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NON-DEPARTMENTAL**

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# NON DEPARTMENTAL

## 2006 Departmental Overview

2006  
BUDGET & BUSINESS PLAN

### Non Departmental

#### Services Within the Department

- The Non Departmental section of the 2006 Recommended program contains programs not directly related to the activities of any individual department. The following programs are included:
- Bank and External Audit Charges;
  - Benefits and Labour Package;
  - Council Committees;
  - Enersource Dividend;
  - Grants to Volunteer Groups;
  - Insurance;
  - Investment Income;
  - Miscellaneous Revenues and Expenditures;
  - Payments-In-Lieu of Taxes;
  - Prior Years' Surplus;
  - Taxation;
  - Transfers To and From Reserves;
  - Transfers to Capital; and
  - Workers' Compensation and Rehabilitation.
- Details are provided in the program detail pages.

**NON DEPARTMENTAL**

<b>3 YEAR BUDGET FORECAST</b>	<b>2006</b>
	<b>BUDGET &amp; BUSINESS PLAN</b>

	2005 Budget	2006 Budget	2007 Forecast	2008 Forecast
Labour Costs	4,632,400	2,129,700	2,129,700	2,129,700
Other Operating Expenses	60,403,400	29,674,100	29,074,100	29,074,100
<b>TOTAL COSTS</b>	<b>65,035,800</b>	<b>31,803,800</b>	<b>31,203,800</b>	<b>31,203,800</b>
<b>TOTAL REVENUES</b>	<b>(88,133,400)</b>	<b>(60,742,300)</b>	<b>(58,212,300)</b>	<b>(58,462,300)</b>
<b>NET COSTS</b>	<b>(23,097,600)</b>	<b>(28,938,500)</b>	<b>(27,008,500)</b>	<b>(27,258,500)</b>

<b>NON DEPARTMENTAL</b>	<b>2006</b>
	<b>BUDGET &amp; BUSINESS PLAN</b>

	2005 Budget	2006 Budget	2007 Forecast	2008 Forecast
Other	(23,097,600)	(28,938,500)	(27,008,500)	(27,258,500)
<b>TOTAL EXPENDITURES</b>	<b>(23,097,600)</b>	<b>(28,938,500)</b>	<b>(27,008,500)</b>	<b>(27,258,500)</b>

\* Council approved the additional assessment growth funds, \$1,981,500 be added to this department.  
 The net budget increase is found within the Approved Section of Non Departmental.

## NON DEPARTMENTAL

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### Departmental Budget Highlights Non Departmental

2006  
BUDGET & BUSINESS PLAN

#### Operating Highlights

The operating program has a \$5.8 million or 25% decrease in funding. Highlights are as follows:

- In prior years, the transfer of funds from the operating to the capital program of \$39 million has been funded from the following sources:
  - Tax Based funding - \$14 million;
  - Hydro Reserve Fund Principal - \$5 million; and
  - Hydro Reserve Fund Interest Earning – \$20 million.
- With the splitting of the Hydro Reserve Fund between the existing tax-based Capital Reserve Funds and the new Capital Revolving Fund, the interest and principal revenues are no longer available. As a result of eliminating the Hydro Reserve Fund, the capital transfer to the tax funded capital program has been reduced to \$14 million. In addition, staff are recommending a further \$4.7 million reduction in the transfer to capital. The revised transfer to capital is \$9.6 million.
- Labour costs comprise almost 70% of the total city's budget. The 2006 estimated labour costs are distributed to each operating program. The 2006 Operating Program funds the entire costs of OMERS pension contributions. With the elimination of the contribution holiday in 2003, Mississauga has been funding OMERS costs jointly from the tax base as well as the Reserve for Labour Settlement. As the OMERS plan may change in future years, elimination of the ramp-up plan (\$2.8m) was recommended as a prudent action for 2006.
- The 2006 Operating program includes a transfer of \$1.9 million from Reserves in order to smooth various labour related increases (\$1.2 million) and a recovery for the short term reduction in Payments-In-Lieu of Taxes (PILT's)– Greater Toronto Airport Authority (GTAA). The 2006 PILT – GTAA is based on the 2003 passenger count. With the threat of SARS, passenger count was low and is expected to rebound in 2004. As such, the 2007 PILT – GTAA is expected to return to its 2000 level and it is recommended that the short term reduction be funded from the Reserves.



**NON DEPARTMENTAL**

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**2006  
BUDGET & BUSINESS PLAN**

