

Toronto 2018 BUDGET



OPERATING BUDGET NOTES



Legal Services

2018 OPERATING BUDGET OVERVIEW

Legal Services provides the highest quality of legal services to the City of Toronto and functions as a strategic resource for Council, City Divisions and Agencies. Legal Services responds to the increasing demand by the City for legal services and promotes risk management and various mitigation strategies.

2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$62.476 million gross and \$19.209 million net as shown below:

(in \$000's)	2017 Budget	2018 Preliminary Budget	Change	
			\$	%
Gross Expenditures	58,447.3	62,476.2	4,028.9	6.9%
Revenues	39,143.4	43,267.1	4,123.7	10.5%
Net Expenditures	19,304.0	19,209.1	(94.8)	(0.5%)

The 2018 Operating Budget reflects a net expenditure reduction of \$0.095 million, or 0.5% from the 2017 Approved Operating Budget. The reduction is primarily attributable to increased cost recoveries from internal client programs and contribution from reserves. The Program is able to more than offset the operating base budget pressures for salaries and benefits and additional resources required for to support key service priorities.

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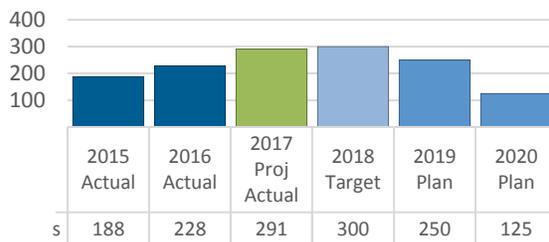
FAST FACTS

- 87% of cases resolved after prosecutor action through early resolution
 - Over 275 Ontario Municipal Board (OMB) hearings assigned and attended
 - 99.3% of employment law matters referred to Legal Services are handled by in-house counsel
 - Approximately 45,000 hours spent on drafting opinions/contracts/agreements
 - Approximately 112,000 hours spent reviewing contracts/agreements and other legal documents
- *The above are projections to year-end 2017.

TRENDS

- Approximately 20% of staff are eligible to retire over the next 5 years. As part of succession planning and a strategy to reduce salary and benefit costs, Legal Services continues to recruit junior lawyers, where feasible, to replace senior lawyers.
- Increase in the number of significant city-building projects requiring legal assistance.
- Increasing complexity in Prosecution cases is resulting in increasing costs as cases require more investigation, court time, staff resources, and research materials.
- The number of OMB hearings (excluding Liquor Licences Board hearings) has increased in 2017 and are expected to further increase in 2018 due to Bill 139. This number may reduce in future years if Bill 139 passes.
- Staff from Legal Services will be representing the City at the Toronto Local Appeal Body (TLAB) in 2018.

of OMB Hearings Heard

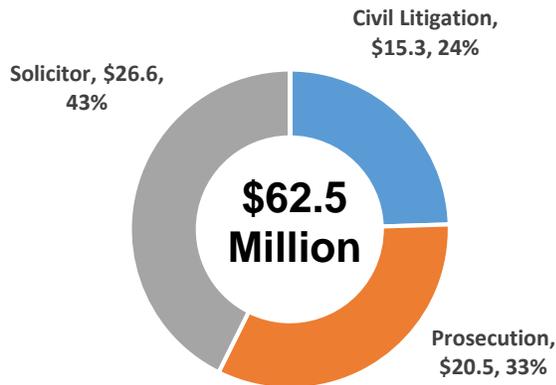


KEY SERVICE DELIVERABLES FOR 2018

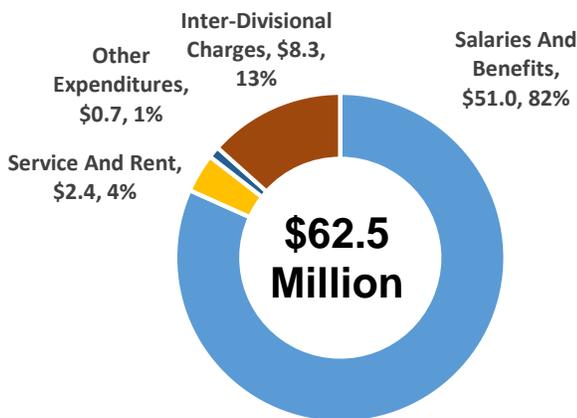
- Legal Services is responsible for the provision of legal services and the promotion of risk management and mitigation strategies to the City. The 2018 Operating Budget will provide funding to:
 - Attend Committee/Community Councils and City Council meetings.
 - Continue working with Finance and Risk Management Division to increase claims work capacity.
 - Maximize courtroom trial time by rebalancing caseloads.
 - Continue successful implementation of the early resolution process.
 - Educate clients in the various practice areas to minimize City liabilities.
 - Educate clients in enforcement divisions in proper court process and procedures
 - Prosecute a wide range of City by-laws and Provincial statute violations, including sewer pollution, tree destruction, parking offences, Fire Code and Building violations and zoning.
 - Inspector training and agreement negotiations relating to provincial offences.
 - Represent and defend the City 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, the Workplace Safety and the Insurance Appeals Tribunal.
 - Manage/administer the new Administrative Penalty System, allowing for faster resolution of parking tag offences.

Where the money goes:

2018 Budget by Service

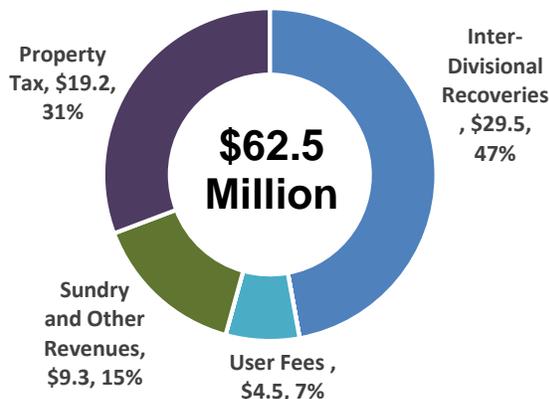


2018 Budget by Expenditure Category



Where the money comes from:

2018 Budget by Funding Source



OUR KEY ISSUES & PRIORITY ACTIONS

- **Opportunities for savings or benefits to the City** through changes to Federal/Provincial Legislation
 - ✓ Continue to review relevant legislation to identify opportunities for cost savings as well as avenues for additional revenues to the City.
- **Manage increased service demands** due to increasing complexity and duration without any increases in resources
 - ✓ Provide legal advice for 2018 municipal election
 - ✓ Continue to monitor and efficiently schedule staff resources.
 - ✓ Continue succession planning to maintain core body of knowledge and staffing.
 - ✓ The 2018 Budget includes \$0.120 million for an organizational review which will identify process efficiencies and improve document and file management in preparation for office modernization.
 - ✓ Continue successful implementation of the Administrative Penalty System (APS).
 - ✓ Continue to educate clients in enforcement divisions in proper court processes and procedures.
- **Increasing numbers and complexity of Ontario Municipal Board hearings** is straining resources and resulting in delays in processing development agreements.

2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Operating Budget reflects a net expenditure reduction of \$0.095 million, or 0.5% from the 2017 approved Operating Budget. This was achieved through reduction measures taken based on the following:
 - Base budget pressures are primarily due to inflationary increases for salary and benefit and annualization of APS support costs.
 - The reduction is primarily attributable to increased cost recoveries from internal client programs and higher Contribution from the Development Application Fee Reserve.
 - Additional positions required for New/Enhanced Service Priorities are fully funded by client programs.
- Staff complement will decrease by 4.6 from 2017 to 2018.
- The 2018 Operating Budget of \$62.476 million gross and \$19.209 million net provides funding for three services: Civil Litigation, Prosecution and Solicitor.

Actions for Consideration

Approval of the 2018 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2018 Preliminary Operating Budget for Legal Services of \$62.476 million gross, \$19.209 million net for the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Civil Litigation:	15,314.4	7,559.4
Prosecution:	20,516.0	1,616.5
Solicitor:	26,645.8	10,033.2
Total Program Budget	<u>62,476.2</u>	<u>19,209.1</u>

2. City Council approve the 2018 service levels for Legal Services as outlined on pages 15, 18, and 21 of this report, and associated staff complement of 364.3 positions, comprised of 12.0 capital project delivery positions and 352.3 operating service delivery positions.



Part 1

2018-2020 Service Overview and Plan

Program Map



Legal Services
Provide the highest quality Solicitor, Civil Litigation and Prosecution services to further the legal interests of and to minimize the risks to the City of Toronto and its Agencies

Prosecution

Purpose:
Responsible for the prosecution of a wide range of offenses committed under City Bylaws and Provincial Statutes.

