

Executive Committee

Meeting No.	36	Contact	Patsy Morris, Committee Administrator
Meeting Date	Monday, November 2, 2009	Phone	416-392-9151
Start Time	9:30 AM	E-mail	exc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Mayor David Miller

New Communications/Reports

EX36.26a **Labour Disruption Savings Allocation to the Recommended 2010 Solid Waste Residential Rates**

Origin

(October 29, 2009) Report from the City Clerk

Recommendations

City Council on October 26 and 27, 2009, adopted Item EX35.6 entitled "2009 Labour Disruption Costs and Savings", as amended, and among other things, directed that \$4.8 million of the tax related net savings arising from the 2009 labour disruption be allocated to the 2010 Solid Waste Management budget to offset the proposed 2% fee increase to the Solid Waste Management fees.

Council also directed that the Toronto Water net savings arising from the 2009 labour disruption (estimated at \$1.2 million as at September 14, 2009) be transferred to the Water and Wastewater Stabilization Reserve and utilized for Toronto Water's 2010 Operating Budget.

Summary

Communication (October 29, 2009) from City Council forwarding Council's decision respecting Executive Committee Item 35.6 - 2009 Labour Disruption Costs and Savings (Ward All)

Background Information

2009 Labour Disruption Costs and Savings

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24966.pdf>

EX36.28	ACTION			Ward: All
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Capital Variance Report for the Nine-month Period Ended September 30, 2009

Origin

(October 29, 2009) Report from the Budget Committee

Recommendations

The Budget Committee recommended to the Executive Committee that:

1. City Council approve in-year adjustments to the 2009 Approved Capital Budget as detailed in Appendix 2 of the report (October 26, 2009) from the Deputy City Manager and Chief Financial Officer.
2. City Council approve additional carry forward funding for 311 Customer Service Strategy and Financial Services for unspent 2008 capital projects totalling \$1.835 million as detailed in Appendix 3 of the report (October 26, 2009) from the Deputy City Manager and Chief Financial Officer, in order to continue work on 2008 approved capital projects.

Summary

The purpose of this report is to provide the City of Toronto 2009 Capital Variance for the nine months ended September 30, 2009 and projected actual expenditures to December 31, 2009. Furthermore, the report seeks Council's approval for in-year adjustments and additional 2008 carry-forward funding.

Capital expenditures for the Nine months ended September 30, 2009 totalled \$950.184million or 34.4% of the 2009 Approved Capital Budget of \$2.766 billion. Tax Supported Programs spent \$688.579 million, representing 31.9% of their collective 2009 Approved Capital Budget of \$2.162 billion (see Appendix 1). City Operations spent \$251.881 million or 26.2% of the 2009 Approved Capital Budget of \$961.548 million; while Agencies, Boards and Commissions (ABCs) spent \$436.699 million or 36.4% of their collective 2009 Approved Capital Budget of \$1.2 billion. In total, Rate Supported Programs spent \$261.604 million or 43.3% of their 2009 Approved Capital Budget of \$604.310 million (see Chart 1). The under spending is primarily attributed to completion of projects under budget, delays in acquiring appropriate sites, delays in receiving funds from cost-sharing partners and the impact of labour disruption

As detailed in Appendix 1, projected actual expenditures to year-end are estimated at \$1.902 billion or 68.7% of the total 2009 Approved Capital Budget of \$2.766 billion. Tax Supported Programs project a spending rate of 67.5 to year-end; while Rate Supported Programs project spending of 73.3% of their total 2009 Approved Capital Budget.

See Report Chart 1.

In accordance with the City’s Carry Forward Policy, this report requests Council’s approval to carry forward funds for unspent 2008 approved capital projects not previously identified and included in the 2009 Approved Capital Budget. The additional carry forward funding request totals \$1.835 million as detailed in Appendix 3.

Financial Impact

As summarized in Table 1 below, for the nine months ended September 30, 2009, actual expenditures for Tax Supported Programs totalled \$688.579 million or 31.9% of the 2009 Approved Capital Budget of \$2.162 billion. Rate Supported Programs spent \$261.604 million or 43.3% of their 2009 Approved Capital Budget of \$604.310 million. Projected spending rates to year-end will approximate 67.5 % of the 2009 Approved Capital Budget for Tax Levy Programs and 73.3% for Rate Supported Programs.

