



City Budget
2013

PPFA & TEO
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 the City.

2013 Operating Budget

2013 OPERATING BUDGET ANALYST NOTES BRIEFING NOTES

BUDGET COMMITTEE, NOVEMBER 29, 2012

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PART I: RECOMMENDATIONS

2013 Recommended Operating Budget
(In \$000s)

(In \$000s)	2012		2013 Recommended Operating Budget			Change - 2013 Recommended		FY Incremental Outlook	
	Approved Budget	Projected Actual	2013 Rec. Base	2013 Rec. New/Enhanced	2013 Rec. Budget	Operating Budget v. 2012 Appvd. Budget		2014	2015
	\$	\$	\$	\$	\$	\$	%	\$	\$
GROSS EXP.									
Policy, Planning, Finance & Admin	20,773.6	18,362.6	20,773.6	85.0	20,858.6	85.0	0.4%	319.1	375.1
Toronto Environment Office	5,857.3	5,054.6	3,134.2	1,405.0	4,539.2	(1,318.1)	(22.5%)	142.9	(281.9)
	26,630.9	23,417.1	23,907.8	1,490.0	25,397.8	(1,233.1)	(4.6%)	462.0	93.2
REVENUE									
Policy, Planning, Finance & Admin	11,303.1	10,160.0	11,303.1	85.0	11,388.1	85.0	0.8%		
Toronto Environment Office	3,271.8	3,171.8	535.1	1,405.0	1,940.1	(1,331.7)	(40.7%)		(323.0)
	14,574.9	13,331.8	11,838.2	1,490.0	13,328.2	(1,246.7)	(8.6%)		(323.0)
NET EXP.									
Policy, Planning, Finance & Admin	9,470.5	8,202.6	9,470.5	0.0	9,470.5	0.0	0.0%	319.1	375.1
Toronto Environment Office	2,585.5	1,882.8	2,599.1	0.0	2,599.1	13.6	0.5%	142.9	41.1
	12,056.0	10,085.4	12,069.6	0.0	12,069.6	13.6	0.1%	462.0	416.2
Approved Positions									
Policy, Planning, Finance & Admin	195.1	174.1	194.1		194.1	(1.0)	(0.5%)		
Toronto Environment Office	22.6	18.0	21.6		21.6	(1.0)	(4.4%)		(3.0)
	217.7	192.1	215.7		215.7	(2.0)	(0.9%)		(3.0)

Recommendations

The City Manager and Acting Chief Financial Officer recommend that:

1. City Council approve the 2013 Recommended Operating Budget for Policy, Planning, Finance and Administration and Toronto Environment Office of \$25.398 million gross and \$12.070 million net, comprised of the following services:

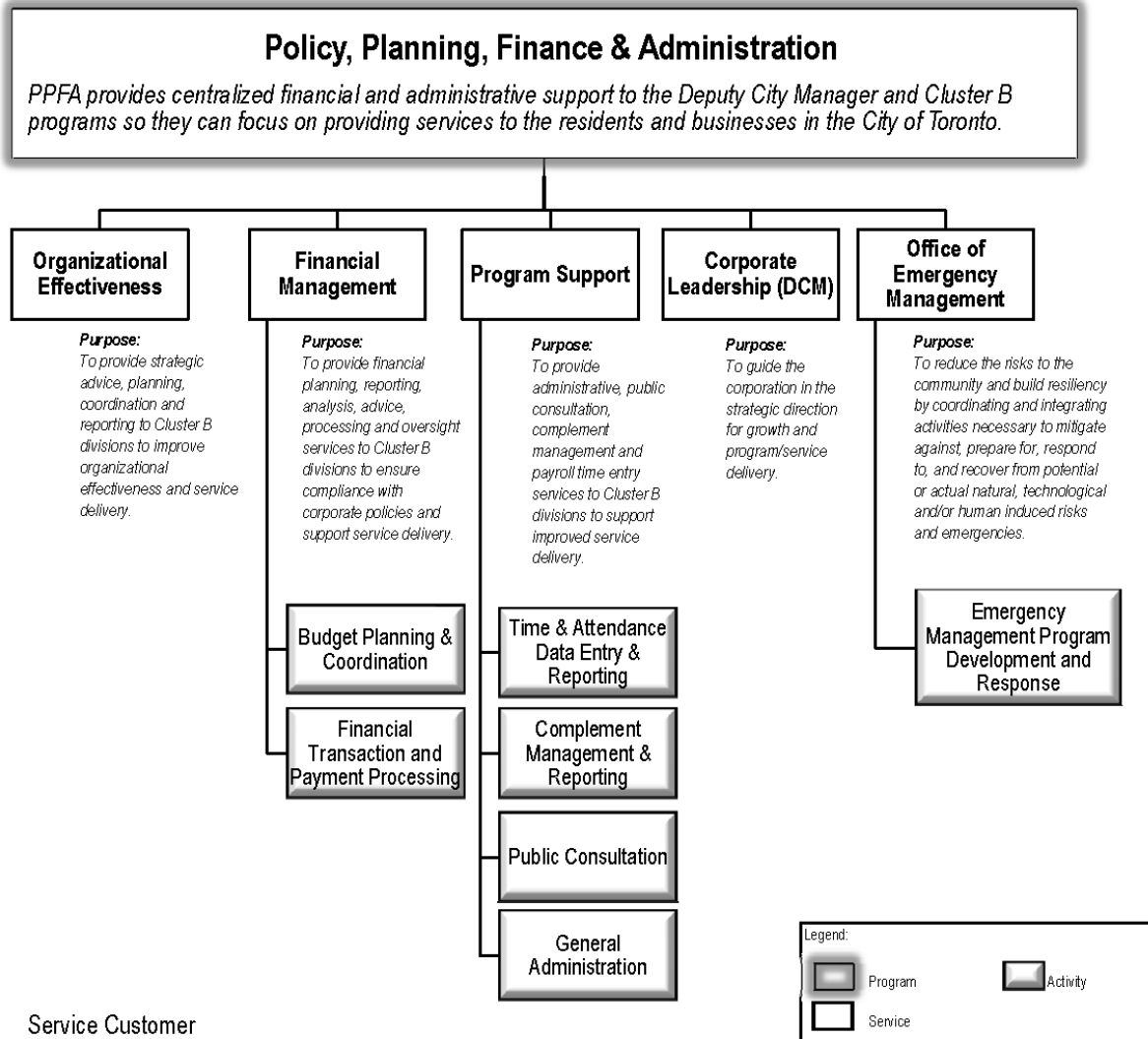
<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Policy, Planning, Finance and Administration	20,858.6	9,470.5
Toronto Environment Office	4,539.2	2,599.1
Total Program Budget	25,397.8	12,069.6

2. Policy, Planning, Finance and Administration and Toronto Environment Office's services and 2013 proposed service levels, as outlined on page 5 to 10, and associated staff complement of 215.7 positions be approved; and
3. The Director of the Toronto Environment Office report on amendment to the City's Green Roof Bylaw and cash-in-lieu policy in 2013 to include future cool roof installations.

PART II: 2013 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles

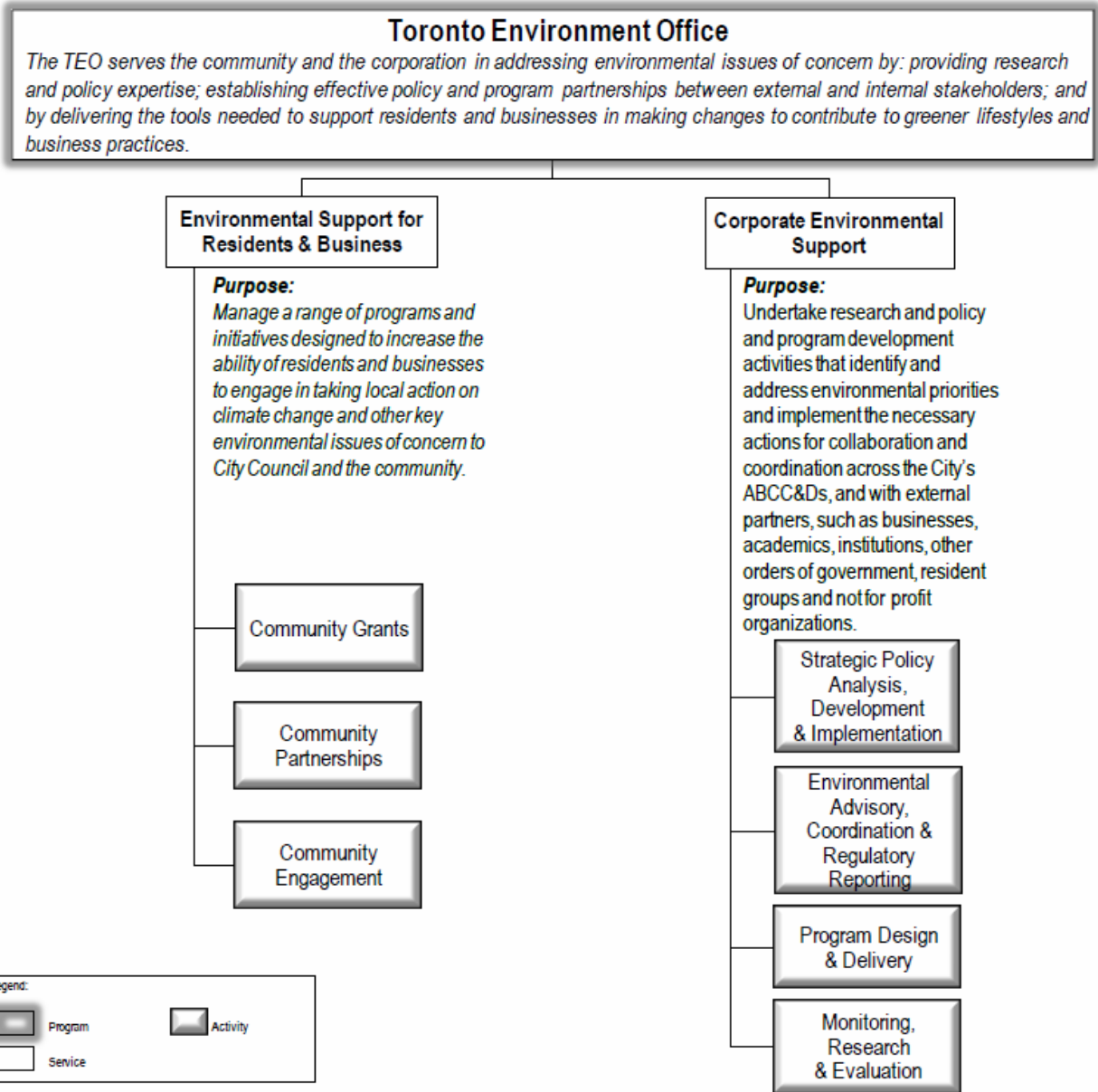
Policy, Planning, Finance and Administration (PPFA)