Civil Litigation

Purpose:
To provide legal representation to City of Toronto in the resolution of proceedings in courts and tribunals

Solicitor

Purpose:
To provide legal advice on City operations and to prepare / review contracts, by-laws and opinions



Service Customer

Prosecution

- Mayor & City Council
- Staff - City Divisions
- Staff - Agencies and Boards
- Individuals charged with offenses

Indirect (Beneficial)

- Residents
- Businesses
- Visitors

Civil Litigation

- Mayor & City Council
- Staff - City Divisions
- Staff - Agencies and Boards

Indirect (Beneficial)

- Residents
- Businesses
- Visitors

Solicitor

- Mayor & City Council
- Staff - City Divisions
- Staff - Agencies and Boards

Indirect (Beneficial)

- Residents
- Businesses

Table 1
2018 Preliminary Operating Budget and Plan by Service

(In \$000s)	2017		2018 Preliminary Operating Budget			2018 Preliminary vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/Enhanced	Total Budget			2019 Plan		2020 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Civil Litigation											
Gross Expenditures	15,151.0	14,489.0	15,250.2	64.3	15,314.4	163.5	1.1%	241.1	1.6%	229.5	1.5%
Revenue	7,389.8	7,106.4	7,690.7	64.3	7,755.0	365.2	4.9%	(133.4)	(1.7%)	(137.2)	(1.8%)
Net Expenditures	7,761.2	7,382.6	7,559.4	0.0	7,559.4	(201.8)	(2.6%)	374.5	5.0%	366.7	4.6%
Prosecution											
Gross Expenditures	19,966.0	19,526.7	20,516.0	0.0	20,516.0	550.0	2.8%	(510.0)	(2.5%)	142.7	0.7%
Revenue	17,915.3	17,252.4	18,899.6	0.0	18,899.6	984.2	5.5%	(736.5)	(3.9%)	13.9	0.1%
Net Expenditures	2,050.7	2,274.3	1,616.5	0.0	1,616.5	(434.2)	(21.2%)	226.5	14.0%	128.8	7.0%
Solicitor											
Gross Expenditures	23,330.4	22,817.1	25,167.0	1,478.8	26,645.8	3,315.4	14.2%	494.2	1.9%	(116.4)	(0.4%)
Revenue	13,838.3	13,326.3	15,133.7	1,478.8	16,612.5	2,774.3	20.0%	(734.7)	(4.4%)	(864.9)	(5.4%)
Net Expenditures	9,492.1	9,490.8	10,033.2	0.0	10,033.2	541.1	5.7%	1,228.9	12.2%	748.5	6.6%
Total											
Gross Expenditures	58,447.3	56,832.9	60,933.1	1,543.1	62,476.2	4,028.9	6.9%	225.3	0.4%	255.8	0.4%
Revenue	39,143.4	37,685.2	41,724.0	1,543.1	43,267.1	4,123.7	10.5%	(1,604.6)	(3.7%)	(988.3)	(2.4%)
Total Net Expenditures	19,304.0	19,147.7	19,209.1	0.0	19,209.1	(94.8)	(0.5%)	1,829.9	9.5%	1,244.1	5.9%
Approved Positions	368.9	348.4	354.3	10.0	364.3	(4.6)	(1.2%)	0.0		(5.0)	(1.4%)

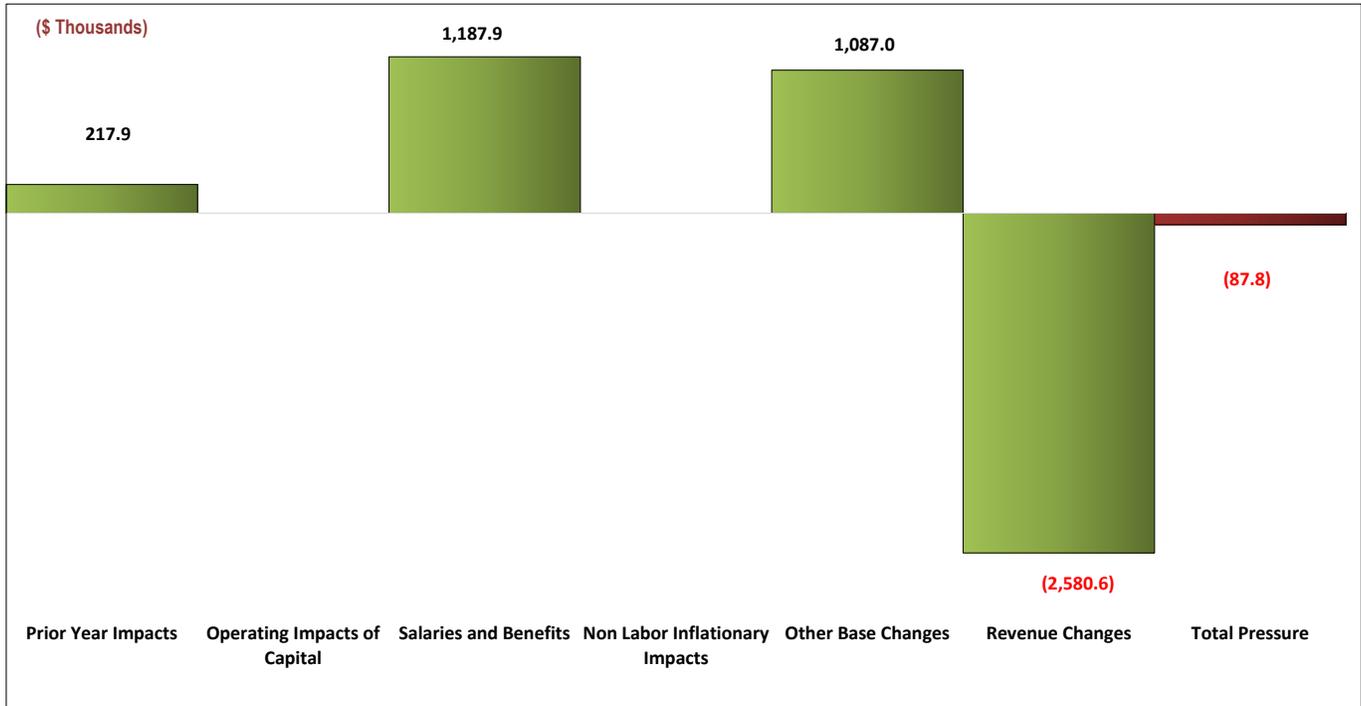
Legal Services' 2018 Operating Budget is \$62.476 million gross and \$19.209 million net, representing a decrease of \$0.095 million to the 2017 Approved Net Operating Budget and an over-achievement of the 0% budget target as set out in the 2018 Operating Budget Directions and Guidelines.

- Base pressures are mainly due to known salary and benefit adjustments such as Cost of Living Allowance (COLA), step increases for union staff and progression pay for non-union staff, as Legal Services' budget is primarily salary-based.
- Increased cost recoveries from internal client Programs and contribution from the Development Application Fee reserve help mitigate the above pressures.
- Service Efficiency is realized through the discontinuation of the Provincial Offences Act (POA) system for Parking Tags in 2018 that will result in a reduction in expenditures. This will be offset by the recovery from Court Services.
- The New/Enhanced Service Priorities to provide legal support for various initiatives for internal client programs will be fully funded by inter-divisional recoveries, contribution from the Insurance Reserve Fund and the Non Program Expenditure Budget.
- Reduction of 4.6 positions is the net result of the elimination of 9 positions supporting the POA system for Parking Tags that will be no longer required after 2018, partially offset by additional resources required to support the New/Enhanced Service Priorities.

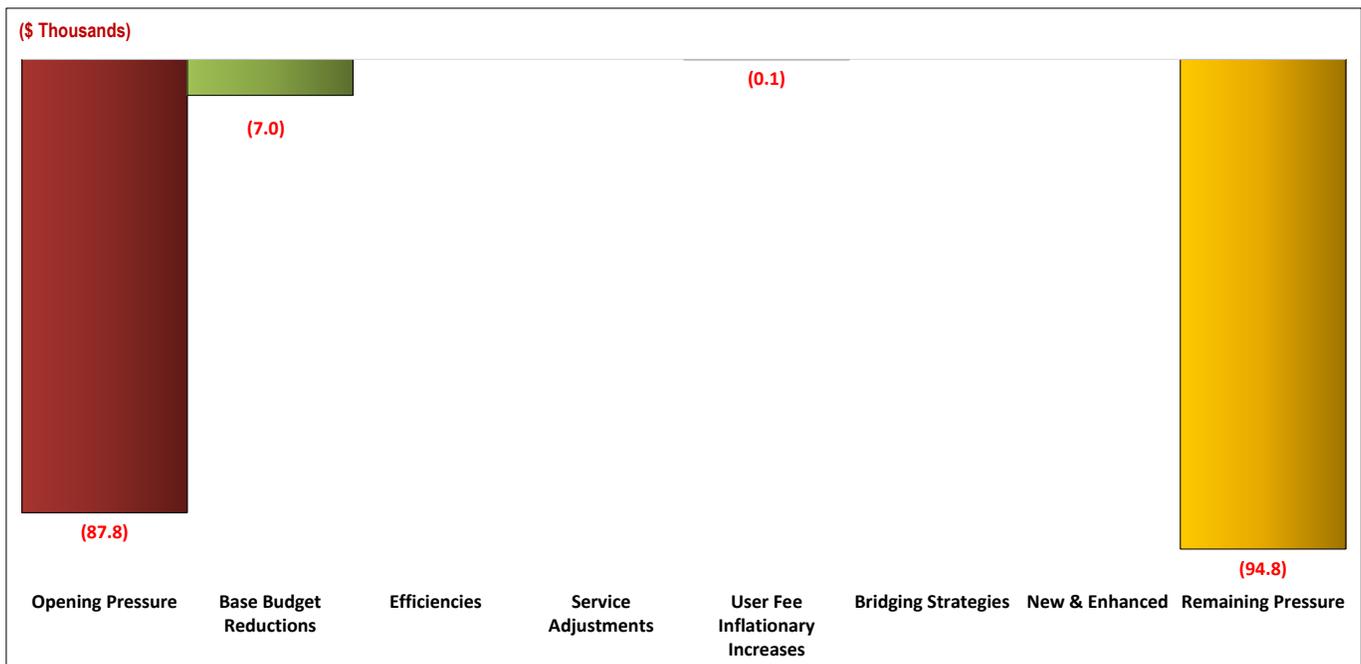
The 2019 and 2020 Plan increases are attributable to known salary and benefits increases.

The following graphs summarize the operating budget pressures for Legal Services and the actions taken to offset/reduce these pressures to meet the budget reduction target.

