



## City Budget 2012

## Transportation Services Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for City services.

# 2012 Operating Budget

## 2012 OPERATING BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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## PART I: RECOMMENDATIONS

2012 Recommended Operating Budget  
(In \$000s)

(In \$000s)	2011		2012 Recommended Operating Budget			Change - 2012 Recommended Operating Budget v. 2011 Appvd. Budget		FY Incremental Outlook	
	2011 Appvd. Budget	2011 Projected Actual	2012 Rec. Base	2012 Rec. New/Enhanced	2012 Rec. Budget			2013	2014
	\$	\$	\$	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	292,693.5	285,628.6	325,027.2	689.7	325,716.9	33,023.4	11.3	158.6	338.1
<b>REVENUE</b>	118,924.3	117,168.5	120,153.3	689.7	120,843.0	1,918.7	1.6	(695.7)	58.9
<b>NET EXP.</b>	173,769.2	168,460.1	204,874.0	0.0	204,874.0	31,104.9	17.9	854.3	279.2
<b>Approved Positions*</b>	1,297.6	1,097.0	1,071.3	10.0	1,081.3	(216.3)	(16.7)	1,081.3	1,081.3

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction v.s. 2012 Rec.'d Reduction	Target %
<b>2012 Reductions</b>	(17,345.1)	(16,109.7)	(1,235.4)	9.3%

## Recommendations

The City Manager and Chief Financial Officer recommend that:

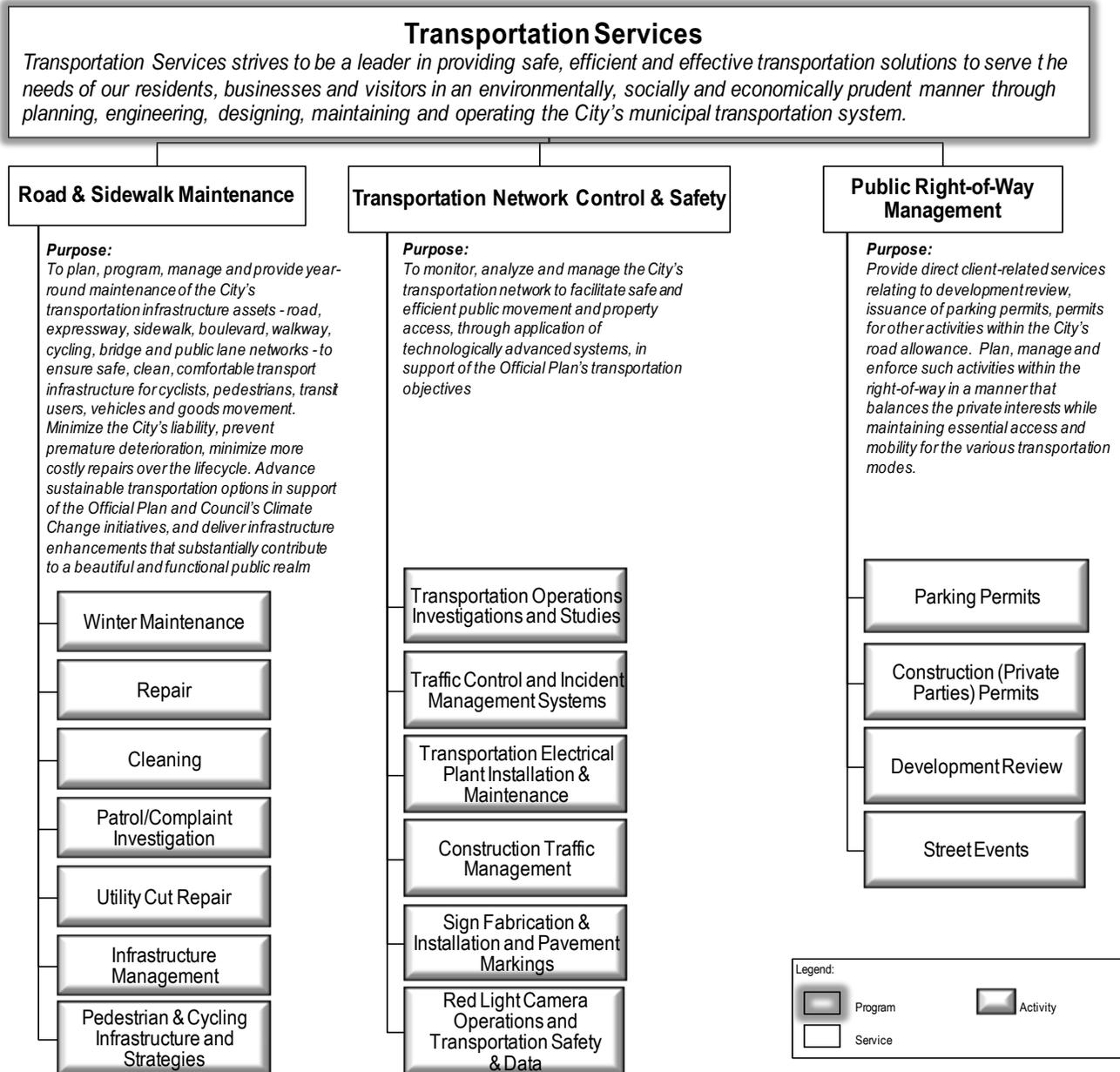
1. City Council approve the 2012 Recommended Operating Budget for Transportation Services of \$325.717 million gross and \$204.874 million net, comprised of the following services:

<u>Service(s)</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Roadway Services	141,881.4	96,011.3
Roadside Services	52,423.8	24,841.2
Traffic Planning/Right-Of-Way Management	21,722.4	(10,567.2)
Traffic and Safety Services	87,139.7	81,171.2
Infrastructure Management	20,261.2	16,098.6
District Management & Overhead	1,480.1	(1,689.4)
Technical & program Support	808.4	(991.6)
<b>Total Program Budget</b>	<b>325,716.9</b>	<b>204,874.0</b>

2. The information contained in Confidential Attachment 1 remain confidential until outcome of Council's decision has been communicated to the Unions and affected staff.
3. The approval for 10 new temporary positions for Transit Expansion Unit be subject to confirmation of funding from Metrolinx.

# PART II: 2012 SERVICE OVERVIEW AND PLAN

## Program Map and Service Profiles



**Service Customer**

**Road & Sidewalk Maintenance**

- Cyclists
- Pedestrians
- Transit providers and passengers
- Taxis
- Goods Movement Service Providers
- Emergency Services
- Drivers and vehicle occupants
- Residents
- Businesses
- Design Professionals
- Utility Companies.
- Visitors/Tourists

**Transportation Operations & Safety**

- Vehicle Operators and Passengers
- Cyclists
- Pedestrians
- Residents
- Businesses
- Visitors
- Public Transportation Operators / Customers
- Emergency Service Responders
- Commercial Vehicle Operators

**Public Right-of-Way Management**

- City Divisions
- Property owners
- Contractors
- Visitors
- Developers
- Utility Companies
- Citizens
- Business/Community groups

## 2012 Recommended Service Levels

The 2012 Recommended Operating Budget will result in minor service changes as detailed in the following chart describing the 2012 Proposed Service Levels and Activities:

Service	Activity	Type	Sub-Type	2011 Proposed Service Level	2012 Proposed Service Level	
Road & Sidewalk Maintenance	Winter Maintenance	patrol		2400 km/day	2400 km/day	
		de-ice	Class 1 - Expressways	1-2 hrs	1-2 hrs	
			Class 2 - Arterial	2-4 hrs	2-4 hrs	
			Class 3 - Collectors	4-6 hrs	4-6 hrs	
			Class 4 - Local	8-12 hrs	8-12 hrs	
			Class 5 - Laneways	24 hrs	24 hrs	
		plough	Class 1 - Expressways	2-3 hrs	2-3 hrs	
			Class 2 - Arterial	6-8 hrs	6-8 hrs	
			Class 3 - Collectors	8-10 hrs	8-10 hrs	
			Class 4 - Local	14-16 hrs	14-16 hrs	
		removal	Arterial / Collector / Local Rds	2 weeks	2 weeks	
		driveway windrow		18 hrs	18 hrs	
		sidewalks / steps		13 hrs	13 hrs	
		bus stops / PXO's / Ped Refuge Islands		48 hrs	48 hrs	
		Bike lanes				
	Bike trails		within 6 hrs	within 6 hrs		
	Repair	Asphalt Pothole			4-30 days - 90% of the time	4-30 days - 90% of the time
		Asphalt Repair Permanent			30-180 days	30-180 days
		Asphalt Boulevard Maintenance			5 days - 18 months	5 days - 18 months
		Ditch Maint. Grading and Repair			5 days - 18 months	5 days - 18 months
Expressway Maint. and Repair				within 30 days	within 30 days	
Expressways/Traffic Control				within 30 days	within 30 days	
Expressway Attenuation Systems				respond within 24 hrs	respond within 24 hrs	
Fence Repair and Maintenance				5 days - 18 months	5 days - 18 months	
Guiderail Installation and Repair				5 days - 18 months	5 days - 18 months	
Plough Damage Repair				5 days - 12 months	5 days - 12 months	
Refuge Island Maintenance				5 days - 18 months	5 days - 18 months	
Roadside Drainage Catch Basin Cleaning Expressways				24 hrs - 18 months	24 hrs - 18 months	
Shoulder Grade and Gravel Maintenance				5 days - 18 months	5 days - 18 months	
Sodding				5 days - 18 months	5 days - 18 months	
Walkway Maint. and Repair				30 days - 4 years	30 days - 4 years	
Retaining Walls Install & Repair				24 hrs - 3 years	24 hrs - 3 years	
Curb Repair				5 days - 4 years	5 days - 4 years	
Traffic Calming Installation and Maintenance				30-180 days	30-180 days	
Bollard Installation and Maint.				30 days - 18 months	30 days - 18 months	
Culvert Maintenance and Repair				5 days - 18 months - 90%	5 days - 18 months - 90%	
Catch Basin, Maintenance Hole and Valve Chamber Repair				24 hrs - 4 years	24 hrs - 4 years	
Bridge		Bridge Maintenance & Repair		24 hrs - 30 days	24 hrs - 30 days	
		Bridge Inspection		1-2 times per year	1-2 times per year	
Sidewalks		Sidewalk Replacement Concrete		make safe within 14 days, permanent repair within 4 yrs	make safe within 14 days, permanent repair within 4 yrs	
		Sidewalk Examination and Inspection		once per year	once per year	
	Sidewalk Ramping		safe within 14 days	safe within 14 days		
	Sidewalk Brick Installation and Maintenance		safe within 14 days; permanent repair within 4 yrs	safe within 14 days; permanent repair within 4 yrs		
	Street Furniture & Maintenance		5 to 30 days	5 to 30 days		
	Builder's Files New Dev. . Insp.		as required	as required		

