

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 12

Thursday, March 22, 2001

The Budget Advisory Committee met on Thursday, March 22, 2001, in Committee Room No. 1, City Hall, Toronto, commencing at 9:30 a.m.

Attendance

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

	9:30 a.m. to 12:35 p.m.	1:47 p.m. to 5:25 p.m.
Councillor David Shiner, Chair	X	X
Councillor Paul Sutherland, Vice Chair	X	X
Councillor Olivia Chow	X	X
Councillor Ron Moeser	X	X
Councillor Joe Pantalone	X	X
Councillor Jane Pitfield	X	X
Councillor David Soknacki	X	X

Also Present:

Councillor Suzan Hall	Councillor Howard Moscoe
Councillor David Miller	Councillor Frances Nunziata
Councillor Pam McConnell	Councillor Kyle Rae
Councillor Denzil Minnan-Wong	Councillor Sherene Shaw

12.1 Administration Committee - 2001-2005 Capital Budget

The Budget Advisory Committee had before it a report (March 5, 2001) from the City Clerk advising that the Administration Committee at its meetings held on February 20 and 27, 2001, reviewed the 2001-2005 Capital Budgets under the purview of the Administration Committee and took the following action in regard thereto:

(1) Corporate Services:

(I) Fleet Management Services:

recommended to the Budget Advisory Committee the adoption of the recommended Fleet Management Services 2001-2005 Capital Budget;

(II) Facilities and Real Estate:

recommended to the Budget Advisory Committee the adoption of the recommended Facilities and Real Estate 2001-2005 Capital Budget; and

(III) Information and Technology:

recommended to the Budget Advisory Committee the adoption of the Information Technology recommended 2001-2005 Capital Budget subject to:

- (i) deferral of \$1.660 million (50 percent) of Data Retention Phase 11 Implementation (ITP8000198) to 2002 from 2001;
- (ii) deferral of \$1.550 million (50 percent) of Electronic Service Delivery (ITP000094) from 2001 to 2002;
- (iii) deferral of 50 percent of the \$2.033 million State of Good Repair component of the Data Warehousing Implementation Project, being a deferral of \$1.017 million from 2001 to 2002; and
- (iv) deferral of 100 percent of the Enhancement component of Data Warehousing Enterprise Implementation Project (ITP000222) being \$1.700 million from 2001 to 2002; and

(2) Finance Department:

recommended to the Budget Advisory Committee the adoption of the 2001-2005 Capital Budget for the Finance Department, subject to:

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- (i) deferring the Program Planning Information System Development project (FIN 000517) (\$108,000.00) to 2002;
- (ii) deferring implementation of the Zoo to the SAP FIS to 2002 budget year (\$962,000.00);
- (iii) reducing the total project cost for Accounts Payable (FIN 000255) from \$2.385 million to \$1.985 million, being reduced by \$400,000.00 with the 2001 CFO/CAO recommended cashflow of \$2.035 million being reduced to \$1.135 million in 2001, and 2002 increasing from \$350,000.00 to \$850,000.00; and
- (iv) reducing the total project cost for SAP Upgrade \$4.6 million (FIN 000365) from \$4.006 million to \$3.4 million being reduced by \$600,000.00 with the 2001 CAO/CFO recommended cashflow of \$3.256 million being reduced to \$2.656 million.

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

12.2 Administration Committee - 2001 Operating Budget

The Budget Advisory Committee had before it a report (March 5, 2001) from the City Clerk advising that the Administration Committee at its meetings held on February 20, 27 and March 5, 2001, reviewed the 2001 Operating Budgets under the purview of the Administration Committee and took the following action in regard thereto:

- (1) Corporate Services Department:
 - (I) recommended to the Budget Advisory Committee:
 - (i) that the 2001 Operating Budget of the Corporate Services Department portfolio (City Clerk's Division, Corporate Communications, Facilities and Real Estate, Human Resources, Information and Technology, Legal Services and Service Integration and Support) be set at the same levels as the 2000 net Operating Budget with the exception of Fleet Management Services; and

requested the Commissioner of Corporate Services to submit a report to the Budget Advisory Committee on how the foregoing Recommendation No. (I) (i) of the Administration Committee can be achieved and the impacts of any reductions; and

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- (ii) that it recommend to Council that City employees be permitted to request five days voluntary unpaid leave of absence to a reduction in annual salary of 1.92 percent to be spread over the number of pay periods remaining in the current calendar year; and

requested the Commissioner of Corporate Services to consult with CUPE Local 79, Local 416 and Representatives of COTAPSAI regarding the foregoing Recommendation No. (I) (ii) of the Administration Committee and submit a report thereon to the Budget Advisory Committee;

(II) Fleet Management Services:

- (1) recommended to the Budget Advisory Committee:

- (i) that the Fleet Services 2001 recommended gross budget be adjusted to align with the 2000 budget actuals in all areas with the exception of fuel and salary costs and that fuel costs for 2001 be projected based on the prices set out in the newly awarded contract for fuel approved at the Council meeting of January 31, February 1 and 2, 2001;

- (ii) that Fleet Services be directed to aggressively explore opportunities to outsource parts supply, including developing just-in-time inventory supply channels and report thereon to the Administration Committee on the targeted savings to be achieved by such a strategy no later than May, 2001;

- (iii) that it recommend to Council that a formal request be sent to both the Province of Ontario and the Government of Canada for an exemption from fuel taxes on all City fuel purchases; and

