

Attachment 1 - Excerpts from Division and Agency Reports

Excerpt from TTC 2018 Operating Budget presentation (December 14, 2017)

Source: <https://www.toronto.ca/legdocs/mmis/2017/bu/bgrd/backgroundfile-109933.pdf>

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Actions to Achieve Budget Target Included in 2018 Preliminary Service Change Summary

TTC and Wheel-Trans Description (\$000s)	Total Service Changes		
	\$	\$	#
	Gross	Net	Position
Base Changes:			
Revised Forecast/Cost Estimate			
PRESTO	(4,700.0)	(4,700.0)	
TYSSE	(4,189.0)	(4,189.0)	
Impact of vehicles coming off warranty	(2,100.0)	(2,100.0)	
WT Ridership	(4,100.0)	(4,100.0)	
Other Adjustments	(800.0)	(800.0)	
Expenditure Reductions - Identified Following Original Submission			
Benefits	(6,200.0)	(6,200.0)	
Diesel - Consumption Rate	(3,800.0)	(3,800.0)	
Diesel (Hedging)	(2,100.0)	(2,100.0)	
Streetcar Way Design Changes	(500.0)	(500.0)	
T1 Speed Control System	(800.0)	(800.0)	
Line-By-Line:			
Hybrid Batteries - Reduced replacement requirement	(4,500.0)	(4,500.0)	
Departmental Non-Labour Reductions	(5,400.0)	(5,400.0)	
Natural Gas price adjustment	(1,000.0)	(1,000.0)	
WT Functional Assessments & Appeals	(300.0)	(300.0)	
Accident Claims	(3,000.0)	(3,000.0)	
Streetcar Leslie Barns gapping - LRV delay	(1,400.0)	(1,400.0)	
Base Expenditure Change	(44,889.0)	(44,889.0)	
Base Revenue Changes			
Stabilization Reserve		(14,000.0)	
VIP Program: Transfer to MDP		(500.0)	
Base Revenue Change		(14,500.0)	
Sub-Total	(44,889.0)	(59,389.0)	
Service Efficiencies			
Increased Use of Blanket Orders	(1,000.0)	(1,000.0)	
Core Management Process Improvements	(500.0)	(500.0)	
Aftermarket Warranty Program	(690.0)	(690.0)	1.0
Accounts Payable/Diesel Purchases	(800.0)	(800.0)	1.0
Sub-Total	(2,990.0)	(2,990.0)	2.0
Total Changes Following Original Submission	(47,879.0)	(62,379.0)	2.0

- Identified a further \$62.4M in reductions, efficiencies and bridging strategies to reduce base incremental subsidy requirement to \$23.6M.
- Other than the operating impact of YYSSE, this effectively represents absorption of all base cost pressures, without a fare increase.

Excerpt from TTC 2018 Operating Budget

Source: <https://www.toronto.ca/legdocs/mmis/2017/bu/bgrd/backgroundfile-109633.pdf>

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2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Agencies - Cluster Program - Toronto Transit Commission - Conventional	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
2018 Preliminary Base Budget Before Service Changes:			1,825,511.4	1,238,679.6	586,831.8	14,394.00	67,286.6	25,331.7

15169	
51	No Impact

Efficiencies

Description:

To support the Auditor General's recommendations in the report titled **Audit of Toronto Transit Commission Materials and Procurement Department, Phase One: Improving Controls to Safeguard Inventory**, May 12, 2016⁴, The Board request the Chief Executive Officer to improve the current core parts retrieval process at Toronto Transit Commission garages to account for and track the return of core parts for rebuild purposes⁵. The Board request the Chief Executive Officer to take steps to improve access controls to safeguard inventory at all Toronto Transit Commission satellite stores including: a. Assessing the costs and benefits of converting open stores to the 24/7 model b. Increasing staff compliance with the requirement to accurately record all inventory items removed from stores, and c. Exploring other options that can improve access controls to inventory at open stores

Service Level Impact:

Equity Statement:

There are no equity impacts.

Service: Toronto Transit Commission - Conventional Service

Preliminary Service Changes:	(3,090.0)	0.0	(3,090.0)	2.00	(2,700.0)	0.0
Total Preliminary Service Changes:	(3,090.0)	0.0	(3,090.0)	2.00	(2,700.0)	0.0

Excerpt from Office of the Treasurer 2018 Operating Budget

Source: <https://www.toronto.ca/wp-content/uploads/2017/12/934a-Treasurer-2018-Op-Budget-Notes-V2.pdf>

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New & Enhanced Not Included in the 2018 Preliminary Operating Budget

User Fees

- The following new user fee has not been included in the 2018 Operating Budget. However, this request is detailed here for Budget Committee's consideration in the 2018 Budget process
- **On the recommendation of the Auditor General, City Council requested that the Director, Revenue Services, evaluate whether an administrative fee can be charged for processing water bill refunds resulting from customer payment errors.** The Tax/Utility Account Refund fee is the response to that recommendation.