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
Cleaning	Sweeping		Mechanical Sweeping	1-2 times per month	<i>Less than 1-2 times per month based on business case reduction</i>
			Manual Sweeping and cleaning	as required	<i>For roadway, level of services will be reduced based on business case reduction.</i>
	Leaf Collection - Roadway		Mechanical Leaf Collection	once per year	<i>To be eliminated and function is to be transferred to SWM as part of the curb side garbage pickup.</i>
			Manual Leaf Collection	once per year	<i>To be eliminated and function is to be transferred to SWM as part of the curb side garbage pickup.</i>
	Hauling Debris			as required	as required
	Grass Cutting			up to 6 cuts/year	up to 6 cuts/year
	Graffiti Removal			24 hrs - 8 weeks	24 hrs - 8 weeks
	Expressway			3 times in 7 days	3 times in 7 days
	Arterial			2 times in 7 days - Major; once a week for Minor	2 times in 7 days - Major; once a week for Minor
	Local & Collectors Lane			once every 30 days	once every 30 days
Patrol/ Complaint Investigation	Claims Investigation			as required	as required
	Complaint Investigation			4 hrs - 4 years - 90%	4 hrs - 4 years - 90%
	Utility Cut Repair	Cut Repair		as required	as required
Infrastructure Management	Monitor condition and assess physical lifecycle performance of infrastructure			Reviewed every 6 months (bridges) to 2 years for others	Reviewed every 6 months (bridges) to 2 years for others
	Assess funding priorities and thresholds and develop capital program.			Meeting funding target envelopes	Meeting funding target envelopes
	Plan, develop and assess modifications to address accessibility, capacity and safety			Initiate & complete study per Council direction; complete study within budget	Initiate & complete study per Council direction; complete study within budget
	Environmental Assessment study preparation and application for approval			Initiate & complete study per Council direction; complete study within budget	Initiate & complete study per Council direction; complete study within budget
	Advice or input to other agencies / proponents regarding their transportation infrastructure planning projects and processes that affect Toronto's interests			Respond to requests for input within the specified timeframes (project-specific)	Respond to requests for input within the specified timeframes (project-specific)
	Develop, evaluate and harmonize operational practices, standards, policies and guidelines across all functional areas			Respond to requests for input within the specified timeframes (project-specific)	Respond to requests for input within the specified timeframes (project-specific)
	Maintain the City's Road Classification System and street centre-line data			Initiate and respond to requests from Councillors, residents and internal staff	Initiate and respond to requests from Councillors, residents and internal staff
	Develop, support and advance environmental initiatives / objectives in the division including the coordination of environmental and climate change risk assessments			Respond to requests for input within the specified timeframes (project-specific)	Respond to requests for input within the specified timeframes (project-specific)
	Benchmark divisional services and assets			Initiate & complete per City Manager's office direction.	Initiate & complete per City Manager's office direction.
	Negotiate boundary and service agreements with other jurisdictions			Respond to requests for input within the specified timeframes (project-specific)	Respond to requests for input within the specified timeframes (project-specific)

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
	Pedestrian & Cycling Infrastructure and Strategies	Develop annual program to deliver the Toronto Bike Plan recommendations	1 annual program developed each year		
		Plan, design new bike ways - trails, on-street routes	11 km of bikeways installed plus 30+ km of bikeways trails designed in 2010		
		Plan and program installation of bicycle parking		845 bike racks installed in 2010	845 bike racks installed in 2010
		Evaluate conditions, coordinate with other capital works and program annual State of Good Repair improvements for bikeways		7 km of SOGR completed in 2010	7 km of SOGR completed in 2010
		Feasibility studies and pilot projects to develop/evaluate innovative cycling infrastructure designs		10 projects in 2010	10 projects in 2010
		Deliver bicycle safety, education and promotion programs		4 projects in 2010	4 projects in 2010
		Missing sidewalk program		90%	90%
		Pedestrian Safety and Infrastructure program		90%	90%
		Technical Standards Development		90%	90%
		Representing pedestrian issues in planning processes , TTC & Metrolinks projects , development review , city revitalization projects		90%	90%
		AODA Compliance		90%	90%
		Neighbourhood Infrastructure Improvement Program		90%	90%
		Partnership Initiatives / Special Projects		90%	90%
		Graffiti Management Plan		90%	90%
		Interdivisional and Inter-Agency Coordination around Street Improvement		90%	90%
		Street furniture - (Contractual Agreement) transit shelter, litter bins, benches, publication boxes, washrooms, postering boards		95%	95%
Transportation Network Control & Safety	Transportation Operations Investigations	complaints		2 months - 2 years - 90%	2 months - 2 years - 90%
		reports, by-law, bill preparation		within 1 year	within 1 year
		traffic, parking regulation	Corner Parking Prohibition	within 4 months	within 4 months

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
			Time Limit or Excessive Duration Parking	within 6 months	within 6 months
			Residential Permit Parking	within 1 year	within 1 year
			Alternate Side Parking	within 6 months	within 6 months
			Angle Parking	within 6 months	within 6 months
			Blocked Access By Parking	within 6 months	within 6 months
			Disabled Persons' Parking Space On-Street	within 6 months	within 6 months
			Parking in a Public Lane	within 6 months	within 6 months
			Parking Meters/Machines	within 1 year	within 1 year
			Motor Coach Parking	within 6 months	within 6 months
			Taxicab Stand	within 6 months	within 6 months
			Public Transit Loading Zone (Public Transit)	within 6 months	within 6 months
			Disabled Loading Zone (WheelTrans/Disabled)	within 6 months	within 6 months
			Commercial Loading Zone (Commercial)	within 6 months	within 6 months
			Special Parking Considerations	within 6 months	within 6 months
			General Parking Regulations Prohibition	within 1 year	within 1 year
	pedestrian		Pedestrian Crossing Protection	within 2 years	within 2 years
			New Pedestrian Refuge Island	within 2 years	within 2 years
			New Pedestrian Crossover Installation	within 2 years	within 2 years
			Pedestrian Crossover Op.	within 6 months	within 6 months
			New Sidewalks	within 2 years	within 2 years
			Streetcar Platforms	within 2 years	within 2 years
	TCS analysis		Intersection Safety Review	within 2 years - 90%	within 2 years - 90%
			New Traffic Control Signal Request	within 2 years - 90%	within 2 years - 90%
			Left/Right Turn Signal Priority Features	within 2 years - 90%	within 2 years - 90%
			Pedestrian Issues/Timing/Delays	within 2 years - 90%	within 2 years - 90%
			Temporary Signal Timings	within 3 months - 90%	within 3 months - 90%
			Signal Pre-emption	within 2 years - 90%	within 2 years - 90%
			Mode of Control (Signal Change w/o Traffic)	within 2 years - 90%	within 2 years - 90%
			Bicycle Signal	within 2 years - 90%	within 2 years - 90%
			Signal Timing Review/Vehicle Delays	within 2 years - 90%	within 2 years - 90%
	schools		School Zone Safety Review	within 1 year	within 1 year
			School Bus Loading Zone	within 6 months	within 6 months
			Student Pick-up/Drop-off Area	within 6 months	within 6 months
			Student Crossing Issues	within 6 months	within 6 months

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
			School Safety Programs	within 6 months	within 6 months
			School-Related Warning Signs	within 4 months	within 4 months
		Neighbourhood plans	Community Traffic Study	within 3 months	within 3 months
			Traffic Calming Measures (i.e. Speed hump)	within 2 years - 90%	within 2 years - 90%
			Traffic Infiltration (turn prohibitions)	within 1 year	within 1 year
			Speeding	within 6 months	within 6 months
			Speed Bumps in Laneway	within 2 years	within 2 years
			Speed Watch Programme	within 1 year	within 1 year
			One-way Streets	within 2 years	within 2 years
			All-Way Stop Sign Controls	within 6 months	within 6 months
			New Subdivisions	within 2 years	within 2 years
			Heavy Trucks Prohibition	within 6 months	within 6 months
			Road Design	within 2 years	within 2 years
			Sight Line Obstruction	within 6 months	within 6 months
			Development Applications	within 6 months	within 6 months
	Signs and Delineation		Investigate New Pavement Markings	within 1 year	within 1 year
			Investigate Regulatory Signs	within 1 year	within 1 year
			Investigate Temporary Condition Signs Work Zone/Construction Set-Up	within 3 months	within 3 months
			Investigate Warning Signs	within 3 months	within 3 months
			Investigate Guide and Information Signs	within 6 months	within 6 months
			Investigate Vehicles Leaving Roadway	within 1 year	within 1 year
			Lane Designation	within 1 year	within 1 year
			Reserved Lane (HOV)	within 2 years	within 2 years
	Construction Traffic Management		WorkZone Coordination	within 1 year	within 1 year
	Traffic Control and Incident Management Systems		Signal coordination studies	70	<b>TBD</b>
			traffic control signal timings	1,100	1,100
			transit priority	30	<b>TBD</b>
			accessible pedestrian signals (APS)	35 (2010)	<b>TBD</b>
			pedestrian crossover timings	20	20
			emergency pre-emption	5 changes / 1 new	5 changes / 1 new
			Expressway / Arterial RESCU system	100% within the 1 hr	100% within the 1 hr
			signal timing requests - current timings	80% complete (within 1 week)	<b>TBD</b>
			signal timing requests - historical timings	75% complete (within 6 weeks)	<b>TBD</b>

Service	Activity	Type	Sub.	2011 Current Service Level	2012 Proposed Service Level	
		Divisional customer service management		95%	95%	
		Divisional service standards, benchmark system analysis and reporting		100 % within 12 months	100 % within 12 months	
		Transportation Emergency Management Plan - training for response, communication, planning, mitigation and recovery		100%	<b>TBD</b>	
		Divisional coordination liaise with the office of emergency management		100%	100%	
		divisional coordinating body for the evaluation and development of performance measuring, harmonization, budget control, maintenance control, data collection, customer service control		90%	<b>TBD</b>	
		New Technology efficiency projects		90%	<b>TBD</b>	
		Activity process mapping for best practises		100 % within 12 months	<b>TBD</b>	
	Transportation Electrical Plant Installation & Maintenance	traffic signal			100%	100%
		<a href="#">Sign Maintenance</a>			100%	100%
		PXO			100%	100%
		<a href="#">Respond to locates</a>			100%	100%
		Beacon			100%	100%
		<a href="#">Cabinet Access</a>			100%	100%
		closed circuit TV camera			100%	100%
	changeable message signs			100%	100%	
	Sign Fabrication & Installation and Pavement Markings	regulatory			1-14 days	1-14 days
		permit parking			1-30 days - 90%; 10% not achieving	1-30 days - 90%; 10% not achieving
		warning/ advisory			1-30 days	1-30 days
		temp. conditions			7 days	7 days
		guide and directional			30 days	30 days
		street name			14 days	14 days
		events			7 days	7 days
		bike symbol / diamond symbol			80% Achieved	80% Achieved
	structures maintenance and inspection			once per year	once per year	
	lane			1-2 times per year	1-2 times per year	
	transverse			1-2 times per year	1-2 times per year	
	pedestrian / zebra			within 12 months	within 12 months	
	Turn Arrows			once every 1-2 years	once every 1-2 years	
	Speed Hump Symbols			repaint once per year	repaint once per year	

