

**THE CITY OF TORONTO**

**Clerk's Department**

**Minutes of the Budget Committee**

**Monday, January 26, 1998**

The Budget Committee met on Monday, January 26, 1998, in Committee Room A, 2nd Floor, Metro Hall, Toronto, commencing at 9:30 a.m.

Members Present:

Councillor Jakobek, Chair  
Councillor Balkissoon  
Councillor Chow  
Councillor Kinahan  
Councillor Ootes  
Councillor Shiner

Also Present:

Councillor Ashton  
Councillor Bossons  
Councillor Fotinos  
Councillor Giansante  
Councillor Holyday  
Councillor Jones  
Councillor Lindsay Luby  
Councillor McConnell  
Councillor Minnan-Wong  
Councillor Moeser  
Councillor Moscoe

**Minutes.**

On motion by Councillor Kinahan, the Budget Committee deferred the minutes of its special meeting held on Monday, January 20, 1998, to its next meeting on February 17, 1998.

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**4. Membership of Budget Committee.**

The Budget Committee had before it the communication (January 9, 1998) from the City Clerk listing the Members appointed to the Budget Committee for a term of office expiring on May 31, 1999, and/or until their successors are appointed.

The Budget Committee received the aforementioned communication.

**5. Contracts Nos. T-43-98 and T-44-98:  
Minor Bridge Repairs on Metropolitan Roads.**

The Budget Committee had before it a report (January 21, 1998) from the Strategic Policies and Priorities Committee advising that it referred the transmittal letter (January 13, 1998) from the Urban Environment and Development Committee, advising that the Committee on January 12, 1998, recommended to the Strategic Policies and Priorities Committee, and Council, the adoption of the report (December 16, 1997) from the Commissioner of Transportation, recommending the award of Contracts Nos. T-43-98 and T-44-98 for minor bridge repairs on "Metropolitan" roads, to the Budget Committee for inclusion in the 1998 Capital Budget and a report back to the Strategic Policies and Priorities Committee meeting to be held prior to the Council Meeting to be held on February 4 and 5, 1998.

On motion by Councillor Kinahan, the Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the aforementioned report (December 16, 1997) from the Commissioner of Transportation.

(Strategic Policies and Priorities Committee - January 28, 1998)

**6. Contracts Nos. T-2-98, T-3-98, T-4-98 and T-5-98:  
Permanent Repairs to Utility Road Cuts.**

The Budget Committee had before it a report (January 21, 1998) from the Strategic Policies and Priorities Committee, advising that it referred the transmittal letter (January 13, 1998) from the Urban Environment and Development Committee, advising that the Committee on January 12, 1998, recommended to the Strategic Policies and Priorities Committee, and Council, the adoption of the report (December 16, 1998) from the Commissioner of Transportation, recommending the award of four contracts for permanent repairs to utility road cuts, to the Budget Committee for inclusion in the 1998 Capital Budget and a report back to the Strategic Policies and Priorities Committee meeting to be held prior to the Council Meeting to be held on February 4 and 5, 1998.

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On motion by Councillor Kinahan, the Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the aforementioned report (December 16, 1997) from the Commissioner of Transportation.

(Strategic Policies and Priorities Committee - January 28, 1998)

**7. Contracts Nos. T-6-98, T-7-98, T-21-98 and T-22-98:  
General Maintenance of Metropolitan Roads.**

The Budget Committee had before it a report (January 22, 1998) from the Strategic Policies and Priorities Committee, advising that it referred the transmittal letter (January 13, 1998) from the Urban Environment and Development Committee, advising that the Committee on January 12, 1998, recommended to the Strategic Policies and Priorities Committee, and Council, the adoption of the report (December 16, 1998) from the Commissioner of Transportation, recommending the award of four contracts for general maintenance of "Metropolitan" roads, to the Budget Committee for inclusion in the 1998 Capital Budget and a report back to the Strategic Policies and Priorities Committee meeting to be held prior to the Council Meeting to be held on February 4 and 5, 1998.

