



STAFF REPORT ACTION REQUIRED

2009 Interim Operating Budget Estimates Revised

Date:	November 3, 2008
To:	Executive Committee
From:	Acting Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2008\Internal Services\FP\ec08018Fp Revised (AFS #7008)

SUMMARY

The purpose of this report is to request Council's approval of the 2009 Interim Operating Budget Estimates in order to enable City Programs and Agencies, Boards and Commissions to carry out their ongoing (base) operations during the period January 1 to April 30, 2009.

In accordance with the Financial Control By-Law, an Interim Operating Budget must be approved prior to January 1, 2009 to ensure that appropriate Council approval is granted to fund the continuance of the City's business during the period January 1st to April 30th, 2009. The 2009 Interim Operating Budget Estimates total \$3.190 billion gross; and require cash outflows of \$2.631 billion net.

RECOMMENDATIONS

The City Manager and Acting Deputy City Manager and Chief Financial Officer recommend that Council:

1. Approve the 2009 Interim Operating Gross Budget Estimates totalling \$3.190 billion as detailed by City Program, Agency, Board and Commission in the attached Appendix 1.
2. Authorize the Acting Deputy City Manager and Chief Financial Officer to make net disbursements of \$2.631 billion during the period January 1, to April 30, 2009, including cash transfers of \$553.7 million to Agencies, Boards and Commissions as detailed in the attached Appendix 1.
3. Authorize and direct the appropriate City Officials to take the necessary action to give effect thereto.

FINANCIAL IMPACT

2009 Interim Operating Budget Estimates For Period January 1 to April 30, 2009 \$000s		
	Gross	Net
City Operations	1,753,298.9	1,716,051.4
Agencies, Boards and Commissions	1,049,745.6	553,656.7
Corporate Accounts	361,112.9	361,112.9
Levy Operations	3,164,157.4	2,630,821.0
Toronto Parking Authority	25,813.7	0.0
Total City	3,189,971.1	2,630,821.0

The 2009 Interim Operating Gross Budget Estimates of \$3.190 billion recommended in this report will establish spending authority for City Programs and Agencies, Boards and Commissions during the period January 1, to April 30, 2009 as detailed in the attached Appendix 1 and summarized in the Table above. For City Programs and Agencies, Boards and Commissions (ABCs), the 2009 Interim Operating Budget is estimated at 40% of the 2008 Council Approved Gross Operating Budget.

Estimated cash outflows required from January 1 to April 30, 2009 will total \$2.631 billion (see Appendix 1 and Table 1 above). Funding for City Operations will approximate \$1.753 billion and \$361.113 million for Corporate Accounts. Most ABCs are only partially funded by the City. These include the Toronto Transit Commission (TTC) for which approximately 79% of expenditures are funded from its own receipts. As detailed in Appendix 1, transfers to ABCs to enable them to meet their cash obligations are estimated at \$553.657 million.

DECISION BACKGROUND

The recommended 2009 Interim Operating Budget Estimates are established in accordance with the Financial Control By-law, which stipulates that “Council shall, before the adoption of the final operating budget for a year, adopt an interim operating budget ... prior to the 1st day of January of the year in which the operating budget will be adopted” (Toronto Municipal Code, Article II, sub-section 71-5).

ISSUE BACKGROUND

Traditionally, Operating Budgets are not approved prior to January 1, of a fiscal (budget) year. Since Council provides expenditure and funding authority on an annual basis, the Interim Operating Budget Estimates must be established to ensure that the City continues to offer services without interruption, until such time as the City approves the Operating

Budget for that particular fiscal year. In effect, it is through the Interim Operating Budget Estimates that Programs and ABCs are granted the authority to incur expenditures for base operations during the period from January 1, to the date on which the Operating Budget is approved by Council.

COMMENTS

The 2009 Operating Budget will be considered by City Council at its special meeting tentatively scheduled for March 31 and April 1, 2009. In order to enable City Programs, Agencies, Boards and Commissions to carry out base operations during the first part of the year, it is estimated that most programs will require authority to spend approximately 40% of their 2008 Council Approved Gross Operating Expenditures Budget. For Toronto Transit Commission, Transportation Services, Theatres and Toronto Zoo, the estimates have been adjusted to include the full funding of contractual commitments for existing operations that must be met in early 2009.

Appendix 1 attached details the Interim Operating Gross Budget Estimates by City Program and ABC. The recommended Interim Gross Operating Budget totals \$3.190 billion and is comprised of: \$1.753 billion for City Operations; \$1,049.746 million for ABCs; \$361.113 million for Corporate Accounts and \$25.814 million for Toronto Parking Authority.

