Budget for Financial Services is funded primarily from Reserve/Reserve Funds, which amount to \$19.115 million or 67.6% in support of the City-wide SAP project priorities to be utilized City-wide.
- Debt funding accounts for 28.3% or \$7.993 million financing which is \$4.399 million below the debt affordability guideline of \$12.392 million set for this Program in 2013.
- Development Charges fund \$0.228 million or 0.8% of the 2013 Recommended Capital Budget expenditures.
- Other sources of revenue amount to 3.3% or \$0.942 million of 2013 recommended funding and include financing from the Rate Supported Programs of \$0.290 million for the Workflow and Document Management Technology project and \$0.200 million for the Revenue Services Phase II project.

### 2013 Recommended Cash Flow & Future Year Commitments (In \$000s)

	2011 & Prior Year Carry Forward	2012 Previously Approved Cash Flow Commitments	2013 New Cash Flow Rec'd	2013 Total Cash Flow Rec'd	2012 Carry Forwards	Total 2013 Cash Flow (Incl 2012 C/Fwd)	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total Cost
<b>Expenditures</b>																
Previously Approved	1,451	26,252		27,703	3,966	31,669	19,454	3,630		650	770	956				57,129
Change in Scope			350	350		350										350
New			225	225		225	1,171	3,307	481							5,184
New w/Future Year																
<b>Total Expenditure</b>	1,451	26,252	575	28,278	3,966	32,244	20,625	6,937	481	650	770	956				62,663
<b>Financing</b>																
Debt	1,118	6,650	225	7,993	333	8,326	18,459	5,485	481	650	770	956				35,127
Other	89	853		942	3,259	4,201	256									4,457
Reserves/Res Funds	216	18,549	350	19,115	264	19,379	1,910	1,452								22,741
Development Charges	28	200		228	110	338										338
Provincial/Federal																
<b>Total Financing</b>	1,451	26,252	575	28,278	3,966	32,244	20,625	6,937	481	650	770	956				62,663

The 2013 Recommended Capital Budget is \$32.244 million, including carry forward funding of \$3.966 million.

- Financial Services' 2013 Recommended Capital Budget of \$28.278 million provides funding for previously approved projects totalling \$26.252 million and \$0.575 million for new/change in scope projects.
- A new project totalling \$5.184 million is included for the upgrade to the current SAP time management function in the City's payroll system (CATS).
- A change in scope to the Risk Management Information System Upgrade in 2013 requires \$0.350 million to implement a new solution compatible with the e City's IT infrastructure.
- Previously approved projects include the FPARS project (\$20.608 million), the Tax and Utility System Replacements (\$14.280 million) and the Workflow and Document Management Technology Project (\$1.693 million).

Approval of the 2013 Recommended Capital Budget will result in a commitment to future year cash flow funding for previously approved projects of \$25.460 million and new/change in scope projects of \$4.959 million.

## 2013 Recommended Capital Project Highlights

The 2013 Recommended Capital Budget provides funding of \$32.244 million to:

- Complete the following projects:
  - The Accounts Payable Process Improvements project with \$0.283 million provided to complete the imaging component.
  - The 2012 Development Charges Background Study with \$0.250 million.
  - The Tax Increment Financing Implementation project (\$0.088 million).
  - The upgrade to the Investment and Debt Management System project with \$0.216 million provided in 2013.
- Continue the following projects:
  - The FPARS Project, which will leverage the new SAP technologies – SAP Web Portal, PBF, Business Warehouse and Business Intelligence Tools to deliver a service-based and performance focussed multi-year planning and budgeting tool with integrated financial, complement management and performance data using a service view by the services and activities the City delivers to the public with 2013 cash flow of \$20.608 million in 2013 and \$14.119 million in 2014, which will:
    - Complete the implementation of the Public Sector Formulation (PBF) budgeting tool in the first quarter of 2013 for an April 1 Go-Live. This tool will be used by all City Programs and Agencies to prepare the 2014 Operating Budget.
    - Continue the re-engineering of accounting, human resources and payroll business processes to provide financial and complement data in a service-view using the established Program Map Service inventory.
    - Continue establishing a performance metric inventory aligned to City services to be used for multi-year planning, budgeting, monitoring and evaluation of City services.
    - Continue the business transformation (organizational change management and communications activities) to support the City's transition to a performance based organization.
  - Enhancements to the Tax and Utility Billing Systems Upgrade solution assessment with \$6.725 million in 2013; \$4.465 million in 2014 and \$3.630 million in 2015.
  - The meter-reader software equipment and the cashiering software of the Revenue Systems-Phase II improvements project with \$0.280 million in 2013 and \$0.235 million in 2014.
  - The revised scope of the Workflow & Document Management and imaging projects with \$1.403 million in 2013 and \$0.290 million in 2014.
  - The e-Procurement Implementation project to utilize corporate technology to streamline the purchasing functions with \$1.411 million in 2013 and \$0.168 million in 2014.

- The credit card payments compliance project –PCI Compliance is on schedule to be completed in 2014 to ensure the City meets the full payment card and data security standards. Funds will be required in 2013 for \$0.405 million and \$0.177 million in 2014.
- Begin the following projects:
  - Periodic enhancements to the Risk Management System in 2013 (\$0.350 million) and continue in 2018 (\$0.125 million).
  - The SAP Supported Cross Application Timesheets (CATS) Implementation project with \$0.225 million provided for staff and consultants to begin the design phase of the time management component.

