



City Budget 2013

Legal Services Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for the City.

2013 Operating Budget

2013 OPERATING BUDGET ANALYST BRIEFING NOTES

BUDGET COMMITTEE, NOVEMBER 29, 2012

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Contacts: Judy Broughton
 Manager, Financial Planning
 Tel: (416) 392-8393

Colin Williams
 Financial Planning Analyst
 Tel: (416) 395-6770

PART I: RECOMMENDATIONS

2013 Recommended Operating Budget
(In \$000s)

(In \$000s)	2012		2013 Recommended Operating Budget			Recommended Operating Budget v. 2012 Appvd. Budget		FY Incremental Outlook	
	Approved Budget	Projected Actual	2013 Rec. Base	2013 Rec. New/Enhanced	2013 Rec. Budget	\$	%	2014	2015
	\$	\$	\$	\$	\$			\$	\$
GROSS EXP.	42,166.4	42,060.6	44,488.0	322.9	44,810.9	2,644.5	6.3%	572.7	548.3
REVENUE	22,990.9	24,738.3	25,828.4	105.8	25,934.2	2,943.3	12.8%	0.0	0.0
NET EXP.	19,175.5	17,322.3	18,659.6	217.1	18,876.7	(298.8)	(1.6)%	572.7	548.3
Approved Positions	285.0	285.0	285.0	9.0	294.0	9.0	3.2%	0.0	0.0

Recommendations

The City Manager and Acting Chief Financial Officer recommend that:

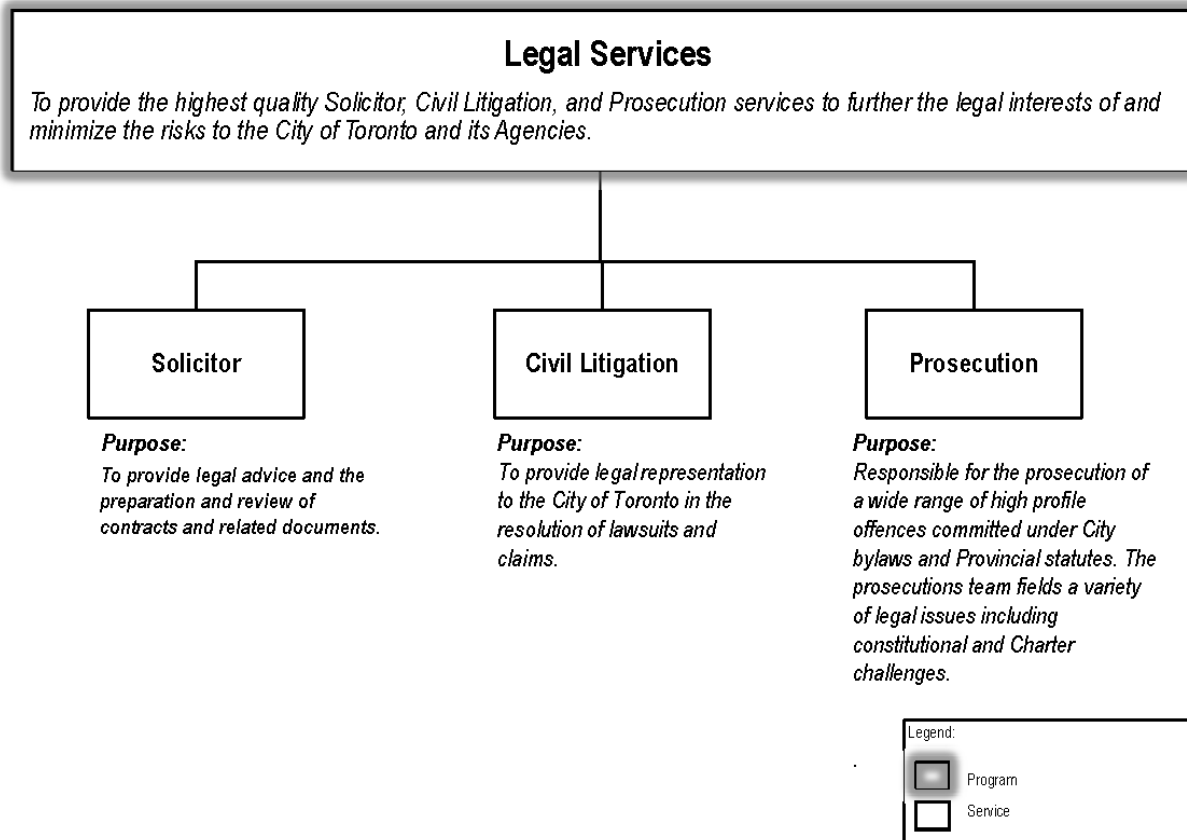
1. City Council approve the 2013 Recommended Operating Budget for Legal Services of \$44.811 million gross and \$18.877 million net, comprised of the following services:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Municipal	6,540.8	3,331.3
Litigation	7,400.2	2,909.6
Administration	2,443.4	2,137.9
Planning & Tribunal	5,313.0	2,830.7
Real Estate	5,962.3	3,736.3
Employment	2,768.5	2,714.5
Prosecutions	14,382.7	1,216.5
Total Program Budget	<u>44,810.9</u>	<u>18,876.7</u>

2. Legal Services' services and 2013 proposed service types, as outline on pages 3 to 4, and associated staff complement of 294.0 positions be approved.
3. City Council approve the transfer of user fees listed in Appendix 6(v) from Legal Services to Revenue Services, and the appropriate adjustments be made to Municipal Code Chapter 441 "Fees and Charges".

