

**BUDGET ADVISORY COMMITTEE  
AGENDA  
MEETING 21**

**Date of Meeting:** Friday, September 15, 2006  
**Time:** 9:30 a.m.  
**Location:** Committee Room 1  
City Hall  
100 Queen Street West  
Toronto, Ontario

**Enquiry:** Merle MacDonald  
Acting Committee Administrator  
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**If the Budget Advisory Committee wishes to meet in camera (privately) a motion must be made to do so and the reason given (*Municipal Act, 2001*).**

**Declarations of Interest under the *Municipal Conflict of Interest Act***

**Confirmation of Minutes – July 7, 2006**

**Communications/Reports:**

**1. Funding of St. Lawrence Centre for the Arts Operating Deficits for 2004 and 2005**

Report (September 1, 2006) from the Deputy City Manager and Chief Financial Officer, recommending funding of the St. Lawrence Centre for the Arts operating deficits for the year 2004 and 2005 based on audited financial results.

Recommendations:

It is recommended that:

- (1) the City provide a total amount of \$347,865 to St. Lawrence Centre for the Arts to cover operating deficits for the years 2004 and 2005, to be offset by under-spending in the Temporary Borrowing account within the Non-Program Expenditures Budget;

- (2) as part of the 2007 Operating Budget process, the Board of Directors of the St. Lawrence Centre for the Arts report to the Budget Advisory Committee on financial controls and other measures to ensure that future years' net expenditures are kept in line with the City's approved operating budgets for the Centre; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

## **2. Funding for St. Lawrence Centre for the Arts Facility Renewal Project.**

Report (September 7, 2006) from the Deputy City Manager and Chief Financial Officer, recommending the provision by the City of a loan for up to \$0.9 million to St. Lawrence Centre for the Arts to enable the Centre to complete its facility renewal project in 2007.

### Recommendations:

It is recommended that:

- (1) authority be granted for the City to:
  - (a) provide a loan from its Capital Financing Reserve Fund to St. Lawrence Centre for the Arts in the amount of \$0.9 million for a four-year period starting January 1, 2007 and ending December 31, 2010; and
  - (b) enter into an agreement with St. Lawrence Centre for the Arts with respect to the loan, which agreement would specify terms such as monthly interest and a detailed repayment schedule;
- (2) such loan and all related agreements be on terms and conditions satisfactory to the City Solicitor, the Deputy City Manager and Chief Financial Officer, and that the Deputy City Manager and Chief Financial Officer be requested to negotiate appropriate and adequate safeguards to the satisfaction of the City Solicitor with the City being promptly advised in the event of default or delay in the payment of interest;
- (3) for the duration of the term of the loan, St. Lawrence Centre for the Arts be responsible for submitting quarterly variance reports on its cash flow forecast to the Deputy City Manager and Chief Financial Officer;
- (4) the loan be deemed to be in the interests of the City;
- (5) with respect to the St. Lawrence Centre for the Arts Reserve Fund:
  - (a) Municipal Code 227 - Administration of Reserve and Reserve Funds – be amended by transferring the St. Lawrence Centre for the Arts Reserve

Fund from Schedule 3 Corporate Discretionary Reserve Funds to Schedule 13 State of Good Repair Obligatory Reserve Funds;

- (a) St. Lawrence Centre for the Arts transfer all the funds in its Capital Improvement and Rehabilitation Reserve Fund to the City to be deposited in the City's State of Good Repair Obligatory Reserve Funds account, St. Lawrence Centre for the Arts Reserve Fund, to achieve compliance with City policy, to be consistent with the treatment of the City's two other City-Boarded theatre facilities and to earn a higher rate of return;
- (6) the Culture Division's 2006 Approved Capital Budget, which included \$3.0 million gross and \$1.5 million net for the St. Lawrence Centre for the Arts Facility Renewal Project, with cash flows of \$1.5 million gross expenditure approved for 2006 and \$1.5 million pre-approved for 2007, be increased by \$349,868 gross and zero net to reflect the increase in the total project cost; and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

### **3. Arena Boards of Management 2004 and 2005 Operating Surpluses/Deficits Settlement**

Report (September 5, 2006) from the Deputy City Manager and Chief Financial Officer, reporting on the financial results for the years 2004 and 2005 for eight Arena Boards of Management (Arenas) and to request that the 2004 and 2005 operating surpluses and deficits be settled.