Service Customer

Organizational Effectiveness	Financial Management	Program Support	Corporate Leadership	Office of Emergency Management
<ul style="list-style-type: none"> • DCMs Office • Toronto Water • Solid Waste Management • Transportation Services • Toronto Building • Technical Services • City Planning • Fire Services • Municipal Licensing & Standards • Waterfront Secretariat • Toronto Environment Office • Office of Emergency Management • City Manager • Other City Divisions - e.g. Accounting Services, Financial Planning • Customers of Cluster B divisions 	<ul style="list-style-type: none"> • DCM Cluster B • Toronto Water • Solid Waste Management • Fire Services (Oversight Relationship) • Transportation Services • Technical Services • City Planning • Toronto Building • Municipal Licensing & Standards • Waterfront Secretariat • Office of Emergency Management • Major Capital Infrastructure Coordination Office • Toronto Environment Office • Corporate Divisions • Residents and businesses in the City of Toronto • Suppliers of Cluster B divisions 	<ul style="list-style-type: none"> • DCM Cluster B • Toronto Water • Solid Waste Management • Fire Services (Oversight Relationship) • Transportation Services • Technical Services • City Planning • Toronto Building • Municipal Licensing & Standards • Waterfront Secretariat • Office of Emergency Management • Major Capital Infrastructure Coordination Office • Toronto Environment Office • Corporate Divisions • Residents and businesses in the City of Toronto 	<ul style="list-style-type: none"> • Toronto Water • Solid Waste Management • Transportation Services • Toronto Building • Technical Services • City Planning • Fire Services • Municipal Licensing & Standards • Policy, Planning, Finance & Administration • Waterfront Secretariat • Toronto Environment Office • Office of Emergency Management • City Manager • Residents and businesses in the City of Toronto 	<ul style="list-style-type: none"> • Toronto Police Service • Toronto Fire Services • Emergency Medical Services • Toronto Public Health • Strategic Communications • Toronto Water • Transportation Services • Shelter, Support and Housing Administration • Toronto Building • Toronto Transit Commission • Purchasing and Materials Management • Facilities and Real Estate • Technical Services • Solid Waste Management Services • Parks, Forestry and Recreation • Toronto Office of Partnerships • Finance and Administration • Human Resources • Information and Technology • City Clerk's Office

Toronto Environment Office (TEO)



Service Customer

Environment Support for Residents & Business

- City Council
- Agencies
- Residents
- Businesses
- Visitors
- Institutions
- Non Governmental Organizations
- Community Based Organizations

Strategic Environmental Policy & Research

- City Council
- Senior Management (City Manager and Deputy City Managers)
- Corporation
- City divisions
- Agencies

2013 Recommended Service Levels

Policy, Planning, Finance and Administration (PPFA)

The 2013 proposed service levels for PPFA's activities are summarized in the table below:

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
Organizational Effectiveness		Cross Divisional Planning & Coordination	Administrative support and coordination	The assignment is completed within agreed upon timeline 100% of the time	The assignment is completed within agreed upon timeline 100% of the time
			Strategy and policy development	The policy or plan is completed within agreed upon timeline 100% of the time	The policy or plan is completed within agreed upon timeline 100% of the time
			Implementation support	The change is implemented within the agreed upon timeframe 100% of the time	The change is implemented within the agreed upon timeframe 100% of the time
		Performance Measurement	Monitoring and tracking	The indicator is updated/maintained according to the predetermined schedule 100% of the time.	The indicator is updated/maintained according to the predetermined schedule 100% of the time.
			Monthly Reports	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
			Quarterly Reports	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
			Annual Reports	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
			Ad hoc Reports	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
		Program Review	Service Improvement	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
			Organizational Design	Report issued within the agreed upon schedule 100% of the time	Report issued within the agreed upon schedule 100% of the time
			New business process documentation developed	The new business process documentation is developed within the agreed upon timeframe 100% of the time	The new business process documentation is developed within the agreed upon timeframe 100% of the time
			Existing business process documentation maintained and updated	Business process documentation is maintained 100% of the time	Business process documentation is maintained 100% of the time
			Process improvement recommendations	Business process improvement recommendations are developed within the agreed upon timeframe 100% of the time	Business process improvement recommendations are developed within the agreed upon timeframe 100% of the time
Financial Management	Budget Planning & Coordination	Budget coordinated, prepared, and submitted		95% of Cluster B budgets supported and coordinated to meet corporate prescribed deadlines	100% of Cluster B budgets supported and coordinated to meet prescribed deadlines
		Research, data generation, analysis and presentation		Provided acknowledgement of request within 2 days 95% of the time	Provide acknowledgement of request within 2 days 95% of the time
		Assistance with service planning		100% of Cluster B Service Plans Supported to submit within corporate prescribed deadlines	100% of Cluster B Service Plans Supported to submit within prescribed deadlines

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
		Management Reporting & Control		Monthly reports issued within 5 days after month end 75% of the time.	Monthly variance reports issued within 7 days after month end 80% of the time. Corporate variance reports meet prescribed deadlines 100% of the time.
		Business advice & consultation		Provide acknowledgement of request within 2 days 100% of the time	Provide acknowledgement of request within 2 days 100% of the time
	Financial Transaction & Payment Processing	Purchasing and procurement (Two Way Match)		Processed purchasing documents in SAP within two business days 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent; 50% of the Informal Call for Quotation DPOs (\$7,500 to \$50,000) were issued within 60 calendar days	Processed purchasing documents in SAP within three business days to source and place the order 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Services.
		Purchasing and procurement (Toronto Water-Three way Match)		Processed purchasing documents in SAP within five business days 90% of the time; 8.0 % of the Blanket Contracts were over-spent; 90% of the Informal Call for Quotation DPOs (\$3,000 to \$7,500) within 5 business days	Processed purchasing documents in SAP within three business days to obtain 3 quotes and create purchasing document and 2 days for approval and place the order 90% of the time; less than 8.0 % of the Blanket Contracts were over-spent; Informal calls (\$7,500 to \$50,000) are processed within 60 days 90% of the time based on complete documentation submitted to PPFA Financial Mangement (TW).
		Accounts payable (Both two and three way match divisions)		85 % of invoices confirmed for payment within 60 days (2010)	85% of invoices confirmed for payment within 60 days
		Accounts receivable		90% of accounts receivable are created and mailed within 48 hours of receipt or notification.	90% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request.
		Collect and process customer payments		Accounts receivable collected within agreed upon payment terms 67.3% (2010/2011). Customer payments deposited in bank by next business day 100% of the time; accounts updated within 5 business days upon receipt of supporting documents 90% of the time.	Undisputed accounts receivable collected within agreed upon payment terms 70% of the time. Customer payments deposited by next business day 100% of the time; accounts updated within 5 business days upon receipt of supporting documents 90% of the time.
		Collect and process customer deposits and prepare refunds for payment		90% of customer deposits processed within 48 hours of receipt. 90% of refunds submitted for payment within 20 business days of receipt.	100% of customer deposits processed within 48 hours of receipt. 90% of completed refunds request processed within 10 business days of receipt.

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
		Management Reporting & Control		Ensure reconciliation of accounts within 60 days of month end 100% of the time	Ensure reconciliation of accounts within 30 days of month end 100% of the time
		Business advice & consultation		Provide acknowledgement of request within 2 days 100% of the time	Provide acknowledgement of request within 2 days 100% of the time
Program Support	Time & Attendance - Data Entry & Reporting	Payroll Advice & Reporting		Quarterly Attendance Management Reports 95% of the time. Other Reports within 5 days 95% of the time	Monthly Attendance Management Reports 100% of the time. Other Reports within 5 days 95% of the time
		Time & Attendance - Data Entry & Reporting		Bi-weekly/weekly	Time Sheet entered 100% of the time
	Complement Management & Reporting	Complement Management		monthly	Employee record update is completed within 2 days or as agreed upon 95% of the time
		Various Monthly and/or Ad Hoc Reports		Monthly and/or Ad Hoc	Monthly reports are completed within agreed upon timeline 95% of the time
		Client Consultation/Support		Acknowledge Request in 2 Business Days	Acknowledge Request in 2 Business Days
		CM related documentation (Organizational Change Approval Form, Staff Requisition)		One Business Day	One Business Day
	Public Consultations			Meet Timeframe of project and/or Legislation	To meet notification guidelines, legislated requirements and client or program needs
	General Administration	Office Space Coordination		To meet client needs within Corporate Guidelines	To meet client needs within Corporate Guidelines
		Telephony Coordination		Within 5 working days 95% of the time	Within 5 working days 95% of the time
		Courier/Mail Services		Delivery within 2 working days 90% of the time	Delivery within 2 working days 90% of the time
Emergency Management	Emergency Management Program Development and Response	Customer Service - Phone, Email, Material Requested	Monthly	Meeting of the TEMPC maintained, 100% of the time.	Acknowledge in 1 business day and respond within 3 business days 90% of the time.
		Municipal Program Requirements	Annually	Meeting of the EMWG maintained, 100% of the time.	100% compliance with the requirements under the Toronto Municipal Code
		Provincial Program Requirements	Annually	Emergency Plan and Operational Support Functions maintained, 100% of the time.	100% compliance with the requirements under the Act
		Training Program	Quarterly	Toronto Nuclear Emergency Response Plan maintained, 100% of the time	Achieve 80% satisfaction survey for all training courses, 50 Basic Emergency Management provincial certificates levels achieved, 75 Basic Incident Management System, 75 Incident Management System Level 200 provincial certificates levels achieved provincial certificates levels achieved,
		Exercise Program	Annually	Training program maintained, 100% of the time	Achieve 80% satisfaction survey for annual exercise

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
		Public Education Program	Monthly	Municipal exercise training maintained, 100% of the time	Achieve 80% satisfaction survey from public education/awareness presentations
		Business Continuity	Monthly	HIRA report maintained, 100% of the time	Ensure 90% of all Divisions have a current Business Impact Analysis, Ensure 90% of Division have a current Business Continuity Plan, Ensure 90% of Divisions have in place tested/exercised BC Plans
		Business Information Exchange	Monthly	CI inventory maintained, 100% of the time	Business Partners Exchange Portal maintained, 100% of the time
		OEM 24/7 On-Call	As required	Public education program maintained, 100% of the time	On-call responds to all calls within 15 minutes of initiation
		Emergency Operation Centre (EOC)	Operationally ready to activate	EP week activities maintained, 100% of the time	Normal Hours: EOC staffed with OEM members within 15 minutes of request, After hours: EOC staffed with OEM members within 2 hours of request, To ensure that the 5 Deep EOC Staffing Plan remains at 80%

Toronto Environment Office (TEO)

The 2013 proposed service levels for Toronto Environment Office's activities are summarized in the table below:

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
Environmental Support for Residents & Business	Community Grants	Individual Grant	Home Energy Assistance Toronto (HEAT) & Home Energy Help	Both programs ended in 2011	Both programs ended in 2011
			Home Energy Help	Both programs ended in 2011	Both programs ended in 2011
		Community Grants	Live Green Toronto Community Grant Funds	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.
			Community Program for Storm Water Management (CPSWM)	Program ended 2011	Program ended 2011
		Business Grants	Eco-roof financial Incentive	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.
			ChemTRAC	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.	All enquiries are responded to within 48 hours and 100% of submitted grant applications are evaluated and responded to within the timelines defined for the applicable grant round.