**2013 Recommended Capital Project Highlights  
(In \$000s)**

Project	Total Project Cost	2013	2014	2015	2016	2017	2013 - 2017	2018	2019	2020	2021	2022	2013 - 2022 Total
Financial Planning Analysis & Reporting System	61,100	20,608	14,119				34,727						34,727
Tax Billing System Replacement	9,922	3,992	2,679	2,178			8,849						8,849
Utility Billing System Replacement	5,971	2,733	1,786	1,452			5,971						5,971
Workflow & Document Mgmt. Technology	2,852	1,403	290				1,693						1,693
eProcurement Implementation	1,955	1,411	168				1,579						1,579
PCI Compliance	1,712	405	177				582						582
Revenue System - Phase II	3,500	280	235				515						515
Risk Mgmt. Information System Replacement	1,207	350					350						350
Investment & Debt Mgmt. System Replacement	1,575	216					216						216
Development Charges Background Study	920	250					250						250
Accounts Payable Process Improvements	3,470	283					283						283
Tax Increment Financing Implementation	100	88					88						88
SAP- Supported Cross Application Timesheet	225	225	1,171	3,307	481		5,184						5,184
<b>Total (including carry forward funding)</b>		<b>32,244</b>	<b>20,625</b>	<b>6,937</b>			<b>60,287</b>						<b>60,287</b>

**PART IV: ISSUES FOR DISCUSSION****2013 Issues***Financial Planning and Analysis Reporting (FPARS) Status Update*

The Financial Planning Analysis & Reporting System will form the basis for the City to undertake a multi-year performance-focused service budget for planning, analyzing, approving and evaluating services, activities and their respective service levels; and tracking and reporting service objectives, targets and performance (dashboards and scorecards) to assess efficiency, effectiveness and results.

Financial Services (Financial Planning, Accounting Services and Payroll, Pension and Employee Benefits) in conjunction with Information and Technology and Human Resources, continue to develop a business warehouse and business analysis capability with integrated financial, HR, payroll and performance data to serve up the information necessary to support a service-based and performance-focused multi-year planning and budgeting process.

The FPARS project has a total project cost of \$61.1 million to fund the creation of program maps and service inventory, feasibility/fit gap analysis, vendor implementation of PBF, staff resources, organizational change management and communications, facilities rental and implementation of enterprise performance management reporting capabilities. The 2013 Recommended Capital Budget includes \$20.608 million in 2013 and \$14.119 million in 2014 to complete this business transformation and system implementation project for the City.

A first RFP, issued in 2010 was not successful, requiring staff to amend the release strategy and reissue. A second RFP was issued in July 2011 and awarded in January, 2012 and project preparation activities began.

Project Preparation activities included on boarding and training of City staff in the 1st quarter of 2012 of approximately 50 people at 200 Wellington St. The external vendor and its staff were brought onboard in April 2012. Those activities concluded in the 2<sup>nd</sup> Quarter when Blueprinting activities began. Blueprinting activities, included documenting as-is and to-be processes, workshops with Divisions and finalizing various plans to prepare the project for realization (development) were substantially completed at the end of October, as planned.

The project has two Go-Live milestones: 1) Implementation of the budgeting tool (PBF) that will go-live in April 2013 for use in preparing the 2014 Operating Budget; and 2) the production of actual expenditures in the financial system – (ECC) payroll and complement information that will be organized by service using the re-engineered processes for January 1, 2014. Realization activities have begun in November 2012 which includes form development, testing, training, data, and security activities and planning the second wave of recruitment of City staff to support these activities underway.

Other deliverables have been proceeding as planned including updating Program Map/Service inventory to develop, in conjunction with City Programs and Agencies, service standards and service levels for all City service profiles. Change management and communication activities are also proceeding as planned. This will ensure the successful understanding and adoption of the new service-based and performance-focused environment, its new policies, processes and

organizational capacity to maximize the new technologies being delivered by the FPARS project

The project is a city-wide undertaking which requires significant resources being dedicated to the project and its deliverables as well as engagement and participation from all City Programs and Agencies to ensure its success. Various strategies, particularly workshop, change management and communication approaches are being used to ensure awareness, understanding, adoption and implementation of this business transformation and technology initiative.

### *Payroll, Pension and Employee Benefits – New Projects*

There are three major new projects that have been included in the City's 2013 to 2021 Recommended Capital Plan. These are: 1) the Cross Application Timesheets (CATS) Implementation project; 2) the Enterprise ESS/MSS Portal, Payroll Modernization and Infrastructure Improvements project and 3) the Enterprise Time and Attendance Management Project.