**SERVICE:**

**Other: Non Departmental**



# NON DEPARTMENTAL

## OTHER SERVICE BUDGET OVERVIEW

2006  
BUDGET & BUSINESS PLAN

	2004 Actual	2005 Restated Budget	2006 Base Budget	2006 New Services & Initiatives	2006 New Revenues	2006 Service Level Reductions	2006 Efficiencies & Reserve Transfers	2006 Requested Budget	Change in 2006 Requested Budget to 2005 Restated Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>EXPENDITURES</b>										
<b>LABOUR COSTS</b>	1,766,877	4,632,400	2,129,700					2,129,700	(2,502,700)	-54.0
Staff Development Costs	66,976	66,400	66,400					66,400		0.0
Communication Costs	117,441		60,000					60,000	60,000	0.0
Transportation Costs	4,640	2,900	2,900					2,900		0.0
Occupancy & City Costs	845,088	680,000	680,000					680,000		0.0
Equipment Costs & Maintenance Agreement	(24,371)									0.0
Contractor & Professional Services	477,841	322,900	382,100				(40,000)	342,100	19,200	5.9
Advertising & Promotions	106,592	112,200	110,000					110,000	(2,200)	-2.0
Materials, Supplies & Other Services	11,595,976	10,046,100	9,145,900					9,145,900	(900,200)	-9.0
Transfers	58,895,293	49,172,900	23,984,100				(4,717,300)	19,266,800	(29,906,100)	-60.8
<b>OTHER OPERATING EXPENSES</b>	<b>72,085,476</b>	<b>60,403,400</b>	<b>34,431,400</b>				<b>(4,757,300)</b>	<b>29,674,100</b>	<b>(30,729,300)</b>	<b>-50.9</b>
<b>TOTAL EXPENDITURES</b>	<b>73,852,353</b>	<b>65,035,800</b>	<b>36,561,100</b>				<b>(4,757,300)</b>	<b>31,803,800</b>	<b>(33,232,000)</b>	<b>-51.1</b>
<b>REVENUES</b>										
Supplementary Railway & Corridors	(7,099,974)	(5,786,100)	(5,286,100)					(5,286,100)	500,000	-8.6
Payments In Lieu	(24,097,276)	(22,918,800)	(22,238,800)					(22,238,800)	680,000	-3.0
Grants	(5,500)									0.0
Fees & Service Charges	(13,313)	(20,000)	(20,000)					(20,000)		0.0
Rents, Concessions & Franchise	(39,995)	(41,300)	(41,300)					(41,300)		0.0
Penalties & Interest On Taxes	(8,167,163)	(7,290,000)	(5,990,000)					(5,990,000)	1,300,000	-17.8
Investment Income	(6,242,645)	(5,800,000)	(6,726,000)					(6,726,000)	(926,000)	16.0
Other Revenue	(21,300,391)	(10,830,000)	(10,900,000)					(10,900,000)	(70,000)	0.6
Transfers	(35,655,324)	(35,447,200)	(7,660,100)				(1,880,000)	(9,540,100)	25,907,100	-73.1
<b>TOTAL REVENUES</b>	<b>(102,621,581)</b>	<b>(88,133,400)</b>	<b>(58,862,300)</b>				<b>(1,880,000)</b>	<b>(60,742,300)</b>	<b>27,391,100</b>	<b>-31.1</b>
<b>NET SERVICE IMPACT</b>	<b>(28,769,228)</b>	<b>(23,097,600)</b>	<b>(22,301,200)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,637,300)</b>	<b>(28,938,500)</b>	<b>(5,840,900)</b>	<b>25.3</b>

\* Council approved the additional assessment growth funds, \$1,981,500 be added to this department.  
The net budget increase is found within the Approved Section of Non Departmental.

# NON DEPARTMENTAL

**2006**

**2006 NET BUDGET BY PROGRAM** **BUDGET & BUSINESS PLAN**

	2004 Actual	2005 Restated Budget	2006 Base Budget	2006 New Service & Initiatives	2006 New Revenues	2006 Service Level Reductions	2006 Efficiencies & Reserve Transfers	2006 Requested Budget	Change in 2006 Requested Budget to 2005 Restated Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>PROGRAM EXPENDITURES</b>										
Bank & External Audit Charges	917,345	747,400	886,600					886,600	139,200	18.6
Benefits and Labour Package	(3,701,064)	1,504,100	1,399,700				(1,200,000)	199,700	(1,304,400)	-86.7
Council Committees	83,299	113,700	106,200					106,200	(7,500)	-6.6
Enersource Dividend		(8,000,000)	(8,000,000)					(8,000,000)		0.0
Grants to Volunteer Groups	2,314,497	2,305,500	2,305,500					2,305,500		0.0
Insurance	3,607,809	3,848,800	3,848,800				(40,000)	3,808,800	(40,000)	-1.0
Investment Income	(6,226,700)	(5,800,000)	(6,726,000)					(6,726,000)	(926,000)	16.0
Miscellaneous Revenue and Expenditures	(4,388,139)	864,100	(5,800)					(5,800)	(869,900)	-100.7
Payments-In-Lieu of Taxes	(23,247,276)	(22,068,800)	(21,388,800)				(680,000)	(22,068,800)		0.0
Prior Years' Surplus	(3,125,390)	(2,500,000)	(2,500,000)					(2,500,000)		0.0
Taxation	(6,379,798)	(8,809,700)	(7,124,700)					(7,124,700)	1,685,000	-19.1
Transfer To and From Reserves	10,668,205	200,000	400,000					400,000	200,000	100.0
Transfers to Capital	492,500	14,317,300	14,317,300				(4,717,300)	9,600,000	(4,717,300)	-32.9
Workers' Compensation and Rehabilitation	215,484	180,000	180,000					180,000		0.0
<b>NET PROGRAM IMPACT</b>	<b>(28,769,228)</b>	<b>(23,097,600)</b>	<b>(22,301,200)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,637,300)</b>	<b>(28,938,500)</b>	<b>(5,840,900)</b>	<b>25.3%</b>

\* Council approved the additional assessment growth funds, \$1,981,500 be added to this department.  
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# NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: BANK AND EXTERNAL AUDIT CHARGES**

