
BUDGET ADVISORY COMMITTEE
2002 CAPITAL AND OPERATING BUDGETS
AGENDA

Date of Meeting: Thursday, February 7, 2002 **Enquiry:** Betty Henderson
Time: 9:30 a.m. **Administrator**
Location: Committee Room 1 **392-8088**
City Hall **bhender1@city.toronto.on.ca**
100 Queen Street West

**DECLARATIONS OF INTEREST PURSUANT TO
THE MUNICIPAL CONFLICT OF INTEREST ACT**

COMMUNICATIONS/REPORTS

1.48 TORONTO PARKING AUTHORITY

(DEFERRED FROM THE JANUARY 11, 2002 MEETING)

*(REFER TO THE BUDGET BINDERS PREVIOUSLY DISTRIBUTED TO ALL
MEMBERS OF COUNCIL)*

1.48(a) PARKING AUTHORITY PROPERTIES - TAXATION

Source: Chief Administration Officer and the
Chief Financial Officer and Treasurer
(January 24, 2002)

Responding to a request from the Budget Advisory Committee for information pertaining to why the Toronto Parking Authority (TPA) pays property taxes, and whether opportunities exist to eliminate this obligation; and recommending that:

- (1) the Minister of Finance be requested to file a regulation making the payment-in-lieu of taxes which are payable for properties used by the Toronto Parking Authority subject to capping protection;

- (2) if the Minister of Finance has filed a regulation pursuant to Recommendation No. (1), the General Manager of the Toronto Parking Authority and the Chief Financial Officer and Treasurer be directed to re-negotiate the City's current revenue-sharing agreement with the Toronto Parking Authority to require that the savings in PIL payments associated with the capping protection be remitted to the City at 100 percent, with the balance of net revenue continuing to be shared on a 75 percent/25 percent split; and
- (3) the General Manager, Toronto Parking Authority, be requested to provide the Chief Financial Officer and Treasurer with a complete list of TPA properties to allow for a complete analysis of the property-by-property impact for the taxation years 1998 to 2002 inclusive.

1.49 TORONTO TRANSIT COMMISSION

(DEFERRED FROM THE JANUARY 11, 2002 MEETING)

(REFER TO THE BUDGET BINDERS PREVIOUSLY DISTRIBUTED TO ALL MEMBERS OF COUNCIL)

1.49(a) 2002-2006 CAPITAL PROGRAM AND 10-YEAR CAPITAL FORECAST

Source: General Secretary, Toronto Transit Commission
(November 29, 2001)

Advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled "2002-2006 Capital Program and 10-Year Capital Forecast", and approved the following recommendations:

- (1) approve the 2002-2006 Capital Program in the amount of \$1.61 billion as detailed in this Commission Report and its attachments, as well as in the following accompanying items:
 - (a) TTC 2002-2006 Capital Program Overview; and
 - (b) TTC 2002-2006 Capital Program (Blue Books);
- (2) approve the 10-Year Capital Forecast in the amount of \$3.8 billion as shown in the attached report; and
- (3) forward this report to the City of Toronto for Council approval of the 2002-2006 Capital Program and approval of the 10-year forecast.

1.49(b) 2002 TTC OPERATING BUDGET

Source: General Secretary, Toronto Transit Commission
(November 29, 2001)

Advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled “2002 TTC Operating Budget”, and approved the following recommendations:

- (1) approve the 2002 TTC Operating Budget (summarized in Appendix A) as described in this report and the following accompanying reports:
 - (a) Toronto Transit Commission 2002 Operating Budget Overview;
 - (b) Toronto Transit Commission 2002 Departmental Goals and Objectives;
 - (c) Toronto Transit Commission 2002 Organization Charts; and
 - (d) Toronto Transit Commission 2002 Detailed Operating Budget (Blue Book);
- (2) note that the TTC 2002 Operating Budget includes a budget shortfall of about \$22 million, based on City of Toronto 2001 budgeted operating subsidy levels as summarized below:

Ridership	418 million
Expenditures	\$854.5 million
Revenues	<u>\$684.9 million</u>
Subsidy Needed	\$169.6 million
Operating Subsidy	<u>\$147.6 million</u> (2001 budgeted level from City)
Shortfall	<u>\$22 million</u> ; and

request the Budget Advisory Committee and City Council for a funding allocation of \$169.6 million in order to avoid a fare increase and/or service cuts; and

- (3) forward this report to the City of Toronto for Council approval of the City’s 2002 Transit Operating Subsidy to the TTC.

