

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 7

Thursday, December 9, 1999

The Budget Advisory Committee met on Thursday, December 9, 1999, in Committee Room 1, 2nd Floor, City Hall, Toronto, commencing at 9:15 a.m.

Attendance

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

	Thursday, December 9, 1999 9:15 a.m. – 10:57 a.m.
Councillor Tom Jakobek, Chair	X
Councillor Bas Balkissoon	X
Councillor Gordon Chong	X
Councillor Olivia Chow	X
Councillor Blake F. Kinahan	X
Councillor Jane Pitfield	X
Councillor David Shiner	X

Also Present:

Councillor Norm Gardner	Councillor Douglas Holyday
-------------------------	----------------------------

**7.1 Toronto Police Service - Analysis of
1999 Operating Budget Shortfall**

The Budget Advisory Committee had before it the following reports:

- (i) (November 13, 1999) from the Chief Financial Officer and Treasurer, recommending that:
 - (1) with respect to financial management information:
 - (a) the Toronto Police Service forward to the Chief Financial Officer and Treasurer each month a copy of the variance report currently sent to the Toronto Police Services Board, which includes projected full year operating budget estimates and at the same time provides year-to-date actual expenditure data as compared to year-to-date budgets to allow more time to react to significant variances;
 - (b) the Toronto Police Service provide the Chief Financial Officer and Treasurer with regular, periodic operating and capital budget variance reports in the format prescribed by the Chief Financial Officer and Treasurer for all City departments, agencies, boards and commissions;
 - (c) the Toronto Police Service provide full time equivalent (FTE) as well as position requirements when submitting budget requests in future years; and
 - (d) the Toronto Police Service provide the 'Managed Savings Program' and the 'Staff Deployment and costs related to overtime/premium pay allocations' reports to the Policy and Finance Committee as requested at the City of Toronto Council meeting of July 6, 7 and 8, 1999;
 - (2) with respect to the costs resulting from step rate progressions in the Toronto Police Service:
 - (a) the Chief Financial Officer and Treasurer be authorized to create a reserve (Reserve for the Stabilization of Step Rate Progressions in Toronto Police Service) as at January 1, 2000, such reserve to be held in the City's books and be under the jurisdiction of the Chief Financial Officer and Treasurer;
 - (b) the reserve at January 1, 2000 be \$2 million, funded from the City's Employee Benefit Reserve Fund;

Budget Advisory Committee Minutes
Thursday, December 9, 1999

- (c) subsequent allocations to the reserve be part of the City's annual budget process, with in-year adjustments as recommended for Council's consideration by the Chief Financial Officer and Treasurer;
 - (d) draws from the reserve be subject to a report from the Toronto Police Service to the Chief Financial Officer and Treasurer, and the Chief Financial Officer and Treasurer's recommendation for Council's consideration; and
 - (e) the continuing need for and adequacy of the reserve be reviewed by the Chief Financial Officer and Treasurer on a regular basis in the context of corporate requirements; and
- (3) with respect to future year budget requirements of the Toronto Police Service:
- (a) the hiring target for the Year 2000 be reviewed in the 2000 Operating Budget process;
 - (b) the Toronto Police Service develop performance measures for vehicle maintenance, premium pay and training programs for comparative purposes to other Canadian and United States municipal police forces and report back to the Budget Advisory Committee in March 2000 and thereafter on a quarterly basis; and
 - (c) the Toronto Police Service approved hiring targets be met only if the Council approved net budget is not exceeded and that the Toronto Police Services Board report on the status of meeting hiring targets as part of the variance reporting process;
- (ii) (December 8, 1999) from the Chief Financial Officer and Treasurer, recommending that:
- (a) the Budget Advisory Committee endorse the recommendations of the original report from the Chief Financial Officer and Treasurer regarding the 1999 Operating Budget shortfall including the recommendation that costs resulting from step rate progressions relating to Toronto Police Service be accommodated through the establishment of a reserve fund under the authority of the Chief Financial Officer and Treasurer at January 1, 2000 for a total of \$2.0 million as funded through the City's Employee Benefit Reserve Fund;