PART II: 2013 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles



Service Customer

Solicitor

- Mayor and City Council
- City Divisions
- Agencies

Civil Litigation

- Mayor and City Council
- City Divisions
- Agencies

Prosecution

- Mayor and City Council
- City Divisions
- Agencies
- Municipal Bylaw offender
- Provincial Statute offender

2013 Recommended Service Levels

The 2013 proposed types of activities for Legal Services' are summarized in the table below:

Service Types and Service Levels

Service	Activity	Sub-Activity	Type	Sub-Type	Approved 2012 Service Levels	Proposed 2013 Service Levels
Solicitor			Legal advice/opinion/risk mitigation/advocacy			
			Negotiate/draft/contracts/agreements			
			Draft/review by-laws			
			Review/prepare reports			
			Negotiate/complete land transactions			
			Title searches			
			Conveyancing registrations			
Civil Litigation			Collective Bargaining			
			Client education			
			Legal advice/opinion/risk mitigation/advocacy			
			Client education			
			Represent City in Court			
Prosecution			Represent City at Administrative Tribunals			
			Represent City at Arbitrations			
			Client education			
			Prosecute Traditional Municipal Charges			
			Prosecute Provincial Offences Act charges			
			Prosecute parking ticket charges			
			Represent City in POA Appeal Court			
			Represent City in Superior Court on property standards appeals			

2013 Service Deliverables

The 2013 Recommended Operating Budget of \$44.811 million gross provides funding to:

- Conduct Arbitrations and Mediations, Pre-Trials, Hearings of Necessity and Discoveries.
- Attend Committee/Community Councils, Court, Tribunal Hearings, and City Council meetings.
- Prosecute a wide range of City by-laws and Provincial statute violations, including:
 - Inspector training and agreement negotiations relating to provincial offences.
- Provide strategic and legal advice in the following practice areas:
 - Municipal Law: Provide expert legal advice and opinions related to issues within City operations and corporate initiatives including contract negotiations and drafting.
 - Planning and Tribunal Law: Provide advice to City Council and staff on the use and development of land and policy related matters.
 - Real Estate Law: Provide assistance and advice on a wide-range of diverse and sophisticated real estate transactions relating to the City's property interests.
 - Employment Law: Provide assistance and legal advice to the City and its Agencies, Boards and Commissions relating to Employment law and issues arising from collective agreements between the City and its unions.
- Represent and defend the City of Toronto at all levels of courts and tribunals which include the Ontario Municipal Board, the Alcohol and Gaming Commission, the Labour Relations Board, the Human Rights Tribunal and the Workplace Safety and the Insurance Appeals Tribunal.

PART III: RECOMMENDED BASE BUDGET

**2013 Recommended Base Budget
(In \$000s)**

(In \$000s)	2012 Approved Budget	2013 Rec'd Base	Change 2013 Recommended Base vs. 2012 Appvd. Budget		FY Incremental Outlook	
			\$	%	2014	2015
	\$	\$	\$	%	\$	\$
GROSS EXP.	42,166.4	44,488.0	2,321.6	5.5%	572.7	548.3
REVENUE	22,990.9	25,828.4	2,837.5	12.3%	0.0	0.0
NET EXP.	19,175.5	18,659.6	(515.9)	(2.7)%	572.7	548.3
Approved Positions	285.0	285.0				

2013 Recommended Base Budget

The 2013 Recommended Base Budget of \$44.488 million gross and \$18.660 million net is \$0.516 million or 2.7% under the 2012 Approved Budget of \$19.176 million net. The 2013 Recommended Base Budget provides \$2.322 million in funding for base budget increases, representing an increase of 5.5% over the 2012 Approved Budget, offset by \$0.056 million in recommended service budget reductions and \$2.419 million in recommended revenue increases bringing Legal Services' base budget to \$0.516 million or 2.7% below the budget target of a 0% increase.

