

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 16

Friday, April 6, 2001

The Budget Advisory Committee met on Friday, April 6, 2001, in Committee Room No. 1, City Hall, Toronto, commencing at 9:37 a.m.

Attendance

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

	9:37 a.m. to 2:30 p.m.	3:15 p.m. to 5:40 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 Brian Ashton	Councillor David Miller
Councillor Betty Disero	Councillor Howard Moscoe
Councillor Doug Holyday	Councillor Frances Nunziata
Councillor Irene Jones	Councillor Kyle Rae
Councillor Jack Layton	Councillor Sherene Shaw
Councillor Joe Mihevc	

**16.1 WES - Technical Services
2001 Operating Budget**

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for WES - Technical Services.

The Budget Advisory Committee also had before it a report (March 29, 2001) from the Commissioner of Works and Emergency Services providing an update on the funding required to proceed with the environmental initiatives as outlined in the Chief Administrative Officer's report, dated March 6, 2001; and recommending that funding in the amount of \$972.63 thousand be provided in the various programs' 2001 operating budgets to proceed with the Environmental Initiatives as outlined in the report.

A. Councillor Sutherland moved that:

- (1) the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for WES Technical Services, subject to \$50,000.00 from Toronto Atmospheric Fund being approved and an additional \$50,000.00 being approved for Environmental Initiatives, for a total of \$100,000.00 gross and \$50,000.00 net for 2001; and further that the Chief Administrative Officer be requested to report to the Works Committee on the priority initiatives to which this funding will be applied and that those funds be set aside in Non-Program pending such report being submitted by the Chief Administrative Officer; and
- (2) Council authorize Toronto Hydro to submit a proposal to conduct the energy efficiency work referenced in the environmental plan on behalf of the City as part of its provision of energy services to the City and its power purchase agreement at no cost to the City; (further \$382,000.00 funding for environmental plan).

(Carried)

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

B. Councillor Shiner moved that:

- (1) the Commissioner of Economic Development, Culture and Tourism, the Commissioner Urban Development Services, the Commissioner of Community and Neighbourhood Services and the Commissioner of Works and Emergency Services be requested to report to the Policy and Finance Committee providing a review of the resources now assigned to environmental initiatives and to reprioritize staff where possible; and
- (2) the aforementioned report be received for information.

(Carried)

Councillor Shiner resumed the Chair.

C. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that \$250,000.00 be reinstated to fund the remaining environmental initiatives.

(Lost)

(Commissioner of Works and Emergency Services; Commissioner of Economic Development, Culture and Tourism; Commissioner of Urban Development Services; Commissioner of Community and Neighbourhood Services; c. Administrator, Policy and Finance Committee - April 9, 2001)

16.2 Solid Waste Management Services 2001 Operating and Capital Budgets

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Solid Waste Management Services.

The Budget Advisory Committee also had before it a joint report (April 4, 2001) from the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services reporting on an operating cost comparison for the Dufferin and Newmarket organic waste processing facilities; and recommending that:

- (1) this report be received for information; and

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- (2) the Chief Financial Officer and Treasurer, in conjunction with the Commissioner of Works and Emergency Services, be requested to report to the Policy and Finance Committee and the 2010 Task Force by the Fall of 2001 regarding the operational and financial impacts of City-owned versus leased facility requirements for the establishment of waste processing facilities dedicated to achieving Council's commitment to 80 percent diversion by 2009.

Operating

- A. Councillor Sutherland moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Solid Waste Management Services, subject to \$175,000.00 in additional revenue being approved for the implementation of user fees to School Boards for garbage collection and recycling effective July 1, 2001.

(Carried)

Capital

- B. 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 of the Solid Waste Management Services, subject to:
 - (a) Dufferin Waste Processing Facility Expansion being approved; and
 - (b) \$1 million for the engineering aspect of this project being added to the 2001 Budget;
 - (2) request the Commissioner of Works and Emergency Services to report to the Works Committee on the Business Plan in terms of the Project schedule and how use of the draw would occur; and
 - (3) receive the aforementioned joint report for information.

(Carried)

**16.3 Transportation Services
2001 Operating and Capital Budgets**

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Transportation Services.

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

- (a) (March 28, 2001) from the City Clerk advising that the Works Committee, at its meeting held on March 28, 2001, in considering those items in the 2001 Operating Budget submissions for the respective Divisions of the Works and Emergency Services Department that were deferred by the Committee at its special meeting on February 21 and 28, 2001, took the following action:

II. Transportation Services:

- (1) recommended to the Budget Advisory Committee that:
- (i) grass cutting on public rights-of-way budget increase request be decreased to \$235,000.00 subject to the Transportation Services Division either successfully awarding this work to private contractors or a combination of contracted out and in-house services to be provided within the budget envelope;
 - (ii) staff continue to hold discussions with Union Local 416 to discuss areas where seasonal City staff could continue to cut all or part of the public rights-of-way;
 - (iii) the level of service of grass cutting on public rights-of-way be a minimum of six cuttings per year; and
 - (iv) staff continue to look at opportunities to naturalize areas within the public rights-of-way;
- (2) further recommended that three additional By-law Enforcement Officers be hired for Districts 2, 3 and 4 at an additional cost of \$201,000.00;

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(3) further recommended that the annual permit parking fees and front yard parking fees be increased by \$1.00 per month for the current Council term as soon as possible, in lieu of the previously recommended increase of \$3.00 per annum, and that such revenue be used strictly for litter pick-up around cars in areas where there is permit parking, to the amount generated; and requested the Commissioner of Works and Emergency Services to report to the Works Committee annually on the effects of this program;

(4) adopted the following motion:

“Be it resolved that the Works Committee advise the Policy and Finance Committee at its next meeting that the Works Committee is very disappointed with the Budget Advisory Committee actions on the Transportation Services budget with regard to sidewalk snow clearing in North York being reinstated for the period November – December 2001 without foresight to the \$600,000.00 annualized costs, which is very discriminatory to the rest of the City;

Be it further resolved that the Policy and Finance Committee be made aware that the Works Committee, which is responsible for overseeing this department, rationally had staff renegotiate, without cost, a fair and equitable sidewalk program of improved snow clearing in front of schools, parks, libraries, and community centres which are areas of concern to the larger Toronto community; and

Be it further resolved that the Works Committee reconfirm its position and request the Policy and Finance Committee and Council to reverse the Budget Advisory Committee recommendation, to send a clear message to all Torontonians that the City of Toronto is amalgamated and wishes to treat all citizens in a fair and equitable manner”;

(5) deleted the proposed reduction of the increase in street lighting maintenance in the amount of \$150,000.00, such funding to remain in the budget; and

(6) requested that the Commissioner of Works and Emergency Services report to the Works Committee on the means by which sidewalks can be returned to their original condition after utility cuts;

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- (b) (March 30, 2001) from the Commissioner of Works and Emergency Services reporting on the impact, with respect to the state of good repair for the City infrastructure, of reduced contracted summer maintenance in the Transportation Services Division 2001 Operating Budget;
- (c) (February 28, 2001) from the City Clerk advising that the Works Committee at its meeting on February 7, 21 and 28, 2001, reviewed the 2001 Operating Budget for the following divisions in the Works and Emergency Services Department, and took the following action with respect thereto:
 - II. Transportation Services - 2001 Operating Budget adopted other than the following:
 - (4) reported to the Budget Advisory Committee having deferred consideration of the following proposed reductions until its next meeting, scheduled to be held on March 28, 2001:
 - reduce the increase in grass cutting costs \$1,235.0 \$1,235.0and having requested that the Commissioner of Works and Emergency Services, in conjunction with the Commissioner of Economic Development, Culture and Tourism, report back to such meeting with respect to the impact of reducing the increase in grass cutting costs, and on areas that have been naturalized; and
 - reduce increase in street lighting maintenance \$150.0 \$150.0and having requested that the Commissioner of Works and Emergency Services meet with officials of Toronto Hydro, including the Vice-Chair, with respect to the street lighting portions of the 2001 Capital and Operating Budgets with a view to reducing expenditures;
- (d) (March 30, 2001) from the Commissioner of Works and Emergency Services reporting, as requested, on advancing purchase of land required for the North Yonge Centre Service Road; and recommending that this report be received for information;

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- (e) confidential (March 26, 2001) from the City Solicitor reporting, as requested, on the legality of imposing an additional licence fee for fast food businesses and convenience stores to cover the cost of manual litter pickers; and recommending that this report be received for information; and
- (f) (April 5, 2001) from the Commissioner of Works and Emergency Services providing, as requested, additional information regarding the Unified Business Application System Project for Transportation Services; and recommending that this report be received for information.