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
	Community Partnerships	A match or linkage	Corporate/Community Sponsorships & Partnerships	80% retention rate in sponsors and community partners.	80% retention rate in sponsors and community partners.
			Live Green Toronto Festival	90% of the participating vendors rate the event a success and indicate a desire to participate again next year.	90% of the participating vendors rate the event a success and indicate a desire to participate again next year.
			Live Green Toronto Membership Card	75% of the participating vendors rate the program a success and indicate a desire to participate again next year.	75% of the participating vendors rate the program a success and indicate a desire to participate again next year.
		Advocacy	Trade Shows & Community Events	90% of event organizers request the City to return to their next or future events.	90% of event organizers request the City to return to their next or future events.
			Cut It Out Toronto	Program ended in 2011.	Program ended in 2011
			Smart Commute Toronto Central	To meet or exceed the program targets as mutually agreed upon in the 50/50 funding agreement with Metrolinx. NOTE: These targets are established in March of each year.	To meet or exceed the program targets as mutually agreed upon in the 50/50 funding agreement with Metrolinx. NOTE: These targets are established in March of each year.
	Community Engagement	Training Encounter - Learning Experience	Live Green Toronto Environmental Volunteers	90% of the volunteers indicate that the experience is worthwhile and that they would recommend it to others.	90% of the volunteers indicate that the experience is worthwhile and that they would recommend it to others.
		Promotional Encounter	Green Toronto Awards	The number of nominations received per year remains consistent (around 150 nominations per year).	The number of nominations received per year remains consistent (around 150 nominations per year).
		Advisory	Live Green Toronto Website	Content on the Live Green Toronto website is relevant and updated every four weeks.	Content on the Live Green Toronto website is relevant and updated every four weeks.
			Live Green electronic Newsletter and Social media	Electronic newsletter is provided at least monthly and social media is updated regularly.	Electronic newsletter is provided at least monthly and social media is updated regularly.
			Live Green Toronto Animators	Program re-instated by Council decision. New standard to be implemented.	Program ended in 2012
Corporate Environmental Support	Strategic Policy Analysis Development & Implementation	A rule	Major Strategy	100% of developed policies and strategies comply with best practices or protocols.	100% of developed policies and strategies comply with best practices or protocols.
			Policy or Regulatory Recommendation	100% of developed policies and strategies comply with best practices or protocols.	100% of developed policies and strategies comply with best practices or protocols.
	Environmental Advisory, Coordination & Regulatory Reporting	Advisory Encounter	advice for Councillors, Sr. Mgmt, other City Operations	100% of developed policies and strategies comply with best practices or protocols.	100% of developed policies and strategies comply with best practices or protocols.
		Match/Coordination	Executive Environment Team (EET)	Meetings are organized and function according to the directive of the Deputy City Manager who is the Chair of EET.	Meetings are organized and function according to the directive of the Deputy City Manager who is the Chair of EET.
			Other Committees or Working Groups, referrals	Meet expectations of assigned roles and responsibilities.	Meet expectations of assigned roles and responsibilities.

Service	Activity	Type	Sub-Type	2012 Service Level	Proposed 2013 Service Levels
		Findings	Mandatory Regulatory Reporting	Ensure 100% of all legislated reporting deadlines are met every year.	Ensure 100% of all legislated reporting deadlines are met every year.
	Program Design & Delivery	Implemented Change or Project	Risk Assessment (Climate Change Adaption)	Ensure 100% of all conducted risk assessments comply with the documented process.	Ensure 100% of all conducted risk assessments comply with the documented process.
	Monitoring, Research & Evaluation	Findings	Green Initiatives Report / Implementatin Status Reports	Meet the Council mandated requirement to report annually or bi-annually.	Meet the Council mandated requirement to report annually or bi-annually.
		Provide New Knowledge	Local Air Quality/ Climate Drivers	100% of all research follows best practices or protocols.	100% of all research follows best practices or protocols.

2013 Service Deliverables

Policy, Planning, Finance and Administration (PPFA)

The 2013 Recommended Operating Budget of \$20.860 million gross provides funding to:

- Improve coordination of major cross-divisional capital projects through the Major Capital Infrastructure Coordination Unit
- Perform payroll processing for over 6,300 Cluster B employees
- Process \$200 million in accounts receivable, over \$600 million in accounts payable transactions and almost 9,000 purchase orders and blanket contracts valued at \$960 million
- Provide management and financial reporting services and develop key performance indicators for all Cluster B Programs
- Provide financial analysis and advice to support decision making in Cluster B Programs
- Update of the City's emergency management plan and emergency operating procedures
- Conduct one emergency management exercise
- Conduct consequence management planning for the 2015 Pan Am Games

Toronto Environment Office (TEO)

The 2013 Recommended Operating Budget of \$4.539 million gross provides funding to:

- Ensure effective delivery on Council directives where the Toronto Environment Office is assigned the lead responsibility or a significant role
- Engage with internal and external stakeholders in policy and program development and delivery
- Develop and deliver programs and initiatives that support residents and businesses to lead more sustainable lifestyles and business practices
- Ensure the City, where TEO is the designated lead City Program, meets all required regulatory reporting requirements as defined by the Federal, Provincial and Municipal Governments

PART III: RECOMMENDED BASE BUDGET

Policy, Planning, Finance and Administration (PPFA)

2013 Recommended Base Budget
(In \$000s)

(In \$000s)	2012 Approved Budget	2013 Rec'd Base	Change 2013 Recommended Base vs. 2012 Appvd. Budget		FY Incremental Outlook	
			\$	%	2014 \$	2015 \$
	GROSS EXP.	20,773.6	20,773.6	-	0.0%	319.1
REVENUE	11,303.1	11,303.1	-	0.0%		
NET EXP.	9,470.5	9,470.5	-	0.0%	319.1	375.1
Approved Positions	195.1	194.1	(1.0)	(0.5%)		

2013 Recommended Base Budget

The 2013 Recommended Base Budget of \$20.774 million gross and \$9.471 million net is at the same level as the 2012 Approved Budget of \$9.471 million net.

- The 2013 Recommended Base Budget, prior to recommended base budget savings of \$0.217 million, funds a net pressure of \$0.216 million representing 2.3% increase above the 2012 Approved Budget.
- The net increase of \$0.216 million in the 2013 Recommended Base Budget is reduced by recommended base budget savings of \$0.217 million reflecting a decrease of 2.3% below the 2012 Approved Budget.
- The result of the incremental changes noted above is a 2013 Recommended Base Budget for Policy, Planning, Finance and Administration that is \$9.471 million net, which meets the budget target of a 0% increase from the 2012 Approved Budget.
- Approval of the 2013 Recommended Base Budget will result in a decrease of 1.0 permanent position to PPFA's approved staff complement resulting in a change from 195.1 positions to 194.1 positions, as highlighted in the table below:

2013 Recommended Staff Complement
Base Budget Summary

Changes	Staff Complement
2012 Approved Complement	208.1
- 2012 In-year Adjustments	(13.0)
2012 Approved Staff Complement	195.1
2013 Recommended Staff Complement Changes	
- 2013 Temporary Complement - Capital Project Delivery	
- 2013 Operating Impacts of Completed Capital Projects	
- 2013 Base Budget Change Adjustments	(1.0)
Total 2013 Recommended Complement	194.1

- The centralization of Financial Services Unit staff from various office locations in Policy, Planning, Finance and Administration has resulted in a reduction of 1 vacant permanent accounting assistant position. This recommended change will have no impact on the 2012 approved service level provided by the Program.

Toronto Environment Office (TEO)

2013 Recommended Base Budget

(In \$000s)

(In \$000s)	2012 Approved Budget	2013 Rec'd Base	Change 2013 Recommended Base vs. 2012 Appvd. Budget		FY Incremental Outlook	
			\$	%	2014	2015
	\$	\$	\$	%	\$	\$
GROSS EXP.	5,857.3	3,134.2	(2,723.1)	(46.5%)	142.9	(281.9)
REVENUE	3,271.8	535.1	(2,736.7)	(83.6%)		(323.0)
NET EXP.	2,585.5	2,599.1	13.6	0.5%	142.9	41.1
Approved Positions	22.6	21.6	(1.0)	(4.4%)		(3.0)

2013 Recommended Base Budget

The 2013 Recommended Base Budget of \$3.134 million gross and \$2.599 million net is \$0.014 million or 0.5% above the 2012 Approved Budget of \$2.586 million net.

- The 2013 Recommended Base Budget, prior to recommended base budget savings of \$0.140 million, includes a net pressure of \$0.153 million or 5.9% above the 2012 Approved Budget.
 - \$0.100 million of the total net pressure represents funding required to take on the leadership and budgeting of the GTA Clean Air Council.
- The net increase of \$0.153 million in the 2013 Recommended Base Budget is reduced by recommended base budget savings of \$0.140 million reflecting a decrease of 5.4% below the 2012 Approved Budget.
- The result of the incremental changes noted above is a 2013 Recommended Base Budget for Toronto Environment Office that is \$0.014 million net or 0.5% above the budget target of a 0% increase from the 2012 Approved Budget.
- Approval of the 2013 Recommended Base Budget will result in a decrease of 1.0 position to Toronto Environment Office's approved staff complement resulting in a change from 22.6 positions to 21.6 positions, as highlighted in the table below:

**2013 Recommended Staff Complement
Base Budget Summary**

Changes	Staff Complement
2012 Approved Complement	23.6
- 2012 In-year Adjustments	(1.0)
2012 Approved Staff Complement	22.6
2013 Recommended Staff Complement Changes	
- 2013 Temporary Complement - Capital Project Delivery	
- 2013 Operating Impacts of Completed Capital Projects	
- 2013 Base Budget Change Adjustments	(1.0)
Total 2013 Recommended Complement	21.6

- Following the conclusion of TEO's 5-Year Funding Plan for implementation of select initiatives from the Climate Change Action Plan in December 2012, the Live Green Toronto community grant program will be reduced to a smaller scale in 2013. As a result, 1 dedicated vacant Senior Environmental Planner position is eliminated. Related responsibilities will be distributed amongst various staff in the Program.

Policy, Planning, Finance and Administration (PPFA)

2013 Recommended Service Change Summary

(In \$000s)

Description	2013 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% Change over 2012 Budget	2014		2015	
					Net Expenditur	Position Change	Net Expenditur	Position Change
Base Changes:								
Base Expenditure Changes								
Line-by-line Expenditures Review		(134.9)	(136.7)	(1.4%)				
Reduce 1 Accounting Assistant Position	(1.0)	(79.8)	(79.8)	(0.8%)				
Base Expenditure Changes		(214.7)	(216.5)	(2.3%)				
Sub-Total Base Budget Changes		(214.7)	(216.5)	(2.3%)				
Total Service Changes	(1.0)	(214.7)	(216.5)	(2.3%)				

2013 Recommended Service Changes

The 2013 recommended service changes consist entirely of base budget savings of \$0.217 million net or a 2.3% decrease from the 2012 Approved Budget. When combined with incremental base budget pressures of \$0.216 million or 2.3%, the 2013 Recommended Base Budget for Policy, Planning, Finance and Administration is at the same level as the 2012 Approved Budget of \$9.470 million net.

Base Expenditure Changes: (Savings of \$0.215 million gross, \$0.217 million net)*Line-by-line Expenditure Review*

- As a result of the Program's 2012 line-by-line review of actual non-payroll expenditures against anticipated 2013 requirements, the 2013 Recommended Operating Budget includes a net expenditure saving of \$0.137 million, mainly from utilities, furnishing, computer hardware, stationeries, printing and copying expenses.