**2006**

**BUDGET & BUSINESS PLAN**

**DESCRIPTION OF PROGRAM**

Provides for the Corporation's costs associated with all banking related services including: armoured car, night depository, satellite bank accounts, cheque reconciliation, direct payroll deposit, point of sale debit and credit card fees and preauthorized tax payments. Facilitates safe and convenient banking of monies for the Civic Centre and remote facilities. Provides for the external audit fees.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>					
Contractor & Professional Services	76,700	95,000	18,300	23.9%	Increased external audit fees
Materials, Supplies & Other Services	670,700	791,600	120,900	18.0%	Increased bank charges mainly related to increase usage of credit and debit cards
<b>OTHER OPERATING EXPENSES</b>	<b>747,400</b>	<b>886,600</b>	<b>139,200</b>	<b>18.6%</b>	
<b>TOTAL EXPENDITURES</b>	<b>747,400</b>	<b>886,600</b>	<b>139,200</b>	<b>18.6%</b>	
<b>REVENUES</b>					
Other Revenue					
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>			
<b>NET PROGRAM IMPACT</b>	<b>747,400</b>	<b>886,600</b>	<b>139,200</b>	<b>18.6%</b>	

## NON DEPARTMENTAL

### 2006 EXPLANATION OF BUDGET CHANGES PROGRAM: BENEFITS AND LABOUR PACKAGE

2006  
BUDGET & BUSINESS PLAN

#### DESCRIPTION OF PROGRAM

Provides for payments for employees who are no longer with the city as follows: Fire and CUPE employees who are eligible for accumulated sick leave credits to a maximum of six months' salary upon termination and various life insurance policies; under a sick leave benefit program, certain employees, for past service, may be entitled to a cash payment to unused sick leave credits; and fringe benefit costs for employees on long term disability. Provides for the administration of the City's Performance Management Process and any outstanding labour adjustments.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
<b>LABOUR COSTS</b>	3,338,400	949,700	(2,388,700)	-71.6%	Increase in early retirement costs of \$194,000 are offset by revised 2005 labour estimates which translated into 2006 labour savings
Communication Costs					
Transportation Costs					
Transfers	1,452,800	950,000	(502,800)	-34.6%	Funds are being set aside for 2007 where the number of working days will increase by one additional day
<b>OTHER OPERATING EXPENSES</b>	1,452,800	950,000	(502,800)	-34.6%	
<b>TOTAL EXPENDITURES</b>	<b>4,791,200</b>	<b>1,899,700</b>	<b>(2,891,500)</b>	<b>-60.4%</b>	
<b>REVENUES</b>					
Transfers	(3,287,100)	(1,700,000)	1,587,100	-48.3%	Elimination of transfers from the Reserve for Labour Settlement of \$2,787,000 to fund OMERS ramp up is offset by a two year phase in of certain labour increases of \$1,200,000
<b>TOTAL REVENUES</b>	<b>(3,287,100)</b>	<b>(1,700,000)</b>	<b>1,587,100</b>	<b>-48.3%</b>	
<b>NET PROGRAM IMPACT</b>	<b>1,504,100</b>	<b>199,700</b>	<b>(1,304,400)</b>	<b>-86.7%</b>	

## NON DEPARTMENTAL

### 2006 EXPLANATION OF BUDGET CHANGES PROGRAM: COUNCIL COMMITTEES

2006  
BUDGET & BUSINESS PLAN

#### DESCRIPTION OF PROGRAM

Provides funding for various Committees of Council as follows: Heritage Advisory Committee which advises Council on the preservation of heritage related matters; Safe Driving Committee which advises Council on road watch, Community Safety Zones, Crosswatch and other road safety initiatives; and Accessibility Advisory Committee which was established by Council pursuant to the Accessibility for Ontarians with Disabilities Act, 2005. Provides input into an accessibility plan which shall address the identification, removal and prevention of barriers to persons with disabilities related to the City's by-laws, policies, programs, services and facilities; and Traffic Safety Council which handles Mississauga's portion of the School Safety Patroller and Kiss and Ride programs and funding for safety conferences and promotional material.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006		EXPLANATION
			REQUESTED BUDGET TO 2005 RESTATED BUDGET		
	\$	\$	\$	%	
<b>EXPENDITURES</b>					
Staff Development Costs	6,800	6,800		0.0%	
Transportation Costs	2,900	2,900		0.0%	
Contractor & Professional Services					
Advertising & Promotions	46,300	38,800	(7,500)	-16.2%	Elimination of 2005 one-time expenses related to the 50th anniversary of the Traffic Safety Committee
Materials, Supplies & Other Services	57,700	57,700		0.0%	
<b>OTHER OPERATING EXPENSES</b>	113,700	106,200	(7,500)	-6.6%	
<b>TOTAL EXPENDITURES</b>	<b>113,700</b>	<b>106,200</b>	<b>(7,500)</b>	<b>-6.6%</b>	
<b>REVENUES</b>					
Grants					
Other Revenue					
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>			
<b>NET PROGRAM IMPACT</b>	<b>113,700</b>	<b>106,200</b>	<b>(7,500)</b>	<b>-6.6%</b>	

# NON DEPARTMENTAL

2006 EXPLANATION OF BUDGET CHANGES  
PROGRAM: ENERSOURCE DIVIDEND

2006  
BUDGET & BUSINESS PLAN

**DESCRIPTION OF PROGRAM**

Recognizes the dividend from Mississauga's investment in Enersource Mississauga.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Other Revenue	(8,000,000)	(8,000,000)		0.0%	
<b>TOTAL REVENUES</b>	<b>(8,000,000)</b>	<b>(8,000,000)</b>		0.0%	
<b>NET PROGRAM IMPACT</b>	<b>(8,000,000)</b>	<b>(8,000,000)</b>	<b>0</b>	<b>0.0%</b>	

## NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: GRANTS TO VOLUNTARY GROUPS**

**2006**  
**BUDGET & BUSINESS PLAN**

**DESCRIPTION OF PROGRAM**

Provides a program whereby Council may make grants under the Corporate Grant Program to assist community groups to deliver programs or services and to complete special projects, which, in the opinion of Council, is in the interest of the municipality.