Operating

- A. Councillor Moeser moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Transportation Services, subject to:
 - (1) \$200,000.00 being reinstated for special leaf pickup in Scarborough and Etobicoke;
 - (2) \$201,000.00 being added for three additional by-law enforcement officers for Districts 2, 3, and 4;
 - (3) \$2.7 million being approved for summer maintenance of roads/sidewalks; a reduction of \$1.396 million;
 - (4) permit parking fees being increased by \$3.00 per month for the current Council term to be implemented as soon as possible; and
 - (5) the additional revenues in 2001 of \$1,080,000.00 from the increased permit parking fees being allocated as follows:
 - (a) \$150,000.00 for litter pickup throughout the City;
 - (b) balance for litter pickup around cars where there is permit parking; and
 - (c) revenue of \$360,000.00 in 2001 from raising the fee by an extra dollar (\$2.00 to \$3.00) be allocated to general litter pick up across the City.

(Carried)

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- B. Councillor Sutherland moved that Councillor Moeser's motion A. be amended by adding a reduction of \$1 million for grass cutting; and further that grass cutting be increased from four to six times per year.

(Carried)

- C. Councillor Chow moved that the Budget Advisory Committee request the City Solicitor to report to the Policy and Finance Committee on imposing a fee on fast food and convenience stores related to the clean-up and collection of litter or other waste which has been illegally disposed of on any land.

(Carried)

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

- D. Councillor Shiner moved that the Budget Advisory Committee:
- (1) request the Commissioner of Works and Emergency Services to report to the Works Committee on the enforcement of front yard parking permits across the City;
 - (2) receive Recommendation No. (5), under the heading "Transportation" embodied in the report (March 28, 2001) from the City Clerk; and
 - (3) receive the aforementioned reports (b), (c), (e) and (f) for information.

(Carried)

Councillor Shiner resumed the Chair.

Capital

- E. Councillor Pitfield moved that:
- (1) the Budget Advisory Committee recommend to the Policy and Finance Committee and Council, the adoption of the 2001 Capital Budget for Transportation Services;

- (2) the aforementioned report (March 30, 2001) from the Commissioner of Works and Emergency Services, entitled "North Yonge Centre Service Road – Advancing Purchase of Land", be received for information.

(Carried)

(City Solicitor; Commissioner of Works and Emergency Services;
c. Administrator, Policy and Finance Committee - April 9, 2001)

16.4 Fleet Management Services 2001 Operating and Capital Budgets

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Fleet Management Services.

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

- (a) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the feasibility of contracting out garage operations and on estimated savings if any; and recommending that this report be received for information;
- (b) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the estimated number of fleet replacement units that will be delivered in 2001; advising that if the 2001 replacement program is approved by August 2001, all light duty vehicles will be purchased and delivered in 2001; that staff are checking with suppliers to confirm expected delivery dates and compiling the information for the 1999 and 2000 replacement programs which will be provided to the Budget Advisory Committee at its next meeting; and recommending that this report be received for information; and
- (c) (March 29, 2001) from the Chief Financial Officer and Treasurer reporting on a process for ensuring that duplication is not taking place in programs with respect to fleet management; and recommending that:
 - (1) the allocations be confirmed by programs as soon as the Fleet Management Services budget is approved by Council; and
 - (2) the budgets established by Fleet Management Services for programs not be exceeded without the express approval of the program managers.

Operating

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 of the Fleet Management Services Division, subject to:
 - (1) the transfer of Fire Vehicle Maintenance to Fire Services being confirmed; and
 - (2) the Corporate Fleet being reduced by \$100,000.00 to be added to the City Auditor's budget for additional audit services; and further requested the Commissioner of Corporate Services and the Commissioner of Works and Emergency Services to report to the Works Committee on implementation and the associated budget adjustments;
 - (b) refer the report (March 28, 2001) from the Commissioner of Corporate Services, entitled "Request for Report on the Feasibility of Contracting Out Garage Operation", to the Chief Administrative Officer for report thereon to the Budget Advisory Committee during the 2002 Budget deliberations;
 - (c) refer the report (March 28, 2001) from the Commissioner of Corporate Services, entitled "Reply to Information Request – Fleet Replacements to be Delivered in 2001", to the Chief Financial Officer and Treasurer for report thereon to the Policy and Finance Committee for its meeting of April 17, 2001, providing further information in that regard; and
 - (d) receive the report (March 29, 2001) from the Chief Financial Officer and Treasurer, entitled "Duplication in Fleet Operating Budget".

(Carried)

Capital

- 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 of Fleet Management Services, subject to:
- (1) \$2.4 million being held as a reserve in the Fleet Capital Budget for the purchase of recycling vehicles and such funds not be released until such time as the Commissioner of Works and Emergency Services provides a report to Council through the Works Committee on the best initiatives to implement waste diversion; and
 - (2) the Police allocation being set at the contribution level approved by Council on August 1, 2000 - \$1.452 million gross and \$0 net.

(Carried)

Councillor Shiner resumed the Chair.

(Chief Administrative Officer; Chief Financial Officer and Treasurer;
c. Commissioner of Corporate Services; Administrator, Policy and
Finance Committee - April 9, 2001)

**16.5 Facilities and Real Estate
2001 Operating and Capital Budgets**

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Facilities and Real Estate.

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

- (a) (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 Budget under the purview of the Administration Committee and took the following action in regard thereto:

- (V) Facilities and Real Estate:
- (1) recommended to the Budget Advisory Committee that:
 - (i) 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) 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) 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;

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- (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
 - (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 also to the Budget Advisory Committee;
- (b) (March 27, 2001) from Commissioner of Corporate Services reporting, as requested, on the financial impact of the potential consolidation of the Construction Management function in the Facilities and Real Estate Division; and recommending that:
 - (1) this report outlining the potential for savings through the consolidation of the Construction Management function in the Economic Development, Culture and Tourism Department with the Facilities and Real Estate Division, be received; and
 - (2) the Commissioner of Corporate Services be requested to report on the potential for similar savings through consolidation of the Construction Management function in other departments;
- (c) (March 27, 2001) from the Commissioner of Corporate Services reporting, as requested, on the proposed reduction in the level of cleaning services at City Hall and the potential impact on the building's state of good repair; and recommending that this report be received for information;
- (d) (March 8, 2001) from the Commissioner of Corporate Services reporting, as requested, on the potential for savings that can be achieved by completing the Old City Hall repairs sooner rather than later; advising that the project plan as submitted for the Old City Hall repairs represents an optimum balancing of work urgency, the amount of labour required to complete the work consistent with the architectural requirements, and the associated costs; that acceleration of the work will result in increased costs through payment of overtime and labour inefficiency and is not recommended; and further recommending that this report be received for information;