Centralization of Financial Services Unit

- The centralization of Financial Services Unit staff from various office locations in Policy, Planning, Finance and Administration has resulted in a \$0.080 million in salaries and benefits expenditure saving from the reduction of 1 vacant permanent accounting assistant position, with no expected change in service level.

Toronto Environment Office (TEO)**2013 Recommended Service Change Summary****(In \$000s)**

Description	2013 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% Change over 2012 Budget	2014		2015	
					Net Expenditur	Position Change	Net Expenditur	Position Change
Base Changes:								
Base Expenditure Changes								
Reduce 1 Senior Environmental Planner Position	(1.0)	(127.5)	(31.0)	(1.2%)				
Line-by-line Expenditures Review		(108.6)	(108.6)	(4.2%)				
Base Expenditure Changes	(1.0)	(236.1)	(139.6)	(5.4%)				
Sub-Total Base Budget Changes	(1.0)	(236.1)	(139.6)	(5.4%)				
Total Service Changes	(1.0)	(236.1)	(139.6)	(5.4%)				

2013 Recommended Service Changes

The 2013 recommended service changes consist entirely of base budget savings of \$0.140 million net or 5.4% decrease from the 2012 Approved Budget. When combined with incremental base budget pressures of \$0.153 million or 5.9%, the 2013 Recommended Base Budget for Toronto Environment Office is \$0.014 million or 0.5% above the 2012 Approved Budget of \$2.586 million net.

Base Expenditure Changes: (Savings of \$0.236 million gross, \$0.140 million net)**Toronto Environment Office (TEO)***Live Green Toronto Community Grant Program*

- Following the conclusion of TEO's 5-Year Funding Plan for implementation of select initiatives from Climate Change Action Plan in December 2012, the Live Green Toronto community grant program will be reduced in 2013. As a result, the 1 dedicated vacant Senior Environmental Planner position temporarily funded from the TEO's Environment Reserve Funds will be eliminated, resulting in \$0.097 million gross, \$0 net expenditure saving in the 2013 Recommended Operating Budget. In addition, a summer student

position's employment term will be shortened in 2013, resulting in \$0.035 million gross and net expenditure savings, resulting in combined savings of \$0.128 million gross and \$0.031 million net.

Line-by-line Expenditure Review

- As a result of the Program's 2012 line-by-line review of non-payroll expenditures against anticipated 2013 requirements, the 2013 Recommended Operating Budget includes a gross and net expenditure saving of \$0.109 million, mainly from services and rents as well as materials and supplies.

2014 and 2015 Outlook (In \$000s)

Description	2014 - Incremental Increase					2015 - Incremental Increase					Total Net % Change from 2013
	Gross Expense	Revenue	Net Expense	% Net Change from 2013	# Positions	Gross Expense	Revenue	Net Expense	% Net Change from 2014	# Positions	
Known Impacts											
Progression Pay, Step, and COLA Increases - PPFA	319.1		319.1	3.4%		375.1		375.1	3.8%		7.2%
Progression Pay, Step, and COLA Increases - TEO	42.9		42.9	1.7%		41.1		41.1	1.5%		3.2%
Adaptation Research - Energy Usage & Emissions Inventory	100.0		100.0	3.8%							3.8%
3 staff positions - Sustainable Energy Strategy & Climate Change Action Plan - TEO						(323.0)	(323.0)	0.0	0.0%	(3.0)	0.0%
Sub-Total Known Impacts	462.0		462.0	3.8%		93.2		416.2	3.3%		7.3%
Sub-Total - Anticipated Additional Impacts											
Total Incremental Impacts	462.0		462.0	3.8%		93.2		416.2	3.3%		7.3%

Approval of the 2013 Recommended Base Budget for Policy, Planning, Finance and Administration and Toronto Environment Office will result in a 2014 incremental cost increase of \$0.462 million net and a 2015 incremental cost increase of \$0.416 million net to maintain 2013 service levels.

Future year incremental costs are primarily attributable to the following:

Known Impacts

Policy, Planning, Finance and Administration (PPFA)

Salaries & Benefits Adjustments

- In 2014:

Incremental salaries and benefits expenditures of \$0.319 million are projected for PPFA, primarily as a result of cost increases for progression pay of \$0.086 million, step increases for union staff of \$0.055 million and a COLA provision of \$0.178 million.

- In 2015:

Incremental salaries and benefits expenditures of \$0.375 million are projected for PPFA, primarily as a result of increased cost for progression pay of \$0.086 million, step increases of \$0.055 million and a COLA provision of \$0.234 million.

Toronto Environment Office (TEO)

Salaries & Benefits Adjustments

- In 2014:
Incremental salaries and benefits expenditures of \$0.043 million are projected for TEO, primarily as a result of cost increases for progression pay of \$0.028 million, step increases of \$0.002 million and COLA provision of \$0.012 million.
- In 2015:
Incremental salaries and benefits expenditures of \$0.041 million are projected for TEO, primarily as a result of increased cost for progression pay of \$0.021 million and COLA provision of \$0.021 million.

Adaptation Research - Energy Usage & Emissions Inventory

- A total of \$0.100 million funding is included in TEO's base budget for 2014 to refine the 2012 energy consumption research information (historically funded from TEO's Environment Reserve Funds established for 2008 to 2012) to support specific improvement projects, and in part to implement partnerships with Toronto Hydro and Enbridge that support on-the-ground energy saving improvement programs.
 - Tax funding replaces reserve funding to account for this expected on-going activity.

Reserve Funded Temporary Positions

- In January 2012, City Council directed that annual funding of \$0.323 million be provided from the Strategic Infrastructure Partnership Reserve to support three temporary staff positions to assist the implementation of the City Sustainable Energy Strategy and Climate Change Action Plan from 2012 to 2014. As a result, these positions will be deleted at the end of 2014, resulting in \$0.323 million gross, \$0 net expenditure savings in 2015.

PART IV: RECOMMENDED NEW/ENHANCED SERVICE PRIORITY ACTIONS

**2013 Recommended New/Enhanced Service Priority Actions
(In \$000s)**

Description	2013 Recommended			Net Incremental Impact			
	Gross Expense	Net Expenditures	New Positions	2014		2015	
				Net Expenditures	# Positions	Net Expenditures	# Positions
Enhanced Service Priorities							
Eco-Roof Financial Incentive program - TEO	800.0	0.0					
Live Green Toronto Neighbourhood Initiative - TEO	400.0	0.0					
Adaptation Research - Energy Usage & Emissions Inventory - TEO	100.0	0.0		100.0			
Local Air Quality Studies - TEO	105.0	0.0					
Sub-Total - Enhanced Service Priorities	1,405.0	0.0		100.0			
New Service Priority Actions							
Funding from Ontario Power Generation to OEM - PPFA	85.0	0.0					
Sub-Total New Service Priorities	85.0	0.0		0.0			
Total New / Enhanced Service Priorities	1,490.0	0.0		100.0			

2013 Recommended New / Enhanced Service Priority Actions

Enhanced Service Priorities

Toronto Environment Office (TEO)

Eco-Roof Financial Incentive Program (\$0.800 million gross, \$0 net)

- The Eco-Roof Program was established in 2009 to provide financial incentives towards the installation of cool roofs and green roofs on existing industrial, commercial and institutional buildings. The supported roof retrofits reduce storm water flows, energy consumption and greenhouse gas emissions, enhance biodiversity and help address localized urban heat island issues.
- In 2013, the total recommended funding requirement for this initiative is \$0.800 million, which will support 25 to 45 new projects depending upon the size and type of projects proposed and supported.
- As a result of Council policy associated with the Green Roof Bylaw, a Green Roof Reserve Fund was established to hold all funds received through the cash-in-lieu element of the Green Roof Bylaw.
 - At its meeting on June 6 to June 8, 2013, Council rejected the staff recommendation to exclude School Boards from complying with the City's Green Roof Bylaw and the need to pay cash-in-lieu. As a result, the Eco-Roof Program revenue is expected to increase from \$0.350 million to \$0.700 million in 2013, which will be fully allocated to fund green roof installations for the year.
 - Since the Green Roof Reserve Fund contributions do not cover cool roof installations, a total of \$0.100 million funding from the Environmental Reserve Funds is included in the 2013 Recommended Operating Budget to provide cool/white roof grants.

- It is recommended that the Director of the Toronto Environment Office report on amendment to the City's Green Roof Bylaw and cash-in-lieu policy in 2013 to include future cool roof installations.

Live Green Toronto Neighbourhood Initiative (\$0.400 million gross, \$0 net)

- Established in 2008, the Live Green Toronto initiative focuses on providing the tools and resources to help communities and neighbourhoods take local, grassroots action to green their community. These projects range from community gardens to tree plantings to bicycle initiatives to community energy projects.
- While the Live Green Toronto brand and initiative will continue in 2013 and beyond, dedicated reserve funding for the community grants and community animators elements of the Live Green Toronto initiative end in 2012.
- A total of \$0.400 million in new funding from the Environmental Reserve Funds is recommended for 2013 to provide community animation services in neighbourhoods where a local air quality study had been carried out in prior years. The focus will be to support the communities in Action Plan development which addresses specific environmental issues identified in past studies.
- This initiative will be completed in 2015, with specific local air quality issues addressed by various community led green projects.

Adaptation Research - Energy Usage & Emissions Inventory (\$0.100 million gross, \$0 net)

- To support policy and program development, the Toronto Environment Office carries out detailed research identifying energy consumption across the city by energy type and use. That work identifies the various sources of greenhouse gas emissions and smog causing emissions. This information is used to support the development of new or revised policies and programs, set priorities and evaluates the effectiveness of City and other jurisdiction's programs and policies in reducing emissions and improving air quality.
 - The spatial mapping of energy usage and its analytical mapping undertaken in 2012 provided exploratory information that led to the identification of potential areas of both energy savings and their associated cost savings for Toronto residents and businesses.
- A total of \$0.100 million in new funding from the Environmental Reserve Funds is included in the 2013 Recommended Operating Budget to refine the 2012 research information to support specific improvement projects, and in part to implement partnerships with Toronto Hydro and Enbridge that support on-the-ground energy saving improvement programs.

Local Air Quality Studies (\$0.105 million gross, \$0 net)

- To inform the City's residents and businesses about key sources of poor air quality in their neighbourhoods, local air quality studies were completed in consultation with various communities since 2008. With this information, residents, local businesses and other parties, such as the Provincial Government, can identify and prioritize local actions that can be taken to improve their neighbourhood's air quality.
- With an established computer model, the major non-staff costs are in the areas of data collection and activities taken to engage and inform local residents and businesses.

- A total of \$0.105 million in new funding from the Environmental Reserve Funds is recommended for 2013 to conduct at least three new studies.

New Service Priorities

Policy, Planning, Finance and Administration (PPFA)

Nuclear Emergency Management (\$0.085 million gross, \$0 net)

- Ontario Power Generation will provide \$0.085 million of donations annually from 2013 – 2017 to supplement nuclear emergency management work currently performed by the Office of Emergency Management unit. The incremental funding is included in the 2013 Recommended Operating Budget to fund the secondment of a professional nuclear emergency planning staff.

