

Budget Committee

Meeting No. 13
Meeting Date Wednesday, June 13, 2007
Start Time 9:30 AM
Location Committee Room 1, City Hall

Contact Merle MacDonald, Committee Administrator
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Budget Committee		
Councillor Shelley Carroll (Chair) Councillor Paul Ainslie (Vice-Chair) Councillor Maria Augimeri	Councillor A. A. Heaps Councillor Joe Mihevc	Councillor Gord Perks Councillor Kyle Rae

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

Confirmation of Minutes – May 25, 2007

Communications/Reports

BU13.1	ACTION			Ward: All
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2006 Final Year-End Capital Variance Report

(May 30, 2007) report from Deputy City Manager and Chief Financial Officer

Summary

This is to advise that the 2006 Final Year-End Capital Variance Report will be submitted to Councillors on or before June 6, 2007 and will be on the Supplementary Agenda for the Budget Committee meeting of June 13, 2007.

This report has been delayed as the reconciliation between the year-end variance report and the externally audited year-end accounting information is being completed this week.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4203.pdf>

BU13.2	ACTION			Ward: All
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2006 Final Year-End Operating Variance Report

(May 30, 2007) report from Deputy City Manager and Chief Financial Officer

Summary

This is to advise that the 2006 Final Year-End Operating Variance Report will be submitted to Councillors on or before June 6, 2007 and will be on the Supplementary Agenda for the Budget Committee meeting of June 13, 2007.

This report has been delayed as the reconciliation between the year-end variance report and the externally audited year-end accounting information was only completed yesterday (May 29, 2007).

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4204.pdf>

BU13.3	Information			Ward: All
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TTC Capital Funding Update

(Deferred from the May 25, 2007 meeting for Committee questions and debate)

(May 11, 2007) report from Deputy City Manager and Chief Financial Officer

Summary

This report is an introduction to the letter on April 19, 2007 from the General Secretary, Toronto Transit Commission to the Budget Committee regarding the report entitled, “Capital Funding Status Update”. The TTC’s report is a summary of TTC capital funding under various programs from the other orders of government specifically: Transit Secure; Transit Technology and Infrastructure Program; the Canada Strategic Infrastructure Fund; Public Transit Capital Trust and the Federal funding of the Spadina Subway Extension.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4206.pdf>

Capital Funding Status Update

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4207.pdf>

Capital Funding Status Update as of May 8, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4208.pdf>

3a Capital Funding Status Update

(April 19, 2007) letter from General Secretary, Toronto Transit Commission

Summary

It is recommended that the Commission forward this report to the Deputy City Manager and Chief Financial Officer and to the Budget Committee to provide “an update on funding eligibility from other orders of government” as outlined under Recommendation No. 140 of the 2007 Capital Budget and 2008-2011 Capital Plan as adopted by City of Toronto Council on March 7, 2007.

3b Capital Funding Status Update as of May 8, 2007

(May 9, 2007) letter from General Secretary, Toronto Transit Commission

Summary

It is recommended that the Commission adopt this funding update report and forward this report to the Deputy City Manager and Chief Financial Officer and to the Budget Committee for confirmation of the status of the funding program and consideration of a strategy to address the long-term capital funding requirements of the Toronto Transit Commission.

BU13.4	Information			Ward: All
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Reserves and Reserve Funds Variance Report - December 31, 2006

(May 29, 2007) report from Treasurer

Summary

The purpose of this report is to provide information on reserve and reserve fund balances as at December 31, 2006 and activity in reserves and reserve funds during the year then ended.

