

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Committee

Meeting No. 12

Friday, March 5, 1999.

The Budget Committee met on Friday, March 5, 1999, in Committee Room 1, 2nd Floor, City Hall, Toronto, commencing at 9:14 a.m.

Attendance

Members were present for some or all of the time period indicated.

	9:14 a.m. to 1:05 p.m.	
Councillor Tom Jakobek, Chair	X	
Councillor Bas Balkissoon	X	
Councillor Olivia Chow	X	
Councillor Blake Kinahan	X	
Councillor Case Ootes	X	
Councillor Jane Pitfield	X	
Councillor David Shiner	X	

Also Present:

Councillor Ila Bossons		
Councillor Dennis Fotinos		
Councillor Anne Johnston		
Councillor Gloria Lindsay Luby		

12.1 1999 Operating Budget

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The Budget Committee continued its preliminary review of the Operating Budget and directed that its recommendations be forwarded to all Standing Committees and Community Councils for review and comment, to report back to the Budget Committee, prior to the commencement of the 'wrap-up' meetings on April 6, 1999.

(Standing Committees and Community Councils - March 5, 1999)

- A. Councillor Kinahan moved that the meeting continue on the basis that motions be tabled until the next 1999 Operating Budget meeting. **(Carried)**

- B. Councillor Shiner moved that the meeting be postponed to allow members to read the materials submitted at today's meeting.
(Redundant due to Councillor Kinahan's motion being adopted)

The following motions were tabled at the meeting:

Mayor's Office

Councillor Kinahan moved that the Budget Committee defer consideration of the 1999 Operating Budget for the Mayor's Office until the next 1999 Operating Budget review meeting and request that the Mayor's Office provide more details respecting this budget at that time.

(Corporate Services Committee - March 5, 1999)

(Commissioner of Corporate Services - March 9, 1999)

Parking Tag Operation Program

The Budget Committee had before it the 1999 Operating Budget for the Parking Tag Operation Program.

Mr. Doug Reynolds, Parking Tag Operations, and Mr. Charles Barge, Consultant, appeared before the Budget Committee in connection with the subject budget and answered Members' questions in that regard.

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

- A. Councillor Jakobek moved that:
- (i) the Budget Analyst provide the recommendations from the 1998 budget deliberations and subsequent meetings relating to this Unit; and
 - (ii) the Chief Administrative Officer be requested to report back to the Budget Committee:
 - (a) addressing City Council's recommendation, which was adopted, to eliminate Police resources from the Parking Enforcement Unit which has not been implemented; and
 - (b) the use of consultants, including the number of consultants and the associated cost of same; and
 - (ii) that the Chief Financial Officer and Treasurer be requested to:
 - (a) present future budgets with the previous year's recommendations; and
 - (b) report back to the Budget Committee on the statistics and working performance, including costs, of the Municipal law Enforcement Officers and Parking Enforcement Officers.

Councillor Jakobek resumed the Chair.

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- B. Councillor Chow moved that:
- (i) the Chair, Police Services Board, provide a copy of the latest negotiated settlement agreement for the Parking Enforcement Unit employees;
 - (ii) the Chief Administrative Officer be requested to report back to the Budget Committee:
 - (a) with a status report on the Review Team reviewing the Parking Enforcement Unit operations; and
 - (b) on the feasibility, as part of the Review, of detaching this operation from the Police Services so that the bargaining negotiations of newly hired employees, if this Unit is civilianized, are not part of the bargaining process of Police Officers;
 - (iii) the City Auditor be requested to report back to the Budget Committee on the review of the Parking Enforcement Unit operations prior to the Year 2000 budget deliberations; and
 - (iv) the Chief Financial Officer and Treasurer be requested to report back to Budget Committee on:
 - (a) the increase of \$748,000.00 in expenditures in the Parking Enforcement Unit's 1999 budget expenditures; and
 - (b) the justification of the increase of \$500,000.00 in the 1998 budget for recoveries of overheads by Police from Parking Enforcement to cover Police Services shortfall.
- C. Councillor Kinahan moved that the City Auditor be requested to report back to the Budget Committee on whether the definition of absenteeism that the Parking Enforcement Unit is using is comparable to other Agencies, Boards and Commissions, and a comparison of the Parking Enforcement Unit's absenteeism rate to other Agencies, Boards and Commissions, specifically the Toronto Transit Commission.