- The recommended base budget reductions of \$0.056 million are attributable to a realignment of salaries and benefits budget based on past experience.
- The recommended base budget includes an increase in recoveries for other programs totaling \$2.419 million.
- Approval of the 2013 Recommended Base Budget will result in no change to the Program's approved staff complement as highlighted in the table below:

**2013 Recommended Staff Complement
Base Budget Summary**

Changes	Staff Complement
2012 Approved Complement	285.0
- 2012 In-year Adjustments	
2012 Approved Staff Complement	285.0
2013 Recommended Staff Complement Changes	
- 2013 Temporary Complement - Capital Project Delivery	
- 2013 Operating Impacts of Completed Capital Projects	
- 2013 Service Change Adjustments	
Total 2013 Recommended Complement	285.0

2013 Recommended Service Change Summary (In \$000s)

Description	2013 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% Change over 2012 Budget	2014		2015	
					Net Expenditure	Position Change	Net Expenditure	Position Change
Base Changes:								
Base Expenditure Changes								
Realigning salary budget based on actual expenditures		(56.1)	(56.1)	(0.3)				
Total Base Budget Changes		(56.1)	(56.1)	(0.3)				

2013 Recommended Service Changes

The 2013 recommended service changes consist of base expenditure reductions of \$(0.056) million, representing a decrease of 0.3% from the 2012 Approved Budget, which partially offsets the Program's incremental base budget pressures of \$2.322 million or a 5.5% increase, bringing the 2013 Recommended Base Budget to \$0.516 million or 2.7% below the 2012 Approved Budget of \$19.176 million.

Base Expenditure Changes: *\$(0.056) million gross, savings of \$0.056 million net*

Realigning Salary and Benefits Budget to Actual Experience

- The salaries and benefits budget was adjusted to reflect the hiring of junior staff to replace vacated senior level positions resulting in a net savings of \$0.056 million.

2014 and 2015 Outlook (In \$000s)

Description	2014 - Incremental Increase					2015 - Incremental Increase					Total Net % Change from 2013
	Gross Expense	Revenue	Net Expense	% Net Change from 2013	# Positions	Gross Expense	Revenue	Net Expense	% Net Change from 2014	# Positions	
Known Impacts											
Progression Pay, Step Increases, Cost of Living Adjustments and Benefit increases	572.6		572.6	3.0%		548.3		548.3	2.8%		5.9%
Total Incremental Impacts	572.6	0.0	572.6	3.0%		548.3		548.3	2.8%		5.9%

Approval of the 2013 Recommended Base Budget for Legal Services will result in a 2014 incremental cost increase of \$0.573 million and a 2015 incremental cost increase of \$0.548 million to maintain 2013 service levels.

Future year incremental costs are primarily attributable to the following:

Known Impacts

- For 2014, the incremental expenditures are projected to be \$0.573 million. This includes:
 - Step, progression pay, cost of living and fringe benefit increases (\$0.573 million).
- For 2015, the incremental expenditures are projected to be \$0.548 million. This includes:
 - Step, progression pay, cost of living and fringe benefit increases (\$0.548 million).

PART IV: RECOMMENDED NEW/ENHANCED SERVICE PRIORITY ACTIONS

**2013 Recommended New/Enhanced Service Priority Actions
(In \$000s)**

Description	2013 Recommended			Net Incremental Impact			
	Gross Expense	Net Expenditures	New Positions	2014		2015	
				Net Expenditures	# Positions	Net Expenditures	# Positions
New Service Priority Actions							
- New Services							
Solicitor for Committee of Adjustment Appeals	217.1	217.1	1.0	5.2		5.3	
One Solicitor for Insurance Claims	105.8	0.0	1.0				
Early Resolution Process	0.0	0.0	7.0				
Total New / Enhanced Service Priorities	322.9	217.1	9.0	5.2		5.3	

2013 Recommended New / Enhanced Service Priority Actions

New Service Priorities

Solicitor for Committee of Adjustment Appeals

- During the 2012 budget process, a service change was approved that deleted one permanent solicitor position and reduced funding for outside planning consultants, totaling \$0.171 million. This reduction was in anticipation of a policy change proposed by Legal Services. A report was considered by the Planning and Growth Committee that would limit Legal Services' attendance at Committee of Adjustments to those appeals that support the official plan and/or staff recommendations. The report was deferred until such time when City Council considers the establishment of a local appeals body. It is recommended that the funding be reinstated to enable Legal Services to attend all Committee of Adjustment appeals as directed by City Council.

Request to Hire a Solicitor for Insurance Claims

- Due to an expected increase in the volume of work for 2013, it is recommended that \$0.106 million for one permanent junior solicitor for insurance claims work be approved. There is no net impact on Legal Services' 2013 Operating Budget as the position is funded through the Insurance Reserve.

Early Resolution Process

- The Government of Ontario amended the Provincial Offences Act, 1990 to provide a new Early Resolution procedure. As of March 31, 2012, an individual who receives a ticket, other than a parking ticket, may either request a trial or a meeting with a City prosecutor. It is anticipated from preliminary experience in 2012 that the requests for trial will be reduced by up to 20%, thereby decreasing both court and police officer time and resources resulting in an overall net savings to the City of Toronto.
- In order to effectively respond to this new process while prosecuting trials previously scheduled, 7 new temporary positions (6 Prosecutors and 1 Legal Assistant), with a total cost of \$0.694 million is required in 2013. The positions will be funded through Court Services' Operating Budget.