1.49(c) 2002 WHEEL-TRANS OPERATING BUDGET

Source: General Secretary, Toronto Transit Commission
(November 29, 2001)

Advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled “2002 Wheel-Trans Operating Budget”, and approved the following recommendations:

- (1) the 2002 Wheel-Trans Operating Budget of \$46.7 million provided for in this report and companion documents which includes \$45.5 million for service and \$3.6 million for bus fleet replacement, partially offset through revenues of \$2.4 million, and further strive for a 2 percent unaccommodated rate by maintaining the percentage of trips through accessible vehicles;
- (2) the Wheel Trans-Service Plan which encompasses the following key factors:
 - (a) registrant base increases to 27,200 (14.3 percent);
 - (b) trip demand increasing to 1,579,000 (5 percent);
 - (c) unaccommodated rate remains at 3.5 percent;
 - (d) trips provided by accessible vehicles maintained at the 85 percent level:
 - (i) bus fleet increases by one to 133;
 - (ii) Orion bus replacement completed with receipt of 23 ELF buses; and
 - (iii) accessible taxis increase from 62 to 73;
 - (e) overall vehicle productivity increases to 5.1 passengers per hour by:
 - (i) introduction of a 30 minute window for all trip requests;
 - (ii) expansion of Zone Bus areas from 7 to 10;
 - (iii) expansion of Express Bus services from 1 to 4;
 - (iv) introduction of ambulatory bus service;
 - (v) increased integration with conventional TTC accessible services;
 - (vi) reduction in cancellation rate from 17 percent to 14 percent; and
 - (vii) promotion of Community Bus services;
 - (f) overall service quality improvement by:
 - (i) improving on-time delivery of service from 95 percent to 96 percent;
 - (ii) implementing a bus tracking trial to increase “same day” trips;

- (iii) updates to the computer scheduling system (WTIS);
- (iv) introduction of a “call back” feature to update customers on trip status; and
- (v) undertake various service audits and contractor performance reviews to improve customer satisfaction;
- (g) continue to accommodate original requested trip times within 30 minutes at 96 percent;
- (h) improve Greater Toronto Area specialized transit service integration; and
- (i) workforce increases by four;
- (3) consider this report in concert with the following:
 - (a) the 2002 TTC Operating Budget; and
 - (b) 2002-2006 TTC Capital Program which includes \$9.1M comprised of the purchase of 35 ELF buses (\$8.4M) as well as facility improvements and enhanced scheduling (\$0.7M); and
- (4) forward this report to the City of Toronto Council for approval and to the TTC's Advisory Committee on Accessible Transportation for information.

**1.49(d) TORONTO TRANSIT COMMISSION -
2002 BUDGET RESPONSE**

Source: Chief General Manager, Toronto Transit Commission
(January 18, 2002)

Responding to requests by the Budget Advisory Committee, at its meeting held on January 11, 2002, for information on the following:

- (1) clarification of the 17 staff reductions;
- (2) identification of the financing of the \$616 million of capital costs; and
- (3) the total value of previous and new capital projects requested for approval in 2002 and the projected cash flow and financial costs for these projects.