- Cross Application Timesheets Implementation Project (CATS) – This is a new project included in the Financial Services 2013 – 2021 Recommended Capital Plan. In total, \$5.184 million is recommended for the installation of CATS technology required to support the City's processing of payroll. It will be the single central point of integration with an enterprise wide time and attendance management solution. The current system is no longer sustainable and must be replaced.
- The Enterprise ESS/MSS Portal, Payroll Modernization and Infrastructure Improvements Project and the Enterprise Time and Attendance Management Projects are new projects that will respond to service efficiency inadequacies. These enterprise/service efficiency projects have been included in the 2013-2021 Recommended Capital Plan for Information and Technology, as part of the allocation of service efficiency funding for technology projects approved during the 2012 Capital Budget process.
- Funding in the amount of \$7.419 million is recommended in the Information and Technology's 2013 to 2021 Recommended Capital Plan for the Enterprise ESS/MSS Portal, Payroll Modernization and Infrastructure Improvements Project utilizing the SAP Web portal and Employee and Manager Self-Service functionality. This project will modernize payroll and HR delivery, reduce transactional workloads and provide a service centre of excellence. It will provide managers with the capability to manage their complement and will provide a platform for employees to maintain their own data in the City's address book, provide access to salary statement and tax information and time and attendance reporting.
- The Enterprise Time and Attendance Management will automate internal time and attendance management processes at the City of Toronto. This is an area that has been identified time and again in service efficiency studies. This is an enterprise-wide solution. Funding in the amount of \$12.847 million recommended in the 2013-2021 Recommended Capital Plan for Information and Technology for this purpose.

## Appendix 1

### 2012 Performance

#### 2012 Key Accomplishments

In 2012, Financial Services accomplished the following:

- ✓ For the FPARS project:
  - Completed recruitment and SAP training of resources dedicated to the FPARS project from Accounting Services, Human Resources, Pension Payroll and Employee Benefits, and Financial Planning in preparation of the vendor (IBM) start date of April 1, 2012.
  - Reissued an RFP and successfully awarded (January 2012) a contract to IBM/Optimal Solutions to implement the SAP Public Sector Budget Formulation (PBF) system at the City of Toronto. PBF will allow the City to implement a Service Planning process and develop multi-year budgets from a public service perspective with performance metrics, utilizing integrated financial, human resources and payroll data and the new SAP business warehouse and business intelligence tools.
  - Completed FPARS blueprinting activities and began realization (development) for 2013 PBF Implementation.
  - Secured Organizational Change Management (OCM) and communications resources to help guide and manage the impact of the FPARS project on the various stakeholders within the City of Toronto.
- ✓ Commenced a pilot project with the City Clerk's office on automating internal payment requisitions and petty cash replenishment.
- ✓ Upgraded the Accounts Payable project PCard software with additional reporting capabilities.
- ✓ Implemented imaging for Schedule A type invoices, thus reducing the cycle time for payment.
- ✓ Changed procedures regarding the 2-way match process that allows for the elimination of matching and filing unauthorized 2 way match invoices.
- ✓ Completed the e-Procurement project charter and an initial draft of the Business Architecture was completed for approval.
- ✓ Received several submissions from the RFP issued late last year for the Risk Management Information System Upgrade project and currently evaluating vendor proposals.
- ✓ Received and reviewing the proposal that was submitted by Quattro in December, 2011 for the Investment & Debt Management System Upgrade project. This includes structuring and drafting the service agreement as well as negotiating the terms and conditions of the service agreement with Quattro.
- ✓ Completed major renovations for the Payment Processing Centre Relocation project.

- ✓ Completed the Revenue Phase II project first 3 implementation stages for the Cashiering system.
- ✓ Completed the Workflow & Document Management Technology project negotiations between the vendor and the City.
- ✓ Confirmed with the vendor the feasibility of a full migration of the Online Payment Services Migration project and concluded that it was technically possible.

## 2012 Capital Variance Review

### 2012 Budget to Actual Comparison (In \$000s)

2012 Approved	Actuals as of Sept. 30, 2012 (3rd Quarter Variance)		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
27,637	8,782	31.8%	20,669	74.8%	6,968	25.2%

Capital expenditures for the period ending September 30, 2012 total \$8.782 million or 31.8% of the 2012 Approved Capital Budget of \$27.637 million. Projected spending to year-end is anticipated to be \$20.669 million of 74.8%.

The projected project year-end under-spending is largely attributable to the following projects:

- The *Tax Billing System Replacement* project (\$1.572 million) and the *Utility Billing System Replacement* project (\$1.625 million) are proceeding with a Request for Proposal for an external assessment that will determine if SAP could be used as an appropriate system/solution. The combined projected under spending of \$3.197 million will be carried forward into 2013.
- The *Workflow & Document Management Technology* project's capital expenditures totalled \$0.151 million or 12.3% of the 2012 approved cash flow of \$1.233 million during the nine months ended September 30, 2012. It is estimated that \$0.250 million or 20% of the 2012 approved cash flow will be spent by year-end. The project is behind schedule due to delays in the initial stages of the project as more time and effort was required to complete the design phase from an end user point of view. The unspent funds of \$0.983 million will be carried forward into 2013.
- The *eProcurement Implementation* project's capital expenditures for 2012 is estimated to be \$0.683 million or 53.6% of the 2012 approved cash flow of \$1.274 million. Projected spending is lower than planned due to unforeseen delays in the hiring of resources. A change in the external consultant also caused a delay in completing the initial draft of the Business Architecture Document, which in turn delayed the planning and scoping stages of the project. The *eProcurement* project is proceeding with a Request for Proposal for consulting services to complete the planning and scoping exercises. The unspent funds of \$0.683 million will be carried forward into 2013.

