



## Budget Committee

<b>Meeting No.</b>	8 (Special)	<b>Contact</b>	Merle MacDonald ,Committee Administrator
<b>Meeting Date</b>	Friday, February 23, 2007	<b>Phone</b>	416-392-7340
<b>Start Time</b>	1:30 PM	<b>E-mail</b>	mmacдона@toronto.ca
<b>Location</b>	Committee Room 1, City Hall		

*The Decision Document is for preliminary reference purposes only. Please refer to the Committee’s Minutes for the official record.*

***How to Read the Decision Document:***

- *recommendations of the Committee to Executive Committee appear after the item heading and any amendments by the Budget Committee to recommendations appearing in a staff report are italicized;*
- *action taken by the Committee on its own authority does not require Council’s approval and is listed in the decision document under the heading “Decision Advice and Other Information” at the end of the item;*

*Declarations of Interest, if any, appear at the end of an item.*

BU8.1	ACTION	Adopted		Wards: All
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### **Preliminary Capital Variance Report for the Year Ended December 31, 2006**

(February 20, 2007) report from Deputy City Manager and Chief Financial Officer

#### **Committee Recommendations**

The Budget Committee recommends to the Executive Committee that:

1. Council approve the Facilities and Real Estate technical budget adjustments detailed in Appendix 2 (Sec. 1.i) attached, to reallocate funds from projects completed under-budget to projects that were overspent with no incremental impact on the

## Council Approved 2006 Capital Budget;

2. Council approve the technical budget adjustments to transfer \$1.100 million in unspent funding from Toronto Police Service 2006 approved capital project funds (Jetforms \$0.500 million and Police Integration Systems \$0.600 million) to the Transportations Services 2006 Capital Budget – Front Street Extension project to cover additional expenditures for the Police Traffic Services and Garage Facility – 9 Hanna subproject Appendix 2 (Sec. 1.ii);
3. Council approve the Toronto Water technical budget adjustments detailed in Appendix 2 (Sec. 1.iii) which reallocate funds between projects with no incremental impact on the 2006 Approved Capital Budget;
4. Council approve the Toronto and Region Conservation Authority technical budget adjustments detailed in Appendix 2 (Sec. 2.i) to adjust during 2006 for \$1.563 million in unspent funding carried forward from 2005 for land acquisition for source water protection;
5. Council authorize and direct the appropriate staff to take the necessary action to give effect thereto.

**Financial Impact**

As shown in Table 1 below, Tax Supported Programs spent \$1.069 billion or 69.8 percent of the 2006 approved cash flow of \$1.531 billion during the year ended December 31, 2006. By comparison, spending in 2004 approximated 68.3 percent and in 2005, 68.3 percent of the respective Council approved cash flow. Excluding uncontrollable projects (defined as projects that are subject to conditions that are not within the control of staff, such as unforeseen natural or environmental factors, and dependency on third party performance), the 2006 Tax Supported Programs' spent 72.4 percent of the adjusted cash flow:

	2006 Approved Budget	January to December 2006		
		Total		% Spent of Controllable Projects
		Actuals	% Spent	
Tax Supported Programs:				
Citizen Centred Services - "A"	184,775	104,447	56.5%	61.5%
Citizen Centred Services - "B"	439,906	240,382	54.6%	55.9%
Internal Services	162,598	83,583	51.4%	52.9%
Other City Programs	41,800	24,874	59.5%	61.9%
Agencies, Boards &			87.7%	89.7%

Commissions	702,519	616,181		
Total - Tax Supported	1,531,597	1,069,467	69.8%	72.4%
Rate Supported Programs:				
Toronto Parking Authority	39,709	8,040	20.2%	52.9%
Toronto Water	394,468	264,770	67.1%	71.0%
Total Rate Supported	434,177	272,810	62.8%	70.2%
Total	1,965,774	1,342,277	68.3%	72.0%

Rate-Supported Programs spent \$272.810 million or 62.8 percent of the 2006 approved cash flow of \$434.177 million. Excluding uncontrollable projects, the spending rate improves to 70.2 percent.