Key Cost Drivers



Actions to Achieve Budget Reduction Target



**Table 2
Key Cost Drivers**

(In \$000s)	2018 Base Operating Budget			Total	
	Civil Litigation	Prosecution	Solicitor		
	\$	\$	\$	\$	
Gross Expenditure Changes					
Prior Year Impacts					
1 Annualization of Metrolinx Positions			115.2	115.2	
2 Annualization of TTC Expropriation Positions	153.5			153.5	
3 Annualization of Administrative Penalty System (APS) Support Costs		968.1		968.1	
4 Reversal of 2017 Red Light Camera Temporary Positions		(244.1)		(244.1)	(5.0)
5 Extension of Red Light Camera Program in 2018		488.3		488.3	5.0
Completion of City-Wide Real Estate Review in mid 2018					(1.0)
6 Completion of Missing and Invalid Easement Technical Advisory Group (MAIETAG) Project			(160.0)	(160.0)	(1.6)
7 Completion of Toronto-York Spadina Subway Extension North (TYSSSEN) Project			(353.1)	(353.1)	(3.0)
8 Discontinuation of POA System for Parking Tags		(750.0)		(750.0)	(9.0)
Salaries and Benefits					
COLA, Progression Pay, STEP and Benefits	(85.8)	(17.3)	1,291.1	1,187.9	
Other Base Expenditure Changes					
Inter-Divisional Charges	1.5	55.1	909.0	965.6	
Expenditure Increases (Membership Fees, Transcripts & Other Professional Services)	37.0	50.0	34.4	121.4	
Total Gross Expenditure Changes	106.2	550.0	1,836.6	2,492.8	(14.6)
Revenue Changes					
Prior Year Impacts					
1 Recovery from Metrolinx			1,749.5	1,749.5	
2 Recovery for TTC Expropriation Positions	153.5			153.5	
3 Recovery from Non-program for Administrative Penalty System (APS) Support Costs		968.1		968.1	
4 Reversal of 2017 Recovery for Red Light Camera Positions		(244.1)		(244.1)	
5 Extension of Red Light Camera Program in 2018		488.3		488.3	
6 Completion of Missing and Invalid Easement Technical Advisory Group (MAIETAG) Project			(160.0)	(160.0)	
7 Completion of Toronto-York Spadina Subway Extension North (TYSSSEN) Project			(353.1)	(353.1)	
8 Discontinuation of POA System for Parking Tags		(750.0)		(750.0)	
Base Revenue Changes					
Inter-Divisional Recoveries	147.5	522.0	(145.3)	524.2	
Contribution from Reserves			204.3	204.3	
Total Revenue Changes	301.0	984.2	1,295.4	2,580.6	
Net Expenditure Changes	(194.8)	(434.2)	541.2	(87.8)	(14.6)

Key cost drivers for Legal Services are discussed below:

Gross Expenditure Changes

- Prior Year Impacts:
 - Annualized cost of the 2 Metrolinx temporary full time positions added in 2017 to support expediting progress on the Regional Express Rail (RER) and Smart Track transit initiatives. These positions will be fully funded by Metrolinx and future transit capital projects.
 - Annualized cost of 2 temporary full time positions that were added to the Legal Services staff complement in 2017, to carry out expropriation work arising from Toronto Transit Commission (TTC) capital projects. The costs for these two positions will be fully recovered from the TTC 2017 Approved Capital Budget (Project CTT028 Easier Access).
 - Annualized cost of the APS positions and non-salary expenditures that were included in the 2017 Approved Operating Budget for the system implemented on August 28, 2017. This will be fully recovered from Non-program Parking Tags Revenue.
 - Deletion of 5 temporary full time positions in 2018 for the Red Light Cameras project as these positions are being requested as permanent positions in the 2018 Preliminary Operating Budget as requested in report "Retention of Phase 2 Red Light Cameras (PW21.7)". The net impact is fully offset by inter-divisional recovery from Court Services.
 - Additional 5 permanent full time positions are requested for the extension of the Red Light Cameras project. The costs will be fully offset with the IDR for Court Services.

- Completion of the City-wide Real Estate Review in May 2018 will result in deletion of 1.0 temporary position offset by reversal of recovery from Innovation Reserve Fund.
 - Completion of the Missing and Invalid Easement Technical Advisory Group (MAIETAG) project will result in deletion of 1.6 temporary positions offset by recovery from Toronto Water.
 - Completion of the Toronto-York Spadina Subway Extension (TYSSE) North project will result in deletion of 3.0 temporary full time positions. This will be offset with the reversal of recovery from TTC.
 - Discontinuation of POA system for parking disputes in 2018 will result in expenditure savings of \$0.750 million and elimination of 9 full time positions. The savings will be offset by lower inter-divisional recovery from Court Services, resulting in a \$0 net impact to Legal Services.
- Salaries and Benefits
 - The inflationary increase in salaries and benefits including cost of living allowance (COLA), progression pay, step increases and associated benefits, common across all services, will add a pressure of \$1.188 million.
 - Other Base Changes
 - Increased inter-divisional charges of \$0.966 million are driven by higher surveying costs which will be fully recovered from Metrolinx.
 - Additional costs for training, materials and supplies, membership fees and other professional fees were reduced by \$0.121 million based on actual trend \$0.121 million.

Revenue Changes

- Inter-divisional recoveries and Contribution from the Development Application Fee Reserve have been adjusted to reflect the current level of legal support being provided to the client programs.

In order to achieve the budget reduction target, Legal Services' 2018 Preliminary Operating Budget includes base expenditure savings of \$0.007 million net as detailed below.

Table 3
Actions to Achieve Budget Reduction Target
2018 Preliminary Service Change Summary

Description (\$000s)	Service Changes						Total Service Changes			Incremental Change			
	Civil Litigation		Prosecution		Solicitor		\$	\$	#	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Base Changes:													
Base Expenditure Changes													
Line by Line Review - Elimination of Management Consulting and Furniture Budget	(7.0)	(7.0)					(7.0)	(7.0)					
Base Expenditure Change	(7.0)	(7.0)					(7.0)	(7.0)					
Base Revenue Changes													
Inflationary Increase on Existing Fees						(0.1)		(0.1)					
Base Revenue Change						(0.1)		(0.1)					
Sub-Total	(7.0)	(7.0)				(0.1)	(7.0)	(7.1)					
Total Changes	(7.0)	(7.0)				(0.1)	(7.0)	(7.1)					

Legal Services was able to offset some budget pressures with the following measures:

Base Expenditure Changes (Savings of \$0.007 million gross & \$0.007 million net)

- Elimination of \$0.007 million Management Consulting and Furniture budget resulting from line by line review.

Base Revenue Changes

- Minor increase from inflationary increase on the existing user fees as per the City's User Fee By-Law.

Table 4
2018 Preliminary New & Enhanced Service Priorities

Description (\$000s)	New and Enhanced						Total New and Enhanced			Incremental Change			
	Civil Litigation		Prosecution		Solicitor		\$		Position	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	#	Net	Pos.	Net	Pos.
Enhanced Services Priorities													
Staff Initiated:													
Legal Support for Gardiner Expressway Rehabilitation					301.3		301.3		2.0				
Legal Services Organizational Review					120.0		120.0						
Accounting Clerk to Support Insurance Claims	64.3						64.3		1.0				
Legal Support for Waterfront Revitalization Initiatives					219.4		219.4		1.0				(1.0)
Legal Support for TTC Real Estate Division Expropriation					310.1		310.1		2.0	7.1		5.8	
Legal Support for Toronto Water Infrastructure Projects					528.0		528.0		4.0				
Sub-Total Staff Initiated	64.3				1,478.8		1,543.1		10.0	7.1		5.8	(1.0)
Total New Service Priorities	64.3				1,478.8		1,543.1		10.0	7.1		5.8	(1.0)
Total New / Enhanced Services	64.3				1,478.8		1,543.1		10.0	7.1		5.8	(1.0)

The 2018 Preliminary Budget includes the following service priorities:

Enhanced Service Priorities (\$1.543 million gross & \$0 million net)

Legal Support for Gardiner Expressway Rehabilitation

- Engineering and Construction Services (ECS) has requested that Legal Services engage in a review of title to the Gardiner Expressway and adjoining properties for the purpose of facilitating the timely implementation of the F.G. Gardiner Strategic Rehabilitation Plan.
- Funding for 1 temporary senior lawyer and 1 temporary clerk/conveyancer for a period of 3 years is included funded through Inter-divisional Recovery from ECS.

Legal Services Organizational Review

- Legal Services has identified the need for a third party organizational review of three aspects of their business, including management structure, document management and organization of the administration unit/support staff function to identify optimal organizational design for efficient operations based on best practice and technology. Funding for this review will be recovered from Non-Program Expenditure Budget that is for Service Efficiency Review.

Increase Support for Insurance Claims

- There has been an increasing trend of claims against the City. One permanent Accounting Clerk position has been requested to assist the processing and reporting of the increasing insurance claims. This position will be fully funded by the Insurance Reserve Fund.

Legal Support for Waterfront Revitalization

- This proposal is tied to the City Building and Economic Vitality objectives of the City's strategic plan. It will facilitate smart urban growth in the waterfront area by providing the required staff resources to implement projects such as the Innovation Centre, Bayside, the Bentway and Cherry Street Lake Fill.
- 1 temporary senior lawyer has been requested for a period of two years to support the implementation of the Waterfront Revitalization Initiatives. These positions will be funded fully from the Waterfront Revitalization Initiative Capital Account.

Legal Support for TTC Real Estate Division

- Two temporary positions (1 senior lawyer and 1 law clerk) have been requested for a period of three years in the Real Estate Law Group of Legal Services and will be fully recovered from the TTC 2017 Approved Capital Budget (Project CTT028 Easier Access).

Legal Support for the Toronto Water Infrastructure Project

- This proposal is tied to the City Building objectives of the strategic plan to will facilitate the construction and installation of physical services and infrastructure, including the Don River and Central Waterfront Tunnel Project and Basement Flooding Protection Program, which are fundamental to the City's quality of life.
- Four temporary positions (1 temporary senior lawyer, 1 temporary junior lawyer and 2 temporary clerks/conveyancers) have been requested for a period of two years in the Real Estate Law Group of Legal Services. These positions will be funded fully by Toronto Water.

Approval of the 2018 Preliminary Operating Budget for Legal Services will result in a 2019 incremental net cost of \$1.830 million and a 2020 incremental net cost of \$1.244 million to maintain the 2018 service levels, as discussed in the following section.