PART V: ISSUES FOR DISCUSSION

2013 and Future Year Issues**2013 Issues***Development Application Review Process (DARP)*

- At its meeting of January 17, 2012, City Council adopted a report entitled "Development Application Review Fees" that recommended full cost recovery for efforts to support the development review process. It further recommended that each Program that assisted the process should recover the costs of their efforts. The revised fee structure included in the report was effective April 2, 2012 with fees budgeted in the Non-Program Revenue Budget and apportioned to the respective Programs. Legal Services' 2012 Approved Operating Budget has been adjusted by \$0.464 million to reflect this respective cost recovery revenue portion transferred from the Non-Program Revenue Budget.
- In the future, DARP fees will be adjusted to maintain full cost recovery.

2013 Recommended User Fee Changes

- In accordance with the City's User Fee policy, inflationary increases automatically apply to most user fees. Please see Appendix 6(ii) for User Fee increases as a result of inflation. In addition, several user fees have been transferred to the Office of the Treasurer – Revenue Services Division. These are outlined in Appendix 6(v).

Appendix 1 2012 Performance

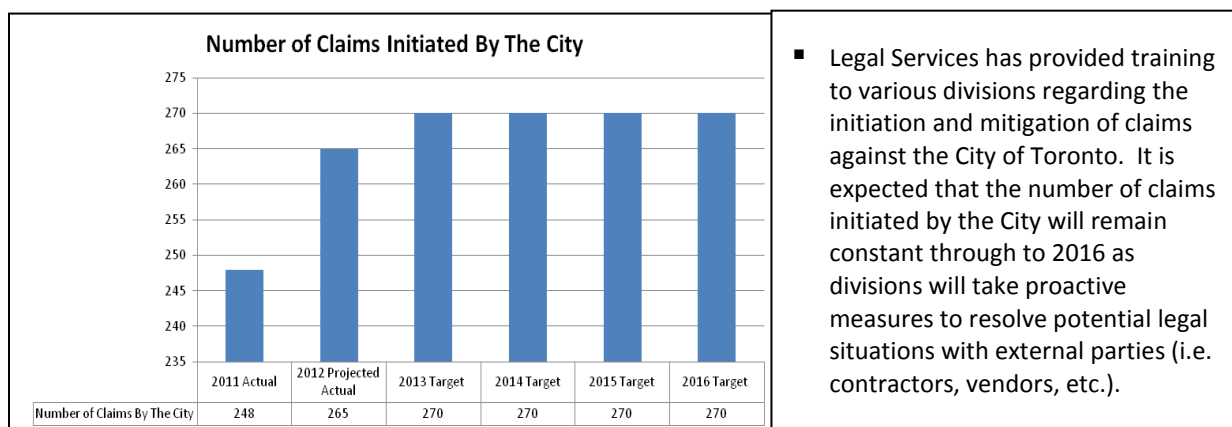
2012 Key Accomplishments

In 2012, Legal Services achieved the following results:

- ✓ Provided strategic legal advice regarding the 2015 Pan-Am Games.
- ✓ Implemented an Early Resolution Process (First Attendance) under Bill 212 in Provincial Offences Act Courts.
- ✓ Provided strategic legal advice respecting the Revised Harmonized Zoning By-law.
- ✓ Represented the City's interests at the Court of Appeal on Third Party Sign Tax appeal.
- ✓ Finalized the Toronto Port Authority Master Agreement and land transaction relating to the pedestrian tunnel.
- ✓ Completed and closed the sale transaction of the Corus site.
- ✓ Provided strategic legal advice respecting the Review of the Taxicab industry.
- ✓ Provided strategic legal advice respecting Collective Bargaining with expiry of Collective Agreements at the end of 2011.
- ✓ Provided strategic legal advice respecting the Core Service Review.
- ✓ Represented City's interests in challenge of Pavement Degradation Fee.

