

## Budget Committee

<b>Meeting No.</b>	15	<b>Contact</b>	Merle MacDonald, Committee Administrator
<b>Meeting Date</b>	Thursday, September 20, 2007	<b>Phone</b>	416-392-7340
<b>Start Time</b>	9:30 AM	<b>E-mail</b>	buc@toronto.ca
<b>Location</b>	Committee Room 1, City Hall		

### Attendance

Members of the Budget Committee were present for some or all of the time periods indicated under the section headed “Meeting Sessions”, which appears at the end of the Minutes.

Councillor Shelley Carroll, Chair	X
Councillor Paul Ainslie, Vice-Chair	X
Councillor Maria Augimeri	X
Councillor A.A. Heaps	X
Councillor Joe Mihevc	X
Councillor Gord Perks	X
Councillor Kyle Rae	X

Also Present:

Councillor Janet Davis	Councillor Denzil Minnan-Wong

### Confirmation of Minutes

On motion by Councillor Perks, the Minutes of the meeting of the Budget Committee held on July 10, 2007, were confirmed.

<b>BU15.1</b>	ACTION	Adopted		Ward: All
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### Capital Variance Report for the Six-month Period Ended June 30, 2007

(September 6, 2007) Report from Deputy City Manager and Chief Financial Officer

### Summary

This is to advise that the Capital Variance Report for the six-month period ended June 30, 2007 will be on the Supplementary Agenda for the Budget Committee meeting of September 20, 2007.

## Decision Advice and Other Information

On motion by Councillor Rae, the Budget Committee:

1. recommended to the Executive Committee that Council approve the budget adjustments to the 2007 Approved Budget as detailed in Appendix 2 attached, in order to reallocate funds between projects and to increase the 2007 Transportation Services Budget for the St. Clair Phase 2 - Tweedsmuir to Gunn's Rd. Project by \$1.6 million with no impact on debt.
2. received the report (September 6, 2007) from the Deputy City Manager and Chief Financial Officer advising that the Capital Variance Report will be on the supplementary agenda of Budget Committee.

## Links to Background Information

Capital Variance Report for the Six-month Period Ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6535.pdf>

### 1a Capital Variance Report for the Six-month Period Ended June 30, 2007

(September 13, 2007) Report from Deputy City Manager and Chief Financial Officer

## Recommendations

The Deputy City Manager and Chief Financial Officer recommends that:

1. Council approve the budget adjustments to the 2007 Approved Budget as detailed in Appendix 2 attached, in order to reallocate funds between projects and to increase the 2007 Transportation Services Budget for the St. Clair Phase 2 - Tweedsmuir to Gunn's Rd. Project by \$1.6 million with no impact on debt;
2. the Budget Committee forward this report to the Executive Committee for its consideration.

## Financial Impact

As summarized in Table 1 below, for the six months period ended June 30, 2007, actual expenditures for Tax Supported Programs totalled \$582.851 million or 28.9% of their 2007 Approved Budget of \$2.020 billion. By comparison, during the same period in 2006, these programs had spent 29.3% of their 2006 approved Budget. Tax Supported Programs project a spending rate of 86.6% or \$1.749 billion by the end of 2007.

Rate Supported programs spent \$68.826 million or 15.7% of their 2007 Approved Budget of \$437.507 million. It is estimated that by year-end, expenditures will approximate \$297.633 million or 68.0% of the 2007 Approved Budget.

## Summary

The purpose of this report is to provide the City of Toronto Capital Variance Report for the six months ended June 30, 2007, and projected actual expenditures for the year ending December 31, 2007. This report also requests Council's approval of budget adjustments to transfer funds between projects with no incremental impact on the 2007 Council Approved Capital Budget.

Capital expenditures for Tax Supported Programs during the six months period ended June 30, 2007 totalled \$582.851 million, representing 28.9% of the 2007 Approved Budget of \$2.020 billion (see Appendix 1). City Operations spent \$353.242 million or 32.8% of the 2007 Approved Budget of \$1.075 billion, while Agencies, Boards and Commissions spent \$229.608 million or 24.3% of their collective 2007 Approved Budget of \$944.397 million. Rate Supported Programs spent \$68.826 million or 15.7% of the 2007 Approved Budget of \$437.507 million. Capital project activities tend to be concentrated in the latter half of the year, and it is anticipated that spending will accelerate during the summer months in accordance with capital project plans and schedules.

As shown in Appendix 1, projected expenditures to year end total \$2.046 billion or 83.3% of the total Approved Budget of \$2.457 billion. Collectively, Tax Supported Programs project spending of 86.6% of their 2007 Approved Capital Budget, while Rate Supported Programs estimate spending 68.0% of their 2007 Approved Budget. Projected under-expenditures to year end are primarily attributed to delays in awarding contracts as a result of new directions from Council with regards to the 3-1-1 Project; reductions and / or delays in receipt of funding commitments from other orders of government; staff reassignments to higher priority non-capital projects; and unanticipated legal and environmental issues. In addition, some projects were completed under-budget.

## Links to Background Information

Capital Variance Report for the Six-month Period Ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6792.pdf>

App 1 - Consolidated Variance Report - Six-month Period Ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6793.pdf>

App 2 - Budget Adjustments to 2007 Council Approved Capital Budget

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6794.pdf>

BU15.2	ACTION	Adopted		Ward: All
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## Operating Variance Report for the Six-month Period Ended June 30, 2007

(September 6, 2007) Report from Deputy City Manager and Chief Financial Officer

## Summary

This is to advise that the Operating Variance Report for the six-month period ended June 30, 2007 will be on the Supplementary Agenda for the Budget Committee meeting of September 20, 2007.