1.49(e) TORONTO TRANSIT COMMISSION'S 2002 OPERATING BUDGET - 2002 WHEEL-TRANS BUDGET - 2002-2006 CAPITAL PROGRAM

Source: General Secretary, Toronto Transit Commission
(January 24, 2002)

Advising that the Toronto Transit Commission at its meeting held on January 21, 2002, reviewed the recommendations to be brought forward by the City Finance staff to the Budget Advisory Committee in connection with the TTC's 2002 Operating Budget, 2002 Wheel-Trans Budget and the 2002-2006 Capital Program, and approved the following recommendations:

- (1) that a funding level of \$166 million be restored, as originally requested by the Toronto Transit Commission, recognizing City Council's previous commitment to an 80 percent cost recovery ratio; and
- (2) that a funding level of \$46.5 million for the TTC's 2002 Wheel-Trans budget be restored, as originally requested by the Toronto Transit Commission, and strongly supported by the Disability Issues Committee and the Diversity Advocacy Group for the City of Toronto.

1.50 TORONTO POLICE SERVICES

(DEFERRED FROM THE JANUARY 11, 2002 MEETING)

(REFER TO THE BUDGET BINDERS PREVIOUSLY DISTRIBUTED TO ALL MEMBERS OF COUNCIL)

1.50(a) TORONTO POLICE SERVICE - 2001 OPERATING BUDGET VARIANCE REPORT AS AT AUGUST 31, 2001 AND 2002 BASE OPERATING BUDGET ADJUSTMENT

Source: City Clerk
(November 22, 2001)

Advising that the Policy and Finance Committee on November 22, 2001, referred the report (October 16, 2001) from the Chair, Toronto Police Services Board, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee, wherein it is recommended that the Policy and Finance Committee, and Council:

- (1) approve a draw of \$5.3 Million from the City's corporate contingency account to the Toronto Police Service through an in-year budget adjustment; and
- (2) approve a request to add \$6.3 Million to the 2002 Toronto Police Service adjusted base operating budget.

**1.50(b) OCCUPATIONAL HEALTH AND SAFETY
ISSUES - TORONTO POLICE SERVICE**

Source: City Clerk
(November 22, 2001)

Advising that the Policy and Finance Committee on November 22, 2001, referred the report (October 16, 2001) from the Chair, Toronto Police Services Board, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee, wherein it is recommended that the Policy and Finance Committee, and Council:

- (1) approve a commitment of funding for the full five year period of the 2002-2006 Long-Term Facilities Capital Expenditures Program, in order to achieve compliance with the Board's obligations under the Occupational Health and Safety Act; and
- (2) forward this report to the next meeting of City Council for approval.

**1.50(c) TORONTO POLICE SERVICE - 2002 CAPITAL
AND OPERATING BUDGET REQUESTS AND
TORONTO POLICE SERVICES BOARD
2002 OPERATING BUDGET REQUESTS**

Source: Councillor Gloria Lindsay Luby
Acting Chair, Toronto Police Services Board
(January 7, 2001)

Forwarding a copy of a communication (January 3, 2002) from Mr. Joseph Martino, Acting Director, Finance and Administration, Toronto Police Service, containing the following:

- (1) Toronto Police Service 2002 Operating Budget Request;
- (2) Toronto Police Service 2002 Parking Enforcement Unit Budget Request;
- (3) Toronto Police Service 2002-2006 Human Resources Strategy;
- (4) Toronto Police Services Board 2002 Operating Budget Request; and
- (5) Toronto Police Service 2002-2006 Capital Program Submission - Revised.

**1.50(d) UPDATE REPORT ON POLICE REFERENCE CHECKS
FOR MUNICIPAL APPLICANTS AND APPLICANTS
FOR MUNICIPALLY-FUNDED AGENCIES**

Source: Chairman, Toronto Police Services Board
(January 14, 2002)

Responding to the Budget Advisory Committee request of September 10, 2001 that the Toronto Police Services Board report to the Budget Advisory Committee if the “no fee” administrative issues between the parties have not been concluded and the “no fee” service cannot be implemented on or before December 1, 2001; and recommending that this report be received for information.

