

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

2000 BUDGET REVIEW

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

13 DECEMBER 1999

9:00 A.M.

PRESENT

Chair: R. Chiarelli

Members: D. Beamish, R. Cantin, B. Hill, G. Hunter, P. Hume, A. Loney,
M. Meilleur, R. van den Ham

Regrets: W. Stewart

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Regular and Confidential Minutes of the 01 December 1999 meeting.

CARRIED

DECLARATIONS OF INTEREST

No declarations of interest were filed.

2000 OPERATING AND CAPITAL BUDGET ESTIMATES

(As Tabled with Regional Council on 08 December 1999)

- 2000 Budget Directions (report from the Finance Commissioner dated 01 Dec 99)
- 2000 Draft Estimates - Executive Summary of Expenditure and Taxation Requirements (report from Finance Commissioner dated 07 December 1999)
- 2000 Draft Operating Estimates - Corporate Services and Economic Development Committee Budget Book

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- Notes: 1. Underlining indicates new or amended recommendations approved by Committee.
2. The Budget Report will be presented for Council consideration on 22 December 1999 in Corporate Services and Economic Development Committee Report Number 53.

- 2000 Draft Capital Estimates and 10 Year Capital Forecast Budget Book

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INTRODUCTION

J. LeBelle, Finance Commissioner, reviewed the key limitations facing Council in the development of the 2000 budget. Referencing the Provincial announcement of new funds in the health and ambulance areas, Mr. LeBelle stated the Minister's intention was that in a two tier system of government, that the upper tier must reduce the tax requirement to accommodate the method the Province chose to finance the new money. Therefore, in 2000, Council was required to reduce the tax requirement to provide a tax rate which created the necessary tax room across the Region to accommodate the lost of the CRF funding. In addition, Mr. LeBelle stated there were a number of items that must be accommodated as a first charge against the 2000 budget.

The Finance Commissioner explained to accomplish the competing objectives, it was necessary to issue instructions to the departments regarding the development of the budget = 2000 Budget Directions report.

2000 DRAFT OPERATING ESTIMATES - EXTERNAL AGENCIES

CONSERVATION AUTHORITIES

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 163-167

Mr. LeBelle confirmed the amounts shown on page 167 of the draft estimates needed to be adjusted upward as reflected on page 166. He reminded Committee funding to the conservation authorities was a statutory requirement (levies), and not to be considered as grants. Therefore, Committee approved the amounts required and outlined on page 166, representing a total increase of \$41,000 combined.

Moved by R. van den Ham

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Mississippi Valley Conservation Authority Budget in the amount of \$313,328, page 166, as mandated under the statutory levy requirement.

CARRIED
(B. Hill dissented)

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Rideau Valley Conservation Authority Budget in the amount of \$1,295,650, page 166, as mandated under the statutory levy requirement.

CARRIED
(B. Hill dissented)

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 South Nation Conservation Authority Budget in the amount of \$427,815, page 166, as mandated under the statutory levy requirement.

CARRIED
(B. Hill dissented)

OTTAWA ECONOMIC DEVELOPMENT CORPORATION (OEDC)

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 170 - 173

Dr. Brian Barge, President and Mr. Franklin Holtforster, Chair, OEDC, addressed the Committee. They expressed their appreciation for the ongoing support from Committee and Council. (Written submission on file with the Committee Co-ordinator.)

Councillor Meilleur inquired about the effectiveness of The Ottawa Partnership (TOP) organization. As a member of the business community and Chair of OEDC, Mr. Holtforster referenced the collective success of bringing together a common desire to identify the principle economic generators and provide long term focus to the economic development effort. He stated it was appropriate to ensure money was well spent and properly targeted. Dr. Barge offered OEDC's support and enthusiasm for TOP, referencing benefits to planning, cooperation, objectives, and greater leverage.

Councillor Hill expressed concern regarding an article in the Citizen that stated Ottawa-Carleton was still not known in the global market. Mr. Holtforster explained he was not aware of the article. However, he reviewed the marketing strategies used by OEDC and the targeted areas, pointing out the desire to not waste money on efforts that would not yield success. Councillor Hill expressed disappointment with the article and the impression it conveyed. Dr. Barge added that OEDC's marketing approaches had been focused. He explained the scenario around the information technology sector in Korea and Taiwan and their overwhelming knowledge and experience with Ottawa. Dr. Barge acknowledged there may be places in the world Ottawa was not well known, however, their attentions are focused where there is greatest potential on the investment.

Chair Chiarelli reported the strategic economic development plan should be finalized in Spring 2000 and would deal with marketing strategies as well.

Councillor McGoldrick-Larsen commented the community was fortunate to have a strong economy and growth in Ottawa-Carleton. However, the Councillor indicated this triggered transportation demands with many of these needs not being met.