- (iv) that the Commissioner of Corporate Services be directed to advise all Departments that vehicles which remain unallocated as of March 1, 2001, will no longer be repaired or have access to the automated fuel system; and

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- (2) requested the Commissioner of Corporate Services to submit a report to the Budget Advisory Committee:
- (i) on how savings from the reduction in external consultants can partially be redirected to augment internal expertise in areas such as organizational efficiency and corporate policy and research; and
 - (ii) on charging for all parking in City Hall and Metro Hall;

(III) City Clerk's Division:

requested the City Clerk to submit a report to the Budget Advisory Committee:

- (i) on a process to expand the possible use of the election voting machines in other jurisdictions with associated costs;
- (ii) on the full operating capital costs of providing election services to other municipalities, such service to operate at a net profit to the City and at no cost to the Toronto taxpayers;
- (iii) on what options would be available in terms of Alternate Service Delivery with respect to Printing Services and Archiving; whether there are any savings, benefits or potential revenues in divesting, partnering or expanding these functions; such report to also include a comparison of costs with the private sector and the proportion of City printing handled by the Printing and Distribution Section; and
- (iv) on restoring the Remembrance Day Services at all currently served Civic Centre locations;

(IV) Corporate Communications:

requested the Commissioner of Corporate Services to submit a report to the Budget Advisory Committee:

- (i) on the need to maintain media and creative services internally versus externally, including an analysis of customer satisfaction with the current service; and
- (ii) providing a comparison of City public information function to other organizations; and how this function can be reduced in cost by either investing in additional technology or outsourcing;

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- (V) Facilities and Real Estate:
- (1) recommended to the Budget Advisory Committee:
 - (i) that a cost/benefits analysis be undertaken by the Commissioner of Corporate Services to determine the potential cost savings of Alternate Service Delivery of building cleaning services within the Facilities and Real Estate Division of Corporate Services;
 - (ii) that a limit be placed on the amount of land held on account by the Housing Portfolio for "Let's Build" to a maximum of \$5 million and that Real Estate staff be directed to immediately begin to dispose of the balance of the holdings; and
 - (iii) that the Director of Real Estate be requested to increase the level of property sales; that two additional staff be added to the Real Estate section to help facilitate this increase; that these two staff persons be re-deployed from elsewhere in the Division and not be new staff; that the Director of Real Estate be authorized to backfill the positions of re-deployed staff with temporary staff; that any additional salary dollars for both backfill and re-deployed staff be paid from the additional cost savings from increased property sales; and that the Director of Real Estate be requested to report directly to the Budget Advisory Committee on the amount of extra revenue that can be achieved through these actions;
 - (2) requested the Commissioner of Corporate Services, in consultation with the Commissioner of Community and Neighbourhood Services, to submit a report to the Budget Advisory Committee on the implications to the remaining "Let's Build" projects that were put forward a year ago;
 - (3) requested the Commissioner of Community and Neighbourhood Services to submit a report to the Budget Advisory Committee providing the implications of the loss of funding incentives coming from the other jurisdictions with respect to the "Let's Build" program;
 - (4) requested the Facilities and Real Estate Division to submit a report to the Budget Advisory Committee respecting the Division's workplan showing the number of FTEs of each function and how projects are evaluated and prioritized; and

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- (5) requested the Real Estate Division to institute a regular report with frequency at least quarterly, to the Administration Committee, establishing targets for the sale of properties in the City portfolio, number of properties proposed for sale in the last quarter, current status of such properties, number of months since proposed and/or designated surplus and other appropriate measures to assist in the management for the sale of surplus properties, the first of such report to be submitted to the Budget Advisory Committee as well;

(VI) Human Resources:

- (1) recommended to the Budget Advisory Committee:

- (A) the following additional reductions totalling \$478,700.00:

- (i) eliminating Human Rights Investigation Services to departments and the Corporation for a savings of \$115,300.00;
 - (ii) decreasing Training and Development to departments (savings of \$242,900.00); and
 - (iii) eliminating the influenza immunization Program being offered to employees at work locations for a savings of \$120,500.00; and

- (B) that the Province of Ontario be requested, through its influenza immunization program, to provide all City of Toronto staff with flu shots at appropriate locations within the City of Toronto; and as an alternative that the Province of Ontario be requested to reimburse the City for the cost of such programs;

- (2) requested the Commissioner of Corporate Services to submit a report:

- (i) directly to the Budget Advisory Committee providing a breakdown of functions within the Organizational Effectiveness, with the number of FTEs per function, the prioritization of these functions and what would be the impact of cuts on City Departments; and

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- (ii) directly to the Budget Advisory Committee on alternate proposals on the level of additional cuts proposed by the Administration Committee that would achieve the proposed reduction;

(VII) Information and Technology:

- (1) requested the Commissioner of Corporate Services to submit a report to the Budget Advisory Committee reflecting an additional savings of \$2.5 million; and
- (2) requested the Commissioner of Corporate Services to bring forward a strategic plan for the 2002 Budget cycle that includes an in-depth review of the hiring of outside consultants versus the use of internal staff and the consequent costs/cost savings of each option;

(2) Finance Department:

- (1) forwarded confidential recommendations to the Budget Advisory Committee respecting the Finance Department's 2001 Operating Budget;
- (2) further recommended to the Budget Advisory Committee that the Chief Financial Officer and Treasurer, as part of the 2001 Budget process, be requested to report as a separate line item for all programs in the City, amounts that are paid for professional services, technical services and contracted costs; and
- (3) requested the Chief Financial Officer and Treasurer to submit a report to the Administration Committee and the Budget Advisory Committee on the tax collection function and how the City can maximize City revenues, including tax penalties; and

(3) Other:

(I) Chief Administrator's Office:

- (1) recommended to the Budget Advisory Committee the adoption of the Chief Administrator's Office recommended 2001 Operating Budget; and

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- (2) requested the Chief Administrative Officer to:
 - (i) submit a report to the Policy and Finance Committee, through the Provincial Offences Act Task Force, on continued City participation with respect to the Provincial Offences Act, such report to include anticipated operating costs, capital costs and any risks to the City; and
 - (ii) submit, to the Budget Advisory Committee, a list of all fees paid to consultants, broken down by department, such report to identify, if cuts are recommended, where those cuts will be compensated;

(II) Council Budget:

- (1) recommended to the Budget Advisory Committee the adoption of the Council 2001 recommended Operating Budget subject to the following:
 - (i) that the City Clerk be directed to phase out the corporate vehicle service for Councillors by the end of the year 2001;
 - (ii) that the Human Resources Division, be directed to attempt to place Council Drivers/Pool Chauffeurs elsewhere within the City of Toronto in accordance with City policy and collective agreements;
 - (iii) that any costs that will be incurred from other transportation and parking by Councillors from the elimination of Council Transportation be paid for within Councillors' Global Budget;
 - (iv) that Councillors and Council staff current salary levels be frozen for two years commencing with the approval of the 2001 Operating Budget;
 - (v) that Councillors' Global Office Budget be reduced by \$10,000.00 each; and

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- (vi) that Members of Council who are not elected or appointed to the executive, board, section executive, task force or committee of the Association of Municipalities of Ontario (AMO), the Federation of Canadian Municipalities (FCM), the International Union of Local Authorities (IULA), the World Association of Major Metropolis (WAMM), the Ontario Good Roads Association (OGRA) or the International Council for Local Environment Issues (ICLEI) and who wish to attend the annual meetings for any of these associations shall pay such costs from their global office budgets not from the Council Business Travel account, such policy not to affect existing booked trips;
 - (2) requested the Chief Administrative Officer to submit to the Budget Advisory Committee, the number of Members of Council who are Members of various Clubs which are paid for by the City, such list to identify the Club to which they belong; and
 - (3) requested the Commissioner of Corporate Services to submit a report to the Budget Advisory Committee on the impact of measures passed by Council at its meeting held on January 30 and 31, 2001, and February 1, 2001, with respect to constituency office space, such report to include the amount reduced in office budgets and amount of floor space made available;
- (III) Office of the Mayor:
- (1) recommended to the Budget Advisory Committee the adoption of the Mayor's Office recommended 2001 Operating Budget subject to the following:
 - (i) the current salary level of the Mayor and the Mayor's staff be frozen for two years commencing with the approval of the 2001 Operating Budget;
 - (ii) the Mayor's 2001 Operating Budget be reduced to \$1,330.6 million;
 - (iii) the Corporate Vehicle Service for the Mayor's office be phased out by the end of the year 2001; and
 - (iv) the Human Resources Division be directed to attempt to place the Mayor's Chauffeur elsewhere within the City of Toronto in accordance with City policy and collective agreements; and

- (2) requested the Chief Financial Officer and Treasurer, in consultation with the Office of the Mayor, to submit a report to the Budget Advisory Committee:
 - (i) providing a breakdown of the Mayor's office expenses;
 - (ii) on the Mayor's office travel budget, including travel that is paid for out of other departments budgets; and including the trip made by the Mayor to Sydney, Australia last year and the cost therefor;
 - (iii) in terms of how the Mayor's office is able to access support from other departments; and
 - (iv) on the various Club Memberships by the Mayor that are paid for by the City.

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

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

Councillor Shiner resumed the Chair.

12.3 Human Rights Services

The Budget Advisory Committee had before it a report (March 9, 2001) from the City Clerk advising that the Disability Issues Committee at its meeting held on March 1, 2001, expressed strong opposition to the recommendation of the Administration Committee that the budget for the Human Rights Services be cut by \$115,300.00; requested that the Budget Advisory Committee be advised of the high priority for these services in the City of Toronto; and recommended that the City of Toronto reaffirm its commitments and maintain the Human Rights Services at its 2000 approved budget level.

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

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

Councillor Shiner resumed the Chair.

12.4 Accessibility Design Guideline

The Budget Advisory Committee had before it a report (March 9, 2001) from the City Clerk advising that the Disability Issues Committee at its meeting held on March 1, 2001, expressed support for the development of a new Accessibility Design Guideline and an Accessibility Audit of all City of Toronto buildings, funding for which was approved by City Council at its meetings held on October 3, 4 and 5, 2000, and urged the Budget Advisory Committee and City Council to ensure that funding for this program is retained.

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

Councillor Soknacki moved that the Budget Advisory Committee meet privately to discuss matters relating to the recommended 2001 Operating Budget for the Corporate Services Department, having regard that the subject matter respecting personal matters about an identifiable individual, including municipal or local board employees; and the ownership of the Toronto Centre for the Arts and the legal issues relating to any divestiture, having regard that the subject matter relates to the receiving of advice under solicitor-client privilege, including communications necessary for that purpose, in accordance with the Municipal Act, which was carried.

