



2004 CAPITAL AND OPERATING BUDGET

BUDGET ADVISORY COMMITTEE

MEETING OF WEDNESDAY, MARCH 24, 2004

SYNOPSIS

[\[Link to agenda for March 24, 2004\]](#)

(Preliminary – For Reference Purposes Only – For Official Record refer to Minutes.)

Note: All items approved by the Budget Advisory Committee are forwarded to the Policy and Finance Committee for consideration and City Council for final adoption.)

The Budget Advisory Committee began its wrap-up of the 2004 Capital and Operating Budget addressing the following outstanding issues:

1. Chief Administrator’s Office (Operating)

The Budget Advisory Committee:

- (1) approved the 2004 Operating Budget for the Chief Administrator’s Office, as recommended by the Administration Committee, with the following adjustments:

“two of the 11.8 vacant positions in the policy function be deleted, such deletions to be determined by the Chief Administrative Officer;”; and
- (2) requested the Chief Administrative Officer to report to the Policy and Finance Committee within the year 2004 on the City’s policy function throughout the Corporation.

2. Finance Department

Finance (Capital)

The Budget Advisory Committee approved the 2004 Capital Budget for the Finance Department, as recommended by the Administration Committee, subject to deferring the 2004 cash flow for the following Finance Department capital projects to 2005, resulting in the overall deferral of \$2.102 million in 2004 cash flow to 2005:

- (a) Accounts Payable Process Improvements: \$600,000.00;
- (b) Accounts Payable Process Improvements (Change in Scope): \$150,000.00;
- (c) E-Procurement Feasibility Study: \$300,000.00;
- (d) Program Planning Information System: \$726,000.00; and
- (e) Workflow and Document Management Technology: \$326,000.00.

Finance (Operating)

The Budget Advisory Committee:

- (1) approved the 2004 Operating Budget for the Finance Department, as recommended by the Administration Committee;
- (2) requested the Chief Financial Officer and Treasurer to report to the Budget Advisory Committee:
 - (a) prior to the 2005 budget process, on a strategy to defend the City's assessment base, such report to include a business case for adding or subtracting resources to this area;
 - (b) on tracking of savings within programs where savings are promised at budget approval;
 - (c) on setting up an account which would accommodate discounts earned through invoice payments; and
 - (d) to the June 2004 Budget Advisory Committee meeting on the feasibility of introducing a "Round Up" Program; and
- (3) received the communication (March 5, 2004) from the City Clerk: "2004 Development Charges Background Study".

3. Corporate Services

City Clerk's Office: Operating

The Budget Advisory Committee received the report (March 22, 2004) from the Commissioner of Corporate Services: "Use of Parking Lot at City of Toronto Archives to Generate Revenue":

Corporate Communications: Operating

The Budget Advisory Committee received the report (March 22, 2004) from the Commissioner of Corporate Services: "Corporate Communications 2004 Operating Budget".

Facilities and Real Estate: Capital

The Budget Advisory Committee:

- (1) further amended the 2004 Capital Budget for Facilities and Real Estate, by:
 - (a) reinstating the EMT recommended four temporary Facility Planner and Project Manager positions; and
 - (b) the adoption of the recommendations from the Commissioner of Corporate Services contained in the report (March 4, 2004): "The 519 Church Street Community Centre Addition", resulting in an increase in the capital program of \$.750 million gross and zero net; and
- (2) requested the Commissioner of Corporate Services to report to the Budget Advisory Committee, through the Works Committee, prior to the 2005 budget cycle, providing a cost benefit analysis of the additional Facility Planner and Project Manager positions and on a minimum project completion rate of 80 percent; and
- (3) received the following reports for information:
 - (i) (March 19, 2004) from the Commissioner of Corporate Services: "The Operating Impact of Reducing the Requested Number of New Temporary Facility Planner and Project Manager Positions from Eight Positions to Four Positions";
 - (ii) (March 19, 2004) from the Commissioner of Corporate Services: "Nathan Phillips Square – Elevated Walkway";
 - (iii) (March 18, 2004) from the Commissioner of Corporate Services: "Feasibility of the Toronto Parking Authority (TPA) Using 10 Hagerman Street as a TPA Parking Lot"; and
 - (iv) (March 22, 2004) from the Commissioner of Corporate Services: "2004 Capital Budget for Facilities and Real Estate Site Work Listed as Residential No. 1".