Table 5
2019 and 2020 Plan by Program

Description (\$000s)	2019 - Incremental Increase					2020 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
Known Impacts:										
Prior Year Impact										
Completion of City-Wide Real Estate Review in mid 2018	(98.6)	(98.6)	0.0					0.0		
Completion of Legal Services Organizational Review	(120.0)	(120.0)	0.0					0.0		
Completion of TTC Expropriations Work	(153.5)	(153.5)	0.0			(153.5)	(153.5)	0.0		
Discontinuation of POA System in June 2018	(750.0)	(750.0)	0.0					0.0		
Legal Support for Metrolinx Project	7.9	7.9	0.0			7.0	7.0	0.0		
Legal Support for Waterfront Revitalization Initiatives	5.7	5.7	0.0			(225.2)	(225.2)	0.0		(1.0)
Legal Support for Toronto Water Infrastructure Projects	13.9	13.9	0.0			(541.9)	(541.9)	0.0		(4.0)
Legal Support for Accounting Clerk Position	25.1	25.1	0.0			2.7	2.7	0.0		
Salaries and Benefits										
COLA, Progression Pay, STEP and Benefits	1,303.5		1,303.5			1,166.2		1,166.2		
Other Base Changes (specify)										
Inter-Divisional Charges	(8.8)		(8.8)			0.5		0.5		
Revenue (specify)										
Inter-Divisional Charges		(20.7)	20.7				91.7	(91.7)		
Contribution from Reserves		(514.5)	514.5				(169.0)	169.0		
Total Incremental Impact	225.3	(1,604.6)	1,829.9		0	255.8	(988.2)	1,244.0		(5.0)

Future year incremental costs are primarily attributable to the following:

Known Impacts:

Prior Year Impact

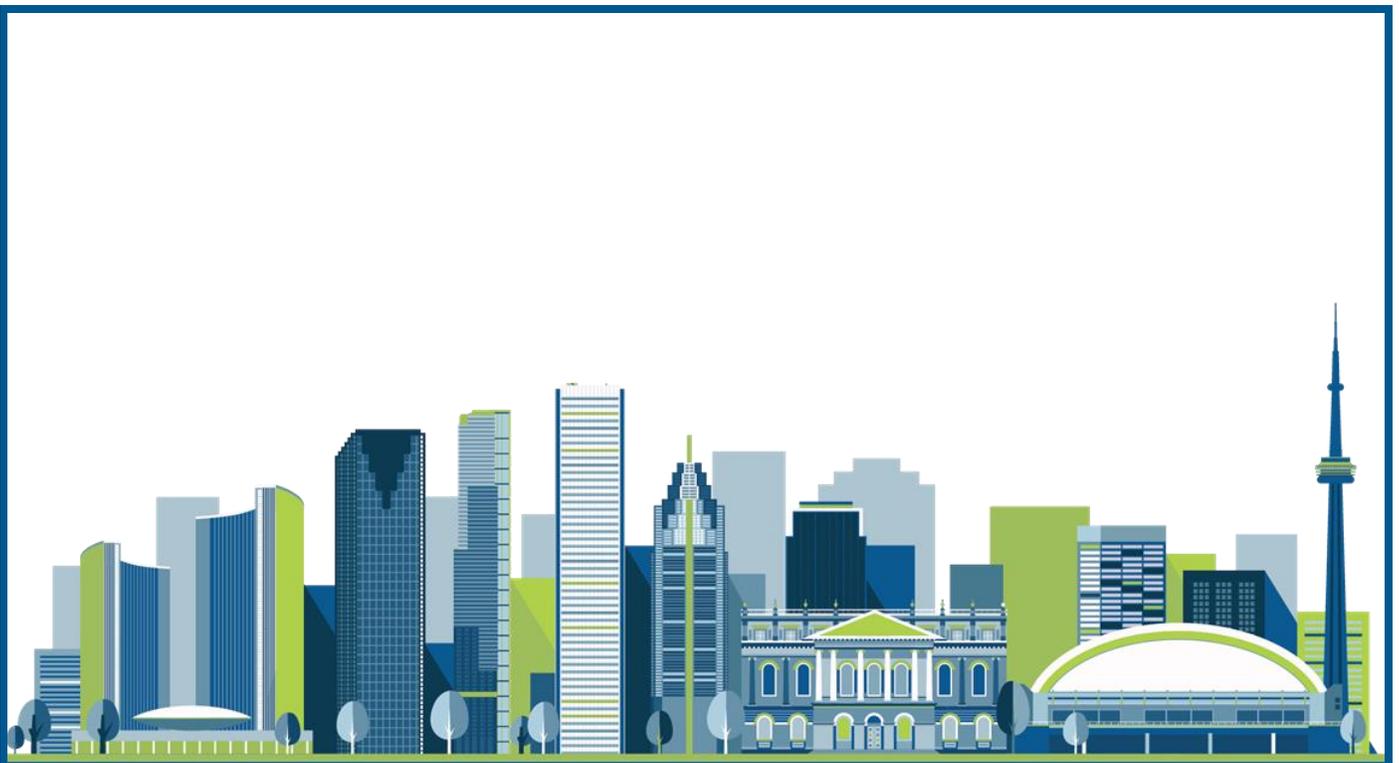
- Completion of projects in 2018 including the City-Wide Real Estate Review, Legal Organizational Review and TTC Expropriations. No financial impact as these positions are currently funded by the Inter-divisional Recoveries.
- Discontinuation of the POA parking system will result in an additional savings of \$0.750 million in 2019. The savings will be offset by the lower recovery from Court Services, which will result in a net zero impact for Legal Services.
- Inflationary costs increase for positions requested through the New/Enhanced initiatives in 2018. These will be offset by the recoveries from the client programs, which will result in a new zero impact for Legal Services.

Salaries and Benefits

- Salaries and Benefits increases contribute to a pressure of \$1.304 million in 2019 and \$1.166 million in 2020.

Other Base Changes

- Lower Contribution from Reserves primarily from the completion of the Development Application Fee project.



Part 2

2018 Preliminary Operating Budget by Service

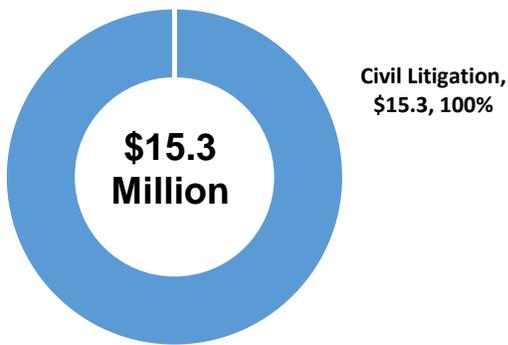
Civil Litigation



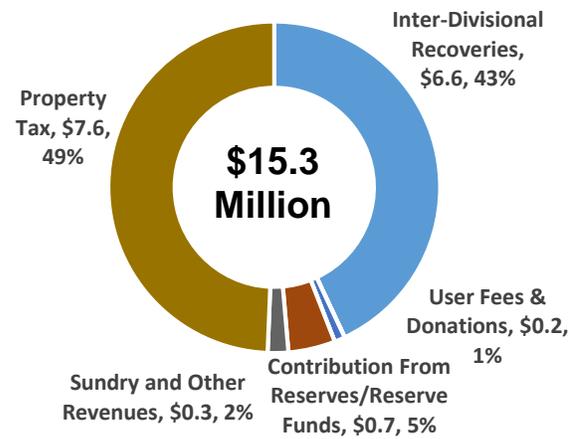
What We Do

- Provide legal representation to the City of Toronto in the resolution of lawsuits, claims and administrative tribunal hearings.
- Legal Services is required to attend OMB Hearings to represent the City of Toronto and to provide resolution for lawsuits, claims and administrative tribunal hearings.

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)



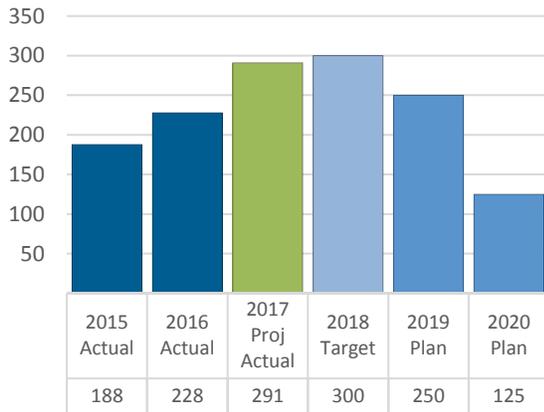
2018 Service Levels Civil Litigation

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Civil Litigation	Legal Counsel for the City contacts Union Legal Counsel in relation to grievance matters referred to arbitration	with 30 days	Approved	N/A	N/A	100%	100%

The Service Level was completed and recommended in 2017. The 2018 Service Level is expected to be consistent with 2017.

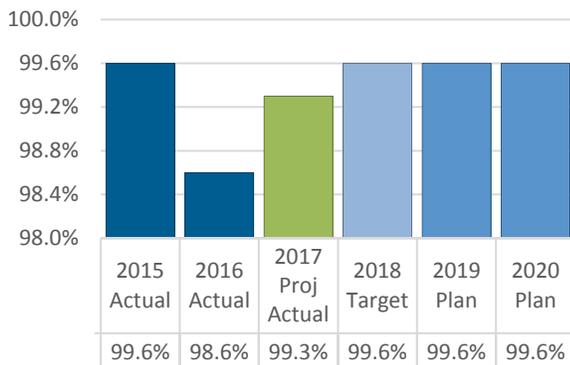
Service Performance Measures

of OMB Hearings Heard



- The numbers presented here exclude the Liquor Licences Board Hearings.
- The number of OMB hearings (excluding Liquor Licences Board hearings) has increased in 2017 and is expected to further increase in 2018 due to Bill 139. The number may reduce in future years if Bill 139 passes.
- Staff from Legal Services will be representing the City at the Toronto Local Appeal Body (TLAB) in 2018.

