

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 16

Thursday, December 5, 2002

The Budget Advisory Committee met on Thursday, December 5, 2002, in Committee Room No. 1, City Hall, Toronto, commencing at 9:45 a.m.

Attendance

Members were present for some or all of the time period indicated.

	9:45 a.m. – 12:30 p.m.	2:12 p.m. – 3:45 p.m.
Councillor David Shiner, Chair	X	X
Councillor David Soknacki, Vice Chair	X	X
Councillor Lorenzo Berardinetti	R	R
Councillor Ron Moeser	X	X
Councillor Joe Pantalone	X	X
Councillor Jane Pitfield	X	X
Councillor Michael Tziretas	X	X

Also Present:

Councillor Sandra Bussin	Councillor Joe Mihevc
Councillor Betty Disero	Councillor Kyle Rae
Councillor Doug Holyday	Councillor Mario Silva

16.1 2002 Capital and Operating Budgets

The Budget Advisory Committee, during its deliberations, had before it the 2003 Capital and Operating Budgets for the Agencies, Boards and Commission.

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

On motion by Councillor Shiner, the Budget Advisory Committee requested the Chief Financial Officer and Treasurer to advise the Budget Advisory Committee at the beginning of wrap-up as to the reductions to the 2003 EMT recommended budgets of all agencies, boards, commissions and departments due to the lowering of hydro rates.

Councillor Shiner resumed the Chair.

(Chief Financial Officer and Treasurer - December 5, 2002)

Toronto Parking Authority – 2003 Capital and Operating Budget Submissions

The Budget Advisory Committee, during its deliberations, had before it the 2003 Capital and Operating Budgets for the Toronto Parking Authority.

Mr. Maurice Anderson, President, Toronto Parking Authority, gave a presentation respecting the Toronto Parking Authority 2003 Capital and Operating Budgets and answered Members' questions.

- A. Councillor Moeser moved that the Budget Advisory Committee:
- (1) defer consideration of the 2003 Capital and Operating Budgets for the Toronto Parking Authority until its meetings in January/February 2003 with the total program budget being set at -\$32.371.9 million; and
 - (2) request the President, Toronto Parking Authority, to provide the Budget Advisory Committee with the following information:
 - (a) the operating costs per parking space;
 - (b) details of the long term initiative for the Yorkville parking project;

- (c) a breakdown of the \$1.2 million revenue increase;
and
- (d) further analysis of the 'Admin Expense per Space',
i.e., number of employees, other costs, etc.

(Carried)

- B. Councillor Soknacki moved that the Budget Advisory Committee request the President, Toronto Parking Authority, to provide the Budget Advisory Committee with a hard copy of the presentation of the Toronto Parking Authority's 2003 budget submission.

(Carried)

(President, Toronto Parking Authority; c. Chief Administrative Officer;
Chief Financial Officer and Treasurer – December 5, 2002)

Exhibition Place – 2003 Capital and Operating Budget Submissions

The Budget Advisory Committee, during its deliberations, had before it the 2003 Capital and Operating Budgets for Exhibition Place.

Ms. Dianne Young, General Manager and CEO, Exhibition Place, gave a presentation respecting the Exhibition Place 2003 Capital and Operating Budgets and answered Members' questions.

- A. Councillor Moeser moved that he Budget Advisory Committee:
 - (1) defer consideration of the 2003 Capital and Operating Budgets for the Exhibition Place until its meetings in January/February 2003; and
 - (2) request the General Manager and CEO, Exhibition Place, to provide the Budget Advisory Committee at wrap-up with the following:
 - (a) further information on the terms of the agreement for the Green Energy (Windmill) project; and
 - (b) a two page outline of the strategy for the Coliseum Complex.

(Carried)

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- B. Councillor Pitfield moved that the Budget Advisory Committee request the General Manager and CEO, Exhibition Place, to provide the Budget Advisory Committee at wrap-up with a report on the possibility of revising hydro rates for 2003 for potential budget reductions.

(Carried)

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

- C. Councillor Shiner moved that the Budget Advisory Committee request the General Manager and CEO, Exhibition Place, to provide the Budget Advisory Committee at wrap-up with options for reducing the 2003 Operating Budget base back to zero.

(Carried)

Councillor Shiner resumed the Chair.

(General Manager and CEO, Exhibition Place; c. Chief Administrative Officer; Chief Financial Officer and Treasurer - December 5, 2002)

Theatres – 2003 Operating Budget Submission

The Budget Advisory Committee, during its deliberations, had before it the 2003 Operating Budget for Theatres.

The Budget Advisory Committee also had before it a communication (November 25, 2002) from the City Clerk advising that the Audit Committee on November 22, 2002, forwarded the financial statements of the Hummingbird Centre, the St. Lawrence Centre and the North York Centre for the Performing Arts to the Budget Advisory Committee for its information, and advised that the Chief Administrative Officer is currently conducting a review of these Centres.