#### Recommendations:

It is recommended that:

- (1) surplus funds of \$290,883 (which includes a 2003 adjustment) be paid to the City of Toronto from three Arenas (George Bell, McCormick and Moss Park), and that the City fund the payments of the outstanding deficits of \$114,031.00 to five Arenas (William H. Bolton, Forest Hill, Leaside, North Toronto and Ted Reeve), as the final settlement of the net surpluses and deficits for the years 2004 and 2005, resulting in a net surplus to the City of \$176,852, as detailed in Appendix A;
- (2) of the \$176,852 net surplus funds payment to the City in 2006, \$151,153.00 be contributed to the Arena Boards of Management account XQ1705 in the Vehicle and Equipment Replacement Reserve for the future purchase of ice resurfacers and be applied proportionately among those Arenas who are in a surplus position as calculated in Appendix E;

- (3) this report be forwarded to the Policy and Finance Committee for consideration; and
- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

**4. Toronto and Region Conservation Authority Capital and Operating Budgets Funding from Water Reserves (All Wards)**

Report (September 7, 2006) from the Deputy City Manager and Chief Financial Officer and the General Manager, Toronto Water, establishing a policy that defines a consistent approach to determining the portions of the Toronto and Region Conservation Authority capital and operating budgets that will be funded from water reserves, as agreed between Toronto Water and the Financial Planning Division, in consultation with Toronto and Region Conservation Authority. The requirement to report to the Budget Advisory Committee on such an approach arose out of the 2006 Capital and Operating Budget processes.

Recommendations:

It is recommended that:

- (1) with respect to the capital budgets of Toronto and Region Conservation Authority (TRCA) in 2007 and future years, Toronto Water continue to evaluate TRCA's proposed capital projects individually on their merit and relevance, based on the criteria established through practice in recent years, to determine the portion of the City's share of TRCA's Capital Budget that would be funded from water reserves;
- (2) with respect to the operating budgets of Toronto and Region Conservation Authority (TRCA) in 2007 and future years, up to 55 percent of the City's share of TRCA's Operating Budget be funded from water reserves and, if TRCA's Operating Budget submission for any given year exceeds the corporate target, the increase be justified by TRCA during the Administrative Review portion of the annual budget process and if the justification is accepted by the City Manager and Deputy City Manager and Chief Administrative Officer in consultation with the General Manager of Toronto Water, the recommended increase would be funded equally from the levy program and water reserves; and
- (3) the capital and operating budget proposals from Toronto and Region Conservation Authority (TRCA) and the evaluation of those proposals by Toronto Water with respect to the portion of the TRCA budgets to be funded from water reserves for any given year be determined by TRCA and Toronto Water prior to the City's budget submission deadlines for that year and the funding from water reserves, as

determined by Toronto Water, be included in the capital and operating budget submissions from TRCA and Toronto Water.

## **5. Adjustments to 2006 Operating Budgets for Cluster B Divisions (All Wards)**

Report (September 8, 2006) from Fareed Amin, Deputy City Manager, seeking authority for 2006 Operating Budget Adjustments in the City Planning, Municipal Licensing and Standards and Solid Waste Management Divisions in Cluster B to facilitate program delivery.

### Recommendations:

It is recommended that:

- (1) technical adjustments as detailed in Appendix A of the report in the amount of \$4,412,775 and 55 positions be transferred from Solid Waste Management Services (SWMS) to Municipal Licensing and Standards (MLS) reflecting the transfer of enforcement function to MLS;
- (2) the City Planning 2006 Operating Budget gross expenditures and revenues each be increased by \$30,000.00 with zero net effect for the Toronto Green Development Standard Study; and
- (3) the appropriate staff be directed to take action necessary action to implement technical adjustments outlined in this report.