PART V: ISSUES FOR DISCUSSION

2013 and Future Year Issues**Toronto Environment Office (TEO)****2013 Issues***Conclusion of the 5-Year Funding Plan for Implementation by TEO of Select Initiatives Recommended in the Climate Change Action Plan Implementation*

- As part of the 2008 Budget process, City Council authorized a 5-year funding plan utilizing funds from the Strategic Partnership Infrastructure Reserve Fund to support implementation by the Toronto Environment Office of select initiatives recommended in the Climate Change Action Plan by the Toronto Environment Office. The total amount allocated was \$26.290 million and was divided into two Environment Reserve Funds:
 - \$17.290 million in the Environmental Protection Reserve Fund; and
 - \$9.00 million in the Home Energy Assistance Toronto Reserve Fund.

The following table summarizes the reserve fund allocation against actual expenditures from 2008 to 2011, forecasted expenditures in 2012 and planned expenditures from 2013 to 2015:

Summary of the Environmental Reserve Funds Allocated to Activities Led by the TEO (in \$000s)					
	2008 - 2011	2012 (forecast)	2013	2014	2015
Beginning Balance	26,290	9,988	7,688	6,660	5,832
Base					
3 staff positions - Sustainable Energy Strategy & Climate Change Action Plan		(100)	(323)	(323)	
GTA Clean Air Council		(100)			
Enhanced					
Eco-Roof (cool-roof grants)		(200)	(100)		
Local Air Quality Studies		(105)	(105)	(105)	(105)
Community Animation		(325)	(150)	(150)	(150)
Community Grants		(1,200)	(250)	(250)	(250)
Adaptation Research		(150)	(100)		
Other		(120)			
Total Expenditures	(16,302)	(2,300)	(1,028)	(828)	(505)
Ending Balance	9,988	7,688	6,660	5,832	5,327

- Since the 5-year funding plan for TEO's select initiatives from the Climate Change Action Plan comes to a conclusion on December 31, 2012, a total of \$2.635 million gross and \$0 net expenditures is reduced from the 2013 Recommended Base Budget for the completion or reduction of the following environmental initiatives:
 - Live Green Toronto Program (\$2.295 million); and
 - Climate Change Adaptation (\$0.200 million); and

- Local Air Quality Studies (\$0.040 million); and
- Eco-Roof Financial Incentive Program (\$0.100 million).
- While various elements of the Climate Change Action Plan end in 2012, it is projected approximately \$7.688 million from the 5 year funding plan will not be utilized, mainly due to early conclusion of the Home Energy Assistance Toronto (HEAT) program tied to the Federal Government's EcoEnergy Program that concluded one year earlier than expected.
 - Despite ending the HEAT Program a year earlier, the Program assisted over 21,500 households in making their homes more energy efficient.
- To continuously achieve the Program's service objectives, the 2013 Recommended Operating Budget reflects a total of \$0.705 million in funding from the available Environment Reserve Funds for future new and enhanced Environmental activities, including:
 - Resident led neighbourhood environmental initiative support (\$0.400 million);
 - Cool/white roof financial incentive program (\$0.100 million);
 - Energy mapping and inventory (\$0.100 million); and
 - Local air quality studies (\$0.105 million).

Future Year Issues

Eco-Roof Financial Incentive Program

- Currently, contributions tied to Green Roof By-Law do not cover cool/white roof installations. Hence, a total of \$0.100 million funding from the Environmental Reserve Funds is included in the 2013 Recommended Operating Budget to provide cool/white roof grants. In the interim, TEO will take the necessary steps to ensure cool/white roof installations are also eligible expenditures for cash in-lieu contributions.
 - It is recommended that the Director of the Toronto Environment Office report on amendment to the City's Green Roof Bylaw and cash-in-lieu policy in 2013 to include future cool roof installations.

Core Service Review and Efficiency Study Implementation

Policy, Planning, Finance and Administration (PPFA)

Service Efficiencies

- To enhance its ability to respond to a growing service demand in a constrained budget environment, PPFA is committed to explore the following measures to improve its operational efficiency:
 - Leverage information technology systems and support to automate manual processes, eliminate duplication and achieve efficiencies;
 - Maximize staffs' full potential by re-balancing workload within the group and by measuring performance of individual staff; and

- Obtain additional human resources support to fill vacant positions.

PPFA will review potential expenditure saving opportunities and incorporate necessary adjustments in the 2014 Operating Budget.

Toronto Environment Office (TEO)

Core Service Review Status

- On September 24, 2012, the City Manager provided a report entitled " Environment and Energy Efficiency Functions" on Environment and Energy Efficiency Functions within the City of Toronto. The administrative reorganization responds to recommendations in the Core Services Review, as well as other directives from Council, and acts on opportunities to improve effectiveness and efficiency in providing environment and energy functions in the City.
- The City Manager's report includes, for the information of Council, a summary on the recommended administrative restructuring of environment and energy functions in the City, with the current suite of program offerings continuing into 2013. The primary structural change is a consolidation of functions currently located in the Energy & Strategic Initiatives group in the Facilities Management Division and the Toronto Environment Office in a new Environment & Energy Office under the direct purview of the Chief Corporate Officer. The Chief Corporate Officer will lead the City's environment and energy objectives and corporate policies, including cross-corporate coordination of policy development and implementation in operating divisions.
- To achieve optimum effectiveness and efficiency, environment and energy activities and expertise that are inherently integrated with operations will continue to be decentralized and the responsibility of the operating program:
 - Toronto Public Health (environmental health programs);
 - City Planning (environment policies in the Official Plan and their consideration in the development review process);
 - Toronto Water (water efficiency and conservation); and
 - Solid Waste Management (blue box and green bin diversion).

Appendix 1

2012 Performance

2012 Key Accomplishments

Policy, Planning, Finance and Administration (PPFA)

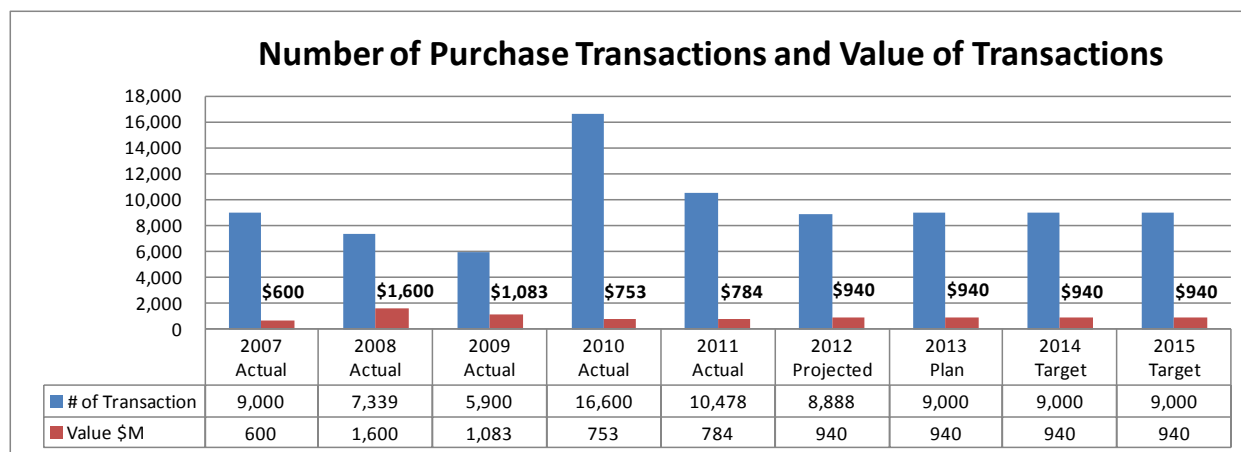
In 2012, Policy, Planning, Finance and Administration achieved the following results:

- ✓ Developed and launched T.O. Inview (the Toronto Infrastructure Viewer), a web-based application that reveals the location, scope and other details of capital projects that the City, public utilities, transportation agencies and other organizations plan to construct
- ✓ Automated payment processing function in Cluster B to achieve efficiencies
- ✓ Implemented an interface between SAP and the City's licensing system to eliminate duplicate entries
- ✓ Reduced the number of Administrative Services locations, from six to three, to harmonize processes and procedures and achieve efficiencies
- ✓ Improved emergency response capacity through the development of a comprehensive multi-divisional staffing plan and the integration of city-wide Business Continuity Program with the Information Technology Disaster Recovery Project
- ✓ Provided Emergency Operations Centre and Incident Management Systems Training for the City's ABCD's; trained approximately 240 people
- ✓ Conducted 79 public consultation events to support Cluster B Programs' initiatives (year to date)

2012 Performance

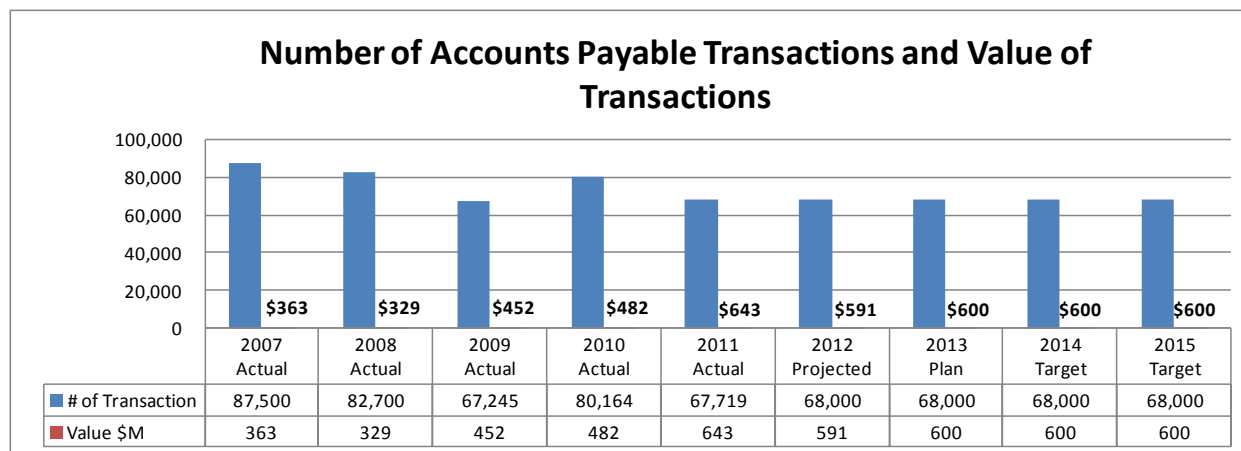
PPFA's performance measures are based on volume and value of transactions as indicated below:

Purchases



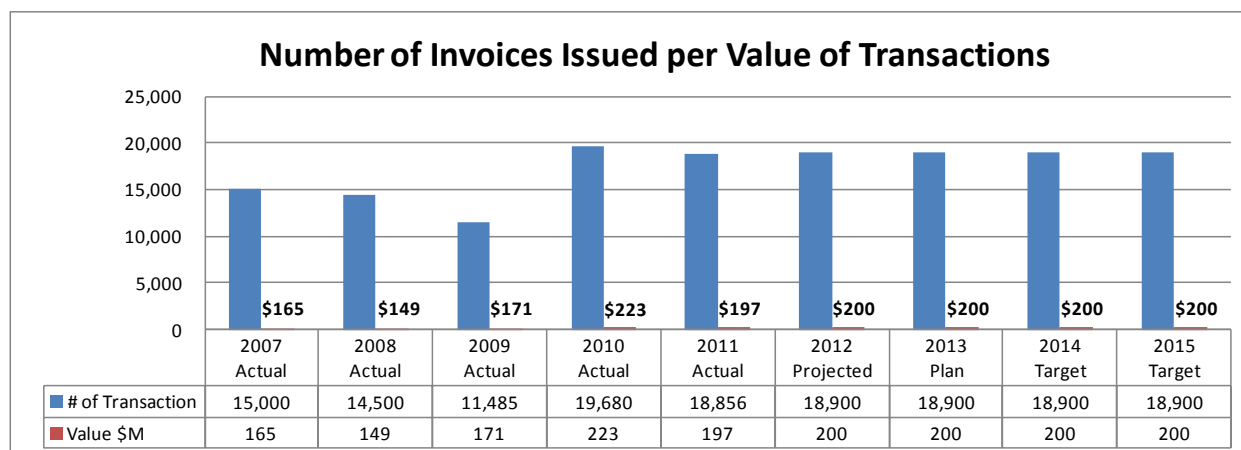
- In 2009, the volume of purchasing transactions declined to 5,900 due to disentanglement of Fire Services and exclusion of 10,200 purchasing documents created by Toronto Water staff instead of PPFA staff.
- In 2010, the volume increased to 16,600 transactions due to inclusion of purchasing documents created by Toronto Water staff.
- In 2011, the number of purchasing documents declined to 10,500 as more Blanket Contracts have been issued.
- In 2012, the projected number of purchasing transactions is expected to decline to 9,000 due to more multi-year Blanket Contracts.

