

THE CITY OF TORONTO

City Clerk's Office

Minutes of the Budget Advisory Committee

Meeting No. 5

Thursday, January 30, 2003

The Budget Advisory Committee met on Thursday, January 30, 2003, in Committee Room No. 1, City Hall, Toronto, commencing at 9:40 a.m.

Attendance

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

	9:40 a.m. – 11:45 a.m.
Councillor David Shiner, Chair	X
Councillor David Soknacki, Vice Chair	X
Councillor Lorenzo Berardinetti	R
Councillor Ron Moeser	X
Councillor Joe Pantalone	R
Councillor Jane Pitfield	X
Councillor Michael Tziretas	X

Also Present:

Councillor Doug Holyday	
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5.1 2003 Capital and Operating Budgets

Service Improvement and Innovation

The Budget Advisory Committee had before it the 2003 Operating Budget for Service Improvement and Innovation.

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On motion by Councillor Tziretas, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget of Service Improvement and Innovation Division, as recommended by the Administration Committee; and
- (2) requested the Commissioner of Corporate Services, in consultation with the Chair, Toronto Transit Commission and the City Solicitor, to report quarterly to the Administration Committee, on the progress of the Property Development Planning Studies.

(Commissioner of Corporate Services; c. Chair, Toronto Transit Commission; City Solicitor; Committee Administrator, Administration Committee - February 5, 2003)

Fleet Services

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for Fleet Services.

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

- (a) (January 17, 2003) from the Commissioner of Corporate Services, reporting, as requested by City Council, to the Budget Advisory Committee on how much has been saved as a result of new vehicle purchases, based on warranties and less maintenance required; and recommending that this report be received for information;
- (b) (January 17, 2003) from the Commissioner of Corporate Services, reporting, as requested by the Budget Advisory Committee, on the status of garage consolidation and the Fleet Future Plan re-organization; and recommending that this report be received for information; and
- (c) (January 29, 2003) from the Commissioner of Corporate Services, informing the Budget Advisory Committee on the Status of all uncommitted 1999 and 2000 vehicle and equipment replacement program funds and that all uncommitted funds, not assigned to a unit, be returned to the vehicle and equipment reserve; and recommending that:
 - (1) funds in the amount of \$749,100.00 be returned to the Vehicle and Equipment Replacement Reserve XQ0003 as a result of the analysis of the 1999 and 2000 replacement projects;

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- (2) the reserve be segregated by department and the funds returned be held in this segregated manner for future year draws by the contributing department;
- (3) the process presented in this report related to the development and submission of the annual Vehicle and Equipment Replacement program be implemented across the corporation and encompass all Agencies, Boards and Commissions;
- (4) that a list of vehicles and equipment to be purchased be approved along with Fleet Services' capital budget in the 2004 and subsequent budget processes and that this list be reflective of the total cost per vehicle including any additional upfitting and reconciled to the amount of the program's request; and
- (5) Agencies, Boards and Commissions, Police, Fire Services and Ambulance Services be required to submit, along with their replacement listings, a complete fleet inventory for review and analysis.

Capital

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

- A. Councillor Shiner moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, that the Fleet Services 2003 Capital Budget be reduced by \$749,100.00 that the Department established as unallocated requests and transferred those funds into the Non Program Account.

(Carried)

Councillor Shiner resumed the Chair.

- B. Councillor Soknacki moved that the Budget Advisory Committee defer consideration of the balance of the Capital Budget of the Fleet Services until the Budget Advisory Committee wrap-up meetings to allow the Chair of the Budget Advisory Committee and any other interested Members of the Budget Advisory Committee, to review the list of fleet projects, including "First Year Projects and Projects Carried Forward in 2001 from Previous Years" and Appendix 1 appended to the report (January 29, 2003) from the Commissioner of Corporate Services, entitled "Analysis of 1999 Vehicle and Equipment Replacement Program Funds".

(Carried)

Operating

- C. Councillor Pitfield moved that the Budget Advisory Committee:
- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget of Fleet Services, as recommended by the Administration Committee;
 - (2) request the Commissioner of Corporate Services to provide a briefing note for the Budget Advisory Committee wrap-up meetings providing a comparison on how the maintenance costs have decreased through better tracking of hours in 2001 and 2002; and
 - (3) receive the following reports for information:
 - (a) (January 17, 2002) from the Commissioner of Corporate Services, entitled "Fleet Maintenance Savings Realized Through Accelerated Vehicle Replacement"; and
 - (b) (January 17, 2003) from the Commissioner of Corporate Services, entitled "Status Update on Fleet Services Garage Consolidation and Reorganization Implementation".

(Carried)

(Chair and Members, Budget Advisory Committee; Commissioner of Corporate Services - February 5, 2003)

Facilities and Real Estate

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for Facilities and Real Estate.