## **6. Operating Variance Report for the Six Months Ended June 30, 2006**

Report (September 8, 2006) from the Deputy City Manager and Chief Financial Officer, providing the City of Toronto Operating Variance report for the six months of operations ended June 30, 2006 and projected actual net expenditures for the year ending December 31, 2006.

### Recommendations:

It is recommended that:

- (1) the Deputy City Manager & Chief Financial Officer continue to monitor expenditures during the remainder of the year and institute appropriate strategies to ensure that actual net expenditures do not exceed budget at year-end;
- (2) the 2006 Council Approved Operating Budgets for the Economic Development, Culture and Tourism programs be consolidated as one Program budget to be named Economic Development, Culture and Tourism;

- (3) the technical adjustments contained in this report (Appendix D) be approved;
- (4) the Operating Variance Report for the Six Months Ended June 30, 2006 be forwarded to the Policy and Finance Committee for its consideration; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

**7. Reserve and Reserve Funds Variance Report June 30, 2006**

Report (September 8, 2006) from the Treasurer, providing information on reserve and reserve fund balances as at June 30, 2006 and activity in reserves and reserve funds during the first half of 2006.

Recommendation:

It is recommended that the Reserves and Reserve Funds Quarterly Variance Report – June 30, 2006 be received for information.

**8. Update on the Future Outlook for Charitable Gaming**

Report (September 8, 2006) from the City Clerk, updating the Committee on the decline in charitable gaming revenues.

Recommendation:

It is recommended that this report be received for information.

**9. Toronto Transit Commission - Procurement Authorization  
39 New Subway Trains – Proposal P31PD05761**

Communication (September 1, 2006) from the General Secretary, Toronto Transit Commission, advising that the Commission on August 30, 2006:

- (1) authorized the acceptance of the proposal submitted by Bombardier Inc., Bombardier Transportation for:
  - (a) 39 trainsets and all associated work in the amount of \$499,382,403, plus applicable taxes;
  - (b) associated contract items in the amount of \$26,919,780, plus applicable taxes;

- (c) three of the specified options, in the amount of \$21,564,135, plus applicable taxes;
- (d) a contingency allowance amount of \$50,220,000 including all applicable taxes for the estimated costs with respect to price adjustments for escalation and the estimated costs for the provision of the required contract security and will be paid out if required, only as incurred;

resulting in a total contract price of \$674,787,603 including all applicable taxes;

- (2) forwarded this report to the City of Toronto for approval of this project and confirmation of funding by City of Toronto Council at its September, 2006 meeting;
- (3) forwarded this report to both the Province of Ontario and the Government of Canada for confirmation of funding approval as detailed in the Funding Section of this report; and
- (4) directed staff to explore the possibility of obtaining from the Province of Ontario and/or the Government of Canada 'Letters of Indemnity' in place of contract financial security as a means of further reducing the project budget.

#### **10. Toronto Transit Commission - Surface Vehicle Safety Camera System**

Communication (September 1, 2006) from the General Secretary, Toronto Transit Commission, advising that the Commission on August 30, 2006:

- (1) confirmed approval to proceed with the supply and installation of 1,750 Surface Vehicle Safety Camera Systems on all conventional surface transit vehicles (buses and streetcars), noting that:
  - the subject of this report addresses Recommendation 17 of the Operator Assault Task Force; and
  - this project has been included in an application for funding under the Transit-Secure Program Round 1 for the period to March 31, 2008;
- (2) authorized award of a contract to March Networks Corporation in the total upset limit amount of \$14,800,000 on the basis of the only acceptable submission for the supply of 1,750 full motion high quality, on-board camera systems, digital recording equipment, recommended spare parts, and necessary software tools to support these systems on TTC conventional surface vehicles, noting that the initial award will be limited to the approval of \$2,825,000; with the remaining \$11,975,000 upset limit award, subject to City Council approval;

