

THE CITY OF TORONTO

City Clerk's Office

Minutes of the Budget Advisory Committee

Meeting No. 11

Friday, June 6, 2003

The Budget Advisory Committee met on Friday, June 6, 2003, in Committee Room No. 1, City Hall, Toronto, commencing at 11:07 a.m.

Attendance

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

	11:07 a.m. – 12:27 p.m.
Councillor David Shiner, Chair	X
Councillor David Soknacki, Vice Chair	X
Councillor Lorenzo Berardinetti	R
Councillor Ron Moeser	R
Councillor Joe Pantalone	X
Councillor Jane Pitfield	X
Councillor Michael Tziretas	X

Also Present:

Councillor Douglas Holyday	
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Confirmation of Minutes

On motion by Councillor Soknacki, the Minutes of the Budget Advisory Committee meetings held on January 24, 27, 28, 29, 30 and 31, 2003, February 12, 13, 14, 21, 2003 and the Joint Meeting of the Policy and Finance Committee and the Budget Advisory Committee held on February 17, 2003, were confirmed.

11.1 Final Year-end 2002 Capital Variance Report

The Budget Advisory Committee had before it a report (June 3, 2003) from the Chief Financial Officer and Treasurer, providing the City of Toronto Capital Variance report for the year ended December 31, 2002; and recommending that:

- (1) a detailed review of capital projects be performed during 2003 and any adjustments required be reported through the quarterly variance reports and that this review be taken into consideration when planning the 2004 capital budget; and
- (2) this report be forwarded to the Policy and Finance Committee, and Council, for consideration.

On motion by Councillor Soknacki, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, the adoption of the aforementioned report; and
- (2) requested the Chief Administrative Officer and the Chief Financial Officer and Treasurer to meet with interested Members of the Budget Advisory Committee to discuss alternative ways to measure project expenditures, including future reports being presented on an “accrual” basis rather than on a “cash flow” basis, and report thereon to the Budget Advisory Committee.

(Policy and Finance Committee; c. Chief Administrative Officer; Chief Financial Officer and Treasurer – June 9, 2003)

11.2 Final Year-end 2002 Operating Variance Report

The Budget Advisory Committee had before it a report (June 4, 2003) from the Chief Financial Officer and Treasurer, providing the City of Toronto Operating Variance report for the year ended December 31, 2002; and recommending that:

- (1) the unallocated incremental 2002 surplus of \$2.4 million be transferred to the Land Acquisition Reserve Fund to partially offset withdrawals used to finance Council’s SARS Economic Recovery initiatives in 2003; and
- (2) the Final Operating Variance report for the year ended December 31, 2002, be forwarded to the Policy and Finance Committee for its consideration.

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

On motion by Councillor Shiner, the Budget Advisory Committee recommended to the Policy and Finance Committee, and Council, the adoption of the aforementioned report.

Councillor Shiner resumed the Chair.

(Policy and Finance Committee; c. Chief Administrative Officer; Chief Financial Officer and Treasurer – June 9, 2003)

11.3 2003 First Quarter Capital Variance Report

The Budget Advisory Committee had before it a report (June 3, 2003) from the Chief Financial Officer and Treasurer, providing the City of Toronto Capital Variance report for the first quarter ended March 31, 2003; and recommending that:

- (1) Council adjust the 2003 Approved Capital Budget by \$70.4 million gross expenditures along with associated financing with no incremental financial impact in order to carry forward to 2003 unspent cash-flow for 2002 approved capital projects;
- (2) the Homes for the Aged 2003 capital budget be increased by \$800,000.00 to be fully funded from the Homes for the Aged Capital Reserve Fund, such expenditures to be part of the previously approved HFA – General Upgrades project; and
- (3) this report be forwarded to the Policy and Finance Committee for consideration.
 - A. Councillor Pantalone moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the aforementioned report.

(Carried)

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

- B. Councillor Shiner moved that the Chief Administrative Officer, in conjunction with the Chief Financial Officer and Treasurer, be requested to provide the capital quarterly variance reports based on the estimated cashflow expenditures and report to the Budget Advisory Committee in that regard for its meeting in July 2003 on ways this could be achieved in 2004 and future years.

(Carried)

Councillor Shiner resumed the Chair.

- C. Councillor Pitfield moved that the Budget Advisory Committee request the Chief Financial Officer and Treasurer to provide the Committee with an up-to-date briefing note on the debit and credit transactions in each reserve account.

(Carried)

(Policy and Finance Committee; c. Chief Financial Officer and Treasurer;
Chief Administrative Officer – June 9, 2003)

11.4 2003 First Quarter Operating Variance Report

The Budget Advisory Committee had before it a report (June 3, 2003) from the Chief Financial Officer and Treasurer, providing the City of Toronto Operating Variance report for the three months of operations ended March 31, 2003 and projections of gross and net expenditures for the year ending December 31, 2003; and recommending that:

- (1) the technical adjustments contained in this report, for Children's Services and Parks and Recreation Operating Budgets, be approved; and
- (2) the Operating Variance report for the period ended March 31, 2003, be forwarded to the Policy and Finance Committee for consideration.