## Appendix 2

### 10-Year Recommended Capital Plan Project Summary (In \$000s)

Project	2013	2014	2015	2016	2017	2013 - 2017	2018	2019	2020	2021	2022	2013 - 2022
Financial Planning Analysis & Reporting System	20,608	14,119				34,727		200	3,800			38,727
Tax Billing System Replacement	3,992	2,679	2,178			8,849						8,849
Utility Billing System Replacement	2,733	1,786	1,452			5,971						5,971
Workflow & Document Mgmt. Technology	1,403	290				1,693						1,693
eProcurement Implementation	1,411	168				1,579						1,579
CAPTOR Migration to New System		950	1,033	3,017		5,000			250	2,725		7,975
PCI Compliance	405	177				582						582
Revenue System - Phase II	280	235				515						515
Risk Mgmt. Information System Replacement	350					350	125					475
Investment & Debt Mgmt. System Replacement	216				500	716				600		1,316
Development Charges Background Study	250				130	380	390					770
Accounts Payable Process Improvements	283					283						283
Tax Increment Financing Implementation	88					88						88
Parking Tag Mgmt. Software Replacement					650	650	770	956				2,376
SAP- Supported Cross Application Timesheet	225	1,171	3,307	481		5,184						5,184
Payment Processing Equipment Replacement										780		780
<b>Total (including carry forwards)</b>	<b>32,244</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>66,567</b>	<b>1,285</b>	<b>1,156</b>	<b>4,050</b>	<b>4,105</b>		<b>77,163</b>



**Appendix 3**  
**2013 Recommended Capital Budget;**  
**2014 to 2022 Capital Plan**



**CITY OF TORONTO**

Gross Expenditures (\$000's)

**Appendix 3: 2013 Recommended Capital Budget; 2014 to 2022 Capital Plan**

Financial Services						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By											
Sub-Project No.	Project Name	Ward	Stat.	Cat.	2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other 2	Debt - Recoverable Debt	Total Financing		
<b><u>FNS907438 PCI Compliance</u></b>																								
1	1	PCI Compliance	CW	S2	02	228	0	0	0	0	228	0	228	0	0	0	0	0	0	228	0	0	228	
0	2	PCI Compliance - Change in Scope	CW	S2	02	177	177	0	0	0	354	0	354	0	0	0	0	0	0	0	354	0	354	
Sub-total						405	177	0	0	0	582	0	582	0	0	0	0	0	0	228	0	354	0	582
<b><u>FNS907439 Investment &amp; Debt Mgmt System 2021 Replacem</u></b>																								
3	1	Investment & Debt Mgmt System 2021 Replacement	CW	S6	03	0	0	0	0	0	600	600	0	0	0	0	600	0	0	0	0	0	600	
Sub-total						0	0	0	0	0	600	600	0	0	0	0	600	0	0	0	0	0	600	
<b><u>FNS907442 Capital Migration to New System 2020</u></b>																								
3	1	Capital Migration to New System 2020	CW	S6	03	0	0	0	0	0	2,975	2,975	0	0	0	0	0	0	0	0	2,975	0	2,975	
Sub-total						0	0	0	0	0	2,975	2,975	0	0	0	0	0	0	0	0	0	2,975	0	2,975
<b><u>FNS907443 Development Charges Background Study 2017</u></b>																								
3	1	Development Charges Background Study 2017	CW	S6	02	0	0	0	130	130	390	520	0	0	520	0	0	0	0	0	0	0	520	
Sub-total						0	0	0	130	130	390	520	0	0	520	0	0	0	0	0	0	0	0	520
<b><u>FNS907444 Payment Processing Equipment Replacement 2021</u></b>																								
3	1	Payment Processing Equipment Replacement 2021	CW	S6	03	0	0	0	0	0	780	780	0	0	0	306	84	0	0	0	390	0	780	
Sub-total						0	0	0	0	0	780	780	0	0	0	306	84	0	0	0	390	0	780	
<b><u>FNS907850 PPEB SAP-Supported Cross Applicat. Timesheet</u></b>																								
0	1	Cross-Application Timesheet (CATS) Implementation	CW	S5	03	225	1,171	3,307	481	0	5,184	0	5,184	0	0	0	0	0	0	0	5,184	0	5,184	
Sub-total						225	1,171	3,307	481	0	5,184	0	5,184	0	0	0	0	0	0	0	0	5,184	0	5,184
<b><u>TRE906803 Revenue System - Phase II (Part 2)</u></b>																								
1	1	Revenue System - Phase II	CW	S2	04	280	235	0	0	0	515	0	515	0	0	0	0	0	0	515	0	0	515	
Sub-total						280	235	0	0	0	515	0	515	0	0	0	0	0	0	515	0	0	515	
<b><u>TRE906804 Accounts Payable Process Improvements</u></b>																								
1	3	Accounts Payable Process Improvements Phase III	CW	S2	04	283	0	0	0	0	283	0	283	0	0	0	0	0	283	0	0	0	283	
Sub-total						283	0	0	0	0	283	0	283	0	0	0	0	0	283	0	0	0	283	
<b><u>TRE906809 Tax &amp; Utility Replacement</u></b>																								
1	1	Tax Billing System	CW	S2	03	552	0	0	0	0	552	0	552	0	0	0	0	0	110	0	442	0	552	

**CITY OF TORONTO**

Gross Expenditures (\$000's)