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- (e) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the potential implementation of ASD options for building maintenance; advising that the potential exists for the implementation of alternative service delivery options in relation to building maintenance services; however, this matter will be explored as the next step in the ASD strategy after its successful implementation in relation to cleaning services; and recommending that this report be received for information;
- (f) (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;
 - (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; and
 - (4) the appropriate City officials be authorized and directed to take the necessary action give effect to all of the above recommendations;
- (g) (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 Budget for maintenance items; and recommending that this report be received for information;
- (h) (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;
- (i) (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;

- (j) (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;
- (k) (March 21, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees' Union, Local 416, expressing concern regarding the report from the Commissioner of Corporate Services on the potential cost savings from alternative service delivery of building cleaning services;
- (l) (March 14, 2001) from the Commissioner of Corporate Services reporting, as requested by the Administration Committee, on three Real Estate issues; and recommending that the report be received for information;
- (m) (March 14, 2001) from the Commissioner of Corporate Services and the Commissioner of Community and Neighbourhood Services reporting, as requested by the Administration Committee, with respect to the "Let's Build" program;
- (n) (March 29, 2001) from the Commissioner of Corporate Services reporting, as requested by Council on the impact of measures passed at the meeting with respect to constituency office space, such report to include the amount reduced in office budgets and amount of floor space made available; and recommending that this report be received for information; and
- (o) (March 28, 2001) from the Commissioner of Corporate Services confirming the City policy for the funding of buildings condition assessment expenditures in the context of the Budget Advisory Committee recommendation for transfer of funds from the Facilities and Real Estate Capital Budget to the Public Health Capital Budget for 2001 in relation to the Public Health project for building condition assessment; and recommending that:
 - (1) re-confirm the current City policy for funding of buildings condition assessment expenditures as a capital expenditure item in the capital budget of the program which is primarily responsible for the use and/or the management of the concerned buildings;
 - (2) direct that this policy be adhered to in future years in the presentation of projects related to the maintenance of City buildings in a state of good repair; and

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- (3) substitute the recommendation to transfer funds from the Facilities and Real Estate capital budget to the Public Health capital budget for buildings condition assessment and, instead, direct that the Facilities and Real Estate Division complete the planned buildings condition assessment for Public Health in 2001, on a one time basis, without any charge back of cost to Public Health through the reallocation of funds for the Facilities' Emergency Capital project.

Operating

- A. Councillor Pantalone moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Facilities and Real Estate, subject to:

- (1) funds in the amount of \$916.3 thousand being transferred from the Facilities and Real Estate budget to the Parks and Recreation budget; and
- (2) \$250,000.00 being reinstated and applied to carpet maintenance weekly and waste removal daily at Toronto City Hall.

(Carried)

- B. Councillor Pitfield moved that the Budget Advisory Committee:

- (a) recommend to the Policy and Finance Committee, and Council, that:
 - (1) if any additional specialized legal work is required for the sale of surplus property or the implementation of the Master Accommodation Plan, that this work be allocated from the Master Accommodation Plan net proceeds up to a maximum of \$77,200.00;
 - (2) the addback of \$800,000.00 to offset the transfer of Casa Loma revenue to reserve not be approved; and

- (3) the addback of \$500,000.00 for the loss of property sale not be approved.

(Carried)

C. Councillor Soknacki moved that:

- (a) Councillor Pantalone's motion A. be amended by adding thereto the following:

“Council adopt a \$10 million maximum value on the lands held for ‘Let’s Build’ projects; 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;

- (b) the report (March 28, 2001) from the Commissioner of Corporate Services entitled “Assessment of Alternative Service Delivery (ASD) Options for Building Maintenance Function in the Facilities and Real Estate Division”, be referred to the Chief Administrative Officer for report thereon to the Budget Advisory Committee during the 2002 budget deliberations;

- (c) the report (March 8, 2001) from the Commissioner of Corporate Services, entitled “Funding Provided for Maintenance Items in the Facilities and Real Estate Division in 2000 and 2001 Operating Budgets”, be referred to the Administration Committee for information.

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- (d) the report (March 8, 2001) from the Commissioner of Corporate Services, entitled “Building Cleaning Services – Potential Cost Savings from Alternative Service Delivery”, be referred to the Chief Administrative Officer for report thereon to the Budget Advisory Committee during the 2002 budget deliberations; and
- (e) the communication (March 21, 2001) from the President, Toronto Civic Employees Union, Local 416, entitled “Re: Alternative Services Delivery – Building Cleaning Services”, be referred to the Chief Administrative Officer; and
- (f) the aforementioned reports (a), (b), (c), (f), (i), (j), (l), (m) and (n) be received for information.

(Carried)

Capital

- D. Councillor Pantalone moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget of the Facilities and Real Estate Division, subject to \$70,000.00 being reduced from the Public Health Budget and the \$70,000.00 being funded from the within the Emergency Fund for the condition assessment.

(Carried)

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

- E. Councillor Shiner moved that the Budget Advisory Committee receive the aforementioned reports (d) and (o) for information.

(Carried)

Councillor Shiner resumed the Chair.

(Chief Administrative Officer; Commissioner of Corporate Services; Administration Committee; c. President, Toronto Civic Employees Union, Local 416; Administrator, Budget Advisory Committee - April 9, 2001)

**16.6 Human Resources
2001 Operating Budget**

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Human Resources.

The Budget Advisory Committee also had before it a report (April 5, 2001) from the Chief Financial Officer and Treasurer providing an accounting of the OMERS contribution holiday savings and providing support for Council's previous decisions as to how to utilize these savings; 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 Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Human Resources; and
- (2) received the aforementioned report for information.

Councillor Shiner resumed the Chair.

**16.7 Information Technology
2001 Operating and Capital Budgets**

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Information Technology.

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

- (a) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the impact of gapping 13 staff positions for the year 2001, including the anticipated effects on turnaround, consulting and service delivery; and recommending that this report be received for information;
- (b) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the benchmarking of the City of Toronto's IT Capital and Operating performance with other same-sized municipalities and cities; advising that the report from the Commissioner of Corporate Services on how the City of Toronto's Information and Technology investments compare to other municipal governments should be deferred to accompany the Information and Technology Services Division's Strategic Plan due in August 2001; and recommending that this report be received for information; and

- (c) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the impact of the deferral of 50 percent of the State of Good Repair component of the Data Warehousing Implementation Project and provision of alternative savings in regard to these costs; and recommending that this report be received for information.

Operating

- A. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget of Information Technology, subject to confirmation of staff reductions in the amount of \$842.5 thousand.

(Carried)

Capital

- B. Councillor Soknacki 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, subject to reinstating \$1.017 million for the State of Good Repair component of the Data Warehousing Implementation Project; and
 - (2) receive the aforementioned reports (a) to (c) for information.

(Carried)

**16.8 Urban Development Services
2001 Operating Budget**

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Urban Development Services.

- 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 for Urban Development Services; and

- (2) that the practice of staff representing residents to appeal Council, City staff or Committee of Adjustment decisions at the Ontario Municipal Board be discontinued.

(Carried)

- B. Councillor Pantalone moved that the Budget Advisory Committee request the Commissioner of Urban Development Services, in consultation with the City Solicitor, to forward the requested report on additional fees that require amendments to the Municipal Code to the Policy and Finance Committee meeting of April 17, 2001.

(Carried)

(Commissioner of Urban Development Services; c. City Solicitor; Administrator, Policy and Finance Committee - April 9, 2001)

16.9 Parks and Recreation Division 2001 Capital and Operating Budgets

The Budget Advisory Committee gave consideration to the 2001 Capital and Operating Budgets for Parks and Recreation Division.