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service level
	Red Light Camera Operations and Transportation Safety & Data	Traffic Enforcement		enforced within 30 days 100% of the time	enforced within 30 days 100% of the time
		Traffic Volume Data		study completed every four years 95% of the time	study completed every four years 95% of the time
		Traffic Collision Data		record corrected within 12 months of event date 75% of the time	record corrected within 12 months of event date 75% of the time
		Traffic Safety Investigations		safety performance of arterial and collector roads quantified every 5 years 100% of the time	safety performance of arterial and collector roads quantified every 5 years 100% of the time
Public Right of Way Management	Parking Permits	Street Residential	new applications	Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes. Those using the mail service or doing their transaction on-line can expect the permits in 3 to 5 days.	Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes. Those using the mail service or doing their transaction on-line can expect the permits in 3 to 5 days.
			renewals	Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes. Those using the mail service or doing their transaction on-line can expect the permits in 3 to 5 days.	Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes. Those using the mail service or doing their transaction on-line can expect the permits in 3 to 5 days.
		Street Temporary		Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes.	Meeting standard in most cases. As on-line use is becoming more utilized, customer level of understanding contributed to better service times. Counter service under normal operating circumstances is continually within 10 minutes.
		Front Yard/ Boulevard - Residential	License Applications (new, transfers, appeals)	Meeting standard where all Council approved criteria are met and all processes have been followed and completed	Meeting standard where all Council approved criteria are met and all processes have been followed and completed
			Enforcement Activity (visits)	Meeting standard where all Council approved criteria are met and all processes have been followed and completed	Meeting standard where all Council approved criteria are met and all processes have been followed and completed
		Front Yard/ Boulevard - Commercial	License Applications (new, transfers, appeals)	Meeting standard where all Council approved criteria are met and all processes have been followed and completed	Meeting standard where all Council approved criteria are met and all processes have been followed and completed
			Enforcement Activity (visits)	Meeting standard where all Council approved criteria are met and all processes have been followed and completed	Meeting standard where all Council approved criteria are met and all processes have been followed and completed

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
Public Right of Way Management	Construction (Private Parties) Permits	temporary encroachment		1-8 weeks (SP, 2009) 90% of the time	1-8 weeks (SP, 2009) 90% of the time
		permanent encroachment		6-8 weeks (SP, 2009) 90 % of the time	6-8 weeks (SP, 2009) 90 % of the time
		utility cut permits		Cut permit issued, 83% on time	Cut permit issued, 83% on time
	Development Review	Rezoning/Official Plan Amendment		Review completed within STAR deadline 80% of the time	Review completed within STAR deadline 80% of the time
		Site Plan		Review completed within STAR deadline 80% of the time	Review completed within STAR deadline 80% of the time
		Cttee of Adjustment		Review completed in time for C of A Meeting 100% of the time	Review completed in time for C of A Meeting 100% of the time
		Road Closure		6-9 months	6-9 months
	Street Events	Expressway		Permit issued, 100% on time	Permit issued, 100% on time
		Arterial		Permit issued, 100% on time	Permit issued, 100% on time
		Collector		Permit issued, 100% on time	Permit issued, 100% on time
		Local/Sidewalk		Permit issued, 100% on time	Permit issued, 100% on time

Recommended Service level changes are further discussed in Part III – "2012 Recommended Service Changes", and Part V: "Issues for Discussion". Most notably, they include minor adjustments to street cleaning services and residential sidewalk snow clearing service.

## 2012 Service Deliverables

The 2012 Recommended Operating Budget for Transportation Services of \$325.717 million gross and \$204.874 million net, provides funding to:

- Introduce separated bike lanes and improve bike and pedestrian safety.
- Continue to review operations in order to achieve efficiencies on how services are delivered.
- Continue to maintain 5,355 kilometers of road, 7,100 kilometers of sidewalks, 539 bridges, and over 100 kilometers of bike lanes in a safe and reliable state.
- Continue to install, maintain, operate and enhance the traffic control systems in the City. These systems include almost 2200 signalized intersections, 73 expressway and arterial road monitoring cameras, 6 main changeable message signs, 77 red light cameras and over 200 automatic traffic detecting stations, to address the mobility needs of all road users.
- Continue to invest and improve the public realm including the roll out of 5133 pieces of harmonized street furniture pieces. To date, 6043 street furniture pieces have been located on Toronto's streets.

- Continue to administer approximately 600 street events on the City's right of ways ranging from small block parties organized by resident volunteers to major professionally organized events such as the various charity events on expressways and major roads, the Pride Festival and Parade, Honda Indy, Toronto Caribbean Carnival/Caribana and Santa Clause parades.

**PART III: RECOMMENDED BASE BUDGET**

**2012 Recommended Base Budget  
(In \$000s)**

(In \$000s)	2011 Appvd. Budget	2012 Recommended Base	Change 2012 Recommended Base v. 2011 Appvd. Budget		FY Incremental Outlook	
			\$	%	2013	2014
	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	292,693.5	325,027.2	32,333.7	11.0	(71.3)	338.1
<b>REVENUE</b>	118,924.3	120,153.3	1,229.0	1.0	(925.6)	58.9
<b>NET EXP.</b>	173,769.2	204,874.0	31,104.8	17.9	854.3	279.2
<b>Approved Positions</b>	1,297.6	1,071.3	(226.3)	(17.4)	1,081.3	1,081.3

TARGET COMPARISON	10% Reduction Target	2012 Rec.'d Reduction	2012 Rec'd Reduction vs. 2012 10% Reduction Target	Target %
2012 Reductions	(17,345.1)	(16,109.7)	(1,235.4)	9.3%

**2012 Recommended Base Budget**

- The 2012 Recommended Base Budget of \$325.027 million gross and \$204.874 million net represents a \$31.105 million or 17.9% increase over the 2011 Approved Operating Budget of \$173.769 million net.
- This increase is due to the transfer of funding in the amount of \$41.698 million gross, \$40.819 million net, for street and expressway lighting from the Non-Program Budget, in order to provide for efficient management and monitoring of contracted services, which operationally better align with services provided by this Program (page 29).
- The following table provides comparison to the 2011 Approved Operating Budget, excluding the transfer of funding for street and expressway lighting from the Non-Program Budget, showing a net decrease of the 2012 Operating Budget of \$9.714 million net or 5.6%.

(In \$000s)	2012 Recommended Base	Change 2012 Recommended Base v. 2011 Appvd. Budget	
	\$	\$	%
<b>GROSS EXP.</b>	283,328.6	(9,364.8)	(3.2)
<b>REVENUE</b>	119,273.3	349.0	0.3
<b>NET EXP.</b>	164,055.4	(9,713.8)	(5.6)
<b>Approved Positions</b>	1,071.3	(226.3)	(17.4)

- The 2012 Recommended Base Budget of \$325.027 million net includes recommended Program budget reductions of \$16.110 million net or 9.3% of the 2011 Approved Operating Budget. This is \$1.235 million or 0.7% below the Transportation Services' 2012 reduction target of \$17.345 million or 10.0% of the 2011 Approved Net Operating Budget.
- Recommended service changes of \$16.110 million include base budget savings of \$1.702 million net, savings from efficiencies of \$9.140 million net, revenue changes of \$0.098 million net and savings resulting from minor service changes of \$5.170 million.
- Approval of the 2012 Recommended Operating Budget for Transportation Services will result in a deletion of 182.0 permanent and 44.3 temporary positions, of which 96 permanent positions are occupied. In 2011, one new project manager permanent position was created for the Graffiti Management Plan, by deleting two other positions no longer required. The total staff complement will decrease from 1,298.6 to 1,081.3 positions as noted below:

#### 2012 Recommended Staff Complement – Base Budget Summary

Changes	Staff Complement
<b>2011 Approved Complement</b>	1,298.6
- 2011 In-year Adjustments	(1.0)
2011 Approved Staff Complement	<b>1,297.6</b>
<b>2012 Recommended Staff Complement</b>	
- 2012 Temporary Complement - Capital Project Delivery	
- 2012 Operating impacts of completed Capital projects	
- 2012 Service Change Adjustments	(226.3)
<b>Total Recommended Complement</b>	<b>1,071.3</b>

## 2012 Recommended Service Change Summary

(In \$000s)