Members Present:

Councillor David Shiner, Chair
Councillor Paul Sutherland, Vice Chair
Councillor Olivia Chow
Councillor Ron Moeser
Councillor Joe Pantalone
Councillor Jane Pitfield
Councillor David Soknacki

The Budget Advisory Committee adjourned its **private meeting** at 11:45 a.m. and immediately reconvened in public session with the following members in attendance:

Councillor David Shiner, Chair
Councillor Paul Sutherland, Vice Chair
Councillor Olivia Chow
Councillor Ron Moeser
Councillor Joe Pantalone
Councillor Jane Pitfield
Councillor David Soknacki

12.5 Adjustments to the Recommended 2001 Operating Budget for the Corporate Services Department

The Budget Advisory Committee had before it a confidential report (March 1, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, regarding the recommendation that the 2001 Operating Budget of the Corporate Services Department portfolio be set at the same levels as the 2000 net Operating Budget, with the exception of Fleet Management Services; how the foregoing recommendation can be achieved; the impacts of any reductions; and recommending that this report be received for information.

On motion by Councillor Sutherland the Budget Advisory Committee received the aforementioned confidential report for information.

12.6 Legal Services - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for Legal Services.

Councillor Shiner appointed Councillor Sutherland, Acting Chair and vacated the Chair.

On motion by Councillor Shiner, the Budget Advisory Committee:

- (a) recommended to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, flatlined at the 2000 net level, as recommended by the Administration Committee, which includes the following reductions:
 - (1) 60 voluntary leave days;
 - (2) reduce office material and supplies;
 - (3) cut back on library reference material;
 - (4) reduce Outside Counsel;
 - (5) reduce budget for Title Searches;
 - (6) reduce budget for Outside Planners;
 - (7) charge the reserve for LTD related grievance work;

- (8) additional fees related to the download of Social Housing;
- (9) additional fees related to insourced Police Labour work;
- (10) gapping of vacant positions where operationally practical;
and
- (11) FTE's reduction;

for a total reduction of \$790.1 thousand, subject to the Commissioner of Corporate Services reporting to the Budget Advisory Committee wrap up meeting on assessing how the financial impacts of the reductions may affect other departments;
and

- (b) requested the Commissioner of Urban Development Services to report on the application of overtime as a chargeback to the applicant as a means of expediting planning applications.

Councillor Shiner resumed the Chair.

(Chief Financial Officer and Treasurer; Commissioner of Urban Development Services - March 22, 2001)

12.7 Service Integration and Support - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for Service Integration and Support.

Councillor Shiner appointed Councillor Sutherland 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 2001 Operating Budget flatlined at the 2000 net level, as recommended by the Administration Committee.

Councillor Shiner resumed the Chair.

**12.8 Corporate Communications -
2001 Operating Budget**

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for Corporate Communications.

The Budget Advisory Committee also had before it a confidential report (March 8, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, on in-house and contracted media, creative and public information services now being provided by Corporate Communications.

A. Councillor Pantalone moved that the Budget Advisory Committee:

(a) recommended to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, flatlined at the 2000 net level, as recommended by the Administration Committee, which includes the following reductions:

- (1) service level adjustment to City employees and retirees;
- (2) reduction in training and equipment budget;
- (3) service level adjustment to multilingual services program; and
- (4) reduced level of service to Council, Committee and Task Force support;

for a total reduction of \$198.2 thousand, subject to restoring \$70,000.00 in funding for the Tourist Gift shop located at City Hall for 2001; and

(b) requested the Commissioner of Corporate Services to:

- (1) explore expeditiously, and no later than June 2001, the relocation of the tourist gift store in the area presently occupied by the small business centre, with an entrance and exposure to Nathan Phillips Square, such possible relocation to include a plan to make the store self-sufficient or profitable in 2002; and

- (2) report to the Administration Committee on the possibility of having charity groups run the gift shop as a fundraising endeavour and/or contracting out of the space.

(Carried)

- B. Councillor Soknacki moved that the Budget Advisory Committee receive the aforementioned report for information.

(Carried)

(Commissioner of Corporate Services; c. Committee Administrator,
Administration Committee - March 22, 2001)

12.9 Fleet Management - 2001 Operating and Capital Budgets

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating and Capital Budgets for Fleet Management.

The Budget Advisory Committee also had before it the following reports:

- (a) (October 31, 2000) from the Commissioner of Corporate Services responding to Council's request for information on the comparative costs of conducting emissions testing for gasoline and diesel powered fleet assets (in-house testing versus contracted services) during consideration of the 2001 Capital Budget; and recommending that:
 - (1) the City continue to contract the Ontario Drive Clean emissions testing for 2001 for all types of vehicles; and
 - (2) the decision on whether or not to implement in-house Ontario Drive Clean emissions testing for heavy diesel vehicles be deferred, to be dealt with in the Fleet Management Services business plan to be tabled in February 2001, to allow for the involvement of the new Director;
- (b) (February 20, 2001) from the City Clerk advising that the Administration Committee at its special meeting held on February 20, 2001, recommended to Council the adoption of the Fleet Services Future Plan; and directed that a copy thereof be forwarded to the Budget Advisory Committee for information;

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- (c) (March 11, 2001) from the Commissioner of Corporate Services responding to a motion passed by the Administration Committee, at its meetings held on February 20 and 27, 2001, in relation to a motion made by Councillor Jane Pitfield regarding fleet services; and recommending that this report be received for information; and
- (d) (March 14, 2001) from the City Clerk advising that City Council at its meetings held on March 6, 7 and 8, 2001, forwarded a copy of Clause No. 3 of Report No. 3 of The Administration Committee, headed "Fleet Services Future Plan", to the Budget Advisory Committee for consideration during the budget deliberations and report thereon through the Policy and Finance Committee, to City Council.