% of Employment Law Matters Referred to Legal Services that are Handled by In-house Counsel



- Legal Counsel for the City contacts Union Legal Counsel in relation to grievance matters referred to arbitration. It is more cost effective to use in-house Legal Counsel to handle these type of matters.
- The number of employment law matters that are handled by in-house counsel are expected to have remained in the 99th percentile in 2017, and expected to stabilize for 2018 and future years.

Table 6
2018 Preliminary Service Budget by Activity

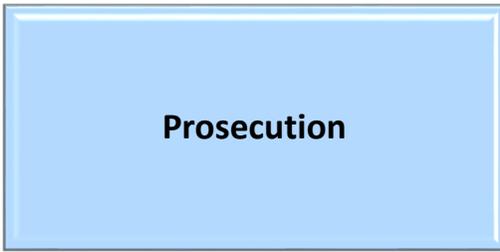
(\$000s)	2017	2018 Preliminary Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2016		New/Enhanced	Prelim Budget	2018 Prelim Budget vs. 2017 Budget		2019 Plan		2020 Plan	
					Budget	% Change			\$	%	\$	%	\$	%
GROSS EXP.														
Civil Litigation	15,151.0	15,250.2		15,250.2	99.2	0.7%	64.3	15,314.4	163.5	1.1%	241.1	1.6%	229.5	1.5%
Total Gross Exp.	15,151.0	15,250.2		15,250.2	99.2	0.7%	64.3	15,314.4	163.5	1.1%	241.1	1.6%	229.5	1.5%
REVENUE														
Civil Litigation	7,389.8	7,690.7		7,690.7	301.0	4.1%	64.3	7,755.0	365.2	4.9%	(133.4)	(1.7%)	(137.2)	(1.8%)
Total Revenues	7,389.8	7,690.7		7,690.7	301.0	4.1%	64.3	7,755.0	365.2	4.9%	(133.4)	(1.7%)	(137.2)	(1.8%)
NET EXP.														
Civil Litigation	7,761.2	7,559.4		7,559.4	(201.8)	(2.6%)		7,559.4	(201.8)	(2.6%)	374.5	5.0%	366.7	4.6%
Total Net Exp.	7,761.2	7,559.4		7,559.4	(201.8)	(2.6%)		7,559.4	(201.8)	(2.6%)	374.5	5.0%	366.7	4.4%
Approved Positions	96.3	97.7		97.7	1.4	1.4%	1.0	98.7	2.4	2.5%	(2.0)	(2.0%)		

The **Civil Litigation** Service provides legal representation to the City of Toronto in the resolution of lawsuits, claims administrative hearings.

- Civil Litigation's 2018 Operating Budget of \$15.314 million gross and \$7.559 million net is \$0.202 million or 2.6% under the 2017 Approved Net Budget.
- The base budget reduction in this service were achieved through increased inter-divisional recoveries.
- This service includes funding for 1 new permanent full time Accounting Clerk which will be fully funded from the Insurance Reserve.

Prosecution

What We Do

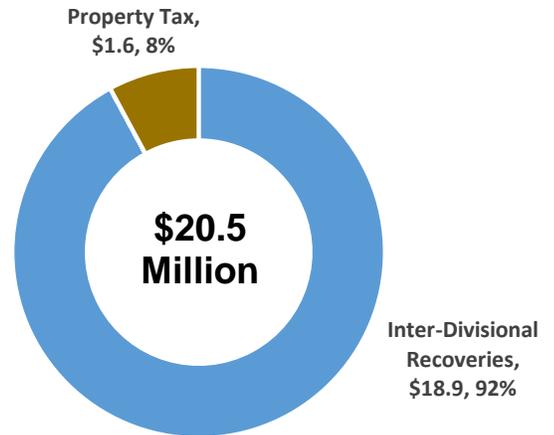


- Prosecution of a wide range of offences set out under City by-laws and Provincial statutes including matters under the Fire Protection and Prevention Act, the Building Code, Smoke Free Ontario Act, Trespass to Property Act, and the Highway Traffic Act. The Prosecutions team fields a variety of legal issues including constitutional and Charter challenges and provides training to enforcement officers.
- The Prosecution unit now also screens Administrative Penalties in relation to parking disputes. The new screening process replaces the Provincial Offences Act trial dispute process for parking tags.

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)



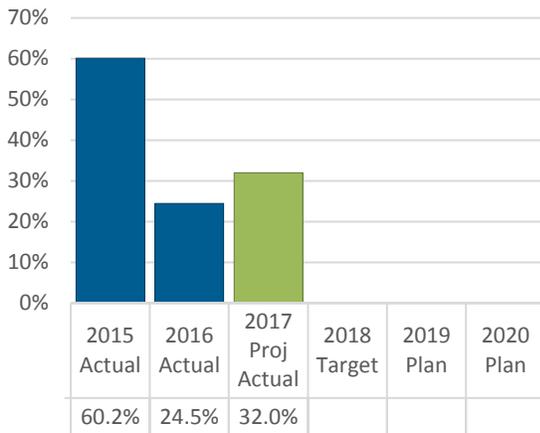
2018 Service Levels Prosecution

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Prosecution	Respond to written public complaints	complaints responded within 30 days	Approved	N/A	N/A	80%	80%

The Service Level was completed and recommended in 2017. The 2018 Service Level is expected to be consistent with 2017.

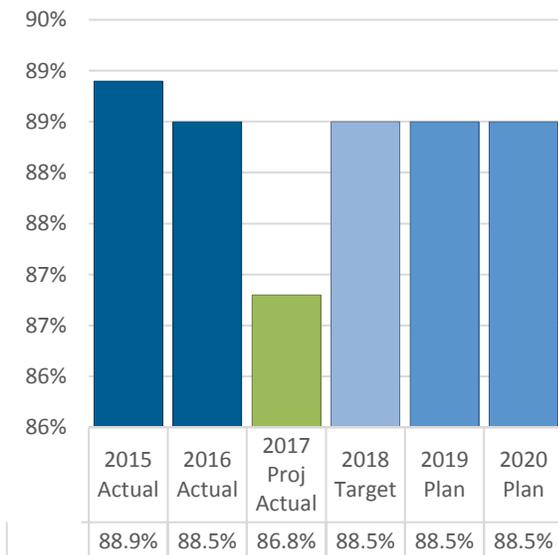
Service Performance Measures

% of Parking Ticket Charges with Fines Imposed after Prosecution



- The new Administrative Penalty System was implemented on August 28, 2017 to replace the court-based POA system for parking disputes resolution. New performance measures will be implemented for the APS system for 2018 and future year targets.

% of Cases Resolved after Prosecutor Action Through Early Resolution



- The percentage of cases resolved after prosecutor action through Early Resolution process are expected to remain stable for 2018 and beyond between 86% and 88.5%.

Table 6
2018 Preliminary Service Budget by Activity

(\$000s)	2017	2018 Preliminary Operating Budget						2018 Prelim Budget vs. 2017 Budget		Incremental Change					
	Approved Budget	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2016 Budget	% Change	New/Enhanced			Prelim Budget	2019 Plan		2020 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Prosecution	19,966.0	20,516.0		20,516.0	550.0	2.8%		20,516.0	550.0	2.8%	(510.0)	(2.5%)	142.7	0.7%	
Total Gross Exp.	19,966.0	20,516.0		20,516.0	550.0	2.8%		20,516.0	550.0	2.8%	(510.0)	(2.5%)	142.7	0.7%	
REVENUE															
Prosecution	17,915.3	18,899.6		18,899.6	984.2	5.5%		18,899.6	984.2	5.5%	(736.5)	(3.9%)	13.9	0.1%	
Total Revenues	17,915.3	18,899.6		18,899.6	984.2	5.5%		18,899.6	984.2	5.5%	(736.5)	(3.9%)	13.9	0.1%	
NET EXP.															
Prosecution	2,050.7	1,616.5		1,616.5	(434.2)	(21.2%)		1,616.5	(434.2)	(21.2%)	226.5	14.0%	128.8	7.0%	
Total Net Exp.	2,050.7	1,616.5		1,616.5	(434.2)	(21.2%)		1,616.5	(434.2)	(21.2%)	226.5	14.0%	128.8	6.5%	
Approved Positions	123.3	109.7		109.7	(13.6)	(11.0%)		109.7	(13.6)	(11.0%)	0.0	0.0%			

The **Prosecution** service provides of a wide range of offences set out under City by-laws and Provincial statutes including matters under the Fire Protection and Prevention Act, the Building Code, Smoke Free Ontario Act, Trespass to Property Act, and the Highway Traffic Act. The Prosecutions team fields a variety of legal issues including constitutional and Charter challenges and provides training to enforcement officers.

- The Prosecution Service's 2018 Operating Budget of \$20.516 million gross and \$1.617 million net is \$0.434 million or 21.2% under the 2017 Approved Net Budget.
- The reduction of \$0.434 million is due to the discontinuation of the POA system for resolving parking disputes and higher inter-divisional recoveries for salaries and benefits costs, which are partially offset by incremental expenditures for annualization of APS support costs and the extension of the Red Light Camera program.
- The total staff complement for this service will be reduced by 13.6 positions resulting from the elimination of 9 full time POA parking tag positions that will be no longer required and 4.6 positions due to realignment with other services.

Solicitor



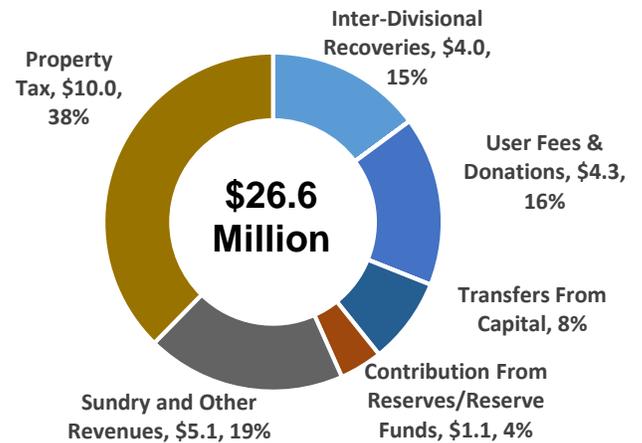
What We Do

- Provide legal advice and the review/preparation contracts and related documents.
- Draft, review and provide legal opinions and sign off of City contracts and agreements.
- Provide advice on legislative changes.
- Provide legal advice to assist with creative problem solving for many initiatives across the City.
- Draft by-laws to implement Council decisions
- Provide legal advice and services in relation to real estate transactions and expropriations.

