

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 2

Friday, January 11, 2002

The Budget Advisory Committee met on Friday, January 11, 2002, in Committee Room No. 1, City Hall, Toronto, commencing at 9:41 a.m.

Attendance

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

	9:41 a.m. – 12:34 p.m.	2:10 p.m. – 4:48 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	R	R
Councillor Jane Pitfield	X	X
Councillor David Soknacki	X	X

Also Present:

Councillor Brian Ashton	Councillor Doug Holyday
Councillor Frank Di Giorgio	Councillor David Miller
Councillor Joanne Flint	Councillor Denzil Minnan-Wong
Councillor Suzan Hall	Councillor Kyle Rae

2.1 2002 Capital and Operating Budgets

Toronto Police Service – 2002 Capital and Operating Budget

The Budget Advisory Committee, during its deliberations, had before it the 2002 Capital and Operating Budgets for the Toronto Police Service and the 2002 Operating Budget for the Toronto Police Services Board.

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

- (a) (January 7, 2002) from Councillor Gloria Lindsay Luby, Acting Chair, Toronto Police Services Board, forwarding a copy of a communication (January 3, 2002) from Mr. Joseph Martino, Acting Director, Finance and Administration, Toronto Police Service, containing the following:
 - (1) Toronto Police Service 2002 Operating Budget Request;
 - (2) Toronto Police Service 2002 Parking Enforcement Unit Budget Request;
 - (3) Toronto Police Service 2002-2006 Human Resources Strategy;
 - (4) Toronto Police Services Board 2002 Operating Budget Request; and
 - (5) Toronto Police Service 2002-2006 Capital Program Submission - Revised;

- (b) (November 22, 2001) from the City Clerk advising that the Policy and Finance Committee on November 22, 2001, referred the report (October 16, 2001) from the Chair, Toronto Police Services Board, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee, wherein it is recommended that the Policy and Finance Committee, and Council:
 - (1) approve a draw of \$5.3 Million from the City's corporate contingency account to the Toronto Police Service through an in-year budget adjustment; and
 - (2) approve a request to add \$6.3 Million to the 2002 Toronto Police Service adjusted base operating budget; and

- (c) (November 22, 2001) from the City Clerk advising that the Policy and Finance Committee on November 22, 2001, referred the report (October 16, 2001) from the Chair, Toronto Police Services Board, to the Budget Advisory Committee for consideration and report thereon to the Policy and Finance Committee, wherein it is recommended that the Policy and Finance Committee, and Council:
 - (1) approve a commitment of funding for the full five year period of the 2002-2006 Long-Term Facilities Capital Expenditures Program, in order to achieve compliance with the Board's obligations under the Occupational Health and Safety Act; and

- (2) forward this report to the next meeting of City Council for approval.

The following persons gave an overview presentation respecting the Toronto Police Service 2002 Capital and Operating Budgets and the Toronto Police Services Board 2002 Operating Budget and answered Members' questions:

- Chair, Toronto Police Services Board;
- Chief of Police; and
- Chief Administrative Officer, Toronto Police Service.

- A. Councillor Soknacki moved that the Budget Advisory Committee:

- (1) receive the aforementioned overview presentation;
- (2) request the Chairs of the Toronto Police Services Board, Toronto Transit Commission and Board of Health, together with the Emergency Medical Services and Fire Services, to advise the Budget Advisory Committee on the present and future pressures on their budgets due to the opening of the New Woodbine Racetrack; and
- (3) request the Acting Chief Financial Officer to advise the Budget Advisory Committee on diverting the present and future revenue from Woodbine Racetrack against departments identified pressures.

(Carried)

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

- (1) request the Acting Chief Financial Officer to advise the Budget Advisory Committee on whether any increased revenue over the budgeted amount from the Woodbine slots can be directed to the Toronto Police Service for special enforcement purposes; and
- (2) request the Chair, Toronto Police Services Board, in consultation with the Chief of Police, to advise that Budget Advisory Committee on fleet replacement costs.

(Carried)

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- C. Councillor Moeser moved that the Budget Advisory Committee:
- (1) request the Acting Chief Financial Officer to advise the Budget Advisory Committee on the impact of the overall budget when considering these requests; and
 - (2) request the Chair, Toronto Police Services Board, in consultation with the Chief of Police, to advise the Budget Advisory Committee on the following:
 - (a) number of police officers projected to be leaving the force in 2002 and why; and
 - (b) the cost of training a police officer and the projected training costs for 2002.

(Carried)

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

- D. Councillor Shiner moved that the Budget Advisory Committee:
- (1) amend Councillor Chow's motion B.(2) by adding the words "with special emphasis on the marine unit.", so that such motion now reads as follows:
 - "(2) request the Chair, Toronto Police Services Board, in consultation with the Chief of Police, to advise that Budget Advisory Committee on fleet replacement costs, with special emphasis on the marine unit;"; and
 - (2) request the Acting Chief Financial Officer to advise the Budget Advisory Committee on where the revenue from the sale of surplus Toronto Police Service lands is applied to and whether said surplus should go to the Toronto Police Service; and further how the disposal and acquisition of lands for other departments and ABCs are accounted for.