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

- (a) (March 6, 2001) from the City Clerk advising that the Economic Development and Parks Committee at its meetings held on February 16, 26 and March 2, 2001, reviewed the 2001 Operating Budget under the purview of the Economic Development, Culture and Tourism Department and recommended to the Budget Advisory Committee the adoption of the 2001 Operating Budget for the Parks and Recreation Division, subject to reducing Fleet Maintenance by \$1,095,000.00 gross and net; and
- (b) (March 29, 2001) from the Commissioner of Economic Development, Culture and Tourism reporting, as requested, on the potential for Staff Reductions and a further analysis of impact on front line service levels; and recommending that the Budget Advisory Committee recommend to Council the extension of the project for paid parking to four additional waterfront parks and two commuter locations at a 2001 net of \$0.250 M.

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Operating

A. Councillor Pitfield moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Parks and Recreation, subject to:

- (1) funds in the amount of \$916.3 thousand being transferred from the Facilities and Real Estate budget to the Parks and Recreation budget;
- (2) \$243,500.00 being reinstated to support horticultural events; up to \$19,000.00 of which is to be allocated for the Cloud Gardens;
- (3) the service level adjustments recommended by the Economic Development and Parks Committee being confirmed:
 - (a) reducing the operation of artificial ice rinks - \$0.096 million and 3.4 FTE's;
 - (b) reducing ferry services to the Toronto Island - \$0.150 million and 2.6 FTE's; and
 - (c) approval of the proposal to put ads on the Ferry and garbage cans in parks; and
- (4) \$650,000.00 for annualization of Phase I of the Mayors Action Plan for Youth Violence and the Children and Youth Action Plan being approved.

(Carried)

B. Councillor Soknacki moved that:

- (1) Councillor Pitfield's motion A. be amended by adding the following:
 - (a) the increase of the contribution to fleet reserve in the amount of \$1,526.7 million be deferred to 2002; and

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- (b) the extension of parking lot fee pilot to four waterfront parks and others be approved for increased revenue of \$250,000.00;
- (2) the Commissioner of Economic Development, Culture and Tourism be requested to report to the September 14, 2001 meeting of the Economic Development and Parks Committee on the feasibility of providing vehicle ferry services to the Toronto Islands on a cost recovery or profitable basis, and so as not to require any reduction in service; and
- (3) the aforementioned report (March 6, 2001) from the City Clerk be received for information.

(Carried)

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

- C. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the report (March 29, 2001) from the Commissioner of Economic Development, Culture and Tourism, entitled "Parks and Recreation Division - Information Requests on 2001 Operating Budget".

(Carried)

Councillor Shiner resumed the Chair.

- D. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that:
 - (1) City Council support the Youth Cabinet initiatives of encouraging Councillors to hire summer students with no net additional cost to the City; and further that City staff assist the Youth Cabinet to seek external funding sources; and
 - (2) \$105,000.00 be added back toward the existing level of service for outdoor pools for the former City of Toronto.

(Carried)

(Lost)

Capital

- E. Councillor Moeser moved the Budget Advisory Committee:
- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget for Parks and Recreation; and further that the donation of Port Union Skateboard Park be approved with an increase of \$30,000.00 gross, \$0 net;
 - (2) defer consideration of the \$1.6 million for the clean up of land at the Wabash site; and further requested the Chief Administrative Officer and the Commissioner of Economic Development, Culture and Tourism to report to the Economic Development and Parks Committee on whether the Province can provide funding for this project under their recently announced program for clean up of brownfields; and
 - (3) recommend to the Policy and Finance Committee, and Council, that \$1.6 million for Wabash Community Centre be added to clean up the land.

(Carried)

(Lost)

(Commissioner of Economic Development, Culture and Tourism; Chief Administrative Officer; c. Administrator, Economic Development and Parks Committee - April 9, 2001)

(Commissioner of Economic Development, Culture and Tourism; c. Administrator, Economic Development and Parks Committee - April 9, 2001)

(Chief Administrative Officer; Commissioner of Economic Development, Culture and Tourism; c. Administrator, Economic Development and Parks Committee - April 9, 2001)

**16.10 Toronto Parking Authority
2001 Capital Budget**

The Budget Advisory Committee gave consideration to the 2001 Capital Budget for Toronto Parking Authority.

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 Capital Budget for the Toronto Parking Authority, subject to funding in the amount of \$10.75 million for previously approved projects as expenditures not likely in 2001-2002 being deferred; with the proviso that if land for parking at Queen/Spadina, Yorkville, Queen West from Duncan to Spadina becomes available, the President of the Toronto Parking Authority report to the Policy and Finance Committee in that regard and funding be provided for same in 2001.

Councillor Shiner resumed the Chair.

16.11 Grants - 2001 Operating Budget

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Grants.

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

- (a) (March 14, 2001) from the City Clerk advising that City Council, at its meeting held on March 6, 7 and 8, 2001, had before it Clause No. 7 of Report No. 3 of The Works Committee, headed "Other Items Considered by the Committee", directed that the item, entitled "No-Fault Flood Grant Program: Basement Flooding Damages and Clean-up Costs", embodied in the aforementioned Clause, be struck out and referred back to the Budget Advisory Committee for consideration and the hearing of depositions by Members of Council only;
- (b) (March 28, 2001) from the Commissioner of Community and Neighbourhood Services providing the Budget Advisory Committee with additional information regarding the recommended 2.5 percent reduction to the Consolidated Grants Budget; and recommending that this report be received for information;

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- (c) (March 22, 2001) from Councillor Sherene Shaw, Ward 39 Scarborough Agincourt, forwarding a communication (March 28, 2001) from Mr. Ron McNaughton, School Trustee, Ward 20, Scarborough Agincourt, advising that the current strategies for solving some of the City of Toronto's current financial situation should be re-addressed, specifically the proposed cuts to the grants program, and how it may effect the Child Nutrition Programs and potentially ultimately effect school children across the City; and
- (d) (March 30, 2001) from the City Clerk advising that the Economic Development and Parks Committee at its meeting held on March 29, 2001:
- (1) recommended to the Policy and Finance Committee, and City Council, adoption of the report (March 7, 2001) from the Commissioner of Economic Development, Culture and Tourism, entitled "Tourism Sector Development and Destination Marketing Services"; subject to amending Recommendation No. (4) to read as follows:
 - “(4) consideration be given to Tourism Toronto continuing to receive the same level of funding provided in 2000, \$4.231 million, for the provision of destination marketing services, and that the Committee's recommendation be forwarded to the Budget Advisory Committee for consideration as part of the 2001 Operating Budget process;” and
 - (2) requested the Budget Advisory Committee to give consideration to the aforementioned recommendation.

On motion by Councillor Soknacki, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council:
 - (a) the adoption the 2001 Grants Operating Budget at the 2000 level minus 2.5 percent, subject to adding the following:
 - (i) \$240,600.00 for School Nutrition Program;
 - (ii) \$305,900.00 for AOCC; and
 - (iii) 50,000.00 for the Royal Winter Fair; and
 - (b) that \$110,000.00 not be added back for the Tourism Toronto budget;
- (2) deferred consideration of the aforementioned report (March 14, 2001) from the City Clerk;

- (3) referred the aforementioned communication (March 22, 2001) from Councillor Sherene Shaw, Ward 39 Scarborough Agincourt, to the Grants Sub-Committee for consideration;
- (4) requested the Commissioner of Economic Development, Culture and Tourism to provide an update from the Hotel Association on the success of the Province providing a room levy in order to promote the City of Toronto adequately; and
- (5) received the aforementioned reports (b) and (d) for information.