On motion by Councillor Kinahan, the Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the aforementioned report (December 16, 1997) from the Commissioner of Transportation.

(Strategic Policies and Priorities Committee - January 28, 1998)

**8. Motion respecting no increase in taxes for three year.**

The Budget Committee had before it a communication (January 15, 1998) from the City Clerk, forwarding a motion from Councillors Minnan-Wong and Mammoliti, which recommended that there be no increase in taxes for three years and that a public referendum be held before increasing the mill rate, which City Council at its meeting on January 2, 6, 8 and 9, 1998, referred to the Budget Committee for consideration.

Councillor Minnan-Wong appeared before the Budget Committee in connection with the foregoing matter.

Councillor Shiner assumed the Chair.

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Councillor Jakobek moved that the Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the motion of Councillor Minnan-Wong be received; and
- (2) the Budget Committee establish as an objective for the 1998 Budget, a “zero” tax increase with maintenance and protection of all current levels of service to the public.

Councillor Jakobek resumed the Chair.

Councillor Shiner moved that the goal of the Budget Committee be to maintain all current levels of service, without increasing taxes.

Councillor Kinahan moved that Councillor Jakobek’s motion be amended by adding to part (2) the words “subject to the reality of Provincial operating and capital downloading”.

Councillor Chow moved that Councillor Jakobek’s motion be amended by adding to part (2) the words:

- (i) with no service reduction to health, social, recreational and other City services; and
- (ii) with no target cuts to City staff with the exception of voluntary leaves and attrition.

Upon the question of the adoption of the motion of Councillor Jakobek, it was carried.

Upon the question of the adoption of the motion of Councillor Kinahan, it was carried.

Councillor Chow withdrew part (i) of her motion.

Upon the question of the adoption of part (ii) of the motion of Councillor Chow, it was lost.

The motion of Councillor Shiner was not voted on.

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**In summary, therefore, the decision of the Budget Committee is as follows:**

The Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the motion of Councillor Minnan-Wong be received; and
- (2) the Budget Committee establish as an objective for the 1998 Budget, a “zero” tax increase, with maintenance and protection of all current levels of service to the public, subject to the reality of provincial operating and capital downloading.

(Strategic Policies and Priorities Committee - January 28, 1998)

**9. Financial Relationships with the Toronto District School Boards.**

The Budget Committee had before it a report (January 15, 1998) from the Chief Financial Officer and Treasurer recommending a policy concerning the timing of payment of taxes collected for education purposes to the Toronto District School Board and Toronto Catholic District School Board, and to outline further anticipated changes in the financial relationship with the Toronto School Boards.

The Budget Committee also had before it the following:

- (i) a communication (January 26, 1998) from Mr. Joseph Martino, Chair, Toronto Catholic District School Board;
- (ii) a communication (January 23, 1998) from Ms. Gail Nyberg, Chair, Toronto District School Board; and
- (iii) a further report (January 22, 1998) from the Chief Financial Officer and Treasurer, responding to recommendations adopted by City Council at its meeting on January 2, 6, 8 and 9, 1998, and to provide additional information regarding the financial relationship between the City and the Toronto School Boards.

The following persons appeared before the Budget Committee in connection with the foregoing matter:

- Mr. Joseph Martino, Chair, Toronto Catholic District School Board; and
  - Ms. Gail Nyberg, Chair, Toronto District School Board.
- On motion by Councillor Shiner, the Budget Committee recommended to the Strategic Policies and Priorities Committee that Recommendations Nos. 1 and 2 of the report (January 15, 1998) from the Chief Financial

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Officer and Treasurer, be struck out and the following be inserted in lieu thereof, so that the recommendations now read:

- (1) That the effective date of the change to quarterly payments be June 1, 1998, and that the former financing arrangements in effect in 1997 continue until that time without prejudice to the City of Toronto;
- (2) That City and School Board officials present an agreement before June 1, 1998, that addresses the City use of daycare and school facilities for parks and recreation purposes into a new master agreement between the City and the School Boards;
- (3) That City staff continue to work with the school boards to reach a mutually satisfactory arrangement regarding City use of school facilities for consideration in the 1998 operating budget; and
- (4) That the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Kinahan, the Budget Committee requested the Chief Financial Officer and Treasurer to report back to the Budget Committee prior to June 1, 1998, on the status of this matter so that the Committee may determine whether or not the former financing arrangements should continue beyond June 1, 1998.