Budget Advisory Committee Minutes
Thursday, December 9, 1999

- (b) the Toronto Police Services Board request the Province to release the Toronto Police Services Board's excess OMERS Type (3) contributions estimated at \$40 million; and that the Chief Financial Officer and Treasurer be directed to credit this to the Vehicle Reserve Fund for Toronto Police Service purposes; and
 - (c) the Chief Financial Officer and Treasurer develop a financial control policy respecting all Agencies, Boards and Commissions' operating and capital budget requirements and report back to the Policy and Finance Committee prior to final Council approval of the 2000 Operating Budget; and
- (iii) (November 22, 1999) from the Chief of Police, regarding the 1999 Operating Budget variance update and future reductions; and recommending that this report be received for information.
- A. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that:
- (1) the report (November 13, 1999) from the Chief Financial Officer and Treasurer be adopted;
 - (2) the report ((December 8, 1999) from the Chief Financial Officer and Treasurer be adopted; and
 - (3) the Chair of the Toronto Police Services Board be requested to report back on the funds expended on community events last year and funding required for such events in the year 2000.

(Carried)

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

- B. Councillor Jakobek moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and City Council, that the Chair of the Toronto Police Services Board be requested to reimburse the City and contribute towards the \$6.9 million debt through any excess funds in the stolen/unclaimed goods account, the said funds to be transferred to the new reserve fund identified in Recommendation No. (2) of the report (November 13, 1999) from the Chief Financial Officer and Treasurer.

(Carried)

Councillor Jakobek resumed the Chair.

(Policy and Finance Committee; c. Chief Financial Officer and Treasurer;
Chief of Police; Chair, Toronto Police Services Board – December 10,
1999)

7.2 Toronto Zoo Over-Expenditures

The Budget Advisory Committee had before it the following reports:

- (i) (November 10, 1999) from the Chief Financial Officer and Treasurer, recommending that:
 - (1) the General Manager and Chief Executive Officer of the Toronto Zoo ensure that the attendance and revenue projections used for its 2000 Operating Budget submission are consistent with recent experience; and
 - (2) this report be received for information.
- (ii) (December 7, 1999) from the General Manager and Chief Executive Officer, Toronto Zoo, responding to the Budget Advisory Committee's request for further information in relation to the Toronto Zoo's 1999 Operating Budget variance; and recommending that this report be received for information; and
- (iii) (December 7, 1999) from the Chief Financial Officer and Treasurer, providing information on the impact of raising fees at the Toronto Zoo; and recommending that this report be received for information.
 - A. Councillor Chong moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that:
 - (1) the balance of the 2000 Stabilization Reserve Funds, after deducting funds for the Meerkat Exhibit, be used to offset the Zoo's projected overexpenditure for 1999; and
 - (2) the Zoo Stabilization Reserve Fund, in future, be used only for operating budget stabilization purposes, and the Chief Financial Officer and Treasurer be requested to make the necessary amendments to the Reserve By-law in that regard.

(Carried)

Budget Advisory Committee Minutes
Thursday, December 9, 1999

- B. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the admission fee decision be deferred until such time as the comprehensive strategic plan and advertising plan is in place, the said plan to address attendance at the Zoo in the year 2000, therefore, justifying the admission fee increase; revenue gained; promotion of events and costs of such promotion.

(Carried)

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

- C. Councillor Jakobek moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that:

- (1) City Council be requested to instruct the Toronto Zoo Board of Management to commence immediately with the tendering of the advertising contract and that such tendering be done with the assistance of the City's Purchasing Division;
- (2) the report (December 7, 1999) from the General Manager and Chief Executive Officer of the Toronto Zoo be referred to the City Auditor for consideration, the said report to be amended to include the income per day on the Attendance Chart embodied therein, and further that the City Auditor be requested to look into the issue of tendering the advertising contract; and
- (3) the report (December 7, 1999) from the Chief Financial Officer and Treasurer be received.

(Carried)

Councillor Jakobek resumed the Chair.

- D. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the General Manager and the Chief Executive Officer of the Toronto Zoo be requested to submit a draft of the strategic plan and the Zoo's plans to increase attendance in the year 2000 to the Budget Advisory Committee with their 2000 Operating Budget.

(Carried)

(Policy and Finance Committee; c. Chief Financial Officer and Treasurer; General Manager and Chief Executive Officer; City Auditor - December 10, 1999)

**7.3 Public Health 2000 Budget Submission - Public Health
Research Education and Development (PHRED)
Interim Program Re-establishment**

The Budget Advisory Committee had before it a report (November 10, 1999) from the City Clerk, advising that the Policy and Finance Committee on November 10, 1999, referred the communication (October 18, 1999) from the City Clerk, entitled “Public Health 2000 Budget Submission, Public Health Research Education and Development (PHRED) Interim Program Re-establishment”, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee.