1.51 PUBLIC HEALTH

(DEFERRED FROM THE JANUARY 11, 2002 MEETING)

(REFER TO THE BUDGET BINDERS PREVIOUSLY DISTRIBUTED TO ALL MEMBERS OF COUNCIL)

**1.51(a) TORONTO PUBLIC HEALTH 2002-2006
CAPITAL BUDGET SUBMISSION**

Source: City Clerk
(October 25, 2001)

Advising that the Policy and Finance Committee on October 25, 2001, referred the communication (September 25, 2001) from the Secretary, Board of Health, respecting the Toronto Public Health 2002-2006 Capital Budget Submission, to the Budget Advisory Committee for consideration during the 2002 Budget deliberations.

**1.51(b) TORONTO PUBLIC HEALTH 2002-2006
CAPITAL BUDGET SUBMISSION**

Source: Secretary, Board of Health
(September 25, 2001)

Advising that the Board of Health at its meeting held on September 24, 2001:

- (1) adopted the 2002-2006 Capital Budget proposal outlined in the attached report (September 17, 2001) from the Medical Officer of Health and referred this report to the Budget Advisory Committee and the Policy and Finance Committee for consideration during the 2002 budget process;

- (2) requested the Commissioner of Corporate Services, to report to the Budget Advisory Committee and the Policy and Finance Committee on:
- (a) a policy with respect to the maintenance of City-owned buildings; and
 - (b) the State of Good Repair Study in eight City-owned facilities solely occupied by Toronto Public Health as directed during the 2001 Capital Budget process; and
- (3) referred the following motion by Mr. Hyndman to the Medical Officer of Health with a request that she submit a report thereon to the Board of Health:

“It is recommended that the Board of Health:

- (a) advise the Ontario Minister of Health and Long Term Care of the Board’s concern with respect to the financial implications of meeting the expanded requirements of the revised Mandatory Health Programs and Services Guidelines; and
- (b) partner with other organizations representing public health interests, such as the Ontario Public Health Association and the Association of Local Public Health agencies, to advocate for increased provincial funding to support the implementation of the revised Guidelines.”

**1.51(c) WORLD YOUTH DAY CONFERENCE
AND PAPAL VISIT IN 2002**

Source: City Clerk
(November 27, 2001)

Advising that the Board of Health at its meeting on November 26, 2001, adopted the report (November 12, 2001) from the Medical Officer of Health, providing information to the Board of Health on the impacts of the World Youth Day (WYD) 2002 Conference and Papal visit and including recommendations to facilitate the successful implementation of the event; advising of financial implications; and recommending that:

- (1) the Board of Health endorse the Toronto Public Health World Youth Day 2002 budget request;
- (2) this report be forwarded to the Budget Advisory Committee for consideration during the 2002 operating budget process; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;

and forwarded same to the Budget Advisory Committee for consideration during the 2002 operating budget process in accordance with Recommendation No. (2).

1.51(d) TORONTO PUBLIC HEALTH - REVIEW OF CORPORATE CHARGES

Source: City Clerk
(December 10, 2001)

Advising that City Council at its meeting held on December 4, 5 and 6, 2001, directed that Clause No. 7 of Report No. 10 of The Audit Committee, headed "Toronto Public Health - Review of Corporate Charges", be forwarded to the Budget Advisory Committee for information.

1.51(e) 2002 PUBLIC HEALTH OPERATING BUDGET SUBMISSION

Source: Secretary, Board of Health
(January 8, 2002)

Advising that the Board of Health at its meeting held on January 7, 2002:

- (1) endorsed the following proposals for budget expansion in 2002:
 - (a) full funding for the annualization of initiatives approved by City Council in 2001 as well as corporately derived economic factors and other base budget changes \$2.54 million (gross)/\$1.73 million (net);
 - (b) reduction of gapping (to an equitable level as in other departments) from 5.6 percent in 2001 to 1.0 to 2.0 percent in 2002;
 - (c) initiatives recommended by the Children and Youth Action Committee (CYAC) for early childhood parenting and prenatal group education \$1.24 million (gross)/\$622.5 thousand (net);
 - (d) partial backfilling of the staff positions required for development of the Community Nursing and Customer Management System \$875.0 thousand (gross)/\$437.5 thousand (net);
 - (e) full funding of initiatives approved by City Council in 2001 without funding, including TB Expansion Phase 1 \$1.05 million (gross)/\$526.8 thousand (net), Vulnerable Adults and Seniors \$640.2 thousand (gross)/\$320.1 thousand (net), and Environmental Plan: Air Quality \$65.0 thousand (gross)/\$32.5 thousand (net);