Facilities and Real Estate: Operating

The Budget Advisory Committee:

- (1) that the \$165,000.00 previously approved reduction to the 2004 Operating Budget for Facilities and Real Estate, be for contracted Security Services in the amount of \$165,000.00; and further that after hours response to security and fire alarms to City facilities be retained;
- (2) reinstate the previously recommended \$110,800.00 reductions for Security Services;
- (3) that the \$216,000.00 associated with the Budget Advisory Committee recommendation to reduce the EMT recommended new approved positions by four be reversed, resulting in an increase of \$216,000.00 gross and \$216,000.00 in recoveries, for a net zero impact to the operating budget; and
- (4) received the confidential report (March 17, 2004) from the Commissioner of Corporate Services: "Impact of Elimination and Reduction of Positions".

Information & Technology: Capital

The Budget Advisory Committee received the report (March 23, 2004) from the Commissioner of Corporate Services: "Corporate Information and Technology Capital Projects".

Union Station: Capital

The Budget Advisory Committee approved the 2004 Capital Budget for Union Station, subject to deferring \$8.154 million until 2005.

4. Economic Development, Culture and Tourism Department

Culture: Operating

The Budget Advisory Committee further amended the 2004 Operating Budget for the Culture Division, by:

- (1) reinstating \$63,700.00 for the Museum of Contemporary Art; and
- (2) reinstating \$150,000.00 for non-City owned Cultural Facilities Capital Grants Program.

Parks and Recreation: Capital

The Budget Advisory Committee:

- (1) further amended the Parks and Recreation Capital Budget by:

- (a) deleting \$500,000.000 in 2004 and future years for construction of Skateboard Parks City-wide, as recommended by the Economic Development and Parks Committee;
- (b) deferring the Malvern Recreation Centre (\$640,000.00) and Agincourt Community Centre Parking Lots Rehabilitation (\$640,000.00) until 2005; and
- (c) fund the following water-related projects through water rate funding:
 - (i) Erosion, Health and Safety, Asset Preservation (PKS000024-151) replace \$350,000.00 of debt funding with water rate funding;
 - (ii) Don Valley Golf Course, Replace Water Supply (PKS000026-83) replace \$100,000.00 of reserve funding with water rate funding;
- (2) requested that consideration be given to include the Jenner Jean-Marie Community Centre gymnasium in 2005 instead of 2009; and
- (3) deferred consideration of the following matter until its meeting of April 2, 2004:
 - (a) sufficient funds be added to the 2004 Capital Budget for site preparation at 40 Wabash Avenue for the Wabash/Sorauren Community Centre; and
- (4) requested the Chief Financial Officer and Treasurer to report back to the Economic Development and Parks Committee on a funding policy for water related projects in the City's Park's system.

Parks and Recreation: Operating

The Budget Advisory Committee:

- (1) further amended the 2004 Operating Budget for the Parks and Recreation Division, as follows:
 - (a) the addition of the following as the Parks and Recreation component of the Mayor's Clean and Beautiful City Initiative:
 - (i) \$600,000.00 for additional litter/Recycling Bins in Parks, subject to the Commissioner of Works and Emergency Services being requested to have discussions with Eucan regarding receiving bins under the existing contract; and

- (ii) the addition of \$460,000.00 for the enforcement of Illegal Dumping;
 - (b) thirteen front line positions to be reduced following the retirement of the individuals be reinstated at a cost to be reported to the Budget Advisory Committee meeting of April 2, 2004; and
- (2) deferred consideration of the following matters:
 - (a) until the Budget Advisory Committee meeting of April 2, 2004:

“City Council be requested to defer any decision on Phase II of the ‘Transfer of Aquatics Programs from the TDSB Pools’ until it determines the City of Toronto’s pool strategy and considers the pools study anticipated in September 2004, and no ‘migration’ or reduction of aquatic programs occur before that time”;
 - (b) until the Budget Advisory Committee meeting of March 25, 2004:

“the ‘2004 Action Plan for Children’ to allow staff to table a briefing note in that regard”;

and
- (4) received the following communications and report:
 - (a) (July 30, 2003) from the City Clerk: “Options to Improve Enforcement and Reduce Instances of Illegal Dumping”;
 - (b) (February 18, 2004) from Mayor David Miller: “Clean and Beautiful City Initiative”;
 - (c) (March 5, 2004) communication from the City Clerk: “Clean and Beautiful City Initiative”;
 - (d) (March 22, 2004) from the Chief Administrative Officer and Treasurer: “Transfer of Small Maintenance Projects from Parks and Recreation 2004 Operating Budget to Parks and Recreation Capital Budget”; and
 - (e) (March 19, 2004) from Councillor Cliff Jenkins, Ward 25 Don Valley West: “Proposal for Pay Parking in Regional Parks, Sunnybrook Park/Toronto Botanical Garden”.

