

THE CITY OF TORONTO

Clerk's Department

Minutes of the Budget Committee

Tuesday, September 15, 1998.

The Budget Committee met on Tuesday, September 15, 1998, in Committee Room A, Metro Hall, 55 John Street, Toronto, commencing at 9:40 a.m.

Members Present:

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

246. Sheppard Subway - Platform Edge Doors (PEDS) and Automatic Train Control (ATC).

The Budget Committee had before it a report (July 16, 1998) from the General Secretary, Toronto Transit Commission, responding to the request from the Budget Committee at its meeting on May 26, 1998, to report on the automated door system (platform edge doors) as originally proposed for the Sheppard Subway Line and the cost factor involved.

On motion by Councillor Kinahan, the Budget Committee recommended to the Strategic Policies and Priorities Committee, and Council, that the report (July 16, 1998) from the General Secretary, Toronto Transit Commission, be received.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer, Director of Budgets and General Secretary, Toronto Transit Commission - September 16, 1998)

(Agenda Item No. 1)

247. Toronto Police Services - Year 2000 Issues and Financial Management System.

The Budget Committee had before it a communication (August 25, 1998) from the Chairman, Toronto Police Services Board, advising that staff of the Toronto Police Service are currently meeting with City staff and the vendor in order to conduct a needs assessment,

establish technological requirements and develop an implementation plan and will be responding to the Budget Committee as soon as the assessment has been concluded.

On motion by Councillor Kinahan, the Budget Committee deferred this matter and requested that the Toronto Police Services Board be advised of the importance of this issue and the urgent need to co-ordinate with City staff on an integrated financial management system and that a report be submitted to the Budget Committee meeting scheduled for Tuesday, October 13, 1998.

(Chairman, Toronto Police Services Board and Chief Financial Officer and Treasurer; c. Director of Budgets, Chief Administrative Officer, Toronto Police Service; Director, Finance and Administration, Toronto Police Service and Director, Computing and Telecommunications, Toronto Police Service - September 16, 1998)

(Agenda Item No. 3)

248. Community and Neighbourhood Services - Children's Services Division - Provincial Cost-Sharing of Increased Occupancy Costs for Child Care Programs Located in Schools.

The Budget Committee had before it a communication (August 12, 1998) from the Commissioner of Community and Neighbourhood Services, forwarding a copy of a communication (July 28, 1998) from the Ontario Ministry of Community and Social Services, Toronto Area Office, Children's Services Unit, advising that the Ministry is unable to provide the requested cost-sharing and does not, at this time, acknowledge the adverse financial impact of the new educational funding formula on child care programs.

Councillor Jakobek appointed Councillor Chow Acting Chair and vacated the Chair.

On motion by Councillor Jakobek, the Budget Committee requested:

- (1) staff to expedite a reasonable agreement with the Toronto Catholic District School Board and report back to the Budget Committee meeting scheduled for October 13, 1998; and
- (2) that, once an agreement is signed, the Toronto District School Board be advised of the City's agreement with the Toronto Catholic District School Board.

(Commissioner of Community and Neighbourhood Services and Chief Financial Officer and Treasurer; c. Director of Budgets, General Manager, Children's Services - September 18, 1998)

(Agenda Item No. 2)

Councillor Jakobek resumed the Chair.

249. Basement Flooding Problems in the York Community.

The Budget Committee had before it a report (September 14, 1998) from the Commissioner of Works and Emergency Services identifying some of the basement flooding problems in the York Community.

Councillor Holyday, Markland-Centennial, appeared before the Budget Committee in connection with the foregoing matter.

Councillor Jakobek appointed Councillor Chow Acting Chair and vacated the Chair.

On motion by Councillor Jakobek, the Budget Committee:

- (1) recommended to the Strategic Policies and Priorities Committee and Council, the adoption of the following recommendations embodied in the report (September 14, 1998) from the Commissioner of Works and Emergency Services:
 - (a) funding in the amount of \$300,000 be approved for construction of detention facilities on Commodore and Bowie Avenues in the York Community, and
 - (b) funds be transferred from an approved 1998 Capital Project in the York Community plus the Water Reserve, as follows:

\$200,000 from Capital Project - Watermain Relining; and
\$100,000 from Water Reserve Account No. 901-542; and
- (2) requested:
 - (a) the Commissioner of Works and Emergency Services to report back on a city-wide program in the 1999 - 2003 Capital Budget;
 - (b) the Chief Financial Officer and Treasurer to report back to the Budget Committee on a no fault grant program for sewer backups that can be created for the new City; and
 - (c) the City Solicitor to meet with staff of the Planning Division to review the reverse slope policy and its impact on basement flooding problems for a report to the Urban Environment and Development Committee.