The following persons gave an overview presentation respecting the Theatres 2003 Operating Budget and answered Members' questions:

- Mr. Dan Bramilla, CEO, Hummingbird Centre for the Performing Arts;
- Mr. David Wallett, General Manager, St. Lawrence Centre for the Arts; and
- Mr. Stan Shortt, Executive Manager, Toronto Centre for the Arts.

- A. Councillor Tziretas moved that the Budget Advisory Committee defer consideration of the 2003 Operating Budget for the Hummingbird Centre for the Performing Arts until its meetings in January/February 2003.

(Carried)

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- B. Councillor Pitfield moved that the Budget Advisory Committee:
- (1) defer consideration of the 2003 Operating Budget for the St. Lawrence Centre for the Arts until its meeting in January/February 2003;
 - (2) request the General Manager of the St. Lawrence Centre for the Arts to advise the Budget Advisory Committee during the 2003 budget wrap-up on consultations with CanStage Company on increasing rental fees by 5 percent; and
 - (3) request the Commissioner of Economic Development, Culture and Tourism, in consultation with the General Manager of the St. Lawrence Centre for the Arts, to comment on ways the Economic Development Division can help the St. Lawrence Centre for the Arts promote corporate functions.

(Carried)

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

- C. Councillor Shiner moved that the Budget Advisory Committee:
- (1) defer consideration of the 2003 Operating Budget for the Toronto Centre for the Arts until its meetings in January/February 2003;
 - (2) request Councillor Pitfield to arrange a meeting between the Chair, Budget Advisory Committee, Councillor Pitfield and representatives of Enwave to discuss heating costs for the St. Lawrence Centre for the Arts; and
 - (3) receive the aforementioned communication for information.

(Carried)

Councillor Shiner resumed the Chair.

(Councillor Jane Pitfield, Ward 26 Don Valley West; Mr. David Wallett, General Manager, St. Lawrence Centre for the Arts; Commissioner of Economic Development, Culture and Tourism; c. Chief Administrative Officer; Chief Financial Officer and Treasurer; Chair, Budget Advisory Committee; Mr. Dan Bramilla, CEO, Hummingbird Centre for the Performing Arts; Mr. Stan Shortt, Executive Manager, Toronto Centre for the Arts - December 5, 2002)

Toronto Transit Commission – 2003 Capital and Operating Budget Submissions

The Budget Advisory Committee, during its deliberations, had before it the 2003 Capital and Operating Budgets for the Toronto Transit Commission and the 2003 Operating Budget for Wheel-Trans.

The Budget Advisory Committee also had before it the following communications:

- (a) (November 18, 2002) from the General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on November 15, 2002, gave consideration to the report (November 15, 2002), entitled “2003-2007 Capital Program and 10-year Capital Forecast”, and approved the following Recommendations Nos. (1)-(6), subject to the amendments outlined in the communication:
 - (1) the 2003-2007 Capital Program in the amount of \$1.97 billion as detailed in this Commission Report and its attachments, as well as in the following accompanying documents:
 - (a) TTC 2003-2007 Capital Program Overview; and
 - (b) TTC 2003-2007 Capital Program (Blue Books);
 - (2) the 10-Year Capital Forecast in the amount of \$3.77 billion as shown in the attached report;
 - (3) this report be considered in concert with the following:
 - (a) the 2003 TTC Operating Budget;
 - (b) the 2003 Wheel-Trans Operating Budget;
 - (c) the 2003 Departmental Goals and Objectives; and
 - (d) the 2003 Organization Charts;
 - (4) this report be forwarded to the City of Toronto for Council approval of the 2003-2007 Capital Program and approval of the 10-year forecast;
 - (5) this report be forwarded to the Province of Ontario for confirmation of funding eligibility of the projects contained within the 2003-2007 Capital Program and 10-Year Capital Forecast; and
 - (6) this report be forwarded to the Government of Canada for confirmation of funding eligibility of the projects contained within the 2003-2007 Capital Program and 10-Year Capital Forecast;