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SIGNATURE

Cam Weldon
Acting Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix 1 – 2009 Interim Operating Gross Budget Estimates - Revised

CITY OF TORONTO
2009 INTERIM OPERATING GROSS BUDGET ESTIMATES
For the Period Jan 1 to April 30, 2009
(\$000s)

Program/ABC	2008 Council	2009 Interim Budget	
	Approved Gross	Gross	Net Cash Out- Flow
Citizen Centred Services "A"			
Affordable Housing Office	2,920.1	1,168.0	1,168.0
Children's Services	360,856.0	144,342.4	144,342.4
Court Services	39,132.1	15,652.8	15,652.8
Economic Development, Culture and Tourism	33,424.0	13,369.6	13,369.6
Emergency Medical Services	151,544.5	60,617.8	60,617.8
Long Term Care Homes and Services	207,426.6	82,970.6	82,970.6
Parks, Forestry & Recreation	321,110.0	128,444.0	128,444.0
Shelter Support & Housing Administration	715,172.4	286,069.0	286,069.0
Social Development, Finance & Administration	26,347.3	10,538.9	10,538.9
Social Services	1,059,943.2	423,977.3	423,977.3
311 Customer Service Strategy	10,206.2	4,082.5	4,082.5
Sub-Total Citizen Centred Services "A"	2,928,082.4	1,171,233.0	1,171,233.0
Citizen Centred Services "B"			
City Planning	36,098.0	14,439.2	14,439.2
Fire Services	356,029.8	142,411.9	142,411.9
Municipal Licensing & Standards	45,205.5	18,082.2	18,082.2
Policy, Planning, finance & Admin.	43,148.9	17,259.6	17,259.6
Technical Services	60,135.1	24,054.0	24,054.0
Toronto Building	42,152.5	16,861.0	16,861.0
Transportation Services*	260,511.1	160,345.8	123,098.3
Waterfront Secretariat	1,563.0	625.2	625.2
Sub-Total Citizen Centred Services "B"	844,843.9	394,078.9	356,831.4
Internal Services			
Office of the Chief Financial Officer	14,248.4	5,699.4	5,699.4
Office of the Treasurer	70,410.2	28,164.1	28,164.1
Facilities & Real Estate	131,440.7	52,576.3	52,576.3
Fleet Services	41,396.8	16,558.7	16,558.7
Information & Technology	58,469.0	23,387.6	23,387.6
Sub-Total Internal Services	315,965.1	126,386.0	126,386.0
City Manager			
City Manager's Office	39,757.7	15,903.1	15,903.1
Sub-Total City Manager	39,757.7	15,903.1	15,903.1
Other City Programs			
City Clerk's Office	49,908.7	19,963.5	19,963.5
Legal Services	36,700.0	14,680.0	14,680.0
Mayor's Office	2,603.6	1,041.4	1,041.4
Council	19,445.7	7,778.3	7,778.3
Auditor General's Office	4,269.6	1,707.8	1,707.8
Office of the Integrity Commissioner	201.4	80.6	80.6
Office of the Lobbyist Registrar	711.2	284.5	284.5
Office of the Ombudsperson	404.5	161.8	161.8
Sub-Total Other City Programs	114,244.7	45,697.9	45,697.9
TOTAL - CITY OPERATIONS	4,242,893.8	1,753,298.9	1,716,051.4



**CITY OF TORONTO
2009 INTERIM OPERATING GROSS BUDGET ESTIMATES
For the Period Jan 1 to April 30, 2009
(\$000s)**

Program/ABC	2008 Council	2009 Interim Budget	
	Approved Gross	Gross	Net Cash Out- Flow
Agencies, Boards and Commissions			
Toronto Public Health	209,696.6	83,878.6	17,160.9
Toronto Public Library	170,105.1	68,042.0	62,316.2
Association of Community Centers	6,926.4	2,770.6	2,702.6
Exhibition Place	53,994.9	21,598.0	0.0
Heritage Toronto	694.0	277.6	156.0
Theatres*	23,264.0	9,305.6	3,117.7
Toronto Zoo*	41,262.1	16,504.8	5,241.2
Arena Boards of Management	6,025.4	2,410.2	17.2
Yonge/Dundas Square	1,351.8	540.7	233.5
Toronto Region Conservation Authority	37,363.0	14,945.2	1,268.4
Toronto Transit Commission*	1,229,276.3	491,710.5	141,069.7
Toronto Police Service	842,170.4	336,868.2	319,479.6
Toronto Police Service Board	2,233.9	893.6	893.6
TOTAL - AGENCIES, BOARDS AND COMMISSIONS	2,624,363.9	1,049,745.6	553,656.7
Corporate Accounts			
Community Partnership and Investment Program	43,525.2	17,410.1	17,410.1
Capital & Corporate Financing	597,904.7	239,161.9	239,161.9
Non-Program Expenditures			
- Tax Deficiencies/Write-offs	81,500.0	32,600.0	32,600.0
- Assessment Function (MPAC)	33,500.0	13,400.0	13,400.0
- Other Corporate Expenditures	59,400.6	23,760.2	23,760.2
- Parking Tag Enforcement & Oper.	45,376.5	18,150.6	18,150.6
- Vacancy Rebate Program	16,500.0	6,600.0	6,600.0
- Street & Expressway	25,075.3	10,030.1	10,030.1
Non-Program Expenditures	261,352.4	104,541.0	104,541.0
TOTAL - CORPORATE ACCOUNTS	902,782.3	361,112.9	361,112.9
TOTAL - LEVY OPERATIONS	7,770,940.9	3,164,167.4	2,830,821.0
Rate Supported Programs			
Toronto Parking Authority	64,534.3	25,813.7	0.0
TOTAL - NON-LEVY OPERATIONS	64,534.3	25,813.7	0.0
TOTAL - LEVY & NON-LEVY OPERATIONS	7,835,475.2	3,190,071.1	2,830,821.0

* Interim Budget based on contractual commitments for ongoing/existing operations