(Carried)

Councillor Shiner resumed the Chair.

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E. Councillor Sutherland moved that the Budget Advisory Committee:

- (1) request the Chair, Toronto Police Services Board, in consultation with the Chief of Police, to advise the Budget Advisory Committee on Capital and other costs of obtaining and operating a helicopter, projection on the replacement value of same and whether funding for personnel can be found within the existing budget; and
- (2) defer consideration of the aforementioned communication and reports (a) to (c) to the next budget review of the Agencies, Boards and Commissions.

(Carried)

(Acting Chief Financial Officer; Chair, Toronto Police Services Board; Chief of Police; Chair, Toronto Transit Commission; Chair, Board of Health; Commissioner of Works and Emergency Services; c. Councillor Gloria Lindsay Luby, Acting Chair, Toronto Police Services Board; Chief Administrative Officer, Toronto Police Service; General Manager, Emergency Medical Services; Fire Chief - January 11, 2002)

**Toronto Parking Authority -
2002 Capital and Operating Budget**

The Budget Advisory Committee, during its deliberations, had before it the 2002 Capital and Operating Budgets for the Toronto Parking Authority.

Mr. Maurice Anderson, President, Toronto Parking Authority, gave a presentation respecting the Toronto Parking Authority 2002 Capital and Operating Budgets and answered Members' questions.

A. Councillor Chow moved that the Budget Advisory Committee:

- (1) receive the aforementioned presentation; and
- (2) request the President, Toronto Parking Authority, to advise the Budget Advisory Committee on the feasibility of the Toronto Parking Authority being able to provide funding for the establishment of a parking facility on the railway lands site, known as Block 18c, if such lands became available.

(Carried)

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

- B. Councillor Shiner moved that the Budget Advisory Committee:
- (1) request the Chief Administrative Officer and the Acting Chief Financial Officer to:
 - (a) comment as to why the Toronto Parking Authority is required to pay property taxes; and
 - (b) review any and all avenues as to how this can be avoided; and
 - (2) request the City Solicitor to advise as to whether the City could declare the Parking Authority properties Municipal Capital Facilities.

(Carried)

Councillor Shiner resumed the Chair.

(Chief Administrative Officer and Acting Chief Financial Officer;
President, Toronto Parking Authority; City Solicitor - January 11, 2002)

**Toronto Transit Commission -
2002 Capital and Operating Budgets**

The Budget Advisory Committee, during its deliberations, had before it the 2002 Capital and Operating Budgets for the Toronto Transit Commission and Wheel-Trans.

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

- (a) (November 29, 2001) from the General Secretary, Toronto Transit Commission advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled "2002-2006 Capital Program and 10-Year Capital Forecast", and approved the following recommendations:
 - (1) approve the 2002-2006 Capital Program in the amount of \$1.61 billion as detailed in this Commission Report and its attachments, as well as in the following accompanying items:
 - (a) TTC 2002-2006 Capital Program Overview; and
 - (b) TTC 2002-2006 Capital Program (Blue Books);

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- (2) approve the 10-Year Capital Forecast in the amount of \$3.8 billion as shown in the attached report; and
 - (3) forward this report to the City of Toronto for Council approval of the 2002-2006 Capital Program and approval of the 10-year forecast;
- (b) (November 29, 2001) from the General Secretary, Toronto Transit Commission advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled "2002 TTC Operating Budget", and approved the following recommendations:

- (1) approve the 2002 TTC Operating Budget (summarized in Appendix A) as described in this report and the following accompanying reports:
 - (a) Toronto Transit Commission 2002 Operating Budget Overview;
 - (b) Toronto Transit Commission 2002 Departmental Goals and Objectives;
 - (c) Toronto Transit Commission 2002 Organization Charts; and
 - (d) Toronto Transit Commission 2002 Detailed Operating Budget (Blue Book);
- (2) note that the TTC 2002 Operating Budget includes a budget shortfall of about \$22 million, based on City of Toronto 2001 budgeted operating subsidy levels as summarized below:

Ridership	418 million
Expenditures	\$854.5 million
Revenues	<u>\$684.9 million</u>
Subsidy Needed	\$169.6 million
Operating Subsidy	<u>\$147.6 million</u> (2001 budgeted level from City)
Shortfall	<u>\$22 million</u> ; and

request the Budget Advisory Committee and City Council for a funding allocation of \$169.6 million in order to avoid a fare increase and/or service cuts; and

