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## BUDGET ADVISORY COMMITTEE

### DECISION DOCUMENT MEETING 7

<b>Date of Meeting:</b>	Thursday, January 27, 2005	<b>Enquiry:</b>	Betty Henderson
<b>Time:</b>	9:30 a.m.		Administrator
<b>Location:</b>	Committee Room 1		416-392-8088
	City Hall		bhender1@toronto.ca
	100 Queen Street West		

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*The Decision Document is for preliminary reference purposes only. Please refer to the Committee's Report to City Council or to the minutes for the official record.*

*How to Read the Decision Document:*

- *recommendations of the Committee to Policy and Finance Committee are in bold type under the heading "Action taken by the Committee";*
- *action taken by the Committee on its own authority that does not require Policy and Finance Committee approval is also reported under the heading "Action taken by the Committee"; and*
- *Declarations of Interest, if any, appear at the end of an item.*

#### 1. Economic Development and Parks Committee Transmittal (Capital)

Action taken by the Committee:

The Budget Advisory Committee received the communication (January 12, 2005) from the Economic Development and Parks Committee, forwarding the 2005 Capital Budget Recommendations.

#### 2. Economic Development and Parks Committee Transmittal (Operating)

Action taken by the Committee:

The Budget Advisory Committee received the communication (January 12, 2005) from the Economic Development and Parks Committee, forwarding the 2005 Operating Budget Recommendations.

### **3. Tourism (Capital and Operating)**

Action taken by the Committee:

#### *Capital*

- (1) The Budget Advisory Committee recommended the adoption of the 2005 EMT Recommended Capital Budget for Tourism, as recommended by the Economic Development and Parks Committee, including technical adjustments;**

#### *Operating*

- (2) recommended the adoption of the 2005 EMT Recommended Operating Budget for Tourism, as amended by the Economic Development and Parks Committee, subject to:**
  - (1) amending the Economic Development and Parks Committee recommendations by:**
    - (a) decreasing the Cavalcade of Lights funding to \$50,000; and**
    - (b) deleting additional funding of \$1 million for Tourism Toronto;**
  - (2) reiterating that the \$100,000 for Events Feasibility Study for World Expo is one time only funding; and**
  - (3) reducing the 2005 Tourism Toronto funding by a further \$1 million.**

### **4. Culture (Capital and Operating)**

Action taken by the Committee:

**The Budget Advisory Committee:**

#### *Capital*

- (1) recommended the adoption of the 2005 EMT Recommended Capital Budget for Culture, as recommended by the Economic Development and Parks Committee, including technical adjustments;**

#### *Operating*

- (2) recommended the adoption of the 2005 EMT Recommended Operating Budget for Culture, as recommended by the Economic Development and Parks Committee, subject to amending the Economic Development and Parks Committee recommendations by:**

- (a) **adjusting the Cedar Ridge Creative Centre funding to \$66,200; and**
- (b) **the Culture Division reduction of one staff position be approved for net annual savings of 0.065 million, such reduction to be considered during the 2006 Budget process.**

**5. Economic Development (Capital and Operating)**

Action taken by the Committee:

**The Budget Advisory Committee:**

*Capital*

- (1) **recommended the adoption of the 2005 EMT Recommended Capital Budget for Economic Development, as amended by the Economic Development and Parks Committee, including technical adjustments;**

*Operating*

- (2) **recommended the adoption of the 2005 EMT Recommended Operating Budget of Economic Development, as amended by the Economic Development and Parks Committee, subject to:**
  - (1) **amending the Economic Development and Parks Committee recommendations by:**
    - (a) **reducing the “Shop Local” campaign on St. Clair Avenue West by \$20,000;**
    - (b) **reinstating the Major Service Level Reduction ED Z004 of \$32.6 thousand net; and**
    - (c) **reinstating the Economic Development Program ED-A003 reduction of \$52.3 thousand net;**
  - (2) **deleting \$10,000 in funding for promotional support for small businesses;**

*Other*

- (3) **received the communication (November 1, 2004) from the City Clerk, entitled “Toronto Financial Services Alliance (TFSA) Resource Requirements”.**

**6. Customer and Business Support (Operating)**

Action taken by the Committee:

**The Budget Advisory Committee recommended the adoption of the 2005 EMT Recommended Operating Budget for Customer Business and Support, as recommended by the Economic Development and Parks Committee.**

**7. Yonge-Dundas Square (Capital and Operating)**

Action taken by the Committee:

**The Budget Advisory Committee:**

*Capital*

- (1) **recommended the adoption of the 2005 EMT Recommended Capital Budget for Yonge-Dundas Square, as recommended by the Economic Development and Parks Committee, including technical adjustments;**