In accordance with the City's Carry Forward Policy, the 2007 Budget Committee Recommended Capital Budget will include 2006 unspent funding carried forward to 2007. This will enable staff to complete projects for which capital work was not completed in 2006 as planned. It should be noted that the majority of the reduced spending on capital projects in the fourth quarter are committed and should be spent in early 2007.

It is noted that in compliance with good financial management practices, debt is issued only when needed to finance actual or committed capital expenditures. This strategy minimizes the incurrence of debt service cost and the resultant impact on the Operating Budget. In accordance with the Financial Control By-law, completed projects will be closed and any unspent funds will be returned to the original funding source. A recommended list of project closures will be included in the final 2006 Year-end Capital Variance report.

## Summary

The purpose of this report is to provide the City of Toronto Preliminary Capital Variance Report for the year ended December 31, 2006, and to request Council's approval of technical budget adjustments which reallocate funds between projects with no incremental impact on the Council Approved 2006 Capital Budget. A final report will be submitted to Council following the completion of the external audit of the City's accounts and financial statements.

Capital spending during 2006 totalled \$1.342 billion or 68.3 percent of the approved cash flow of \$1.965 billion. The under expenditure is primarily attributed to the inability to find or secure suitable sites in accordance with planned timeframes; delays in securing funds from cost-sharing partners; and, significantly higher than expected rainfall which delayed performance of roofing and asphalt projects, exterior site work, park construction projects and playground replacement work. In addition, several projects were completed under-budget. Unspent funds for incomplete projects will be carried forward to 2007 on an as required basis, in accordance

with the City's Carry Forward Policy.

### Background Information

Appendix 2

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1722.pdf>)

Staff Report - Capital Variance

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1720.pdf>)

Appendix 1

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1721.pdf>)

### Decision Advice and Other Information

The Budget Committee requested that when the 2008 and future capital budgets for Toronto Water are presented to the Budget Committee, the most current Quarterly Report and the previous monthly Capital Variance Report be before the Committee.

BU8.2	ACTION	Adopted		Wards: All
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### Financing of Capital Works Policy and Goals

(February 20, 2007) report from Deputy City Manager and Chief Financial Officer

### Committee Recommendations

The Budget Committee recommends to the Executive Committee that:

1. Council approve the City of Toronto's Financing of Capital Works Policy and Goals as contained in Appendix A of the report; and
2. Council authorize the appropriate City officials to take the necessary action to give effect thereto.

*(Note: Included in Budget Committee's Capital Recommendations - BU8-7)*

### Financial Impact

The key guidelines contained in the "Financing of Capital Works Policy and Goals" are the 15 percent of the tax levy limit on debt charges and the City's total direct obligation debt which shall not exceed \$3.5 billion over the term of Council, ending in November 2010.

### Summary

This report requests Council's approval for the City's Financing of Capital Works Policy and Goals in order to fulfill the requirement of paragraph 8 of subsection 212(1) of the City of

Toronto Act, 2006.

### **Background Information**

Staff Report - Capital Works Policy and Goals

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1723.pdf>)

### **Decision Advice and Other Information**

The Budget Committee requested the Deputy City Manager and Chief Financial Officer to report to City Council on March 7, 2007, providing the cumulative dollar amount of debt over a five-year period.

BU8.3	Information	Received		
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### **Consulting Expenses - Agencies, Boards and Commissions**

(December 4, 2006) report from City Manager

#### **Summary**

This report examines the controls that are in place to verify consulting expenses incurred by agencies, boards and commissions.

Based on our review of the policies, processes and procedures that are currently in place within the Agencies, Boards and Commissions with respect to consulting expenses, we have determined that controls are adequate and provide reasonable assurance that the amounts reported are accurate and complete.