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- D. Councillor Shiner moved that the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee on the attendance of the Municipal Law Enforcement Officers in court trials and the successful conviction rate for offences on private property on tickets issued by the Municipal Law Enforcement Officers.

(Emergency and Protective Services Committee - March 5, 1999)

(Commissioner of Works and Emergency Services; c. President, Toronto Parking Authority - March 9, 1999)

Finance

The Budget Committee had before it the 1999 Operating Budget for the Finance Department.

Ms. Wanda Liczyk, Chief Financial Officer and Treasurer, gave an overview presentation respecting the foregoing budget and answered Members questions.

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

- A. Councillor Jakobek moved that:
- (i) the Chief Financial Officer and Treasurer be requested to report back to Budget Committee on providing either temporary or surplus staff that are considered to be available from any and all departments and Human Resources to assist the Finance Department on a short term basis to accelerate the process of refunds resulting from assessment appeals;
 - (ii) the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee reducing the Finance budget by the end of 2000 from 12.6 percent to 15 percent and provide a plan in January or February 2000 on how this will be accomplished; and
 - (iii) the Chair of the Budget Committee and the Chair of the Works and Utilities Committee, with the Chief Financial

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Officer and Treasurer, be requested to convene a meeting of all parties involved in the co-ordination of meter reading and further that the Chief Financial Officer and Treasurer report back on use of alternate technologies for meter reading.

Councillor Jakobek resumed the Chair.

- B. Councillor Shiner moved that the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee on the following:
 - (i) strategy, including additional costs required, to bring the assessment appeal process backlog to within three months and no more than six months from the time of notification by the Province until the final stage of acquiring a refund; and
 - (ii) strategy for handling the high volume of telephone enquiries during peak periods (tax bill time) and any additional costs required in that regard.

- C. Councillor Chow moved that the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee with an update of the \$15 million interest earnings the City achieved through quarterly payments to the Boards of Education and the result of negotiations on what possible assistance the City can provide to the Toronto School Boards.

(Corporate Services Committee - March 5, 1999)

(Chief Financial Officer and Treasurer; c. Director, Budget Services Division; Manager, Budget Services, Economic Development, Culture and Tourism - March 9, 1999)

Water and Wastewater

The Budget Committee had before it the 1999 Operating Budget for Water and Wastewater Services.

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Mr. Barry Gutteridge, Commissioner of Works and Emergency Services, appeared before the Budget Committee in connection with the foregoing matter and answered Members' questions in that regard.

Mr. Michael Price, General Manager, Water and Wastewater Services Division, gave an overview presentation and answered Members' questions.

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

- A. Councillor Jakobek moved that:
 - (i) when Budget Committee considers the harmonization of rates report, the said report to provide options of harmonization rates (what the increased rate will be and how it is going to be accomplished), phasing-in not be more than three years; and
 - (ii) at the end of 1999 there be one water rate across the City.
- B. Councillor Ootes amended Councillor Jakobek's motion A(i) by adding the words "to include the use of wireless meter reading devices."
- C. Councillor Pitfield moved that the Commissioner of Works and Emergency Services be requested to report back to the Budget Committee on the following:
 - (i) unit cost of output for different technologies used at plants for similar processes;
 - (ii) schedule for implementing activity based costing at plants;
 - (iii) reasons for the cost of the collection distribution system being so high (meter reading and distribution of bills);
 - (iv) how the Division tracks time use of staff assigned to maintenance duties;
 - (v) largest expenditure items in the budget;
 - (vi) breakdown of interdepartmental charges; and

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- (vii) unit cost of production at the different water and sewer plants.