Councillor McGoldrick-Larsen referenced a previous inquiry regarding whether the Region would be able to respond to the projected economic development expansion in relation to funding the corresponding transportation needs. M. Sheflin, Environment and Transportation Commissioner, stated unless there was access to additional funding or a continued source of revenue, it would not be sustainable. However, he referenced efforts for user pay options and a possible infrastructure program, and expressed his optimism.

Councillor McGoldrick-Larsen thanked the Commissioner for his response. However, she pointed out at a recent OEDC event, traffic congestion was listed as a main concern for further economic growth in Ottawa-Carleton.

Councillor Loney believed more funding was required for economic development. He hoped additional options may be available through the pending restructuring and pooling of all resources. Further to earlier comments provided by Dr. Barge, Councillor Loney stated OEDC was producing excellent results in marketing in Korea and other potential areas.

Chair Chiarelli explained the Transition Board would have to review the many levels of existing economic development entities. The Chair suggested the business community should put attention and resources into planning on how they believe the restructuring should take place. He stated it was important they review the opportunities to merge and identify mandates in the context of a one city scenario, and provide their input to the Transition Board as early as possible.

In closing, Chair Chiarelli complimented the agencies for another successful year.

Moved by A. Loney

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa Economic Development Corporation Budget in the amount of \$1,682,000, page 173, as presented.

CARRIED

OTTAWA TOURISM AND CONVENTION AUTHORITY (OTCA)

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 176 - 179

Moved by R. van den Ham

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa Tourism and Convention Authority Budget in the amount of \$1,723,000, page 179, as presented.

CARRIED

OTTAWA CENTRE FOR RESEARCH AND INNOVATION (OCRI)

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 182 - 187

Mr. Bill Collins, Executive Director, acknowledged that the development of the strategic economic development plan may re-position the responsibilities of the various agencies. However, he stated the level of activities currently handled by OCRI required additional funds in order to effectively lever additional revenues from other levels of government and businesses. Mr. Collins referenced written documentation dated 13 December and presented to the Committee (written submission on file with the Committee Co-ordinator)..

Mr. Collins reviewed a revised budget and the numerous projects, their success, challenges, and opportunities. During the review, he outlined how the institution worked as a lever for other revenues generated into the community

In closing, the speaker explained the \$600,000 request made it possible to continue to proceed at the current level. He stated less funding would result in decreased programs, thereby not generating as much revenue. Mr. Collins acknowledged the difficulties faced by the Region, however, noted the current funding was not holding up in comparison to the funds received from other sources.

Councillor Cantin referenced the increase in request and inquired where the funds were to come from. Mr. Collins acknowledged the difficulty of *both* parties regarding funding. He reiterated OCRI's growth factors and growing operating budget.

Chair Chiarelli stated the unfortunate situation where they had to acknowledge the tremendous success, results and co-operation of the economic development agencies over the past year. However, he pointed out the need to flat line all budgets for 2000.

The Chair explained the need for a fundamental review of all the economic development agencies with regard to the pending restructuring situation and recommendations yet to come from the strategic economic development plan. He suggested should a significant need arise during 2000, there *may* be the option to refer it to the Transition Board.

Moved by R. Cantin

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa Centre for Research and Innovation Budget in the amount of \$392,000, page 187, as presented.

CARRIED

OTTAWA LIFE SCIENCES COUNCIL (OLSC)

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 190-193

In response to a question from Councillor Meilleur, Mr. Ken Lawless, Executive Director, reported on the status of the OCHIP project and its new phase in the hospitals. He confirmed the eventual vision included connecting the pharmacies, and reviewed the phased approach and critical information gained from the hospitals.

Councillor Hume commented on the City of Ottawa attempt to eliminate half the potential for the life science technology park through the conversion to a regular business park. Mr. Lawless explained the land was owned by the Province of Ontario and they had initiated the movement towards this change, leaving the City little option. He stated the OLSC did not support this change, however, their role was to market the Park on behalf of the Province and it was technically out of their hands. Councillor Hume believed this Provincial action was shortsighted and emphasized the need to protect the facility.

Moved by P. Hume

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa Life Sciences Council Budget in the amount of \$147,000, page 193, as presented.

CARRIED

OTTAWA-CARLETON WILDLIFE CENTRE

- Corporate Services and Economic Development Committee Operating Budget Book,
pp.196-199

Reference 01 December (CSEDC) and 08 December (Council) approval regarding funding for the Ottawa-Carleton Wildlife Centre in the amount of \$143,000 as a pre-commitment to the 2000 budget.

B. Hill dissented.

OTTAWA VALLEY WILD BIRD CARE CENTRE

- Corporate Services and Economic Development Committee Operating Budget Book,
pp.202-205

Moved by G. Hunter

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa Valley Wild Bird Care Centre Budget in the amount of \$40,000, page 205, as presented.

CARRIED

ECONOMIC DEVELOPMENT GRANTS PROGRAM

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 208-209

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Economic Development Grants Budget in the amount of \$269,000, page 209, as presented.