(Grants Sub-Committee; Councillor Sherene Shaw, Ward 39 Scarborough-Agincourt - April 9, 2001)

(Commissioner of Economic Development, Culture and Tourism - April 9, 2001)

16.12 Toronto Police Service 2001 Capital Budget

The Budget Advisory Committee gave consideration to the 2001 Capital Budget for the Toronto Police Service.

The Budget Advisory Committee also had before it a petition (March 29, 2001) from Mr. Joseph Lea, Toronto, regarding the closure of 21 Division.

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

- A. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Capital Budget for the Toronto Police Service subject to:
 - (1) the Historical Building costs of \$1.3 million being confirmed; and further that the \$1.7 million change in scope request for the 51 Division project be amended to \$1.3 million net expenditure and that the cash flow request be deferred to the end of the project to allow the City's Heritage Preservation Services an opportunity to review other funding options to offset this increased cost; and

- (2) the total project costs for 51 Division being reduced by \$0.4 million and that the cash flow be revised to show a reduction of \$1.7 million in 2001 and an increase of \$1.3 million in 2003; and further that the City's Heritage Preservation Services pursue funding options for further offsetting costs associated with the historical building on the chosen site.

(Carried)

Councillor Shiner resumed the Chair.

- B. Councillor Sutherland moved that the Budget Advisory Committee receive the aforementioned petition for information.

(Carried)

16.13 Parking Tag Enforcement and Operations 2001 Operating Budget

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for the Parking Tag Enforcement and Operations.

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

- (a) (February 21, 2001) from the Chairman, Toronto Police Services Board, providing the year 2001 operating budget submissions and the Human Resources Strategy for the years 2001-2005; and recommending, among other things, that the Budget Advisory Committee:

“(3) approve the 2001 operating budget request of the Parking Enforcement Unit at a gross amount of \$25.96 million;” and

- (b) (March 29, 2001) from the Chief Financial Officer and Treasurer reporting on the financial implications of deferring the hiring of 48 additional Parking Enforcement Officers; and recommending that this report be received for information.

- A. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget of the Parking Tag Enforcement and Operations, subject to deferring the hiring of 48 additional Parking Tag Enforcement Officers and the said budget being maintained with a gross budget as presented and the revenue as presented.

(Carried)

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

- B. Councillor Shiner moved that the Budget Advisory Committee:
- (1) request the City Auditor, in consultation with the Chief Financial Officer and Treasurer, the President of the Toronto Parking Authority, the Chief of Police and the Director of Purchasing and Materials Management to report to the Administration Committee for its meeting of May 8, 2001, on the terms of reference to the request for proposals only from the Police Services Enforcement Unit and the Toronto Parking Authority on the management and enforcement of permitted on-street parking; and further that the Members of the Budget Advisory Committee be invited to attend such meeting; and
 - (2) received the aforementioned reports (a) and (b) for information.

(Carried)

Councillor Shiner resumed the Chair.

(City Auditor; c. Chief Financial Officer and Treasurer; President, Toronto Parking Authority; Chief of Police; Superintendent Doug Reynolds, Parking Tag Enforcement Unit; Director of Purchasing and Materials Management; Administrator, Administration Committee - April 9, 2001)

16.14 Public Health 2001 Operating Budget

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Public Health.

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

- (a) (January 23, 2001) from the City Clerk advising that the Board of Health on January 22, 2001, recommended the addition of \$201,327.00 (gross) and \$100,663.00 (net) to the 2001 Public Health operating budget to implement the first phase of priority recommendations identified in the Chief Administrative Officer's report on the Resource Implications of the Environmental Plan;

- (b) (February 14, 2001) from Councillor Irene Jones, Ward 6 Lakeshore-Queensway, forwarding correspondence from The Honourable Charles Caccia, M.P., regarding the replacement of lead and iron pipes existing in Toronto;
- (c) (February 21, 2001) from the Secretary, Board of Health, advising that the Board of Health on February 19, 2001, recommended the adoption of the following Resolution by Councillor Joe Mihevc:

“WHEREAS the Toronto Humane Society (THS) has indicated that it is not prepared to continue to offer its services to shelter animals in the South Region of the City unless it receives a 35 percent increase for its contract with the City;

WHEREAS the THS is proposing changes to the terms and conditions of the contract to remove the six month notice of termination clause in the current agreement and has also changed its agency by-laws with the effect of eliminating the City Council appointee to the Board of Directors; and

WHEREAS the City has a responsibility to provide animal services;

THEREFORE BE IT RESOLVED THAT the City not renew its contract with the Toronto Humane Society and that staff be authorized and directed to make arrangements to directly deliver City operated animal shelter services for the South Region beginning April 1, 2001;

AND BE IT FURTHER RESOLVED THAT the City support the transition to direct City-wide delivery as a priority by:

- (1) assisting with procurement of suitable facilities and the necessary IT infrastructure and support to meet service delivery needs and IT support; and
 - (2) providing the required operational and one-time start-up costs.”;
- (d) (February 21, 2001) from the Secretary, Board of Health, advising that the Board of Health on February 19, 2001, recommended that:
 - (1) a four-year phased-in enhancement to the Toronto Public Health TB Control Program be endorsed in principle;

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- (2) an additional \$567,000.00 gross/\$283,500.00 net in 2001 (including a one-time cost of \$30,600.00) along with an additional \$503,300.00 gross/\$251,600.00 net for the annualization in 2002, to implement the first phase of the TB Control Program enhancement as contained in the Toronto Public Health 2001 Operating Budget submission be approved;
 - (3) the City of Toronto strongly urge Citizenship and Immigration Canada (CIC) to strengthen its medical surveillance system to identify TB cases in refugees and new immigrants to Canada, in consultation with Toronto Public Health and other key stakeholders; and
 - (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;
- (e) (February 21, 2001) from the Secretary, Board of Health, advising that the Board of Health on February 19, 2001, recommended that consideration be given to funding the additional \$106,500.00 for the Cooking Healthy Together Program in 2001;
- (f) (February 28, 2001) from the Medical Officer of Health providing additional information on Public Health gapping targets and associated service impacts; and recommending that:
- (1) the 2001 Public Health gapping target remain at the 2000 level of 4.1 percent (63 FTE's); this adjustment amounts to an increase to the 2001 recommended (corporate) budget of \$1.6 million (gross) and \$0.8 million (net); and
 - (2) the Chief Financial Officer and Treasurer be requested to review the practices of setting Public Health's gapping target based on prior years experience, and including the incorporation of 100 percent provincially funded programs in the calculation of the Division's gapping target;
- (g) (March 22, 2001) from the Medical Officer of Health and the Executive Director (Acting), Information and Technology, providing the Budget Advisory Committee with a summary of the Toronto Public Health 2001 Operating Budget requests for Information Technology; and recommending that:
- (1) the Public Health 2001 Operating requests pertaining to Information Technology be approved; and
 - (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;

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- (h) (March 23, 2001) from the Medical Officer of Health reporting on various issues arising from the Toronto Public Health Operating Budget submission that apply to the Division as a whole; program specific matters are reported individually under separate cover; and recommending that:
 - (1) Chapter 349 of the City of Toronto Municipal Code – Animals be amended to enable Toronto Public Health to increase the fees for dog licensing and cat registration as set out in this report; and
 - (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;

 - (i) (March 30, 2001) from the Acting Executive Director, Information and Technology Division, reporting, as requested, on the Toronto Public Health's summary of the 2001 Operating Budget request for Information Technology, and the release of the \$2.5 million of IT projects, subject to the approval of the Director of IT through the Commissioner of Corporate Services; and recommending that:
 - (1) the \$2.5 million of IT Projects included in the Corporate Recommended and Board of Health 2001 Operating Budget Submission be released; and
 - (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;

 - (j) (April 2, 2000) from the Medical Officer of Health reporting on communications budget issue arising from the Public Health 2001 Operating Budget submission to the Budget Advisory Committee on March 26, 2001; and recommending that this report be received for information; and

 - (k) (April 4, 2001) from the Chief Financial Officer and Treasurer responding to a request that the \$13.2 million of Corporate charges from Public Health be reviewed; and recommending that this report be received for information.
- A. Councillor Sutherland moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the 2001 Operating Budget for the Board of Health be maintained at the 2000 operating budget level plus 3.3 percent.