Provides for the rental revenue for affiliated groups renting space in municipal facilities.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Transfers	2,346,800	2,346,800		0.0%	Reduce operating grant, related to the repayment of the Living Arts Centre operating line of credit, of \$200,000, is offset by additional community grants
<b>OTHER OPERATING EXPENSES</b>	2,346,800	2,346,800		0.0%	
<b>TOTAL EXPENDITURES</b>	<b>2,346,800</b>	<b>2,346,800</b>		<b>0.0%</b>	
<b>REVENUES</b>					
Rents, Concessions & Franchise	(41,300)	(41,300)		0.0%	
<b>TOTAL REVENUES</b>	<b>(41,300)</b>	<b>(41,300)</b>		<b>0.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>2,305,500</b>	<b>2,305,500</b>	<b>0</b>	<b>0.0%</b>	

# NON DEPARTMENTAL

## 2006 EXPLANATION OF BUDGET CHANGES PROGRAM: INSURANCE

**2006  
BUDGET & BUSINESS PLAN**

### DESCRIPTION OF PROGRAM

The Insurance program is made up of three distinct sections. First, it provides funding to cover the City's insurance policy premiums as well as the non-city premiums for Affiliated groups as per Corporate Policy 08-01-01. Second, claim costs within the

The program consists of four major components to minimize the City's exposure from liability claims and property losses:

- identification and assessment of risks and recommendations to reduce the frequency and size of potential losses;
- establishment and maintenance of a reserve fund to fund known and incurred losses and unreported losses within the City's self insured retention levels;
- purchasing insurance to fund catastrophic losses and losses above the City's retention levels; and
- managing all internal and external claims within the City's deductible levels and vendor services to handle those claims.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Contractor & Professional Services	97,100	57,100	(40,000)	-41.2%	Renegotiated Broker fee and reduced actuarial services
Materials, Supplies & Other Services	4,683,800	4,683,800		0.0%	
Transfers	2,598,000	2,598,000		0.0%	
<b>OTHER OPERATING EXPENSES</b>	7,378,900	7,338,900	(40,000)	-0.5%	
<b>TOTAL EXPENDITURES</b>	<b>7,378,900</b>	<b>7,338,900</b>	<b>(40,000)</b>	<b>-0.5%</b>	
<b>REVENUES</b>					
Transfers	(3,530,100)	(3,530,100)		0.0%	
<b>TOTAL REVENUES</b>	<b>(3,530,100)</b>	<b>(3,530,100)</b>	<b>0</b>	<b>0.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>3,848,800</b>	<b>3,808,800</b>	<b>(40,000)</b>	<b>-1.0%</b>	

# NON DEPARTMENTAL

## 2006 EXPLANATION OF BUDGET CHANGES PROGRAM: INVESTMENT INCOME

**2006  
BUDGET & BUSINESS PLAN**

### DESCRIPTION OF PROGRAM

Captures interest earned from the short-term investment of surplus revenue fund monies. Investments are restricted to securities noted in the Municipal Act and related Regulations, which could include securities:

- issued or guaranteed by the government/agency of Canada or the government/agency of a Canadian Province/territory;
- issued, guaranteed or endorsed by a Schedule I/Schedule II bank, trust/loan corporation or a credit union;
- issued or guaranteed by a municipality/school board in Canada, region in Ontario, Ontario conservation authority or the Municipal Finance Authority of British Columbia
- One Fund money market.
- Asset-backed securities, negotiable promissory notes or commercial paper.
- Internal loans for capital projects.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>REVENUES</b>					
Investment Income	(5,800,000)	(6,726,000)	(926,000)	16.0%	Investment income has increased as interest rates and the average daily balance available for investing have both risen.
<b>TOTAL REVENUES</b>	<b>(5,800,000)</b>	<b>(6,726,000)</b>	<b>(926,000)</b>	<b>16.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>(5,800,000)</b>	<b>(6,726,000)</b>	<b>(926,000)</b>	<b>16.0%</b>	

# NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: MISCELLANEOUS REVENUES AND EXPENSES**

**2006**  
**BUDGET & BUSINESS PLAN**

**DESCRIPTION OF PROGRAM**

Provides for miscellaneous City income and expenditures not assigned to specific departments such as payments discounts earned, vendor rebates, Goods and Services Tax compensation; NSF recovery fees, other miscellaneous one-time Corporate receipts and exp