Accounts Payable



- In 2007 and 2008, PPFA processed AP transactions for all of Cluster B divisions including Fire Services and the volume of AP transactions was around 80,000.
- In 2009, the volume went down by 15,500 transactions due to disentanglement of Fire Services.
- In 2010, the volume of invoices increased again to around 80,000 due to inclusion of Toronto Water invoices.
- In 2011, the volume of invoices declined again to around 67,700 mainly due to a reduced number of TEO grant payments and Bell Canada invoices.
- In 2012 and beyond, the projected volume of invoices is expected to remain steady at around 68,000.

Invoices Issued



- In 2007 and 2008, PPFA issued invoices for all of Cluster B divisions including Fire Services and the volume of invoices issued was around 15,000.
- In 2009, the volume went down by 3,000 invoices due to disentanglement of Fire Services.
- In 2010, the volume of invoices issued increased to around 19,700 due to introduction of new revenue streams for MLS division.
- In 2011 and beyond, the volume of invoices issued is expected to remain steady at around 18,900.

Toronto Environment Office (TEO)

In 2012, Toronto Environment Office achieved the following results:

- ✓ Completed preparation of required Federal and Provincial regulatory submissions regarding emissions from City operations
- ✓ Developed a revised Carbon Credit Policy, presented to City Council in October 2012
- ✓ TEO in partnership with CivicAction led the Toronto region "WeatherWise Partnership", which focuses on climate change adaptation
- ✓ Partnered with Transportation Services to initiate the electric vehicle charging station pilot.
- ✓ Reported to City Council on the outcomes of the first detailed Local (neighbourhood level) Air Quality Study and initiated a second study focused on South Etobicoke
- ✓ Supported Children's Services in the implementation of the Local Food Procurement Policy
- ✓ The Smart Commute Toronto Central Program added 6 new clients and 15,000 new commuters bringing the number of clients to 30, representing over 750 companies and organizations and 110,000 commuters. In addition, Smart Commute Toronto Central clients purchased about \$9 million in TTC Metropasses
- ✓ Initiated the Smart Commute Scarborough Program in partnership with Metrolinx in September 2012. Completed a feasibility study to expand the Smart Commute program into South Etobicoke

- ✓ Reached an estimated 275,000 residents through the Live Green Toronto web-site, Community Animators and participation in community events. 75% of the people visiting the City's Live Green Toronto booth indicated that they are very satisfied with the information available
- ✓ Estimated 40,000 residents and 100 local businesses and agencies participated in the 7th Annual Live Green Toronto Festival. 81% of the 369 people surveyed at the festival ranked the event as a 'great event'
- ✓ The Live Green Toronto Membership Card has 20,000 residents and 400 local businesses participating in this program. Received and evaluated close to 230 applications for the Live Green Toronto Community Investment Fund and the Eco-Roof Financial Incentive.
- ✓ Produced the 8th Annual Green Toronto Awards, held in April 2012
- ✓ Managed the Live Green Toronto Environmental Volunteers- who provided an estimated 5,500 hours of volunteer time in support of City environmental programs and initiatives

2012 Performance

Community Engagement

The Toronto Environment Office continues to shift the focus of its broad community engagement activities from participating in events and festivals to more focused efforts, such as the Live Green Toronto Membership Card and the Live Green Toronto Volunteers program.

Year	People reached through events and activities (estimated)	Live Green Toronto Membership Card Residents	Live Green Toronto Membership Card Businesses	Monthly Visits to the Live Green Toronto Website
2009	300,000			
2010	350,000	10,000	250	8,000
2011	350,000	16,000	330	8,000
2012	275,000	20,000	400	8,000
2013 (target)	250,000	25,000	500	8,000
2014 (target)	200,000	32,000	550	8,000
2015 (target)	200,000	45,000	600	8,000

Live Green Toronto Festival – Sponsorships Received

2011 was the last year of the corporate sponsorship arrangement with Canadian Tire. In-kind contributions such as media sponsorships, hotel and meal provisions were estimated to be valued at \$120,000 in 2012. Major sponsors in 2012 were CHUM FM; City TV; Just Energy; TD Friends of the Environment Fund; car2go; Green Living Enterprises; and Good Life Fitness.

Year	Resident Count (estimated)	Vendors	Vendors Success Rating	Direct Corporate Sponsorships Received
2009	35,000	100	90%	\$20,000
2010	35,000	100	90%	\$100,000
2011	40,000	100	90%	\$110,000
2012	40,000	100	90%	\$82,000
2013 (target)	40,000	100	90%	\$50,000
2014 (target)	40,000	100	90%	\$70,000
2015 (target)	40,000	100	90%	\$75,000

Smart Commute – Support Level

For the April 2011 to March 2012 time period, Metrolinx recognized the City's Smart Commute Toronto Central program for exceeding its performance targets and provided the program with a \$5,000 funding bonus for 2012.

Year	Number of Clients	Number of Businesses and Organizations Supported	Number of Employees Supported in Utilizing Alternative Transportation Modes (estimated)
2009	8	15	42,764
2010	14	550	49,170
2011	17	682	70,636
2012	30	755	114,401
2013 (target)	35	800	125,000
2014 (target)	45	850	140,000
2015 (target)	60	900	160,000

Environmental Grants – Uptake Level

Between 2008 and 2012 the Live Green Toronto Environmental Grants program, has assisted 115 neighbourhood led projects. Those projects have leveraged on average \$7 from other funding sources for every \$1 of funding from the Live Green Toronto initiative.

- The Eco-Roof Financial Incentive program is currently under review to identify reasons for the decline in grant applications and factors that could be changed to encourage a greater number of proposals.
- The Home Energy Assistance Toronto program came to an end on March 31, 2011. Just over 21,500 households participated in the program reducing their greenhouse gas emissions by an estimated 5,700 tonnes.

Year	Eco-Roof Grants Given For Green or Cool Roof Installations	Full Applications Received for a Live Green Toronto Grant	Households Receiving a Home Energy Assistance Toronto Grant
2009	42	119	
2010	30	106	10,000
2011	16	118	10,000
2012	10	120	N/A Program Completed
2013 (target)	20	20	
2014 (target)	20	20	
2015 (target)	20	20	

2012 Budget Variance Analysis

Policy, Planning, Finance and Administration (PPFA)

2012 Budget Variance Review
(In \$000s)

(In \$000s)	2010	2011	2012	2012	2012 Approved Budget vs Projected Actual Variance	
	Actuals	Actuals	Approved Budget	Projected Actuals*	\$	%
	\$	\$	\$	\$	\$	%
Gross Expenditures	20,749.5	20,841.3	20,773.5	18,362.6	(2,410.9)	(11.6)
Revenues	10,086.4	11,027.7	11,303.1	10,160.0	(1,143.1)	(10.1)
Net Expenditures	10,663.1	9,813.6	9,470.4	8,202.6	(1,267.8)	(13.4)
Approved Positions	193.1	193.1	195.1	174.1	(21.0)	(10.7)

* Based on the 3rd Quarter Operating Budget Variance Report.

2012 Experience

- PPFA is forecasting a year-end net favourable variance of \$1.268 million or 13.4% under the 2012 Approved Net Operating Budget, based on the 2012 third quarter operating budget variance report.
- Policy, Planning, Finance & Administration (PPFA) reported a net under-spending of \$1.091 million or 15.3% for the nine-month period ended September 30, 2012. Gross expenditures are lower than planned by \$2.482 million or 15.6% mainly due to savings in salaries and benefits from vacancies levels.
- Revenues are lower than planned by \$1.390 million or 15.9% for the nine-month period ended September 30, 2012, due to overall under-spending in gross expenditure resulting in a reduction of interdivisional recoveries.
- The Program's expenditure and revenue trend is expected to continue into the rest of year.

Impact of 2012 Operating Variance on the 2013 Recommended Budget

- To address workload pressures, the Program is committed to bringing staffing levels up to more sustainable levels in 2013 and hence reducing the under-spending in salaries and benefits.

Toronto Environment Office (TEO)

2012 Budget Variance Review
(In \$000s)

(In \$000s)	2010	2011	2012	2012	2012 Approved Budget	
	Actuals	Actuals	Approved Budget	Projected Actuals*	vs Projected Actual Variance	
	\$	\$	\$	\$	\$	%
Gross Expenditures	10,021.4	8,801.4	5,857.3	5,054.6	(802.7)	(13.7)
Revenues	6,694.0	6,533.6	3,271.8	3,171.8	(100.0)	(3.1)
Net Expenditures	3,327.4	2,267.8	2,585.5	1,882.8	(702.7)	(27.2)
Approved Positions	24.0	21.0	22.6	18.0	(4.6)	(20.4)

* Based on the 3rd Quarter Operating Budget Variance Report.

2012 Experience

- Toronto Environment Office is projecting a year-end net budget variance of \$0.807 million or 30.0% under the 2012 Approved Net Operating Budget based on the 2012 third quarter operating budget results, mainly due to savings in salary and benefits arising from vacancies.
- Toronto Environment Office reported a net under-spending of \$0.332 million or 17.9% for the nine-month period ended September 30, 2012. Gross expenditures is lower than planned by \$1.977 million or 46.7% due to staged grant payouts and lower than anticipated staffing level.
- The Live Green Toronto Grant expenditure is \$1.062 million lower than budget due to contracts under development and pending deliverables of approved projects. The Program forecasts a 100% grant uptake which will eliminate the variance by end of year.
- Salaries and benefits expenditure is \$0.482 million below budget services and rents is below budget by \$0.391 million mainly due to the Program's vacancy levels. The Program is actively filling some of these vacancies to reduce the year-end budget variances.
- Revenues are lower than planned by \$1.644 million or 69.3% mainly due to overall under-spending in gross expenditure and respective reduction in reserve recoveries.

Impact of 2012 Operating Variance on the 2013 Recommended Budget

- To address workload pressures, the Program is committed to bringing staffing levels up to more sustainable levels in 2013 and hence reducing the under-spending in salaries and benefits as well as services and rents.