On motion by Councillor Chow, the Budget Committee requested the Acting Executive Commissioner of Community and Neighbourhood Services to report on shared service opportunities between the City and the School Boards.

(Strategic Policies and Priorities Committee; Chief Financial Officer and Treasurer; Acting Executive Commissioner of Community and Neighbourhood Services - February 2, 1998)

**10. Briefing - Budget Committee.**

Wanda Liczyk, Chief Financial Officer and Treasurer gave an overhead presentation regarding the responsibilities of the Budget Committee.

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The Budget Committee received the aforementioned presentation.

**11. 1998 Operating and Capital Budgets - Schedule and Public Consultation Process.**

Rhona Swarbrick, Etobicoke Citizens for Effective Government appeared before the Budget Committee in connection with the foregoing matter.

The Budget Committee adjourned at 12:30 p.m.

The Budget Committee reconvened at 2:00 p.m.

Members Present:

Councillor Jakobek, Chair  
Councillor Balkissoon  
Councillor Chow  
Councillor Kinahan  
Councillor Ootes  
Councillor Shiner

Also Present:

Councillor Ashton  
Councillor Bossons  
Councillor Fotinos  
Councillor Giansante  
Councillor Holyday  
Councillor Jones  
Councillor Lindsay Luby  
Councillor McConnell  
Councillor Minnan-Wong  
Councillor Moeser  
Councillor Moscoe

The Budget Committee continued to consider the matter of the 1998 Operating and Capital Budgets - Schedule and Public Consultation Process.

The Budget Committee had before it a report (December 18, 1997) from the Chief Financial Officer and Treasurer respecting the proposed 1998 Operating Budget Process.

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The Budget Committee also had before it the following:

- (i) a report (December 23, 1997) from the Chief Financial Officer and Treasurer respecting the proposed 1998 Capital Budget Process;
- (ii) a report (January 23, 1998) from the Chief Financial Officer and Treasurer respecting a process for public consultation for the 1998 budget process; and
- (iii) Strategic Policies and Priorities Committee (January 22, 1998) respecting the 1998 Operating and Capital Budget Process.

On motion by Councillor Chow, the Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the following be the process and schedule for consideration and approval of the Capital and Operating Budgets:

February 3, 1998	Strategic Policies and Priorities Committee <ul style="list-style-type: none"><li>- principles of budget</li><li>- budget process</li><li>- approve interim capital budget</li></ul>
February 4	Council approval of the above
February 9-19	Standing Committees and Community Council review Capital Budget and receive a copy of the Phase I of Operating Budget for information
February 17	Budget Committee approval Phase 1 (cut \$150 million)
February 24	Strategic Policies and Priorities Committee approval of Operating Budget, Phase 1
Week of March 2	Committee of the Whole of City Council



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- public meeting re Capital and Operating Budgets
- March 23 - April 2 Standing Committees and Community Council review Operating Budget and receive a copy of Phase 2 for information
- March 31 Budget Committee finalize consolidated Operating and Capital Budgets
- April 6 Strategic Policies and Priorities Committee receive and recommend approval of the Operating and Capital Budgets to Council
- April 15 City Council approval of Operating and Capital Budgets

On motion by Councillor Shiner, the Budget Committee recommended to the Strategic Policies and Priorities Committee that the Chief Financial Officer and Treasurer be directed to invite the Budget Chair and/or his designate, other interested members of the Budget Committee and the Chairs of the Standing Committees and/or their designates to attend staff Budget reviews, to obtain necessary background information on the various departmental budgets.