Given that the City's ABC's are independent and autonomous organizations, and are governed by and accountable to a separate board or commission, any oversight of consulting expenses incurred by ABC's is the sole responsibility of the organization.

### **Background Information**

Staff Report - Consulting Expenses

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1724.pdf>)

### **Decision Advice and Other Information**

The Budget Committee received the report.

BU8.4	Information	Received		Wards: All
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### **Letter Concerning Reporting on Reserve/Reserve Fund Inflows/Outflows as Part of the Budget Documents**

(February 7, 2007) report from Deputy City Manager and Chief Financial Officer

#### **Summary**

This report indicates that budget documents in the form of the analyst's notes already provide the information requested - namely the inflows and outflows to and from reserves and reserve funds.

#### **Background Information**

Staff Report - Reserve/Reserve Fund Inflows/Outflows

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1725.pdf>)

#### **Decision Advice and Other Information**

The Budget Committee received the report.

BU8.5	ACTION	Adopted		
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### **Federal Homelessness Funding: Authority to Negotiate a New Federal Agreement and Manage the Transition to the New Program**

(February 19, 2007) letter from Community Development and Recreation Committee

#### **Committee Recommendation**

The Budget Committee recommends that City Council, at its meeting on March 5, 2007, approve the recommendations of the Community Development and Recreation Committee.

#### **Summary**

The Community Development and Recreation Committee on February 19, 2007, forwarded a copy of the report (February 5, 2007) from the General Manager, Shelter, Support and Housing Administration, to the February 23, 2007, meeting of the Budget Committee for its immediate consideration and transmittal of comments to the March 5 and 6, 2007, Council meeting for consideration with this item.

#### **Background Information**

Letter - Federal Homelessness

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1726.pdf>)

**Declared Interests**

Councillor Joe Mihevc - declared an interest in Recommendation 7. of the staff report in that his spouse works with the East York East Toronto Family Resources.

BU8.6	ACTION	Adopted		
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**Grace Carmen Senior Citizens Home Inc. - Reserve Fund Withdrawal and Approval of a Second Mortgage**

(February 19, 2007) letter from Community Development and Recreation Committee

**Committee Recommendation**

The Budget Committee recommends that City Council, at its meeting on March 5, 2007, approve the recommendations of the Community Development and Recreation Committee.

**Summary**

The Community Development and Recreation Committee on February 19, 2007, forwarded a copy of the report (February 13, 2007) from the General Manager, Shelter, Support and Housing Administration, to the February 23, 2007, meeting of the Budget Committee for its immediate consideration and transmittal of comments to the March 5 and 6, 2007, Council meeting for consideration with this item.

**Background Information**

Letter - Grace Carmen Senior Citizens Home

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1727.pdf>)

BU8.7	ACTION	Amended		Wards: All
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**Budget Committee Recommended 2007 Capital Budget and 2008 - 2011 Capital Plan.**

(February 22, 2007) report from City Manager and Deputy City Manager and Chief Financial Officer

**Committee Recommendations**

The Budget Committee recommended to the Executive Committee that:

1. Council approve the 2007 BC Recommended Tax Supported and Toronto Parking Authority Capital Budget (including 2006 carry forward projects) with a total project

cost of \$1.380 billion that requires 2007 cash flow of \$1.747 billion and future year commitments of \$881.296 million in 2008; \$506.245 million in 2009; \$292.108 million in 2010; \$158.228 million in 2011; and \$252.262 million in 2012 - 2016 as detailed below:

- a. New Cash Flow for:
    - i. new and change in scope projects with a total project cost of \$1.380 billion requiring: 2007 cash flow of \$555.284 million and future year commitments of \$527.677 million in 2008; \$200.044 million in 2009; \$118.955 million in 2010; \$23.198 million in 2011;
    - ii. previously approved projects totalling \$2.119 billion requiring: 2007 cash flow of \$853.813 million and future year commitments of \$353.619 million in 2008; \$306.201 million in 2009; \$173.153 million in 2010, \$135.030 million in 2011 and \$297.627 million in 2012 - 2016;
    - iii. previously approved projects with carry-forward funding from 2005 and prior years requiring 2007 cash flow of \$40.134 million, which forms part of the affordability and requires Council to reaffirm its commitment; and,
  - b. 2006 cash flow for previously approved projects with carry-forward funding from 2006 into 2007 totalling \$298.427 million;
2. Council approve financing sources for the 2007 BC Recommended Tax Supported Capital Budget (including 2006 carry forward projects) comprised of: \$252.022 million from Reserves and Reserve Funds; \$124.172 million of Capital from Current funding; \$77.103 million of Developmental Charge funding; \$194.889 million from other sources; \$235.484 million of Provincial Grants and Subsidies; \$230.673 million of Federal Subsidies; and debt of \$605.808 million (inclusive of 2006 carry-forward debt funding of \$98.452 million);
  3. Council approve debenture financing not to exceed \$507 million for the 2007 Tax Supported Capital Budget, for a term of up to, but not exceeding 10 years;
  4. Council approve new debt service costs of \$17.665 million in 2007 and incremental costs of \$75.442 million in 2008; \$44.087 million in 2009; \$23.555 million in 2010; and, \$12.279 million in 2011, for inclusion in the 2007 and future operating budgets;
  5. Council consider the operating impacts emanating from approval of the 2007 BC Recommended Capital Budget of \$4.393 million in 2007 and incremental costs of \$9.235 million in 2008; \$6.102 million in 2009; \$3.576 million in 2010; and, \$1.846 million in 2011, for inclusion in the 2007 and future operating budgets;
  6. Council approve the BC Recommended 2008 – 2011 Capital Plan for the City of Toronto (excluding Toronto Water) comprised of \$1.424 billion in 2008, \$1.427 billion in 2009; \$1.346 billion in 2010; and \$1.192 billion in 2011;



7. Council receive for information the 2007 – 2016 Capital Forecast for the City of Toronto (excluding Toronto Water) totalling \$13.506 billion as detailed by Program, Agency, Board and Commission in Appendix 5;
8. Council approve the detailed 2007 BC Recommended Capital Budget and 2008 – 2011 Capital Plan Program Recommendations (Appendix 6), subject to the following amendments:
  - a. Parks, Forestry and Recreation:
    1. Amend Recommendation 27 to read as follows:
 

“(27) the Chairs of the Budget Committee, the Parks and Environment Committee, and the Community Development and Recreation Committee form a task force:

      1. to investigate ways of improving the capital project completion rate within Parks, Forestry and Recreation; and
      2. to find ways and means of increasing the capital allocation for Parks, Forestry and Recreation in 2008 and beyond, while respecting the City-wide corporate debt guideline;

and that they work in conjunction with the City Manager’s Office and other appropriate staff;”
    2. Redirect \$215 thousand from the \$4.5 million allocated to Sub-project #171, Camp (SGR) Arena Indoors 2007 ( sub-project East York Curling Rink concrete floor, cost \$350 thousand) to the following health and safety and state of good repair projects:
      - \$150 thousand for completion of the Cullen Bryant Park Stairs into Taylor Creek Park; and
      - \$65 thousand for retrofit and resurfacing of the Dentonia Park Splash Pad.”;
    3. Approve the following recommendations contained in the report (February 20, 2007) from the Deputy City Manager and Chief Financial Officer and the General Manager, Parks, Forestry and Recreation, entitled “Authority for TRCA as Sole Source Provider on Parks, Forestry and Recreation Natural Environment Projects” (BU8-7b):
      - i. Council authorize the General Manager of Parks, Forestry and Recreation to enter into sole source purchase orders totalling up

to \$5 million for 2007, including all taxes and charges, with the Toronto and Region Conservation Authority (TRCA), to expedite and complete various natural environment projects included in the 2007 Parks, Forestry and Recreation 2007 Capital Budget, as listed in Table 1 of this report; and

