

THE CITY OF TORONTO

Clerk's Department

**Minutes of the Joint Meeting of the Corporate Services Committee
and Budget Committee**

Monday, July 20, 1998.

The Corporate Services Committee and the Budget Committee met on Monday, July 20, 1998, in Committee Room A, 2nd Floor, Metro Hall, Toronto, commencing at 3:15 p.m.

Members Present:

Corporate Services Committee:

Councillor Dick O'Brien (Chair)
Councillor John Adams
Councillor Maria Augimeri
Councillor Anne Johnston
Councillor Doug Mahood
Councillor Joe Mihevc
Councillor David Miller
Councillor Kyle Rae
Councillor Bruce Sinclair

Budget Committee:

Councillor Bas Balkisoon
Councillor Olivia Chow
Councillor Tom Jakobek
Councillor Blake Kinahan
Councillor David Shiner

Councillor O'Brien assumed the Chair.

310a. City of Toronto Year 2000 Project - Action Plan.

The Corporate Services Committee and the Budget Committee had before them a communication (July 14, 1998) from the City Clerk advising that City Council, at its meeting held on July 8, 9 and 10, 1998, had before it Clause No. 37 of Report No. 9 of The Corporate Services Committee, headed "Other Items Considered by the Committee", and that Council directed that the aforementioned Clause be received as information, subject to striking out and referring the following Item embodied in such Clause back to the Corporate Services Committee for further consideration:

“(f) City of Toronto Year 2000 Project - Action Plan.

The Corporate Services Committee reports having recommended to the Budget Committee, and Council, the adoption of Recommendations Nos. (1) to (12); and having endorsed Recommendation No. (13):

- (i) (June 8, 1998) from the Commissioner of Corporate Services, recommending that in order to continue and intensify the City's efforts to become Year 2000 ready:
 - (1) the general strategy outlined in this report be approved;
 - (2) the Chief Administrative Officer be requested to declare the Year 2000 issue a top priority of the City after delivery of existing services, including the suspension of activities deemed non-critical, in order to free up resources for deployment on Year 2000 initiatives, if and when necessary;
 - (3) the creation of the Year 2000 Office be approved to co-ordinate the inventory, assessment, remedy, testing and compliance of critical business, operational and IT systems, agreements and partnerships for the City of Toronto Departments, Agencies, Boards and Commissions;
 - (4) the Year 2000 Office be directed to implement the necessary financial controls for managing this project;

- (5) the Year 2000 office be authorised to establish a communications strategy aimed at raising the level of awareness of the Year 2000 issue and what the City can do to address it;
- (6) the goal of City-wide compliance with the International Standards Organization standard ISO 8601 for the formatting of dates and times in all electronic and printed material by the end of the year 2003 be approved;
- (7) the City Solicitor, with the assistance of the City Treasurer, bring forward a report in camera on the possible liabilities of the City, Council and the executive management resulting from the Year 2000 issue and the insurance protection available to cover these liabilities;
- (8) the City Treasurer establish a policy that the purchase and acquisition of all goods and services by the City of Toronto and its Agencies, Boards and Commissions be contingent on the supplier demonstrating that both the supplier and its products are Year 2000 compliant;
- (9) the City Treasurer bring forward to the Budget Committee a report on financial options for funding the Year 2000 program including initial funding for the establishment and ongoing operation of the Year 2000 office over the next two years in the amount of \$5 million dollars, and for establishing an initial reserve of \$80 million dollars to be administered jointly by Finance and the Year 2000 Office to begin addressing the critical Year 2000 issues as identified jointly by the business areas and the Year 2000 Office recognizing that significant additional funds will be required once detailed plans are created at the departmental level;
- (10) the Chief Administrative Officer be granted one-time extraordinary authority to act on behalf of Council to

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acquire the necessary goods and services to remedy the Year 2000 problem given the critical timeframe with reporting back to the Corporate Services Committee at the earliest possible opportunity;

- (11) the accountability for Year 2000 compliance rest with the Chief Administrative Officer, Commissioners, and heads of Agencies, Boards and Commissions for their respective program mandate;
 - (12) the Year 2000 office be directed to work with the Commissioner of Works and Emergency Services Department to develop and test an emergency preparedness plan specifically for Year 2000 failures; and
 - (13) the Corporate Services Committee forward this report to the Budget Committee for review and approval of the financial requirements to address the Year 2000 issue.
- (ii) (May 26, 1998) from the City Clerk, advising that the Audit Committee on May 21, 1998, directed:
- (1) that the report prepared by the City Auditor dated March 4, 1998, related to the Year 2000 be forwarded to the Corporate Services Committee and that the concerns expressed in the report by the City Auditor be conveyed to the Committee;
 - (2) that the Corporate Services Committee be advised that there are end of year 1998 time critical issues with respect to Year 2000 and the Audit Committee is concerned that the Corporation is not moving quickly enough to address these issues; and
 - (3) that the Budget Committee be advised that funds may be required to address Year 2000 issues in a timely fashion.”

