

**BUDGET ADVISORY COMMITTEE**  
**2005 CAPITAL AND OPERATING BUDGETS**

**AGENDA**

**MEETING 5**

<b>Date of Meeting:</b>	<b>Tuesday, January 25, 2005</b>	<b>Enquiry:</b>	<b>Betty Henderson</b>
<b>Time:</b>	<b>9:30 a.m.</b>		<b>Administrator</b>
<b>Location:</b>	<b>Committee Room 1</b>		<b>416-392-8088</b>
	<b>City Hall</b>		<b>bhender1@toronto.ca</b>
	<b>100 Queen Street West</b>		

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Under the *Municipal Act, 2001*, the Budget Advisory Committee must adopt a motion to meet In-camera (privately) and the reason must be given.

**Declarations of Interest under the *Municipal Conflict of Interest Act***

**Communications/Reports**

**1. Administration Committee Transmittal (Capital)**

Communication (January 7, 2005) from the Administration Committee.

Recommendation:

The Administration Committee recommended to the Budget Advisory Committee that City Council adopt the following EMT recommended 2005 Capital Budgets under the purview of the Administration Committee:

Finance:

Corporate Services:

- City Clerk's Office;
- Court Services;
- End of Lease Strategy;
- Facilities and Real Estate;
- Fleet Services;
- Information and Technology; and
- Union Station.

**2. Administration Committee Transmittal (Operating)**

Communication (January 7, 2005) from the Administration Committee.

Recommendations:

The Administration Committee recommended to the Budget Advisory Committee that City Council:

- (1) adopt the following EMT recommended 2005 Operating Budgets under the purview of the Administration Committee:

Finance:

Corporate Services:

- City Clerk's Office;
- Corporate Communications;
- Court Services;
- Facilities and Real Estate;
- Fleet Services;
- Information and Technology;
- Legal Services;
- Service Improvement and Innovation; and

Other:

- Chief Administrator's Office;
- (2) adopt the EMT recommended 2005 Operating Budget for Corporate Services – Human Resources, subject to amending the Labour Relations section request for the conversion of five temporary positions to permanent positions, to convert three temporary positions to permanent, and retain two temporary positions;
  - (3) adopt the requested 2005 Operating Budget for Other – Council, and, further, that City Council direct that \$5,000.00 from the 2005 office budget of each Councillor, be directed to the Canadian Red Cross for the Asia Earthquake and Tsunami Relief Fund;
  - (4) adopt the EMT recommended 2005 Operating Budget for Other – Mayor's Office subject to:
    - (a) adding funds in the amount of \$41.0K to the Mayor's Office 2005 Operating Budget for staff replacement costs similar to that in the Council Program;

- (b) the policy approved for the Council Program on the administration of the staff replacement and severance fund, equally applying to the Mayor's Office program;
- (c) the appropriate City officials being authorized and directed to take the necessary action to give effect thereto; and
- (d) City Council directing that \$5,000.00 from the 2005 Mayor's Office budget be directed to the Canadian Red Cross for the Asia Earthquake and Tsunami Relief Fund.

### **3. City Clerks's (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

#### **3(a). Support for the International Program provided by Toronto Protocol (All Wards)**

Report (November 25, 2004) from the Commissioner of Corporate Services, responding to concerns expressed by the Mayor and Members of Council regarding sufficient resources to meet increased demands and expectations of Toronto's role in the international community; reviewing and advising with respect to the support required to meet those increased needs; supporting Toronto City Council's approved priority of "Getting the powers and funding needed for Toronto to succeed"; and outlining options to further this priority with additional support for Toronto's International Relations Program provided by Toronto Protocol.

#### Recommendation:

It is recommended that this report be received for information.

#### **3(b). Support for the International Program provided by Toronto Protocol (All Wards)**

Communication (December 13, 2004) from the Administration Committee advising that the Committee on December 10, 2004 received the report (November 25, 2004) from the Commissioner of Corporate Services, entitled "Support for the International Program Provided by Toronto Protocol (All Wards)".

#### **3(c). International Activities - Co-ordinated Approach to 2005 Budget Considerations**

Communication (December 6, 2004) from the City Clerk, advising that City Council on November 30, December 1 and 2, 2004, considered Clause 31 of Report 9 of the Policy and Finance Committee, and adopted a recommendation that any increased expenditures to support the City's international relations portfolio (including but not limited to improvements to Toronto Protocol and the establishment of a corporate conference fund) be considered in the context of the City's overall priorities and be referred to the Budget

Advisory Committee for consideration in the 2005 Operating Budget and be reviewed in terms of their long-term fiscal sustainability.