*Operating*

- (2) **recommended the adoption of the 2005 EMT Recommended Operating Budget for Yonge-Dundas Square, as recommended by the Economic Development and Parks Committee.**

**8. Heritage Toronto (Operating)**

Action taken by the Committee:

**The Budget Advisory Committee recommended the adoption of the 2005 EMT Recommended Operating Budget for Heritage Toronto, as recommended by the Economic Development and Parks Committee.**

**9. Parks and Recreation (Capital and Operating)**

Action taken by the Committee:

**The Budget Advisory Committee:**

*Capital*

- (1) **recommended the adoption of the 2005 EMT Recommended Capital Budget for Parks and Recreation, as recommended by the Economic Development and Parks Committee, including technical adjustments, subject to:**

- (1) **deferring Sub-project 249, Outdoor Recreation Centres, JJ Piccinini, Convert Bocce to Fitness Facility, until 2006 for savings of \$600,000;**
- (2) **deferring Sub-project 319, Park Development, Berner Trail Park Redevelopment, until 2006 for savings of \$500,000;**
- (3) **reducing Sub-project 145, Parking Lots and Tennis Courts, CAMP (SGR) Parking Lots to \$1 million for savings of \$250,000;**
- (4) **deferring Sub-project 211, Playgrounds/Waterplay, Play Area Enhancements to 2006 for savings of \$133,000;**
- (5) **deferring Sub-project 208, Trails and Pathways, Riverdale Park East Lighting of Path until 2006 for savings of \$325,000;**
- (6) **deferring Sub-project 167, Trails and Pathways, Sunnybrook Park, New Pedestrian Walkway until 2006 for savings of \$275,000;**
- (7) **deferring Sub-project 48, Special Facilities, Riverdale Farm Residence Retrofit until 2006 for savings of \$375,000;**
- (8) **deferring Sub-project 75, Special Facilities, Tam O'Shanter Storage Building until 2006 for savings of \$225,000;**
- (9) **deferring the rebuilding of James Gardens Parking Lot to 2006 for savings of \$350,000 from Parking Lots and Tennis Courts, Sub-project 211 and a further reduction of \$50,000 within the 2005 Capital Budget of Parks and Recreation, such reduction to be determined by the Commissioner of Economic Development, Culture and Tourism;**
- (10) **transferring Sub-project Park No. 81 from 2006 to 2005 (5055 Dundas Street) for total funding of \$710,000; with no construction to commence until the full funding is secured through various Section 37 Agreements;**
- (11) **confirming the transferring the Jenner Jean-Marie Community Centre in Thorncliffe Park from 2006 to 2005, as included in the Economic Development and Parks Committee recommendations, but reducing the amount of \$200,000, such funding be through reallocation from the following two projects:**
  - (a) **reducing the Community Centres - Capital Asset Management Project by \$80,000; and**
  - (b) **reducing the CAMP Pools Indoors by \$120,000;**

- (12) transferring the Edithvale Community Centre Design Work from 2006 to 2005 in the amount of \$480,000, such funding to be withdrawn from the Ward 23 Parks and Recreation Improvement Reserve Fund (SAP Cost Centre – X-3202);

*Operating*

- (2) recommended the adoption of the 2005 EMT Recommended Operating Budget for Parks and Recreations, as amended by the Economic Development and Parks Committee, subject to:
  - (1) the addition of \$35,000 to maintain the Salmon Run Sculpture;
  - (2) the addition on a one time basis of \$30,000 gross and \$0 net for work carried out on the Van Dusen Boulevard Creek Bank Stabilization Project by the Toronto and Region Conservation Authority funded by a contribution arising from a development agreement relating to 3085 Bloor Street West; and
  - (2) an increase of \$4 million to be dedicated to restoring turf quality of the parks, such funding to come from the increase in parking revenues;

save and except

deferring the following Economic Development and Parks Committee recommendations pertaining to the Clean and Beautiful City Initiative until the Budget Advisory Committee wrap up meeting:

- (a) the addition of \$1.109 million to reduce tree service delays and improve service;
- (b) transferring garden maintenance from 2007 to 2005 in the amount of \$2.148.9 million Tree Service; and
- (c) the addition of \$1.383.1 million to increase the spring grass cutting and litter pick-up;

*Other*

- (3) received the following communications and reports:
  - (a) communication (May 28, 2004) from the City Clerk, entitled “Parking Revenue Increase Option”;
  - (b) communication (October 6, 2004) from the City Clerk, entitled “Harmonized City-wide Private Tree By-law”;