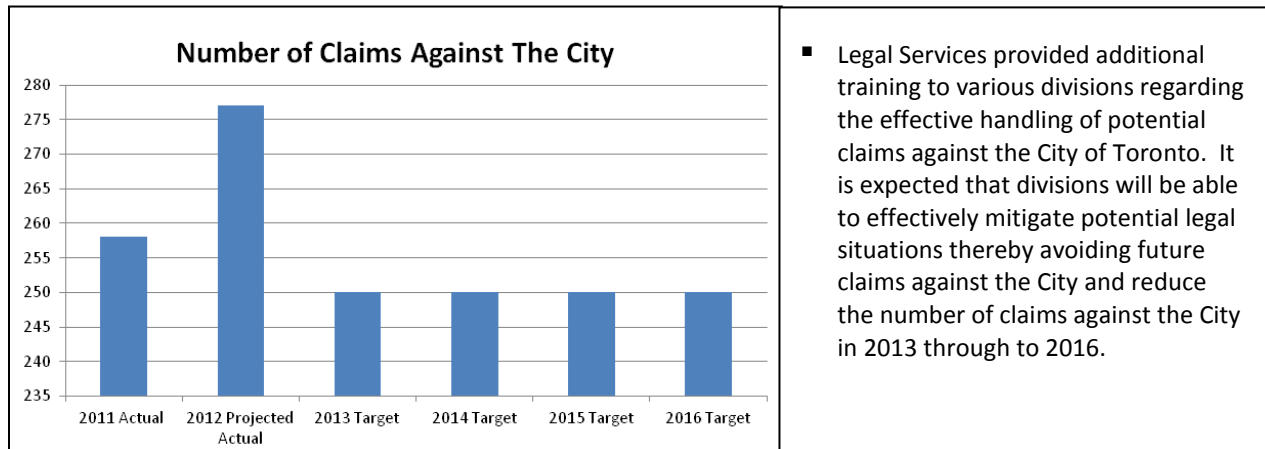
2012 Performance

Efficiency – Claims Initiated by the City of Toronto

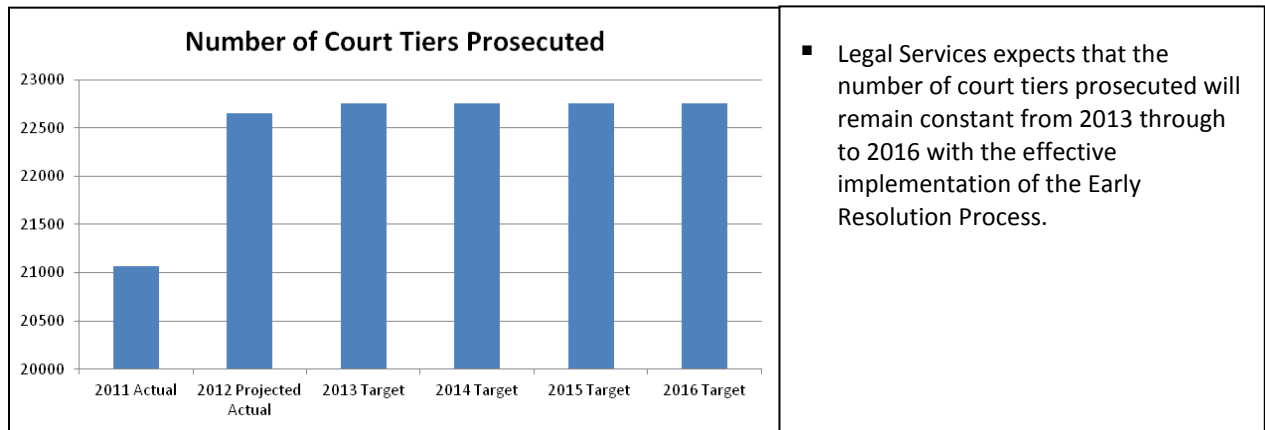


Legal Services has provided training to various divisions regarding the initiation and mitigation of claims against the City of Toronto. It is expected that the number of claims initiated by the City will remain constant through to 2016 as divisions will take proactive measures to resolve potential legal situations with external parties (i.e. contractors, vendors, etc.).

Efficiency – Claims Against the City of Toronto



Efficiency – The Number of Court Tiers Prosecuted in the City of Toronto



2012 Budget Variance Analysis

2012 Budget Variance Review (In \$000s)

(In \$000s)	2010 Actuals	2011 Actuals	2012 Approved Budget	2012 Projected Actuals*	2012 Approved Budget vs Projected Actual Variance	
	\$	\$	\$	\$	\$	%
Gross Expenditures	41,459.2	43,645.0	42,166.4	42,060.6	(105.8)	(0.3)
Revenues	24,595.7	25,743.4	22,990.9	24,738.3	1,747.4	7.6
Net Expenditures	16,863.5	17,901.6	19,175.5	17,322.3	(1,853.2)	(9.7)
Approved Positions	280.0	287.0	285.0	285.0		

* Based on the 3rd Quarter Operating Budget Variance Report.

2012 Experience

- The third quarter variance for Legal Services projects that the Program will be \$1.853 million or 9.7% below the 2012 Approved Operating Budget of \$19.176 million net by year-end.
- The projected favourable year-end variance is primarily due to higher than planned recoveries for unforeseeable additional work related to insurance claims undertaken by the Program.

Impact of 2012 Operating Variance on the 2013 Recommended Budget

- There is no impact of the 2012 Operating Variance on the 2013 Recommended Budget.