CARRIED

ARTS GRANTS PROGRAM

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 212-213

Mr. Peter Honeywell, Council for the Arts in Ottawa. Mr. Honeywell reported that ten years ago the per capita spending on the arts was at \$1.25, yet the current funding represented \$1.12 per capita. Mr. Honeywell stated in the past mandate of Council, two reports (1. Task Force on Arts Report and 2. Arts Policy Report) have been prepared and support the need for an increase. The speaker requested the Committee and Council to consider at least a small increase to the arts for 2000, noting the Arts Policy set out a \$3.00 per capita for 2000.

Councillor van den Ham referenced the pending restructuring and the opportunity for positive change. He hoped the arts community would make presentations to the

Transition Board outlining their requirements and information regarding the two reports. Councillor van den Ham stated under different circumstances he would support a small increase to the arts, however, referenced the Provincial direction regarding a reduced tax rate.

Mr. Tyrone Paterson, Opera Lyra Ottawa. Mr. Paterson reported the arts community was vibrant and exciting, in particular for Opera Lyra Ottawa as they were experiencing unprecedented growth. The speaker stated the organization had made significant progress in reducing their accumulated deficit and reviewed the variety of means to accomplish this, such as increased attendance, subscriptions, support and sponsorship. Mr. Paterson explained their objective was to move to three main stage productions. In closing, the speaker reviewed government support for other Canadian arts organizations and stated Ottawa was below this figure. He emphasized the need for support for all arts programs in that it was vital to sustain the vibrant quality of life in the community.

Councillor Meilleur applauded Opera Lyra for their recent achievements. She reported they had developed a strong partnership and sponsorship with the business community and increased their fundraising activities and educational programs. She hoped the Region would follow the trend of increasing arts support and acknowledge the economic results from this support.

Councillor Loney provided a background to the arts grants funding. He referenced the Arts Task Force and Draft Arts Policy reports that were pending Council approval. The Councillor stated the reports identify the number of areas that required additional support, however, noted the dilemma of provincial direction and downloading.

Councillor Loney reported that between this meeting and Council budget consideration, he would be reviewing the corporate budget to attempt to identify areas that could be used to increase the arts contribution. The Councillor stated it was unfortunate, but did not believe the objective of \$3.00 per capita for 2000 was possible.

With respect to the arts policy report, Councillor Loney explained it was prepared on the current structure of two tier system. However, with respect to restructuring to one city, it was necessary to realize the extra monies required were *in addition to* what is currently available at the lower tier.

Speaking to the review of the annual arts grants, Councillor Loney referenced the frustration of having to deny quality applications and the need for additional support to grow and maintain the current pace.

In closing, Councillor Loney stated he planned to bring forward a Motion at the Council budget review, in hope to find a source without exceeding the budget directions. He reiterated the need to show faith with the arts community based on the past reductions to their budgets and the issues outlined in the arts reports.

Councillor Cantin also commented on the talent in the arts community and frustration experienced by the arts industry and jurors with the allocation of arts grants with no additional funds.

Moved by A. Loney

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Arts Grants Budget in the amount of \$841,000, page 213, as presented.

CARRIED

(B. Hill and G. Hunter
dissented)

MISCELLANEOUS

HOSPITALS - CAPITAL FINANCING COSTS

Councillor Munter introduced the issue and reported the Ottawa Academy of Hospital Executives were facing a large problem regarding capital funding required for hospital restructuring.

Mr. Michel Bilodeau, President, Sisters of Charity of Ottawa, on behalf of the Ottawa Academy of Hospital Executives. Mr. Bilodeau indicated he was before the Committee on behalf of the six hospitals in Ottawa. He reported the health restructuring commission had ordered all hospitals to conduct certain renovations. Mr. Bilodeau explained he expected the total project costs to reach at least \$350M and the share the hospitals were required to pay ranged between 50-70% of the total cost; higher than \$100M. The speaker stated it was not possible to fundraise for this purpose in addition to the ongoing fundraising required for research and other purposes.

In closing, Mr. Bilodeau reviewed the renovation and financial situation for the Sisters of Charity Hospital. He requested Committee's support to return to the former policy of funding 25% of the local share of capital costs. In addition, he asked the Committee to consider how the Region could support hospitals over the next few years in order to deal with this significant problem.

Councillor Munter acknowledged the issue and request was too large to resolve in the short budget time frame. He hoped Committee would direct staff to review the options, referencing the historical tradition to support capital projects for hospitals. Councillor Munter compared the huge effort of the United Way to raise \$15M annually. He commented this requirement was for \$100M and expressed concern with the impact this fundraising effort would have on all the other health and social service agencies the Region also supported. Councillor Munter referenced the quality of life and stated it was a tradition of local government to be a partner with the local hospitals.

Councillor Hunter did not support the parallel of the historical contribution and the current situation. He pointed out the capital costs required now were a result of a Provincial order and were being forced onto a system that never supported the hospital restructuring.