2018 Service Budget by Activity (\$Ms)



2018 Service by Funding Source (\$Ms)



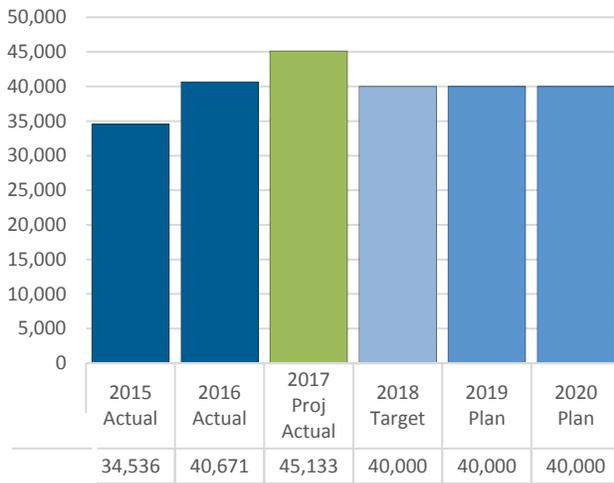
2018 Service Levels Solicitor

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
solicitor	Sign off on property requisitions	within 7 days of receipt	Approved	N/A	N/A	90%	90%
	Close real estate transactions on contracted dates, except due to 3rd party responsibility.		Approved	N/A	N/A	90%	90%
	Standard Site Plan Agreements will be registered on title within 8 weeks of receipt		Approved	N/A	N/A	90%	90%

The Service Level was completed and recommended in 2017. The 2018 Service Level is expected to be consistent with 2017.

Service Performance Measures

of Hours Spent on Drafting Opinions



- The number of hours spent drafting opinions, contracts and agreements is expected to remain between 40,000 to 45,000 per year in future years.

of Hours Spent on Reviewing Contracts/Agreements and other Legal Documents



- The number of hours spent on reviewing contracts and agreements is expected to increase to over 100,000 per year.

Table 6
2018 Preliminary Service Budget by Activity

(\$000s)	2017	2018 Preliminary Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Preliminary Base	Prelim. Base Budget vs. 2016		New/Enhanced	Prelim Budget	2018 Prelim Budget vs. 2017 Budget		2019 Plan		2020 Plan	
					\$	%			\$	%	\$	%	\$	%
GROSS EXP.														
Solicitor	23,330.4	25,167.0		25,167.0	1,836.6	7.9%	1,478.8	26,645.8	3,315.4	14.2%	494.2	1.9%	(116.4)	(0.4%)
Total Gross Exp.	23,330.4	25,167.0		25,167.0	1,836.6	7.9%	1,478.8	26,645.8	3,315.4	14.2%	494.2	1.9%	(116.4)	(0.4%)
REVENUE														
Solicitor	13,838.3	15,133.7		15,133.7	1,295.5	9.4%	1,478.8	16,612.5	2,774.3	20.0%	(734.7)	(4.4%)	(864.9)	(5.4%)
Total Revenues	13,838.3	15,133.7		15,133.7	1,295.5	9.4%	1,478.8	16,612.5	2,774.3	20.0%	(734.7)	(4.4%)	(864.9)	(5.8%)
NET EXP.														
Solicitor	9,492.1	10,033.2		10,033.2	541.1	5.7%		10,033.2	541.1	5.7%	1,228.9	12.2%	748.5	6.6%
Total Net Exp.	9,492.1	10,033.2		10,033.2	541.1	5.7%		10,033.2	541.1	5.7%	1,228.9	12.2%	748.5	6.2%
Approved Positions	149.4	149.0		149.0	(0.4)	(0.2%)	9.0	158.0	8.6	5.8%	0.0	0.0%	(5.0)	(3.2%)

The **Solicitor** Service provides legal advice and the review/preparation of contracts and related documents.

The Solicitor's 2018 Operating Budget of \$26.646 million gross and \$10.033 million net is \$0.541 million or 5.7% over the 2017 Approved Net Budget.

- The base budget increase in this service is mainly due to inflationary increase in salaries and benefits and higher surveying costs which will be offset by increased inter-divisional recoveries and contribution to the Development Application Fee Reserve.
- Funding for the New/Enhanced Services provides 9 temporary full time positions to support various projects/initiatives. These positions will be fully funded by client programs as well as Metrolinx.



Part 3

Issues for Discussion

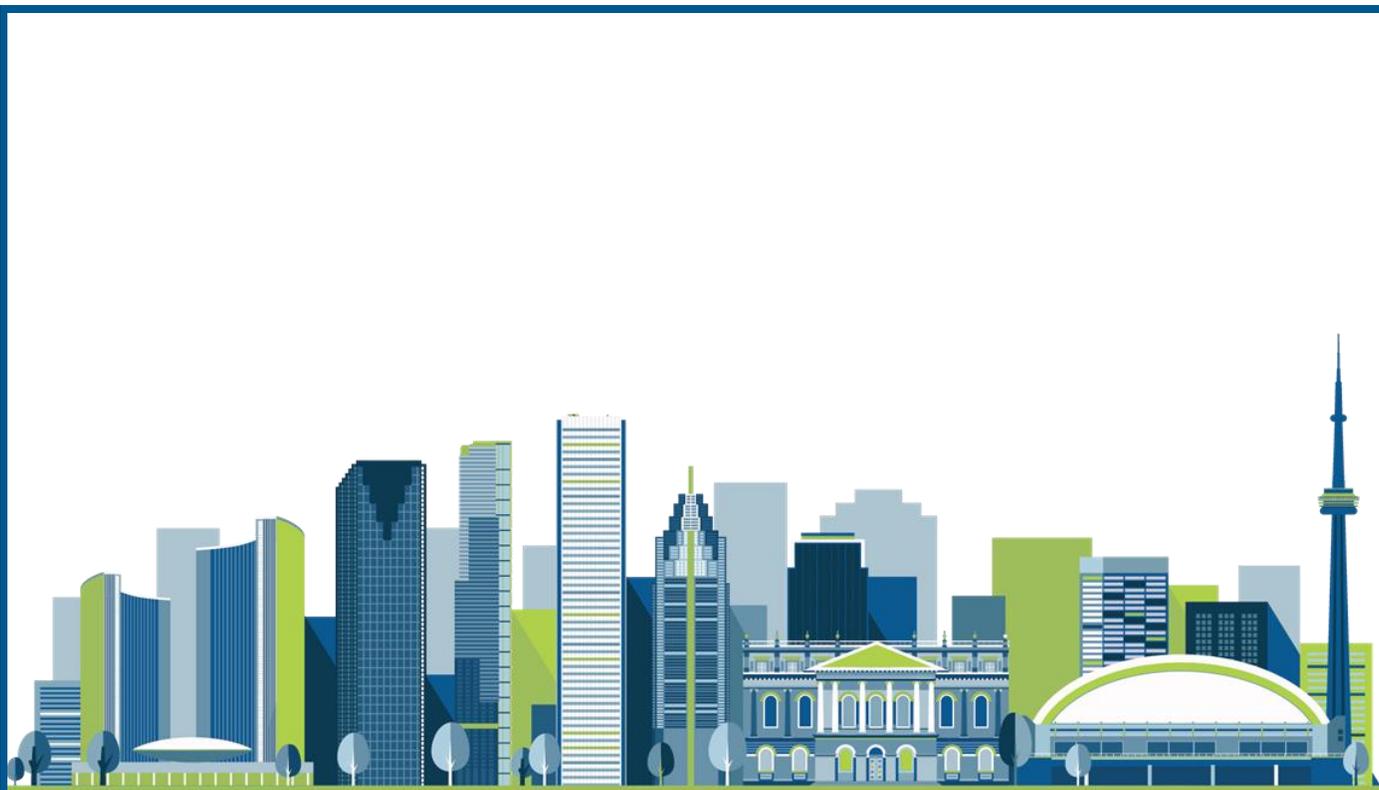
Issues Impacting the 2018 Budget

Budget Target

- At its meeting on May 24, 2017, the "2018 Budget Process - Budget Directions and Schedule" staff report (EX25.18) was submitted for consideration and adopted by City Council regarding the establishment of the 2018 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2018 Operating Budget and 2018-2027 Capital Budget and Plan for the City of Toronto.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX25.18>
- City Council directed all City Programs and Agencies to provide their 2018 Net Operating Budget equal to the 2017 Approved Net Operating Budget through cost containment, service efficiency, modernization, service level and revenue strategies.
- Legal Services 2018 Operating Budget is \$62.476 million gross and \$19.209 million net, representing \$0.095 million decrease from the 2017 Approved Net Operating Budget.
- Legal Services operating base pressures, arising mainly from increases for staff salaries and benefits, are more than offset by increased inter-divisional recoveries from internal programs and contribution from reserves.