Appendix 2

2013 Recommended Operating Budget by Expenditure Category and Key Cost Driver

Program Summary by Expenditure Category (In \$000s)

Category of Expense	2010	2011	2012	2012	2013	2013 Change from		2014	2015
	Actual	Actual	Budget	Projected Actual	Recommended Budget	2012 Approved Budget		Outlook	Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	31,629.7	33,927.2	34,759.9	33,910.6	36,261.9	1,502.0	4.3%	36,834.5	37,382.8
Materials and Supplies	441.7	342.2	336.7	382.2	336.7	0.0	0.0%	336.7	336.7
Equipment	63.4	57.4	24.5	43.4	64.5	40.0	163.3%	64.5	64.5
Services & Rents	2,357.5	1,737.2	1,297.4	1,972.9	1,393.4	96.0	7.4%	1,393.4	1,393.4
Contributions to Capital									
Contributions to Reserve/Res Funds	56.0	58.1	58.9	58.9	58.9	0.0	0.0%	58.9	58.9
Other Expenditures	0.2	0.2	0.0	0.1	0.0	0.0	n/a	0.0	0.0
Interdivisional Charges	6,910.7	7,522.7	5,689.0	5,692.5	6,695.6	1,006.6	17.7%	6,695.6	6,695.6
TOTAL GROSS EXPENDITURES	41,459.2	43,645.0	42,166.4	42,060.6	44,810.9	2,644.6	6.1%	45,383.6	45,931.9
Interdivisional Recoveries	19,956.5	20,318.1	17,932.6	20,701.2	20,352.0	2,419.4	13.5%	20,352.0	20,352.0
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	1,904.8	2,254.8	1,961.5	1,421.6	2,425.4	463.9	23.7%	2,425.4	2,425.4
Transfers from Capital Fund	942.2	683.3	607.7	468.5	606.3	(1.4)	(0.2%)	606.3	606.3
Contribution from Reserve Funds	0.0	88.7	300.0	134.0	300.0	0.0	0.0%	300.0	300.0
Contribution from Reserve									
Sundry Revenues	1,792.2	2,398.5	2,189.1	2,013.0	2,250.5	61.4	2.8%	2,250.5	2,250.5
TOTAL REVENUE	24,595.7	25,743.4	22,990.9	24,738.3	25,934.2	2,943.3	11.4%	25,934.2	25,934.2
TOTAL NET EXPENDITURES	16,863.5	17,901.6	19,175.5	17,322.3	18,876.7	(298.7)	(1.6%)	19,449.4	19,997.7
APPROVED POSITIONS	280.0	287.0	285.0	285.0	294.0	9.0	3.2%	294.0	294.0

2013 Key Cost Drivers

Salaries and Benefits is the largest expenditure category and accounts for 80.9% of the total expenditures, followed by Interdivisional Charges at 14.9% and Services and Rents at 3.1%.

- The 2013 Recommended Budget for Salaries and Benefits of \$36.262 million is \$1.502 million or 4.4% higher than the 2012 Approved Operating Budget.
 - This increase is partially attributable to progression pay (\$0.137 million), step increases (\$0.068 million), cost of living adjustments (\$0.047 million), maintenance of 2012 fringe benefits and the 0.9% OMERS rate increase (\$0.330 million).
 - In addition, Legal Services staff complement is recommended to be increased by 9.0 positions, 2.0 permanent Solicitors, 6.0 temporary Prosecutors and 1.0 temporary Legal Assistant. The increase in staff complement will increase salaries and benefit costs by \$0.940 million.

- The 2013 Recommended Budget for Services and Rents of \$1.393 million is \$0.096 million or 7.4% higher than the 2012 Approved Operating Budget.
 - This increase is attributable to consultant and planning fees associated with Committee of Adjustment appeals (\$0.076 million) and cellular communication devices (\$0.020 million).
- The 2013 Recommended Budget for interdivisional charges of \$6.696 million is \$1.007 million or 17.7% higher than the 2012 Approved Operating Budget.
 - This is attributable to an alignment of the 2013 budgeted amount to actual experience with the Toronto Police Service (\$1.007 million).
- Approximately \$20.352 million or 45.4% of the Program's gross operating budget is funded through interdivisional recoveries.
 - In 2013, the Program will be increasing the legal services provided to various divisions, with the largest recovery increases attributed to Court Services (\$1.945 million), Shelter, Support & Housing Administration (\$0.056 million) and Solid Waste Management (\$0.040 million).
- User fees accounts for \$2.425 million or 5.4% of the 2013 Recommended Budget and reflects an increase of \$0.464 million; attributable to the Development Application Review Process (\$0.464 million).
- The changes in sundry revenues (\$0.061 million) reflect projected increases for legal fees reimbursed (i.e. photocopies, transcripts, courier, etc.), restitution repayments, and insurance recoveries for damage claims on City property.

The 2013 Recommended Budget provides funding for the following:

Prior Year Impacts

- Annualized costs for two previously approved temporary Solicitor positions (\$0.061 million gross) to assist with the Transit Expansion Plan that is fully funded by Metrolinx for a net \$0 impact.

Economic Factors

- Progression pay, step increases, and COLA that total \$0.252 million.
- The 2013 OMERS rate increase of 0.9% and fringe benefit increases requires an additional \$0.330 million.

Other Base Changes

- Analysis of budgeted salaries compared to actual costs results in savings of \$0.056 million.
- Legal Services will increase gapping by \$0.025 million to maintain its current 5.9% gapping rate.
- The Program has increased expenditures for computer hardware (\$0.020 million), ergonomic furnishings (\$0.020 million) and cellular devices (\$0.020 million).
- Interdivisional charges from the Toronto Police Service will increase by \$1.007 million.