With respect to the savings to be achieved by the Province through the restructuring, Councillor Hunter believed they should be responsible for using those savings for the restructuring costs. In comparison, he referenced the pending municipal restructuring and pointed out the Province was not prepared to assist with the restructuring costs, but expected the costs to be paid out of future anticipated savings.

Councillor Meilleur agreed with Councillor Hunter in that the costs were transferred down yet the Province was the only body saving money as a result of hospital restructuring. She sympathized with the hospitals situation and challenges.

Councillor Loney referenced the huge requirement to be paid by the Thunder Bay and Sudbury communities as a result of restructuring. The Councillor stated it was a significant additional download to be added to the already difficult situation of other downloaded areas.

Councillor Loney reviewed previous community and public support during the construction of the Queensway Carleton and General Hospitals. However, he stated at that time they were new "community" hospitals and the enthusiasm was high. He believed it would be difficult to fundraise on the reality of less service and the

restructured system. The Councillor agreed there was a need for a consorted effort to have the Province take some responsibility. In closing, he supported the proposal for staff to review the options in particular with the changes in 2001.

Councillor Hume emphasized the need to engender a public debate regarding the issue as it was very serious. He stated he did not support the restructuring of the hospitals nor did he want the fundraising efforts now required to negatively affect the fundraising for other charitable sectors. Councillor Hume emphasized the need to obtain the correct information necessary to go forward to the Province and community, such as the consequences of restricting the Region from collecting regional development charges for hospitals. Councillor Hume moved a Motion directing staff to investigate the issues discussed and options to consider to resolve this significant problem. He acknowledged it may not be Council's responsibility to provide the funding, however, it was their responsibility as leaders to develop a plan.

Chair Chiarelli expressed his empathy for the hospital sector. However, he explained the importance for the public to understand the challenges being placed on many sectors, such as the hospitals, post secondary education, social housing, infrastructure, and municipal, and how they were interconnected. The Chair referenced the intergovernmental relationship between the municipalities and the Province and Federal governments, and provided figures on the decreased funding from the Province, yet increased downloading.

Chair Chiarelli stated it was beyond the capacity of Ottawa-Carleton, or any other municipality, to deal with the mandate and financial challenges without any new sources of revenue. He emphasized the need for all sectors to come together to debate the crisis in intergovernmental relations in terms of funding.

With respect to the hospital sector, Chair Chiarelli wished he could create a fund to deal with this sector and the problem. However, he explained at the same time Council would be required to deal with other sectors and infrastructure requirements, reviewing the Provincial default on their obligation regarding the download of provincial highways.

In closing, Chair Chiarelli challenged the many sectors to communicate with one another and inform the Province it was not possible for municipalities to absorb the entire downloaded costs. He agreed with the need for the Province to invest the savings and additional economic activity into the community. The Chair informed the Committee the municipalities collectively have been demanding additional sources of revenue to assist in meeting the challenges.

Councillor Munter acknowledged all previous comments. However, he stated the need to research the facts and numbers and to use the report as a platform to deal with some of the issues and the Province. He hoped Committee would support the Hume Motion.

Councillor Beamish noted in addition to the sectors outlined by the Chair, there would be large transitional capital costs associated with municipal restructuring. The Councillor stated staff resources would be limited as a result of the immediate needs around restructuring, that being a more direct responsibility at this time. Therefore, he could not support the Hume Motion.

Councillor Meilleur referenced the difficult position for the hospitals with regard to speaking out against the Province and the consequences on their Provincial grants.

Councillor Legendre concurred with the Chair's comments in that all sectors must come together to make their case. He suggested the total taxation situation in the Province needed to be reviewed in relation to the changes made to the service delivery.

Chair Chiarelli referenced the pending restructuring and arrival of the Transition Board. He stated the 2001 budget would be prepared by the Transition Board and recommended to the new Council. He believed that many issues would have to be considered by the Board in evolving a recommended budget for 2001. The Chair wondered if it was more appropriate to refer the Motion to the Transition Board to take into account during the creation of the 2001 budget. In closing, Chair Chiarelli questioned if staff would be available to do justice to the investigation and work required. He noted staff from all existing municipalities will be required to provide reports and research for the Transition Board regarding the many changes required.

Councillor Hunter stated the Motion would require the Province to live up to its commitment and obligation it forced on the community regarding hospital restructuring. He pointed out the Transition Board would be a Provincially appointed body, and suggested the Board would probably direct staff to complete the report in any event. Councillor Hunter expressed his disapproval regarding the powers of the un-elected Transition Board, and did not support referring the Motion to that body. Rather he believed the Region should take the lead on getting the Province to assume their responsibility around health care restructuring.

Councillor Munter clarified the first year for possible funding for this issue was 2001. He concurred with Councillor Hunter in that it was more appropriate for the Region to conduct the research and report, noting in the long run it may be the Region's obligation in any event. He added it did not prevent submission of the report to the Transition Board at a later date.