**Appendix 3: 2013 Recommended Capital Budget; 2014 to 2022 Capital Plan**

<b>Financial Services</b>						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By												
Sub-Project No.	Project Name	Ward	Stat.	Cat.		2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<u>TRE906809 Tax &amp; Utility Replacement</u>																									
1 2	Utility Billing System	CW	S2	03		895	730	0	0	0	1,625	0	1,625	0	0	0	573	349	0	703	0	0	0	1,625	
1 3	Tax Billing System Replacement	CW	S2	03		3,440	2,679	2,178	0	0	8,297	0	8,297	0	0	0	0	0	0	778	0	7,519	0	8,297	
1 4	Utility Billing System Replacement	CW	S2	03		1,838	1,056	1,452	0	0	4,346	0	4,346	0	0	0	2,960	934	0	452	0	0	0	4,346	
Sub-total						6,725	4,465	3,630	0	0	14,820	0	14,820	0	0	0	3,533	1,283	0	2,043	0	7,961	0	14,820	
<u>TRE906811 Parking Tag Mgmt Software Replacement</u>																									
1 1	Parking Tag Mgmt Software Replacement	CW	S2	03		0	0	0	0	168	168	0	168	0	0	0	0	0	0	0	0	168	0	168	
1 2	Parking Tag Mgmt Software Replacement II	CW	S2	03		0	0	0	0	482	482	1,726	2,208	0	0	0	0	0	0	0	0	2,208	0	2,208	
Sub-total						0	0	0	0	650	650	1,726	2,376	0	0	0	0	0	0	0	0	0	2,376	0	2,376
<u>TRE906815 Workflow &amp; Document Mgmt Technology</u>																									
1 1	Workflow & Document Mgmt Technology	CW	S2	04		1,403	290	0	0	0	1,693	0	1,693	0	0	0	368	183	0	297	0	845	0	1,693	
Sub-total						1,403	290	0	0	0	1,693	0	1,693	0	0	0	368	183	0	297	0	845	0	1,693	
<u>TRE906890 eProcurement - Implementation</u>																									
2 1	eProcurement - Implementation	CW	S2	04		924	0	0	0	0	924	0	924	0	0	0	0	0	0	472	0	452	0	924	
2 2	eProcurement - Implementation Plan	CW	S2	04		487	168	0	0	0	655	0	655	0	0	0	0	0	0	344	0	311	0	655	
Sub-total						1,411	168	0	0	0	1,579	0	1,579	0	0	0	0	0	0	816	0	763	0	1,579	
<b>Total Program Expenditure</b>						<b>32,244</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>66,567</b>	<b>10,596</b>	<b>77,163</b>	<b>0</b>	<b>0</b>	<b>858</b>	<b>21,290</b>	<b>3,341</b>	<b>0</b>	<b>4,182</b>	<b>0</b>	<b>47,492</b>	<b>0</b>	<b>77,163</b>	

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 3: 2013 Recommended Capital Budget; 2014 to 2022 Capital Plan**

Financial Services						Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By									
Sub-Project No.	Project Name	Ward Stat. Cat.	2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
Financed By:																					
	Development Charges		338	0	0	0	130	468	390	858	0	0	858	0	0	0	0	0	0	0	858
	Reserves (Ind. "XQ" Ref.)		18,328	1,516	1,140	0	0	20,984	306	21,290	0	0	0	21,290	0	0	0	0	0	0	21,290
	Reserve Funds (Ind."XR" Ref.)		1,305	415	312	0	500	2,532	809	3,341	0	0	0	0	3,341	0	0	0	0	0	3,341
	Other1 (Internal)		3,947	235	0	0	0	4,182	0	4,182	0	0	0	0	0	0	4,182	0	0	0	4,182
	Debt		8,326	19,409	6,518	3,498	650	38,401	9,091	47,492	0	0	0	0	0	0	0	0	47,492	0	47,492
<b>Total Program Financing</b>			<b>32,244</b>	<b>21,575</b>	<b>7,970</b>	<b>3,498</b>	<b>1,280</b>	<b>66,567</b>	<b>10,596</b>	<b>77,163</b>	<b>0</b>	<b>0</b>	<b>858</b>	<b>21,290</b>	<b>3,341</b>	<b>0</b>	<b>4,182</b>	<b>0</b>	<b>47,492</b>	<b>0</b>	<b>77,163</b>

- Status Code Description**  
 S2 S2 Prior Year (With 2013 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2013 and/or Future Year Cost(Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)  
 S6 S6 New - Future Year (Commencing in 2014 & Beyond)

- Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06  
 07 Reserved Category 2 C07

**Appendix 4**  
**2013 Recommended Cash Flow and**  
**Future Year Commitments**

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 4: 2013 Recommended Cash Flow and Future Year Commitments**