Base Revenue Changes

- Recoveries for Legal Services from various divisions will increase by \$2.419 million, primarily Court Services (\$1.945 million), Shelter, Support & Housing Administration (\$0.056 million) and Solid Waste Management (\$0.040 million).
- Local Board charge backs have increased by \$0.012 million to align the 2013 Operating Budget with actual costs.
- Annualized revenue from the Development Application user fee provides an additional \$0.464 million in 2013.

Appendix 4
Summary of 2013 Recommended New
/Enhanced Service Priority Actions



2013 Operating Budget - New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	OTHER CITY PROGRAMS Legal Services	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	1	Solicitor for Committee of Adjustment Appeals	217.1	0.0	217.1	1.0	0.0	0.0
(LL-N001)		<p>Service / Activity: Planning & Admin Tribunal Law / N/A</p> <p>Description: On October 6, 2011, the Planning and Growth Management Committee considered a report entitled "The Legal Services Attendance at Ontario Municipal Board Hearings of Appeals of Committee of Adjustment Decisions" which have reduced Legal Services' attendance at Committee of Adjustments hearings. The report was not approved. During the 2012 Budget process, a service change was approved that deleted one permanent solicitor position and reduced funding for outside planning consultants, totalling \$0.171 million. As City Council continues to request the City Solicitor to attend the same number of Committee of Adjustment hearings (approximately 50 per year), Legal Services requires the reinstatement of the deleted Solicitor position.</p> <p>It is recommended that the Solicitor position (\$0.141 million) and the funding for outside planners (\$0.076 million) to support Committee of Adjustment Hearings be restored.</p> <p>Service Level Change: N/A</p> <p>ADMIN:</p>						
			217.1	0.0	217.1	1.0	0.0	0.0
N2	1	One Additional Solicitor for Insurance Claims	105.8	105.8	0.0	1.0	0.0	0.0
(LL-N002)		<p>Service / Activity: Litigation / N/A</p> <p>Description: Legal Services has experienced a substantial, continuous increased workload associated with insurance claims against the City. In consultation with Insurance and Risk Management, it was determined that it would be advantageous for the City of Toronto to hire a junior solicitor in response to the increasing claims related responsibilities. The new position will be fully funded from the Insurance Reserve in the amount of \$0.106 million. The position will become effective immediately following the approval of the 2013 Operating Budget.</p> <p>It is recommended that Legal Services increase their expenditures by \$0.106 million, \$0 net and staffing complement by one permanent Solicitor to manage the increased Claims affiliated workload.</p> <p>Service Level Change: N/A</p> <p>ADMIN:</p>						
			105.8	105.8	0.0	1.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue



2013 Operating Budget - New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	OTHER CITY PROGRAMS Legal Services	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N3	1	Early Resolution Process	0.0	0.0	0.0	0.0	0.0	0.0
(LL-N003)		Service / Activity: MULTIPLE / N/A						
		Description:						
		The Government of Ontario amended the Provincial Offences Act, 1990 to incorporate an Early Resolution initiative, which took effect in March 2012. Preliminary studies conducted through Legal Services and Court Services, indicate that the adoption of an Early Resolution Process has the potential to decrease the overall number of trial requests by up to 20% resulting in a reduction of court and police officer time and resources, thereby rendering an overall net savings to the City of Toronto.						
		To effectively respond to the volume of Early Resolution requests, the it is recommended that Legal Services increase their staffing complement by 6 new temporary Prosecutors and 1 new temporary Legal Assistant, with a total cost of \$0.694 million in 2013, funded through Court Services' Operating Budget.						
		Service Level Change:						
		ADMIN:	0.0	0.0	0.0	7.0	0.0	0.0
Total Recommended New/Enhanced:			322.9	105.8	217.1	9.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2013 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2013 Capital
- N4 - New Services
- N5 - New Revenues
- N6 - New User Fee Revenue

Appendix 5
Inflows / Outflows to / from Reserves & Reserve Funds
(In \$000s)

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2012 *	Proposed Withdrawals (-) / Contributions (+)		
			2013	2014	2015
			\$	\$	\$
Insurance Reserve Fund	XR1010	21,258.9	58.9	58.9	58.9
Total Reserve / Reserve Fund Draws / Contributions			58.9	58.9	58.9

* Based on 3rd Quarter Variance Report

Appendix 6 (ii, v)