(Carried)

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B. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) recommend to the Policy and Finance Committee, and Council, that the 2000 net funding in the amount of \$776,000.00 for animal shelter services in the south region be the same for 2001 (with additional revenues of \$300,000.00 to be offset by one time set up costs) and if any additional net capital or operating funding is required in that regard the Medical Officer of Health be requested to report a business case with financial implications to Council through the Policy and Finance Committee; and further that the Board of Health be requested to prepare a business plan to be submitted to Council through the Policy and Finance Committee providing costs and savings that are projected if the City decides to provide this service; and
- (2) receive the aforementioned reports and communications (a), (b), (c), (d), (f), (g), (h), (i), (j) and (k) for information.

(Carried)

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

- (1) in the event the Board of Health retain the Toronto Humane Society service, it does so on the condition that the City have access to Toronto Humane Society financial information and statements on the contract services to the satisfaction of the Chief Financial Officer and Treasurer;
- (2) the report (February 21, 2001) from the Secretary, Board of Health, be referred to the Grants Sub-Committee for consideration; and

(Carried)

- (3) an additional \$5 million be allocated to the following:
 - (a) dental program;
 - (b) CYAC annualized program;
 - (c) IT program; and
 - (d) the low income seniors public health program.

(Lost)

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

- D. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that \$317,000.00 net be added to the budget for the Food Safety Restaurant Disclosure Program.

(Lost)

Councillor Shiner resumed the Chair.

(Grants Sub-Committee; c. Secretary, Board of Health - April 9, 2001)

16.15 Toronto Public Library 2001 Operating Budget

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Toronto Public Library.

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

- (a) (April 2, 2001) from the City Librarian responding to the Budget Advisory Committee request for further information on the Toronto Public Library Board 2001 Operating Budget;
- (b) (April 2, 2001) from the City Librarian reporting, as requested, on the expansion of the Leading to Reading program;
- (c) (March 29, 2001) from Ms. Gillian Mason, Vice-Chair, Toronto Public Library Board, providing additional information on items raised at the March 26, 2001 Budget Advisory Committee Meeting, in regard to the Toronto Public Library's Fleet Management, Fleet Maintenance Program and Outsourcing Specialized Design Services; and
- (d) (March 26, 2001) from Councillor Sherene Shaw, Ward 39 Scarborough Agincourt, requesting the Budget Advisory Committee to reconsider the impact of Library Board budgetary cutbacks.

On motion by Councillor Shiner, the Budget Advisory Committee:

- (1) recommended to Policy and Finance Committee, and Council, the adoption of the 2001 Operating Budget for Toronto Public Library; and

- (2) received the aforementioned reports (a) and (b) for information.

**16.16 Water and Wastewater 2001 Operating
and Capital Budgets and the Financial Report**

The Budget Advisory Committee gave consideration to the 2001 Operating and Capital Budgets for Water and Wastewater.

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

- (a) (March 28, 2001) from the City Clerk advising that the Works Committee, at its meeting held on March 28, 2001, recommended to the Budget Advisory Committee:
- (1) the adoption of the 2001 Capital Program request for Water and Wastewater;
 - (2) that the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer closely monitor capital expenditures and report to the Works Committee on a quarterly basis, with the agreement that no projects or contracts move forward beyond the level of funding in the Water and Wastewater Reserve;
 - (3) that the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer be requested to report to the Works Committee by July 2001 on capital financing of the Water and Wastewater Division in terms of long-term planning of the Capital Program; and
 - (4) that the Chief Financial Officer and Treasurer be requested to report to the Works Committee by July 2001 with a recommended financing strategy and resulting cash flow targets for the Water and Wastewater programs for the years 2002-2003;
- (b) (March 28, 2001) from the City Clerk advising that the Works Committee, at its meeting held on March 28, 2001, recommended to the Budget Advisory Committee:
- (1) the adoption of the joint report dated March 14, 2001, from the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services;

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- (2) that the Terms of Reference for the Proposal Call be reviewed with Toronto Hydro in order to ensure that the opportunities for synergy are maximized in the research; and
 - (3) that Toronto Hydro be requested to join in the consultant's study and provide input on an ongoing basis in a collaborative context;
- (c) (March 28, 2001) from the City Clerk advising that the Works Committee, at its meeting held on March 28, 2001, recommended to the Budget Advisory Committee the adoption of the recommended 2001 Water and Wastewater Operating Budget;
- (d) (March 30, 2001) from the Chief Financial Officer and Treasurer reporting to the Budget Advisory Committee on setting the context for the 2001 operating and 2001-2005 capital budget requests for the water and wastewater programs by providing an overview of the requests and various funding scenarios in response to these requests including their potential financial impacts, while addressing overall funding issues arising therefrom; and recommending that:
- (1) the Budget Advisory Committee recommend option(s) for review by the Works Committee in their deliberation on the 2002-2005 capital program of the Water and Wastewater program and that the Works Committee report back by July 2001 to the Budget Advisory Committee;
 - (2) the Committee approve the 2001 capital financing strategy, including financing an amount not to exceed \$68 million to be debentured, if required, for a term up to, but not exceeding 30 years; and
 - (3) the Chief Financial Officer and Treasurer be directed to prepare a formal rate report recommending 2002 rate and a multiyear rate strategy by no later than July 2001;
- (e) (February 27, 2001) from the Councillor Joanne Flint, Ward 25 Don Valley West, requesting the Budget Advisory Committee to allocate \$50,000.00 to hire consultants for the purpose of providing a drainage study for Hogg's Hollow;
- (f) (April 2, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees' Union, Local 416 CUPE, commenting on the Water and Wastewater Capital and Operating Budgets; and

- (g) (March 30, 2001) from the Commissioner of Works and Emergency Services providing additional information to the Budget Advisory Committee, in response to a request from the Works Committee following the review of the 2001 Water and Wastewater Operating Budget; and recommending that this report be received for information.

On motion by Councillor Pitfield, the Budget Advisory Committee deferred consideration of the 2001 Capital and Operating Budgets and the Financial Report for the Water and Wastewater Program to the April 11, 2001 meeting of the Budget Advisory Committee.

16.17 Transition Projects 2001 Capital Budget

The Budget Advisory Committee gave consideration to the 2001 Capital Budget for the Transition Projects.

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

- (1) (March 28, 2001) from the Commissioner of Corporate Services reporting, as requested, on the previously approved expenditures for Phase I and projected cash flows for Phase II of the Master Accommodation Plan (MAP); advising that the breakdown of Phase I expenditures is currently being reviewed and reconciled with staff from Finance and Facilities and Real Estate to provide up-to-date information which will be included in the MAP update report; further advising that the MAP Project Team has reviewed the projected Phase II budget and provides the following:

- (a) expenditures as of December 31, 2000, were \$2.7 Million; and
- (b) the projected cash flow for 2001 is \$14 Million;

and recommending that this report be received for information; and

- (2) (April 3, 2001) from the Chief Financial Officer and Treasurer and the Commissioner of Corporate Services reporting on the change of scope request required for staff exit costs for 1998-2000; and recommending that:
 - (a) the increased cost of \$23.1 million for the Transition Project - Staff Exits be approved and funded from the Employee Benefits Reserve Fund; and

- (b) the Chief Financial Officer and Treasurer and the Commissioner of Corporate Services be requested to report back by July 2001 on the process and funding for any future workforce reduction costs necessary to implement the 2001 Operating Budget recommendations.