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The Corporate Services Committee and the Budget Committee also had before them a newspaper clipping (undated), entitled "Millenium Bug Threatens Workings of Everyday Equipment".

A. Councillor Jakobek moved that the Committees:

(A) jointly recommended to Council the adoption of the report (June 8, 1998) from the Commissioner of Corporate Services, with the exception of Recommendations Nos. (9) and (10); and, subject to:

(a) amending Recommendation No. (2) by:

(i) adding after the words "Chief Administrative Officer", the words "and the Mayor"; and

(ii) deleting therefrom the following words "after delivery of existing services";

(b) amending Recommendation No. (3) by adding thereto the following, "and that the Chief Administrative Officer and Chief Financial Officer and Treasurer be requested to:

(i) develop an inventory list of priority projects, and a formal workplan with a timetable of action and funding needed to implement this plan, as amended by the foregoing recommendation, and provide a status report thereon to the Strategic Policies and Priorities Committee on a monthly basis, until such time as the problem has been resolved; and that the approved inventory list be made available and updated on a regular basis and expanded to include:

(a) ballpark cost;

(b) whether it has been researched; and

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- (c) what the estimated completion date is;
 - (ii) include in the workplan, projects submitted by Agencies, Boards and Commissions (including the co-ordination of the Police and the Toronto Transit Commission year 2000 action plan); and
 - (iii) report, through the Strategic Policies and Priorities Committee on a source of funds for the Year 2000 Project; and
 - (c) amending Recommendation No. (7) by adding thereto the following words, "such report to be submitted to the Strategic Policies and Priorities Committee in September; and
- (B) request the Chief Administrative Officer and the Chief Financial Officer and Treasurer to report to Council for its meeting scheduled to be held on July 29, 1998:
 - (a) on the workplan and estimated cost respecting Recommendation No. (9) embodied in the report (June 8, 1998) from the Commissioner of Corporate Services;
 - (b) on the use of the \$3 million referred to in the following motion (b) by Councillor David Shiner; and
 - (c) respecting a workplan for the months of August, September and October, 1998; such report to include a ballpark figure regarding the amount of funds that are required for these three months.

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- B. Councillor Mihevc moved that:
- (1) a Member of Council, recommended by the Striking Committee, be appointed as a Lead for the Year 2000 Project; and
 - (2) that all matters pertaining to the Year 2000 Project be reported to Council through the Strategic Policies and Priorities Committee.
- C. Councillor Chow moved that the foregoing Motion A. by Councillor Jakobek be amended by amending Recommendation No. (9) by striking out all of the words after the words “amount of \$5 million”.
- D. Councillor Shiner moved that:
- (1) Council support in principle Recommendation No. (9) respecting the \$80 million required for the Year 2000 Project; and that such funding be raised by debenturing; and
 - (2) Recommendation No. (9) be amended by adding thereto the following words “\$2 million of which be allocated for Year 2000 office operation and \$3 million for Year 2000 Projects”.
- E. Councillor Kinahan moved that the foregoing Motion A. by Councillor Jakobek be amended by amending Recommendation No. (9) by adding after the words “\$5 million”, the words, “and that Council authorize an amount of \$2 million for 1998; and that such funds be provided from the Corporate Contingency account.
- F. Councillor Chow further moved that the foregoing Motion A. by Councillor Jakobek be amended by amending Recommendation No. (10) by adding thereto the following words, “within the \$5 million dollar budget approved.”

The Committees decided to vote on the foregoing Motions as a package.

Upon the question of the adoption of the foregoing Motions, they were carried.