Economic Recovery: Operating

The Budget Advisory Committee further amended the 2004 Operating Budget for Economic Recovery, by reducing the funding for Economic Recovery from \$500,000.00 to \$200,000.00, such funding to be distributed as follows:

- (a) \$100,000.00 for the Branding Program; and
- (b) \$100,000.00 for Program Development for the Year of Creativity.

Tourism: Operating

The Budget Advisory Committee referred the Royal Agricultural Winter Fair matter to be considered with the Consolidated Grants Budget on March 25, 2004.

General

The Budget Advisory Committee received the report (March 16, 2004) from the Commissioner of Economic Development, Culture and Tourism: "2004 Capital and Operating Budget – Response to Budget Advisory Committee Inquiries".

5. Agencies Boards and Commissions

Exhibition Place: Operating

The Budget Advisory Committee:

- (1) referred the matter of the rent for the Royal Agricultural Winter Fair to equal the grant to the Budget Advisory Committee meeting of March 25, 2004 to be considered with the Consolidated Grants Budget;
- (2) requested the Chief Administrative Officer to report to the Policy and Finance Committee on the establishment of a policy for the Royal Agricultural Winter Fair to be given a special status with respect to Exhibition Place; and
- (3) received for information report (March 22, 2004) from the Chair, Board of Governors of Exhibition Place: "Royal Agricultural Winter Fair".

Theatres – Toronto Centre for the Arts: Operating

The Budget Advisory Committee::

- (1) approved the 2004 subsidy for the Toronto Centre for the Arts to be set at \$1.5 million;

- (2) requested City Council to request the Commissioner of Economic Development, Culture and Tourism, in consultation with the Chair of the Toronto Centre for the Arts, the Chair of the Board of the Hummingbird Centre for the Performing Arts and the Chief Administrative Officer, to report to the Economic Development and Parks Committee within a three-month period, on the governance and management of the Hummingbird Centre for the Performing Arts and the Toronto Centre for the Arts.

Arena Boards of Management: Operating

The Budget Advisory Committee:

- (1) approved the 2004 EMT recommended Operating Budget for Ted Reeve Arena and the North Toronto Memorial Arena;
- (2) requested the North Toronto Memorial Arena to submit its Performance Measurement update by May 1, 2004, and if not received at that time, the Chief Financial Officer and Treasurer be requested to undertake the work and that \$500.00 be taken from the North Toronto Memorial Arena budget; and
- (3) deferred final approval of the Arena Boards of Management Budget until April 2, 2004, to report back on Board approvals of strategies to absorb the impact of the increase for Vehicle Reserve contributions.

Toronto Police Service: Capital and Operating Toronto Police Services Board: Operating

The Budget Advisory Committee deferred consideration of the 2004 Budgets for the Toronto Police Service and Board until the Budget Advisory Committee meeting of April 2, 2004 and requested the Chair, Toronto Police Services Board to achieve the full \$14.2 million reductions originally requested, such reductions to only include savings usable to Council and not to include reductions to front line services; and further endorse the request to have the City's Chief Financial Officer and Treasurer and Internal Auditor help with finding savings.

The following communications were received:

- (a) (March 5, 2004) from the Chair, Toronto Police Services Board: "Toronto Police Service 2004 Capital and Operating Budget Submissions"; and
- (b) (March 2, 2004) from Councillor David Soknacki, Chair, Budget Advisory Committee: "Review of Proposed Target Reductions".

Toronto Parking Enforcement Unit: Capital

The Budget Advisory Committee approved the 2004 EMT Recommended Capital Budget for the Toronto Parking Enforcement Unit; and requested the Chair, Toronto Police Services Board to report to the Budget Advisory Committee meeting of April 2, 2004, on expected savings from the usage of hand held parking devices in 2005.

Parking Tag Operations: Operating

The Budget Advisory Committee approved the 2004 EMT Recommended Operating Budget for Parking Tag Operations.

Toronto Parking Authority

The Budget Advisory Committee further amended the 2004 Operating Budget for the Toronto Parking Authority by requesting the President of the Toronto Parking Authority to report to the April 13, 2004, Policy and Finance Committee meeting on the following On and Off Street changes with the supporting by-law in that regard, resulting in an increase of \$1.3 million gross revenue in 2004:

	Annually	Calendar Year 2004
(a) Additional revenue generated by the on-street rate change	\$1,750,000.00	\$950,000.00
(b) Off-Street rate review to be implemented May 1, 2004	550,000.00	350,000.00
Total Impact on Budget:	\$2,300,000.00	\$1,300,000.00

Toronto Transit Commission (Operating and Capital)

The Budget Advisory Committee deferred consideration of the 2004 Operating and Capital Budgets for the Toronto Transit Commission until the Budget Advisory Committee meeting of April 2, 2004.