(Strategic Policies and Priorities Committee - January 28, 1998)

**12. 1998 Capital Works Program - Preliminary Targets and Status Report on the Outstanding Debt of the City of Toronto.**

The Budget Committee had before it a report (January 19, 1998) from the Chief Financial Officer and Treasurer recommending preliminary targets for the 1998 Capital Works program to assist Council and its committees in reviewing the capital requests of the various program areas.

The Budget Committee also had before it a report (January 23, 1998) from the Chief Financial Officer and Treasurer providing the status of the outstanding debenture debt and related debt charges assumed by the City of Toronto as of January 1, 1998.

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- (A) Councillor Kinahan moved that the Budget Committee recommend to the Strategic Policies and Priorities Committee that the following Recommendations Nos. (2), (5) and (6) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, be adopted, subject to deleting Recommendation 2 (v), so that Recommendations Nos. (2), (5) and (6) now read as follows:
- (2) That the interim Capital Management Guidelines as outlined in this report be used in the capital budget process:
- (i) limit debt charges for tax supported programs to 10 percent of the municipal property tax levy;
  - (ii) the capital budget should include items with a useful life greater than the standard term of debenture borrowing - 10 years;
  - (iii) maintain capital from current funding at approximately \$100 million with a view to increasing this level where possible;
  - (iv) fund capital maintenance and rehabilitation projects to the greatest extent possible from capital from current; and
  - (v) explore alternative sources of capital financing, including the implementation of a City-wide development charges regime.
- (5) That the Chief Financial Officer and Treasurer be directed to report on transitional projects and potential funding sources for transitional costs required to support the amalgamation process.
- (6) That appropriate staff be requested to bring forward as soon as possible recommendations on appropriate road, bridge and facility maintenance standards and related longer term capital requirements.

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- (B) Councillor Shiner moved that the Budget Committee recommend to the Strategic Policies and Priorities Committee the adoption of the following motion:

Whereas in 1997, seven municipalities approved capital works programs that used different sources of funding being operating, reserves, grants and debt; and

Whereas projects with previous approvals will require the use of debt in order to finance the projects completely; and

Whereas it is estimated that approximately \$200 million will need to be borrowed in 1998 to cover these projects; and

Whereas the Chief Financial Officer and Treasurer has submitted a report on interim capital guidelines where debt is recommended as a source of financing the 1998 capital budget.

Therefore Be it resolved that only approved and started projects from prior years be funded from any new issue of debt in 1998;

Be it further resolved that the level of debt to be used to finance the 1998 Capital Budget be \$110 million (other than that required to complete the Sheppard Subway) - a no tax impact level of debt; and

Be it further resolved that the level of debt for capital budgets for future years be the subject of a further report from the Chief Financial Officer and Treasurer prior to the establishment of the five year capital plan.

- (C) Councillor Chow moved that the Budget Committee defer the first resolved portion of the motion of Councillor Shiner until its next meeting on February 17, 1998, pending receipt of the requested report from the Chief Financial Officer and Treasurer.
- (D) Councillor Kinahan moved that the Budget Committee defer the second resolved portion of the motion of Councillor Shiner until its

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next meeting on February 17, 1998, pending receipt of the requested report from the Chief Financial Officer and Treasurer.

Councillor Shiner assumed the Chair.

- (E) Councillor Jakobek moved that the Budget Committee recommend to the Strategic Policies and Priorities Committee that:
- (1) the Capital Budget guidelines include:
    - (i) no further debentures/debt;
    - (ii) a maximum \$300 million Toronto Transit Commission Capital (instead of \$349 million), except for the Sheppard Subway;
    - (iii) \$275 million consolidated capital for other municipal areas (making a total of \$575 million instead of \$587 million);
  - (2) the Chief Administrative Officer be requested to report to the Budget Committee on his plan for asset rationalization and disposal of property in short, medium and long term, so that those capital dollars can be reinvested in the City's Capital Budget.
- (F) Councillor Jakobek moved that the Budget Committee defer Part (1) of his motion until its next meeting on February 17, 1998, pending receipt of the requested report from the Chief Financial Officer and Treasurer:

Councillor Jakobek resumed the Chair.