Operating

- A. Councillor Pitfield moved that the Budget Advisory Committee:
 - (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, as recommended by the Administration Committee;
 - (2) request the Commissioner of Corporate Services to:
 - (a) report to the wrap up meeting on the feasibility of contracting out of garage operations with estimated savings, if any; and
 - (b) undertake an in-depth review of the M4 system five year plan benchmarking garage labour output and standardizing hours; and
 - (3) request the Chief Financial Officer and Treasurer to report to the Budget Advisory Committee on a process for ensuring that duplication is not taking place in programs with respect to fleet management.

(Carried)
- B. Councillor Moeser moved that the Budget Advisory Committee request the Commissioner of Corporate Services to report on the policies regarding personal use of corporate vehicles across the City and how such policies are being enforced.

(Carried)

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

C. Councillor Shiner moved that:

- (1) the Commissioner of Corporate Services be requested to report on the implementation of a standardized hours charging system for all interdepartmental charges for 2001 based on the standard labour charges; and report thereon to the Administration Committee on the implementation of such system in the City; and
- (2) the City Auditor be requested to review all the fleet charges that were made interdepartmentally, comment on the appropriateness of these charges and report thereon to the Administration Committee.

(Carried)

Councillor Shiner resumed the Chair.

Capital

D. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget, as recommended by the Administration Committee;
- (2) request the Commissioner of Corporate Services to:
 - (a) implement immediately the right sizing and standardizing of vehicles; and further that vehicles purchased prior to the implementation of same be approved by the appropriate Standing Committee and Council;
 - (b) ensure that as soon as a vehicle is replaced the old vehicle be quickly disposed of by auction or bidder to prevent further deterioration; and
 - (c) report to the Administration Committee on:
 - (i) the life span of vehicles being 11 years instead of 8 years;

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- (ii) a criteria to be used to administer a policy with regard to replacement vehicles for any programs where ASD is being considered by the City; and
 - (iii) the recommendations with respect to the closure of King, Castlefield, Eastern and the relocation of Northland for consideration at its April meeting;
- (3) request the Commissioner of Corporate Services and the Chief Financial Officer and Treasurer, to report to the Administration Committee, in support of the recommendation to lease vehicles instead of purchasing same, providing a comparative analysis of lease versus purchasing in relation to a typical, specific fleet vehicle, the resulting calculations and savings; and
- (4) receive the aforementioned reports (a) to (d) for information.

(Carried)

(Commissioner of Corporate Services; Chief Financial Officer and Treasurer; City Auditor; c. Committee Administrator, Administration Committee - March 22, 2001)

12.10 Exhibition Place - 2001 Operating and Capital Budgets

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating and Capital Budgets for Exhibition Place.

The Budget Advisory Committee also had before it a report (March 1, 2001) from the General Manager and CEO, Exhibition Place, reporting, as requested, on the funding allocated to the individual programming for the Canadian National Exhibition Program (CNE); additional savings or revenue generation that can be achieved in 2001; and recommending that this report be received for information.

Operating

A. Councillor Sutherland moved that the Budget Advisory Committee:

(1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, as presented; and

(2) receive the aforementioned report for information.

(Carried)

Capital

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

B. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget, as presented.

(Carried)

Councillor Shiner resumed the Chair.

12.11 Arena Boards of Management - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for the Arena Boards of Management.

The Budget Advisory Committee also had before it a report (March 19, 2001) from the Chief Financial Officer and Treasurer forwarding the responses from the Arena Boards of Management to the Budget Advisory Committee request for information on how the Arena Boards of Management could further assist the City in meeting its financial shortfall; and recommending that this report be received for information.

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

On motion by Councillor Shiner, the Budget Advisory Committee:

(1) recommended to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, as presented; and

- (2) received the aforementioned report for information.

Councillor Shiner resumed the Chair.

12.12 Theatres - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for Theatres.

The Budget Advisory Committee also had before it the following reports and communications:

- (a) (March 2, 2001) from the Board of Directors, The Hummingbird Centre for the Performing Arts, advising that the Hummingbird Centre for the Performing Arts have no request for funding from City Council;
- (b) (March 2, 2001) from the St. Lawrence Centre for the Arts requesting that separate line funding be reinstated for the St. Lawrence Centre Forum and submitting 84 petitions in support of the program, copies of which are on file in the office of the City Clerk;
- (c) (March 19, 2001) from Mr. David G. Wallett, General Manager, St. Lawrence Centre for the Arts, reporting, as requested, on the plans for utilizing the Centre's Capital Improvement Fund;
- (d) (March 15, 2001) from the Chief Administrative Officer providing a status report on the review of theatres; and recommending that this report be received for information; and
- (e) (February 22, 2001) from the Commissioner of Economic Development, Culture and Tourism providing information on the ownership of the Toronto Centre for the Arts and the legal issues relating to any divestiture; and recommending that this report be received for information.

