

Our File/N/Réf.
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DATE 31 March 1998

TO/DEST. Members Of Regional Council

FROM/EXP. Chief Administrative Officer

SUBJECT/OBJET **1998 OPERATING DRAFT ESTIMATE REDUCTIONS**

In response to Council's motion to reduce the operating budget tax requirement by \$4.5 million, the Budget Review Board (BRB) has now completed a detailed review of the departmental estimates tabled with Regional Council.

Attached is a summary of the B.R.B. recommendations and detailed proposals which identify the program reductions, the impact on staffing and a description of the effect each reduction would have on the public or corporate service. These adjustments and program reductions reduce operating expenditures by \$7.4 million and the net tax requirement by \$4.6 million.

C. M. Beckstead
Chief Administrative Officer

INFORMATION PREVIOUSLY DISTRIBUTED
TO BE LISTED ON CORPORATE
SERVICES AND ECONOMIC DEVELOPMENT
COMMITTEE AGENDA - 07 APRIL 98

**1998 Operating Draft Estimate Reductions
Budget Review Board Recommendations**

	1998 Base <u>Estimate</u> \$000	1998 Proposed <u>Reduction</u> \$000	<u>Percent</u> %	1998 Tax <u>Impact</u> \$000
Existing Programs				
Departmental Reductions				
CAO	759	(18)	(2.4)	(18)
- Information & Public Affairs	1,714	(40)	(2.3)	(40)
Regional Clerk	2,819	(40)	(1.4)	(40)
Legal Services	2,447	(110)	(4.5)	(110)
Planning & Development Approvals	7,740	(181)	(2.3)	(181)
- Property Services	5,649	(88)	(1.6)	(88)
Human Resources	5,383	(120)	(2.2)	(120)
Finance	12,951	(340)	(2.6)	(289)
Transportation Services	47,372	(990)	(2.1)	(990)
Public Health Programs	17,789	(141)	(0.8)	(141)
Social Services	79,744	(863)	(1.1)	(460)
Homes For The Aged	31,341	(190)	(0.6)	(190)
Solid Waste	21,014	(350)	(1.7)	(350)
Departmental Total	236,722	(3,471)	(1.5)	(3,017)
External Agencies	5,117	(116)	(2.3)	(116)
Administrative Reductions		(3,849)		(1,454)
Total Reduction		<u>(7,436)</u>		<u>(4,587)</u>

**DEPARTMENTAL
REDUCTION PROPOSALS**

TABLE OF CONTENTS

PAGE

CHIEF ADMINISTRATIVE OFFICER.....	1
INFORMATION AND PUBLIC AFFAIRS.....	2
REGIONAL CLERK.....	3
LEGAL	4
PLANNING AND DEVELOPMENT APPROVALS.....	5
PROPERTY SERVICES DIVISION.....	6
HUMAN RESOURCES.....	7
FINANCE	8
EXECUTIVE OFFICE - (FINANCE & OPERATIONS SUPPORT).....	9
ENGINEERING DIVISION	10
INFRASTRUCTURE MAINTENANCE DIVISION	11
MOBILITY SERVICES DIVISION	13
MOBILITY SERVICES DIVISION	14
HEALTH.....	15
SOCIAL SERVICES.....	16
HOMES FOR THE AGED.....	17
ETD - SOLID WASTE	18
EXTERNAL AGENCIES.....	19
ADMINISTRATIVE ADJUSTMENTS.....	20

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *CHIEF ADMINISTRATIVE OFFICER*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Professional Services	18	18

STAFFING IMPACT:

This proposal will have no staffing impact.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Professional Services

Reductions in the use of consultants as well as local and distant travel for business functions will reduce the ability to confer with counterparts in those public and private forums with which the Region carries out its business.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *INFORMATION AND PUBLIC AFFAIRS*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Advertising	20	20
Professional Services	<u>20</u>	<u>20</u>
	40	40

STAFFING IMPACT:

This proposal will not directly impact staffing, but will limit our overall ability to inform residents of Ottawa-Carleton of regional issues.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Advertising

This reduction will restrict the Region's ability to advertise in both daily and community newspapers.