- (G) Councillor Shiner moved that any project for which prior approval has been given, but for which funding has not been provided and a contract has not been signed or issued, should not proceed until specifically approved by Council; and

That the Chief Financial Officer and Treasurer report to

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- (i) the Budget Committee on all 1997 and 1998 unfunded Capital projects; and
  - (ii) to the Strategic Policies and Priorities Committee on any projects that require immediate approval.
- (H) Councillor Kinahan moved that the Budget Committee refer the foregoing motion of Councillor Shiner to the Strategic Policies and Priorities Committee and requested the Chief Financial Officer and Treasurer to report to that Committee on February 3, 1998, on which projects are affected and what the consequences would be if the motion were adopted.
- (I) Councillor Kinahan moved that the Budget Committee defer the following Recommendations Nos. (1), (3) and (4) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer until its next meeting on February 17, 1998, pending receipt of the above requested report from the Chief Financial Officer and Treasurer:
  - (1) That the 1998 gross capital budget target for property tax supported entities be set at \$587 million, requiring estimated borrowing of \$146 million;
  - (3) That the 1998 gross capital target allocations in Appendix A be adopted and used as a benchmark against which the capital requests are analyzed throughout the political review process;
  - (4) That standing committees be directed to prioritize capital projects within the target allocations for consideration of the Budget Committee at its meeting on March 31, 1998, through to Council via the Strategic Policies and Priorities Committee.
- (J) Councillor Chow moved that Recommendation (2) (v) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, titled "1998 Capital Works Program - Preliminary Targets" be amended to read:

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- (v) put the highest priority on capital maintenance and rehabilitation projects, including those showing extreme need, urgency, and timing necessity and phase in partnership applicability.

Councillor Shiner assumed the Chair.

- (K) Councillor Jakobek moved that the Budget Committee defer the foregoing motion of Councillor Chow until its next meeting on February 17, 1998, pending receipt of the requested report from the Chief Financial Officer and Treasurer:

Councillor Jakobek resumed the Chair.

Upon the question of the adoption of motion (A) by Councillor Kinahan, it was carried.

Upon the question of the adoption of motion (C) by Councillor Chow, it was carried.

Upon the question of the adoption of motion (D) by Councillor Kinahan, it was carried.

Upon the question of the adoption of the third resolved portion of motion (B) by Councillor Shiner, it was carried.

Upon the question of the adoption of Part (2) of motion (E) by Councillor Jakobek, it was carried.

Upon the question of the adoption of motion (F) by Councillor Jakobek, it was carried.

Upon the question of the adoption of motion (H) by Councillor Kinahan, it was carried.

Upon the question of the adoption of motion (I) by Councillor Kinahan, it was carried.

Upon the question of the adoption of motion (K) by Councillor Jakobek, it was carried.

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**In summary, therefore, the decision of the Budget Committee is as follows:**

The Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) recommendations Nos. (2), (5) and (6) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, be adopted, subject to deleting Recommendation 2 (v), so that Recommendations Nos. (2), (5) and (6) now read as follows:
  - (2) That the interim Capital Management Guidelines as outlined in this report be used in the capital budget process:
    - (i) limit debt charges for tax supported programs to 10 percent of the municipal property tax levy;
    - (ii) the capital budget should include items with a useful life greater than the standard term of debenture borrowing - 10 years;
    - (iii) maintain capital from current funding at approximately \$100 million with a view to increasing this level where possible;
    - (iv) fund capital maintenance and rehabilitation projects to the greatest extent possible from capital from current; and
    - (v) explore alternative sources of capital financing, including the implementation of a City-wide development charges regime.
  - (5) That the Chief Financial Officer and Treasurer be directed to report on transitional projects and potential funding sources for transitional costs required to support the amalgamation process.
  - (6) That appropriate staff be requested to bring forward as soon as possible recommendations on appropriate road, bridge and facility maintenance standards and related longer term capital requirements.