Councillor Loney also expressed concern with involving the Transition Board at any stage. He referenced the possible vast powers the Board may have. With respect to staff resources, he suggested the option to review the costs involved to complete the work, and noted outside expertise available.

Moved by G. Hunter (Amendment Motion)

That the Hume Motion be amended to include the following text: - Provincial grants to cover the full costs of provincially ordered hospital restructuring, and failing that ...

CARRIED

Moved by A. Loney (Amendment Motion)

That the Hume Motion be amended to include the words "and ongoing" hospital restructuring costs ...

CARRIED

Moved by P. Hume (Main Motion as amended)

That the Regional Finance and Health Departments evaluate and investigate the issue of one-time and ongoing hospital restructuring costs and the impact on the charitable sector;

And that staff prepare a report outlining potential ways to address this issue, including (but not limited to):

- **Provincial grants to cover the full costs of provincially ordered hospital restructuring, and failing that**
- **reserve funds;**
- **dedicated levy;**
- **restructuring savings;**
- **debenture; and**
- **any other options available.**

CARRIED as amended
(D. Beamish dissented)

**PURCHASE OF SERVICE CONTRACT
WOODS MANUFACTURING COMPANY BRASS BAND**

Mr. Guthrie Woods explained the Woods Manufacturing Company Brass Band currently had a service contract with the Region as approved by Council in June 1999. Mr. Woods stated the band had made significant movement in the United States market and created an alliance with a United States marine core band. He reviewed the previous season. A video was viewed by Committee of a performance by the Woods Manufacturing Company Brass Band.

Mr. Woods requested an extension to the purchase of service contract for the coming year and suggested the need for a more permanent arrangement. He referenced the advertising and publicity gained from the contract.

In response to a question from Councillor Cantin, Mr. Woods confirmed engagements with Australia and South Africa. Councillor Cantin explained the difficulty surrounding funding for the band was they did not qualify under the economic development or arts grants. He reviewed the value received and stated he would be attempting to find an area where funding could be accommodated.

Councillor Hill referenced her earlier comments regarding Ottawa's world presence in association with economic development. She stated the band contributed to promoting the Region, assisted with tourism, and was a worthwhile investment.

Councillor Loney expressed concern with by passing the processes that many others valuable organizations must go through. He wondered why the request would not fall into the economic development grants program, noting the 1999 funding came from the Economic Affairs budget. He supported the request and project, however, expressed hesitation with the special circumstances around it coming forward as an exception.

Councillor van den Ham inquired about the association between the band and Woods Manufacturing Company. Mr. Woods explained the Woods Manufacturing Company no longer existed, however the band was federally charter under this name. He confirmed there was no commercial benefit and the funding for the band came from himself directly. Councillor van den Ham expressed his support, however, agreed with the concerns outlined by Councillor Loney regarding process and hoped this could be reviewed for future years.

M. Beckstead, Chief Administrative Officer, commented he was not aware of rejection of the application from the arts or economic development grants programs. He acknowledged comments from Committee members regarding the use of the appropriate process and competing on a level playing field with others. He indicated the economic development grants program had only been active for the previous few years.

Moved by R. Cantin

That the Chief Administrative Officer find a source to provide a \$10,000 purchase of service contract for the Woods Manufacturing Company Brass Band.

CARRIED

2000 DRAFT OPERATING ESTIMATES - OPERATING DEPARTMENTS

OFFICE OF THE REGIONAL CHAIR

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 7

Councillor Meilleur requested further information regarding the Regional Chair's budget, noting the one page provided in the budget book. Mr. LeBelle pointed out the reduced documentation provided for many departmental budgets was a result of the advanced time line in which they were given to complete the budget books. He stated departments were prepared to offer verbal explanation and further written information where required.

B. McGuinty, Chief of Staff, agreed to provide a detailed budget prior to Council on 22 December. He indicated the Regional Chair's budget was identical to that of 1999 and 1998.

Councillor Hunter pointed out a slight decrease in the area of compensation, however, the staffing was reduced from 8 to 7 persons. He wondered if the other employee were receiving a raise, as the reduction in the compensation was not equivalent to the reduction in full time employees. Mr. McGuinty confirmed staff did not and would not receive a raise in salary over 1999.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Regional Chair's Office Budget, page 7, as presented.

CARRIED

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 11-33

In response to a question from Councillor Cantin regarding the estimated actuals and the final budget figures, Mr. LeBelle offered the following explanation. He stated that to compare to actuals for the purpose of developing a subsequent year budget would encourage departments to spend their budget regardless, an action Finance had always guarded against. He added there was a recognition that the budget represents the base required to carry out their business. Mr. LeBelle commented in any year there would be situations where departments are not required to actually spend the entire budget.

J. Barbeau, Director, Corporate Programs and Administration, also added the figures were completed in the fall for submission to Finance. She reported the significant change following this submission was the announcement from the Province regarding governance and the need for significant follow up and activity after that point. Mr. LeBelle agreed and stated in many cases the final estimates are different than the estimated provided in the budgets.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Chief Administrative Office Budget, page 19, as presented.