On motion by Councillor Chow, the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that:

- (1) the PHRED Program be supported; and that the Commissioner of Community and Neighbourhood Services and the Medical Officer of Health request 100 percent funding for this Program from the Province; and
- (2) the report (November 10, 1999) from the City Clerk be deferred for consideration during the 2000 Operating Budget process.

(Policy and Finance Committee; c. Commissioner of Community and Neighbourhood Services; Medical Officer of Health – December 10, 1999)

**7.4 Staff Response to Budget Task Force Groups Recommendation
that the Fire Services Pursue Avenues to Reduce False Alarms**

The Budget Advisory Committee had before it the following reports:

- (a) (November 17, 1999) from the Commissioner of Works and Emergency Services and the Fire Chief, recommending that the Toronto Fire Services continue in the program currently being used to reduce false alarms in the City of Toronto; and
- (b) (December 1, 1999) from the City Clerk, advising that the Community Services Committee on December 1, 1999:
 - (1) concurred in the recommendation contained in the joint report (November 17, 1999) from the Commissioner of Works and Emergency Services and the Fire Chief; and

- (2) directed that the Fire Chief be requested to:
 - (a) investigate the sophisticated technology that exists in other parts of North America that has proven effective in identifying whether an alarm is false or real, and report thereon to the Community Services Committee;
 - (b) meet with the Executive Director of the Greater Toronto Apartment Association to discuss any further possible improvements to the program to reduce false fire alarms; and
 - (c) report to the Community Services Committee on the reward system and the possibility of increasing rewards to individuals who report others for pulling fire alarms that are false;

and directed that the foregoing actions be forwarded to the Budget Advisory Committee for information.

On motion by Councillor Pitfield, the Budget Advisory Committee:

- (1) requested the Fire Chief to provide the statistics on the total number of calls and the number of said calls that were false alarms for 1999, as soon as they are available, and the recovery of fines in that regard; and
- (2) received the communication (December 1, 1999) from the City Clerk.

(Commissioner of Works and Emergency Services; c. Fire Chief
- December 10, 1999)

7.5 Update on the Toronto Police Service Year 2000 Operating Budget

The Budget Advisory Committee had before it a report (November 10, 1999) from the City Clerk, advising that the Policy and Finance Committee on November 10, 1999:

- (1) referred the report (October 12, 1999) from the Toronto Police Services Board respecting the Board's 2000 Operating Budget, to the Budget Advisory Committee for consideration; and
- (2) requested the Toronto Police Services Board to submit its year 2000 Operating Budget to the Budget Advisory Committee as all other Agencies, Boards and Commissions are required to do.

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

Budget Advisory Committee Minutes
Thursday, December 9, 1999

A. Councillor Jakobek moved that:

- (1) the Chief Financial Officer and Treasurer be requested to review the staffing chart which was agreed upon by the Budget Committee in 1998 (December 31, 1994 numbers) and ensure that the Toronto Police Services Board do not surpass those numbers and that their Operating Budget is based on the number of officers agreed upon at that time, i.e., police constables (4009); sergeants/detectives (915); detective sergeants (254); and for the balance of uniform staff, the Toronto Police Services Board be requested to provide staffing levels that are the lesser of the 1994 versus the 1999 staffing commitment;
- (2) the City Auditor be requested to review, as soon as possible, the tracking and control mechanisms of premium pay/overtime, i.e., amount of overtime; how the said overtime is tracked and controlled, etc.; and further, if outside assistance is required to carry out this request, the Budget Advisory Committee be so advised; and
- (3) the report (November 10, 1999) from the City Clerk be received.

(Carried)

Councillor Jakobek resumed the Chair.

B. Councillor Pitfield moved that:

- (1) the Toronto Police Services Board provide Members of the Budget Advisory Committee with a copy of the Daniels Associates Incorporated study report which reviewed alternative service delivery and potential savings; and
- (2) potential savings through ASD opportunities be identified and reported as a separate activity entitled "Cost of Internal Inefficiencies" within the appropriate service budget.

(Carried)

C. Councillor Chow moved that future operating budgets from the Toronto Police Services Board be submitted according to the City's deadlines being the November prior to said budget being considered by the Budget Advisory Committee.