Professional Services

The reduction in professional services will limit our ability to execute public notification programs, including such things as direct mail-drops to households in Ottawa-Carleton and publication development.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *REGIONAL CLERK*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Compensation	18	18
Purchased Services	11	11
Internal Cost - Redistribution	9	9
Fixed Assets	2	2
	<u>40</u>	<u>40</u>

STAFFING IMPACT:

EFFECT ON PUBLIC / CORPORATE SERVICE:

Compensation

Reduction to the summer student program. The services of one student will be shared between all branches, consequently not all planned projects may get completed.

Purchased Services

Reductions to various accounts will necessitate the realignment of expenditures in several areas. The department will continue its practice of prioritizing its spending in order to accommodate the reductions.

Internal Cost Redistribution

A reduction to the department's overall printing budget.

Fixed Assets

The purchase of a laser printer will be delayed.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *LEGAL*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Compensation	110	110
	<u>110</u>	<u>110</u>

STAFFING IMPACT:

This proposal will eliminate two full time equivalents

EFFECT ON PUBLIC / CORPORATE SERVICE:

Compensation

The elimination of the Solicitor and Administrative Assistant positions will reduce the Corporation's ability to respond to the implementation of Provincial downloading. In addition, the ability to negotiate and participate in the development of new or changing legislation will be reduced. The provision of related legal advice to Council and operating departments may be delayed as a result of this reduction.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *PLANNING AND DEVELOPMENT APPROVALS* **PROGRAM GROUP:** *PLANNING DIVISIONS*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend	Net
	\$000	\$000
Miscellaneous Expenditures	6	6
Compensation	90	90
Regional Vehicles and Equipment	20	20
Professional Services	<u>65</u>	<u>65</u>
	<u>181</u>	<u>181</u>

STAFFING IMPACT:

This proposal will eliminate 1.3 full time equivalents.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Miscellaneous Expenditures

Reductions in this area will be made in Reproduction and Printing and Overtime. This will require staff to use less services in these areas and would result in a lower level of service to clients.

Compensation

Reductions in staffing levels in the Policy and Infrastructure Division will result in a delay in preparing an aquifer management plan and in a reduction in the amount of data collected and analysed.

Regional Vehicles and Equipment

The use of Regional Vehicles and Equipment will be reduced and closely monitored to ensure that less is spent in this area. This will result in fewer trips in regional vehicles and may result in the Surveys and Mapping unit being unable to complete projects on time. This could potentially have an impact on the revenue the unit receives for work done for others.

Professional Services

The reduction of professional services will result in a slow down in the implementation of GIS programme delivery and lower quality control in the mapping area.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: <i>PLANNING AND DEVELOPMENT APPROVALS</i>	PROGRAM GROUP:	<i>PROPERTY SERVICES DIVISION</i>
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PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Security Services	88	88
	<u>88</u>	<u>88</u>

STAFFING IMPACT:

No staffing impact to Regional staff.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Security Services

The Ottawa-Carleton Centre will achieve this reduction through changed security arrangements (i.e., introduction of video security cameras) which would allow a reduction in the number of staff under the current security contract.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *HUMAN RESOURCES*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend	Net
	\$000	\$000
Executive and Management Development	80	80
Employee Recognition	15	15
Labour Relations Professional Services	15	15
Printing Services	<u>10</u>	<u>10</u>
	<u>120</u>	<u>120</u>

STAFFING IMPACT:

This proposal has no impact on staffing levels.

EFFECT ON PUBLIC / CORPORATE SERVICE:

EXECUTIVE AND MANAGEMENT DEVELOPMENT

It is proposed to continue the suspension of the executive and management development program until the training and development review scheduled for 1998 is completed and implement the recommendations of the training review in 1999.