- ii. Council authorize the appropriate City officials to take the necessary action to give effect thereto;”;

b. Shelter, Support and Housing Administration:

Adjust the 2007 Recommended Capital Budget for Shelter, Support and Housing Administration as follows:

1. the change of scope for Eva’s Youth Replacement Shelter of \$0.939, million currently funded from SCPI, be funded \$0.139 million from SCPI and \$0.800 million from the Mayor’s Homelessness Initiative Reserve Fund;
2. the gross budget for the Bethlehem United Shelter be increased in 2007 by \$1.037 million to \$3.387 million and funded by SCPI.;
3. the gross budget for the 110 Edward Street Assessment and Referral Centre and Shelter be increased in 2007 by \$0.912 million to \$5.501 million and funded by SCPI;
4. the General Manager, Shelter, Support and Housing Administration be authorized to seek funding from the new Federal Government program, the Homelessness Partnering Strategy, for Eva’s Youth Replacement Shelter, once the terms and conditions of the new program are known, any additional funding be used to offset the contribution of \$0.800 million from the Mayor’s Homelessness Initiative Reserve Fund;

c. Transportation Services:

1. Include a technical adjustment to the 2007 cash flow for the Keele/Wilson sub-project in the amount of \$1.000 million gross and \$0.500 million debt, and the Princes Gates sub-project in the amount of \$0.009 million gross and \$0.009 million capital from current in order to reclassify these amounts from 2-year carry forwards to 1-year carry forwards;
2. include \$7.000 million for Hydro Enhancements with \$4.000 million for 2007 and \$3.000 million for 2008. Funding for this change in scope has been accommodated by \$0.700 million in re-allocation from Local Road Reconstruction Projects and \$6.300 million in unspecified reductions; and

3. request the General Manager of Transportation Services to report with the June 30, 2007 Capital Variance Report identifying projects to offset these enhancements;

d. Waterfront Revitalization Initiative

That \$1 million in 2010 and \$50.752 million in 2012-2016 currently allocated to the Front Street Extension be removed from the Waterfront Revitalization Initiative Capital Program and placed into an unallocated capital funding account within the Waterfront Revitalization Initiative, subject to the Director of the Waterfront Secretariat Initiative, in consultation with the City Solicitor, reporting back to the March 7, 2007 meeting of City Council on whether this amendment is in contravention of any existing agreements;

e. Facilities and Real Estate:

- i. Approve the following recommendations contained in the report (February 20, 2007) from the Chief Corporate Officer, entitled “Recommendations to Adjust the Scope of Work for the City Hall Second Floor Renovations (BU8.7a):
  - “1. the City Hall second floor renovations be reduced in scope to consider adding one large committee room, a protocol/media studio, and the consolidation of the Mayor’s Office space to accommodate staff; and
  2. the Facilities and Real Estate Division’s 2007 Recommended Capital Budget be adjusted to reflect a reduction of \$1.0 million gross; zero net and the 2008 Capital Plan be reduced by \$2.3 million; zero net for a total reduction of \$3.3 million gross; zero net;”
- ii. establish a protocol for the proposed Media Studio/Protocol Room in conjunction with the Press Gallery, and that the Capital and Operating Budgets for the new Media Studio portion of the operation be established in consultation with the Press Gallery;

f. Fleet Services:

Amend the 2007 Recommended Capital Budget for Fleet Services to include future year commitments of \$2.750 million in 2008 for Fire Services to enable the award of a multi-year contract for the purchase of fire vehicles;

g. Union Station:

Approve the contribution agreement between the City and the Federal Government to secure grant funding of \$4.280 million for security upgrades at Union Station. and authorize the appropriate City officials to sign the

agreement on behalf of the City;