See Report for Table 1.

Background Information

Capital Variance Report for the Nine-month Period Ended September 30, 2009

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24692.pdf>)

Capital Variance Report for the Nine-Months Ended September 30, 2009 - Staff Report

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24953.pdf>)

Appendix 1 - Consolidated Capital Variance Report for the Quarter Ended September 30, 2009

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24954.pdf>)

Appendix 1.1 - Consolidated Capital Variance Report for the Quarter Ended September 30, 2009 - SOGR

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24955.pdf>)

Appendix 2 - Budget and Technical Adjustments for Quarter Ended September 30, 2008

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24956.pdf>)

Appendix 3 - 2008 Carry Forwards Funding Adjustments

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24957.pdf>)

EX36.29	ACTION			Ward: All
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Operating Variance Report for the Nine-month Period Ended September 30, 2009

Origin

(October 29, 2009) Report from the Budget Committee

Recommendations

The Budget Committee recommended to the Executive Committee that:

1. City Council approve a reduction of \$0.196 million to the net Tax-Levy Program savings presented in the “2009 Labour Disruption Costs and Savings” report (September 24, 2009) from the Deputy City Manager and Chief Financial Officer (EX35.6).

2. City Council approve a reduction of \$0.130 million to the net Toronto Water savings presented in the “2009 Labour Disruption Costs and Savings” report (September 24, 2009) from the Deputy City Manager and Chief Financial Officer (EX35.6).
3. City Council approve an increase of \$0.069 million to the net Solid Waste Management Services costs presented in the “2009 Labour Disruption Costs and Savings” report (September 24, 2009) from the Deputy City Manager and Chief Financial Officer (EX35.6).
4. City Council approve the budget adjustments including the approved position transfers as detailed in Appendix D of the report (October 26, 2009) from the Deputy City Manager and Chief Financial Officer, to amend the 2009 Council Approved Operating Budgets between Programs with no net impact to the Tax-Levy Operating Budgets.

Summary

The purpose of this report is to provide City Council with the Operating Variance for the nine-month period ended September 30, 2009 and to request Council’s approval for amendments to the 2009 Council Approved Operating Budget with no change to the Net Operating Budget. In addition, the report also provides final financial information with respect to costs incurred and savings realized during the 2009 labour disruption by CUPE Local 79 and TCEU Local 416.

Actual net expenditures for the nine-month period ended September 30, 2009 were under budget by \$90.037 million or 3.8 per cent. Projections to year-end indicate that the 2009 Council Approved Net Operating Budget will be under-spent by \$81.292 million or 2.4 per cent. The favourable variance projected at year-end will be largely due to significant net savings of \$35.890 million arising from the 2009 labour disruption in Tax-Levy Programs and under-expenditures of \$29.510 million resulting from Council’s compensation policy for management/non-union staff and ratification the 2009 Cost of Living Adjustment (COLA) increase for union staff in accordance with the Memoranda of Agreement and Settlement. Projections also indicate that Corporate Accounts will recognize a favourable variance attributed to a one-time contribution of \$20.0 million in parking revenue by the Toronto Parking Authority and stronger than forecasted rate of return in interest and investment earnings of \$15.0 million.

These favourable variances, however, will be partially offset by a projected over expenditure of \$16.646 million net in Operating Budgets for Agencies, Boards and Commissions (ABCs) directly due to passenger revenue shortfall in Toronto Transit Commission (TTC) and a projected over expenditure of \$9.117 million net in City Operations mainly attributed to revenue losses in Toronto Building and City Planning due to the impact of the recession on the development industry. The Deputy City Manager and Chief Financial Officer will continue working with Division Heads to explore opportunities to mitigate the impact of these revenue losses.

Financial Impact

Net expenditures for the nine-month period ended September 30, 2009 were under budget by \$90.037 million or 3.8 per cent (See Table 1). Projections to year-end indicate a favourable net operating budget variance of \$81.292 million or 2.4 per cent. The attached Appendices A, B and C summarize net expenditures, gross expenditures, and revenues by City Program and

ABC as at September 30, 2009 and projections to year-end.