	2005		2006 REQUESTED		EXPLANATION
	RESTATED BUDGET	BUDGET	BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET	
	\$	\$	\$	%	
<b>EXPENDITURES</b>					
<b>LABOUR COSTS</b>	0	0			
Staff Development Costs	59,600	59,600		0.0%	
Communication Costs		60,000	60,000		City-wide communication costs have been included at \$60,000
Transportation Costs					
Equipment Costs & Maintenance Agreements					
Contractor & Professional Services	29,100	50,000	20,900	71.8%	Increase in executive search costs
Advertising & Promotions	65,900	71,200	5,300	8.0%	
Materials, Supplies & Other Services	1,034,500	148,400	(886,100)	-85.7%	On Council's approval, additional assessment growth related to 2005 was placed in a contingency expense which is not needed in 2006
Transfers	25,000	25,000		0.0%	
<b>OTHER OPERATING EXPENSES</b>	1,214,100	414,200	(799,900)	-65.9%	
<b>TOTAL EXPENDITURES</b>	<b>1,214,100</b>	<b>414,200</b>	<b>(799,900)</b>	<b>-65.9%</b>	
<b>REVENUES</b>					
Fees & Service Charges	(20,000)	(20,000)		0.0%	
Investment Income					
Other Revenue	(330,000)	(400,000)	(70,000)	21.2%	\$250,000 in unclaimed security deposits is offset by a \$180,000 reduction in GST compensation costs as a result of the New GST deal and remittance requirements.
<b>TOTAL REVENUES</b>	<b>(350,000)</b>	<b>(420,000)</b>	<b>(70,000)</b>	<b>20.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>864,100</b>	<b>(5,800)</b>	<b>(869,900)</b>	<b>-100.7%</b>	

\* Council approved the additional assessment growth funds, \$1,981,500 be added to this program.  
 The net budget increase is found within the Approved Section of Non Departmental.

## NON DEPARTMENTAL

### 2006 EXPLANATION OF BUDGET CHANGES PROGRAM: PAYMENTS-IN-LIEU OF TAXES

**2006  
BUDGET & BUSINESS PLAN**

#### DESCRIPTION OF PROGRAM

Provides for the payments by Federal, Provincial and Municipal governments and /or their respective enterprises in lieu of property taxes as well as payments from universities, colleges and hospitals. The payments-in-lieu are made by these government bodies as their properties are classed as exempt from realty taxes. The payment provisions are provided for under various federal and provincial statutes.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Transfers	850,000	850,000		0.0%	
<b>OTHER OPERATING EXPENSES</b>	850,000	850,000		0.0%	
<b>TOTAL EXPENDITURES</b>	<b>850,000</b>	<b>850,000</b>		<b>0.0%</b>	
<b>REVENUES</b>					
Greater Toronto Airport Authority	(17,000,000)	(16,320,000)	680,000		
Ontario Power Generation	(2,048,000)	(2,048,000)			
Peel Region	(1,450,000)	(1,450,000)			
Canada Post	(900,000)	(900,000)			
City Owned Properties	(465,000)	(465,000)			
Atomic Energy	(400,000)	(400,000)			
Hospitals & University - Heads & Bed Counts	(327,700)	(327,700)			
Other	(328,100)	(328,100)			
<b>Payments In Lieu</b>	<b>(22,918,800)</b>	<b>(22,238,800)</b>	<b>680,000</b>	<b>-3.0%</b>	Reduction in 2003 passenger count results in lower Payments-In-Lieu of Taxes (PILT's) received from Greater Toronto Airport Authority (GTAA)
Transfers		(680,000)	(680,000)		These reductions are offset by a transfer from reserves as traffic volume is expected to rebound in 2004 (2007 Budget). In 2007, the transfer will be eliminated
<b>TOTAL REVENUES</b>	<b>(22,918,800)</b>	<b>(22,918,800)</b>		<b>0.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>(22,068,800)</b>	<b>(22,068,800)</b>	<b>0</b>	<b>0.0%</b>	

## NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: PRIOR YEAR'S SURPLUS**

**2006**  
**BUDGET & BUSINESS PLAN**

**DESCRIPTION OF PROGRAM**

Provides for the accumulated net revenue (ie. surplus) of the previous year to be carried forward as an offset to taxation, in accordance with the *Municipal Act*.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>REVENUES</b>	\$	\$	\$	%	
Other Revenue	(2,500,000)	(2,500,000)		0.0%	
<b>TOTAL REVENUES</b>	<b>(2,500,000)</b>	<b>(2,500,000)</b>		<b>0.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>(2,500,000)</b>	<b>(2,500,000)</b>	<b>0</b>	<b>0.0%</b>	

## NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: TAXATION**

**2006**  
**BUDGET & BUSINESS PLAN**

### DESCRIPTION OF PROGRAM

Revenues are generated from various sources as follows:

\_supplementary tax revenues under the Assessment Act. The act provides for the correction of any error, omission or misstatement of the tax roll and the subsequent levy and collection of applicable taxes. It also provides for addition to the tax roll of new buildings and the subsequent levy and collection of applicable taxes;

\_ revenue from the railway right of ways and Hydro corridor taxation revenues as per current legislation; and

\_ interest and penalties charged on unpaid taxes in accordance with the Municipal Act are added to the tax liability on the first day of default at a rate of 1.25% and on the first day of each calendar month thereafter in which default continues.

Rebates are available under various pieces of legislation which the city offers as follows:

- vacancy rebates for owners of properties that have vacant portions if the property is in the commercial or industrial property tax class; and
- rebates to charitable organization occupying commercial and industrial properties. This legislation allows for rebates of 40% of taxes payable.

Associated with the Business Area Improvements (BIA's) and Local Area Improvements:

- collections of special assessment taxation to meet the requirements of the three established BIA's in Clarkson, Port Credit and Streetsville.