On motion by Councillor Sutherland, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, the adoption of the 2001 budget at the same level as 2000, subject to adjusting the St. Lawrence Centre budget by adding an additional three percent in 2001, resulting in a reduction of \$6,100.00 for one-time operating savings from the shutdown due to summer maintenance work; and

- (2) received the aforementioned reports and communications (a) to (e) for information.

12.13 Toronto Zoo - 2001 Operating and Capital Budgets

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating and Capital Budgets for the Toronto Zoo.

The Budget Advisory Committee also had before it the following reports:

- (a) (February 19, 2001) from the General Manager, Toronto Zoo, in response to the request by the Budget Advisory Committee for further information to the 2001 Operating Budget; and recommending that:
 - (1) the Budget Advisory Committee accept reductions Nos. 1 to 7 of \$338.3 thousand from the 2001 Operating Budget as outlined in the report; and
 - (2) the Budget Advisory Committee receive for information the impact of further reductions Nos. 8 to 31 to the 2001 Operating Budget; and
- (b) (February 19, 2001) from the General Manager, Toronto Zoo, updating the Budget Advisory Committee on the selection of a new advertising agency for the Zoo; and recommending that this report be received for information.

Operating

- A. Councillor Pitfield moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council:
 - (1) the adoption of the 2001 Operating Budget, as presented; and
 - (2) the adoption of the report (February 19, 2001) from the General Manager, Toronto Zoo, entitled "2001 Operating Budget".

(Carried)

Capital

B. Councillor Sutherland moved that the Budget Advisory Committee:

- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget, as presented; and
- (2) receive the report (February 19, 2001) from the General Manager, Toronto Zoo, entitled "Advertising Agency Selection", for information.

(Carried)

**12.14 Planning and Transportation Committee
2001 Operating Budget and 2001-2005 Capital Program Review**

The Budget Advisory Committee had before it a report (February 23, 2001) from the City Clerk advising that the Planning and Transportation Committee on February 19, 2001, recommended that:

- (1) the recommendations of the Chief Financial Officer and Treasurer as contained in the attached (undated) reports so far as they relate to the 2001 Capital Budget only and to the 2001 Operating Budget be adopted, subject to:
 - (a) the adoption of the Phase 1 adjustments of \$5.84 Million as outlined in the Revised Appendix B "Summary of Changes – 2001 Request to 2001 Recommended";
 - (b) the adoption of the report (February 16, 2001) from the Commissioner of Urban Development Services respecting revenue proposals;
 - (c) deferring the Wellesley Street East Project to the 2002 Capital Budget, and that it be considered a high priority item for that year;
 - (d) including the following component of the City Planning Student Program as a Recommended 2001 Operating Budget request:

Cordon Count \$168,000.00;

- (e) the King Evaluation Study remaining as a Recommended New Service in the 2001 Operating Budget with a budget amount of zero; and

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- (f) recommending that all other proposed budget reductions that will result in reduction or layoff of staff, not be approved;
- (2) the Budget Advisory Committee be requested to review the submission (undated) from Councillor Howard Moscoe, entitled "Your Municipal Tax Freedom Day"; and
- (3) pursuant to discussions of the Budget Sub-Committee of the Planning and Transportation Committee at its meeting held on February 8, 2001, the Budget Advisory Committee be requested to build a Council cost component into the budgets of the Municipal Licensing and Standards Division and the Building Division of the Urban Development Services Department.

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

12.15 Urban Development Services - 2001 Operating and Capital Budgets

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating and Capital Budgets for Urban Development Services.

The Budget Advisory Committee also had before it the following reports and communications:

- (a) (February 16, 2001) from Mr. Paul Mule, Analyst and Mr. Jim Murphy, Director of Government Relations, Greater Toronto Home Builders' Association, in opposition to the increase in building permit fees;
- (b) (February 22, 2001) from Ms. Cathy Pospisil, Resident, promoting cycling in the City;
- (c) (February 22, 2001) from Ms. Anne Hansen, Resident, requesting the Budget Advisory Committee to reinstate the budget for the Cycling Committee;
- (d) (March 8, 2001) from the Commissioner of Urban Development Services reporting, as requested, outlining any other adjustments which could be made to replace the Schedule II reductions which were not recommended; and recommending that the Commissioner of Urban Development Services be requested to monitor the Department's gross expenditures against its revenues on a monthly basis to ensure the achievement of the 2001 net expenditure target;

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- (e) (March 20, 2001) from the Commissioner of Urban Development Services reporting, as requested, on various matters related to the Department's 2001 Capital and Operating Budget submission; and recommending that this report be received for information;
- (f) (March 7, 2001) from the Commissioner of Urban Development Services reporting on the opportunities for cost recovery for the administering of billboard signs City-wide; providing revenue estimates for fiscal 2001 and subsequent years; and recommending that this report be received for information; and
- (g) (March 21, 2001) from Ms. Crawford Murphy, Resident, supporting the inclusion of \$108,000.00 for the Cycling Committee.

Operating

- A. Councillor Pitfield moved that the Budget Advisory Committee:
 - (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, as presented; and
 - (2) request the Commissioner of Urban Development Services to report to the wrap up with regard to discontinuing the practice of defending residents at the OMB and the costs associated with this practice.

(Carried)

Capital

- B. Councillor Sutherland moved that the Budget Advisory Committee:
 - (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget, as presented; and
 - (2) receive the aforementioned reports and communications (a) to (g) for information.