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- (2) the level of debt for capital budgets for future years be the subject of a further report from the Chief Financial Officer and Treasurer prior to the establishment of the five year capital plan;
- (3) the Chief Administrative Officer be requested to report to the Budget Committee on his plan for asset rationalization and disposal of property in short, medium and long term, so that those capital dollars can be reinvested in the City's Capital Budget.

The Budget Committee referred the following motion to the Strategic Policies and Priorities Committee and requested the Chief Financial Officer and Treasurer to report to that Committee on February 3, 1998, on which projects are affected and what the consequences would be if the motion were adopted:

That any project for which prior approval has been given, but for which funding has not been provided and a contract has not been signed or issued, should not proceed until specifically approved by Council; and

That the Chief Financial Officer and Treasurer report to

- (i) the Budget Committee on all 1997 and 1998 unfunded Capital projects; and
- (ii) to the Strategic Policies and Priorities Committee on any projects that require immediate approval."

The Budget Committee also deferred the following recommendations/motions until its next meeting on February 17, 1998, pending receipt of the requested report from the Chief Financial Officer and Treasurer:

- (1) Recommendations (1), (3) and (4) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, as follows:
  - (1) That the 1998 gross capital budget target for property tax supported entities be set at \$587 million, requiring estimated borrowing of \$146 million;



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- (3) That the 1998 gross capital target allocations in Appendix A be adopted and used as a benchmark against which the capital requests are analyzed throughout the political review process;
- (4) That standing committees be directed to prioritize capital projects within the target allocations for consideration of the Budget Committee at its meeting on March 31, 1998, through to Council via the Strategic Policies and Priorities Committee.

(2) Motion by Councillor Jakobek

That the Capital Budget guidelines include:

- (i) no further debentures/debt;
- (ii) a maximum \$300 million Toronto Transit Commission Capital (instead of \$349 million), except for the Sheppard Subway;
- (iii) \$275 million consolidated capital for other municipal areas (making a total of \$575 million instead of \$587 million);

(3) Motion by Councillor Shiner:

Whereas in 1997, seven municipalities approved capital works programs that used different sources of funding being operating, reserves, grants and debt; and

Whereas projects with previous approvals will require the use of debt in order to finance the projects completely; and

Whereas it is estimated that approximately \$200 million will need to be borrowed in 1998 to cover these projects; and

Whereas the Chief Financial Officer and Treasurer has submitted a report on interim capital guidelines where debt is recommended as a source of financing the 1998 capital budget.

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Therefore Be it resolved that only approved and started projects from prior years be funded from any new issue of debt in 1998; and

Be it further resolved that the level of debt to be used to finance the 1998 Capital Budget be \$110 million (other than that required to complete the Sheppard Subway) - a no tax impact level of debt.

(4) Motion by Councillor Chow

That Recommendation (2) (v) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, titled "1998 Capital Works Program - Preliminary Targets" be amended to read:

- (v) put the highest priority on capital maintenance and rehabilitation projects, including those showing extreme need, urgency, and timing necessity and phase in partnership applicability.

(Strategic Policies and Priorities Committee; Chief Administrative Officer; Chief Financial Officer and Treasurer - January 28, 1998)

**13. 1998 Operating Budget - A Phased Review Approach.**

The Budget Committee had before it a report (January 19, 1998) from the Chief Financial Officer and Treasurer providing an overview of the operating budget pressures and the work to date, and a recommended overall strategy for dealing with the budget.

Councillor Shiner assumed the Chair.

On motion by Councillor Jakobek, the Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the report (January 19, 1998) from the Chief Financial Officer and Treasurer be adopted, which recommended that:
  - (i) Phase 1 in the budget review process focus on a review of the base budgets and the work of the Transition Team as it relates to the City budget pressures;

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- (ii) Phase 2 in the budget review process focus on the options available to address the \$164 million in provincial downloading; and
- (2) the target for each Department, Board and Commission be up to 15 percent in cuts, and include those reductions already found by the Transition Team, and that the recommendations be reported back to the Budget Committee by listing the impact of each percentage reduction, such recommendations not to include front line services.

(Strategic Policies and Priorities Committee - January 28, 1998)

Councillor Jakobek resumed the Chair.