Administrative Penalty System (APS)

- On July 12, 2016 City Council adopted a report called "Administrative Penalty System for Parking Violations" to establish an administrative penalty and dispute resolution process for parking violations with a planned start day on May 15th, 2017. This new APS system was to divert non-complex matters from the provincial courts freeing up limited court time for more serious matters, allowing parking violation disputes to be heard and resolved within 120 days (and ideally within 60 days) compared to an average of 18 months under a court-based system. The program is also intended to improve the customer experience by providing the City with more flexibility in serving a penalty notice and by closing loopholes that contribute to non-payment of parking tickets. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.GM13.12>
 - The APS System was planned to be implemented part way through the year, with 2017 being a transition year requiring both new APS and current POA systems working in parallel. It was anticipated that the parking tickets issued on or before May 15, 2017 requiring provincial courts for resolution would be cleared by December 31, 2017 and current POA system would end on December 31, 2017.
- On March 28, 2017, City Council adopted a report "Administrative Penalty System for Parking Violations – Revised Implementation Date" to move the implementation date of the Administrative Penalty System (APS) from May 15, 2017 to August 28th, 2017.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.GM18.6>
- The POA system is proposed to extend into 2018 resulting from the delayed implementation of APS and courtroom capacity including the availability of Justices of the Peace. The extension will result in an additional costs of \$0.750 million for Legal Services, which will be offset by the inter-divisional recovery from Court Services. Also, the 9 full time positions that are currently supporting the POA system will be extended to 2018, instead of being removed by the end of 2017.



Appendices

Appendix 1

2017 Service Performance

Key Service Accomplishments

In 2017, Legal Services accomplished the following:

Civil Litigation

- ✓ Advanced the approval of the City's comprehensive zoning by-law at the OMB.
- ✓ Represented the City in ward boundary hearings at the OMB.
- ✓ Provided advice on OMB reform.
- ✓ Provided advice to City Staff on TLAB hearing procedures
- ✓ Provided legal support to ML&S and other City Divisions in the review and recommendations for dealing with short term rental accommodations.
- ✓ Provided litigation services to defend various complex claims arising from purchasing issues.
- ✓ Represented the Toronto Police Services Board on a Coroner's inquest.
- ✓ Successfully obtained an injunction to prevent operation of certain marijuana dispensaries pending full hearing on the constitutional challenges to the City's by-law and federal marijuana legislation.
- ✓ Successfully defended a challenge to the City's hookah by-law at the Superior Court and Ontario Court of Appeal.

Prosecutions

- ✓ Commenced implementation of the Council approved Administrative Penalty System on August 28, 2017. The new APS program provides more efficient resolution of parking disputes than the POA court system. It provides increased avenues for service by permitting members of the public to dispute matters on line as well as in person.
- ✓ Worked with various divisions on complex enforcement initiatives including Vehicles for Hire and PTC's, illegal rooming houses, the Safe Rent Program, marijuana dispensary prosecutions, Fire Protection and Prevention Act matters, as well as and various Dog Owner Liability Act matters.

Solicitor

- ✓ Provided legal advice and support for the approval by Council of the City-Wide Real Estate strategy and the establishing of the Toronto Realty Agency Board and governance structure, including the amendment of various City authorities
- ✓ Prepared legal documentation with respect to numerous Affordable Housing projects ("Open Doors" Initiative)
- ✓ Negotiated Phase I services agreement with Infrastructure Ontario for the George Street Revitalization P3 Project
- ✓ Coordinated and drafted the City's response to the Provincial Construction Lien Act Review
- ✓ Provided advice on the establishment of the Investment Board.
- ✓ Provided strategic legal services to Metrolinx to acquire by transfer or expropriation all property interests required for construction of the Eglinton Crosstown LRT
- ✓ Provided strategic legal advice and property acquisition services to TTC with respect to the Scarborough Subway Extension, including participation in various working groups related to property matters and completion title searches
- ✓ Provided advice on the Mayor's Task Force on the Toronto Community Housing Corporation and the implementation of the Task Force recommendations

Appendix 2

2018 Preliminary Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2015	2016	2017	2017	2018	2018 Change from		Plan	
	Actual	Actual	Budget	Projected	Preliminary	2017 Approved		2019	2020
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries And Benefits	38,501.1	40,277.7	48,655.4	44,344.3	51,039.6	2,384.3	4.9%	51,384.9	51,648.2
Materials & Supplies	363.1	378.2	503.6	488.9	530.6	27.0	5.4%	530.6	530.6
Equipment	64.1	90.0	81.9	78.7	97.9	16.1	19.6%	97.9	97.9
Service And Rent	1,367.7	2,711.8	2,036.6	4,754.6	2,383.7	347.1	17.0%	2,263.7	2,256.1
Contribution To Reserves/Reserve Funds	69.5	69.5	75.6	75.6	75.6			75.6	75.6
Inter-Divisional Charges	5,914.6	8,058.8	7,094.3	7,090.8	8,348.8	1,254.5	17.7%	8,348.8	8,348.8
Total Gross Expenditures	46,280.2	51,586.1	58,447.3	56,832.9	62,476.2	4,028.9	6.9%	62,701.5	62,957.3
Inter-Divisional Recoveries	20,627.6	24,027.2	27,765.9	27,251.5	29,450.1	1,684.2	6.1%	28,703.7	28,803.2
User Fees & Donations	2,342.1	2,650.7	4,496.6	4,508.2	4,468.2	(28.3)	(0.6%)	4,468.9	4,469.6
Transfers From Capital	892.5	782.7	1,624.6	1,624.6	2,190.0	565.3	34.8%	2,209.6	1,442.5
Contribution From Reserves/Reserve Funds	156.2	601.2	1,557.5	1,557.5	1,790.1	232.6	14.9%	1,139.5	926.5
Sundry and Other Revenues	2,352.0	4,518.1	3,698.8	2,743.4	5,368.8	1,670.0	45.1%	5,140.7	5,032.4
Total Revenues	26,370.4	32,579.9	39,143.4	37,685.2	43,267.1	4,123.7	10.5%	41,662.4	40,674.2
Total Net Expenditures	19,909.8	19,006.2	19,304.0	19,147.7	19,209.1	(94.8)	(0.5%)	21,039.0	22,283.1
Approved Positions	301.4	272.0	368.9	348.4	364.3	(4.6)	(1.2%)	364.3	359.3

For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017" considered by City Council at its meeting on November 27, 2017.

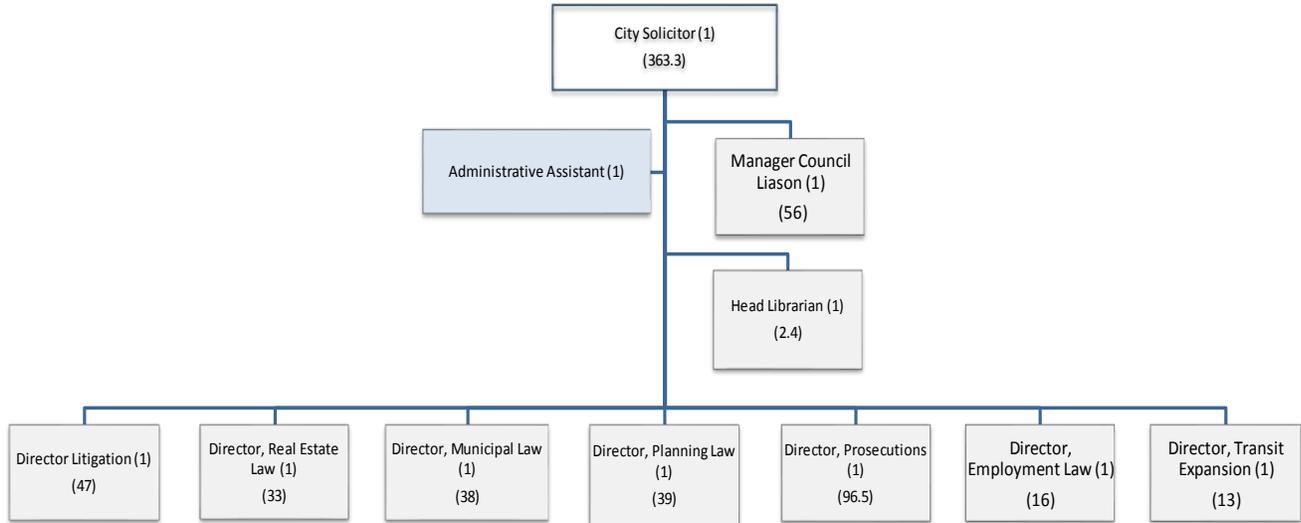
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

Impact of 2017 Operating Variance on the 2018 Preliminary Operating Budget

- There is no impact of the operating variance on the 2018 Operating Budget for Legal Services.

Appendix 3

2018 Organization Chart



2018 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	8.0	14.0	151.0	161.0	334.0
	Temporary			11.0	7.3	18.3
	Total Operating	8.0	14.0	162.0	168.3	352.3
Capital	Permanent				1.0	1.0
	Temporary			6.0	5.0	11.0
	Total Capital	-	-	6.0	6.0	12.0
Grand Total		8.0	14.0	168.0	174.3	364.3

Appendix 5

Summary of 2018 New / Enhanced Service Priorities

2018 Operating Budget - Preliminary New and Enhanced Services Summary by Service (\$000's)

Form ID		Other City Programs Program - Legal Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
14441		Legal Support for Waterfront Revitalization Initiatives						
74	No Impact	Description:						
<p>This proposal is tied to the City Building and Economic Vitality objectives of the City's strategic plan. It will facilitate smart urban growth in the waterfront area by providing the required staff resources to implement projects such as the Innovation Centre, Bayside, the Bentway and Cherry Street Lake Fill. 1 temporary senior lawyer has been requested for a period of two years to support the implementation of the Waterfront Revitalization Initiatives. This position will be funded fully from the Waterfront Revitalization Initiative Capital Account.</p>								
Service Level Impact:								
No change to Service Level.								
Equity Statement:								
No equity impact analysis of the related capital project has been conducted.								
Service: Solicitor								
		Preliminary New / Enhanced Services:	219.4	219.4	0.0	1.00	0.0	(0.0)
		Total Preliminary New / Enhanced Services:	219.4	219.4	0.0	1.00	0.0	(0.0)

14512		Legal Support for TTC Real Estate Division Expropriation						
74	No Impact	Description:						
<p>Two temporary positions (1 senior lawyer and 1 law clerk) have been requested for a period of three years in the Real Estate Division (RED) of Legal Services. The costs for these two positions will be fully recovered from the TTC 2017 Approved Capital Budget (Project CTT028 Easier Access).</p>								
Service Level Impact:								
No change to Service Level.								
Equity Statement:								
An equity impact analysis of the related capital projects has not been completed.								
Service: Solicitor								
		Preliminary New / Enhanced Services:	310.1	310.1	0.0	2.00	7.1	5.8