- (c) **communication (November 1, 2004) from the City Clerk, entitled “Toronto Botanical Garden Revitalization Plan Implementation”;**
- (d) **communication (November 1, 2004) from the City Clerk, entitled “Parks and Recreation Service Improvement Priorities for 1005-2006”;**
- (e) **communication (December 6, 2004) from the City Clerk, entitled “Centennial Park Snow Centre Service Improvement Initiative”;**
- (f) **communication (December 6, 2004) from the City Clerk, entitled “Private Tree By-law Resource Implications of the Accelerated Effective Date”;**
- (g) **communication (December 6, 2004) from the City Clerk, entitled “Parks and Recreation Revenue Review Status Report and Interim Findings Related to the Welcome Policy;”**
- (h) **report (January 21, 2005) from the Commissioner of Economic Development, Culture and Tourism, entitled “Toronto Bike Plan Related Project City-wide”; and**
- (i) **report (January 21, 2005) from the Commissioner of Economic Development, Culture and Tourism, entitled “2004 Operating and Capital Budget - Response to Economic Development and Parks Committee Inquiries and Further Information Requests by Councillors Rae and Pitfield”.**

## **10. Community Partnership and Investment Program**

Action taken by the Committee:

### ***Operating***

**The Budget Advisory Committee:**

- (1) **recommended the adoption of the EMT Recommended Operating Budget for the Community Partnership and Investment Program, subject to the following amendments:**
  - (a) **adding \$100,000 for the Toronto Pride Week;**
  - (b) **adding \$25,000 for Artscape;**
  - (c) **adding \$80,000 for the Royal Winter Fair;**
  - (d) **adding \$100,000 for the Culture Build Program;**
  - (e) **adding \$300,000 for the Food Security Grant;**

- (f) adding \$250,000 for the Service Development Program;
- (g) adding \$200,000 for the Aids Conference to be funded from the Home Improvement Reserve Fund;
- (h) adding \$400,000 for the Student Nutrition Program;
- (i) adding \$150,000 for Aids Prevention;
- (j) adding \$400,000 for the Toronto Arts Council Grants;
- (k) adding \$94,300 for the Toronto Arts Council Operations;
- (l) adding \$275,000 for Major Cultural Organizations; and
- (m) adding \$25,000 for Local Arts Service Organizations;

*Other*

- (2) received the following communications:
  - (a) communication (October 7, 2004) from the Community Services Committee, entitled "Grants Program Support to Food and Hunger Initiatives";
  - (b) communication (November 10, 2004) from the Community Services Committee, entitled "Breaking the Cycle of Violence Program - Responding to Unmet Needs"; and
  - (c) communication (December 6, 2004) from the City Clerk, entitled "Stability and Equity: Community-City Working Group on Stable Core Funding - Final Report".

**11. Non-Program**

Action taken by the Committee:

**The Budget Advisory Committee:**

- (1) recommended the adoption of the 2005 Non Program Budget at \$861,675.5 million gross, \$732,302.9 million Revenue, and \$129,372.6 million net, including the following amendments:
  - (a) Tax Deficiencies be increased from \$86.849 million to \$92.609 million;
  - (b) Payments in Lieu of Taxes be increased from \$83.200 million to \$83.930 million;



- (c) **Supplementary Taxes be increased from \$30.000 million to \$37.000 million;**
  - (d) **Tax Penalties be reduced from \$28.000 million to \$26.500 million;**
  - (e) **Other Taxation Revenues be reduced from \$14.730 million to \$14.260 million; and**
  - (f) **the provision of funding for the Election Contribution Rebate Program to be offset by a contribution of the same amount from the Elections Reserve Fund in the amount of \$300,000;**
- (2) **recommended the adoption of the following recommendation contained in the Recommendation Section of report (July 8, 2004) from the Chief Financial Officer and Treasurer:**

**“the surplus carried forward be zero by the 2007 fiscal year and that this be accomplished by reducing the surplus carried forward in 2005 to a target level of \$10 million, in 2006 to \$5 million and 2007 to zero;”;**

***Other***

- (3) **requested the Chief Financial Officer and Treasurer to report to the Budget Advisory Committee wrap up meeting on the total actuals spent on utilities in 2003 and 2004 and determine the exact economic factors to be used for 2005.**

**12. Toronto Transit Commission**

Action taken by the Committee:

**The Budget Advisory Committee:**

***Capital***

- (1) **reduced the Toronto Transit Commission Capital Budget request of \$444 million by \$45 million;**
- (2) **deferred projects related to the “Easier Access” Program for savings of \$3 million;**
- (3) **requested the Mayor’s Office to negotiate with the Federal government in an expedited manner to advance gas tax revenues;**