2013 Recommended User Fee Changes Inflation and Other Adjustments

2013 Recommended User Fee Changes (ii)

Ref #	User Fee Description	Fee Category	Fee Unit/Basis	2012 Fee (A)	Inflationary Adjusted Fee (B)	2013 Recommended Fee (D)	2013 Incremental Revenue
LEGAL SERVICES							
1	Surrender, Discharge, Release or Assumption documentation	Full Cost Recovery	Per document	\$225.68	\$230.64	\$230.64	\$463,922
2	Discharge of Mortgage	Full Cost Recovery	Per discharge	\$225.68	\$230.64	\$230.64	
3	Consent to document registration	Full Cost Recovery	Per consent	\$225.68	\$230.64	\$230.64	
4	Correcting Deed	Full Cost Recovery	Per deed	\$225.68	\$230.64	\$230.64	
5	Compliance Request	Full Cost Recovery	Per property	\$225.68	\$230.64	\$230.64	
6	Due Diligence Request by Purchasers of Municipal Property	Full Cost Recovery	Per request	\$225.68	\$230.64	\$230.64	
7	Review Tenant's Notice of Lease	Full Cost Recovery	Per notice	\$225.68	\$230.64	\$230.64	
8	Renewal of Lease/Licence	Full Cost Recovery	Per renewal	\$452.39	\$462.34	\$462.34	
9	Lease/Licence Amending Agreement	Full Cost Recovery	Per agreement	\$452.39	\$462.34	\$462.34	
10	Response to Applications for First Registration in Land Titles	Full Cost Recovery	Per application	\$452.39	\$462.34	\$462.34	
11	Encroachment Agreement	Full Cost Recovery	Per agreement	\$564.72	\$577.14	\$577.14	
12	Easement Agreement	Full Cost Recovery	Per agreement	\$564.72	\$577.14	\$577.14	
13	Preparation of Nominal Sum Lease or Licence	Full Cost Recovery	Per document	\$564.72	\$577.14	\$577.14	
14	Consent to Applications Where City is Interested Party	Full Cost Recovery	Per consent	\$564.72	\$577.14	\$577.14	
15	Landlord's or Tenant's Lease Acknowledgement (a) routine	Full Cost Recovery	Per acknowledgement	\$339.03	\$346.49	\$346.49	
16	Landlord's or Tenant's Lease Acknowledgement (b) complex	Full Cost Recovery	Per acknowledgement	\$1,129.43	\$1,154.28	\$1,154.28	
17	Consent to Assignment or Sublet of Lease/Licence (a) routine	Full Cost Recovery	Per consent	\$564.72	\$577.14	\$577.14	
18	Consent to Assignment or Sublet of Lease/Licence (b) complex	Full Cost Recovery	Per consent	\$2,259.90	\$2,309.62	\$2,309.62	
19	Consent to Security Documents or a refinancing (a) routine	Full Cost Recovery	Per consent	\$564.72	\$577.14	\$577.14	
20	Consent to Security Documents or a refinancing (b) complex	Full Cost Recovery	Per consent	\$2,259.90	\$2,309.62	\$2,309.62	
LEGAL SERVICES - TOTAL							\$463,922

2013 Recommended Transfer of User Fees (v)

Ref #	Activity	User Fee Description	Fee Unit/Basis	2012 Fee	Division Transferred To
21	Solicitor (n/a)	Registration of Tax Arrears Certificate	Fee + Actual costs (i.e. including title search, execution search & registration)	\$750.00 + Actual costs	Revenue Services
22	Solicitor (n/a)	Preparation & Notice of Registration	Per notice + Actual cost (*actual costs refers to actual disbursements)	\$25.00/ notice + Actual costs*	Revenue Services
23	Solicitor (n/a)	Preparation of Statutory Declaration	Per declaration	\$150.00	Revenue Services
24	Solicitor (n/a)	Preparation and Registration of Tax Arrears Cancellation Certificate	Fee + Actual costs	\$150.00 + Actual costs	Revenue Services
25	Solicitor (n/a)	Execution of Extension Agreement	Per agreement	\$500.00	Revenue Services
26	Solicitor (n/a)	Preparation of Final Notice	Per notice + actual costs	\$25.00/ notice + Actual costs	Revenue Services
27	Solicitor (n/a)	Preliminary Observation Report	Per report	\$250.00	Revenue Services
28	Solicitor (n/a)	Preparation of Tender Forms For Public Sale	Per notice	\$25.00	Revenue Services
29	Solicitor (n/a)	Public Tender Application	Due upon pick up	\$25.00	Revenue Services
30	Solicitor (n/a)	Sale by Public Tender	Fee + Actual costs (i.e. advertising)	\$400.00 + Actual costs	Revenue Services
31	Solicitor (n/a)	Preparation of Land Transfer	Fee + Actual costs	\$500.00 + Actual Costs	Revenue Services
32	Civil Litigation (n/a)	Payment into Court and Statement of Facts	Fee + Actual cost	\$275.00 + Actual Costs	Revenue Services
33	Solicitor (n/a)	Charges for Surveys, Advertising, Soil Testing, Preparation and Placement of	Actual costs	variable-(Actual costs)	Revenue Services
34	Solicitor (n/a)	Farm Debt Review Board	Per Review + Actual cost	\$25.00 + Actual costs	Revenue Services
35	Solicitor (n/a)	Registered Mail Costs	Per mail	Variable -(Actual costs)	Revenue Services
36	Solicitor (n/a)	Registration File Folders	Per file folder	Variable -(Actual costs)	Revenue Services