

THE CITY OF TORONTO

City Clerk's Office

Minutes of the Budget Advisory Committee

Meeting 12

Thursday, February 10, 2005

The Budget Advisory Committee met on Thursday, February 10, 2005, in Committee Room 1, City Hall, Toronto, commencing at 9:45 a.m.

Members Present:

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

	9:45 a.m. to 12:45 p.m.
Councillor David Soknacki, Chair	X
Councillor Joe Mihevc, Vice Chair	X
Councillor Jane Pitfield, Vice Chair	X
Mayor David Miller	X
Councillor Shelley Carroll	X
Councillor Peter Milczyn	X
Councillor Kyle Rae	X
Councillor Sylvia Watson	X

Also Present:

Councillor Olivia Chow	Councillor Howard Moscoe
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2005 Capital and Operating Budget

12.1 2005-2014 Capital Program

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

A. Councillor Soknacki moved the following 2005-2014 Capital Program adjustments be included in the 2005-2014 Capital Budget submission to the Policy and Finance Committee and Council:

- (1) the adoption of technical adjustments;
- (2) reducing the 2005 Capital Program by \$12.801 million as follows, in order to reduce debenture financing in 2005;
 - (a) Union Station: \$2.002 million;
 - (b) Information and Technology:
 - (i) Telecom Management System: \$250,000;
 - (ii) Network Technology Lifecycle Management: \$250,000.00;
 - (c) Finance - Workflow and Document Management Project: \$300,000.00;
 - (d) Shelter, Housing and Support - Bethlehem United and others: \$1.229 million;
 - (e) Waterfront Revitalization - Strategic Land Acquisition: \$4.0 million;
 - (f) Culture:
 - (i) Cedar Ridge: \$50,000.00;
 - (ii) Spadina Restoration: \$50,000.00;
 - (iii) Casa Loma: \$160,000.00 ;
 - (iv) Preventive Maintenance: \$50,000.00;
 - (v) Windfields: \$50,000.00;
 - (vi) Archaeological Master Plan: \$50,000.00;
 - (vii) Colborne Lodge: \$50,000.00;

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- (g) Parks and Recreation:
 - (i) CAMP (SGR) Community Centres: \$610,000.00;
 - (ii) CAMP (SGR) Tennis Courts and Sports Pads: \$165,000.00;
 - (iii) Capital Emergency Fund FY2005: \$34,000.00;
 - (iv) CAMP (SGR) Special Facilities - Buildings and Structures: \$780,000.00;

 - (h) Transportation:
 - (i) Street Lighting Asset Management: \$1.2 million;
 - (ii) Expressway Lighting: \$500,000.00;
 - (iii) Pole Replacement: \$900,000.00;
 - (iv) Local Road Resurfacing: \$150,000.00.
- (Carried)**

Councillor Soknacki resumed the Chair.

- B. Councillor Mihevc moved that the Budget Advisory Committee:
 - (1) recommended to the Policy and Finance Committee, and Council, that the Toronto Transit Commission 2005 Capital Budget be amended by future year commitments (2006-2010) resulting from the Toronto Transit Commission Recommended 2005 Capital Budget being reduced by the following adjustments, such adjustments having no impact on the Toronto Transit Commission's ten year Capital Budget cash flow:
 - (i) Queensway Bus Garage: \$8.070 million in 2008; \$5.335 million in 2009;
 - (ii) Subway Car Purchase: \$111.065 million in 2006; \$93.071 million in 2007; \$181.586 million in 2008; \$184.908 million in 2009; and \$132.370 million in 2010; and
 - (iii) Streetcar Overhaul: \$6.800 million in 2006; \$16.688 million in 2007; \$26.084 million in 2008; and \$14.631 million in 2009; and

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- (2) request the Chief General Manager of the Toronto Transit Commission to report to the Policy and Finance Committee for its meeting of February 15, 2005, providing an update on funding from other levels of government and contract costs relating to bus procurement.

(Carried)

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

- (1) that the Harbourfront Community Pool be listed as one of the City's projects, and that third party funding generated in the area be tracked and recorded in the appropriate capital account;

- (2) adoption of the following motion:

WHEREAS the 2005 Beautiful City Routes Capital Budget included the amount of \$350,000 for Gerrard Street East, from Victoria Park to Sherbourne Street; and

WHEREAS staff in the Works and Emergency Services Department have advised that the 2005 watermain replacement project will cover only from Yonge Street to Jarvis Street;

NOW THEREFORE BE IT RESOLVED that the 2005 Beautiful City Routes Capital Budget be amended to reduce the budget for Gerrard Street East from \$350,000 to \$250,000 and that the St. Nicholas Street Project be added in the amount of \$100,000 with no impact on the net Capital Budget; and

BE IT FURTHER RESOLVED that the budget line should include the sum of \$25,000 from the owners of 11 St. Joseph Street who property abuts St. Nicholas Street;

(Carried)

D. Councillor Watson moved that the Budget Advisory Committee:

- (a) recommend that the following recommendations also be included in the 2005 Capital Budget submission to Policy and Finance Committee and Council:

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- (i) that the Chief Administrative Officer and Chief Financial Officer be directed to recommend further 2005 Capital Project deferrals in order to meet the debt financing guideline and report to Council, as part of the 2005 First Quarter Capital Variance report; and
 - (ii) that the matter of moving towards funding certainty for the Toronto Transit Commission, be referred to the Chief Administrative Officer and Chief Financial Officer and Treasurer to work with the Toronto Transit Commission staff in determining appropriate mechanisms in the pursuit of long term financial stability; and
- (b) receive the communication (February 9, 2005) from the General Secretary, Toronto Transit Commission.