On motion by Councillor Pitfield, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, the adoption of the joint report (April 3, 2001) from the Chief Financial Officer and Treasurer and the Commissioner of Corporate Services; and
- (2) received the aforementioned report (March 28, 2001) from the Commissioner of Corporate Services for information.

16.18 2001 Operating Budget Overview

The Budget Advisory Committee received an overview presentation by the Chief Financial Officer and Treasurer regarding the 2001 Operating Budget.

16.19 Non Program Expenditures and Non Program Revenues

The Budget Advisory Committee gave consideration to the 2001 Operating Budget for Non Program Expenditures and Non Program Revenues.

The Budget Advisory Committee also had before it a report (March 15, 2001) from the Chief Financial Officer and Treasurer providing further analysis of the 2001 operating budgets for the various Non Program Expenditures and Revenues and amendments to certain budget lines as a result of 2000 year end actuals; and recommending that:

- (1) the Non Program budget, as amended, contained in this report be adopted; and
- (2) once the final tax levy by-law for 2001 is adopted, Finance staff calculate the actual PIL levy for city-owned properties and report back on any decreases in PIL payments to be recovered as an offset (reduction) in expenditures from departments/agencies.

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

- A. Councillor Shiner moved that the Budget Advisory Committee:
- (1) recommend to the Policy and Finance Committee, and Council, that:
 - (a) \$5.0 million be approved for cost overruns for Police Employee Benefits;
 - (b) the retro settlement for Fire Services be funded from Employee Benefits Reserve Fund; and
 - (c) the same methodology for the formula used for corporate charges to Public Health be the same formula used for all departments, agencies, boards and commissions in 2002; and
 - (2) request the Toronto Transit Commission to report to the Policy and Finance Committee meeting of April 17, 2001 providing, as requested, a detailed analysis of employee benefit costs.

(Carried)

Councillor Shiner resumed the Chair.

- B. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the \$5.8 million that has no allocation to specific corporate programs be returned to the Public Health Department.

(Lost)

(Chair, Toronto Transit Commission; c. Administrator, Policy and Finance Committee - April 9, 2001)

16.20 2001 Capital Budget Overview

The Budget Advisory Committee received an overview presentation by the Chief Financial Officer and Treasurer regarding the 2001 Capital Budget.

16.21 Reserve and Reserve Funds

The Budget Advisory Committee had before it the following reports:

- (a) (April 4, 2001) from the Chief Financial Officer and Treasurer summarizing 2000 activity in reserves and reserve funds and projects 2001 activity and balances as of December 31, 2001; and recommending that:
 - (1) the summary of 2000 transactions and projections for 2001 be received for information;
 - (2) reserve and reserve funds be used only for the purposes already established by Council or already incorporated in the 2001 Operating Budget and further draws are not recommended since one-time funds should not be used to deal with ongoing expenditure pressures or ongoing revenue losses;
 - (3) the Chief Financial Officer and Treasurer be requested to continue to report out on the adequacy of reserve funds as expeditiously as possible; and
 - (4) reserves and reserve funds be closed where amounts have been depleted and further funding is not anticipated as detailed in Appendix E; and
- (b) (April 5, 2001) from the Chief Financial Officer and Treasurer providing an update on the adequacy of the Social Assistance Stabilization Reserve Fund as well as providing recommendations concerning the level of future contributions; and recommending that:
 - (1) City Council reaffirm its request that:
 - (i) the Province of Ontario re-institute a “failsafe” provision similar to that in place until 1995 (when the number of social assistance recipients exceeded 3.5 percent of population for a period of four consecutive months, cost sharing with the Province reverted from 80:20 to 90:10 for the excess, with the Province contribution 90 percent of the costs for the excess portion); and
 - (ii) in conjunction with the Province of Ontario, request the Government of Canada to fund 100 percent of the social assistance costs for refugee claimants;

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- (2) the benchmark level and the amount of direct contribution to the reserve fund be reviewed and reported to Council as part of the annual Operating Budget process; and
- (3) the appropriate City officials be authorized and directed to take the necessary actions to give effect thereto.

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 aforementioned report (April 4, 2001) from the Chief Financial Officer and Treasurer; and
- (2) received the aforementioned report (April 5, 2001) from the Chief Financial Officer and Treasurer for information.

Councillor Shiner resumed the Chair.

16.22 Waterfront Revitalization Projects

The Budget Advisory Committee had before it a report (April 5, 2001) from the City Clerk, entitled "Governance Structure and Funding to Implement the Toronto Waterfront Revitalization Initiative", advising that the Policy and Finance Committee on April 5, 2001, referred the following Recommendations embodied in the report (April 2, 2001) from the Chief Administrative Officer to the Budget Advisory Committee for consideration and report thereon to Council for its meeting scheduled to be held on April 24, 2001:

- “(9) Council approve in principle the City’s commitment to a contribution of \$500 million over five years as the City’s 1/3 share of government support totalling \$1.5 billion for the Waterfront Revitalization Initiative;
- (10) Council approve in principle the preliminary list of priority capital requirements totalling \$1.5 billion for the Waterfront Revitalization Initiative included as Appendix D to this report, such projects to be reviewed by the Toronto Waterfront Revitalization Corporation as input to the Corporation’s implementation plan which will be subject to Council approval;

- (11) Council approve the initiation by the interim corporation once established, the four projects, at a total cost of \$300 million (City's 1/3 share of \$100 million), described in Appendix C to this report, to be equally cost-shared in total among the three governments, including:
- (a) a second TTC platform at Union Station – project to be managed by the TTC;
 - (b) the Environmental Assessment for naturalization of the mouth of the Don River - project to be managed by TRCA;
 - (c) the Front Street Extension – project to be managed by City Works and Emergency Services Department; and
 - (d) the initial phase of Port Lands preparation - project management lead to be determined in co-operation with the Canada Lands Company (CLC), the Toronto Economic Development Corporation (TEDCO) and the Ontario Realty Corporation (ORC);
- (12) Council approve funding, in an amount not to exceed \$100 million, to be allocated to the four initial projects, with a cash flow allocation of \$7.8 million (of which \$2.1 million has been previously approved), and future year estimated allocations as described in Appendix E, such funding to be debenture financed if required, for a term up to, but not exceeding 30 years;”.

On motion by Councillor Pitfield, the Budget Advisory Committee recommended to the Policy and Finance Committee, and Council, the adoption of the aforementioned report (April 5, 2001) from the City Clerk.

16.23 Share of Senior Government Revenues for Municipalities

The Budget Advisory Committee had before it a report (March 12, 2001) from the Chief Financial Officer and Treasurer summarizing the practices in other Canadian provinces, the United States and Germany, where senior governments designate a share of their revenues for municipalities; 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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.24 2001 Annual Sinking Fund Levies, Surplus and Activity During 2000

The Budget Advisory Committee had before it a report (March 15, 2001) from the Chief Financial Officer and Treasurer requesting Council approval for payment of the annual sinking fund levies for 2001 and the sinking fund surplus in order to fulfill the legislative requirements of the Municipal Act and the City of Toronto Act, 1997 (No. 2); informing Council of the activities of the Fund during the year 2000; and recommending that:

- (1) the 2001 sinking fund levies, as detailed in this report, be approved;
- (2) subject to the approval of the Sinking Fund Committee, a tax-supported sinking fund surplus of \$4,381,947.00 and \$945,654.00 for water and wastewater rate supported be declared and paid to the City in 2001 and used to offset capital financing requirements; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

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 aforementioned report (March 15, 2001) from the Chief Financial Officer and Treasurer.