New / Enhanced Not included in the 2018 Preliminary Operating Budget (000s)	2018 Impact			Incremental Change			
	\$		Position	2019 Plan		2020 Plan	
	Gross	Net	#	Net	Pos.	Net	Pos.
New Revenue							
<i>New Fees:</i>							
Tax/Utility Account Refund fee		54.0		10.8			
Total New Revenue		54.0		10.8			
Total New / Enhanced Services		54.0		5.6			

Excerpts from the 2017 Facilities, Real Estate, Environment & Energy (FREEE) Operating Budget

Source:

https://www1.toronto.ca/City%20Of%20Toronto/Strategic%20Communications/City%20Budget/2017/Council%20approved%20budget%20notes/PB_2017%20Operating%20Budget_FREEE.pdf

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2017 Operating Budget

FREEE

Table 3
Actions to Achieve Budget Reduction Target
2017 Service Change Summary

Description (\$000s)	Service Changes						Total Service Changes			Incremental Change			
	Facilities		Real Estate		Environment &		\$	\$	#	2018 Plan		2019 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Base Changes:													
Base Revenue Changes													
User Fee Inflationary Increase		(10.1)		(12.2)		(4.4)		(26.7)					
Base Revenue Change		(10.1)		(12.2)		(4.4)		(26.7)					
Sub-Total		(10.1)		(12.2)		(4.4)		(26.7)					
Service Efficiencies													
Fleet Reduction	(118.5)	(118.5)					(118.5)	(118.5)					
Facilities Management (FM) Elimination of Vacant Positions	(803.7)	(684.1)					(803.7)	(684.1)	(8.5)				
Business Performance Management (BPM) Position Reductions	(208.4)	(208.4)					(208.4)	(208.4)	(2.0)				
City-Wide Strategic Initiative (CWSI) Position Reduction	(119.0)	(119.0)					(119.0)	(119.0)	(1.0)				
Change in Security Service Delivery at 18 Dyas	(60.0)	(60.0)					(60.0)	(60.0)					
Efficiencies in Security Preventative Maintenance	(100.1)	(100.1)					(100.1)	(100.1)					
Corporate Security Position Reduction	(151.9)	(151.9)					(151.9)	(151.9)	(1.0)				
Efficiencies in Facilities Preventative Maintenance	(200.0)	(200.0)					(200.0)	(200.0)		(300.0)			
Casual & Overtime Budget Reduction	(71.6)	(71.6)			(22.4)	(22.4)	(93.9)	(93.9)					
Change in Enhanced Security at City Hall	(165.0)	(165.0)					(165.0)	(165.0)					
Fleet Fuel Savings	(1.9)	(1.9)	(0.0)	(0.0)	(0.0)	(0.0)	(1.9)	(1.9)					
Addressing Lease Overholds			29.3	(412.2)			29.3	(412.2)					
Real Estate Services (RES) Position Reductions			(59.6)	(59.6)			(59.6)	(59.6)	(1.0)				
Sub-Total	(2,000.1)	(1,880.5)	(30.4)	(471.9)	(22.4)	(22.4)	(2,052.8)	(2,374.7)	(13.5)	(300.0)			
Service Adjustments													
Move to Standard Custodial Service Delivery for Toronto Police Locations	(849.6)	(0.0)					(849.6)	(0.0)	(4.0)				
Sub-Total	(849.6)	(0.0)					(849.6)	(0.0)	(4.0)				
Total Changes	(2,849.7)	(1,880.5)	(30.4)	(484.1)	(22.4)	(26.8)	(2,902.4)	(2,401.4)	(17.5)	(300.0)			

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Service Adjustments (Savings of \$0.850 million gross & \$0 net)

Move to Standard Custodial Service Delivery for Toronto Police Location

- A reduction to the custodial service level currently being delivered at Toronto Police locations will align the service level to the service standards developed corporately for all City facilities. This change will result in efficiency savings that will be passed on to Toronto Police Services. Currently, the level of service at Toronto Police facilities exceeds the corporate standard service levels.
- These service level changes will result in a reduction in part time hours for custodial staff that equates to \$0.250 million in savings and a reduction in 4.0 FTEs. In addition, contracted service needs will also be reduced, resulting in further savings of \$0.600 million in 2017.

Excerpts from the Facilities Management Budget Briefing Note

Source: <https://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-100695.pdf>



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2017 OPERATING BUDGET BRIEFING NOTE

Harmonizing Custodial Services at Police Stations

Issue/Background:

- This briefing note responds to Budget Committee motion 29.1 7c - That the Chief Corporate Officer provide a budget briefing note on the impacts of the harmonization of cleaning services at Police stations (locations).
- In 2015 as part of the Facility Management Service Standards Committee (FMSSC), Facilities Management (FM), in partnership with its client Divisions, developed the Custodial Standard Service Model (CSSM) with the goal of standardizing custodial service across all City Divisions that receive FM custodial service.
- One of the core benefits to the recommendations outlined in the Auditor General's Report (AG's Report) (2016.AU6.9) dated June 14, 2016 (*Opportunities to Control Costs, Improve Productivity and Enhance the Quality of Cleaning Services*) was that standardization of service delivery could improve FM's ability to control cost.
- FREEE's 2017 Preliminary Operating Budget includes the efficiency proposal to standardize custodial service at all Police locations.
- The AG's Report on Custodial services recommended standardizing custodial services to provide the following benefits:
 - Provide better data to control costs and provide value for the money
 - Ability to establish industry standard cleaning times and tasks for each facility
 - Contain the cost of providing the service
- These service delivery changes will contribute to Toronto Police Service's budget saving through lower part time hours for custodial staff, which equates to \$0.250 million in savings and a reduction in 4.0 FTEs. In addition, contracted service needs will also be reduced, resulting in further savings of \$0.600 million in 2017.