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(Strategic Policies and Priorities Committee, Commissioner of Works and Emergency Services, Chief Financial Officer and Treasurer, City Solicitor, Commissioner of Urban Planning and Development Services; c. Interim Contact - Urban Environment and Development Committee - September 16, 1998)

(Agenda Item No. 7)

Councillor Jakobek resumed the Chair.

250. Business Case Review of the Works Best Practices Program.

The Budget Committee had before it the following:

- (a) joint report (July 23, 1998) from the Chief Administrative Officer, the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services;
- (b) communication (August 5, 1998) from Mr. Bob Toop, National Representative, Toronto Civic Employees' Union, C.U.P.E. Local 416, advising that the Toronto Civic Employees Union, Local 416 would like to make a presentation to the Budget Committee meeting to discuss the Works Best Practices program;
- (c) supplementary joint report (September 9, 1998) from the Chief Administrative Officer, the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services; and
- (d) communication (September 11, 1998) from Ms. Anne Dubas, President, Local 79, Canadian Union of Public Employees, forwarding a brief regarding the Business Case Review of the "Works Best Practices Program".

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

- Mr. Peter Leiss, Vice-President, Toronto Civic Employees' Union, Local 416,
- Mr. John Murdock from the Water Division and the Toronto Civic Employees' Union Local 416.
- Mr. Allister Reid from the Water Pollution Control Division and the Toronto Civic Employees' Union Local 416.

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

- (1) the following recommendations embodied in the supplementary joint report (September 9, 1998) from the Chief Administrative Officer, the Chief

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Financial Officer and Treasurer and the Commissioner of Works and Emergency Services, be adopted:

- (a) Toronto Council endorse continuance of the Works Best Practices Program, described herein, and with the additional control and reporting methodologies;
 - (b) funding in the amount of \$1.908 million (in Water Supply Appropriation WS026) be approved from the Water Supply Capital Financing Reserve;
 - (c) subject to recommendation (b) above, authority be granted for an expenditure of \$1.908 million after the Municipal Goods and Services Tax Rebate, to continue implementation of the Best Practices Program;
 - (d) the costs associated with staff downsizing and retraining, along with computer hardware and software replacement, be financed from the reduction in expenditures in the Works Best Practices Program. The annual cost avoidance will be identified separately in the Water Supply Capital Financing Stabilization Reserve and the Water Pollution Control Measures Reserve Fund; and
- (3) the appropriate City officials be directed to take the necessary action to give effect thereto;
- (2) a benefits tracking program be developed and upon completion, the Commissioner of Works and Emergency Services report back to the Works and Utilities Committee as to the final form being accepted; and
 - (3) the Commissioner of Works and Emergency Services provide a report to the Works and Utilities Committee every six months on the benefits tracking program, and a copy be provided to the Budget Committee for information.

The Budget Committee received the joint report (July 23, 1998) from the Chief Administrative Officer, the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer, Commissioner of Works and Emergency Services, Chief Administrative Officer, Interim Contact - Works and Utilities Committee - September 16, 1998)

(Agenda Item No. 5)

251. Toronto Atmospheric Fund.

The Budget Committee had before it the following joint report and communications:

- (a) (August 28, 1998) from the Chief Administrative Officer and the Chief Financial Officer and Treasurer;
- (b) (July 27, 1998) from The Shaw House Board of Directors requesting Council support the continuation of funding to cut CO₂ emissions;
- (c) (July 16, 1998) from Ms. Silvia Langer, Program Coordinator, Greenest City, forwarding a historical pamphlet entitled "The Smoke Evil, White Paper No. 309, Bureau of Municipal Research, Toronto, Canada, February 28, 1946";
- (d) (April 17, 1998) from Ms. Margaret Chiu, Convenor, Environmental Sub-Committee, Toronto Chinese Health Education Committee;
- (e) (April 23, 1998) from Mr. Peter K. Stokoe;
- (f) (April 24, 1998) from Ms. Kathleen Cowan, Principal, Bowmore Public School;
- (g) (April 24, 1998) from Mr. Paul Cryne, Rose Technology Group Limited;
- (h) (April 24, 1998) from Ms. Clara M. Suter, Teacher, Ms. Nadia Lypowecky, Teachers, Eastdale Collegiate;
- (i) (April 27, 1998) from Mr. Jack Gibbons, Canadian Institute for Environmental Law and Policy;
- (j) (April 27, 1998) from Ms. Jacky Kennedy;
- (k) (April 27, 1998) from L.J. Rooney, Executive Director and Janet McKay, LEAF, (Local Enhancement and Appreciation of Forests), Phoenix Community Works Foundation;
- (l) (April 27, 1998) from Mr. Jake Brooks, Executive Director, IPPSO, The Independent Power Producers' Society of Ontario;
- (m) (April 27, 1998) from Mr. Tom Clement, Executive Director, Co-operative Housing Federation of Toronto Inc.;
- (n) (April 27, 1998) from Ms. Louise Comeau, Sierra Club of Canada;
- (o) (April 27, 1998) from Mr. Maurice F. Strong, Chairman, Earth Council;