Councillor Shiner resumed the Chair.

16.25 The Way Out Of This Mess

The Budget Advisory Committee had before it a communication (March 1, 2001) from Councillor Joe Pantalone, Ward 19 Trinity-Spadina, Councillor Olivia Chow, Ward 20 Trinity - Spadina, Councillor Anne Johnston, Ward 16 Eglinton-Lawrence, and Councillor David Miller, Ward 13, Parkdale-High Park, forwarding a document, entitled "The Way Out of This Mess", detailing an alternative proposal to the City's financial problems; and requesting the Budget Advisory Committee to review this proposal as part of this year's budget process.

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

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

Councillor Shiner resumed the Chair.

16.26 Recommended 2001 - 2005 Tax Supported Capital Plan Debt and Debt Service Impact

The Budget Advisory Committee had before it a report (March 16, 2001) from the Chief Financial Officer and Treasurer identifying the debt and debt servicing requirements for the recommended 2001-2005 capital plan and issues surrounding sustainable funding for the capital program; and recommending that:

- (1) as a minimum, Capital from Current be maintained at the 2000 budgeted level of \$143 million;
- (2) the Chief Financial Officer and Treasurer report on any changes necessary to the capital financing plan should major funding changes occur following approval of the 2001- 2005 Capital Works Program, such as new senior government support for the City's capital program;
- (3) Council again request that the federal and provincial governments provide the City with sustained ongoing funding to support the City's capital program and help maintain the competitiveness and financial sustainability of the City of Toronto;
- (4) Council again request the provincial government to forgive the \$200 million in loans provided to the City to put Toronto on the same basis as other amalgamating cities that received provincial support for transition costs;

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- (5) any surplus in the City's Sinking Fund accounts that is released in 2001 and future years be applied to the capital program to reduce borrowing; and
- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

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

On motion by Councillor Shiner, the Budget Advisory Committee recommended the adoption of the aforementioned report.

Councillor Shiner resumed the Chair.

16.27 2001-2005 Budget - Supplementary Information Requests

The Budget Advisory Committee had before it a report (March 19, 2001) from the Chief Financial Officer and Treasurer responding to requests for supplementary information relative to the 2001-2005 Capital Budgets; 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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.28 2001 Capital Program Summary

The Budget Advisory Committee had before it a report (March 26, 2001) from the Finance Department regarding the 2001 Capital Program Summary.

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.

16.29 International Experience - Funding from other Levels of Government

The Budget Advisory Committee had before it a report (March 28, 2001) from the Chief Administrative Officer on the experience of other international cities in terms of the funding they receive from other levels of government; assessing the City of Toronto's initiatives to work toward the same objective; 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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.30 Update to Report on Amalgamation Savings and Costs

The Budget Advisory Committee had before it a report (March 30, 2001) from the Chief Administrative Officer reporting, as requested, on the following:

- (a) providing an analysis of present and future wage agreements and what they will mean to the City, such report to include all Agencies, Boards and Commissions;
- (b) bringing forward the latest figures on amalgamation, including the Fire Services; and
- (c) spending and justification of the \$109.636 million for employee related workspaces contained in the 2001 capital budget report on transition projects;

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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.31 Analysis of Contingency Expenditures - 1998 to 2000

The Budget Advisory Committee had before it a report (April 4, 2001) from the Chief Financial Officer and Treasurer reporting, as requested, with details on contingency expenditures during the period 1998 to 2000; and recommending that:

- (1) Council adopt the definition of emergency items for contingency draw purposes as contained in this report;
- (2) the 2001 budget for contingency items remain at \$3,000,000.00 with funds designated for use only on those items meeting the criteria for emergency items as described in this report; and
- (3) Council authorize and direct the appropriate City officials to amend the Financial Control By-law for the use of contingency funds as provided for in this report.

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 aforementioned report.

Councillor Shiner resumed the Chair.

16.32 Analysis of Employee Benefit Costs

The Budget Advisory Committee had before it a report (April 4, 2001) from the Chief Financial Officer and Treasurer providing a detailed analysis of employee benefit costs; 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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.33 Supplementary 2001 Budget Information Requests (Updated)

The Budget Advisory Committee had before it a report (April 5, 2001) from the Chief Financial Officer and Treasurer providing updated information on various items contained in the 2001 Operating and Capital Budgets regarding all the Agencies, Boards and Commissions; 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 received the aforementioned report for information.

Councillor Shiner resumed the Chair.

16.34 Before and After School Program

The Budget Advisory Committee had before it the following communications:

- (a) (April 2, 2001) from Councillor David Miller, Ward 13 Parkdale-High Park, Councillor Howard Moscoe, Ward 15 Eglinton-Lawrence, Councillor Joe Mihevc, Ward 21 St. Paul's, Councillor Betty Disero, Ward 17 Davenport, Councillor Frances Nunziata, Ward 11 York South-Weston, and Councillor Frank Di Giorgio, Ward 12 York South Weston, regarding the Before and After School Program; and
- (b) (April 5, 2001) from Councillor David Miller, Ward 13 Parkdale-High Park, expressing strong support for the continued funding of the York Before and After School Program at least through June 2002.

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

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

Councillor Shiner resumed the Chair.

(Chief Administrative Officer; Chief Financial Officer and Treasurer; Commissioner of Corporate Services; Commissioner of Economic Development, Culture and Tourism; c. Administrator, Administration Committee; Administrator, Policy and Finance Committee - April 9, 2001)

(Policy and Finance Committee - April 11, 2001)

16.35 Other

The Budget Advisory Committee had before it various communications in response to the Mayor's request for suggestions from residents on the City's 2001 Budget, and copies thereof are on file in the office of the City Clerk.

A. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) recommend to the Policy and Finance Committee, and Council, that:
 - (a) the Council office global budget be reduced by 10 percent;
 - (b) the School Board Fees be implemented in 2001; and
 - (c) the Playground Redevelopment Initiative at George Etienne Cartier School be adjusted to reflect actual source of funding of \$150,000.00 debt and replace \$75,000.00 of development charges with \$60,000.00 partnership funding from the Toronto District School Board resulting in a net reduction of the total project by \$15,000.00; and
- (2) request the Chief Financial Officer and Treasurer, the Commissioner of Corporate Services and the Commissioner of Economic Development, Culture and Tourism to report to the Administration Committee and the Economic Development and Parks Committee in June 2001 on the implementation of the plan for consolidation of the construction management function in city departments, including agencies, boards and commissions.

(Carried)

B. Councillor Chow moved that the Budget Advisory Committee request the Chief Financial Officer and Treasurer to provide an updated report with respect to FTE's and report thereon to the Policy and Finance Committee for its meeting of April 17, 2001.

(Carried)

- C. Councillor Moeser moved that the Budget Advisory Committee:
- (1) recommend to the Policy and Finance Committee, and Council, that the Classical Chinese Gardens Project be inserted in 2005 Capital Budget at "0" with no financial impact to the City of Toronto; and
 - (2) request the Chief Administrative Officer to review the policy respecting voluntary exit packages and report thereon to the Administration Committee in June 2001 or sooner if possible.

(Carried)

- D. Councillor Chow moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the Classical Chinese Gardens Project be reinstated in 2001.

(Lost)

The Budget Advisory Committee adjourned its meeting at 5:40 p.m.

Chair