- (f) public consultation on pesticide reduction \$51.8 thousand (gross)/\$25.9 thousand (net);
 - (g) partial backfilling of the staff positions required to provide public health services in support of World Youth Day \$166.6 thousand (gross)/\$83.3 thousand (net);
 - (h) enhancement of 100 percent provincial funding for Preschool Speech and Language Services and Infant Hearing Screening \$351.9 thousand (gross)/\$0 (net); and
 - (i) funding of West Nile Virus control \$103.9 thousand (gross)/\$51.9 thousand (net);
- (2) endorsed the service level reduction options prepared by the Medical Officer of Health for submission to the Budget Advisory Committee subject to the following amendments:
- (a) the reduction of external couriers (\$50.0 thousand gross, \$25.0 thousand net);
 - (b) the reduction of external printing (\$40.0 thousand gross, \$20.0 thousand net);
 - (c) the reduction of sexual health clinic marketing and training (\$50.0 thousand gross, \$50.0 thousand net);
 - (d) shifting from Public Health Inspector to Tobacco Enforcement Officer \$120.0 thousand gross, \$60.0 thousand net); and
 - (e) the elimination of Low Risk Food Premises Inspection (\$500.0 thousand gross, \$250.0 thousand net);
- for a total reduction of \$760.0 thousand gross, \$405.0 net; no further cuts to Toronto Public Health programs are recommended; and
- (3) recommended to the Budget Advisory Committee that:
- (a) funding be preserved for the preventive sun safety program;
 - (b) the corporate charges assessed against Public Health be reduced by \$2.9 million, in accordance with the Auditor's finding that Public Health is being overcharged by that amount and that this reduction be made in the 2002–2003 fiscal year; and

- (c) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

1.51(f) PUBLIC HEALTH - DENTAL PROGRAM

Source: Ms. Anna Endrizzi, B.O.O.S.T. Program Manager
Downsview Services to Seniors Inc.
(addressed to Ms. Sandy Van Dusen, City of Toronto)
(October 19, 2001)

In support of the Public Health dental program.

1.51(g) PUBLIC HEALTH - DENTAL PROGRAM

Source: Ms. Pansy Miller, Assistant Administrator
Fairview Nursing Home Ltd.
(December 6, 2001)

In support of the Public Health dental program.

1.51(h) PUBLIC HEALTH - DENTAL PROGRAM

Source: Ms. Daniela Cahuas, RN, MScN, GNC(C)
Nurse Education, The Riverdale Hospital
(addressed to the Board of Health)
(January 4, 2002)

In support of the Public Health dental program.

1.51(i) PUBLIC HEALTH - FALL INTERVENTION PROJECT

Source: Ms. Maria Mazzilli, Service Co-ordinator
Villa Colombo Community Services
(addressed to the Public Health Dental Services)
(January 7, 2002)

In support of the Falls Intervention Project.

1.51(j) PUBLIC HEALTH - DENTAL PROGRAM

Source: Ms. Sylvana Santino, Secretary
St. Augustine of Canterbury School
(addressed to the Board of Health)
(December 2, 2001)

In support of the Public Health dental program.

1.51(k) POLL OF TORONTO RESIDENTS ON AIR QUALITY

Source: Executive Director, Toronto Atmospheric Fund
and the Medical Officer of Health
(January 7, 2002)

Providing the Budget Advisory Committee with a poll conducted by Oracle Research of 1,000 Toronto residents to determine Torontonians' level of concern about air quality and climate change and to ascertain their attitudes towards various measures to improve air quality.