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- (p) (April 28, 1998) from Ms. Eleanor Dudar, Environmental Education Officer, Toronto District School Board;
- (q) (April 28, 1998) from W.L. Holt;
- (r) (April 28, 1998) from Dezso J. Horvath, Dean, Schulich School of Business, York University;
- (s) (April 28, 1998) Ms. Pam Mazza, Co-chair, Island School Design Committee;
- (t) (April 29, 1998) from Mr. H. Harrison McCain, McCain Foods Limited;
- (u) (April 29, 1998) from Mr. Peter Victor, Dean, Faculty of Environmental Studies, Office of the Dean;
- (v) (May 5, 1998) from Mr. William A. Farlinger, Ontario Hydro;
- (w) (September 11, 1998) from HG McAdie, Ph.D., C.Chem., HG McAdie Associates;
- (x) (September 11, 1998) from Dr. Jim Salmon, President, Canadian Wind Energy Association,;
- (y) (September 11, 1998) from Mr. Steven W. Peck, Friends of the Don - East;
- (z) (September 12, 1998) from Mr. Michael Harrison, President, Citizens Concerned About the Future of the Etobicoke Waterfront (CCFEW);
- (aa) (September 14, 1998) from Jacky Kennedy;
- (bb) (September 14, 1998) from Councillor Elizabeth Brown, Rexdale-Thistletown;
- (cc) (September 10, 1998) from Mr. Joe Berta; and
- (dd) (September 14, 1998) from Mr. Alex Speigel, President, Orenda Development Consultants Inc.

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

- Ms. Silvia Langer, on behalf of Carol-Ann Coulter, Greenest City Program;
- Mr. Paul Bubelis,
- Mr. John Wellner, Toronto Environmental Alliance;
- Mr. Jack Gibbons, Canadian Institute for Environmental Law and Policy;
- Mr. Chris Winter, Ontario Centre for Sustainability;
- Mr. Steven Hall;

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- Ms. Jenna Scott, Local Enhancement and Appreciation of Forests;
- Mr. Fraser Wilson;
- Mr. Peter D'Angelo;
- Dr. Jim Salmon, President, Canadian Wind Energy Association;
- Mr. Ian Morton, Pollution Probe;
- Ms. Miriam Hawkins, The Energy Action Council of Toronto;
- Mr. Tom Clement, Co-operative Housing Federation of Toronto;
- Ms. Donna Charbonneau, Rainbow Circle Co-operative;
- Ms. Shirley Thompson, Board, TAF Office;
- Ms. Eleanor Dudar, Environmental Education Officer, Toronto District School Board;
- Mr. Peter Duckworth Pilkington, Community Bicycle Network;
- Mr. Martin Liefhebber, ICLEI;
- Mr. Jeb Brugman;
- Dr. Quentin Chiotti, Environment Canada, and submitted a brief in regard thereto; and
- Councillor Jack Layton, Don River.

A. Councillor Chow moved that:

- (1) the joint report (August 28, 1998) from the Chief Administrative Officer and the Chief Financial Officer and Treasurer be received for information;
- (2) the Toronto Atmospheric Fund (TAF) review its granting policies and criteria with a view to:
 - (i) increasing support for city-initiated projects; and
 - (ii) ensuring that funding for communities are distributed across the new city;
- (3) TAF seek ways to reduce administrative costs so it is in line with other charitable foundations, organizations and endowment funds and report back to the Works and Utilities Committee;
- (4) TAF provide an annual report to Council on its spending, through the Works and Utilities Committee, containing a detailed summary of all expenditures of its members and administration; and
- (5) TAF confirm its mandate to help the City meet its goal of reducing greenhouse gas emissions - the major cause of global warming.

B. Councillor Ootes moved that:

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- (1) a process be established so that TAF's expenditures for the coming year be subject to the same scrutiny as other departments, agencies, boards and commissions, for which the Corporation is responsible; and
- (2) TAF attempt to document and quantify the economic and health benefits (and/or costs) which flow from energy efficiency and other TAF initiatives and include these in further analyses reports to Council.

Upon the question of the adoption of the foregoing motion A. by Councillor Chow, it was carried.

Upon the question of the adoption of the foregoing motion B. by Councillor Ootes, it was carried.

(Strategic Policies and Priorities; Executive Director, Toronto Atmospheric Fund; c. Chief Administrative Officer, Chief Financial Officer and Treasurer; Interim Contact - Works and Utilities Committee - September 16, 1998)

(Agenda Item No. 6)

252. The Implementation of a 100 Percent Biosolids Beneficial Use Program at the Main Treatment Plant.

The Budget Committee had before it a report (September 14, 1998) from the Commissioner of Works and Emergency Services.