- (3) approved increased capital funding of \$14,007,000 for this project for a total project cost of \$16,832,000, noting that the revised project will be included in the TTC's 2007-2011 Capital Program budget;
- (4) approved a total project cost of \$1,500,000 in new capital funding to supply and install 150 Safety Camera Systems on Wheel-Trans vehicles noting that:
  - Wheel-Trans did not participate in the Task Force;
  - any inappropriate conduct which occurs on the vehicle will be recorded and used to support any criminal investigations; and
  - this new project will be included in the TTC's 2007-2011 Capital Program budget;
- (5) authorized award of a contract to March Networks Corporation in the total upset limit amount of \$1,500,000 on the basis of the only acceptable submission for the supply of 150 full motion high quality, on-board camera systems, digital recording equipment, recommended spare parts, and necessary software tools to support equipment, recommended spare parts, and necessary software tools to support these systems, noting that the award will be subject to confirmation of City Council approval; and
- (6) forwarded this report to the Budget Advisory Committee for approval and consideration by City Council in September 2006 in conjunction with the 2007 Capital Budget pre-approval request process.

#### **11. Toronto Transit Commission - Funding Approval for Operator Protective Barriers on Buses and Streetcars**

Communication (September 1, 2006) from the General Secretary, Toronto Transit Commission, advising that the Commission on August 30, 2006:

- (1) confirmed approval to proceed with the continued development, fabrication and installation of protective barriers on all surface revenue vehicles, noting that:
  - the subject of this report addresses Recommendation 16 of the Operator Assault Task Force; and
  - the implementation of these barriers on surface vehicles is dependent upon operator acceptance;



- (2) approved capital funding in the amount of \$2,710,000 for this new project, noting that:
  - approximately \$272,000 will be spent in 2006 and will be held in TTC accounts pending approval by City of Toronto Council; and
  - this project will be formally submitted for approval through the TTC's 2007-2011 Capital Program budget process;
- (3) forwarded this report to the Budget Advisory Committee for approval and consideration by City Council in September 2006 in conjunction with the 2007 Capital Budget pre-approval request process.

**12. Toronto Transit Commission – Procurement Authorization Amendment – Option to Purchase 220 40-Foot Low Floor Diesel-Electric Hybrid Orion VII Buses**

Communication (July 24, 2006) from the General Secretary, Toronto Transit Commission, advising that the Commission on July 19, 2006:

- (1) authorized staff to exercise the contract option with Orion Bus Industries of Mississauga (Orion) in an amount of \$169,472,711.92 including all taxes, bonding, manuals and training for the purchase of 220 40-foot low floor diesel-electric hybrid Orion VII buses for delivery in 2007, subject to approval by Council of the City of Toronto;
- (2) forwarded a copy of this report to City Council for approval to proceed with the award of this contract option for the purchase of 220 40-foot low floor diesel-electric hybrid Orion VII buses for delivery in 2007;
- (3) noted that this procurement is based on the approved bus fleet plan as shown in “Appendix 1” attached, and the 2006-2010 Capital budget program approved by City Council on December 12, 2005;
- (4) authorized staff to negotiate a price with Orion Bus Industries for the option to purchase up to 100 additional buses with the intent of making an award no later than March 31, 2007, for delivery in the first quarter of 2008; the request for Budget approval for this purchase will be included in the 2007 to 2011 Capital Budget submission under Capital Project 4.11 – Purchase of Buses; and
- (5) authorized staff to dispose of those buses retired as a result of the purchase of the 220 new buses in the best interest of the Commission.

**13. Toronto Transit Commission – Procurement Authorization Amendment – Option to Purchase 140 40-Foot Low Floor Diesel-Electric Hybrid Orion VII Buses**

Communication (September 1, 2006) from the General Secretary, Toronto Transit Committee, advising that the Commission on August 30, 2006:

- (1) authorized staff to extend the current contract with Orion Bus Industries of Mississauga (Orion) in amount of \$107,456,756.40 including all taxes, for the purchase of 140 40-foot low floor diesel-electric hybrid Orion VII buses for delivery in 2008 with the option to be exercised no later than September 30, 2006, subject to approval by the Council of the City of Toronto;
- (2) forwarded a copy of this report to the Council of the City of Toronto through the Budget Advisory Committee requesting project commitment and approval in September, 2006 to proceed with the award of this order, to be exercised no later than September 30, 2006;
- (3) noted that this procurement is based on the approved Bus Fleet Plan as shown in “Appendix 1” attached, and the 2006-2010 Capital Budget program approved by the Council of the City of Toronto on December 12, 2005; and
- (4) authorized staff to dispose of those buses retired as a result of the purchase of the 140 new buses in the best interest of the Commission.