Description	2012 Recommended Service Changes				Net Incremental Impact			
	Position Change	Gross Expense	Net Expense	% Change over 2011 Budget	2013		2014	
	#	\$	\$	%	\$	# Pos.	\$	# Pos.
<b>Base Changes:</b>								
<b>Base Expenditure Changes</b>								
Adjustments to Salaries and Benefits Based on Actual Experience		(472.8)	(486.0)	(0.3%)				
Gapping Adjustment to Maintain 2011 Gapping Rate		(62.4)	(56.0)	(0.0%)				
Adjustment to Surface Repair Recovery Budget		(37.8)	(54.9)	(0.0%)				
Create a Senior Coordinator Emergency & Winter Operations Position	(3.0)	(41.6)	(41.6)	(0.0%)				
Position Conversions in Transportation Infrastructure Management	(2.0)	(59.2)	(59.2)	(0.0%)				
Position Conversions in North York District	(1.0)	(60.4)	(60.4)	(0.0%)				
Change		(126.5)	(126.5)	(0.1%)				
Adjustment to Non- Salary Expenses Based on Actual Experience		(308.7)	(308.7)	(0.2%)				
<b>Base Budget Change</b>	<b>(6.0)</b>	<b>(1169.4)</b>	<b>(1193.3)</b>	<b>(0.7%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Base Revenue Changes</b>								
Bike Parking Fee Volume Increase			(17.0)	(0.0%)				
Recovery from Developers for Bike Racks Installations			(15.0)	(0.0%)				
Signs and Markings Cost Recovery Increase			(130.0)	(0.1%)				
Pavement Degradation Fee Revenue Increase			(150.0)	(0.1%)				
Right-of-Way User Fee Inflationary Increase			(197.1)	(0.1%)				
<b>Base Revenue Change</b>	<b>0.0</b>	<b>0.0</b>	<b>(509.1)</b>	<b>(0.3%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Sub-Total Base Budget Changes</b>	<b>(6.0)</b>	<b>(1169.4)</b>	<b>(1702.4)</b>	<b>(1.0%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Service Efficiencies</b>								
Contract Out Road Repair in Etobicoke District	(5.0)	(67.4)	(67.4)	(0.0%)				
Core Service Review: Public Realm Cost Efficiency Savings		(520.9)	(520.9)	(0.3%)				
Street Sweepers Sale		(191.7)	(191.7)	(0.1%)				
Vacancy Elimination	(53.3)	(3275.3)	(3275.3)	(1.9%)				
Service Efficiencies	(13.0)	(291.0)	(291.0)	(0.2%)				
Works Yard Efficiency Reductions		(100.6)	(100.6)	(0.1%)				
Replace Mechanical Leaf Collection with Bagged Leaf Collection	(5.0)	(510.2)	(510.2)	(0.3%)				
Various Service Efficiencies	(13.0)	(942.9)	(942.9)	(0.5%)				
Core Service Review: Traffic Control Reductions		(1250.0)	(1250.0)	(0.7%)				
Utility Cut Permit Centralization		(93.0)	(93.0)	(0.1%)				
Absorb Operating Impact from Prior Year Capital Projects		(216.6)	(216.6)	(0.1%)				
Service Efficiencies In Various Service Areas	(70.0)	(682.8)	(682.8)	(0.4%)	(333.6)			
Efficiency Reduction in Road Repair Services	(16.5)	(997.2)	(997.2)	(0.6%)				
<b>Sub-Total Service Efficiencies</b>	<b>(175.8)</b>	<b>(9139.6)</b>	<b>(9139.6)</b>	<b>(5.3%)</b>	<b>(333.6)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Revenue Adjustments:</b>								
Increase in Revenue from User Fees			(98.0)	(0.1%)				
<b>Sub-Total Revenue Adjustments</b>			<b>(98.0)</b>	<b>(0.1%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Minor Service Impact:</b>								
Core Service Review: Savings from Street Cleaning Service Level Adjustments	(44.5)	(3532.1)	(4241.9)	(2.4%)				
Core Service Review: Local Sidewalk Snow Clearing Service Change		(927.9)	(927.9)	(0.5%)				
<b>Sub-Total Minor Service Impacts</b>	<b>(44.5)</b>	<b>(4460.0)</b>	<b>(5169.8)</b>	<b>(3.0%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Service Changes</b>	<b>(226.3)</b>	<b>(14769.0)</b>	<b>(16109.7)</b>	<b>(9.3%)</b>	<b>(333.6)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## 2012 Recommended Service Changes

- The 2012 recommended service changes consist of base budget changes, service efficiencies, revenue changes and minor service changes that total \$16.109 million net. These recommended changes will have a minor impact on the 2011 approved service levels provided by Transportation Services.

### **Base Expenditure Changes** (*\$1,169 million gross, savings of \$1.193 million net*)

#### *Adjustment to Salaries and Benefits Based on Actual Experience*

- The salaries and benefits budget was adjusted due to the reclassification of positions that were subsequently filled or budgeted at a lower salary level, resulting in savings of \$0.486 million net for 2012.

#### *Increase in Gapping*

- The gapping provision was increased by \$0.056 million to maintain the 2011 gapping rate 4.6%. However, as a result of recommended service changes, the 2012 gapping rate will increase to 5%, due to a deletion of 226.3 positions.

#### *Adjustment to Surface Repair Recovery Budget*

- The surface repair recovery budget was adjusted by \$0.038 million gross and savings of \$0.055 million, based on the estimated catch basin maintenance work in 2012.

#### *Position Conversions*

- Transportation Services will realign its existing staff positions to match better current operational needs. Based on a detailed review, 7 temporary vacant positions will be eliminated and one new permanent position created, effective January 1, 2012. The position conversions will result in total savings of \$0.161 million net:
  - In order to provide support for winter maintenance operations, Transportation Services will convert 4 temporary part time positions to one permanent Senior Coordinator, Emergency and Winter Operations position, for savings of \$0.042 million net. This position will coordinate tasks related to multiple winter maintenance projects.
  - One dedicated permanent Assistant Planner position is required for the cycling infrastructure program, which is currently expanding. In order to provide funding, 3 permanent Mail Clerk positions will be eliminated, resulting in savings of \$0.059 million net. The Assistant Planner position will perform a variety of tasks including comparison of alternative scenarios, identification of bike lane locations, and also respond to public inquiries.

- The volume of contracts, for utility cuts in particular, within the Road Operations unit in North York District increased significantly over the past two years. In order to ensure that the work is carried out safely and efficiently, Transportation Services will create 3 permanent positions: Supervisor of Maintenance Contract Inspection, Research Analyst and Support Assistant C. These positions will oversee and inspect contracted work. Funding will be provided by eliminating another 4 permanent positions (Supervisor Roads and Sidewalks, Labourer 2, Waterhandy Worker 3 and Painter) that are no longer required. This conversion will generate savings of \$0.060 million net.

#### *Traffic Contract Budget Changes*

- A saving of \$0.126 million will be generated by replacing the existing contractor (IBI) delivering services in the traffic Situation and Control Room with a new contractor (Fortran).

#### *Adjustment to Non-Salary Expenses Based on Actual Experience*

- Based on a detailed review of actual spending, various non-salary expenses were adjusted, resulting in savings of \$0.309 million net. These non-salary expenses include various materials and supplies, equipment and professional services.

#### **Base Revenue Changes** *(savings of \$0.509 million net)*

##### *Increase in Revenue from Various Services*

- Additional revenues in the total amount of \$0.509 million net are anticipated from the following:
  - An increase in revenues from temporary bicycle parking fees due to the program expansion (\$0.017 million).
  - Increased revenues from post-and-ring bicycle racks within the City's Right-of-Ways (\$0.015 million).
  - Anticipated revenues from the installation of signs and markings, which are projected based on actual experience (0.130 million).
  - Higher revenues from the pavement degradation fees reflecting an anticipated increase in utility cut restoration activities (\$0.150 million).
  - An increase in Right-of-Way user fee revenues based on projected inflation factor of 2.35% for 2012, which was applied to all fees that are currently subject to automatic inflationary increases according to the Municipal Code 441, Appendix C,

Schedule 1 (\$1.197 million). This is in accordance with the User Fee Policy approved by Council in September 2011.

### **Service Efficiencies** (*savings of \$9.140 million gross and net*)

#### *Contract Out Road Repair in Etobicoke*

- Currently, road repair services in Etobicoke York district is provided by performing temporary repairs, several times per year to the same locations, which creates traffic congestion. Altering this repair method to permanent repair method would lead to fewer service requests and claims, due to better road conditions. Savings could be potentially realized in the investigation, preparation and administration of the claims.
- By altering repair method and contracting out permanent asphalt repair activities on arterial roads, savings of \$0.067 million net will be realized. This will result in a deletion of 5 vacant permanent positions, effective January 1, 2012.

#### *Public Realm Cost Efficiency Savings*

- The Public Realm Unit identified efficiency savings of \$0.521 million gross. A full review of its 2010 operations, which was the first year that the Public Realm unit achieved sufficient staffing levels to fulfill its mandate, revealed that the operating budget can be reduced without any impact on services. The initial 2010 budget was based on projections, while the 2012 recommended budget for these activities now reflects actual experience.

#### *Street Sweeper Sale*

- A sale of 2 Tymco PM-10 regenerative air street sweepers used in the Toronto and East York district operations will be disposed at auction, resulting in a reduced capital replacement cost as well as lower interdivisional recovery to Fleet Services for maintenance and fuel.
- Estimated savings are \$0.096 million per sweeper, for a total of \$0.192 million net. In addition, revenue of \$0.075 million per sweeper, or \$0.150 million in total, is anticipated from the sale, which will be deposited in the Vehicle Reserve.

#### *Vacancy Elimination*

- Through its vacancy review, Transportation Services will reduce the staff complement by 53.3 approved positions (37 permanent, 16.3 temporary), for estimated savings of \$3.275 million net in salaries and benefits.
- All positions are currently vacant. They will be permanently deleted (effective January 1, 2012), without any impact on current service levels.

*Service Efficiencies*

- Estimated savings of \$0.291 million will be achieved from service efficiencies. Details are presented in Confidential Attachment 1 under separate cover.

*Works Yards Efficiency Reductions*

- As a result of the recommended service changes in 2012, such as discontinuation of mechanical leaf collection, mechanical roadway sweeping and manual roadway cleaning service level adjustments, vacancy elimination, and various service efficiencies, several Transportation Services' yards (Northline yard and Oriole yard) will no longer be required for its road operations.
- Accordingly, utility and maintenance costs for these facilities are expected to decrease by about 10%, resulting in net savings of \$0.101 million net.

*Replace Mechanical Leaf Collection with Bagged Leaf Collection*

- It is recommended that leaf collection services in Etobicoke York and Scarborough districts be converted from mechanical to residential bagged leaf collection for Solid Waste Management curbside pick-up, as in the other areas of the City. Residents will be responsible to rake and bag leaves within the road allowance during a period of five weeks in the fall season.
- Savings of \$0.510 million net are anticipated since the pick-up service will be accommodated within the existing Solid Waste Management Services' 2012 Operating Budget. Transportation Services will reduce its staff complement by 5 vacant positions (3 permanent, 2 temporary), effective January 1, 2012.

*Various Service Efficiencies*

- As a result of detailed review, Transportation Services identified further opportunities to streamline some of the processes in various areas of operation, including traffic safety, roadway cut repair and roadside winter maintenance, which will result in savings of \$0.943 million net and a reduction of 13 permanent filled positions, effective January 1, 2012.

*Traffic Control Reductions*

- By eliminating a requirement for paid duty officers whenever construction is within 30 meters of a signalized intersection, as stipulated by the current policy, Transportation Services will realize savings of \$1.250 million net. This service change is in line with findings of the Core Service Review and subsequent Council's decisions (please refer to page 28 for more details).

*Utility Cut Permit Centralization*

- Currently, all four Transportation Services districts are issuing utility cut permits. The centralization of this function to the North York district will decrease costs through efficiencies, and also improve the customer service. It will require an organizational change that includes a deletion of two permanent vacant positions that are no longer needed (Stationary Engineer 4<sup>th</sup> Class and Water Handyworker 3) in order to create 2 new positions (Engineering Technologist Technician 3), required to enable processing of higher permit volumes. Savings are estimated at \$0.093 million net. This organizational change will take effect on January 1, 2012.