Category:

2018 Operating Budget - Preliminary New and Enhanced Services Summary by Service (\$000's)

Form ID		Other City Programs Program - Legal Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
Total Preliminary New / Enhanced Services:			310.1	310.1	0.0	2.00	7.1	5.8

14762	Accounting Clerk to Support Insurance Claims							
74	No Impact	Description:						
<p>There has been an increasing trend of claims against the City. One permanent Accounting Clerk position has been requested to assist the processing and reporting of the increasing insurance claims. This position will be fully funded by the Insurance Reserve Fund.</p> <p>Service Level Impact: No change to Service Level.</p> <p>Equity Statement: There are no equity impacts.</p> <p>Service: Civil Litigation</p>								
Preliminary New / Enhanced Services:			64.3	64.3	0.0	1.00	0.0	(0.0)
Total Preliminary New / Enhanced Services:			64.3	64.3	0.0	1.00	0.0	(0.0)

14932	Legal Support for Gardiner Expressway Rehabilitation							
74	No Impact	Description:						
<p>Engineering and Construction Services (ECS) has requested that Legal Services engage in a review of title to the Gardiner Expressway and adjoining properties for the purpose of facilitating the timely implementation of the F.G. Gardiner Strategic Rehabilitation Plan. The proposal is to hire 1 temporary senior lawyer and 1 temporary clerk/conveyancer for a period of 3 years. These positions will be fully recovery through Inter-divisional Recovery from ECS.</p> <p>Service Level Impact: No change to Service Level.</p> <p>Equity Statement: An equity impact analysis of the related capital project has not been conducted.</p> <p>Service: Solicitor</p>								

Category:

71 - Operating Impact of New Capital Projects 74 - New Services
72 - Enhanced Services-Service Expansion 75 - New Revenues

2018 Operating Budget - Preliminary New and Enhanced Services Summary by Service (\$000's)

Form ID		Other City Programs Program - Legal Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Preliminary New / Enhanced Services:	301.3	301.3	0.0	2.00	0.0	0.0
		Total Preliminary New / Enhanced Services:	301.3	301.3	0.0	2.00	0.0	0.0

15047	Legal Services Organizational Review
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74	No Impact
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Description:

Legal Services has identified the need for a third party organizational review of three aspects of their business, including management structure, document management and organization of the administration unit/support staff function. This engagement is to identify optimal organizational design for efficient operations using up to date methods and technology. The cost for this review will be recovered from the Service Efficiency Budget in Non Program.

Service Level Impact:

No change to Service Level.

Equity Statement:

There are no equity impacts.

Service: Solicitor

Preliminary New / Enhanced Services:	120.0	120.0	0.0	0.00	0.0	0.0
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Total Preliminary New / Enhanced Services:	120.0	120.0	0.0	0.00	0.0	0.0
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15192	Legal Support for Toronto Water Infrastructure Projects
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74	No Impact
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Description:

This proposal is tied to the City Building objectives of the strategic plan. It will facilitate the construction and installation of physical services and infrastructure, including the Don River and Central Waterfront Tunnel Project and Basement Flooding Protection Program, which are fundamental to the City's quality of life. Four temporary positions (1 temporary senior lawyer, 1 temporary junior lawyer and 2 temporary clerks/conveyancers) have been requested for a period of two years in the Real Estate Law Group of Legal Services. These positions will be funded fully by Toronto Water.

Service Level Impact:

No change to Service Level.

Category:

71 - Operating Impact of New Capital Projects	74 - New Services
72 - Enhanced Services-Service Expansion	75 - New Revenues

**2018 Operating Budget - Preliminary New and Enhanced Services
Summary by Service (\$000's)**

Form ID		Other City Programs Program - Legal Services	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
Equity Statement:								
There are no equity impacts.								
Service: Solicitor								
Preliminary New / Enhanced Services:		528.0	528.0	0.0	4.00	0.0	(0.0)	
Total Preliminary New / Enhanced Services:		528.0	528.0	0.0	4.00	0.0	(0.0)	
Summary:								
Total Preliminary New / Enhanced Services:		1,543.1	1,543.1	0.0	10.00	7.1	5.8	

Category:

71 - Operating Impact of New Capital Projects
72 - Enhanced Services-Service Expansion

74 - New Services
75 - New Revenues

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		2,096.0	1,796.0	1,496.0	1,196.0
Arbitration & Legal Awards	XQ1709				
<i>Proposed Withdrawals (-)</i>		(300.0)	(300.0)	(300.0)	(300.0)
<i>Contributions (+)</i>					
Total Reserve/Reserve Fund Draws/Contributions		1,796.0	1,496.0	1,196.0	896.0
Balance at Year-End		1,796.0	1,496.0	1,196.0	896.0

* Based on 9-month 2017 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		30,005.2	25,981.1	26,115.5	26,249.9
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>		(4,158.1)			
<i>Contributions (+)</i>		134.0	134.4	134.4	134.4
Total Reserve/Reserve Fund Draws/Contributions		25,981.1	26,115.5	26,249.9	26,384.3
Balance at Year-End		25,981.1	26,115.5	26,249.9	26,384.3

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		20,704.8	8,552.9	8,337.8	8,122.7
IT Equipment Reserve Fund	XQ1508				
<i>Proposed Withdrawals (-)</i>		14,009.1	(215.1)	(215.1)	(215.1)
<i>Contributions (+)</i>		(26,161.0)			
Total Reserve/Reserve Fund Draws/Contributions		8,552.9	8,337.8	8,122.7	7,907.6
Balance at Year-End		8,552.9	8,337.8	8,122.7	7,907.6

* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
Projected Beginning Balance		65,321.4	82,267.7	81,867.7	81,467.7
Building Code Act Reserve Fund	XR1305				
<i>Proposed Withdrawals (-)</i>		(554.0)	(400.0)	(400.0)	(400.0)
<i>Contributions (+)</i>		17,500.2			
Total Reserve/Reserve Fund Draws/Contributions		82,267.7	81,867.7	81,467.7	81,067.7
Balance at Year-End		82,267.7	81,867.7	81,467.7	81,067.7

* Based on 9-month 2017 Reserve Fund Variance Report

Appendix 7a

User Fees Adjusted for Inflation and Other

Rate Description	Service	Fee Category	Fee Basis	2017	2018			2019	2020
				Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
Surrender, Discharge, Release or Assumption documentation	Solicitor	Full Cost Recovery	per document	243.55	4.87		248.42	248.42	248.42
Discharge of Mortgage	Solicitor	Full Cost Recovery	per discharge	243.55	4.87		248.42	248.42	248.42
Consent to document registration	Solicitor	Full Cost Recovery	per consent	243.55	4.87		248.42	248.42	248.42
Correcting Deed	Solicitor	Full Cost Recovery	per deed	243.55	4.87		248.42	248.42	248.42
Compliance Request	Solicitor	Full Cost Recovery	per property	243.55	4.87		248.42	248.42	248.42
Due Diligence Request by Purchasers of Municipal Property	Solicitor	Full Cost Recovery	per request	243.55	4.87		248.42	248.42	248.42
Review Tenant's Notice of Lease	Solicitor	Full Cost Recovery	per notice	243.55	4.87		248.42	248.42	248.42
Renewal of Lease/Licence	Solicitor	Full Cost Recovery	per renewal	488.23	9.76		497.99	497.99	497.99
Lease/Licence Amending Agreement	Solicitor	Full Cost Recovery	per agreement	488.23	9.76		497.99	497.99	497.99
Response to Applications for First Registration in Land Titles	Solicitor	Full Cost Recovery	per application	488.23	9.76		497.99	497.99	497.99
Encroachment Agreement	Solicitor	Full Cost Recovery	per agreement	609.45	12.19		621.64	621.64	621.64
Easement Agreement	Solicitor	Full Cost Recovery	per agreement	609.45	12.19		621.64	621.64	621.64
Preparation of Nominal Sum Lease or Licence	Solicitor	Full Cost Recovery	per document	609.45	12.19		621.64	621.64	621.64
Consent to Applications Where City is Interested Party	Solicitor	Full Cost Recovery	per consent	609.45	12.19		621.64	621.64	621.64
Landlord's or Tenant's Lease Acknowledgement (a) routine	Solicitor	Full Cost Recovery	per acknowledgment	365.89	7.32		373.20	373.20	373.20
Landlord's or Tenant's Lease Acknowledgement (b) complex	Solicitor	Full Cost Recovery	per acknowledgment	1,218.91	24.38		1,243.29	1,243.29	1,243.29
Consent to Assignment or Sublet of Lease/Licence (a) routine	Solicitor	Full Cost Recovery	per consent	243.55	4.87		248.42	248.42	248.42
Consent to Assignment or Sublet of Lease/Licence (b) complex	Solicitor	Full Cost Recovery	per consent	2,438.93	48.78		2,487.71	2,487.71	2,487.71
Consent to Security Documents or a refinancing (a) routine	Solicitor	Full Cost Recovery	per consent	609.45	12.19		621.64	621.64	621.64
Consent to Security Documents or a refinancing (b) complex	Solicitor	Full Cost Recovery	per consent	2,438.93	48.78		2,487.71	2,487.71	2,487.71
Preparation & Registration of Order	Solicitor	Full Cost Recovery	Per Order	458.66	9.17		467.84	467.84	467.84
Preparation & Discharge of Order	Solicitor	Full Cost Recovery	Per Discharge	287.48	5.75		293.23	293.23	293.23
Title Investigation	Solicitor	Full Cost Recovery	Per Title Investigation	115.20	2.30		117.51	117.51	117.51
Solicitor Services	Solicitor	Full Cost Recovery	Per Hour	172.27	3.45		175.71	175.71	175.71