Councillor Jakobek resumed the Chair.

(Works and Utilities Committee - March 5, 1999)

(Commissioner of Works and Emergency Services; c. General Manager,
Water and Wastewater Services - March 9, 1999)

Tourism Toronto

The Budget Committee had before it the 1999 Operating Budget for Tourism Toronto.

The Budget Committee also had before it a communication (March 2, 1999) from Mr. Kirk Shearer, President and Chief Executive Officer, Tourism Toronto, in response to the request made by the Budget Committee for further cuts.

Mr. Kirk Shearer, President and Chief Executive Officer, Tourism Toronto, appeared before the Budget Committee in connection with the foregoing matter and answered Members' questions in that regard.

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

- A. Councillor Jakobek moved:
- (i) that the Chief Financial Officer and Treasurer be requested to report back to Budget Committee on what savings could be achieved if the administrative duties of Tourism Toronto were carried out internally by moving it into the Economic Development, Culture and Tourism Department; and further that the President and Chief Executive Officer of Tourism Toronto provide comments in that regard; and
 - (ii) that the communication (March 2, 1999) from Mr. Kirk Shearer, President and Chief Executive Officer, Tourism Toronto, be received for information.

Councillor Jakobek resumed the Chair.

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- B. Councillor Chow moved that the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee on the following:
- (i) amount of savings through the current market value assessment reduction in taxes and how it has benefited the hotel industry in 1998, 1999 and 2000;
 - (ii) review what kind of 'in kind' services the City can provide; and
 - (iii) how to reduce to 4.3 million in terms of hard grants.
- C. Councillor Kinahan moved that the Chief Financial Officer and Treasurer be requested to report back to the Budget Committee commenting on why revenues went up \$800,000.00 and none of that revenue was taken to offset the grant.
- D. Councillor Ootes moved that the President and Chief Executive Officer of Tourism Toronto be requested to report back to the Budget Committee on the amount of 'in kind' funding the Province is spending on tourism advertising in Ontario and how much is focussed on Toronto.

(Economic Development Committee - March 5, 1999)

(Commissioner of Economic Development, Culture and Tourism; Chief Financial Officer and Treasurer - March 9, 1999)

(Mr. Kirk Shearer, President and Chief Executive Officer, Tourism Toronto - March 11, 1999)

Non-Program Revenues and Expenditures

The Budget Committee deferred consideration of the Non-Program Revenues and Expenditures until the next 1999 Operating Budget review meeting.

**Location of Funds for External Planning Consultants
at Ontario Municipal Board Hearings**

The Budget Committee had before it a joint report (March 4, 1999) from the City Solicitor, the Commissioner of Urban Planning and Development, the Chief Financial Officer and Treasurer, the Executive Director and Chief Planner and the Commissioner of Corporate Services, regarding the location of funds for external planning consultants at Ontario Municipal Board Hearings.

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

The Budget Committee tabled the following motions:

- A. Councillor Jakobek moved that the Budget Committee strike out the recommendations embodied in the joint report (March 4, 1999) from the City Solicitor, the Commissioner, Urban Planning and Development, the Chief Financial Officer and Treasurer, the Executive Director and Chief Planner and the Commissioner, Corporate Services, and insert in lieu thereof the following:

“That Council confirm that the appropriate location for funds to be allocated for external planning consultants is in the Legal Department budget.”
- B. Councillor Balkissoon moved that the City Solicitor be requested to report back to Budget Committee on hiring his own planners instead of paying outrageous rates for private consultants.
- C. Councillor Shiner moved that every request for outside planning consultants that goes before City Council have the maximum cost.
- D. Councillor Chow moved that the Commissioner of Urban Planning and Development and the City Solicitor report to the Urban Environment and Development Committee every three months on the expenditures to date respecting this account; and further that the said report be available each time Council considers acquiring outside planners.

(City Solicitor; c. Director of Planning and Administrative Tribunal Law
- March 10, 1999)

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The Budget Committee adjourned its meeting at 1:05 p.m.

Chair