Reductions in tax bills via various sources including:

- tax adjustments resulting from reductions in assessed property values through the assessment appeal process, tax appeals and reconsideration processes;
- new construction capping adjustments;
- striking off of uncollectible taxes; and

- exemption, at Council's discretion, for a maximum of 10 years, from taxes excluding local improvement charges, Business Improvement Area charges and school taxes, for any premises owned or rented and used occupied as a memorial home, clubhouse or athletic grounds by persons who served in Her Majesty's armed forces.

Expenses associated with taxes payable on City owned/leased properties and fees requirement for the tax sale process.

## NON DEPARTMENTAL

2006 EXPLANATION OF BUDGET CHANGES  
PROGRAM: TAXATION

2006  
BUDGET & BUSINESS PLAN

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Occupancy & City Costs	680,000	680,000		0.0%	
Contractor & Professional Services					
New Construction	750,000	600,000	(150,000)	-20.0%	
Vacancy Rebates	500,000	500,000			
Charity Rebates	35,000	70,000	35,000	100.0%	
Assessment and Tax Appeals	2,219,400	2,219,400			
Taxes Forgiven (Legions)	35,000	35,000			
Transfers	1,547,000	1,547,000		0.0%	
<b>OTHER OPERATING EXPENSES</b>	<b>5,766,400</b>	<b>5,651,400</b>	<b>(115,000)</b>	<b>-2.0%</b>	Reduced new construction of \$150,000 is offset by increased charity rebates of \$35,000
<b>TOTAL EXPENDITURES</b>	<b>5,766,400</b>	<b>5,651,400</b>	<b>(115,000)</b>	<b>-2.0%</b>	
<b>REVENUES</b>					
Supplementary Tax Billings	(3,591,100)	(3,091,100)	500,000	-13.9%	Supplementary taxes revenues have been reduced by \$500,000 to \$3,091,000
Rail and Hydro Corridors	(1,750,000)	(1,750,000)			
Penalties & Interest On Taxes	(7,290,000)	(5,990,000)	1,300,000	-17.8%	Tax interest and penalty revenues reduced as backlog in commercial/industrial re-assessments eliminated.
Transfers	(1,500,000)	(1,500,000)		0.0%	
<b>TOTAL REVENUES</b>	<b>(14,576,100)</b>	<b>(12,776,100)</b>	<b>1,800,000</b>	<b>-12.3%</b>	
<b>NET PROGRAM IMPACT</b>	<b>(8,809,700)</b>	<b>(7,124,700)</b>	<b>1,685,000</b>	<b>-19.1%</b>	

# NON DEPARTMENTAL

**2006 EXPLANATION OF BUDGET CHANGES**  
**PROGRAM: TRANSFERS TO AND FROM RESERVES**

**2006**  
**BUDGET & BUSINESS PLAN**

**DESCRIPTION OF PROGRAM**

Provides for the cost of holding municipal elections by making annual contributions to the Reserve for Elections from the operating program and recognizes any transfer to and from various Reserves and Reserve Funds, as required.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Transfers	200,000	400,000	200,000	100.0%	Additional \$200kof contributions to the Reserve for Elections
<b>OTHER OPERATING EXPENSES</b>	200,000	400,000	200,000	100.0%	
<b>TOTAL EXPENDITURES</b>	<b>200,000</b>	<b>400,000</b>	<b>200,000</b>	<b>100.0%</b>	
<b>REVENUES</b>					
Other Revenue					
Transfers					
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>			
<b>NET PROGRAM IMPACT</b>	<b>200,000</b>	<b>400,000</b>	<b>200,000</b>	<b>100.0%</b>	

## NON DEPARTMENTAL

2006 EXPLANATION OF BUDGET CHANGES  
PROGRAM: TRANSFERS TO CAPITAL

2006  
BUDGET & BUSINESS PLAN

### DESCRIPTION OF PROGRAM

Provides funds from the operating program to finance capital projects. The funds are transferred to the Capital Reserve Fund and are allocated from the reserve fund to projects approved in the Capital Program.

	2005 RESTATED BUDGET	2006 REQUESTED BUDGET	CHANGE IN 2006 REQUESTED BUDGET TO 2005 RESTATED BUDGET		EXPLANATION
			\$	%	
<b>EXPENDITURES</b>	\$	\$	\$	%	
Transfers	39,317,300	9,600,000	(29,717,300)	-75.6%	Transfer to capital has been reduced to correspond to the transfer of one half of the Hydro Reserve Fund into the tax based Capital Reserve Funds (\$25 million). An additional reduction of \$4,717,000 is recommended.
<b>OTHER OPERATING EXPENSES</b>	<b>39,317,300</b>	<b>9,600,000</b>	<b>(29,717,300)</b>	<b>-75.6%</b>	
<b>TOTAL EXPENDITURES</b>	<b>39,317,300</b>	<b>9,600,000</b>	<b>(29,717,300)</b>	<b>-75.6%</b>	
<b>REVENUES</b>					
Transfers	(25,000,000)		25,000,000	-100.0%	Interest earnings (\$20 million) and principal contribution (\$5 million) from the Hydro Reserve Fund have been eliminated
<b>TOTAL REVENUES</b>	<b>(25,000,000)</b>	<b>0</b>	<b>25,000,000</b>	<b>-100.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>14,317,300</b>	<b>9,600,000</b>	<b>(4,717,300)</b>	<b>-32.9%</b>	

## NON DEPARTMENTAL

### 2006 EXPLANATION OF BUDGET CHANGES

PROGRAM: WORKERS' COMPENSATION AND REHABILITATION

2006

BUDGET & BUSINESS PLAN

#### DESCRIPTION OF PROGRAM

In 1978, the City transferred from a Schedule 1 to Schedule 2 employer status with the Workers' Compensation Board. As such, payment of compensation and expenses is made via the Workers' Compensation Reserve Fund rather than the Workers' Compensation Board. The program provides a clearing account for transactions affecting the Workers' Compensation Reserve Fund and the Employee Rehabilitation Program. It also provides for medical examinations and the City's medical doctor's fees.