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- (b) (November 18, 2002) from the General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on November 15, 2002, gave consideration to the report (November 15, 2002), entitled “2003 TTC Operating Budget”, and approved the following Recommendations Nos. (1), (2), (3) and (6):
- (1) the 2003 TTC Operating Budget be approved as described in this report and the following accompanying reports:
- (a) Toronto Transit Commission 2003 Operating Budget Overview;
 - (b) Toronto Transit Commission 2003 Departmental Goals and Objectives;
 - (c) Toronto Transit Commission 2003 Organization Charts; and
 - (d) Toronto Transit Commission 2003 Detailed Operating Budget (Blue Book);
- (2) this report be considered in concert with:
- (a) the 2003 Wheel-Trans Operating Budget; and
 - (b) the 2003-2007 Capital Program and 10-year Capital Forecast;
- (3) the TTC 2003 Operating Budget includes a budget shortfall of about \$78 million, based on City of Toronto 2002 budgeted operating subsidy levels as summarized below:
- | | |
|-------------------|--|
| Expenditures | \$918.5 million; |
| Revenues | \$688.1 million; |
| Subsidy Needed | \$230.4 million; |
| Operating Subsidy | \$152.2 million (2002 budgeted level from City); |
| and | |
| Shortfall | \$ 78.2 million; and |
- (6) this report be forwarded to the Province of Ontario for approval of the “ramp up” subsidy for the Sheppard Subway; and

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- (c) (November 18, 2002) from the General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on November 15, 2002, gave consideration to the report (November 15, 2002), entitled "2003 Wheel-Trans Operating Budget", and approved the following recommendations:
- (1) 2003 Wheel-Trans Operating Budget of \$45.7M be provided for in this report and companion documents which includes \$48.2M for service partially offset through revenues of \$2.5M, resulting in a subsidy increase of \$1.2M over the approved 2002 budget;
 - (2) Wheel-Trans Service Plan which encompasses the following key factors:
 - (a) Eligibility Criteria and Application Process remain unchanged;
 - (b) registrant base increases by 10.7 percent to 30,100;
 - (c) trip demand increasing by 5 percent to 1,658,600;
 - (d) unaccommodated rate remains at 2 percent;
 - (e) trips provided by accessible vehicles increase from 85 percent to 88 percent;
 - (f) workforce increases by two; and
 - (g) on-time delivery of service improved from 96 percent to 97 percent;
 - (3) this report be considered in concert with the following:
 - (a) the 2003 TTC Operating Budget; and
 - (b) 2003-2007 TTC Capital Program which includes in 2003 \$5.4M for the purchase of 12 ELF buses (\$3.3M) as well as facility improvements and scheduling enhancements (\$2.1M); and
 - (4) this report be forwarded to the City of Toronto Council for approval and to the TTC's Advisory Committee on Accessible Transportation (ACAT) for information.

Mr. Rick Ducharme, Chief General Manager, Toronto Transit Commission, gave a presentation respecting the Toronto Transit Commission 2003 Capital and Operating Budgets and Wheel-Trans 2003 Operating Budget and answered Members' questions.

- A. Councillor Soknacki moved that the Budget Advisory Committee defer consideration of the following reports until its meetings in January/February 2003:

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- (a) (November 15, 2002) from the General Secretary, Toronto Transit Commission, entitled “2003-2007 Capital Program and 10-year Capital Forecast”, and amendments outlined in the communication;
- (b) (November 15, 2002) from the General Secretary, Toronto Transit Commission, entitled “2003 TTC Operating Budget”, noting that the Commission approved the Nos. (1), (2), (3) and (6); and
- (c) (November 15, 2002) from the General Secretary, Toronto Transit Commission, entitled “2003 Wheel-Trans Operating Budget”.

(Carried)

B. Councillor Pitfield moved that the Budget Advisory Committee request the Chief Financial Officer and Treasurer to:

- (a) contact the Province to ensure that the 4.3 cent per kilowatt cap applies to the City and includes large industrial users such as the Toronto Transit Commission;
- (b) contact Toronto Hydro and request information as to its source of obtaining hydro, i.e., Ontario produced or imported; and
- (c) report back to the Budget Advisory Committee for the wrap-up meetings on how savings can be found from surplus dollars for hydro in 2002 and more accurate projections reflecting the cap for 2003.

(Carried)

Councillor Shiner appointed Councillor Soknacki Acting Chair and vacated the Chair.

C. Councillor Shiner moved that the Budget Advisory Committee request the Chief General Manager, Toronto Transit Commission, to advise the Budget Advisory Committee on what expansion of the Spadina Line to York University, the Sheppard Line to Scarborough Town Centre and the Bus Rapid Transit initiative, as indicated in the new Official Plan, could begin for an additional average of \$100 million per year over the current TTC state of good repair capital budget.

(Carried)

Councillor Shiner resumed the Chair.

D. Councillor Pantalone moved that the Budget Advisory Committee request the Chief General Manager, Toronto Transit Commission, to advise the Budget Advisory Committee on:

- (1) the priority of extending:
 - (i) Harbourfront to Dufferin Street; and
 - (ii) to the intersection of Roncesvalles, Queen and King Streets; and
- (2) the Waterfront project as it relates to the Toronto Transit Commission.

(Carried)

(Chief Financial Officer and Treasurer; Chief General Manager, Toronto Transit Commission; c. Chief Administrative Officer – December 5, 2002)

The Budget Advisory Committee adjourned its meeting at 3:45 p.m.

Chair