CARRIED

Economic Affairs

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 25-27

Councillor Meilleur requested further information and detail prior to Council on
22 December.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Economic Affairs Office Budget, page 27, as presented.

CARRIED

Information Technology Office

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 32-33

Dr. Shallal, Director, Information Technology Office, explained with the creation of the IT office there were certain expenditures placed in the individual divisions that were consolidated into the Director's office, thereby creating a corresponding reduction in the next line. Dr. Shallal stated the Director's office would deal with the common expenditures.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Information Technology Office Budget, page 33, as presented.

CARRIED

REGIONAL CLERK

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 38 - 63

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Regional Clerk's Budget, page 41, as presented.

CARRIED

Information and Public Affairs

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 45-51

Councillor Meilleur inquired about the reduction represented in the French Language Services section. L. Lavoie, Director, Information and Public Affairs, reminded Committee that the former Official Languages was reassigned to Information and Public Affairs with the creation of the French Languages Services Division. She explained with the relocation of the two functions to the same area resulted in the elimination of a reception position.

In response to a question from Councillor Cantin, Ms. Lavoie explained that as a result of the consolidation of the communications function, many of the staff and communications resources had migrated to the Information and Public Affairs budget therefore adjusting the base figure.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Information and Public Affairs Budget, page 51, as presented.

CARRIED

Legislative

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 55-57

Councillor Hume referenced the *City of Ottawa Act* which states the cost of the election for 2000 shall be included in the operating budget of the ROC. M.J. Woollam, Regional Clerk, explained the Act also stated the area municipalities shall transfer their money to the Region which will provide for the \$1.67M required. This was not indicated in the budget books due to the timing around the issue of the budget material and the issue of the legislation.

Councillor Hunter referenced page 57 and the number of FTE for the Councillors' offices. He inquired about the number of part time Assistants (separate from the full time Assistants) and wondered where they were accounted. Councillor Hunter suggested the Member Services Committee may wish to review this matter, indicating the provision in the budget may not be required if it only added up to two FTE positions, thereby, not being used by most Councillors. Ms. Woollam stated she would review the numbers and provide more information prior to the Council meeting.

Ms. Woollam confirmed there were no over expenditures in the Councillors' office budgets.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Legislative and Administrative Services Budget, page 57, as presented.

CARRIED

(G. Hunter dissented)

Management and Audit Services

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 61-64

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Management and Audit Services Budget, page 63, as presented.

CARRIED

LEGAL DEPARTMENT

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 68 - 71

Councillor Cantin inquired where the \$1.2M additional revenue was from. E. Johnston, A/Regional Solicitor, stated it was primarily from provincial offences, however, there were some other factors included.

D. Poitras, Manager, Administration Services, confirmed the moderate increase in legal services also related to the *Provincial Offences Act* and compensation for additional staff which was covered off by recovery under the program.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Legal Department's Budget, page 71, as presented.

CARRIED

PLANNING AND DEVELOPMENT APPROVALS

Property Services Division

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 76 - 80

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Property Services Division Budget, page 79, as presented.

CARRIED

Parking Garage

- Corporate Services and Economic Development Committee Operating Budget Book,
pages 82 - 83

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Parking Garage Budget, page 83, as presented.

CARRIED

Lansdowne Park

- Corporate Services and Economic Development Committee Operating Budget Book,
pages 88 - 89

Councillor Hunter stated there was not enough information in the budget to allow him to feel comfortable with the proposed break even position, noting the previous annual City of Ottawa deficit.

The Councillor referenced the exploration of revenue opportunities, including the implementation of a parking charge and increased user fees. Councillor Hunter expressed concern with the figure proposed to raise from these sources and the limited ability to consult with the public due to the advanced budget timetable. Councillor Hunter was concerned that the amount of pressure to be expected from the users of the Park would ultimately constrain their ability to actually implement the changes. He did not necessarily agree with the implementation of the parking charge and commented on some of the consequences of that option. Councillor Hunter did not believe the break even page was sustainable in the long term, and stated he would prefer more realistic and detailed information.

Councillor Cantin noted the deteriorating state of some of the halls / rooms in the facility, and inquired if this resulted in decreased revenues. N. Tunnacliffe, Planning and Development Approvals Commissioner, acknowledged this had been a problem. However, he explained funds had been allocated for this purpose and should assist with increased usage. Councillor Cantin reviewed the benefit of reoccurring and established events using the facility on an annual basis. In closing, Councillor Cantin supported the budget and reviewed the proposed and positive changes to the use and revenue for the Park.

Mr. Beckstead reminded Committee that the previous commitment stated no tax line dollars allocated to Lansdowne Park. He confirmed they were to budget to break even and if they did not in the first year, the difference would be made up in the second or third years and it would carry forward as a separate cost centre on its own. The Chief Administrative Officer stated further issues were being review, such as the parking study, and staff would be reporting back to Committee. R. Ennor, Director, Property Services Division, added the 1999 budget was \$3.8 M whereas the 2000 budget was \$3.5M, a reduction of \$300,000 thereby reducing the gap. He referenced further revenue and operating opportunities as well.

