TORONTO

*J(6)*

**NOTICE OF MOTION**

**2004 Interim Operating Budget Estimates**

**Moved by:** **Councillor Soknacki**

**Seconded by:** **Councillor Pantalone**

"**WHEREAS** in accordance with the Financial Control By-Law No. 152-2000, approval is required for an interim appropriation to enable Departments, Agencies, Boards and Commissions to carry out their normal base operations during the first four months of 2004; and

**WHEREAS** the 2004 Operating Budget is scheduled to be before City Council for approval at its special meeting of April 19 to 27, 2004; and

**WHEREAS** an interim appropriation in the amount of $2,496.654 million which consists of $2,246.037 million for Levy Operations and $250.617 million for Non Levy (Parking Authority and Water & Wastewater) Operations, is required;

**NOW THEREFORE BE IT RESOLVED THAT** Council give consideration to the report dated November 24, 2003, from the Chief Financial Officer and Treasurer, entitled '2004 Interim Operating Budget Estimates', and that such report be adopted;

**AND BE IT FURTHER RESOLVED THAT**, in accordance with the provisions of Chapter 27 of the City of Toronto Municipal Code, leave be granted to introduce and debate this Notice of Motion at the First Meeting of Council commencing on December 2, 2003."

December 2, 2003

Attachments

According to Chapter 27 of the Municipal Code, the foregoing Notice of Motion:

| | |
|---|---|
| Notice was previously given | |
| Meets Municipal Code provisions and only requires a simple majority to introduce and debate | (√) |
| Requires two-thirds to waive notice | |
| Requires two-thirds to re-open | |
| Fiscal Impact Statement provided | * |
| Should have Fiscal Impact Statement prior to debate<br>Requires two-thirds to waive requirement if Council wishes to debate | * |
| Should be referred to the Committee/Community Council<br>Requires two-thirds to waive referral if Council wishes to debate | |
| Recommendations are time sensitive | |

* Chief Financial Officer and Treasurer to advise.

TORONTO STAFF REPORT

November 24, 2003

To: City Council

From: Chief Financial Officer & Treasurer

Subject: 2004 Interim Operating Budget Estimates

Purpose:

In accordance with the Financial Control By-Law No. 152-2000, the purpose of this report is to request approval for an interim appropriation to enable Departments, Agencies, Boards and Commissions to carry out their normal operations during the first four months of 2004 or until Council approves the 2004 Operating Budget, which is scheduled for its meeting of April 19 – 27, 2004.

Financial Implications and Impact Statement:

The 2004 interim operating estimates of $2,496.654 million requested in this report will establish spending authority for Departments, Agencies, Boards and Commissions during the period January 1, 2004, to the date on which Council approves the 2004 Operating Budget. For City Departments and most Agencies, Boards and Commissions (ABCs) the 2004 interim estimates represents 40% of the 2003 approved gross expenditure budget.

Exceptions include the Toronto Transit Commission, Theatres, Arena Boards of Management, Toronto and Region Conservation Authority, and Association of Community Centres for which the 2004 interim estimates represent 40% of the 2003 Net Operating Budget. Works & Emergency Services programs and Water & Wastewater are represented at 40% of the gross operating budget plus major annual contracts that are due for renewal during the first four months. The gross operating budget for Non-Program accounts has been adjusted to reflect the amount required for the period of January to April, 2004.

Recommendation:

It is recommended that the 2004 interim operating budget estimates in the amount of $2,496.654 million be approved as detailed in Appendix 1.

Comments:

The 2004 Operating Budget will be before City Council for its approval at its special meeting of April 19 – 27, 2004. In order to enable Departments, Agencies, Boards and Commissions to carry out their base operations during the first part of the year, it is necessary for Council to

approve interim operating budget estimates prior to January 1, 2004. Expenditures made during the period January 1 to the date on which Council approves the 2004 Operating Budget, must be restricted to base operating expenditures.

Appendix 1 attached herewith details the interim estimates by City Program and ABC. The recommended Interim Operating Budget for Levy Operations is $2,246.037 million and for Non Levy Operations (Parking Authority and Water & Wastewater) in the amount of $250.617 million. The total interim operating budget request is $2,496.654 million.

Conclusion:

To ensure that appropriate Council approval is granted for the continuance of City's business during the period January 1 to April 27, 2004 when the 2004 Operating Budget is scheduled for Council's approval, an interim appropriation is required in accordance with the Financial Control By-law. The 2004 interim operating budget estimate request is for a total of $2,496.654 million distributed $2,246.037 million to Levy Operations and $250.617 million to Non Levy Programs as detailed in Appendix 1.

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Joseph P. Pennachetti
Chief Financial Officer and Treasurer

List of Attachments:

Appendix 1 - 2004 Interim Operating Budget Estimates

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**Appendix 1**

**CITY OF TORONTO**
**2004 INTERIM OPERATING BUDGET ESTIMATES**
**($000's)**

| Department/Program | 2003 Approved Gross Estimate | 2004 Interim Budget |
|---|---|---|
| **Community and Neighbourhood Services** | | |
| Children's Services | 299,654.4 | 119,861.8 |
| Homes for the Aged | 163,618.9 | 65,447.6 |
| Shelter, Housing & Support | 648,193.3 | 259,277.3 |
| Social Development & Administration | 17,486.1 | 6,994.4 |
| Social Services | 934,077.9 | 373,631.2 |
| **Department Total** | **2,063,030.6** | **825,212.2** |
| **Works and Emergency Services** | | |
| Emergency Medical Services | 114,228.0 | 46,014.0 |
| Solid Waste Management | 204,063.6 | 81,673.4 |
| Toronto Fire Services | 278,404.2 | 111,610.7 |
| Transportation Services | 243,411.5 | 146,498.8 |
| Works - Support Services | 35,095.8 | 14,122.3 |
| Works - Technical Services | 46,865.4 | 18,974.5 |
| Emergency Preparedness Management | 1,854.3 | 741.7 |
| **Department Total** | **923,922.8** | **419,635.4** |
| **Economic Development, Culture and Tourism** | | |
| Culture | 12,250.4 | 4,900.2 |
| Customer & Business Support | 19,368.8 | 7,747.5 |
| Economic Development | 8,814.3 | 3,525.7 |
| Parks & Recreation | 222,172.0 | 88,868.8 |
| Tourism | 12,068.1 | 4,827.2 |
| **Department Total** | **274,673.6** | **109,869.4** |
| **Urban Development Services** | | |
| Urban Development Services | 92,878.6 | 37,151.4 |
| **Department Total** | **92,878.6** | **37,151.4** |
| **Corporate Services** | | |
| City Clerk's | 44,913.4 | 17,965.4 |
| Court Services | 27,340.0 | 10,936.0 |
| Service Improvement & Innovation | 3,772.5 | 1,509.0 |
| Corporate Communications | 6,449.6 | 2,579.8 |
| Facilities & Real Estate | 84,080.2 | 33,632.1 |
| Fleet Services | 31,296.9 | 12,518.8 |
| Human Resources | 26,318.4 | 10,527.4 |
| Information & Technology | 40,322.6 | 16,129.0 |
| Legal | 24,505.9 | 9,802.4 |
| **Department Total** | **288,999.5** | **115,599.8** |
| **Finance** | | |
| Finance | 68,871.2 | 27,548.5 |
| **Department Total** | **68,871.2** | **27,548.5** |
| **Other City Departments** | | |
| Audit | 3,330.5 | 1,332.2 |
| Chief Administrative Office | 5,625.5 | 2,250.2 |
| Council | 17,615.7 | 7,046.3 |
| Mayor's Office | 1,763.6 | 705.4 |
| **Other City Departments - Total** | **28,335.3** | **11,334.1** |
| **TOTAL - CITY OPERATIONS** | **3,740,711.6** | **1,546,350.9** |

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**Appendix 1**

**CITY OF TORONTO**
**2004 INTERIM OPERATING BUDGET ESTIMATES**
**($000's)**

| Department/Program | 2003 Approved Gross Estimate | 2004 Interim Budget |
|---|---|---|
| **Special Purpose Bodies** | | |
| Public Health | 172,815.4 | 69,126.2 |
| Toronto Public Library | 134,752.9 | 53,901.2 |
| Exhibition Place | 40,778.2 | 0.0 |
| Theatres* | 20,502.3 | 1,181.4 |
| Toronto Zoo | 32,857.1 | 4,700.0 |
| Arena Boards of Management* | 5,021.3 | 23.0 |
| Yonge Dundas Square | 1,030.5 | 276.0 |
| Toronto Region Conservation Authority* | 23,912.5 | 2,254.7 |
| Association of Community Centres* | 4,792.3 | 1,916.9 |
| Toronto Transit Commission* | 957,167.2 | 91,161.2 |
| Toronto Police Services | 674,136.6 | 269,654.6 |
| **TOTAL - SPECIAL PURPOSE BODIES** | **2,067,766.3** | **494,195.1** |
| **Corporate Accounts** | | |
| Consolidated Grant Program | 39,691.5 | 7,103.4 |
| Capital & Corporate Financing | 388,528.9 | 118,204.6 |
| Non-Program Expenditures | | |
| - Tax Deficiencies/Write-offs | 85,500.0 | 34,200.0 |
| - Downloading - Assessment Function | 27,707.0 | 11,082.8 |
| - Temporary Borrowing | 750.0 | 0.0 |
| - Funding of Employee Related Liabilities | 25,482.6 | 1,000.0 |
| - Contingency | 0.0 | 0.0 |
| - Other Corporate Expenditures | 7,512.9 | 3,005.2 |
| - Insurance Premiums & Claims | 12,700.0 | 0.0 |
| - OMERS Surplus | 0.0 | 0.0 |
| - Parking Tag Enforcement & Oper. | 39,220.3 | 15,688.1 |
| - Recovery: Local Services Realignment | 0.0 | 0.0 |
| - New Vacancy Rebate Program | 12,000.0 | 4,800.0 |
| - Energy Utilities - Corporate Buildings | 25,517.3 | 10,206.9 |
| - Green Power Purchase | 500.0 | 200.0 |
| - Computer Leasing & External Contract Inquiry | 9,000.0 | 0.0 |
| - SARS | 5,500.0 | 0.0 |
| **Total Non-Program Expenditures** | **251,390.1** | **80,183.0** |
| **TOTAL - CORPORATE ACCOUNTS** | **679,610.5** | **205,491.0** |
| **GROSS EXPENDITURES** | **6,488,088.4** | **2,246,037.1** |
| **Non-Levy Operations** | | |
| Parking Authority | 91,055.5 | 36,422.2 |
| Water & Waste Water | 520,142.8 | 214,194.6 |
| **GROSS EXPENDITURES - Non-levy** | **611,198.3** | **250,616.8** |
| **TOTAL GROSS EXPENDITURES** | **7,099,286.7** | **2,496,653.9** |

*** Note: Interim budget request based on 40% of Net Budget for 2003**