	2005	2006	CHANGE IN 2006		EXPLANATION
	RESTATED BUDGET	REQUESTED BUDGET	REQUESTED BUDGET TO 2005 RESTATED BUDGET		
	\$	\$	\$	%	
<b>EXPENDITURES</b>					
<b>LABOUR COSTS</b>	<b>1,294,000</b>	<b>1,180,000</b>	<b>(114,000)</b>	<b>-8.8%</b>	Increased premiums which are offset by increased transfers to the Reserve for Workers' Compensation and Rehabilitation
Contractor & Professional Services	120,000	140,000	20,000	16.7%	Reduced costs for medical consultations have been offset by increased costs medical examinations
Materials, Supplies & Other Services	60,000	40,000	(20,000)	-33.3%	Increase medical examination costs are offset by reduced medical consultations
Transfers	836,000	950,000	114,000	13.6%	Increased premiums which are transferred to the Reserve for Workers' Compensation and Rehabilitation
<b>OTHER OPERATING EXPENSES</b>	<b>1,016,000</b>	<b>1,130,000</b>	<b>114,000</b>	<b>11.2%</b>	
<b>TOTAL EXPENDITURES</b>	<b>2,310,000</b>	<b>2,310,000</b>		<b>0.0%</b>	
<b>REVENUES</b>					
Transfers	(2,130,000)	(2,130,000)		0.0%	
<b>TOTAL REVENUES</b>	<b>(2,130,000)</b>	<b>(2,130,000)</b>		<b>0.0%</b>	
<b>NET PROGRAM IMPACT</b>	<b>180,000</b>	<b>180,000</b>	<b>0</b>	<b>0.0%</b>	

## NON DEPARTMENTAL

Summary of Program Directions  
Non Departmental

2006

BUDGET & BUSINESS PLAN

### EFFICIENCIES (-)

Description	FTE	Expenditure	Revenue	Net	Start Date	Comments/Budget Change Explanations
Offset of labour increases with transfers from Reserves			(1,200,000)	(1,200,000)		Estimated 2006 labour package includes increases that will be phased in over two years. Funding will be provided from Reserves.
Insurance broker and actuarial services reduction		(40,000)		(40,000)		Broker services renegotiated over three year term to May 31, 2008.
Recover shortfalls in PILT from Reserves			(680,000)	(680,000)		PILT revenues expected to decline; therefore, transfers from reserves used to smooth out revenue stream.
Reduction in transfers to Capital			(4,717,300)	(4,717,300)		Reduction of the transfer from operating to capital.
<b>Total Program Changes</b>	-	<b>(40,000.00)</b>	<b>(6,597,300.00)</b>	<b>(6,637,300.00)</b>		

# NON DEPARTMENTAL

2006

Reduction/Service Level Enhancement

BUDGET & BUSINESS PLAN

<b>DEPARTMENT:</b>	Non Departmental	<b>TYPE OF CHANGE:</b>	<input type="checkbox"/>	New Service/Initiative		
<b>SERVICE:</b>	Other		<input type="checkbox"/>	New Revenues		
<b>PROGRAM/PROJECT TITLE</b>	Benefit and Labour Package		<input type="checkbox"/>	Service Level Adjustment		
<b>START DATE</b>	January 1, 2006		<input checked="" type="checkbox"/>	Efficiencies		
<b>ANNUALIZED IN 2006</b>	<input type="checkbox"/> YES <input type="checkbox"/> NO		<b>2006 COMPLEMENT</b>	<input type="checkbox"/>		<b>PERMANENT</b>
		<b>IMPACT</b>	<input type="checkbox"/>	<b>CONTRACT</b>	<input type="checkbox"/>	

**DESCRIPTION**  
Offset of labour increases with transfers from Reserves.

<b>IMPACT ON OTHER DIVISIONS</b>	<b>IT SUPPORT REQUIRED</b>
None	None

**RISK FACTOR**  
None

**BUSINESS CASE/DOCUMENTATION OF ASSUMPTIONS**  
The estimated 2006 labour package includes increases that will be phased in over 2 years. Funding will be provided from the Reserves.