*Absorb Operating Impact from Prior Year Capital Projects*

- Transportation Services will accommodate, through various efficiencies, pressures from the previously approved capital projects that include snow removal on St. Clair Avenue, snow clearing on elevated bike lanes on Roncesvalles Avenue, and Go Bus lane salting on Don Valley Parkway, resulting in total savings of \$0.217 million net.

*Service Efficiencies in Various Service Areas*

- Transportation Services determined, based on a detailed review of its operations, that additional service efficiencies can be realized resulting in efficiency savings of \$0.683 million in 2012, with an annualized impact of \$0.334 million in 2013. Detailed information is presented in Confidential Attachment 1 under separate cover.

*Efficiency in Road Repair Services*

- Savings in the amount of \$0.997 million are anticipated through rationalization of road repair services, as 16.5 vacant positions (11 permanent, 5.5 temporary) will be deleted effective January 1, 2012.

**Revenue Adjustments** *(savings of \$0.098 million net)**Increase in Revenue from User Fees*

- A corporate user fee review identified that traffic information fees do not provide for a full recovery of direct costs involved in providing the service. Traffic safety information fees are charged for various information requests such as maps showing average traffic volumes, traffic signal location and timing reports, and collision summary reports.
- Therefore, an increase in traffic safety information fees is recommended, resulting in additional revenues of \$0.098 million. A separate report will be presented to the

Budget Committee recommending changes to various user fees corporately for consideration with the 2012 Budget Process.

**Minor Service Impacts (\$4.460 million gross, savings of \$5.171 million net)**

*Savings from Street Cleaning Service Level Adjustments*

- As directed by the Executive Committee in consideration of the Core Service Review, a comprehensive assessment of street cleaning operations has been undertaken. These services include mechanical roadway sweeping and manual roadway cleaning.
- In the view of KPMG's finding that the level of service provided by the City of Toronto exceeds most other cities, consideration was given to reducing frequency of the cleaning services. It was determined that current street cleaning services can be reduced by approximately 30%, mostly in residential and low activity areas, while maintaining current service levels in high activity areas. The table below illustrates change in service frequency for both mechanical sweeping and manual cleaning (which is further discussed on page 31):

**Street Cleaning Service Levels**

	<b>Current Service Level</b>	<b>Proposed 2012 Service Level</b>
<b>Roadway Mechanical Sweeping</b>		
<b>Expresway</b>	Standard: once every 2 weeks	Standard: once every 2 weeks
<b>Arterial</b> (based on activity levels)	Low: once every week Medium: 4 times per week High: 7 times per week	Standard in NY, EY, SC: once every 2 weeks Standard in TEY: 4 times per week Limited high activity areas in TEY: up to 7 times
<b>Collector</b>	Standard: once every 2 weeks	Standard: once every 2 to 4 weeks
<b>Local</b> (based on activity levels)	High: weekly  Other areas: once every 4 weeks	High: weekly Medium: once every 2 weeks Other areas: once every 8 weeks
<b>Roadway Manual Cleaning</b>		
Generally carried out in central area (largely TEY)	Once every 6-8 weeks, performed on a routine basis, according to needs.	Once every 8-10 weeks.

- Resultant savings are estimated at \$3.532 million gross. Approximately 50% of the estimated savings will be achieved through various efficiencies. However, more detailed review of individual activities is required to determine exact savings that can be attributed to efficiencies, as opposed to the actual service level adjustment. There will be a reduction of 44.5 vacant positions (31 permanent, 13.5 temporary), effective January 1, 2012.
- Transportation Services estimates that, once cleaning services are reduced to the recommended adjusted levels, further efficiencies of approximately \$0.710 million can be realized in 2013. Therefore, in an anticipation of savings from those efficiencies, it is recommended that funds in the same amount from the Public Realm Reserve Fund be utilized as a one-time measure, to offset pressures in 2012, until incremental savings are realized in 2013. This will result in a total reduction of \$4.242 million in 2012.

#### *Local Sidewalk Snow Clearing Service Change*

- Mechanical sidewalk snow clearing is provided on all City road classifications where it is feasible (generally outside of the central area). It is recommended that the snow clearing activities focus only on main arterial roads and transit corridors where pedestrian volumes are highest, while this service on local roads would be provided to seniors only, through a Seniors Grant program. The service levels in other areas will remain the same.
- After implementing the Senior Grant program, savings in the amount of \$0.928 million net will be generated in 2012, with further potential substantial savings at the expiry of current contracts in 2015.

### **2013 and 2014 Outlook:**

- Approval of the 2012 Base Budget for Transportation Services will result in incremental net costs of \$0.854 million in 2013 and \$0.279 million in 2014. Future year costs are primarily attributable to the following:
  - The 2013 Outlook anticipates an incremental net expenditure increase of \$0.854 million for progression pay and step increases (\$0.279 million), an increase for OMERS premium rate of 0.9% (\$0.609million), a revenue reduction due to the expiry of the contract with Allstream (\$0.300 million), and an annualized saving impact from further service efficiencies in various areas of operations in 2012 (\$0.334 million).

- The 2014 Outlook includes an incremental increase of \$0.279 million net for progression pay and step cost increases.
- No Cost of Living Allowance (COLA) has been projected as 2012 will be a bargaining year.

## PART IV: RECOMMENDED NEW/ENHANCED SERVICE PRIORITY ACTIONS

**2012 Recommended New/Enhanced Service Priority Actions**  
(In \$000s)

Description	2012 Recommended			Net Incremental Impact			
	Gross Exp.	Net Exp.	New Position	2013		2014	
	\$	\$	#	\$	# Pos	\$	# Pos
<b>Enhanced Services:</b> Transit Expansion Unit	689.7		10.0				
<b>Sub-Total Enhanced Services</b>	<b>689.7</b>	<b>0.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>New Services:</b> (a) New Services  (b) New Fees							
<b>Sub-Total New Services</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Enhanced/New Services</b>	<b>689.7</b>	<b>0.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## 2012 Recommended New/Enhanced Service Priority Actions

### Enhanced Service Priority Actions

#### Transit Expansion Unit

- Transportation Services provides support to the major Transit Expansion projects including project documentation reviews, comments, approvals, permit issuances etc. Currently, service is delivered by a temporary manager position, who is supported by various staff in their existing positions. In order to respond to an anticipated work load increase related to major initiatives such as the Toronto York Spadina Subway Extension, Transit Expansion projects and the Georgetown South Air-Rail Link, it is recommended that a dedicated unit be established in Transportation Services.
- This unit will have 13 staff and will be fully funded by the clients (TTC, Metrolinx). In addition to the 3 positions previously approved for work on transit projects, 10 new temporary positions will be added effective April 1, 2012, at a cost of \$0.690 million gross in 2012, that will have an incremental impact of \$0.230 million in 2013, with the funding provided by agencies being supported. This new enhanced priority action is

recommended conditional on securing appropriate funding agreements with related clients, as outlined in Recommendation 5.

## Part V: ISSUES FOR DISCUSSION

### 2012 and Future Year Issues

#### 2012 Issues

##### *Core Service Review Approvals: Traffic Control Reductions*

At its meeting of September 26 and 27, 2011 City Council approved the report 'Core Service Review - Final Report to Executive Committee' from the City Manager. Council adopted the following service level adjustment (Recommendation 1.g.) related to Transportation Services:

"Eliminate the requirement for paid duty Police officers at construction sites where possible, and request the General Manager of Transportation Services to report to the Public Works and Infrastructure Committee with any necessary changes to City by-laws, policies, and criteria to effect this change".

On November 3, the Public Works Committee considered the report titled "Review of Paid Duty Officers' Traffic Control Assignments" from the General Manager, Transportation Services. The report recommended eliminating the specific requirement for hiring paid duty officers in the Transportation Services' permits, documents, and policies. To provide guidance in the use of police officers at Transportation Services projects, a new Memorandum of Understanding between Transportation Services and the Toronto Police Service was developed and included in the report. The report recommended that the previous policy of requiring a paid duty officer(s) whenever construction is within 30 meters of a signalized intersection be eliminated. To ensure safety of all road and right-of-way users, Transportation Services staff and the applicant will discuss and determine the appropriate traffic control measures for the proposed construction project or street event.

The above changes will reduce the requirement for paid duty officers at construction projects and street events, enabling Transportation Services to reduce its operating costs by \$1.250 million in 2012, with an allocation of \$0.200 million in the 2012 Recommended Operating Budget allocated for paid duty officers.

##### *Core Service Review Approvals: Neighborhood Improvement Program*

At the same meeting (September 26 and 27<sup>th</sup>, 2011), City Council supported the continued operation of the Neighborhood Improvement Program. With consideration to existing fiscal constraints, Council priorities and maintaining a level of service to neighbourhoods, this program is transitioning to a new model.

In 2011, the Neighbourhood Improvement Program consisted of \$0.602 million (\$13,500 per ward) funded from the operating budget and \$3.500 million (\$79,500 per ward) funded from the capital budget each year.

- The forthcoming changes related to the Operating Program are as follows:
  - Elimination of the \$0.160 million grants program that provided up to \$4,000 per ward to community groups to undertake local area improvements.
  - Reduction of the remainder of the existing operating funding from \$0.442 million to \$0.330 million.
- This will result in savings of \$0.272 million in operating funding, for a \$0 net impact on the Transportation Services' budget as this program is funded through the Public Realm Reserve Fund. This reduction is included in the 2012 Recommended Operating Budget.
- On the capital side, the annual program (that is debt funded) will be reduced from \$3.5 million per year to \$2.0 million per year and it will be funded from the Public Realm Reserve Fund, resulting in a \$35.0 million reduction in debt over the 10-Year Capital Plan period.
- Going forward, small and medium scale projects will be implemented with a city wide budget of \$0.330 million funded from the operating budget. Larger scale projects will be funded through a revised annual \$2.0 million capital program.
- Staff will continue to meet with each City Councillor to identify and address improvement pressures in their respective wards. Staff will continue to monitor the equal distribution of funds to each ward, but funds will not be allocated per ward.
- Work will be implemented by City staff in close consultation with Councillors, community groups, City divisions and a range of private partners to leverage funds and opportunities to enhance the City's streets and ensure that projects are properly maintained. Blanket contracts for general landscape construction and various DPO's will be utilized City-wide.
- Staff will continue to work with other divisions and pursue improvements to city streets to ensure community input. Staff will also provide design and coordination advice to other City divisions such as Technical Services, Economic Development and Parks, Forestry and Recreation as they relate to projects that intersect with Transportation Services objectives and operations.
- The program will focus on right-of-way streetscape improvements exclusively, particularly where it can continue to enhance and support existing capital work in Transportation

Services. Final decisions on the approval of projects and allocation of funds will rest with the General Manager, Transportation Services.