The actual reserves and reserve funds balances at December 31st, 2006 total \$1.7 billion (\$1.5 billion – December 31, 2005). Reserves and reserve funds were projected to decline by \$249 million during the year to a balance of \$1.3 billion. The \$400 million difference is due to lower than expected capital expenditures that were to be financed by reserves and reserve funds and higher than expected transfers from operating to reserves and reserve funds.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4209.pdf>

Appendix A, B, C

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4210.pdf>

BU13.5	ACTION			Ward: All
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Transportation Services - 2007 Cashflow Reallocations and Deferrals

(May 30, 2007) report from General Manager, Transportation Services

Recommendations

The General Manager of Transportation Services recommends that:

1. The deferred and accelerated gross cash flows in the amount of \$18,800,000.00 detailed in Table 1, attached, which have no net impact on the approved 2007 net debt target, be approved;
2. The deferred gross cash flows in the amount of \$29,500,000.00 detailed in Table 2, attached, which represent uncontrollable third party funding from others and, which have no net impact on the approved 2007 net debt target, be approved;
3. The General Manager, Transportation Services, be requested to report back to the Budget Committee as part of the 2008 Capital Budget process, on a revised five year plan; and
4. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Consistent with the data contained in table 1, attached, funding in the amount of \$18,800,000.00 will be deferred from various projects that for a number of reasons as outlined in the body of this report, will be delayed. In this regard, an equivalent cash flow can be accelerated and reallocated to a number of projects that are ready to proceed. These cash flows represent debt funded projects with no net change to the approved 2007 net debt funding

requirement. This reallocation will also meet a previous recommendation as set out as part of the 2007 capital budget deliberations to fund an unspecified funding commitment of \$3.3 million for the St. Clair Avenue transit right-of-way project.

The division is also seeking to defer a total gross approved cash flow of \$29,500,000.00 from 2007 to 2008 representing those fully recoverable projects (work for others) that are also delayed for various reasons outside of the control of the division.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Summary

The purpose of this report is to reallocate anticipated cash flow expenditures for 2007 commensurate with those projects that are ready to proceed. The division is presently coordinating a multi-year capital works program with the Toronto Water and Technical Services divisions. Moreover, not only will this new planning process address a more efficient renewal strategy for rehabilitating the City's aging infrastructure, it will also make significant advances in minimizing construction disruption and the associated inconvenience to not only motorists but all users of the public right of way including pedestrians, cyclists and transit users.

All users of the public right of way will benefit from this coordinated cross-functional initiative that will make significant advances towards minimizing adverse and costly effects of re-digging recently completed works in addition to allowing for the much needed improvement of current completion rates of the various construction projects from both Transportation Services and Toronto Water. This new course of action, once fully implemented, will secure a fixed capital program that encapsulates a full five years worth of work well in advance of any construction activity as shown in the accompanying schematic Attachment 1 (Typical Planning Process of a Capital Works Program).

In the interim, 2007 cash flows will need to be realigned that best match to those program areas that are ready to proceed. This will involve the deferral of 2007 approved cash flows and a corresponding acceleration of others that will yield a zero net impact on approved debt targets for 2007. And, as part of the upcoming 2008 budget process, projects will be revisited and cash flows reassessed accordingly so that approved five year targets are not altered.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4211.pdf>

Attachments

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4212.pdf>

Tables

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4213.pdf>

BU13.6	Information			
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Toronto Police Service – Human Resources Staffing Statistics Compared to Other Police Services’ Human Resources Staffing Statistics

(May 30, 2007) report from Chair, Toronto Police Services Board

Summary

The purpose of this report is to provide the City of Toronto Budget Committee with the Toronto Police Service – Human Resources staffing statistics compared to other police services’ human resources staffing statistics.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4214.pdf>

BU13.7	ACTION			
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Cliffcrest Branch Relocation – New Capital Project

(May 30, 2007) report from City Librarian

Recommendations

The City Librarian recommends that Budget Committee:

1. approve a new 2007 capital project for the relocation and expansion of the Cliffcrest Neighbourhood Branch, details of which will be forwarded in a report from the Toronto Public Library Board after it has reviewed the capital project at its meeting on June 11, 2007.