(Carried)

(Commissioner of Urban Development Services - March 22, 2001)

**12.16 Facilities and Real Estate Services -
2001 Operating and Capital Budgets**

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating and Capital Budgets for Facilities and Real Estate Services.

The Budget Advisory Committee also had before it the following reports and communications:

- (a) (February 7, 2001) from the City Auditor responding to a request by City Council that the City Auditor report on certain outstanding budget issues between the Parks and Recreation Division, Economic Development, Culture and Tourism Department and the Facilities and Real Estate Division, Corporate Services Department; and recommending that:
 - (1) subject to adjustments, if any, to the 2001 maintenance budget of the Parks and Recreation Division, the Chief Financial Officer and Treasurer effect a net budget transfer of \$916.3 thousand from the Facilities and Real Estate Division of the Corporate Services Department to the Parks and Recreation Division of the Economic Development, Culture and Tourism Department as detailed in Appendix 1;
 - (2) the Chief Financial Officer and Treasurer be directed to resolve future departmental budget disputes and make appropriate recommendations to Council; and
 - (3) this report be forwarded to the Policy and Finance Committee, Administration Committee, Community Services Committee, and Economic Development and Parks Committee;
- (b) (March 8, 2001) from the Commissioner of Corporate Services briefing Members of the Budget Advisory Committee on a matter that will impact on the 2000 Base budget and 2001 Budget request for the Facilities and Real Estate Program; and recommending that:
 - (1) the flatline target for Facilities and Real Estate be adjusted to \$2,825.0 thousand;

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- (2) the Auditor's finding regarding the disentanglement as it relates to Facilities and Real Estate, Parks, and Fire Programs be implemented as a technical adjustment in 2001;
 - (3) the transfer of the utilities budget to Parks, Works and Emergency Services and Community and Neighbourhood Services be carried out in 2001;
 - (4) the appropriate City officials be authorized and directed to take the necessary action give effect to all of the above recommendations;
- (c) (March 8, 2001) from the Commissioner of Corporate Services reporting as requested by the Budget Advisory Committee on the funding provided in the 2000 and 2001 Operating Budgets for maintenance items; and recommending that this report be received for information;
 - (d) (March 8, 2001) from the Commissioner of Corporate Services reporting as requested by the Administration Committee on the potential for cost savings in building cleaning services through the adoption of the alternative service delivery model; and recommending that this report be received for information;
 - (e) (March 8, 2001) from the Commissioner of Corporate Services reporting as requested by the Administration Committee on the potential for charging for parking at City Hall and Metro Hall locations;
 - (f) (March 8, 2001) from the Commissioner of Corporate Services reporting as requested by the Administration Committee regarding the Facilities and Real Estate Division's work plan showing the number of FTE's of each function and how projects are evaluated and prioritized;
 - (g) (March 14, 2001) from the Commissioner of Corporate Services and Commissioner of Community and Neighbourhood Services reporting, as requested by the Administration Committee, on the implications to the remaining "Let's Build" projects that were put forward a year ago; and recommending that this report be received for information;
 - (h) (March 14, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, on various issues relating to Real Estate; and

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- (i) (March 21, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees' Union Local 416 CUPE, expressing concern regarding Alternative Service Delivery of the Building Cleaning Services.

Operating

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

- A. Councillor Shiner moved that the Budget Advisory Committee:
- (1) defer consideration of the budget and motions until wrap up;
 - (2) request the Commissioner of Corporate Services to report on consolidating the Construction Management function under the Facilities and Real Estate Division, prior to the 2002 Operating Budget process; and
 - (3) refer the report (March 8, 2001) from the Commissioner of Corporate Services, entitled "Request for Information – FTE's by Function in Facilities and Real Estate Division and How Projects are Evaluated and Prioritized", back to the Commissioner of Corporate Services with a request that a further analysis of the FTE's in Table 1 embodied in such report be provided to the Administration Committee, and that such FTE numbers be reflected in the Corporate Administration analysis.

(Carried)

Councillor Shiner resumed the Chair.

Capital

- B. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget, as recommended by the Administration Committee, subject to Council adopting a \$10 million maximum value on the lands held for "Let's Build" projects; that the Commissioner of Community and Neighbourhood Services and the Commissioner of Corporate Services be requested to report quarterly to their respective Standing Committees to review projects on how the program is achieving its objectives; and further should land opportunities arise which would be appropriate for affordable housing within the "Let's Build" program that would exceed the \$10 million

maximum land value, the Commissioner of Community and Neighbourhood Services would have the ability to seek Council approval through the Community Services Committee on an “as needed” basis.

(Carried)

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

C. Councillor Shiner moved that the Budget Advisory Committee request the Commissioner of Corporate Services to report:

- (a) to the Budget Advisory Committee wrap up meeting, providing savings that can be achieved by completing the Old City Hall repairs sooner rather than later; and
- (b) on alternative access to the Council Chambers for consideration during the 2002 Capital Budget deliberation.

(Carried)

Councillor Shiner resumed the Chair.

D. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the report (February 7, 2001) from the City Auditor, entitled “Outstanding Budget Issues Between the Parks and Recreation Division and the Facilities and Real Estate Division”; and
- (2) receive the aforementioned reports and communication (b), (c), (d), (e), (g), (h) and (i) for information.