**14. Toronto Transit Commission – Accessibility for Ontarians with Disabilities Act (AODA) – Standards Development**

Communication (July 24, 2006) from the General Secretary, Toronto Transit Commission, advising of the action taken by the Commission on July 19, 2006, regarding the *Accessibility for Ontarians with Disabilities Act*.

**15. 2006 Draft Clean Air Action Plan – Proposed Actions**

Communication (July 4, 2006) from the Policy and Finance Committee, advising that the Committee on June 20 and 21, 2006, referred the following Recommendation (3) contained in the communication (June 9, 2006) from Deputy Mayor Joe Pantalone, Chair, Roundtable on the Environment to the Budget Advisory Committee for consideration as part of the 2007 Operating Budget:

- “(3) recommend to Policy and Finance that the City make resources available to Toronto Public Health to add a staff person to their complement to work on air quality measures;”.

**16. Impact of Council Decisions on Meeting Solid Waste Diversion Goals**

Communication (July 5, 2006) from the Works Committee advising that the Committee on July 5, 2006, received the report (June 23, 2006) from the General Manager, Solid Waste Management Services, and directed that a copy be forwarded to the Budget Advisory Committee for information.

**17. Toronto Public Health 2007 – 2011 Capital Budget and Plan Submission**

Communication (July 18, 2006) from the Board of Health, advising that the Board on July 17, 2006 recommended that the Budget Advisory Committee:

- (1) consider the report (June 30, 2006) from the Medical Officer of Health as part of the 2007-2011 Capital Budget Process; and
- (2) adopt the following recommendations (1), (2), (3) (4) and (6), in the Recommendations Section of the report (June 30, 2006) from the Medical Officer of Health:
  - “(1) the 2007 – 2011 Toronto Public Health Capital Plan request with a total 5-year project cost of \$17,445.7 thousand as detailed in Appendix 1, “Toronto Public Health 2007–2011 Capital Budget and Plan” be endorsed;
  - (2) the 2007 Capital Budget for Toronto Public Health with a total project cost of \$8,260.3 thousand and a 2007 cashflow of \$3,463.0 thousand and future year commitments of \$4,797.3 thousand be approved. The 2007 Capital Budget submission consists of the following:
    - (a) new cashflow funding for four new Information and Technology sub projects with a total project cost of \$8,260.3 thousand, that requires 2007 cashflow of \$3,463.0 thousand and a future year commitment of \$2,797.2 thousand in 2008, \$1,436.6 thousand in 2009, and \$563.5 thousand in 2010;
  - (3) the 2008–2011 Toronto Public Health Capital Plan of \$9,185.4 thousand with future year estimates of \$692.7 thousand for 2008, \$2,062.4 thousand for 2009, \$2,935.0 thousand for 2010, and \$3,495.3 thousand for 2011, as detailed in Appendix 1 be approved;
  - (4) the net Operating impacts of \$66.6 thousand for 2008, \$0.7 thousand for 2009, \$188.6 thousand for 2010, and \$148.0 thousand for 2011 emanating from the approval of the 2007 Capital Budget, as detailed in Appendix 2, “Toronto Public Health 2007–2011 Operating Impact of Capital” be included in future years Toronto Public Health operating budget submissions; and

- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”

**18. Interim Report on Livent Claims Report**

Communication (August 1, 2006) from the Toronto Centre for the Arts Board of Directors, advising that the Board on July 24, 2006, directed that the Budget Advisory Committee be advised that the recently constituted Board of Directors has reviewed a range of prudent options for the use of funds received after a long and partially successful claims process against Livent Inc.; and as the Board of Directors are also still in discussions with potential third party users at the Centre, they have not completed a final detailed analysis of those options that would be most appropriate for the Centre at this time.