In response to a question from Councillor Cantin regarding a policy on reduced or free rates under certain circumstances, Mr. Beckstead explained the original report on the assumption of the Park stated if there were events that Council wished to subsidize, the appropriate revenue would still go to the Park and the expense would be accounted for elsewhere.

Councillor Legendre inquired about the planned future for the management of the Park. Mr. Beckstead stated the annual budget would still come forward to Council as long as it was a Regional facility. However, he stated it was the intent to set up a separate reporting relationship and once details were finalized, a report would be brought forward to Committee.

Councillor Legendre expressed some discomfort with the long term ownership of the facility as he believed it was only to have been on a transitional basis in order to save the Park. Mr. Tunnacliffe referenced page 77 and reviewed the following goal: "a review of the management models and recommendations for long term management and operation of the Park will be completed early in the year to ensure the Region's long term objectives for Lansdowne are met."

Councillor Meilleur referenced the appointment of the Special Advisor on Local Governance and pending restructuring legislation. She expressed surprise with the continuation of the assumption of Lansdowne Park, when restructuring will bring the assets together in any event. Mr. Beckstead stated in the absence of a different Council direction, the assumption would continue recognizing it would only be for one year. He did not believe it was lost work and recommended the process continue.

Further to earlier comments from Councillor Legendre, Councillor Loney requested clarification around the ownership of the Park. Chair Chiarelli stated it was his understanding ownership would remain with the Region, but it may be operated through a management agreement by an arms length body, such as a non-profit corporation. The Chair expected a report would come forward in Mar/Apr to consider the management options. Councillor Legendre requested information regarding the legal restrictions around transferring ownership to be included in the report.

Speaking to the continuation of the process, Councillor Loney noted the City of Ottawa budget was prepared with the elimination of the \$1.2 M from their budget and it did represent a savings to that Corporation.

Chair Chiarelli stated certain dynamics would unfold over the next eighteen months. He believed when the one city was introduced, it would be necessary to deal with Lansdowne Park, in addition to many other recreational facilities noting the current Departments of Recreation in the area municipalities. The Chair pointed out the current competitive environment among the facilities. He explained the new Council would have to develop a business plan on how to position the facilities collectively as a new City, including marketing and policy work.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Lansdowne Park Budget, page 89, as presented.

CARRIED

HUMAN RESOURCES

- Corporate Services and Economic Development Committee Operating Budget Book, pp. 93 - 97

Councillor Hunter referenced the corporate salary budget for 2000, noting the restructuring legislation seemed to freeze activities around hiring, termination, and collective bargaining. A. Boettger, A/Human Resources Commissioner, confirmed all five of the Region's collective agreements would expiry on 31 December 2000 at which time the new one city administration would pick up negotiation for 2001 effective the first day of the new city. Mr. Boettger reported this expiry date was co-ordinated with the area municipal Human Resources Departments in order to enable most of the collective agreements to expire at the same time and not create any undue liabilities into 2001.

Councillor Hunter reviewed the activity counts outlined in the budget documents, in particular around the areas of grievances and labour relations. Mr. Boettger stated the figure for grievances represented internal and not proceeding to arbitration. He added approximately 95% of the grievances that proceed to arbitration were settled through the mediation process. Mr. Boettger referenced the inquiries on labour relations issues and employment management. He indicated a higher increase in traffic from management staff in looking to resolve issues early by speaking to the Human Resources Department and seeking advise.

In closing, Mr. Boettger explained the pending restructuring would further increase the activity in this area. He added the Region was generally one of the better employers of this size in the Province, and the grievance activity was low compared to most organizations in the 4000-5000 employee range. Mr. Boettger pointed out the Region was 95% unionized and referenced the good relationships with the union associations.

Councillor Hunter requested a future report on labour relations within the corporation. He believed it could serve as a comparison document after the restructuring when the new corporation / city was implemented.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Human Resources Budget, page 97, as presented.

CARRIED

Region Wide Corporate Human Resources Provision

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 101 - 103

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Region-Wide Human Resources Provision Budget, page 103, as presented.

CARRIED

EMERGENCY SERVICES

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 107 - 110

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Emergency Services Budget, page 109, as presented.

CARRIED

CORPORATE FLEET SERVICES

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 113 - 115

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Corporate Fleet Services Budget, page 115, as presented.