**4. Corporate Communications (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**5. Court Services (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**6. Facilities and Real Estate (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**7. Union Station (Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**8. Fleet Services (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**8(a). Contributions to the Vehicle and Equipment Replacement Reserve**

*(Referred by the Budget Advisory Committee on November 18, 2004)*

Communication (September 15, 2004) from the Policy and Finance Committee advising that the Policy and Finance Committee on September 15, 2004, referred the report (September 13, 2004) from the Commissioner of Corporate Services and the Chief Financial Officer and Treasurer, respecting Contributions to the Vehicle and Equipment Replacement Reserve, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee.

Recommendations:

It is recommended that:

- (1) commencing in 2005, all Programs commit to the policy of increasing their 2004 contribution to the Vehicle and Equipment Replacement Reserve for all new vehicles by an amount based on the following calculation:

Future replacement cost less end of life salvage value  
Projected useful life in months;

- (2) Fleet Services establish the reserve contribution amount based on the above formula and collect reserve contributions using interdepartmental chargebacks on a monthly basis;
- (3) Fleet Services develop a vehicle/equipment chargeback rate program for the 2006 budget cycle; the internal charge shall be all inclusive of vehicle and equipment operating costs (not including fuel that will be a direct charge);
- (4) commencing in 2005, Fleet Services report, as part of its annual capital/operating budget presentation, on the progress to date to reduce the backlog of overdue vehicles, and the uncommitted balance in the Vehicle and Equipment Replacement Reserve available for fleet replacement;
- (5) Council establish a cost centre within the Stabilization Reserve Fund called 'Fleet Services Stabilization' to fund any deficit in the Fleet Services Operations or to be transferred to the Vehicle and Equipment Replacement Reserve to fund any backlog of vehicles needing to be replaced and that Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding this cost centre to Schedule '4' (Stabilization Reserve Fund);
- (6) this report be forwarded to the Budget Advisory Committee for consideration; and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

**9. Human Resources (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**10. Information and Technology (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**11. End of Lease Strategy (Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**12. Legal (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**13. Service Improvement and Innovation (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**Finance Department**

**14. Finance Department (Operating and Capital)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**14(a). Feasibility of Establishing Additional First Appearance Facilities for Parking Ticket Payments and Disputes**

Communication (November 15, 2004) from the Administration Committee advising that on November 9, 2004, the Administration Committee referred the report (September 21, 2004) from the Chief Financial Officer and Treasurer to the Budget Advisory Committee for consideration during the 2005 budget process.

Recommendations:

It is recommended that:

- (1) funding (\$70,000.00 one-time start up cost and \$198,000.00 annual operating costs) to establish an additional parking tag First Appearance Facility in the Etobicoke Civic Centre, combined with the current tax and water counter, be included as an Enhanced Service Change request in the Finance Department's 2005 Operating Budget Estimates; and
- (2) this report be forwarded to the Administration Committee for its review and 2005 Budget consideration.

**14(b). New Finance Department User Fees: Tax Status Verification and Municipal Charges Added to the Tax Roll**

Communication (December 6, 2004) from the City Clerk, advising that City Council on November 30, December 1 and 2, 2004, considered Clause 13 of Report 9 of The Administration Committee, and forwarded a copy to the Budget Advisory Committee for information.

**15. Chief Administrator's Office (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**16. Council (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*

**17. Mayor's Office (Operating)**

*(Refer to the Budget Binders Previously Distributed to all Members of Council)*



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**BUDGET ADVISORY COMMITTEE**  
**2005 CAPITAL AND OPERATING BUDGETS**  
**ADDED STARTERS AGENDA**

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**Communications/Reports**

**10(a). Administration Committee Recommended 2005 Operating Budget – Amendment to Reflect Staffing Costs for Toronto End of Lease Strategy (TELS)**

Report (January 17, 2005) from the Commissioner of Corporate Services requesting an amendment of the Administration Committee's recommended 2005 Operating Budget for the Information and Technology Division to reflect the staffing costs which have been budgeted in Technology End of Lease Capital Budget.

Recommendations:

It is recommended that:

- (1) the Administration Committee's recommended 2005 Operating Budget for the Information and Technology Division of Corporate Services be amended by \$4.9 million gross, \$0 net, to reflect the staffing costs of 55 temporary positions supporting the TELS roll out. Funding has been provided in the TELS Capital Account CIT701; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.