**Financial Services**

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By										
						2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt
<u>CFO906794 Investment &amp; Debt Mgmt System 2011 Replacem</u>																						
3	1	Investment & Debt Mgmt System 2011 Replacement	CW	S2	03	216	0	0	0	0	216	0	216	0	0	0	0	0	0	0	216	
Sub-total						216	0	0	0	0	216	0	216	0	0	0	0	0	0	0	216	
<u>CFO906795 Fin. Plan. Analysis &amp; Reporting System (FPARS)</u>																						
1	3	FPARS -Conceptual Design, Implem. & Extension	CW	S2	04	0	2,741	0	0	0	2,741	0	2,741	0	0	0	0	2,741	0	0	2,741	
0	7	SAP Business Process Change & Technology Transfer	CW	S2	04	20,608	11,378	0	0	0	31,986	0	31,986	0	0	0	0	14,903	0	0	31,986	
Sub-total						20,608	14,119	0	0	0	34,727	0	34,727	0	0	0	0	17,644	0	0	34,727	
<u>CFO906798 Risk Mgmt Information System Replacement</u>																						
0	4	RMIS Replacement - Change in Scope	CW	S3	03	350	0	0	0	0	350	0	350	0	0	0	0	0	0	0	350	
Sub-total						350	0	0	0	0	350	0	350	0	0	0	0	0	0	0	0	350
<u>CFO906801 Development Charges Background Study 2012</u>																						
3	1	Development Charges Background Study 2012	CW	S2	02	250	0	0	0	0	250	0	250	0	0	0	0	0	0	0	250	
Sub-total						250	0	0	0	0	250	0	250	0	0	0	0	0	0	0	0	250
<u>FNS907437 Tax Increment Financing Implementation</u>																						
2	1	Tax Increment Financing Implementation	CW	S2	05	28	0	0	0	0	28	0	28	0	0	28	0	0	0	0	28	
0	2	Tax Increment Fin. Implementation - Scope Change	CW	S2	05	60	0	0	0	0	60	0	60	0	0	60	0	0	0	0	60	
Sub-total						88	0	0	0	0	88	0	88	0	0	88	0	0	0	0	0	88
<u>FNS907438 PCI Compliance</u>																						
1	1	PCI Compliance	CW	S2	02	228	0	0	0	0	228	0	228	0	0	0	0	228	0	0	228	
0	2	PCI Compliance - Change in Scope	CW	S2	02	177	177	0	0	0	354	0	354	0	0	0	0	0	354	0	354	
Sub-total						405	177	0	0	0	582	0	582	0	0	0	0	228	0	354	0	582
<u>FNS907850 PPEB SAP-Supported Cross Applicat. Timesheet</u>																						
0	1	Cross-Application Timesheet (CATS) Implementation	CW	S5	03	225	1,171	3,307	481	0	5,184	0	5,184	0	0	0	0	0	0	5,184	0	
Sub-total						225	1,171	3,307	481	0	5,184	0	5,184	0	0	0	0	0	0	5,184	0	5,184
<u>TRE906803 Revenue System - Phase II (Part 2)</u>																						
1	1	Revenue System - Phase II	CW	S2	04	280	235	0	0	0	515	0	515	0	0	0	0	515	0	0	515	
Sub-total						280	235	0	0	0	515	0	515	0	0	0	0	515	0	0	0	515

**CITY OF TORONTO**

Gross Expenditures (\$000's)

**Appendix 4: 2013 Recommended Cash Flow and Future Year Commitments**

<b>Financial Services</b>						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By											
Sub-Project No.	Project Name	Ward	Stat.	Cat.	2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<b>TRE906804 Accounts Payable Process Improvements</b>																								
1 3	Accounts Payable Process Improvements Phase III	CW	S2	04	283	0	0	0	0	283	0	283	0	0	0	0	0	0	283	0	0	0	283	
	Sub-total				283	0	0	0	0	283	0	283	0	0	0	0	0	0	283	0	0	0	283	
<b>TRE906809 Tax &amp; Utility Replacement</b>																								
1 1	Tax Billing System	CW	S2	03	552	0	0	0	0	552	0	552	0	0	0	0	0	0	110	0	442	0	552	
1 2	Utility Billing System	CW	S2	03	895	730	0	0	0	1,625	0	1,625	0	0	0	573	349	0	703	0	0	0	1,625	
1 3	Tax Billing System Replacement	CW	S2	03	3,440	2,679	2,178	0	0	8,297	0	8,297	0	0	0	0	0	0	778	0	7,519	0	8,297	
1 4	Utility Billing System Replacement	CW	S2	03	1,838	1,056	1,452	0	0	4,346	0	4,346	0	0	0	2,960	934	0	452	0	0	0	4,346	
	Sub-total				6,725	4,465	3,630	0	0	14,820	0	14,820	0	0	0	3,533	1,283	0	2,043	0	7,961	0	14,820	
<b>TRE906811 Parking Tag Mgmt Software Replacement</b>																								
1 1	Parking Tag Mgmt Software Replacement	CW	S2	03	0	0	0	0	168	168	0	168	0	0	0	0	0	0	0	0	168	0	168	
1 2	Parking Tag Mgmt Software Replacement II	CW	S2	03	0	0	0	0	482	482	1,726	2,208	0	0	0	0	0	0	0	0	2,208	0	2,208	
	Sub-total				0	0	0	0	650	650	1,726	2,376	0	0	0	0	0	0	0	0	2,376	0	2,376	
<b>TRE906815 Workflow &amp; Document Mgmt Technology</b>																								
1 1	Workflow & Document Mgmt Technology	CW	S2	04	1,403	290	0	0	0	1,693	0	1,693	0	0	0	368	183	0	297	0	845	0	1,693	
	Sub-total				1,403	290	0	0	0	1,693	0	1,693	0	0	0	368	183	0	297	0	845	0	1,693	
<b>TRE906890 eProcurement - Implementation</b>																								
2 1	eProcurement - Implementation	CW	S2	04	924	0	0	0	0	924	0	924	0	0	0	0	0	0	472	0	452	0	924	
2 2	eProcurement - Implementation Plan	CW	S2	04	487	168	0	0	0	655	0	655	0	0	0	0	0	0	344	0	311	0	655	
	Sub-total				1,411	168	0	0	0	1,579	0	1,579	0	0	0	0	0	0	816	0	763	0	1,579	
<b>Total Program Expenditure</b>					32,244	20,625	6,937	481	650	60,937	1,726	62,663	0	0	338	20,984	2,032	0	4,182	0	35,127	0	62,663	