#### *Street and Expressway Lighting Budget*

In 2005, the City sold its street lighting assets (over 160,000 streetlights) for \$60.0 million to its affiliate Toronto Hydro Energy Services Inc. (THESI). THESI began providing street and expressway lighting services on January 1, 2006 under a 30-year Street and Expressway Lighting Service Agreement. The City pays for the maintenance of and electricity costs associated with the City's street and expressway lights. The appropriate funding allocation was provided the Non-Program Budget. For 2012, operating budget funding for Street and Expressway Lighting is estimated at \$41.699 million gross, \$40.819 million net, as follows:

<b><u>2012 Recommended Budget</u></b>	
<b><u>(\$000s)</u></b>	
Hydro	26,143.1
Contracted Services	15,555.4
Total Expenditure	41,698.6
Revenue	880.0
<b>Net Expenditure</b>	<b>40,818.6</b>

A revenue of \$0.880 million represents the transfer of revenue from the Toronto Parking Authority for costs incurred at their parking facilities.

Due to the complexity of electricity charges and maintenance contracts, it became obvious that management and monitoring of the Street and Expressway Lighting Service Agreement require specialized professional expertise. During the staff consideration of the 2012 Operating Budget it was recommended that the Street and Expressway Lighting budget be transferred to Transportation Services, as this Program can provide skilled professionals that can oversee the contract and ensure that City's interests are adequately protected. Transportation Service will provide two dedicated staff for this program. This transfer represents a base adjustment and it is included in the 2012 Recommended Operating Budget for Transportation Services.

### **Future Year Issues**

#### *Service Efficiency Studies*

At its meeting of April 12, 2011, City Council approved a report from the City Manager titled 'Service Review Program, 2012 Budget Process and Multi-Year Financial Planning Process', dated March, 2011. The report directed that, in addition to other reviews, a service efficiency review be undertaken for Transportation Services. The service efficiency review is pending. The City Manager will report to Standing Committee and/or City Council or through the City's operating budget processes as appropriate.

### *Winter Maintenance Contracts*

In 2008, the various five-year winter maintenance contracts throughout the City expired after the 2007/2008 winter season. New seven-year winter maintenance contracts were tendered and awarded during the summer of 2008 and became effective at the commencement of the 2008/2009 winter season. The expired contracts had capped cost increases to an average of 1.5%, while surrounding GTA municipalities were experiencing cost escalations in the neighborhood of 2.5–3.0%. As a result, there was a recalibration of contract prices that was offered by the various contractors throughout the City during the tendering process in 2008, creating a large shortfall in the Program's winter maintenance budget.

The Program indicates that a similar situation may occur at the time of the existing contract renewals anticipated for 2015/2016 leading to disproportionately high budget pressure for winter maintenance. It is recommended that Transportation Services include anticipated pressures in its future year outlooks as the contract renewal dates approach.

## **Issues Referred to the 2012 Operating Budget Process**

### *Core Service Review Approvals: Street Cleaning Services (Roadway Mechanical Sweeping and Manual Cleaning)*

At its meeting of September 19, 2011, the Executive Committee referred Recommendation 1w. of the City's Manager Core Service Review Report (September 9, 2011), to "Reduce mechanical, and manual sweeping on local streets, and request the General Manager of Transportation Services to report to Community Councils on any required by-law changes to effect the temporary parking" back to the City Manager for consideration as part of the 2012 and 2013 budget process.

As a result, Transportation Services undertook a comprehensive assessment of its street cleaning operations, which include roadway mechanical sweeping and manual cleaning. In the case of mechanical sweeping, the level of service provided depends on the road type and traffic activity levels. Manual cleaning is generally carried out in central areas (mostly Toronto and East York), once every 6 to 8 weeks, on a routine basis according to needs. This service involves personnel cleaning debris (e.g., litter, leaves, etc.) from areas which cannot be accessed by the mechanical street sweeping equipment, like between parked cars.

A comparison with other municipal jurisdictions (City of Mississauga, City of Vaughan), indicates that service levels for mechanical roadway can be altered to reflect less frequent cleaning intervals. The Core Service Review performed by KPMG identified that most Cities provide a spring clean up on a regular basis, sometimes followed by a fall leaf removal, with no street sweeping through the summer, except for special events and busy arterials.

Based on the Transportation Services' assessment, cleaning services can be reduced by approximately 30% overall, resulting in savings of \$3.275 million net, which are included in the 2012 Recommended Operating Budget. Recommended service level adjustments will mostly affect frequency of cleaning in residential and low activity areas. Service in high activity, higher profile, tourist and arterial routes would generally remain at current levels. Manual cleaning service would be managed through the roadway mechanical sweeping activity as much as possible. In general, while cleanliness levels may be affected to some extent, the recommended reductions would still enable Transportation Services to maintain street in acceptable cleanliness conditions.

Street cleaning services are currently performed in-house. Further efficiency savings estimated at \$0.710 million can be achieved in 2013, as recommended operational changes need to be effected.

*Core Service Review I Approvals: Snow Removal and Ploughing*

At its meeting of September 26 and 27, 2011, City Council referred all motions from special Standing Committee meetings to the City Manager for consideration to determine whether and in what manner implementation is appropriate through the 2012, 2013 and 2014 Operating Budgets (subject to Toronto Municipal Code Chapter 71, Financial Control, City and agency collective agreements, and human resource policies).

With specific reference to Transportation Services (Recommendation 2a) a Motion 2a from the July 18, 2011 meeting of the Public Works and Infrastructure Committee requested the City Manager to include in his report to the Executive Committee on September 19, 2011 comments on possible service adjustments to benefits and efficiencies for snow ploughing, snow removal and windrow clearing services and street sweeping.

The 2012 Recommended Operating Budget includes savings of \$0.928 million net from local sidewalk clearing service changes. Mechanical sidewalk snow clearing is provided on all City roads, where feasible, which is generally outside of the central area. This service is activated whenever snowfall amounts exceed 8 cm (5 cm in January and February), or when icy conditions warrant salt application. This level of service is above and beyond the legislative minimum requirements.

It is recommended that the sidewalk clearing service be eliminated on local roads. The service will only remain on main arterial roads and transit corridors where pedestrian volumes are highest. This change would also result in a harmonized service level across the City. A

Seniors Grant program will be implemented to assist with arranging for third party services at \$65 per household.

*Core Service Review Approvals: Other Recommendations*

At its meeting of September 26 and 27, 2011 City Council approved the report 'Core Service Review – Final Report to Executive Committee' from the City Manager. The City Manager was directed to review efficiency related opportunities for various program areas to determine whether and in what manner implementation is appropriate through the 2012, 2013 and 2014 Operating Budgets.

The following reviews were recommended for Transportation Services:

- Conduct a more detailed review of the service level standards and performance for repairs.
- Consider collecting fees from all street events permits issues to ensure full cost recovery.

Transportation Services' current service level standards for road repair activities are stated in high level terms and provide for a wide range response time (from 5 days to 18 months). The service level standards and performance review is under way.

Transportation Services issues a permit to use street or part thereof for social, recreational, community and athletic purposes. A fee of \$71.97 per event, per day, is charged at the time of application. Although increased by Consumer Price Index (CPI) annually, this fee has not been evaluated in a comprehensive manner since its introduction.

Permits issued for street parties, festivals and races generate very little revenue compared to the cost involved in supporting organization of such events. In addition to the City staff, street events involve provision of signage, ramp closures, barricades and clean up. For some of the street events the City incurs net costs ranging from \$7,000 to \$97,000 per event. For 2012, estimated net costs are \$1.024 million. User fees for street events will be considered further and reported to Council in January 2012 as part of the more inclusive special events review that involves a number of other City programs.

There are no changes in the 2012 Recommended Operating Budget that address the above recommendations. These reviews are pending and the City Manager will be reporting, as appropriate, to Standing Committee and/or City Council or through the City's operating budget processes.

*Other Items Referred to the 2012 Budget Process:**A Memo from Councillor Mihevc*

- A memo from Councillor Mihevc to the Budget Committee (May 10, 2011) requested that future front yard parking fees be limited to CPI rate increases, was referred to the CFO for consideration with the 2012 budget process.
- The 2012 Recommended Budget includes an inflationary increase of 2.35% for the front yard parking fees. This is in accordance with the User Fee Policy adopted by Council (September 26 and 27, 2011) that granted authority to the Deputy City Manager and Chief Financial Officer to annually determine the automatic inflationary adjustment to be applied to each user fee for which Council has approved an automatic inflationary adjustment.

*A Graffiti Management Plan for Toronto*

At its meeting of July 12, 13 and 14, 2011, City Council adopted the report outlining a new plan for graffiti management for Toronto. The report indicated that a transfer of \$0.354 million in existing grant allocation for this program (residing in the Community Partnership and Investment Program) to the Public Realm unit will be considered as a part of the 2012 Budget Process deliberations, in order to integrate better mural making with all of the City's graffiti management activities. This transfer will be considered in 2012, once the 2012 Recommended Budget for the Community Partnership and Investment Program is approved.

## Appendix 1

### 2011 Performance

#### 2011 Key Accomplishments:

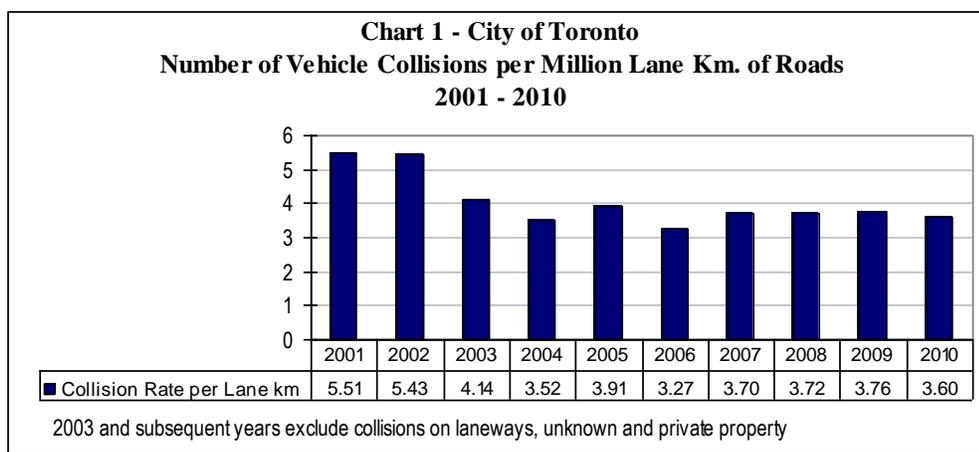
In 2011, Transportation Services achieved the following results:

- ✓ Successfully managed over 600 street events, including Pride Festival, Honda Indy, Caribbean Festival, Marathons, and many other road closures for special events.
- ✓ Successfully launched 24/48 hour on-line temporary on-street parking permits.
- ✓ Completed over 30 km of off-street bicycle trails in hydro and rail corridors as part of the RInC and Ontario-REC funding programs.
- ✓ Introduced of a 1000-bicycle, 80-station public bicycle system in May.
- ✓ Completed rehabilitation projects totaling over \$70.0 million as part of the Infrastructure Stimulus Fund (ISF) program, including work on roads and sidewalks to reduce the City's backlog.
- ✓ Successfully addressed over 94% of the 80,000 service requests coming through the new 311 service on time.
- ✓ Completed 111 neighbourhood projects to enhance, beautify and green Toronto's streets.
- ✓ Continued to roll-out the \$1 billion, 25,600 unit coordinated street furniture program with Council approval for an upgraded and more lucrative info-to-go pillar.
- ✓ Developed a division specific spills response plan to clean up minor spills on roadways.