**14. Union Representation at Budget Committee meetings.**

The Budget Committee had before it a communication (January 15, 1998) from Mr. Tom Lenathen, Vice President, Toronto Civic Employees' Union, Local 416, requesting that a representative of that union be permitted to attend the Budget Committee meetings.

The Budget Committee agreed to invite all employee groups to have a representative attend Budget Committee meetings, and requested the City Clerk to forward a copy of all agendas and materials to each of the employee group representatives, prior to any Budget Committee meeting.

**5. Toronto Civic Employees' Union concerns - Facilities at Booth Yard.**

The Budget Committee had before it a communication (January 19, 1998) from Mr. Tom Lenathen, Vice President, Toronto Civic Employees' Union, Local 416, expressing concerns regarding the lack of facilities at the City of Toronto's Booth Avenue, Works yard.

The Budget Committee referred the aforementioned communication to the Acting Executive Commissioner of Emergency & Protective Services for report back to the Budget Committee in the context of the 1998 Capital Budget.

(Acting Executive Commissioner of Emergency & Protective Services;  
Mr. Tom Lenathen, Vice President, Toronto Civic Employees' Union,  
Local 416 - January 28, 1998)

**16. 1998 Interim Capital Budget - Capital Projects Requiring Urgent Financing Approval.**

The Budget Committee had before it a report (January 21, 1998) from the Chief Financial Officer and Treasurer respecting the 1998 Interim Capital Budget and providing a list of capital projects which require urgent financing approval in advance of the 1998 Capital Budget.

On motion by Councillor Shiner, the Budget Committee recommended to the Strategic Policies and Priorities Committee that Appendix "B" of the report (January 21, 1998) from the Chief Financial Officer and Treasurer be amended by

- (i) referring Project No. 35 - Watermain Capital Maintenance back to the Chief Financial Officer and Treasurer for report setting out a complete list of City-wide watermain realign projects
- (ii) referring Project No. A-5(c) - Park Land Acquisition, 40 Wabash Avenue back to the Budget Committee.

On motion by Councillor Chow, the Budget Committee requested the Chief Financial Officer and Treasurer and the Toronto Police Service to report to the Strategic Policies and Priorities Committee on February 3, 1998 on Project A-8 - DSC System Upgrades as follows:

- (i) tendering the Intelligence Communication Intercept System;
- (ii) details of the \$1.75 million; and
- (iii) information regarding why this new system does not have to be compatible with the other police service communication system.

On motion by Councillor Balkissoon, the Budget Committee recommended to the Strategic Policies and Priorities Committee that Appendix "D" of the report (January 21, 1998) from the Chief Financial Officer and Treasurer, which provides the justification pages for the projects being recommended for advance approval, be amended by amending Project No. A-5(b) - Park Land Acquisition, so that the sale of 219 Dufferin Street is credited to the Park Land Acquisition Fund.

Councillor Shiner assumed the Chair.

On motion by Councilor Jakobek, the Budget Committee

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- (1) recommended to the Strategic Policies and Priorities Committee that Appendix "A" contained in the report (January 21, 1998) from the Chief Financial Officer and Treasurer, be amended by deleting - Project No. 9 - Vehicle Standardization; and
- (2) requested the Fire Chief to report to the Emergency and Protective Services Committee, on his plan respecting standardization of the fire vehicles, for subsequent report to City Council.

Councillor Jakobek resumed the Chair.

On motion by Councillor Shiner, the Budget Committee recommended that Appendix "D" contained in the report (January 21, 1998) from the Chief Financial Officer and Treasurer, which provides the justification pages for the projects being recommended for advance approval, be amended by correcting - Project No. A-5 - Park Land Acquisition, so that the funding for the three parcels of land is from the former City of Toronto Park Land Acquisition fund and not from the operating budget or debt.