Appendix 2

2013 Recommended Operating Budget by Expenditure Category and Key Cost Driver

Policy, Planning, Finance and Administration (PPFA)

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

Category of Expense	2010 Actual	2011 Actual	2012 Budget	2012 Projected Actual	2013 Recommended Budget	2013 Change from 2012 Approved Budget		2014 Outlook	2015 Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	17,679.3	17,876.5	17,515.1	15,243.4	17,651.8	136.7	0.8%	17,970.9	18,346.0
Materials and Supplies	1,016.5	1,155.0	1,265.9	1,139.4	1,202.2	(63.7)	(5.0%)	1,201.2	1,201.2
Equipment	238.2	123.6	145.0	81.6	97.3	(47.7)	(32.9%)	97.3	97.3
Services & Rents	672.1	363.9	631.2	588.0	618.1	(13.1)	(2.1%)	618.0	618.0
Contributions to Capital									
Contributions to Reserve/Res Funds	170.0	173.4	122.6	114.6	102.2	(20.4)	(16.6%)	102.2	102.2
Other Expenditures	8.3	(1.8)		8.6					
Interdivisional Charges	965.1	1,150.7	1,093.7	1,187.0	1,187.9	94.2	8.6%	1,188.9	1,188.9
TOTAL GROSS EXPENDITURES	20,749.4	20,841.3	20,773.5	18,362.6	20,859.5	86.0	0.4%	21,178.6	21,553.7
Interdivisional Recoveries	7,646.2	8,717.7	9,000.7	7,863.3	9,002.5	1.8	0.0%	9,002.6	9,002.6
Provincial Subsidies	129.6								
Federal Subsidies									
Other Subsidies									
User Fees & Donations					85.0	85.0	n/a	85.0	85.0
Transfers from Capital Fund	2,304.2	2,295.6	2,292.3	2,292.3	2,292.3	(0.0)	(0.0%)	2,292.3	2,292.3
Contribution from Reserve Funds									
Contribution from Reserve									
Sundry Revenues	6.4	14.5	10.0	4.4	10.0	0.0	0.0%	10.0	10.0
TOTAL REVENUE	10,086.3	11,027.7	11,303.0	10,160.0	11,389.8	86.7	0.8%	11,389.9	11,389.9
TOTAL NET EXPENDITURES	10,663.1	9,813.5	9,470.5	8,202.6	9,469.8	(0.7)	(0.0%)	9,788.7	10,163.8
APPROVED POSITIONS	207.2	193.1	195.1	174.1	194.1	(1.0)	(0.5%)	194.1	194.1

2013 Key Cost Drivers

Salaries & benefits are the largest expenditure category and account for 84.6% of the total expenditures for PPFA, followed by materials and Supplies at 5.8% and interdivisional charges at 5.7%.

- The 2013 Recommended Budget for salaries & benefits of \$17.652 million is \$0.137 million or 0.8% above the 2012 Approved Operating Budget.
 - Salaries & benefits include \$0.191 million step, progression pay, and cost of living allowance increments, offset by prior year annualization of complement changes as well as savings identified in PPFA's yearly review of actual salaries and benefits expenditures.
 - Due to the centralization of Financial Services Unit staff from various office locations in Policy, Planning, Finance and Administration, a net impact of (\$0.080) million is included to represent the reduction of 1 permanent accounting assistant position.

- The 2013 Recommended Budget for materials and supplies of \$1.202 million is (\$0.064) million or (5.0%) lower than the 2012 Approved Operating Budget as a result of the 2012 line-by-line review of non-payroll expenditures.
 - As a result of the yearly line-by-line review of actual non-payroll expenditures, PPFA identified total potential expenditure savings of (\$0.137) million, mainly from utilities, furnishing, computer hardware, stationeries, printing and copying expenses. This reduction is reflected in the 2013 Recommended Operating Budget.
- The 2013 Recommended Budget for interdivisional charges of \$1.188 million is \$0.094 million or 8.6% higher than the 2012 Approved Operating Budget, mainly due to a new service priority to supplement nuclear emergency management work currently performed by the OEM unit.
 - Donation funding of \$0.085 million from Ontario Power Generation is included in the 2013 Recommended Operating Budget to fund the secondment of a professional nuclear emergency planning staff.
- Approximately \$9.003 million or 43.2% of the program's gross operating budget is funded through interdivisional recoveries, while \$2.292 million or 11.0% of the program's gross operating budget is funded through transfer of capital funds.
- The Program's expenditures have historically increased with inflation, contractually obligated wage increases, increased benefit costs and step and progression pay increases. This trend is expected to continue into 2013 and future years.

Toronto Environment Office (TEO)
Program Summary by Expenditure Category
(In \$000s)

Category of Expense	2010 Actual	2011 Actual	2012 Budget	2012 Projected Actual	2013 Recommended Budget	2013 Change from 2012 Approved Budget		2014 Outlook	2015 Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	2,606.6	2,401.9	2,412.9	2,008.3	2,332.6	(80.3)	(3.3%)	2,375.5	2,093.6
Materials and Supplies	154.4	39.7	97.7	73.1	72.6	(25.1)	(25.7%)	72.6	72.6
Equipment	18.2	0.5	4.0	2.0	2.0	(2.0)	(50.0%)	2.0	2.0
Services & Rents	2,971.3	1,576.2	1,708.0	1,338.4	839.5	(868.5)	(50.9%)	839.5	839.5
Contributions to Capital	13.7	45.3	14.4	1,572.0	14.4	0.0	0.0%	14.4	14.4
Contributions to Reserve/Res Funds	4,094.1	4,648.1	1,572.0	14.4	530.0	(1,042.0)	(66.3%)	530.0	530.0
Other Expenditures					700.0		n/a	700.0	700.0
Interdivisional Charges	163.1	89.6	48.3	46.3	48.2	(0.1)	(0.2%)	48.2	48.2
TOTAL GROSS EXPENDITURES	10,021.3	8,801.4	5,857.3	5,054.5	4,539.3	(1,318.0)	(22.5%)	4,582.2	4,300.3
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies	132.9	314.6	185.2	185.2	180.0	(5.2)	(2.8%)	180.0	180.0
User Fees & Donations	213.6	312.8	382.0	382.0	22.0	(360.0)	(94.2%)	22.0	22.0
Transfers from Capital Fund									
Contribution from Reserve Funds	6,337.5	5,906.2	2,704.5	2,604.5	1,405.0	(1,299.5)	(48.1%)	1,405.0	1,082.0
Contribution from Reserve					333.0	333.0	n/a		
Sundry Revenues									
TOTAL REVENUE	6,684.0	6,533.6	3,271.8	3,171.8	1,940.1	(1,331.7)	(40.7%)	1,940.1	1,617.1
TOTAL NET EXPENDITURES	3,337.4	2,267.8	2,585.5	1,882.8	2,599.2	13.7	0.5%	2,642.1	2,683.2
APPROVED POSITIONS	24.0	23.0	21.6	18.0	21.6	0.0	0.0%	21.6	18.6

2013 Key Cost Drivers

Salaries & benefits are the largest expenditure category and account for 49.7% of the total expenditures for TEO, followed by services and rents at 17.9% and other expenditures at 17.1%.

- The 2013 Recommended Budget for salaries & benefits of \$2.333 million is \$0.080 million or 0.4% below the 2012 Approved Operating Budget, inclusive of step, progression pay and cost of living allowance increments.
 - 2013 step and progression pay increase will require addition funding of \$0.042 million;
 - 2013 Cost of Living Allowance provision (COLA) adjustment at a rate of 0.5% will require additional funding of \$0.005 million; and
 - These incremental costs are partially offset by a \$0.035 million gross and net expenditure saving from the shorted employment term of a summer student position.
- The 2013 Recommended Budget for services & rents of \$0.840 million is (\$0.869) million or (50.9%) lower than the 2012 Approved Operating Budget.
 - Reserve Funded Initiatives – Since the 5-year funding plan for TEO's select initiatives from Climate Change Action Plan concludes at the end of 2012, a total of \$2.635 million gross and \$0 net expenditures is reduced from the 2013 Recommended Base Budget for the following environmental initiatives:

- Live Green Toronto Program (\$2.295 million);
 - Climate Change Adaptation (\$0.200 million);
 - Local Air Quality Studies (\$0.040 million); and
 - Eco-Roof Financial Incentive Program (\$0.100 million).
- To take on the leadership and budgeting of the GTA Clean Air Council, a total of \$0.100 million in new funding is included in the 2013 Recommended Operating Base Budget to carry out the following activities:
- Support at least 10 meetings of the GTA Clean Air Council;
 - Support a number of Communities of Practice where municipalities interested in a specific issue work together to identify best practices and approaches that they can use to address the issue; and
 - Support an annual summit where participating municipalities identify commitments and actions to be taken in the coming year(s) to address smog and climate change.

The GTA Clean Air Council has been in place for over 10 years. It was established to serve a forum for discussion amongst staff from the GTA/Hamilton municipalities about clean air and climate change, issues, research and actions.

Organization and administrative support for the GTA Clean Air Council is provided by the Clean Air Partnership which is a City Board. Funding for the Clean Air Council is derived from membership fees paid by the member municipalities and a \$0.100 million a year allocation traditionally provided by the Toronto Atmospheric Fund.

- These incremental costs are partially offset by expenditure savings as a result of the Program's line by line review of 2012 actual expenditures.
- The 2013 Recommended budget for other expenditures of \$0.800 million is \$0.869 million or 50.9% lower than the 2012 Approved Operating Budget due to the conclusion of the Program's 5-Year Funding Plan for implementation of select initiatives from Climate Change Action Plan. The 2013 expenditures mainly represent the enhanced service priorities of \$0.550 million for the Eco-Roof Financial Incentive program and \$0.250 million for the Live Green Toronto Community Grants program.
 - Approximately \$1.505 million or 73.8% of the program's gross operating budget is funded through contribution from reserve fund, which is (\$1.300) million or (48.1%) lower than the 2012 Approved Operating Budget due to the conclusion of the Program's 5-Year Funding Plan for implementation of select initiatives in the Climate Change Action Plan.
 - The Program's expenditures have historically increased with inflation, contractually obligated wage increases, increased benefit costs and step and progression pay increases. This trend is expected to continue into 2013 and future years.