- h. Toronto Police Service:
1. The Annual debt for the Toronto Police Service Capital Budget be set at \$32.7 million for each of the years 2007 to 2011; and
  2. the Chair of the Toronto Police Services Board be requested to report back to the Budget Committee by September 2007 with an updated plan for 2008 to 2011;
9. Council approve the following recommendations in the report (February 1, 2007) from the Deputy City Manager and Chief Financial Officer, headed “Capital Financing and Debenture Authorities” (BU7.1):
- “1. authority be granted for the Mayor and the Deputy City Manager and Chief Financial Officer to enter into an agreement or agreements with a purchaser or purchasers for the sale and issuance of debentures, to provide an amount in 2007 not to exceed \$500 million;
  2. the 2007 sinking fund levies of \$167,683,949.02 for the City of Toronto and \$2,293,802.99 for the Toronto District School Board be approved;
  3. the 15 percent debt charges as a per cent of tax levy guideline approved by Council in 2006 be reaffirmed for 2007 and the recommended debt issuance and resultant debt charges to finance the 2007 Capital Budget adhere to this capital management guideline;
  4. City Programs and Agencies, Boards and Commissions’ capital financing requirements be included in the Five Year Capital Budget and submitted through the Deputy City Manager and Chief Financial Officer (DCM/CFO) for consideration of Council;
  5. authority be granted for the introduction of the necessary Bills in Council to give effect to the foregoing; and
  6. the appropriate City officials be authorized to take the necessary action to give effect thereto.”;
10. Approve the following recommendations contained in the report (February 20, 2007) from the Deputy City Manager and Chief Financial Officer, entitled “Financing of Capital Works Policy and Goals” (BU8-2):
- “1. Council approve the City of Toronto’s Financing of Capital Works Policy and Goals as contained in Appendix A of the report; and
  2. Council authorize the appropriate City of Toronto officials to take the necessary action to give effect thereto.”;

11. Council receive the reports, transmittals and communications that are on file with the City Clerk's Office (including Appendix 7 herewith attached) as considered by the Budget Committee at its 2007 Capital Budget review meetings; and
12. Council authorize and direct the appropriate City officials to take the necessary action to give effect thereto.

## **Summary**

This report presents the City of Toronto 2007 Budget Committee (BC) Recommended Capital Budget and 2008 - 2011 Capital Plan, and recommends approval of 2007 cash flow and future year commitments for capital projects. Further, the report recommends approval of the 2008 – 2011 Capital Plan, which will form the basis for developing future capital budgets, in accordance with the City's multi-year financial planning and budgeting process.

The 2007 Budget Committee Recommended Capital Budget and 2008 – 2011 Capital Plan sets the foundation for implementing the Mayor's vision and mandate, and Council's policy agenda. It addresses the City's health and safety, legislated, and state of good repair capital spending needs while recognizing existing fiscal challenges. This is evidenced by the fact that, of the 2007 BC Recommended Tax Supported Capital Budget of \$1.432 billion, 75 percent or \$1.074 billion is targeted to these three categories of projects. The amount dedicated to these project categories is \$5.344 billion or 80 percent of the total 5-Year Capital Plan of \$6.704 billion. While priority has been placed on maintaining the City's infrastructure, the Capital Plan also provides for growth in strategic areas and for service expansion in key Program areas to accommodate service demands and expectations of the public. Included in the 5-Year Capital Plan are investments in projects that contribute to the Mayor's priorities of making Toronto safer, a clean, green and beautiful city, and transit strategic directions in accordance with Council Official Plan.

Financing the City's Capital Budget and Plan continues to be a major challenge, particularly because of diminished capital reserves and reduced non-debt funding sources. As a result, a major influencing factor in developing the 2007 Capital Budget and 2008 – 2011 Capital Plan is the need to manage the City's debt burden without compromising the state of good repair of existing assets or the health and safety of its citizens. Debt financing totals \$2.594 billion or 39 percent of the total funding requirement proposed in the 5-Year Capital Plan. However, when the projected debt retirement of \$1.000 billion (or \$200.000 million per year) is taken into account, new debt is approximately \$1.600 billion. Even with this significant investment, there continues to be a gap between capital spending needs and affordable funding estimates. This funding gap has resulted in a growing backlog that is estimated at \$1.392 billion at the end of 2011, despite increased spending on infrastructure maintenance. Notwithstanding this gap, the City has made significant strides in limiting the backlog to about 5 percent of the total estimated asset value of about \$30.000 billion (excluding Toronto Water assets).