**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Appendix 4: 2013 Recommended Cash Flow and Future Year Commitments**

Financial Services						Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By									
Sub-Project No.	Project Name	Ward Stat. Cat.	2013	2014	2015	2016	2017	Total 2013-2017	Total 2018-2022	Total 2013-2022	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
Financed By:																					
	Development Charges		338	0	0	0	0	338	0	338	0	0	338	0	0	0	0	0	0	0	338
	Reserves (Ind. "XQ" Ref.)		18,328	1,516	1,140	0	0	20,984	0	20,984	0	0	0	20,984	0	0	0	0	0	0	20,984
	Reserve Funds (Ind. "XR" Ref.)		1,305	415	312	0	0	2,032	0	2,032	0	0	0	0	2,032	0	0	0	0	0	2,032
	Other1 (Internal)		3,947	235	0	0	0	4,182	0	4,182	0	0	0	0	0	0	4,182	0	0	0	4,182
	Debt		8,326	18,459	5,485	481	650	33,401	1,726	35,127	0	0	0	0	0	0	0	0	35,127	0	35,127
<b>Total Program Financing</b>			<b>32,244</b>	<b>20,625</b>	<b>6,937</b>	<b>481</b>	<b>650</b>	<b>60,937</b>	<b>1,726</b>	<b>62,663</b>	<b>0</b>	<b>0</b>	<b>338</b>	<b>20,984</b>	<b>2,032</b>	<b>0</b>	<b>4,182</b>	<b>0</b>	<b>35,127</b>	<b>0</b>	<b>62,663</b>

**Status Code Description**  
 S2 S2 Prior Year (With 2013 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2013 and/or Future Year Cost(Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)

**Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06  
 07 Reserved Category 2 C07

## **Appendix 5**

### **2013 Recommended Capital Project with Financing Details**

(Phase 2) 24-Financial Services Sub-Project Category: 01,02,03,04,05 Type: B Sub-Project Status: S2 Type: C Sub-Project Status: S2,S3,S4,S5



## CITY OF TORONTO

**Appendix 5: 2013 Recommended Capital Projects with Financing Details**  
**Financial Services**  
**Sub-Project Summary**

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2013	Financing											
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable		
<b>0</b>	<b><u>FNS907437 Tax Increment Financing Implementation</u></b>															
0	2 Tax Increment Fin. Implementation - Scope Change	1/1/2012	12/31/2013	60	0	0	60	0	0	0	0	0	0	0	0	0
2	1 Tax Increment Financing Implementation	1/1/2009	12/31/2013	28	0	0	28	0	0	0	0	0	0	0	0	0
	<b>Project Sub-total:</b>			88	0	0	88	0	0	0	0	0	0	0	0	0
<b>0</b>	<b><u>FNS907438 PCI Compliance</u></b>															
0	2 PCI Compliance - Change in Scope	1/1/2011	12/31/2014	177	0	0	0	0	0	0	0	0	0	177	0	0
1	1 PCI Compliance	1/1/2009	12/31/2014	228	0	0	0	0	0	0	0	228	0	0	0	0
	<b>Project Sub-total:</b>			405	0	0	0	0	0	0	0	228	0	177	0	0
<b>0</b>	<b><u>FNS907850 PPEB SAP-Supported Cross Applicat. Timesheet CATS</u></b>															
0	1 Cross-Application Timesheet (CATS) Implementation	1/1/2013	12/31/2015	225	0	0	0	0	0	0	0	0	0	225	0	0
	<b>Project Sub-total:</b>			225	0	0	0	0	0	0	0	0	0	225	0	0
<b>1</b>	<b><u>CFO906795 Fin. Plan. Analysis &amp; Reporting System (FPARS)</u></b>															
0	7 SAP Business Process Change & Technology Transfer	10/30/2010	12/31/2014	20,608	0	0	0	17,083	0	0	0	0	0	3,525	0	0
	<b>Project Sub-total:</b>			20,608	0	0	0	17,083	0	0	0	0	0	3,525	0	0
<b>1</b>	<b><u>TRE906803 Revenue System - Phase II (Part 2)</u></b>															
1	1 Revenue System - Phase II	1/1/2000	12/31/2013	280	0	0	0	0	0	0	0	280	0	0	0	0
	<b>Project Sub-total:</b>			280	0	0	0	0	0	0	0	280	0	0	0	0
<b>1</b>	<b><u>TRE906804 Accounts Payable Process Improvements</u></b>															
1	3 Accounts Payable Process Improvements Phase III	1/1/2007	12/31/2013	283	0	0	0	0	0	0	0	283	0	0	0	0
	<b>Project Sub-total:</b>			283	0	0	0	0	0	0	0	283	0	0	0	0
<b>1</b>	<b><u>TRE906815 Workflow &amp; Document Mgmt Technology</u></b>															
1	1 Workflow & Document Mgmt Technology	1/1/2004	12/31/2013	1,403	0	0	0	254	152	0	297	0	0	700	0	0
	<b>Project Sub-total:</b>			1,403	0	0	0	254	152	0	297	0	0	700	0	0
<b>2</b>	<b><u>CFO906798 Risk Mgmt Information System Replacement</u></b>															
0	4 RMIS Replacement - Change in Scope	1/1/2013	12/31/2013	350	0	0	0	0	350	0	0	0	0	0	0	0
	<b>Project Sub-total:</b>			350	0	0	0	0	350	0	0	0	0	0	0	0
<b>5</b>	<b><u>CFO906794 Investment &amp; Debt Mgmt System 2011 Replacement</u></b>															
3	1 Investment & Debt Mgmt System 2011 Replacement	1/1/2011	12/31/2013	216	0	0	0	0	216	0	0	0	0	0	0	0
	<b>Project Sub-total:</b>			216	0	0	0	0	216	0	0	0	0	0	0	0
<b>5</b>	<b><u>TRE906890 eProcurement - Implementation</u></b>															
2	1 eProcurement - Implementation	1/1/2007	12/31/2014	924	0	0	0	0	0	0	472	0	0	452	0	0