<b>FINANCIAL IMPACT</b>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 - 2015</u>	<b>TOTAL</b>
Labour Costs	-				
Other Operating Expenses	-				
<b>Total Costs</b>	-	-	-		
<b>Total Revenues (enter as neg)</b>	(1,200,000)	1,200,000			
<b>Net Cost</b>	(1,200,000)	1,200,000	-		
<b>Capital Budget Impact</b>					

# NON DEPARTMENTAL

2006

Reduction/Service Level Enhancement

BUDGET & BUSINESS PLAN

<b>DEPARTMENT:</b>	Non Departmental	<b>TYPE OF CHANGE:</b>	<input type="checkbox"/>	New Service/Initiative	
<b>SERVICE:</b>	Other		<input type="checkbox"/>	New Revenues	
<b>PROGRAM/PROJECT TITLE</b>	Insurance		<input type="checkbox"/>	Service Level Adjustment	
<b>START DATE</b>	January 1, 2006		<input checked="" type="checkbox"/>	Efficiencies	
<b>ANNUALIZED IN 2006</b>	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<b>2006 COMPLEMENT</b>	<b>#</b>	<b>PERMANENT</b>	<b>TEMPORARY</b>
		<b>IMPACT</b>	<b>#</b>	<b>CONTRACT</b>	

**DESCRIPTION**

Insurance broker and actuarial services reduction

**IMPACT ON OTHER DIVISIONS**

None

**IT SUPPORT REQUIRED**

None

**RISK FACTOR**

None

**BUSINESS CASE/DOCUMENTATION OF ASSUMPTIONS**

Approval was obtained to enter into a sole source multi-year broker service agreement. As a result, the broker service fee was renegotiated over a three-year term ending May 31, 2008. Actuarial services were conducted in 2005 and no actuarial services are planned for 2006.

**FINANCIAL IMPACT**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 - 2015</u>	<u>TOTAL</u>
Labour Costs	-				
Other Operating Expenses	(40,000)				(40,000)
<b>Total Costs</b>	<b>(40,000)</b>				<b>(40,000)</b>
<b>Total Revenues (enter as neg)</b>					
<b>Net Cost</b>	<b>(40,000)</b>				<b>(40,000)</b>
<b>Capital Budget Impact</b>					



# NON DEPARTMENTAL

2006

Reduction/Service Level Enhancement

BUDGET & BUSINESS PLAN

<b>DEPARTMENT:</b>	Non Departmental	<b>TYPE OF CHANGE:</b>	<input type="checkbox"/>	New Service/Initiative		
<b>SERVICE:</b>	Other		<input type="checkbox"/>	New Revenues		
<b>PROGRAM/PROJECT TITLE</b>	Payments-In-Lieu of Taxes (PILT'S)		<input type="checkbox"/>	Service Level Adjustment		
<b>START DATE</b>	January 1, 2006		<input checked="" type="checkbox"/>	Efficiencies		
<b>ANNUALIZED IN 2006</b>	<input type="checkbox"/> YES <input type="checkbox"/> NO		<b>2006 COMPLEMENT</b>	<b>#</b>		<b>PERMANENT</b>
		<b>IMPACT</b>	<b>#</b>	<b>CONTRACT</b>	<input type="checkbox"/>	

**DESCRIPTION**  
Recover shortfalls in PILT from Reserves

<b>IMPACT ON OTHER DIVISIONS</b>	None	<b>IT SUPPORT REQUIRED</b>	None
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**RISK FACTOR**  
None

**BUSINESS CASE/DOCUMENTATION OF ASSUMPTIONS**  
PILT revenues are expected to decline in 2006 but then increase in 2007, so reserve transfers will be used to smooth out the revenue stream.

<b>FINANCIAL IMPACT</b>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 - 2015</u>	<b>TOTAL</b>
Labour Costs	-				
Other Operating Expenses	-				
<b>Total Costs</b>	-	-	-		
<b>Total Revenues (enter as neg)</b>	(680,000)	680,000			0
<b>Net Cost</b>	(680,000)	680,000			0
<b>Capital Budget Impact</b>					

# NON DEPARTMENTAL

2006

Reduction/Service Level Enhancement

BUDGET & BUSINESS PLAN

<b>DEPARTMENT:</b>	Non Departmental	<b>TYPE OF CHANGE:</b>	<input type="checkbox"/>	New Service/Initiative	
<b>SERVICE:</b>	Other		<input type="checkbox"/>	New Revenues	
<b>PROGRAM/PROJECT TITLE</b>	Transfers to Capital		<input type="checkbox"/>	Service Level Adjustment	
<b>START DATE</b>	January 1, 2006		<input checked="" type="checkbox"/>	Efficiencies	
<b>ANNUALIZED IN 2006</b>	<input type="checkbox"/> YES <input type="checkbox"/> NO	<b>2006 COMPLEMENT</b>	#	<b>PERMANENT</b>	<input type="checkbox"/> <b>TEMPORARY</b>
		<b>IMPACT</b>	#	<b>CONTRACT</b>	<input type="checkbox"/>

**DESCRIPTION**

Reduction in transfers to Capital

**IMPACT ON OTHER DIVISIONS**

None

**IT SUPPORT REQUIRED**

None

**RISK FACTOR**

None

**BUSINESS CASE/DOCUMENTATION OF ASSUMPTIONS**

With the re-allocation of the Hydro Reserve Fund to the tax based Reserve Funds as well as a revolving fund, a further reduction of the transfer from operating to capital of \$4.7 million has been recommended.

**FINANCIAL IMPACT**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 - 2015</u>	<u>TOTAL</u>
Labour Costs	-				
Other Operating Expenses	-				
<b>Total Costs</b>	-	-	-		
<b>Total Revenues (enter as neg)</b>	(4,717,300)				(4,717,300)
<b>Net Cost</b>	(4,717,300)				(4,717,300)
<b>Capital Budget Impact</b>					