The decision of the Corporate Services Committee and the Budget Committee therefore is as follows:

The Committees:

(A) recommended to Council:

(1) the adoption of the report (June 8, 1998) from the Commissioner of Corporate Services, with the exception of Recommendations Nos. (9) and (10); and, subject to:

(a) amending Recommendation No. (2) by:

(i) adding after the words "Chief Administrative Officer", the words "and the Mayor"; and

(ii) deleting therefrom the following words "after delivery of existing services", so that Recommendation No. (2) now read as follows:

"(2) the Chief Administrative Officer and the Mayor be requested to declare the Year 2000 issue a top priority of the City, including the suspension of activities deemed non-critical, in order to free up resources for deployment on Year 2000 initiatives, if and when necessary";"

(b) amending Recommendation No. (3) by adding thereto the following:

"and that the Chief Administrative Officer and Chief Financial Officer and Treasurer be requested to:

(i) develop an inventory list of priority projects, and a formal workplan with a timetable of action and funding needed to implement this plan, as amended by the foregoing recommendation, and provide a status report

thereon to the Strategic Policies and Priorities Committee on a monthly basis, until such time as the problem has been resolved; and that the approved inventory list be made available and updated on a regular basis and expanded to include:

- (a) ballpark cost;
 - (b) whether it has been researched; and
 - (c) what the estimated completion date is;
- (ii) include in the workplan, projects submitted by Agencies, Boards and Commissions (including the co-ordination of the Police and the Toronto Transit Commission year 2000 action plan); and
- (iii) report, through the Strategic Policies and Priorities Committee on a source of funds for the Year 2000 Project, so that Recommendation No. (3) now read as follows:

“(3) the creation of the Year 2000 Office be approved to co-ordinate the inventory, assessment, remedy, testing and compliance of critical business, operational and IT systems, agreements and partnerships for the City of Toronto Departments, Agencies, Boards and Commissions; and that the Chief Administrative Officer and Chief Financial Officer and Treasurer be requested to:

- (i) develop an inventory list of priority projects and a formal workplan with a timetable of

action and funding needed to implement this plan, as amended by the foregoing recommendation, and provide a status report thereon to the Strategic Policies and Priorities Committee on a monthly basis until such time as the problem has been resolved; and that the approved inventory list be made available and updated on a regular basis and expanded to include:

- (a) ballpark cost;
 - (b) whether it has been researched; and
 - (c) what the estimated completion date is;
- (ii) include in the workplan, projects submitted by Agencies, Boards and Commissions (including the co-ordination of the Police and the Toronto Transit Commission year 2000 action plan); and
 - (iii) report, through the Strategic Policies and Priorities Committee on a source of funds for the Year 2000 Project;”;
- (c) amending Recommendation No. (7) by adding thereto the following words, “such report to be submitted to the Strategic Policies and Priorities Committee in

September, 1998, so that Recommendation No. (7) now read as follows:

“(7) The City Solicitor with the assistance of the City Treasurer bring forward a report, in camera, on the possible liabilities of the City, Council and the executive management resulting from the Year 2000 issue and the insurance protection available to cover these liabilities, such report to be submitted to the Strategic Policies and Priorities Committee in September, 1998;”;

- (2) that a Member of Council, recommended by the Striking Committee, be appointed as a Lead for the Year 2000 Project; and
 - (3) that all matters pertaining to the Year 2000 Project be reported to Council through the Strategic Policies and Priorities Committee; and
- (B) requested the Chief Administrative Officer and the Chief Financial Officer and Treasurer to report to Council for its meeting scheduled to be held on July 29, 1998:
- (a) on the workplan and estimated cost respecting Recommendation No. (9) embodied in the report (June 8, 1998) from the Commissioner of Corporate Services;
 - (b) on the use of the \$3 million referred to in the following motion (b) by Councillor David Shiner; and
 - (c) respecting a workplan for the months of August, September and October, 1998; such report to include a ballpark figure regarding the amount of funds that are required for these three months; and
- (C) referred Recommendations Nos. (9) and (10), together with the following motions directly to Council for consideration with the aforementioned report from the Chief Administrative Officer and Chief Financial Officer:

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Moved by Councillor Olivia Chow:

“That Recommendation No. (9) be amended by striking out all of the words after the words “amount of \$5 million ”.

Moved by Councillor David Shiner:

“(1) That Council support in principle Recommendation No. (9) respecting the \$80 million required for the Year 2000 Project; and that such funding be raised by debenturing; and

(2) adding to Recommendation No. (9) the following words “\$2 million of which be allocated for Year 2000 office operation and \$3 million for Year 2000 Projects”.

Moved by Councillor Blake F. Kinahan:

“That Recommendation No. (9) be amended by adding after the words “\$5 million”, the words, “and that Council authorize an amount of \$2 million for 1998; and that such funds be provided from the Corporate Contingency account.”

Moved by Councillor Olivia Chow:

“That Recommendation No. (10) be amended by adding thereto the following words, “within the \$5 million dollar budget approved.”

The Corporate Services Committee and the Budget Committee adjourned their joint meeting at 4:40 p.m.

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Chair.