*Operating*

- (4) noting that the Toronto Transit Commission ridership projection for 2005 will be set at 424 million rides, the Toronto Transit Commission 2005 Net Subsidy from the City be set at \$228.580 million;
- (5) recommended the adoption of the staff recommendation in the Recommendation Section of the report (January 20, 2005) from the Chief Administrative Officer and the Chief Financial Officer and Treasurer:

- (1) Council amend a previously adopted recommendation regarding a property tax exemption for TTC properties that reads:

“That the Province be requested to amend the *City of Toronto Act, 1997* (No. 2) so as to provide a property tax exemption for leased TTC commuter parking lots on hydro corridors and for the Toronto Coach Terminal, and that the Chief Administrative Officer be directed to meet with the appropriate Provincial officials to discuss this request” (Clause 10, Report 4 of the Policy and Finance Committee, adopted by Council at its meeting of May 21, 22 and 23, 2003);

by deleting the phrase “and for the Toronto Coach Terminal” and inserting “and all properties owned and/or operated by the Toronto Transit Commission that are subject to payment-in-lieu of taxes,” such that the recommendation as amended reads:

“That the Province be requested to amend the *City of Toronto Act, 1997* (No. 2) so as to provide a property tax exemption for leased TTC commuter parking lots on hydro corridors and all properties owned and/or operated by the Toronto Transit Commission that are subject to payment-in-lieu of taxes, and that the Chief Administrative Officer be directed to meet with the appropriate Provincial officials to discuss this request”;

- (2) the Chief Administrative Officer be directed to bring this matter forward in discussions with the Province to incorporate said provisions within a new *City of Toronto Act*;
- (3) this report be referred to the Policy and Finance Committee; and
- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto;

save and except:

deferred consideration of the confidential communication (January 13, 2005) from the General Secretary, Toronto Transit Commission, respecting the Sheppard Subway Project, until the Budget Advisory Committee wrap up meeting;

*Other*

- (6) requested the Chief General Manager, Toronto Transit Commission, to report to the Budget Advisory Committee wrap up meeting:

  - (a) on projects whose cash flow can be deferred to 2006; and
  - (b) providing options and alternatives with respect to a further \$47 million reduction;
- (7) requested the Chief Financial Officer and Treasurer, in consultation with the Chief General Manager of the Toronto Transit Commission, to report to the Budget Advisory Committee wrap up meeting on any further savings that can be made on the resolution of the Property Tax impact issue;
- (8) requested the General Manager of the Toronto Transit Commission, in consultation with the Chief Financial Officer and Treasurer, to report to the Budget Advisory Committee wrap up meeting on what the expenditure and revenue adjustments would be as it pertains to the Toronto Transit Commission requested budget in order to get to the final recommended net subsidy;
- (9) requested the Toronto Transit Commission to achieve a one percent reduction in absenteeism in 2005 with resulting savings and report thereon to the Budget Advisory Committee, through the Toronto Transit Commission, prior to the 2006 Budget process;
- (10) requested the Chief General Manager of the Toronto Transit Commission to co-ordinate its internal 2006 budget review with that of the Budget Advisory Committee; and
- (11) received the following communications:

  - (a) communication (September 23, 2004) from the General Secretary, Toronto Transit Commission, entitled "Toronto Transit Commission - Procurement Authorization Design and Supply of Low Voltage Power Supply and Inverter for CLRV Fleet as Part of the CLRV Life Extension Program";
  - (b) communication (October 26, 2004) from the General Secretary, Toronto Transit Commission, entitled "Implementing the Ridership Growth Strategy";
  - (c) communication (November 22, 2004) from the General Secretary, Toronto Transit Commission, entitled "2005 Wheel-Trans Operating Budget";
  - (d) communication (November 19, 2004) from the General Secretary, Toronto Transit Commission, entitled "2005-2009 TTC Capital Program and 10-Year Capital Forecast";

- (e) **communication (November 19, 2004) from the General Secretary, Toronto Transit Commission, entitled “2005 TTC Operating Budget”;**
- (f) **communication (November 2, 2004) from the City Clerk, entitled “Property Tax Exemption for Toronto Transit Commission Properties”;**
- (g) **communication (January 18, 2005) from the General Secretary, Toronto Transit Commission, entitled “2005 TTC Operating Budget and 2005-2009 TTC Capital Budget”; and**
- (h) **communication (January 17, 2005) from the General Secretary, Toronto Transit Commission, entitled “Review of Overnight Services”.**

**Wheel-Trans (Operating)**

**The Budget Advisory Committee recommended the adoption of the EMT Recommended Operating Budget for Wheel-Trans.**