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- (3) forward this report to the City of Toronto for Council approval of the City's 2002 Transit Operating Subsidy to the TTC; and
- (c) (November 29, 2001) from the General Secretary, Toronto Transit Commission advising that the Toronto Transit Commission at its meeting held on November 28, 2001, gave consideration to the report (November 28, 2001), entitled "2002 Wheel-Trans Operating Budget", and approved the following recommendations:
- (1) the 2002 Wheel-Trans Operating Budget of \$46.7 million provided for in this report and companion documents which includes \$45.5 million for service and \$3.6 million for bus fleet replacement, partially offset through revenues of \$2.4 million, and further strive for a 2 percent unaccommodated rate by maintaining the percentage of trips through accessible vehicles;
 - (2) the Wheel Trans-Service Plan which encompasses the following key factors:
 - (a) registrant base increases to 27,200 (14.3 percent);
 - (b) trip demand increasing to 1,579,000 (5 percent);
 - (c) unaccommodated rate remains at 3.5 percent;
 - (d) trips provided by accessible vehicles maintained at the 85 percent level:
 - (i) bus fleet increases by one to 133;
 - (ii) Orion bus replacement completed with receipt of 23 ELF buses; and
 - (iii) accessible taxis increase from 62 to 73;
 - (e) overall vehicle productivity increases to 5.1 passengers per hour by:
 - (i) introduction of a 30 minute window for all trip requests;
 - (ii) expansion of Zone Bus areas from 7 to 10;
 - (iii) expansion of Express Bus services from 1 to 4;
 - (iv) introduction of ambulatory bus service;

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- (v) increased integration with conventional TTC accessible services;
 - (vi) reduction in cancellation rate from 17 percent to 14 percent; and
 - (vii) promotion of Community Bus services;
- (f) overall service quality improvement by:
- (i) improving on-time delivery of service from 95 percent to 96 percent;
 - (ii) implementing a bus tracking trial to increase “same day” trips;
 - (iii) updates to the computer scheduling system (WTIS);
 - (iv) introduction of a “call back” feature to update customers on trip status; and
 - (v) undertake various service audits and contractor performance reviews to improve customer satisfaction;
- (g) continue to accommodate original requested trip times within 30 minutes at 96 percent;
- (h) improve Greater Toronto Area specialized transit service integration; and
- (i) workforce increases by four;
- (3) consider this report in concert with the following:
- (a) the 2002 TTC Operating Budget; and
 - (b) 2002-2006 TTC Capital Program which includes \$9.1M comprised of the purchase of 35 ELF buses (\$8.4M) as well as facility improvements and enhanced scheduling (\$0.7M); and
- (4) forward this report to the City of Toronto Council for approval and to the TTC’s Advisory Committee on Accessible Transportation for information.

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The following persons gave an overview presentation respecting the Toronto Transit Commission and Wheel-Trans 2002 Capital and Operating Budgets and answered Members' questions:

- Councillor Brian Ashton, Chair, Toronto Transit Commission;
- Mr. Rick C. Ducharme, Chief General Manager, Toronto Transit Commission; and
- Mr. Vincent Rodo, General Secretary, Toronto Transit Commission.

A. Councillor Pitfield moved that the Budget Advisory Committee:

- (1) receive the aforementioned overview presentation; and
- (2) request the Chief Administrative Officer and the Acting Chief Financial Officer to comment to the Budget Advisory Committee on a 10-year history of the City's and Metro's perspective on the operating funding subsidy for the Toronto Transit Commission.

(Carried)

B. Councillor Sutherland moved that the Budget Advisory Committee request the Chief Administrative Officer and the Acting Chief Financial Officer to comment to the Budget Advisory Committee more clearly identifying actual expenditure commitments in the 2002 budget submissions, i.e., line item which shows total project costs with the recommended cash flow for 2002.

(Carried)

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

C. Councillor Shiner moved that the Budget Advisory Committee request the Chair, Toronto Transit Commission, in consultation with the Chief General Manager, Toronto Transit Commission, to comment on the total value of previous and new capital projects requested for approval in 2002 and the projected cash flow and financial costs for these projects.

(Carried)

Councillor Shiner resumed the Chair.

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- D. Councillor Chow moved that the Budget Advisory Committee:
- (1) request the Chief Administrative Officer and the Acting Chief Financial Officer to comment to the Budget Advisory Committee on a timeframe on the decision respecting the \$3.4 million the City borrowed from the Reserve Funds of the Toronto Transit Commission when the Committee reviews Reserve Funds;
 - (2) request the Chair, Toronto Transit Commission, in consultation with the Chief General Manager, Toronto Transit Commission, to comment on the following:
 - (a) clarification of the 17 staff reductions; and
 - (b) identification of the financing of the \$616 million of capital costs;
 - (3) request the Chief General Manager of the Toronto Transit Commission to provide a slide showing the activities of the Wheel Trans community buses, including areas where such buses are located; and
 - (4) defer consideration of the aforementioned reports (a) to (c) to the next budget review of the Agencies, Boards and Commissions.

(Carried)

(Chief Administrative Officer and Acting Chief Financial Officer; Chair, Toronto Transit Commission; Chief General Manager, Toronto Transit Commission; c. General Secretary, Toronto Transit Commission - January 11, 2002)

The Budget Advisory Committee adjourned its meeting at 4:48 p.m.

Chair