## **Background Information**

Appendix 3

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1766.pdf>

Appendix 4i

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1768.pdf>)

Appendix 1

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1770.pdf>)

Appendix 6 - BC Recs

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1765.pdf>)

Appendix 5

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1767.pdf>)

Appendix 2

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1771.pdf>)

Appendix 4ii

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1769.pdf>)

Staff Report - 2008-2011 Capital Plan

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1744.pdf>)

## Decision Advice and Other Information

The Budget Committee:

a. received the following reports/communications:

1. (December 15, 2006) from the General Manager of Parks, Forestry and Recreation (BU7.2);
2. (October 2, 2006) from the City Clerk (BU7.2a);
3. (February 2, 2007) from the General Secretary, Toronto Transit Commission, The 2007-2011 TTC Capital Program and 10-Year Capital Forecast (BU7.3);
4. (February 6, 2007) from the General Secretary, Toronto Transit Commission, Customer Information Systems, \$.500 million in 2007 funding is included in the 2007 Recommended Capital Budget (BU7.4);
5. (December 19, 2006) from the General Secretary, Toronto Transit Commission, Victoria Park Bus Terminal Replacement – Approval of Conceptual Design, \$34.4 million in funding is included in the Recommended 2007-2011 5-Year Capital Plan (BU7.5);
6. confidential communication (December 20, 2006) from the General Secretary, Toronto Transit Commission, Birchmount Garage (Included in the 2007 Recommended Capital Budget) (BU7.6);
7. confidential communication (September 21, 2006) from the General Secretary, Toronto Transit Commission, Warden Station – Approval of Conceptual Design and Property Implications, funds are in budget (BU7.7);
8. confidential communication (December 20, 2006) from the General Secretary, Toronto Transit Commission, Warden Station – Budget Amendment and Approval to Proceed, \$18.5 million in funding is included in the Recommended 2007-2011 5-Year Plan (BU7.8);
9. (September 21, 2006) from the General Secretary, Toronto Transit Commission, Warden Station – Declaration of Surplus Property (BU7.9);
10. confidential communication (September 12, 2006) from the Economic Development and Parks Committee (BU7.10);
11. (September 11, 2006) from the Works Committee (BU7.12);
12. (September 15, 2006) from the Budget Advisory Committee (BU7.13);
13. (January 24, 2007) from Councillor Suzan Hall, Ward 1 Etobicoke North,

Environmental Assessment (EA) Study – Focusing on Rapid Transit, funds in the amount of \$.500 million funded by development charges are included in the Recommended 2007-2011 5-Year Capital Plan (BU7.14);

14. (October 2, 2006) from the City Clerk (BU7.16); and
  15. (February 14, 2007) from Councillor John Filion, Ward 23 Willowdale (BU7.18);
- b. referred the following to the 2007 Operating Budget Process:
1. the communication (December 5, 2006) from the Toronto Centre for the Arts Board of Directors, Use of Livent Claims Request (BU7.17);
  2. the requested operating budget increases of \$1.06 million in 2007, with an annualization of \$0.19 million for 2008 contained in the communication (October 2, 2006) from the City Clerk, Process to Address Tree Preservation Requirements Related to Development and Construction Applications (BU7.11);
- c. requested the Deputy City Manager and Chief Financial Officer to report to City Council on March 7, 2007, providing the cumulative dollar amount of debt over a five-year period;
- d. received the following request contained in the communication (October 2, 2006) from the City Clerk:
- “the one-time capital request of \$0.11 million to address Tree Preservation Requirements Related to Development and Construction Applications be approved;”;
- e. received the following Briefing Notes:

#### Corporate Issues

1. 2005 Storm Damage Costs (Feb 15 – 1)
2. Comparison of Total Capital Transit Budget to other Cities’ Total Capital Budget (Feb 15 – 17)

#### Citizen Centred Services “A”

##### Parks, Forestry and Recreation:

3. New Community Centre – Ward 24 (Feb 22 – 32)
4. Parks, Forestry and Recreation Capital Budget (Feb 16 - 30)
5. Redirection of \$254K from 2007 Indoor Arenas, Ward 31 and Goulding Park Community Centre Arena Renovation (Feb 22 – 34)
6. Status of Lambton Kingsway Outdoor Ice Pad (Feb 15 – 19)
7. Status of Queensway Fieldhouse and Rink Capital Projects (Feb 15 – 20)

#### Citizen Centred Services “B”

**City Planning:**

8. 2007 Civic Improvement Capital Projects (Feb 15 – 21)

**Transportation Services:**

9. Transportation Capital Works Program – Roadwork Needs (Feb 15 – 25)

**Agencies, Boards and Commissions****Toronto Police Service:**

10. Chronology of Toronto Police Service's New Training Facility (Feb 15- 27)
11. Options to Achieve Budget Committee Targets (Feb 22 – 36)

**Toronto Transit Commission:**

12. Customer Information Systems (Feb 23 – 44)

**7a Recommendations to Adjust the Scope of Work for the City Hall Second Floor Renovations**

(February 20, 2007) report from Chief Corporate Officer

**Committee Recommendation**

The Budget Committee recommended to the Executive Committee that Council approve the recommendations in the report (See BU8-7 - Recommendation under Facilities and Real Estate).

**Summary**

This report outlines adjustments to the scope of work for the City Hall second floor renovations. There is an opportunity to adjust the scope of work which will reduce the overall project cost but will still accommodate an additional committee room, protocol /media studio, and consolidation of the Mayor's Office space.

The recommended adjustment to the project scope of work reduces the project cost by over 50 percent. While the original project intent to provide committee room space to meet current demand cannot be realized, the alternative provides some relief to the consistent demand for committee room usage and provides the Mayor's Office with sufficient space to accommodate staff. Also, a protocol/media studio will be wired for media with a flexible floor plan to permit protocol functions and media briefings and will be available to members of the public, City Divisions, and Members of Council.

Approval of this report will reduce the Facilities & Real Estate Division's 2007 Recommended Capital Budget and 2008-2011 Plan for City Hall second floor renovations from \$6.2 million to \$2.9 million; zero net.



## Background Information

Staff Report - City Hall 2nd Floor Renovations

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1728.pdf>)

Attachment 1

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1742.pdf>)

Attachment 2

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1743.pdf>)

## 7b Authority for TRCA as Sole Source Provider on Parks, Forestry and Recreation Natural Environment Projects

(February 20, 2007) report from Deputy City Manager and Chief Financial Officer and General Manager of Parks, Forestry and Recreation

### Committee Recommendations

The Budget Committee recommended to the Executive Committee that Council approve the recommendations in the report (See BU8-7 - Recommendation under Parks, Forestry and Recreation).

### Summary

This report seeks permission from City Council to enter into sole source purchase orders with the Toronto and Region Conservation Authority (TRCA) for natural environment projects.

The City of Toronto has a long history of working with TRCA on natural environment projects. This request for Sole source authority is consistent with past practice and facilitates a number of projects, many of which are on TRCA lands for which the City is responsible. TRCA is able to provide cost-effective management of natural environment projects using their highly specialized expertise and ability to expedite required approvals, facilitate community involvement and meet tight time lines. This report recommends Sole source authority with TRCA for projects totalling \$5 million in the 2007 Parks Forestry and Recreation Capital Budget.

### Background Information

Staff Report - Authority for TRCA

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-1729.pdf>)

### Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2007-02-23	Afternoon	1:30 PM	3:50 PM	Public