

**St. Paul's, Councillor**  
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September 20, 2007

**TO: Ms. Anna Kinastowski, City Solicitor**

**FROM: Councillor Michael Walker**

**RE: Legality of Cuts Unilaterally Made by City Manager**

I am writing to request your advice.

According to Mayor David Miller, the City of Toronto is anticipated to have a 2008 Operating Budget shortfall of \$575 million, mainly due to the downloaded provincially mandated programs such as Ontario Works (Welfare), Ontario Disability Programs (ODSP) and the province's decrepit social housing portfolio. The Mayor has stated that the City of Toronto is in a budget crisis due to this anticipated budget shortfall in 2008's Operating Budget.

According to the Mayor, because of City Council's refusal to adopt his sole solution to this anticipated budget shortfall (implementing a Land Transfer Tax and Vehicle Registration Tax), the City must find savings in this year's budget (2007) to offset next year's anticipated budget shortfall.

In July, Mayor David Miller directed City Manager, Shirley Hoy, to identify and implement cost containment measures to 2007's Approved Operating Budget. The Mayor has directed the City Manager to implement \$34 million in cuts to City programs this 2007 year. The City Manager's cost containment measures include cuts that close community centres, libraries, outdoor ice rinks, and neglect the maintenance of our parks and trees, and so on. These measures have already been implemented for the most part, without City Council having any part in the decision.

The Mayor and City Manager's unilateral cost containment strategy and execution is unprecedented in our City's history. It is my understanding that only City Council has the authority to identify and implement such cost containment measures.

The City Manager has stated in writing to me that she has the unilateral authority to execute her cost containment strategy. The City Manager claims her authority is given by Section 140 of the City of Toronto Act and Section 169 of the City of Toronto Municipal Code. I have referenced these sections of legislation and I have major reservations about the City Manager's

interpretation of her authority given by the City of Toronto Act and the City of Toronto Municipal Code.

Given that circumstances such as this will likely be seen in the future, City Council and the residents we represent need a clear interpretation of the authority given to the City bureaucracy by the City of Toronto Act and the City of Toronto Municipal Code.

Therefore, as our City Solicitor, I request you to review these actions of the City Manager in light of the City of Toronto Act and the City of Toronto Municipal Code and inform me of your opinion as to their legality.

I look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Walker". The signature is fluid and cursive, with a large initial "M" and "W".

Michael Walker  
Councillor – St. Paul's