EMPLOYEE RECOGNITION

It is proposed that the employee recognition provision be reduced and if additional funds are required they would be related to early retirement initiatives and could be funded from the corporate restructuring provision.

LABOUR RELATIONS PROFESSIONAL SERVICES

The department proposes to use alternative dispute mechanisms to resolve labour relations problems which may obviate the need for an arbitrator and therefore reduce costs.

PRINTING SERVICES

The department proposes to reduce printing costs by limiting quantities and using electronic communication wherever possible to reduce costs.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *FINANCE*

PROGRAM GROUP:

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Compensation	158	107
Laser Mainframe Printer	100	100
Professional Services	25	25
Materials & Purchased Services	32	32
Postage	<u>25</u>	<u>25</u>
	<u>340</u>	<u>289</u>

STAFFING IMPACT:

This proposal will eliminate 3 full time equivalents.

EFFECT ON PUBLIC / CORPORATE SERVICE:

COMPENSATION

ISD

Reductions reflect the reality that implementation of GIS applications to the MAP partners has been delayed until mid year. These part year positions will need to be annualized in 1999.

SUPPLY

Reduction in staffing level as a result of centralization efficiencies attained.

LASER MAINFRAME PRINTER

An alternative approach has been identified which will meet the immediate need and will allow for a delay in addressing the print issue comprehensively.

PROFESSIONAL SERVICES

The reduction in professional services will result in delays in the implementation of HRIS management information delivery.

MATERIALS & PURCHASED SERVICES

Various supply accounts will be reduced and upgrades to equipment delayed.

POSTAGE

The budget was prepared with the assumption of a postal rate increase and this account will be reduced to assume no increase in rates.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: ENVIRONMENT & TRANSPORTATION	PROGRAM GROUP: EXECUTIVE OFFICE - (FINANCE & OPERATIONS SUPPORT)
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PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Professional Services	33	33
ALL OTHER REDUCTIONS:		
Reproduction and Printing	17	17
Telephones	11	11
Office Supplies	10	10
Miscellaneous Supplies	6	6
Advertising and Promotion	5	5
Memberships	5	5
Office Equipment	4	4
Taxable Car Allowance	3	3
Printed Video Matter	2	2
Business Travel	1	1
Total	97	97

STAFFING IMPACT:

None.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Professional Services

The reduction is largely associated with development and maintenance of computer systems and, consequently, business opportunity improvements will be delayed. Communication activities with the public will also be limited to stay within budget.

All Other Reductions

Reductions across the remaining budget line items will result in doing less with less. For example : fewer educational publications will be available to distribute.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: <i>ENVIRONMENT & TRANSPORTATION</i>	PROGRAM GROUP: <i>ENGINEERING DIVISION</i>
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PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Compensation	66	66
Benefits	11	11
ALL OTHER REDUCTIONS:		
Non Taxable Car Allowance	10	10
WCB	6	7
R & M Office Buildings	3	3
Business Travel	2	2
Total	98	98

STAFFING IMPACT:

Elimination of 1 FTE.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Compensation & Benefits

The reduction of personnel funds spreads supervisory duties to one less supervisor and increases the risk associated with Construction Inspection activities.

All Other Reductions

Will not have a significant impact on service.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: <i>ENVIRONMENT & TRANSPORTATION</i>	PROGRAM GROUP: <i>INFRASTRUCTURE MAINTENANCE DIVISION</i>
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PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Bridges & Culverts	120	120
Sweeping	50	50
Drainage	100	100
Turf and Trees	100	100
Buildings and Grounds	60	60
Winter	170	170
Total	600	600

STAFFING IMPACT:

Reduction of 2.6 FTEs

EFFECT ON PUBLIC / CORPORATE SERVICE:

Bridges and Culverts

While it is not possible to predict a 1998 summer with identical moisture conditions to those of 1997, when there was a savings in this activity, this proposed reduction reflects a revised estimate of expenditures.