1.51(l) PUBLIC HEALTH - TUBERCULOSIS PROGRAM

Source: Mr. Michael A. Gardam, MSC, MD, CM, FRCP(C)
Director, Infection Prevention and Control
Medical Director, Tuberculosis Clinic, Toronto Western Hospital
Infectious Disease Consultant
(addressed to the Chair, Board of Health)
(December 28, 2001)

In support of the Toronto Public Health Tuberculosis program.

1.51(m) PUBLIC HEALTH PROGRAMS

Source: Ms. Carolyn Acker, Executive Director
Regent Park Community Health Centre
(addressed to the Chair, Board of Health)
(January 7, 2002)

Requesting that Public Health receive funding to maintain the present services for seniors and vulnerable adults.

1.51(n) PUBLIC HEALTH - DENTAL HEALTH PROGRAM

Source: Ms. Vivian Marcuzzi and Staff
Yvonne Adult Centre-E.S.L. Program
Toronto District School Board
(addressed to the Chair, Board of Health)
(undated)

In support of the Dental Health Program.

1.51(o) PUBLIC HEALTH PROGRAMS

Source: Mr. John Elliott, Executive Director
Warden Woods Community Centre
(addressed to the Chair, Board of Health)
(January 2, 2002)

In support of the programs and services for vulnerable adults provided by Toronto Public Health.

1.52 TORONTO PUBLIC LIBRARY

(DEFERRED FROM THE JANUARY 10, 2002 MEETING)

(REFER TO THE BUDGET BINDERS PREVIOUSLY DISTRIBUTED TO ALL MEMBERS OF COUNCIL)

1.52(a) REDEVELOPMENT OPPORTUNITIES FOR RECONSTRUCTION OF LIBRARIES

Source: City Librarian
(addressed to the Toronto Public Library Board)
(November 19, 2001)

Responding to a request from the Budget Advisory Committee during the 2001 budget process to investigate the potential for assisting with the construction costs for libraries through the pursuit of redevelopment opportunities on existing library sites; and recommending that the Toronto Public Library Board:

- (1) undertake the identification of library sites with redevelopment potential including the potential revenue or other benefits that might be derived from such redevelopment opportunities with the assistance of the Facilities and Real Estate Division at the City of Toronto; and

- (2) provide notice to the Budget Advisory Committee of the action undertaken by forwarding this report to the Committee.

1.52(b) SUSTAINABILITY PROGRAM FOR INFORMATION TECHNOLOGY

Source: City Librarian
(addressed to the Toronto Public Library Board)
(January 21, 2002)

Providing information regarding the Library's sustainability program for Information Technology, as requested by the Budget Advisory Committee at its meeting held on January 10, 2002; and recommending that:

- (1) this report be received for information; and
- (2) forwarded to the Budget Advisory Committee for consideration.

1.52(c) 2002 CAPITAL BUDGET - TORONTO PUBLIC LIBRARY - BEACHES BRANCH RENOVATIONS

Source: Councillor Sandra Bussin
Ward 32 Beaches-East York
(January 30, 2002)

Requesting that the Budget Advisory Committee not defer the Beaches Public Library Branch feasibility study for renovations for another year.

1.53 CITY OF TORONTO'S FINANCIAL STATUS

Source: Ms. Margaret J. McGovern, Resident
(January 28, 2002)

Commenting on the City of Toronto's financial status.



BUDGET ADVISORY COMMITTEE

**2002 Operating and Capital Budget Review
February 1 – 7, 2002
Committee Room 1**

Thursday, February 7, 2002

- 9:30** **Toronto Parking Authority (Operating and Capital)**
- 10:30** **Toronto Transit Commission (Operating and Capital)**
- 12:00** **BREAK**
- 1:00** **Toronto Police Services (Operating and Capital)**
- 2:30** **Public Health (Operating and Capital)**
- 3:30** **Toronto Public Library**

Note: Special Corporate Projects (Transition Projects) will be dealt with in conjunction with program reviews.