(Carried)

12.2 2005 Operating Budget

The Budget Advisory Committee considered the following report and communication:

- (a) (February 9, 2005) from the Chief Administrative Officer and the Chief Financial Officer and Treasurer forwarding the 2005 Budget Advisory Committee Recommended Operating Budget for the City of Toronto's Departments, Agencies, Boards and Commissions; and
- (b) (February 4, 2005) from the City Clerk advising that City Council on February 1, 2 and 3, 2005, adopted Clause 4 of Report 2 of the Policy and Finance Committee, entitled "Corporate Fund for Hosting Conferences", without amendment and referred a copy to the Budget Advisory Committee for consideration as part of the 2005 budget process.
 - A. Councillor Pitfield moved that the Budget Advisory Committee:
 - (1) recommend to the Policy and Finance Committee and City Council the adoption of the recommendations in the Recommendations Section of report (February 9, 2005) from the Chief Administrative Officer and the Chief Financial Officer and Treasurer, subject to the following amendments:

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- (i) reducing the Solid Waste Management Operating Budget by \$400,000.00 through savings from utilities; and
 - (ii) reducing the Transportation Operating Budget by \$600,000.00, through savings from utilities
- (2) request the Acting Commissioner of Works and Emergency Services to e-mail a briefing note to all Members of Council, prior to the Council meeting of February 21, 2005, on how much was saved respecting the pilot project for maintenance of hydro poles in the East District (former City of Scarborough);
 - (3) with regards to the 591.3 increase in staffing in the 2005 Budget, request the Chief Administrative Officer and Chief Financial Officer and Treasurer to report to the Policy and Finance Committee for its meeting of February 15, 2005, on a system of identifying and monitoring permanent and temporary positions in both the Capital and Operating budgets; and
 - (4) request all Departments to report to the Policy and Finance Committee on savings in utilities based on the 2004 actuals rather than on the 2004 budget; and further that savings achieved from utilities not be reallocated.

(Carried)

B. Councillor Rae moved that Councillor Pitfield's motion A.(1) be amended by:

- (1) the one time \$100,000.00 funding for the Tsunami Funding Settlement Work be added to the "Miscellaneous" envelope of the Community Partnership and Investment Program budget, to be administered by Social Development and Administration Division and to be funded from the Home Improvement Reserve Fund; and
- (2) the remaining funds in the Home Improvement Reserve Fund in the amount of \$158,749.00 be redirected to the Corporate Fund for Hosting Conferences;

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

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C. Councillor Soknacki moved:

(1) that Councillor Pitfield's motion A. be amended by:

(a) adding \$50,000.00 to the Economic Development 2005 Operating Budget to reinstate funding to the Greater Toronto Marketing Alliance for a trial period pending review; and

(b) redirecting \$37,000.00 from AMO savings for 2005, previously approved by Council, to fund an intergovernmental relations reserve fund; and that \$13,000 be absorbed within the Economic Development, Culture and Tourism Department's 2005 Operating Budget; and

(Carried)

(c) contingent upon a comparable contribution as made in the past from Atkinson (or in partnership with Atkinson), the City transfer an additional \$300,000.00 from the Social Services Stabilization Reserve Fund to the First Duty Reserve Fund to fund Toronto First Duty to include younger children at Bruce School and other school sites; and

(d) the Commissioner of Community and Neighbourhood Services be requested to report to the Community Services Committee and the Budget Advisory Committee on the Atkinson contribution, the outcome of Provincial negotiations and the exact use of the City's contribution, for the period July 2005 through June 2006 before July 2005.

(Lost)

(2) that the communication (a) and report (b) be received.

(Carried)

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D. Councillor Mihevc moved that Councillor Pitfield's motion A. be amended by:

- (1) \$36,462.00 of the recommended \$550,000.00 funding for Food Security and Service Development programs be directed to program administration, as indicated in the staff reports to Community Services Committee; and
- (2) adding a half-time Agency Review Officer position to Social Development and Administration, with funding from the Community Partnership and Investment Program in the amount of \$36,462.00 in 2005 and incremental increase of \$12,154.00 in 2006.

(Lost)

(Policy and Finance Committee; c. Chief Financial Officer and Treasurer - February 10, 2005)

The Budget Advisory Committee adjourned its meeting at 12:45 p.m.

Chair