On motion by Councillor Pantalone, the Budget Advisory Committee recommended to the Policy and Finance Committee, and Council, the adoption of the aforementioned report.

(Policy and Finance Committee; c. Chief Financial Officer and Treasurer
– June 9, 2003)

11.5 Contracting Out Building Cleaning Services for Designated City Buildings Occupied by the Toronto Police Service (Wards 19, 24 and 27)

The Budget Advisory Committee had before it a report (May 30, 2003) from the Commissioner of Corporate Services, advising of the actions necessary to implement Council's approved 2003 operating budget for the Toronto Police Service (TPS), respecting building cleaning services for designated buildings occupied by the Toronto Police Service; and recommending that this report be received for information.

On motion by Councillor Soknacki, the Budget Advisory Committee received the aforementioned report for information.

Upon the question of the adoption of the foregoing motion by Councillor Soknacki, a recorded vote was taken, as follows:

Yeas: Councillor Shiner
Councillor Pitfield
Councillor Soknacki
Councillor Tziretas

Nays: Councillor Pantalone

11.6 Subway Expansion Plan

The Budget Advisory Committee had before it a communication (May 1, 2003) from Mr. Vincent Rodo, General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission, at its special meeting held on May 1, 2003, gave consideration to the report, entitled "Subway Expansion Plan", and adopted the following recommendations:

- (1) received the report for information;
- (2) endorsed the report as supplementary to the Ridership Growth Strategy Report; and
- (3) forwarded the report to the Budget Advisory Committee.

On motion by Councillor Tziretas, the Budget Advisory Committee received the aforementioned communication for information.

11.7 Central Waterfront Transit

The Budget Advisory Committee had before it a communication (April 11, 2003) from Mr. Vincent Rodo, General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on Wednesday, April 9, 2003 gave consideration to a report, entitled "Central Waterfront Transit", and adopted the following recommendations:

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

On motion by Councillor Pantalone, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, that the Toronto Waterfront Revitalization Corporation, in consultation with the appropriate City staff and the Toronto Transit Commission, be requested to prioritize within the planned \$800 million funding allocated for public transit and communicate these priorities to the City through the Waterfront Reference Group; and
- (2) received the aforementioned communication for information.

(Policy and Finance Committee; c. General Secretary, Toronto Transit Commissioner; Secretary, Waterfront Reference Group - June 9, 2003)

11.8 Procurement Authorization Davisville Carhouse Roofing Rehabilitation Contract S5-27

The Budget Advisory Committee had before it a communication (May 15, 2003) from Mr. Vincent Rodo, General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission, at its meeting held on May 14, 2003, gave consideration to a report, entitled "Procurement Authorization Davisville Carhouse - Roofing Rehabilitation Contract S5-27", and adopted the following recommendations:

- (1) the Commission authorize acceptance of the tender submitted by Nortex Roofing Ltd. in the amount of \$1,280,000.00, for Contract S5-27 Davisville Carhouse – Roofing Rehabilitation; and
- (2) this report be forwarded to the City Budget Advisory Committee for information.

On motion by Councillor Soknacki, the Budget Advisory Committee:

- (1) deferred consideration of the aforementioned communication until its July 2003 meeting, and requested further information from the Chair, Toronto Transit Commission on the following:
 - (a) how this project was cash flowed over two years; and
 - (b) increased price of project; and
- (2) requested City staff to report directly to the Policy and Finance Committee for its meeting of June 12, 2003, if the requested information results in compromising the awarding of the tender for this project.

(Policy and Finance Committee; c. Chair, Toronto Transit Commission;
Chief Financial Officer and Treasurer - June 9, 2003)

11.9 Actual World Youth Day 2002 Expenditures

The Budget Advisory Committee had before it a communication (May 20, 2003) from the Acting Chair, Toronto Police Services Board, responding to the request of the Budget Advisory Committee to report on actual World Youth Day expenditures, noting that the World Youth Day funds were corporate funds and any under expenditures against this project were to be returned to the City; and recommending that this report be received.

On motion by Councillor Soknacki, the Budget Advisory Committee received the aforementioned communication for information and commended the Toronto Police Service on its accomplishments related to the World Youth Day.

11.10 Final Report on World Youth Day 2002

The Budget Advisory Committee had before it a communication (May 23, 2003) from the Chairman, Toronto Police Services Board, providing a final report by the Toronto Police Service on World Youth Day 2002 in the City of Toronto; and recommending that this report be received.

On motion by Councillor Tziretas, the Budget Advisory Committee received the aforementioned communication for information.

The Budget Advisory Committee adjourned its meeting at 12:27 p.m.

Chair