The Budget Committee recommended to the Strategic Policies and Priorities Committee and Council the adoption of the following recommendations embodied in the report (September 14, 1998) from the Commissioner of Works and Emergency Services:

- (1) authorization be granted to transfer an additional \$300 thousand in funding within the 1998-2002 Approved Capital Works Program from the Biosolids Odour Control and the Biosolids Loading Facility within the Main Treatment Plant project to the Biosolids Beneficial Use Project, as set out in this report;
- (2) subject to Recommendation (1), Council endorse the engagement of the firm of R. V. Anderson Associates Limited in the amount of \$845 thousand net after Goods and Services Tax municipal rebate to assist in the preparation and evaluation of the EOIs and RFPs for the establishment of the beneficial biosolids re-use facilities and for the design-build construction of the biosolids loading facilities, odour control facilities and heat generation facilities; and

- (3) subject to Recommendations (1) and (2), previous Council Authority limiting 1998 Expenditures to \$450 thousand for the Biosolids technical consultants/project manager be rescinded.

(Strategic Policies and Priorities Committee; c. Commissioner of Works and Emergency Services, Chief Financial Officer and Treasurer, - September 16, 1998)

(Agenda Item No. 8)

253. June 30, 1998 Corporate Operating Variance Report.

The Budget Committee had before it a report (September 9, 1998) from the Chief Financial Officer and Treasurer, forwarding the six month operating budget variance report ending June 30, 1998.

- A. Councillor Ootes moved that the Chief Administrative Officer and the Chief Financial Officer and Treasurer be requested to report to the Budget Committee meeting scheduled for October 13, 1998 on the following concerns and questions regarding the downsizing delay:
- (1) Does the Amalgamation Office have a list of positions to be deleted by department, including the date(s) the positions were to have been eliminated, based on the budget?
 - (2) Are departments and the Amalgamation Office receiving the information necessary to allow them to effectively monitor departmental downsizing plans?
 - (3) Are departments or the Amalgamation Office monitoring downsizing plans, including status of all positions vacant due to exits (i.e. have or will some of these positions be filled; were these positions part of the downsizing)?
 - (4) Is someone keeping track of positions that have been deleted against the downsizing targets?
 - (5) Are department heads provided with regular status reports on the downsizing in their respective departments, along with corrective action required, if any?
 - (6) Several departments are behind in their restructuring and related downsizing plans? Do we know the dollar impact on the 1998 budget? Did all departments take into account the delay in downsizing when projecting their total year expenditures in the June 30th variance report?
 - (7) What action plans have been developed to expedite the downsizing so that departments meet their targets and so there is no additional pressure on the

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1999 budget, especially since further staff reductions are planned for 1999?;
and

- (8) Will there be a separate report coming forward to Committee on the status of the downsizing plans in each department, financial impact of delays to date, along with any significant financial and other issues that must be addressed, and specific action that has or will be taken?

- B. Councillor Balkissoon moved that agencies, boards and commissions which are projecting year-end over-expenditures as of the June 30, 1998 operating variance submission, develop appropriate strategies to ensure that they will remain on budget for year-end and report back to the Budget Committee for its meeting scheduled on October 13, 1998.

Councillor Jakobek appointed Councillor Chow Acting Chair and vacated the Chair.

- C. Councillor Jakobek moved that:

- (1) further draws be made on a severely restricted basis from the Corporate Contingency account and that the Chief Financial Officer and Treasurer report to the Budget Committee on a periodic basis as to the status of the Corporate Contingency account and any draws thereon;
- (2) all program budgets, including the agencies, boards, and commissions, be requested to continue to maintain net expenditures within approved budgets;
- (3) the tax deficiencies budget be decreased by \$13.5 million to reflect the increased final 1998 assessment loss;
- (4) a surplus management and corporate contingency reduction strategy be developed for phase-in implementation over several years; and
- (5) the Chief Administrative Officer and the Chief Financial Officer and Treasurer be requested to report to the Budget Committee meeting scheduled for October 13, 1998 providing details on the reduction in the surplus and how many of these are on-going financial concerns.

Upon the question of the adoption of the foregoing motion A. by Councillor Ootes, it was carried.

Upon the question of the adoption of the foregoing motion B. by Councillor Balkissoon, it was carried.

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

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(Strategic Policies and Priorities, Chief Administrative Officer and Chief Financial Officer and Treasurer; c. Director of Budgets and Manager, Budget Operations and Support - September 16, 1998)

(Agenda Item No. 4)

Councillor Jakobek resumed the Chair.

The Budget Committee adjourned its meeting at 1:17 p.m.

Chair.