Sweeping

Some favorable rental rates and a reduction in activity from a 10 day cycle to a 20 day cycle will permit this reduction. This level is lower than that previously approved by Council and will result in an increase in complaints.

Drainage

Maintenance liability for storm water settling ponds on Hunt Club East and West plus the one in the Orleans Community will be transferred to the rate supported sewer fund to allow for this reduction.

Turf and Trees

A new Capital program for tree pruning and planting resulting from Ice Storm '98 will permit this reduction.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *ENVIRONMENT &
TRANSPORTATION*

PROGRAM GROUP:

*INFRASTRUCTURE
MAINTENANCE
DIVISION*

EFFECT ON PUBLIC / CORPORATE SERVICE: (CONT'D)

Buildings and Grounds

Short term maintenance work will have to be delayed.

Winter

Reductions in de-icing chemical applications should be possible through the installation of new spreader control systems throughout the fleet by the Corporate Fleet Division.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: <i>ENVIRONMENT & TRANSPORTATION</i>	PROGRAM GROUP: <i>MOBILITY SERVICES DIVISION</i>
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PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Sign Bylaw Enforcement	60	60
Compensation & Benefits	54	54
PDA Services	34	34
Advertising & Promotion	20	20
Misc. Equipment	20	20
Vehicles & Equipment	7	7
Total	195	195

STAFFING IMPACT:

Elimination of 1 FTE.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Sign Bylaw Enforcement

Regional Council's new policy on sign bylaws will not be enforced in the core area.

Compensation & Benefits

Inability to add a staff resource will reduce the Department's ability to implement and monitor Regional Council's new Parade and Special Events By-Law.

PDA Services

Map making provided by the Planning Development and Approvals Department will be terminated and will seriously limit the Department's ability to produce maps for public consumption on a timely basis, i.e., truck route maps.

Advertising and Promotion

Reduced information to the public on bylaw information like special events will increase traffic congestion and public/business complaints to Council.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *ENVIRONMENT &
TRANSPORTATION*

PROGRAM GROUP:

*MOBILITY SERVICES
DIVISION*

EFFECT ON PUBLIC / CORPORATE SERVICE: (CONT'D)

Misc. Equipment

Traffic operations equipment will not be replaced, i.e. safety harnesses, hydraulic drills and wrenches thereby increasing reliance on existing equipment for operational and safety needs.

Vehicles and Equipment

Costs associated with requirement for additional staff resource for parades and special events as noted above.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *HEALTH*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Outside Rent	50	50
Consultants	40	40
Prof. Services	20	20
Fixed Assets	20	20
Increase Gapping	<u>11</u>	<u>11</u>
	<u>141</u>	<u>141</u>

STAFFING IMPACT:

No staff reductions

EFFECT ON PUBLIC / CORPORATE SERVICE:

Outside Rent

Rent had been provided in the 1998 budget to increase public access and service delivery in different parts of the Region. This will now be postponed.

Consultants and Professional Services

Funds had been allotted to performance measurement projects. These will now be delayed.

Fixed Assets

The Department is very short in computer equipment, particularly for front line staff. Reduction in this budget will slow our efforts in this area.

Increase in Gapping

A minor increase in budgetted gapping from \$53,000 to \$64,000 can be accommodated without an impact on service.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *SOCIAL SERVICES*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Special Assistance	783	380
Official Languages Translation	30	30
100% Municipal Assistance	20	20
Office/Computer Supplies	<u>30</u>	<u>30</u>
Total	<u>863</u>	<u>460</u>

STAFFING IMPACT:

None

EFFECT ON PUBLIC / CORPORATE SERVICE:

Special Assistance

Based on 1997 year-end expenditures, these funds should not be necessary to support current services. Should caseload increase beyond budgeted level, program cut backs will be necessary to absorb this decrease.

Official Languages Translation

The number of documents and brochures prepared for translation has decreased recently as the department adjusts to the new legislative environment of Ontario Works. The reduced service level will be sufficient to meet anticipated translation requirements for the balance of 1998.