**19. Residential Front Yard and Boulevard Parking: Municipal Code Chapter and Policy Considerations and Residential Front Yard Parking through Zoning and Front Yard Parking Permits: Supplementary Report 2 - Comments from Community Councils and Public Consultation**

Communication (July 5, 2006) from the City Clerk, advising that City Council on June 27, 28 and 29, 2006, adopted Clause 1 of Report 1 of the Works Committee, as amended, and in so doing, forwarded the following joint recommendation of the Planning and Transportation Committee and the Works Committee to the Budget Advisory Committee:

- “(B) the annual front yard parking renewal fee of \$122.04 (2006 rate) be increased by \$21.60 to \$143.64, and subject to CPI provisions contained in the by-law, to accommodate the hiring of four additional by-law enforcement staff (one each per District) to enhance enforcement of front yard parking infractions; and that this recommendation be forwarded to the Budget Advisory Committee for consideration and appropriate notice as part of the 2007 budget process;”.

**20. Storm Damage Update (All Wards)**

Communication (July 31, 2006) from the City Clerk, advising that City Council on July 25, 26 and 27, 2006 adopted, without amendment, Clause 40 of Report 6 of the Policy and Finance Committee, and directed that a copy be forwarded to the Budget Advisory Committee for consideration, as part of the pre-approval of the Capital Budget.

**21. Toronto Waterfront Revitalization Initiative Five-Year Business Plan  
Ten-Year Forecast (2006-2015)**

Communication (July 31, 2006) from the City Clerk, advising that City Council on July 25, 26 and 27, 2006 adopted, without amendment, Clause 8 of Report 6 of the Policy and Finance Committee, and forwarded a copy to the Budget Advisory Committee for information.

**22. Heritage Property Tax Rebate Program – 2006-2007 Program Implementation  
and Expansion (All Wards)**

Communication (July 31, 2006) from the City Clerk, advising that City Council on July 25, 26 and 27, 2006 adopted, without amendment, Clause 17 of Report 6 of the Policy and Finance Committee.

Council directed that the total program costs not to exceed \$4.6 million be included within the 2007 Operating Budget Estimates to cover the anticipated costs of the program and referred the Clause to the Budget Advisory Committee for consideration during the 2007 Operating Budget process.

**23. Toronto Transit Commission – Contract Amendment**

**(In-Camera – Solicitor-client privilege)**

Confidential report (July 21, 2006) from the General Manager, Toronto Transit Commission, to be considered in-camera as the subject matter deals with a contract amendment respecting the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose, in accordance with the *Municipal Act, 2001*.

**24. Expropriation Proceedings**

**(In-Camera – Litigation or Potential Litigation)**

Confidential report from the City Solicitor and the Deputy City Manager and Chief Financial Officer regarding expropriation proceedings, to be considered in-camera as the subject matter deals with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board, in accordance with the *Municipal Act, 2001*.

- 24(a).** Confidential report (September 7, 2006) from the City Solicitor, to be considered in-camera as the subject matter deals with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board, in accordance with the *Municipal Act, 2001*.



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**BUDGET ADVISORY COMMITTEE  
SUPPLEMENTARY AGENDA  
MEETING 21**

**Date of Meeting:** Friday, September 15, 2006  
**Time:** 9:30 a.m.  
**Location:** Committee Room 1  
City Hall  
100 Queen Street West  
Toronto, Ontario

**Enquiry:** Merle MacDonald  
Acting Committee Administrator  
416-392-7340  
mmacдона@toronto.ca

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**Communications/Reports:**

**25. Administrative Amendments to Reserve Fund Accounts**

Report (September 8, 2006) from the Deputy City Manager and Chief Financial Officer, recommending the establishment of four reserve funds which have been identified since the administration of reserve report which was adopted by Council in October 2005, as well as minor technical amendments to the Municipal Code which are required. The purpose for each account is identified in its respective appendix.

Recommendations:

It is recommended that:

- (1) the reserves, reserve funds and accounts as set out in Appendix B be established for the purpose set out in the respective Appendix A1 through A4 to this report for each reserve, reserve fund and account, and Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by adding the reserves, reserve funds and accounts to their respective schedules as set out in Appendix B; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto; and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

**26. Capital Variance for the Six Months Ended June 30, 2006**

Report (September 8, 2006) from the Deputy City Manager and Chief Financial Officer, forwarding the City of Toronto Capital Variance Report for the six month period ended June 30, 2006, and projected actual expenditures for the year ending December 31, 2006.