(Carried)

(Commissioner of Corporate Services - March 22, 2001)

12.17 City Clerk's - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for City Clerk's.

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The Budget Advisory Committee also had before it the following reports:

- (a) (March 6, 2001) from the City Clerk reporting, as requested by the Administration Committee, on restoring funding for Remembrance Day Services at all currently serviced Civic Centres; and recommending that this report be received for information;
- (b) (March 6, 2001) from the City Clerk responding to requests made by the Administration Committee during its consideration of the Printing and Distribution portion of the City Clerk's 2001 Operating Budget; and recommending that this report be received for information;
- (c) (March 9, 2001) from the City Clerk submitting a report examining the costs and other service delivery issues associated with an in-house program for inactive records storage compared with a commercial service provider, in response to a request made by the Administration Committee; and recommending that this report be received for information; and
- (d) (March 15, 2001) from the City Clerk responding to questions raised by the Administration Committee on the potential for renting out the City's vote-counting equipment and the associated operating and capital costs; and recommending that this report be received for information.

On motion by Councillor Soknacki, the Budget Advisory Committee:

- (a) recommended to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, flatlined at the 2000 net level, as recommended by the Administration Committee, which includes the following reductions:
 - (1) reduce Marriage Licences inventory restocking amount;
 - (2) reduce facilities maintenance amount;
 - (3) increase commercial printing;
 - (4) reduce standards of hospitality;
 - (5) reduce Legislative Services service levels;
 - (6) reduce Committee support;
 - (7) reduce Secretariat/Council service levels; and
 - (8) reduce Records and Archives service levels;

for total reduction of \$636.8 thousand; subject to:

- (1) adding 1 FTE in the Secretariat – Community Council at \$78,400.00; and

- (2) adding 4 FTE's for Election Services - \$177,500.00; and
- (b) received the aforementioned reports (a) to (d) for information.

12.18 Human Services - 2001 Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the recommended 2001 Operating Budget for Human Services.

The Budget Advisory Committee also had before it the following reports and communications:

- (a) (March 12, 2001) from the Commissioner of Corporate Services reporting on the functions within Organization Effectiveness and the number of FTE's per function, the prioritization of these functions and the impact of cuts in the function on City departments; and recommending that this report be received for information;
- (b) (March 13, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, on the recommendation that City employees be permitted to request five days voluntary unpaid leave of absence to a reduction in annual salary of 1.92 percent to be spread over the number of pay periods remaining in the current calendar year;
- (c) (March 9, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, on the redirection of external consultant savings; and recommending this report be received for information;
- (d) (March 15, 2001) from Councillor Sherene Shaw, Diversity Advocate, requesting the Budget Advisory Committee to reconsider the recommendation to eliminate the Human Rights Investigation Services within the Human Resources Division's Operating Budget;
- (e) (March 21, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees' Union Local 416 CUPE, providing a response regarding the five day voluntary leave of absence; and
- (f) (March 21, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees' Union Local 416 CUPE, expressing concern and disagreement regarding the elimination of the Human Rights Investigation Services.

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

- A. Councillor Shiner moved that the Budget Advisory Committee:
- (a) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget, flatlined at the 2000 net level, as recommended by the Administration Committee, which included the following reductions:
 - (1) reducing Employee Health, Rehabilitation and Employee Assistance Program in the amount of \$120,500.00 gross and net;
 - (2) reducing all Human Resources Services in the amount of \$305,000.00 gross and net;
 - (3) reducing Employee and Labour Relations in the amount of \$100,000.00 gross and net;
 - (4) reducing Organization Effectiveness in the amount of \$250,000.00 gross and net;
 - (5) discontinuing contracted external Employee Assistance Program Services in the amount of \$70,000.00 gross and net;
 - (6) reducing Organization Effectiveness Career Services in the amount of \$35,000.00 gross and net;
 - (7) reducing Health, Rehabilitation and Employee Assistance Program in the amount of \$50,000.00 gross and net; and the deleted position being done through attrition;
 - (8) reducing by half the Communications Unit in the amount of \$95,800.00 gross and net; and

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- (9) reducing Service Delivery to Departments in the amount of \$282,100.00 gross and net;

subject to adding the following:

- (1) discontinuing contracted external Employee Assistance Program Services in the amount of \$70,000.00 gross and net;
- (2) reducing by half the Communications Unit in the amount of \$95,800.00 gross and net; and
- (3) reducing Service Delivery to Departments in the amount of \$282,100.00 gross and net;
- (b) request the Chief Administrative Officer and the Chief Financial Officer and Treasurer to report during the 2002 Operating Budget deliberations providing a list of all Communications personnel in other Departments, to include the breakdown of administration costs, etc.; and
- (c) request the Commissioner of Corporate Services to report to the Budget Advisory Committee at wrap up on the labour relations impact of implementing the five day voluntary unpaid leave of absence.

(Carried)

Councillor Shiner resumed the Chair.

B. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) request the Commissioner of Corporate Services to report to the Administration Committee on the rationale behind the current wage level defined by the City in comparison with the fair wage level of the corresponding positions in the Federal and Provincial Government; and
- (2) receive the aforementioned reports and communications (a) to (f) for information.

(Carried)

(Chief Administrative Officer; Chief Financial Officer and Treasurer; Commissioner of Corporate Services; c. Committee Administrator, Administration Committee - March 22, 2001)

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The Budget Advisory Committee adjourned its meeting at 5:25 p.m.

Chair