The Budget Advisory Committee also had before it a report (January 23, 2003) from the Chief Financial Officer and Treasurer, providing options on financing \$1.6 million for a 5 percent green energy purchase and recommending that this report be received for information.

Capital

A. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Capital Budget of Facilities and Real Estate, as recommended by the Administration Committee, subject to:

- (1) reducing the Capital Budget of Facilities and Real Estate by \$290,000.00 as follows:
 - (a) delete the Transportation of Storage Sites and Destruction Project for savings in the amount of \$278,000.00; and
 - (b) reduce the prior approved project "Retrofit of all Corporate Building Based on Corporate Barrier Free Audit" by \$12,000.00; and
- (2) deferring consideration of Sub Project No. 2003-8 Relocation of City Staff from 277 Victoria Street to facilitate Building Sale until the Budget Advisory Committee wrap-up meetings.

(Carried)

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

B. Councillor Shiner moved that the Budget Advisory Committee:

- (1) request the Commissioner of Corporate Services to report to the Administration Committee by May 2003 on current options to sell Metro Hall, to include but not be limited to, a scheduled relocation of City staff to provide the greatest value for Metro Hall; and
- (2) request the Commissioner of Corporate Services, Facilities and Real Estate staff, the Chair of the Administration Committee, the Chair of the Budget Advisory Committee, and the former Chair of the MAP Committee, to meet with representatives of Oxford Properties, the owner of the two neighbouring buildings, to ascertain their interest in Metro Hall.

(Carried)

Councillor Shiner resumed the Chair.

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- C. Councillor Pitfield moved that the Budget Advisory Committee request the Commissioner of Corporate Services to provide a briefing note to the Budget Advisory Committee wrap-up meetings, or earlier, on the total dollars that have been spent on the MAP Project since amalgamation, including moving costs and extra costs associated with the project.

(Carried)

- D. Councillor Moeser moved that the Budget Advisory Committee request the Commissioner of Corporate Services to provide a briefing note to the Budget Advisory Committee wrap-up meetings or earlier on providing options to have better access to the Council Chamber, including the installation of a stairwell.

(Carried)

Operating

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

- (1) recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget of Facilities and Real Estate, as recommended by the Administration Committee, subject to the position of TTC Properties Project Manager being pro rated over eight months at a cost of \$61,540.00; and
- (2) refer the report (January 23, 2003) from the Chief Financial Officer and Treasurer to the Toronto Atmospheric Fund for consideration.

(Carried)

- F. Councillor Moeser moved that the Budget Advisory Committee:

- (1) request the Commissioner of Corporate Services, in consultation with the Chair, Toronto Transit Commission and the City Solicitor, to report quarterly to the Administration Committee, on the progress of the Property Development Planning Studies; and
- (2) request the Commissioner of Corporate Services to provide a briefing note to the Budget Advisory Committee wrap-up meetings on current arrangements with regard to cafeterias in City Hall and the Civic Centres, including any options of cost savings.

(Carried)

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(Commissioner of Corporate Services; Chair, Administration Committee; Chair, Budget Advisory Committee; former Chair, MAP Committee; c. Chair, Toronto Transit Committee; City Solicitor; Committee Administrator, Administration Committee - February 5, 2003)

(Toronto Atmospheric Fund - January 30, 2003)

Information and Technology

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for Information and Technology.

Capital

- A. Councillor Tziretas moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Capital Budget for Information and Technology, as recommended by the Administration Committee. **(Carried)**

Operating

- B. Councillor Tziretas moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of 2003 Operating Budget for Information and Technology, as recommended by the Administration Committee. **(Carried)**

City Clerk's

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for City Clerk's.

Capital

- A. Councillor Moeser moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Capital Budget for the City Clerk's Office, as recommended by the Administration Committee. **(Carried)**

Operating

- B. Councillor Moeser moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget for the City Clerk's Office, as recommended by the Administration Committee.

(Carried)

Corporate Communications

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for Corporate Communications.

Capital

- A. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Capital Budget for Corporate Communications, as recommended by the Administration Committee.

(Carried)

Operating

- B. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget for Corporate Communications, as recommended by the Administration Committee.

(Carried)

Court Services

The Budget Advisory Committee had before it the 2003 Capital and Operating Budgets for Court Services.

Capital

- A. Councillor Soknacki moved that the Budget Advisory Committee recommend to the Policy and Finance Committee, and Council, the adoption of the 2003 Capital Budget for Court Services, as recommended by the Administration Committee.