Recommendations:

It is recommended that:

- (1) 2006 debt financed cash flow of \$0.281 million for the Bloor/Gladstone District Library be deferred to 2008 and concomitantly, spending on the Dufferin/St Clair renovation project be advanced;
- (2) 2006 cash flow of \$1.500 million for the purchase of land for the Yonge/North of Finch Project funded from the Toronto Parking Authority reserve account be deferred to 2007 due to unavailability of appropriate site;
- (3) the technical and in-year adjustments to the 2006 Capital Budget with a net reduction of \$2.800 million gross and \$1.107 debt as detailed in Appendix 2 of this report, be approved;
- (4) the Capital Variance Report for the six-month period ended June 30, 2006, be forwarded to the Policy and Finance Committee for its consideration; and
- (5) appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

**27. Funding of Exhibition Place Operating Deficit for 2005**

Report (September 8, 2006) from the Deputy City Manager and Chief Financial Officer, recommending funding of the Exhibition Place operating deficit for 2005 based on audited financial results.

Recommendations:

It is recommended that:

- (1) City provide \$698,410.00 Exhibition Place to cover the operating deficit for 2005, using the provision made in the 2005 Final Year-End Operating Report; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.



## **28. Pre-Approval of 2007 Capital Projects Commitment and Spending**

Report (September 8, 2006) from Deputy City Manager and Chief Financial Officer, seeking Council's authority to incur and/or commit expenditures for capital projects that must proceed during the period from January 1, 2007 to March 31, 2007, in order to ensure that capital work on approved projects continue without interruption, to realize benefits that would not otherwise be available if projects were delayed, and to address urgent health and safety issues and state of good repair needs.

### Recommendations:

It is recommended that:

- (1) Council approval be granted to enter into commitments on New and Change in Scope projects/sub-projects totalling \$299.430 million gross during the period January 1 to March 31, 2007, comprised of the following:
  - (i) \$279.074 million gross with debt financing of \$152.571 million for Tax Supported Programs; and
  - (ii) \$20.356 million gross for Rate Supported Programs;
- (2) Council authorize spending (cash flow) during the period January 1 to March 31, 2007, totalling \$402.260 million comprised of the following:
  - (i) New and Change in Scope projects/subprojects totalling \$35.477 million with debt financing of \$14.358 million;
  - (ii) Previously Approved projects/sub-projects totalling \$244.277 million gross with debt financing of \$95.361 million; and,
  - (iii) Carry forward of 2006 projects/subprojects totalling \$122.506 million with no incremental impact on debt;
- (3) Debenture financing not to exceed \$109.719 million (for New and Change in Scope, and Previously Approved Projects) with a term not exceeding the lesser of 10 years or the useful life of the capital assets, be approved;
- (4) City Council authorize other financing sources for New and Change in Scope and Previously Approved Projects as follows: Reserves/Reserve Funds in the amount of \$114.783 million, Development Charges in the amount of \$5.162 million and other financing source in the amount of \$124.377 million;
- (5) that City Council forward this report to the Incoming Council for adoption at its Inaugural meeting in December 2006; and

- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

**29. Request for Funding for an Energy Plan for Toronto  
(All Wards)**

Report (September 12, 2006) from the Chief Corporate Officer seeking budget approval for activities to be undertaken for the development of an Energy Plan for Toronto and seeking authorization for its funding from the Better Buildings Partnership (BBP) Loan Repayment Reserve Fund.

Recommendations:

It is recommended that:

- (1) the Facilities and Real Estate Division's 2006 Approved Operating Budget be increased by \$15,000 gross; zero net (funded from the Better Building Partnership Loan Repayment Reserve Fund) and the 2007 Operating Budget submission include an allocation of \$570,000 gross, zero net (funded from the Reserve) for consideration with the City's 2007 Operating Budget process; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.