See report for Table 1.

As detailed in Table 2 below, the total net savings arising from the 2009 labour disruption are decreased by \$0.396 million, of which a reduction of \$0.196 million in net savings is related to Tax-Levy Programs, a reduction of 0.130 million in net savings is related to Toronto Water, and an increase of \$0.069 million in net costs is related to Solid Waste Management Services.

The decrease of \$0.396 million is due to additional overtime costs, partially offset by a decrease in revenue losses and extra non-salary savings. The final financial impact totals \$32.773 million in net savings and is comprised of \$35.890 million in net savings for Tax-Levy programs, \$1.043 million in net savings for Toronto Water, offset by \$4.159 million in net costs for Solid Waste Management Services. The final labour disruption costs and savings summarized in Table 2 include all labour disruption expenditures processed as at October 15, 2009 and accrued for services received but not yet paid as well as a provision for unprocessed overtime.

See report for Table 2.

Background Information

Operating Variance Report for the Nine-month Period Ended September 30, 2009

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24693.pdf>)

Operating Variance Report for the Nine-Month Period Ended September 30, 2009 - Staff Report

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24958.pdf>)

EX36.30	ACTION			Ward: All
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Budget Adjustment to the Toronto Public Health 2009 Approved Operating Budget and Confirmation of Authority to Sign Agreements - Board of Health Item HL25.8

Origin

(October 29, 2009) Report from the Budget Committee

Recommendations

The Budget Committee recommended to the Executive Committee that:

1. City Council increase the Toronto Public Health 2009 Operating Budget for one-time funding of \$500.2 thousand gross and \$0.0 net, that is provided by the Ministry of Health and Long-Term Care to cover the cost of implementation of the PECS Solution used to manage electronic record keeping at the planned pH1N1 mass immunization clinics.

2. City Council confirm the authority of the Medical Officer of Health to execute the Protocol for Electronic Clinic System (PECS) License Agreement and the PECS Training and Service Agreement, between the Regional Municipality of Niagara and the City of Toronto, dated September 29, 2009.

Summary

The purpose of this report is to request a budget adjustment to Toronto Public Health's (TPH) 2009 Operating Budget due to confirmation of 100 per cent funding from the Ontario Ministry of Health and Long Term Care (MOHLTC), for implementation of the Protocol for Electronic Clinic System (PECS), an integral part of which is the software solution known as Clinic Event Management System (CEMS). This system and software was developed by the Niagara Region Public Health Unit and is being recommended and funded for the use of Ontario Public Health Units by the Ontario Ministry of Health and Long Term Care for the purpose of managing the electronic record keeping associated with the mass immunization clinics that are being planned as part of the pandemic H1N1 (pH1N1) response.

This report also seeks City Council's confirmation of the Medical Officer of Health's authority to enter into a licence agreement and an agreement for training and support with the Regional Municipality of Niagara for the purpose of implementing the PECS Solution to support electronic record keeping at the pH1N1 mass immunization clinics.

Financial Impact

The table below summarizes the requested one-time budget adjustment to Toronto Public Health's 2009 Operating Budget.

	Gross \$000	Revenue \$000	Net	2010 Gross/Revenue Impact \$000
PECS Solution Implementation	500.2	500.2	0.0	(500.2)
2009 Total Budget Adjustment	500.2	500.2	0.0	(500.2)

This 100 per cent funding will be provided by the MOHLTC to reimburse TPH for the cost of the computer hardware required to support the PECS Solution in each of the planned pH1N1 mass immunization clinics that are expected to be operational in November. Any related implementation costs for this system including staff costs, internal training, and on-site system support will be absorbed within the TPH 2009 Operating Budget.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Background Information

Budget Adjustment to the Toronto Public Health 2009 Approved Operating Budget and Confirmation of Authority to Sign Agreements - Board of Health Item HL25.8- October 29, 2009

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24959.pdf>

Letter Budget Adjustment to the Toronto Public Health 2009 Approved Operating Budget and Confirmation of Authority to Sign Agreements - October 19, 2009

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24699.pdf>

Attachment 1 - Report

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24700.pdf>

Attachment 2 - Letter from Board of Health Budget Sub-Committee

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24701.pdf>