Appendix 4
Summary of 2013 Recommended New
/Enhanced Service Priority Actions



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Policy, Planning, Finance and Administration	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	11	New funding from Ontario Power Generation to OEM Service / Activity: Executive Services / Emergency Management Program Development Description: It is recommended that \$0.085 million in donation funding from the Ontario Power Generation be received and included in the 2013 Recommended Operating Budget with a corresponding increase in interdivision charges. This donation will be provided to the Office of Emergency Management (OEM) annually for 5 years (2013-2017) to supplement existing nuclear emergency management work currently being undertaken. The incremental funds will offset new costs for the secondment of professional nuclear emergency planning staff from technical services to the OEM, to support the continued development and delivery of the nuclear emergency preparedness program. Service Level Change: OEM's current service level is to develop Risk Specific Plans such as Nuclear Emergency Response Plan, Flood Emergency Plan and Power Outage Plan. This funding is specifically to supplement the work required to set up the Nuclear Emergency Response Plan and furtherance in the public education. ADMIN: Recommended	85.0	85.0	0.0	0.0	0.0	0.0
Total Recommended New/Enhanced:			85.0	85.0	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Toronto Environment Office	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	2	Eco-Roof Financial Incentive program Service / Activity: Environmental Initiatives / Provision of financial incentives. Description: It is recommended that a total of \$0.450 million in funding be included in the 2013 Recommended Operating Budget for the Eco-Roof Financial Incentive Program (\$0.350 million from the Green Roof Reserve and \$0.100 million from the Home Energy Assistance Toronto Reserve Fund & Environment Protection Reserve Fund). The Eco-Roof program was officially launched in early 2009 and provides financial incentives towards the construction of green or cool roofs on existing industrial, commercial and institutional buildings. On May 9, 2012 City Council received a report outlining the progress and outcomes of the Eco-Roof Incentive Program over the last 4 years (see item PG13.4). A total of 85 projects have been supported for a combined roof space equivalent to about 33 football fields. These roofs have helped reduce stormwater floods by about 7 million litres, helped reduce energy consumption, reduced greenhouse gas emissions by around 88 tonnes a year, helped generate an estimated 50 person years of employment and enhance biodiversity. Green and cool roof also help reduce the urban heat island effect, which is the observed increase in air and surface temperatures in an urban area caused by concrete and non porous surfaces locking in heat. When City Council adopted the Green Roof Bylaw governing the construction of green roofs on new construction, it directed that cash-in-lieu funds collected through this bylaw (fees collected when a proponent is authorized to pay a fee instead of constructing a green roof) be allocated to the Eco-Roof Program. In May 2012, City Council authorized the establishment of a Green Roof reserve account to hold funds received through the cash-in-lieu policy tied to the Green Roof Bylaw. All funds collected through this policy are to be used through the Eco-Roof Financial Incentive program to provide financial support towards the installation of green roofs on existing industrial, commercial and institutional buildings. Approximately \$0.350 million in contributions are expected annually. In addition, demand for support for the installation of cool/white roofs remains high since the commencement of program. As per the current Green Roof Bylaw cash-in-lieu policy, funds collected cannot be used to support cool/white roof retrofits. Hence, the cool/white roof program will be funded from the Home Energy Assistance Toronto Reserve Fund & Environment Protection Reserve Fund established as part of the 5-year Climate Change Action Plan (2008 - 2012). It is recommended that Executive Director of Toronto Environment Office report on amendment to the City's Green Roof Bylaw and cash-in-lieu policy in 2013 to enable the collection of funds for cool roof installations. Service Level Change: In 2012, the budget for the Eco-Roof program was \$100,000. It is estimated that these funds will support 3 to 7 projects. In 2013, it is forecasted 25 to 45 projects will be supported depending upon the size and type of projects (total for TE-N002 and TE-N003). ADMIN: Recommended	550.0	550.0	0.0	0.0	0.0	0.0
			450.0	450.0	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Toronto Environment Office	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	3	Eco-Roof Financial Incentive program (School Boards Compliance) Service / Activity: Environmental Initiatives / N/A Description: It is recommended incremental funding of \$0.350 million from the Green Roof Reserve be included in the 2013 Recommended Operating Budget for the Eco-Roof Financial Incentive Program (Green Roof retrofits only). The Eco-Roof program was officially launched in early 2009 and provides financial incentives towards the construction of green or cool roofs on existing industrial, commercial and institutional buildings. On May 9, 2012 City Council received a report outlining the progress and outcomes of the Eco-Roof Incentive Program over the last 4 years. A total of 85 projects have been supported for a combined roof space equivalent to about 33 football fields. These roofs have helped reduce stormwater floods by about 7 million litres, helped reduce energy consumption, reduced greenhouse gas emissions by around 88 tonnes a year, helped generate an estimated 50 person years of employment and enhance biodiversity. Green and cool roof also help reduce the urban heat island effect, which is the observed increase in air and surface temperatures in an urban area caused by concrete and non porous surfaces locking in heat. At its meeting on June 6 to June 8, 2013, Council rejected the staff recommendation to exclude School Boards from complying with the City's Green Roof Bylaw and the need to pay cash-in-lieu. As a result, the Eco-Roof Program is expected to collect additional funds of \$0.350 million for this initiative in 2013. Service Level Change: In 2012, the budget for the Eco-Roof program was \$100,000. It is estimated that these funds will support 3 to 7 projects. In 2013, it is forecasted 25 to 45 projects will be supported depending upon the size and type of projects (total for TE-N002 and TE-N003). ADMIN: Recommended	350.0	350.0	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Toronto Environment Office	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	4	Live Green Toronto Neighbourhood Initiative Service / Activity: Live Green Program / N/A Description: It is recommended that \$0.400 million in funding (from the Home Energy Assistance Toronto Reserve Fund & Environment Protection Reserve Fund) be included in the 2013 Recommended Operating Budget to continue support local communities' grassroots environmental activities. These projects range from community gardens to tree plantings to bicycle initiatives to community energy projects. The community grants and community animators elements of the Live Green Toronto initiative supported in excess of 500 community/neighbourhood projects ranging from community gardens to tree plantings to bicycle initiatives to community energy projects. A full summary of the activities and outcomes of the Live Green Toronto initiative is being prepared for a report to City Council in late 2012 or early 2013. One of the lessons learned through this effort is that small community grants (up to a maximum of \$0.025 million) can be very effective in supporting neighbourhood driven projects. \$0.250 million of the funds in 2013 will be allocated to continue small community grants that focus on environmental initiatives. Linked to the work being done as part of the Local Air Quality Studies, there will be a need to provide support for the communities in organizing to participate in the study and to develop actions for addressing issues that are identified through the study. \$0.150 million of the funds in 2013 will be allocated to provide community animation services targeted in the neighbourhoods where a local air quality study is being carried out and in support of other City priority community development efforts in other areas of the City. This not a continuation of existing work being done by the Live Green Toronto Community Animators, rather it is taking the lessons learned from that initiative over the last 5 years and applying it in a focused manner in support of the Local Air Quality Studies. Service Level Change: Between 2008 - 2012, approximately 250 community led environmental projects were supported through the grants and animators programs. In 2013, the \$0.250 million small community grants can support at least 10 projects and the remaining \$0.150 million funding will be utilized to provide support in terms of access to expertise for a select number of high impact neighbourhood or community led environmental initiatives. ADMIN: Recommended	400.0	400.0	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Toronto Environment Office	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	6	Adaptation Research - Energy Usage & Emissions Inventory Service / Activity: Climate Change Adaptation Action Plan / N/A Description: It is recommended that funding of \$0.100 million (from the Home Energy Assistance Toronto Reserve Fund & Environment Protection Reserve Fund) be included in the 2013 Recommended Operating Budget to carry out detailed research identifying energy consumption across the City by type of energy and use, and various local sources of greenhouse gas emissions and smog causing emissions. These adaptation researches (Energy Usage & Emissions Inventory) support the development of new or revised policies and programs, set priorities, evaluate the effectiveness of City and other jurisdictions' programs / policies in reducing emissions and improving air quality. Researches on changing weather patterns are utilized to help inform policies, programs and operating procedures to ensure the City's infrastructure and services are able to adapt and change in response to those changing weather patterns. The spatial mapping of energy usage and its analytical mapping (energy mapping) as undertaken in 2012 by TEO provided exploratory information that led to the identification of potential areas (both by specific geographic area, and by building type and use) of both energy savings and their associated cost savings for Toronto residents and businesses. The work was undertaken by TEO and private consultants, but with a team of external advisors to the project, including senior representatives from Toronto Hydro and Enbridge, in order to identify the best potential projects for both combined and or individual future programs to promote and enable energy use improvements among the residents and businesses of Toronto. The recommended increase will allow TEO to refine the information and to tailor it to support specific improvement projects, and to implement partnerships that support on-the-ground energy saving improvement programs. Service Level Change: Consistent with 2012, at least one significant study or research initiative a year. ADMIN: Recommended	150.0	150.0	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	CITIZEN FOCUSED SERVICES "B" Toronto Environment Office	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	7	Local Air Quality Studies Service / Activity: Environmental Initiatives / N/A Description: It is recommended \$0.105 million (from the Home Energy Assistance Toronto Reserve Fund & Environment Protection Reserve Fund) be included in the 2013 Recommended Operating Budget to conduct Local Air Quality Studies in the City. The incremental funding will allow TEO to conduct at least three new studies, examining the local air quality impact of emissions from sources in various communities. The outcomes of these studies will inform local residents and businesses about what are the key sources of poor air quality in their neighbourhood. This information also informs action by the City, residents, local businesses and potentially other parties, such as the Provincial Government, that can be taken to improve air quality and reduce the effect on human health (e.g. asthma). In 2005, City Staff were directed to examine the local air quality impact of emissions from sources located in the South Riverdale and Beaches neighbourhoods (Wards 30 and 32). \$0.250 million spread over 2008 and 2009 was allocated from the Environmental Reserve to fund this study. When the study was presented to City Council, it was well received and Council unanimously approved carrying out the next study focused on South Etobicoke. In addition, a number of Councillors have expressed an interest in the study and a desire to see a similar study completed in their communities Service Level Change: The completion of one study was planned in 2012. In 2013, the \$0.105 million incremental funding will fund at least three new studies. ADMIN: Recommended	105.0	105.0	0.0	0.0	0.0	0.0
Total Recommended New/Enhanced:			1,405.0	1,405.0	0.0	0.0	100.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue

Appendix 5

Inflows / Outflows to / from Reserves & Reserve Funds
(In \$000s)

Policy, Planning, Finance and Administration (PPFA)

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2012 *	Proposed Withdrawals (-) / Contributions (+)		
			2013	2014	2015
		\$	\$	\$	\$
Insurance Reserve Fund	XR1010	21,130.0	94.2	94.2	94.2
Total Reserve / Reserve Fund Draws / Contributions			94.2	94.2	94.2

* Based on 3rd Quarter Variance Report

Toronto Environment Office (TEO)

Program Specific Reserve and Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	Projected Balance as of December 31, 2012	2014	2015
			\$	\$	\$
Eco-Roof Financial Assistance Reserve Fund	XR1723	Projected Beginning Balance	581.7		
		Proposed			
		Withdrawals (-)	(700.0)		
		Contributions (+)	618.3		
Balance at Year-End			500.0		

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2012 *	Proposed Withdrawals (-) / Contributions (+)		
			2013	2014	2015
		\$	\$	\$	\$
Insurance Reserve Fund	XR1010	21,130.0	(14.4)	(14.4)	(14.4)
Environmental Protection Reserve Fund / Home Energy Assistance Toronto RF	XR1718 / XR1719	7,688.0			
3 Staff Positions - Sustainable Energy Strategy & Climate Change Action Plan			(323.0)	(323.0)	
Eco-Roof Incentive Program (Cool-Roof)			(100.0)		
Local Air Quality Studies			(105.0)	(105.0)	(105.0)
Live Green Toronto Community Animation			(150.0)	(150.0)	(150.0)
Live Green Toronto Community Grants			(250.0)	(250.0)	(250.0)
Research (Climate Change/Air Quality/ Energy Usage)			(100.0)		
Total Reserve / Reserve Fund Draws / Contributions			(1,042.4)	(842.4)	(519.4)

* Based on 3rd Quarter Variance Report