Summary

This report requests approval for a new 2007 capital project for the relocation and expansion of the Cliffcrest Neighbourhood Branch. At its meeting of June 11, 2007, the Toronto Public Library Board will be considering a report on the Cliffcrest Neighbourhood Branch 2007 capital project. After Library Board approval, the full report with the details of the capital project will be forwarded to Budget Committee for consideration at its meeting of June 13, 2007.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4222.pdf>

BU13.8	ACTION			Ward: All
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Toronto Zoo 2007 Capital Budget – Tundra Project

(May 30, 2007) report from Chief Executive Officer, Toronto Zoo

Recommendations

The Chief Executive Officer of the Toronto Zoo recommends that:

1. The Council Approved 2007 Capital Budget for the Toronto Zoo be amended to add \$2.5 million gross, \$0 net, funded by the Toronto Zoo Foundation resulting in a 2007 Capital Budget of \$15.707 million gross, \$9.905 million net (debt).

Financial Impact

This action will have **no** financial impact on the Net Expenditures in the approved 2007 capital budget as both Gross Expenditures and Revenue increase by \$2.5 million. City funding of the Net Expenditure budget for 2007 remains unchanged.

Summary

The purpose of this report is to request Budget Committee approval of an amendment to the 2007 capital budget of the Toronto Zoo related to permit the award of the tender for the Tundra project. In adopting this action, both Gross Expenditures and Revenue in the 2007 Capital Budget of the Toronto Zoo will increase by \$2.5 million to \$15.707 million gross. Net expenditures will remain unchanged.

At its meeting on April 23, 2007, the Board of Management of the Toronto Zoo approved the staff recommendation to request additional funding from the Toronto Zoo Foundation for the Tundra project in order to permit the award of the tender to the lowest bidder. The request was approved by the Toronto Zoo Foundation Board of Directors at its meeting on May 28, 2007.

Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4223.pdf>

BU13.9	Information			Ward: 42
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Bringing Village Securities Ltd. Site Under Public Ownership

(May 15, 2007) letter from General Management Committee

Summary

Advising of the action taken by the Government Management Committee on May 10, 2007.

Background Information

General Management Committee Transmittal

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4224.pdf>)

Attachment

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4225.pdf>)

BU13.10	ACTION			Ward: All
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Pilot Testing the New Air Quality Health Index in Toronto

(May 14, 2007) letter from Board of Health

Recommendations

The Board of Health recommended to the Budget Committee that the 2007 Toronto Public Health Operating Budget be increased by \$160,000 gross and \$0 net to reflect funding from Health Canada for the launch of the Air Quality Health Index Toronto Pilot Program.

Financial Impact

Source of Funds	Gross	Net
One-time funding from Health Canada for AQHI Toronto Pilot Program – 2007	\$160,000	\$0
One-time funding from Health Canada for Completion of Evaluation of the AQHI – 2008	\$40,000	\$0
Total Funding	\$200,000	\$0
Additional position		1

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Summary

Forwarding the recommendation of the Board of Health on May 14, 2007.

Background Information

Board of Health Transmittal

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4226.pdf>)

Attachment 1

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4227.pdf>)

Attachment 2

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4228.pdf>)

BU13.11	ACTION			Ward: All
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Provincial Funding for InSPOT Toronto

(May 14, 2007) letter from Board of Health

Recommendations

The Board of Health recommended to the Budget Committee that:

1. the Toronto Public Health 2007 Operating Budget be increased by \$59,220.00 gross, \$0 net, to reflect provincial funding received to support the inSPOT service.

Financial Impact

This report recommends an increase of \$59,220 gross expenditures and \$59,220 revenues to the 2007 Toronto Public Health Operating Budget. There is no net cost to the City for this initiative.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

Summary

Forwarding the recommendation of the Board of Health on May 14, 2007.

Background Information

Board of Health Transmittal

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4229.pdf>

Attachment

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-4230.pdf>