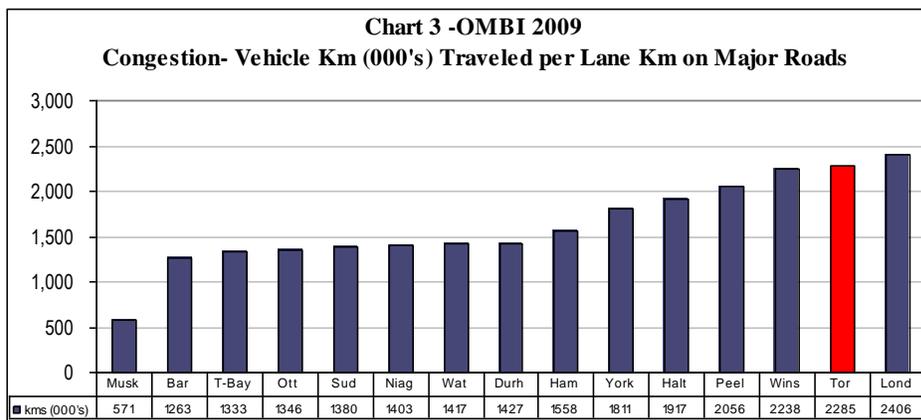
- Chart 9 reflects Toronto’s 2009 winter maintenance costs in relation to other municipalities.
- Single-tier and upper-tier or regional municipalities have been grouped separately because they are responsible for maintaining different road types. Toronto ranks 8<sup>th</sup> of 8, of the single-tier municipalities.
- In addition to the clearing of windrows, other factors that affect winter maintenance costs of roads include:
  - Differing service standards for accumulation of snow and ice, before sanding, salting, ploughing and snow removal operations commence, and the time period before completion.
  - Differences in standby charges to allow for timely response to winter events.
  - Variations in weather conditions between municipalities (high snowfall, winter conditions).
  - The number of winter event vehicle hours required for storm events which is an indication of the degree of effort involved to combat these events.
  - Narrow streets and on-street parking in sections of Toronto that affects the efficiency of ploughing and the requirement for snow removal in these areas.
  - Congestion on roads in Toronto that slows the speed at which ploughs, sanders and salters can travel during storm events.

**Community Impact – The Rate of Vehicle Collisions in Toronto**



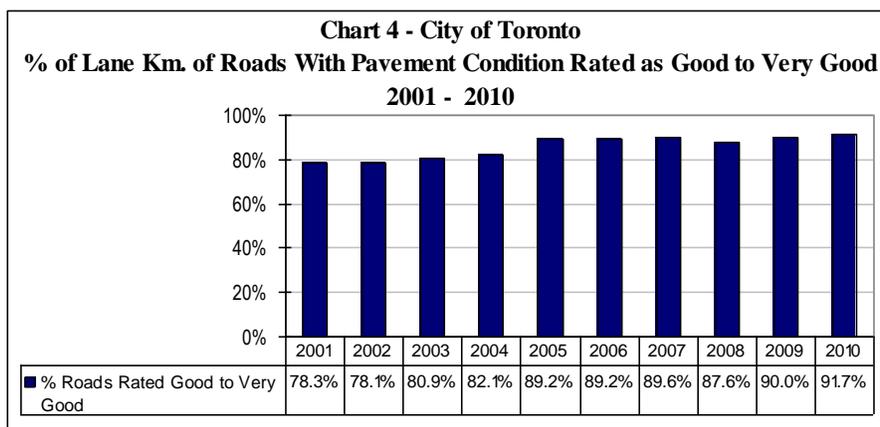
- *Chart 1* illustrates the rate of vehicle collisions in Toronto per lane kilometre of road, from 2001 through 2010.
- Results for 2003 to 2010 have removed collisions on laneways and private property, but information was not available to remove similar figures from 2002 and prior years, although it is estimated these would account for approximately 0.3 per lane km.

Community Impact – Congestion of Toronto’s Major Roads, Compared to Other Municipalities



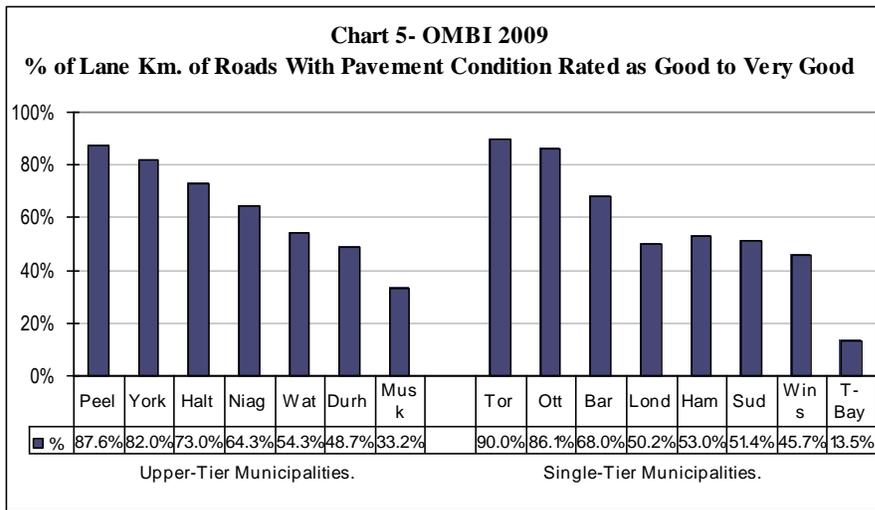
- Chart 3 compares information on the 2010 level of congestion on main roads in Toronto to other municipalities. It shows the number of times (in thousands) a vehicle travels over each lane kilometre of road. Toronto ranks 13<sup>th</sup> of 14 municipalities in terms of having the least congested roads meaning Toronto roads are very congested.
- The number of vehicles on the roads can be affected by population density, the type of roads (e.g., arterial, collector or local roads, and in some cases, expressways) and average commute distances.

Customer Service/Quality –The Pavement Condition of Toronto’s Roads



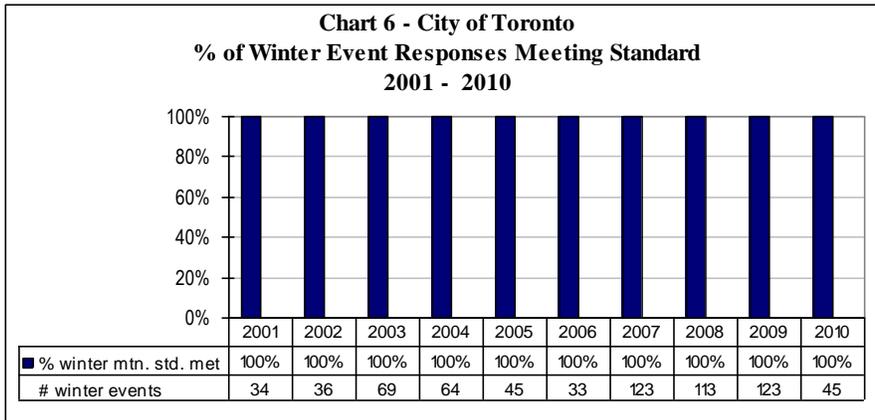
- Chart 4 provides a summary of the pavement condition of Toronto’s roads. It indicates the percentage of our road system where the pavement quality is rated as good to very good.
- There has been a significant improvement in pavement condition over this period because of Toronto’s Asset Management Programs and strategies to maintain roads in a good state of repair.

**Customer Service/Quality –The Pavement Condition of Toronto’s Roads Compared to Other Municipalities**



- Chart 5 compares the percentage of roads rated in good to very good condition for Toronto, to other municipalities. Upper and Single-Tier municipalities have been grouped separately because of differences in the road types they have responsibility for maintaining.
- Toronto ranks 1st of 15 upper and single-tier municipalities in terms of having the best pavement condition of its roads. Municipal results for the pavement condition of roads can be influenced by:
  - The mix of roads being maintained (e.g., arterial, collector, and local roads)
  - Winter conditions.
  - Preventive maintenance practices (timing, frequency, amounts, and type of preventive maintenance strategies).
  - The condition of roads at the time that responsibility for any of them, was assumed from the Province.
  - Traffic volumes, the degree of congestion and the composition of vehicles that use the road system (cars, trucks transit vehicles).
  - The extent of utility cut repairs.

Customer Service/Quality –Maintenance Standards of Toronto’s Roads in the Winter



- Chart 6 indicates the number of winter event responses in Toronto from 2001 to 2010 and the percentage of time standards were met during these winter events. For all years, these standards were met 100% of the time.

## 2011 Budget Variance Analysis

### 2011 Budget Variance Review

(In \$000s)

(In \$000s)	2009 Actuals	2010 Actuals	2011 Approved Budget	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	\$	%
<b>GROSS EXP.</b>	271,516.9	256,410.3	292,693.5	285,628.6	(7,064.9)	(2.4)
<b>REVENUES</b>	90,584.9	94,536.0	118,924.3	117,168.5	(1,755.8)	(1.5)
<b>NET EXP.</b>	180,931.9	161,874.3	173,769.2	168,460.1	(5,309.1)	(3.1)
<b>Approved Positions</b>	1,170.0	1,138.0	1,297.6	1,097.0	(200.6)	(15.5)

\* Based on the Third Quarter Operating Budget Variance Report.

## 2011 Experience

- The Third Quarter Variance report for Transportation Services projects that the Program will be \$5.309 million or 3.1% below the 2011 Approved Operating Budget of \$173.769 million net by year-end.
- The projected favourable year-end variance is mainly due to anticipated savings in salaries and benefits and under spending in winter maintenance costs, as a result of the mild weather in the past winter season.