(Carried)

(City Auditor; Chair, Toronto Police Services Board; Chief Financial Officer and Treasurer – December 10, 1999)

7.6 Follow-up on Initiatives Addressing Youth Violence Arising out of the Mayor's Task Force on Youth Gangs

The Budget Advisory Committee had before it a report (December 1, 1999) from the City Clerk, advising that the Community Services Committee on December 1, 1999, recommended to the Budget Advisory Committee the adoption of the recommendations contained in the report (November 26, 1999) from Councillor Olivia Chow, Child and Youth Advocate, with respect to follow-up initiatives on youth violence arising out of the Mayor's Task Force on Youth Gangs.

On motion by Councillor Chow, the Budget Advisory Committee deferred consideration of the aforementioned matter until consideration of the 2000 Operating Budget and referred the report (December 1, 1999) from the Child and Youth Advocate to the Chief Financial Officer and Treasurer for comment and inclusion in the report regarding Task Forces.

(Chief Financial Officer and Treasurer; c. Councillor Olivia Chow, Child and Youth Advocate – December 10, 1999)

**7.7 Accommodation Needs of Clerk's Functions
Records and Elections**

The Budget Advisory Committee had before it a report (December 8, 1999) from the City Clerk, advising that the Administrative Committee on December 8, 1999, forwarded a joint report (November 19, 1999) from the Acting Commissioner of Corporate Services and the City Clerk for consideration and report thereon directly to Council for its meeting of December 14, 1999, and having:

- (1) recommended to Council the adoption of the aforementioned report; and
- (2) requested the Acting Commissioner of Corporate Services to continue to make every effort to utilize the City's inventory of buildings for this use.

Councillor Jakobek appointed Councillor Chong, Acting Chair and vacated the Chair.

On motion by Councillor Jakobek, the Budget Advisory Committee recommended to City Council that the aforementioned report be referred to the Chief Administrative Officer with a request that:

- (i) the space required by the Elections function be accommodated, as soon as possible, internally, i.e., City-owned property; and

- (ii) the Records Centre accommodation be revisited with the Toronto Economic Development Corporation.

Councillor Jakobek resumed the Chair.

(City Council; c. Acting Commissioner of Corporate Services; Chief Administrative Officer; City Clerk – December 10, 1999)

7.8 Project Approval - Fibre Optics and Subway Radio Communication

The Budget Advisory Committee reports having had before it a report (December 8, 1999) from the City Clerk, advising that the Policy and Finance Committee on December 7, 1999, forwarded a report (November 19, 1999) from the Toronto Transit Commissioner to the Budget Advisory Committee for consideration.

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

On motion by Councillor Jakobek, the Budget Advisory Committee recommended to the Policy and Finance Committee, and Council, that the increased project approval of \$2,334,000.00 (gross and net) for City of Toronto Project No. 231 be approved, subject to the reduction in the 1999 cash flow of the Toronto Transit Commission Capital Budget for the said amount.

Councillor Jakobek resumed the Chair.

(Policy and Finance Committee; c. General Secretary, Toronto Transit Commission; Chief Financial Officer and Treasurer – December 10, 1999)

7.9 A Unified Architecture and Urban Design Awards Program for Toronto 2000

The Budget Advisory Committee reports having had before it a report (December 7, 1999) from the City Clerk, advising that the Policy and Finance Committee on December 7, 1999 referred the report (November 15, 1999) from the Acting Commissioner of Urban Planning and Development Services to the Budget Advisory Committee for consideration, wherein it is recommended that:

- (1) a unified Architecture and Urban Design Awards program be established for the City of Toronto;
- (2) Urban Planning and Development Services staff be requested to develop in detail a program for the 2000 Architecture and Urban Design Awards;

Budget Advisory Committee Minutes
Thursday, December 9, 1999

- (3) funds in the amount of \$65,000.00 be prior authorized for scheduling purposes and be added to the Urban Planning and Development Services 2000 Operating Budget; and
- (4) this report be forwarded to the Policy and Finance Committee for consideration.

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

On motion by Councillor Jakobek, the Budget Advisory Committee recommended to the Policy and Finance Committee, and Council, that due to lack of funding, the Unified Architecture and Urban Design Awards Program for Toronto 2000 not be approved at this time.

(Policy and Finance Committee; c. Acting Commissioner of Urban Planning and Development Services – December 10, 1999)

Councillor Jakobek resumed the Chair.

The Budget Advisory Committee adjourned its meeting at 10:57 a.m.

Chair