(Phase 2) 24-Financial Services Sub-Project Category: 01,02,03,04,05 Type: B Sub-Project Status: S2 Type: C Sub-Project Status: S2,S3,S4,S5



## CITY OF TORONTO

## Appendix 5: 2013 Recommended Capital Projects with Financing Details

Financial Services  
Sub-Project Summary

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2013	Financing											
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable		
<b>5</b>	<b><u>TRE906890 eProcurement - Implementation</u></b>															
2	2 eProcurement - Implementation Plan	1/1/2010	12/31/2014	487	0	0	0	0	0	0	0	344	0	143	0	
	<b>Project Sub-total:</b>			1,411	0	0	0	0	0	0	0	816	0	595	0	
<b>6</b>	<b><u>TRE906809 Tax &amp; Utility Replacement</u></b>															
1	1 Tax Billing System	1/1/2007	12/31/2015	552	0	0	0	0	0	0	0	110	0	442	0	
1	2 Utility Billing System	1/7/2007	12/31/2015	895	0	0	0	0	192	0	0	703	0	0	0	
1	3 Tax Billing System Replacement	8/8/2007	12/31/2015	3,440	0	0	0	0	0	0	0	778	0	2,662	0	
1	4 Utlilty Billing System Replacement	8/9/2007	12/31/2015	1,838	0	0	0	991	395	0	0	452	0	0	0	
	<b>Project Sub-total:</b>			6,725	0	0	0	991	587	0	0	2,043	0	3,104	0	
<b>8</b>	<b><u>CFO906801 Development Charges Background Study 2012</u></b>															
3	1 Development Charges Background Study 2012	4/1/2012	12/31/2013	250	0	0	250	0	0	0	0	0	0	0	0	
	<b>Project Sub-total:</b>			250	0	0	250	0	0	0	0	0	0	0	0	
<b>Program Total:</b>				32,244	0	0	338	18,328	1,305	0	3,947	0	8,326	0		

Status Code	Description
S2	S2 Prior Year (With 2013 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2013 and/or Future Year Cost/Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)

Category Code	Description
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05

Appendix 6

2013 Reserve / Reserve Fund Review  
(In \$000s)

Reserve/Reserve Fund Review - Program Specific

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2012 *	Contributions / (Withdrawals)										2013- 2022 Total Contributions / (Withdrawals)	
			2013 Rec. Budget	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan		
Waste Management (XR1404)	Beginning Balance as of Jan. 1, 2012		41,396	39,214	37,304	35,852	35,852	35,852	35,852	35,852	35,852	35,852	35,462	
	Contributions / (Withdrawals)													
	Utility Billing System Replacement TRE906809	41,396	(2,030)	(1,786)	(1,452)									(5,268)
	Workflow & Document Mgmt.		(152)	(124)										(276)
	Payment Processing Equipment											(390)		(390)
Total Proposed Contributions /	41,396	(2,182)	(1,910)	(1,452)							(390)		(5,934)	
Total Reserve Fund Balance at Year-End		41,396	39,214	37,304	35,852	35,852	35,852	35,852	35,852	35,852	35,462	35,462		

\* Based on the 3rd Quarter Variance Report

Reserve/Reserve Fund Review – Corporate

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2012 *	Contributions / (Withdrawals)										2013- 2022 Total Contributions / (Withdrawals)
			2013 Rec. Budget	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	
Capital Financing Reserve (XQ0011)	Beginning Balance as of Jan. 1, 2012	92,090	92,090	74,441	74,441	74,441	74,441	73,941	73,941	73,941	73,941	73,341	
	FPARS: SAP Business Process Change & Technology Transfer CFO906795		(17,083)										(17,083)
	Investment & Debt Mgmt. System Replacement		(216)			(500)					(600)		(1,316)
Insurance Reserve Fund (XR1010)	Beginning Balance as of Jan. 1, 2012	24,561											
	Risk Mgmt. Information System Replacement		(350)					(125)					(475)
Total Program Proposed Contributions / (Withdrawals)			(17,649)				(500)	(125)			(600)		(18,874)

\* Based on the 3rd Quarter Variance Report