## Impact of 2011 Operating Variance on the 2012 Recommended Budget

- Currently there are 180 vacancies (with approximately 60 vacancies held to maintain budgeted gapping rate of 4.6%).
- The favorable variance is not expected to carry over to 2012, as 130.3 vacancies will be eliminated in 2012, as a result of the current vacancy review and, accordingly, the 2012 Recommended Operating Budget for Transportation Services includes a \$7.725 million reduction in budgeted salary and benefit costs.

## Appendix 2

### 2012 Recommended Operating Budget by Expenditure Category and Key Cost Drivers

#### Program Summary by Expenditure Category (In \$000s)

Category of Expense	2009 Actual	2010 Actual	2011 Budget	2011 Projected Actual	2012 Recommended Budget	2012 Change from 2011 Approved Budget		2013 Outlook	2014 Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	88,638.8	93,734.3	100,585.4	94,485.6	90,061.5	(10,523.9)	(10.5%)	89,685.5	90,023.6
Materials and Supplies	16,736.5	15,694.1	15,803.6	21,533.5	43,517.3	27,713.7	175.4%	43,517.3	43,517.3
Equipment	921.7	763.2	816.2	736.7	760.0	(56.2)	(6.9%)	760.0	760.0
Services & Rents	124,526.0	110,766.3	142,604.3	135,042.2	158,643.3	16,039.0	11.2%	159,177.8	159,177.8
Contributions to Capital	20.2	3.4			1,590.7	1,590.7		1,590.7	1,590.7
Contributions to Reserve/Res Funds	17,413.9	18,075.3	18,641.9	19,493.0	18,848.6	206.7	1.1%	18,848.6	18,848.6
Other Expenditures	1,438.7	1,332.1	623.5	420.3	147.1	(476.4)	(76.4%)	147.1	147.1
Interdivisional Charges	21,821.1	16,041.5	13,618.6	13,917.3	12,148.5	(1,470.1)	(10.8%)	12,148.5	12,148.5
Required Adjustments									
<b>TOTAL GROSS EXPENDITURES</b>	<b>271,516.9</b>	<b>256,410.3</b>	<b>292,693.5</b>	<b>285,628.6</b>	<b>325,716.9</b>	<b>33,023.4</b>	<b>11.3%</b>	<b>325,875.5</b>	<b>326,213.5</b>
Interdivisional Recoveries	7,647.16	5,510.02	9,411.30	9,411.30	7,585.60	(1,825.7)	(19.4%)	7,585.6	7,585.6
Provincial Subsidies		4.30							
Federal Subsidies		574.60							
Other Subsidies		0.00							
User Fees & Donations	18,431.80	20,155.64	26,687.54	26,687.54	25,435.43	(1,252.1)	(4.7%)	25,435.4	25,435.4
Transfers from Capital Fund	28,262.11	27,462.24	17,468.98	17,468.98	29,605.11	12,136.1	69.5%	29,605.1	29,605.1
Contribution from Reserve Funds	9,325.31	13,033.36	18,233.60	16,477.73	18,552.14	318.5	1.7%	18,156.4	18,215.3
Contribution from Reserve								0.0	0.0
Sundry Revenues	26,918.56	27,795.85	47,122.92	47,122.92	39,664.72	(7,458.2)	(15.8%)	39,364.7	39,364.7
Required Adjustments									
<b>TOTAL REVENUE</b>	<b>90,584.9</b>	<b>94,536.0</b>	<b>118,924.3</b>	<b>117,168.5</b>	<b>120,843.0</b>	<b>1,918.8</b>	<b>1.6%</b>	<b>120,147.3</b>	<b>120,206.2</b>
<b>TOTAL NET EXPENDITURES</b>	<b>180,931.9</b>	<b>161,874.3</b>	<b>173,769.1</b>	<b>168,460.1</b>	<b>204,874.0</b>	<b>31,104.7</b>	<b>17.9%</b>	<b>205,728.2</b>	<b>206,007.4</b>
<b>APPROVED POSITIONS</b>	<b>1,170.0</b>	<b>1,138.0</b>	<b>1,297.6</b>	<b>1,097.0</b>	<b>1,081.3</b>	<b>(216.3)</b>	<b>(16.7%)</b>	<b>1,081.3</b>	<b>1,081.3</b>

### 2012 Key Cost Drivers

- Services and Rents are the largest expenditure category and account for 49% of the total expenditures, followed by salaries and benefits at 28%, contributions to Reserves and Reserve Funds at 6%, materials and supplies at 13% and interdepartmental charges at 4%.
- The 2012 recommended budget for *services and rents* of \$158.643 million is \$16.039 million or 11% higher than the 2011 Approved Operating Budget.

- This increase is mainly attributable to the transfer of the street and expressway lights maintenance contracts of \$15.555 million from the Non-Program Budget.
- It also reflects increases resulting from contracting out road repair in Etobicoke (\$0.282 million) as well as other efficiencies (\$3.273 million) and increased expenditures for snow removal and grass cutting, as a result of previously approved capital projects (\$0.285 million).
- A detailed review of actual spending enabled the Program to find savings in the amount of \$0.461 million in various service areas including the Public Realm unit. Further savings from eliminating a need for paid duty officers at construction sites (\$1.250 million) and local side walk snow clearing change (\$1.528 million) enabled the Program to fully offset inflationary pressures for this category of expenses of \$1.749 million.
- Transportation Services projects underspending in this category by year end 2011, with anticipated savings of approximately \$5.0 million in the winter maintenance budget, as a result of mild weather during the past winter season (also reflected in the lower spending in 2010). These savings are not expected to continue in 2012, as similar weather conditions may not materialize in the next winter season.
- The 2012 recommended budget for *salaries and benefits* is \$90.061 million, reflecting a decrease of \$10.524 million or 10% compared to the 2011 approved budget of \$100.585 million.
  - In 2012, the Program will delete 130.3 vacancies, thus lowering its salaries and benefits budget by approximately \$7.725 million. It also includes an adjustment of \$0.473 million due to the reclassification of positions that were subsequently filled or budgeted at lower salary levels.
  - These measures assisted the Program in offsetting pressures from major cost drivers such as an increase in the OMERS premium (\$1.268 million), and progression pay and step increases for eligible non-union and union positions (\$0.338 million).
- The 2012 recommended budget for *equipment* of \$0.760 million is \$0.056 million or 7% lower than the 2011 approved budget for this category, mainly as a result of efficiencies achieved in the Public Realm unit.
- The 2012 recommended budget for *materials and supplies* is \$27.714 million or 175% higher than the 2011 approved budget. This is mainly attributable to the transfer of the utility budget (\$26.143 million) for street and expressway lighting from Non-Program, and inflationary pressures (\$1.598 million).
- The 2012 recommended budget for *interdivisional charges* is \$1.470 million or 11% lower than the 2011 budget, due to anticipated savings from the recommended sale of

sweepers, reduced fuel prices anticipated for 2012 and lower interdepartmental charges to Solid Waste Management Services for street cleaning and sidewalk snow removal.

- Approximately \$37.190 million or 31% of the program's gross operating budget is funded through recoveries from Transportation Services clients' capital projects and interdepartmental recoveries.
  - In 2012, both categories are budgeted based on the clients' needs, resulting in an overall reduction of approximately \$3.7 million, compared to the 2011 budget of \$36.098 million.
- Another 21% of the Program's operating costs are funded by revenues from *user fees*. The recommended 2012 Budget is \$25.435 million and reflects a decrease of \$1.252 million, mostly due to an adjustment to the utility cut budget of \$1.129 million.
  - Additional revenues are anticipated based on the service specific inflationary factors of 2.35% for right-of-way user fees, in accordance with the User Fee Policy (\$0.197 million), increases in traffic information fees resulting from the corporate user fee review (\$0.098 million) and volume based increases, mostly from pavement degradation fees (0.150 million).
- The changes in other revenues reflect the utility cut budget changes, which represents the largest category of other revenues at 63%. The 2012 recommended budget for other revenues is \$39.665 million, a decrease of \$7.458 million or 16% compared to the 2011 approved budget, due to the fact that some utility cut work in 2012 will be funded from capital recoveries from other City programs.
- Other key cost drivers that reflect multi-year cost element changes are:
  - One additional day work day in 2012 (\$0.386 million)
  - Other Base Changes such as pressures to the Utility Cut Repair Budget to account for overstated revenues in the utility cut budget (\$0.456 million).
- These pressures will be partially offset by the following savings included in the 2012 Recommended Base Budget:
  - Lower costs of contracted service for Situation and Control Room (\$0.127 million) and other efficiencies that enabled Transportation Services to accommodate additional pressures from previously approved capital projects (\$0.217 million).
- Approval of the 2012 Recommended Operating Budget for Transportation Services reflects the deletion of 182.0 permanent and 44.3 temporary positions, of which 96 permanent positions are occupied. Subject to securing funding from Metrolinx, 10 new temporary positions will be created to respond to increased volume of work on Transit Expansion projects. The total staff complement will decrease from 1,298.6 to 1,081.3.

**Appendix 3**  
**Summary of 2012 Recommended Service Changes**

## **Appendix 4**

### **Summary of 2012 Recommended New/Enhanced Service Priority Actions**

## Appendix 5

### Inflows/Outflows to/from Reserves & Reserve Funds

#### Program Specific Reserve/Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	Projected Balance as of December 31, 2011*	2013	2014
			\$	\$	\$
Road and Sidewalk Repair	XR1402	Projected Beginning Balance	13,557.0	9,657.0	5,757.0
		Proposed Withdrawals (-)	(3,900.0)	(3,900.0)	
		Contributions (+)			
<b>Balance at Year-End</b>			<b>9,657.0</b>	<b>5,757.0</b>	<b>5,757.0</b>
Public Realm	XR1410	Projected Beginning Balance	16,207.2	7,333.4	3,730.8
		Proposed Withdrawals (-)	(22,352.0)	(18,603.9)	(16,004.9)
		Contributions (+)	13,478.3	15,001.3	16,968.2
<b>Balance at Year-End</b>			<b>7,333.4</b>	<b>3,730.8</b>	<b>4,694.0</b>

\* Based on 3rd Quarter Variance Report

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2011 *	Proposed Withdrawals (-) / Contributions		
			2012	2013	2014
		\$	\$	\$	\$
Vehicle Equipment Reserve	XQ1015	994.7	3,194.0	3,194.0	3,194.0
Insurance Reserve Fund	XR1010	31,346.4	14,371.9	14,371.9	14,371.9
Light Emitting Diode (LED Reserve Fund)	XR1407	3,947.8	1,400.0	1,400.0	1,400.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>18,965.9</b>	<b>18,965.9</b>	<b>18,965.9</b>

\* Based on 3rd Quarter Variance Report