(Strategic Policies and Priorities Committee; Chief Financial Officer and Treasurer; Fire Chief; Toronto Police Services Board - January 28, 1998)

**17. Contract No. T-8-98  
Bathurst Bridge over the Toronto Terminal Railways South of Front Street -  
Structure Rehabilitation.**

The Budget Committee had before it a report (January 21, 1998) from the Strategic Policies and Priorities Committee, advising that it referred the transmittal letter (January 13, 1998) from the Urban Environment and Development Committee, advising that the Committee on January 12, 1998, recommended to the Strategic Policies and Priorities Committee, and Council, the adoption of the report (December 15, 1997) from the Commissioner of Transportation, recommending the award of a contract for the rehabilitation of the Bathurst Street Bridge, to the Budget Committee for inclusion in the 1998 Capital Budget and a report back to the Strategic Policies and Priorities Committee meeting to be held prior to the Council Meeting to be held on February 4 and 5, 1998.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the aforementioned report (December 15, 1997) from the Commissioner of Transportation.

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The Budget Committee advised the Strategic Policies and Priorities Committee that it has included the Bathurst Street Bridge project in the 1998 Interim Capital Budget.

(Strategic Policies and Priorities Committee - January 28, 1998)

**18. Staffing Strategy for Management and Excluded Staff.**

The Budget Committee had before it a report (January 22, 1998) from the Strategic Policies and Priorities Committee advising that it received the joint report (January 19, 1998) from the Commissioner of Human Resources and the Chief Administrative Officer, providing an overview of the customized transitional staffing strategy for the amalgamation of the seven existing municipal workforces into departments in the City of Toronto that balances the business needs of departments with recognition of the skills and abilities of existing municipal staff; and forwarded a copy to the Budget Committee for information.

The Budget Committee received the aforementioned report for information.

**19. Borrowing Authority and Statement of Investment Policies and Goals.**

The Committee had before it a report (January 14, 1998) from the City Clerk, forwarding reports from the Chief Financial Officer and Treasurer, as adopted by Council at its meeting on January 2, 6, 8 and 9, 1998, for further consideration by the Budget Committee and report thereon to City Council for its meeting to be held on February 4, 1998, and also recommending that the 1998 draft Operating and Capital Budgets be submitted to all Standing Committees for consideration and input.

The Committee reports having received the abovementioned report from the City Clerk.

**20. Expenditure Reduction Proposals - Cost of Salaries, Wages and Benefits.**

The Budget Committee had before it a report (January 26, 1998) from the Chief Administrative Officer, Commissioner of Human Resources and Chief Financial Officer and Treasurer responding to the request of the Budget Committee with respect to proposals and recommendations to reduce the cost of salaries, wages and benefits.

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The Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the report (January 26, 1998) from the Chief Administrative Officer, Commissioner of Human Resources and Chief Financial Officer and Treasurer be adopted, which recommends the following:

“It is recommended that the Budget Committee adopt the proposals and recommendations for reduction in the cost of salaries, wages and benefits , as outlined in this report.”; and

- (2) the Agencies, Boards and Commissions of the City be urged to apply the same proposals and recommendations set out in the aforementioned report and that they be asked to also restrict external hiring, as much as possible, and look to the municipality for possible candidates for vacant positions.

(Strategic Policies and Priorities Committee - January 28, 1998)

21. The Budget Committee met **in camera** to consider a matter the subject of which deals with labour relations and employee negotiations.

The Budget Committee met **in camera** at 6:40 p.m.

Members Present:

Councillor Jakobek, Chair  
Councillor Balkissoon  
Councillor Chow  
Councillor Kinahan  
Councillor Ootes  
Councillor Shiner

The Budget Committee adjourned its **private meeting** at 5:58 p.m. and immediately reconvened in public session with the following members being in attendance:

Councillor Jakobek, Chair  
Councillor Balkissoon  
Councillor Chow

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Councillor Kinahan  
Councillor Ootes  
Councillor Shiner

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The Budget Committee reported that a confidential report would be forwarded to the Strategic Policies and Priorities Committee respecting its in camera discussion, the subject of which dealt with labour relations and employee negotiations.

The Budget Committee adjourned at 7:00 p.m.

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Chair.