CARRIED

FINANCE DEPARTMENT OR NON-DEPARTMENTAL

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 120 - 155

**That the Corporate Services and Economic Development Committee recommend
Council approve the 2000 Finance Department Budget, page 121, as presented.**

CARRIED

Corporate Common Costs

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 124 - 125

**That the Corporate Services and Economic Development Committee recommend
Council approve the 2000 Corporate Common Costs Budget, page 125, as presented.**

CARRIED

Insurance

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 128 - 129

**That the Corporate Services and Economic Development Committee recommend
Council approve the 2000 Insurance Budget, page 129, as presented.**

CARRIED

Sundry and Remissions

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 132 - 133

Councillor van den Ham referenced the pending legislation around restructuring and the cost of approximately \$2M for the Transition Board to be covered by the Region. He inquired if that had been accounted for in the 2000 budget. Mr. LeBelle confirmed it was not included in the budget as a result of timing around the preparation of the documents and receiving the details on the legislation. The Finance Commissioner suggested Committee may wish to direct staff to prepare a recommendation to Council to be considered on 22 December. Councillor van den Ham believed it was important for Council to deal with the issue and identify the funds, as he did not support the \$2M coming from the Region Wide reserve fund.

Moved by R. van den Ham

That an amount of \$2 million be added to the corporate budget (Sundry and Remissions - CSEDC Operating Book page 133) for the provision of the Transition Team, subject to staff comments to be provided at the Council budget review meeting on 22 December 1999.

CARRIED

(G. Hunter dissented)

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Sundry and Remissions Budget, page 133, as amended by the van den Ham Motion.

CARRIED

(G. Hunter dissented)

Financial Charges

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 136 - 137

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Financial Charges Budget, page 137, as presented.

CARRIED

Debt Charges

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 140 - 141

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Debt Charges Budget, page 141, as presented.

CARRIED

Corporate and Region Wide "Pay As You Go"

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 144 - 145

Mr. LeBelle referenced the detailed budget information (page 144) and stated the OC Transpo Bus Depreciation for the 1999 Budget should be corrected to read "\$24,717,000" rather than "\$20,528,000".

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Corporate and Region Wide "Pay As You Go" Budget, page 145, as presented.

CARRIED

Region-Wide Miscellaneous Revenue

- Corporate Services and Economic Development Committee Operating Budget Book,
p. 149

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Region-Wide Miscellaneous Revenue, page 149, as presented.

CARRIED

Region Wide Reallocations

- Corporate Services and Economic Development Committee Operating Budget Book,
pp. 152 - 155

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Region Wide Reallocations, page 155, as presented.

CARRIED

2000 DRAFT CAPITAL ESTIMATES AND 10-YEAR CAPITAL FORECAST

CHIEF ADMINISTRATIVE OFFICER

Economic Affairs

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 50 - 51

Councillor Hume requested a list of projects under this budget.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Chief Administrative Officer, Economic Affairs Capital Project Details, page 51, as presented.

CARRIED

(G. Hunter dissented)

Information Technology Office

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 52 - 73

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Information Technology Office Capital Project Details, pages 52 - 73 inclusive, as presented.

CARRIED

REGIONAL CLERK

Art in Public Spaces

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 76 - 77

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Regional Clerk's, Art in Public Spaces Capital Project Details, page 77, as presented.

CARRIED
(G. Hunter dissented)

Election 2000

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 78 -79

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Regional Clerk's, Election 2000 Capital Project Details, page 79, as presented.

CARRIED

PLANNING AND DEVELOPMENT APPROVALS (PROPERTY)

Ottawa-Carleton Centre Facilities Upgrade

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 86 - 87

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Ottawa-Carleton Centre Facilities Upgrade Capital Project Details, page 87, as presented.

CARRIED

Building Retrofit Projects

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 88 - 89

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Building Retrofit Capital Project Details, page 89, as presented.

CARRIED

Lansdowne Park Retrofit

- Corporate Services and Economic Development Committee Capital Budget Book, Project Number 900501, additional page distributed at Committee

Chair Chiarelli explained the agreement with the City of Ottawa required the Region to undertake a number of capital improvements to the Park amounting to \$7M with an annual repayment from the City of \$675,000.

Mr. LeBelle referenced the pending restructuring and suggested the entire authority should be placed on the books for 2000, on the understanding it was recoverable from the City of Ottawa through an annual payment. He did not believe it was appropriate to have the authority brought on over a number of years.

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Lansdowne Park Capital Project Details, as presented.

CARRIED

CORPORATE FLEET SERVICES

Vehicle and Equipment Replacement Program

- Corporate Services and Economic Development Committee Capital Budget Book,
pp. 112 - 113

That the Corporate Services and Economic Development Committee recommend Council approve the 2000 Corporate Fleet, Vehicle and Equipment Replacement Program Capital Project Details, page 113, as presented.

CARRIED

The Corporate Services and Economic Development Committee concluded its component of the Corporate Budget Review and, subject to the amendments, observations and directives outlined above, approved the 2000 Corporate Services and Economic Development Committee Operating and Capital Budget on 13 December 1999, to be submitted to Council for consideration on 22 December 1999.

ADJOURNMENT

The budget meeting adjourned at 1:00 p.m.

CO-ORDINATOR

CHAIR