(Carried)

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- B. Councillor Soknacki moved that the Budget Advisory Committee:
- (1) defer consideration of the following until the Budget Advisory Committee wrap-up meetings:
 - (a) the 2003 Operating Budget for Court Services, as recommended by the Administration Committee; and
 - (b) briefing note (January 20, 2003) from the Director, Court Services, reporting, as requested by the Administration Committee, at its meeting of December 17, 2002, on the impact on Court Services should the Toronto Police Service request for additional traffic enforcement officers be approved; and
 - (2) request the Chief Administrative Officer, in consultation with the Chief Financial Officer and Treasurer, to provide briefing notes to the Budget Advisory Committee, by Thursday, February 6, 2003, on the Court Services Capital and Operating Budgets with income, expenditure and capital forecasts on a City-wide basis, including proposals made during the budget process by the Toronto Police Service for additional traffic enforcement officers and further that all appropriate parties be notified.

(Carried)

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

- C. Councillor Shiner moved that the Budget Advisory Committee request the Commissioner of Corporate Services to report to the Administration Committee on additional sites to locate a Central District Court facility.

(Carried)

Councillor Shiner resumed the Chair.

(Commissioner of Corporate Services; Chief Administrative Officer; c. Chief Financial Officer and Treasurer; Committee Administrator, Administration Committee - February 5, 2003)

Human Resources

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The Budget Advisory Committee had before it the 2003 Operating Budget for Human Resources.

Councillor Shiner appointed Councillor Soknacki 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 2003 Operating Budget for Human Resources, as recommended by the Administration Committee, subject to deleting the following recommendation:

“hiring of five additional employees for a period of two years only; and the Executive Director of Human Resources be requested to submit a report to the Personnel Sub-Committee on the backlog of grievances every six months until the conclusion of the two year period.”

Councillor Shiner resumed the Chair.

Legal

The Budget Advisory Committee had before it the 2003 Operating Budget for Legal.

On motion by Councillor Pitfield, the Budget Advisory Committee:

- (1) recommended to the Policy and Finance Committee, and Council, the adoption of the 2003 Operating Budget for Legal, as recommended by the Administration Committee, subject to the additional positions being pro-rated over eight months; and
- (2) requested the Commissioner of Corporate Services, in consultation with the Chair, Toronto Transit Commission and the City Solicitor, to report quarterly to the Administration Committee, on the progress of the Property Development Planning Studies.

(Commissioner of Corporate Services; c. Chair, Toronto Transit Commission; City Solicitor; c. Committee Administrator, Administration Committee - February 5, 2003)

Administration Committee - 2003 Capital Budget

The Budget Advisory Committee had before it a communication (January 17, 2003) from the City Clerk, advising that the Administration Committee on January 10 and 17, 2003, reviewed the 2003-2012 Capital Budget for the Administration Committee and took the following action in regard thereto:

(I) Corporate Services Department:

(A) City Clerk' Office:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the City Clerk's Office.

(B) Corporate Communications:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the Corporate Communications Division.

(C) Court Services:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the Court Services Division.

(D) Facilities and Real Estate:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003-2012 EMT recommended Capital Budget respecting Facilities and Real Estate; and
- (2) approval of MAP Capital Project, CAPTOR FAC 906173-1 and -3 with the exception of sub project 2003-8 (277 Victoria Street) and defer to 2004 \$2.571M of the \$2.671 funding request.

(E) Fleet Services:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting Fleet Services.

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(F) Information Technology:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the Information Technology Division.

(II) Chief Administrator's Office:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the Chief Administrator's Office.

(III) Finance:

Recommended to the Budget Advisory Committee the adoption of the 2003-2012 EMT recommended Capital Budget respecting the Finance Department.

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

Administration Committee - 2003 Operating Budget

The Budget Advisory Committee had before it a report (January 17, 2003) from the City Clerk, advising that the Administration Committee on January 10 and 17, 2003, reviewed the 2003 Operating Budget for the Administration Committee and took the following action in regard thereto:

(I) Corporate Services Department:

(A) City Clerk's Office:

Recommended to the Budget Advisory Committee the adoption of the 2003 EMT recommended Operating Budget respecting the City Clerks Office, subject to transferring four Customer Service staff to the Mayor's Office together with the appropriate funding in the amount of \$205,185.00.

(B) Corporate Communications:

Recommended to the Budget Advisory Committee the adoption of the 2003 EMT recommended Operating Budget respecting Corporate Communications.

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(C) Court Services:

Recommended to the Budget Advisory Committee the adoption of the 2003 EMT recommended Operating Budget respecting Court Services.

(D) Facilities and Real Estate:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended 2003 Operating Budget respecting Facilities and Real Estate, subject to reducing the building maintenance contract staff (FA-Z018) from seven to five positions to achieve savings of \$145,000.00; and
- (2) the adoption of the 2003 New and Enhanced requests respecting the Facilities and Real Estate.