100% Municipal Assistance

Limited funds are provided here to meet emerging requirements not eligible for cost-sharing under legislation. This reduction will be managed by allowing only requests of the most urgent nature.

Office/Computer Supplies

Decreased reliance on office supplies due to the introduction of the electronic file process will allow us to manage within this reduced budget provision.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *HOMES FOR THE AGED*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend	Net
	\$000	\$000
Compensation	190	190

STAFFING IMPACT:

This proposal will eliminate 3 full time equivalents.

EFFECT ON PUBLIC / CORPORATE SERVICE:

The reduction in staffing levels is at the management/supervisory level. The management/supervisory responsibilities will be assumed by existing staff positions.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *ETD - SOLID WASTE*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Tipping Fee for Clean Fill		100
Sale of Compost		100
Small Load Fee		<u>150</u>
		350

STAFFING IMPACT:

No change.

EFFECT ON PUBLIC / CORPORATE SERVICE:

Tipping Fee for Clean Fill

Customers with clean fill would now incur a fee for disposal of clean fill at Trail Rd.

Sale of Compost

Lower-tier Municipalities would no longer be provided compost material free of charge. The compost material would now be available at a market or bid cost to the public and/or private sector.

Small Load Fee

Adjusting the qualifying weight for small loads from 500 kg to 250 kg would result in customers at Trail Road being charged a fee of between \$16.75 and \$33.50 for loads of this size rather than the minimum fee of \$15.00. The revised qualifying weights would represent a more evenly stepped fee structure to the public.

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *EXTERNAL AGENCIES*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend	Net
	\$000	\$000
Ottawa Tourism & Convention Authority	40	40
Ottawa-Carleton Economic Development Corporation	34	34
Grants For The Arts	19	19
O.C. Research Institute	9	9
Economic Development Grants	6	6
Entrepreneurship Centre	4	4
Life Sciences Council	3	3
Wild Life Centre	<u>1</u>	<u>1</u>
	<u>116</u>	<u>116</u>

STAFFING IMPACT:

EFFECT ON PUBLIC / CORPORATE SERVICE:

The Budget Review Board is recommending that the external agencies share in the budget reductions to existing programs and explore administrative efficiencies to absorb the reduction without affecting service levels to the public. (The External Agencies have been advised of this proposal).

BUDGET REVIEW BOARD

PROGRAM REDUCTION PROPOSAL

DEPARTMENT: *ADMINISTRATIVE ADJUSTMENTS*

PROPOSED REDUCTIONS:

	1998 Estimate	
	Expend \$000	Net \$000
Recoveries From Capital Program	400	400
Sale of Surplus Land		400
Reduction in Social Service Caseload	3,500	705
Community Access Ottawa-Carleton Centre	(51)	(51)
	<u>3,849</u>	<u>1,454</u>

STAFFING IMPACT:

This proposal has no staffing impact.

EFFECT ON PUBLIC / CORPORATE SERVICE:

RECOVERIES FROM CAPITAL

The Planning and Development Approvals budget contains work initiatives which primarily support capital projects and therefore the Budget Review Board is recommending that the cost associated with these initiatives be recovered from the capital program. These recoveries will be accommodated within the existing project estimates.

SALE OF SURPLUS LAND

Subsequent to the preparation of the 1998 draft estimates revenue from the sale of surplus property has been identified which should now be included in the revenue estimates.

REDUCTION IN SOCIAL SERVICE CASELOAD

The Social Service department's ongoing monitoring of caseload trends indicates that the original caseload estimates used in calculating the 1998 estimates can be revised downward by 500 cases.

COMMUNITY ACCESS OTTAWA-CARLETON CENTRE

The Budget Review Board is recommending an **increase** to the community access budget in recognition that the original base budget is inadequate to accommodate the demand for the use of Festival Plaza and the Headquarters complex by community groups.