(E) Fleet Services:

Recommended to the Budget Advisory Committee the adoption of the 2003 EMT recommended Operating Budget respecting Fleet Services, subject to increasing gapping by 0.75 percent up to 1.75 percent for a savings of \$100,000.00.

(F) Human Resources:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Human Resources Division; and
- (2) approval of funds in the 2003 Operating New/Enhanced Services Budget respecting the Human Resources Division, for the hiring of an additional five employees for a period of two years only; and that the Executive Director of Human Resources be requested to submit a report to the Personnel Sub-Committee on the backlog of grievances every six months until the conclusion of the two year period.

(G) Information Technology:

Recommended to the Budget Advisory Committee the adoption of the 2003 EMT recommended Operating Budget respecting the Information and Technology Division, subject to increasing gapping from 1.45 percent to 2.0 percent resulting in an increase of gapping from \$305,300.00 to \$420,850.00, being a savings of \$115,500.00.

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(H) Legal Services:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Legal Services Division; and
- (2) the adoption of the 2003 EMT New and Enhanced requests respecting Legal Services.

(I) Service Improvement and Innovation:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Service Improvement and Innovation Division; and
- (2) the adoption of the 2003 New and Enhanced requests respecting the Service Improvement and Innovations Division.

(II) Finance:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Finance Department, subject to:
 - (i) Parking Tag Administration being reduced by \$30,000.00;
 - (ii) closure of the North York stationery store (FS-Z014);
 - (iii) Accounting Services salaries budget being increased by \$75,000.00 to enable the Finance Department (Accounting Services Division) to employ an individual, on a temporary contract basis, at the level of a Senior Financial Analyst to oversee various commodity tax functions;
 - (iv) the Interdepartmental Recovery's (IDR's) in the Accounting Services budget being increased by \$75,000.00 representing a transfer from non-program expenditures;
 - (v) non-programs – other revenues budget being increased by \$75,000.00 (based on anticipated commodity tax savings); and

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- (vi) the Interdepartmental charges (IDE's) in the non program budget being increased by \$75,000.00 representing the transfer to the Accounting Services budget, which results in a net zero impact to the 2003 Finance Department budget; and
- (2) that staff be authorized to issue a Request for Proposal in order to engage a firm of tax specialists to perform a commodity tax audit for the City to identify, initiate and secure refunds of Goods and Services Tax and/or Provincial Sales Tax, if applicable and to recommend any necessary changes in the manner that the City currently processes transactions in order to maximize commodity tax savings.

(III) Chief Administrator's Office:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Chief Administrator's Office;
- (2) approval of the business case and the EMT recommended operating base budget for the Internal Audit Function subject to:
 - (i) hiring only four positions;
 - (ii) reflecting gross expenditures of \$450,000.00; and
 - (iii) working in consultation with the Chief of Police to provide internal audit services to the Toronto Police Services.

(IV) Council:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Council Budget subject to:
 - (i) each Councillor's Global Office Budget being reduced from \$53,100.00 to \$45,000.00 for a reduction of \$356,400.00; and
 - (ii) the Food Services Budget being reduced by 50 percent to \$50,000.00;
- (2) that the Council policy be amended such that all staff salary, benefit and lieu time payments be charged against a Councillor's salary budget; and where the staff salary budget is exhausted, salary, benefit and lieu time payment be charged against the Councillor's Global Office Budget;

- (3) that the salaries and benefits for three staff to which every Member of Council is entitled, be transferred from the Council Budget to the Mayor's Office Budget together with the appropriate funds totalling \$213,179.00;
- (4) that the Human Rights, Harassment and Hate Activity Policy adopted by Council on December 16 and 17, 1998, be amended to provide that when a Councillor or Councillors cannot agree and outside legal services and counselling services have to be obtained, that such costs be borne by the individual councillor or councillors from their personal funds, not taxpayers money;
- (5) that a Members Services Committee be established comprised of Members of Council; and that the City Clerk be requested to submit a report to the Administration Committee on the Terms of Reference for the aforementioned Committee; and
- (6) that each Member of Council and their staff be required to pay for personal long distance telephone calls.

(V) Mayor's Office:

Recommended to the Budget Advisory Committee:

- (1) the adoption of the 2003 EMT recommended Operating Budget respecting the Mayor's Office;
- (2) that the four Mayor's staff that are currently part of the staff complement in the City Clerk's Office (Customer Service) be transferred to the Mayor's Office together with the appropriate funds totalling \$205,185.00;
- (3) that three staff positions be transferred from the Council Budget to the Mayor's Office Budget, totalling \$213,179.00; and
- (4) that no expenses of the Mayor or his staff be paid out of any other departmental budget.

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

The Budget Advisory Committee adjourned its meeting at 11:45 a.m.

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Chair