The City Manager and the Deputy City Manager and Chief Financial Officer gave a presentation to the Budget Committee.

Councillor Minnan-Wong addressed the Budget Committee.

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

On motion by Councillor Perks, the Budget Committee:

1. forwarded the following reports and letter to the Executive Committee for consideration:
  - a. (September 13, 2007) from the Deputy City Manager and Chief Financial Officer, entitled “Operating Variance Report for the Six-Month Period Ended June 30, 2007”;
  - b. (September 7, 2007) from the City Manager and the Deputy City Manager and Chief Financial Officer entitled “Cost Containment Measures”; and
  - c. (September 19, 2007) from the Board of Health entitled “Toronto Public Health Operating Budget Variance Report for the six months ended June 30, 2007”;
2. recommended to the Executive Committee that Council approve the budget adjustments to amend the 2007 Council Approved Operating Budget between Programs to ensure accurate reporting and financial accountability resulting in no net increase to the overall 2007 Council Approved Operating Budget as detailed in Appendix D.
3. received the following report and letters for information:
  - a. (September 6, 2007) from the Deputy City Manager and Chief Financial Officer advising that the Operating Variance report will be on the supplementary agenda of the Budget Committee;
  - b. (September 11, 2007) from Jack J. Slaughter, Vice-Chair, Swansea Community Centre Recreation Advisory Council;
  - c. (September 14, 2007) from the General Secretary, Toronto Transit Commission, entitled “TTC Response to City Budget Crisis”;

**which carried on the following recorded vote:**

**FOR : Councillors Augimeri, Carroll, Heaps, Mihevc, Perks and Rae - 6**

**AGAINST : Councillor Ainslie - 1**

### **Out of Order Motion**

*Refer motion moved by Councillor Paul Ainslie (Final)*

That this matter be referred to City Council for consideration at its meeting on September 26, 2007.

## **Rulings**

Ruling by Councillor Shelley Carroll

The Budget Committee is a sub-committee of the Executive Committee and therefore can only report to the Executive Committee.

Challenged by Councillor Paul Ainslie (*Upheld*)

## **Links to Background Information**

Operating Variance Report for the Six-month Period Ended June 30, 2007

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6534.pdf>)

## **2a Operating Variance Report for the Six-month Period Ended June 30, 2007**

(September 13, 2007) Report from Deputy City Manager and Chief Financial Officer

## **Recommendations**

The Deputy City Manager and Chief Financial Officer recommends that:

1. Council approve the budget adjustments to amend the 2007 Council Approved Operating Budget between Programs to ensure accurate reporting and financial accountability resulting in no net increase to the overall 2007 Council Approved Operating Budget as detailed in Appendix D;
2. this Operating Variance Report be forwarded to the Executive Committee for its consideration.

## **Financial Impact**

Net expenditures for the six-month period ended June 30, 2007 were \$6.3 million or 0.4% lower than planned expenditures.

Projections to year-end indicate a net operating budget surplus of \$73.0 million or 2.3% of the 2007 Council Approved Operating Budget. This favourable position is attributed to a combination of cost containment savings of approximately \$42.7 million (including the TTC and TPS) announced in August 2007 and \$30.3 million from regular city operations. The lower than planned expenditures and higher than budgeted revenues are detailed in the 'Comments' section and the portion of cost containment measure savings attributed to each program is noted where possible. Staff will continue to exercise cost constraints during the remainder of the year and will, in accordance with the City's Surplus Policy, recommend options for disposition of the surplus as part of the 2007 Preliminary Year-end Operating Variance Report. Ultimately, this surplus will be used as revenues in the 2008 Operating Budget to help mitigate the significant 2008 Budget pressures.

## Summary

The purpose of this report is to provide the City of Toronto Operating Variance report for the six-month period ended June 30, 2007, operating variance projections for the year ending December 31, 2007 and to obtain approval of the budget adjustments made to amend the Council Approved Operating Budget between Program budgets to ensure accurate reporting and financial accountability with no increase to the overall 2007 Council Approved Operating Budget as detailed in Appendix D.

For the six-month period ended June 30, 2007, net expenditures were \$6.3 million or 0.4% lower than planned expenditures. Projections to year-end indicate that the City will have a net surplus of approximately \$73.0 million or 2.3% of the 2007 Council Approved Operating Budget. This favourable position is primarily attributed to the Cost Containment Measure savings of approximately \$42.7 million (City Operations \$30.7 million and ABCs \$12.0 million including the TTC and TPS) announced in August 2007. Details are included in the “Cost Containment Measures” report also before Budget Committee September 20th, 2007. In addition, the City faces significant budget pressures in Court Services, Emergency Medical Services (EMS) and Parks, Forestry & Recreation (PF&R). However, the City is projecting other efficiencies / savings (in excess of already announced cost containment savings) in programs such as: Social Services; PF&R; EMS; Shelter, Support & Housing Administration (SS&HA); Solid Waste Management Services (SWMS); Transportation Services; and, City Council to help offset pressures arising from regular activities.

The projected year-end surplus for City Operations is expected to be \$37.9 million, approximately \$7.2 million higher than the estimated cost containment savings of \$30.7 million. The total City Operations’ projected surplus is primarily due to favourable variances in: SS&HA; Social Services; Fire Services; SWMS; Transportation Services; Office of the Treasurer; Information & Technology; and, the Council budget. In Agencies, Boards and Commissions the projected year-end surplus of \$11.7 million is primarily due to cost containment savings at Toronto Public Health, the Toronto Public Library, the Toronto Transit Commission (TTC) and the Toronto Police Service (TPS). In Corporate Accounts the projected year-end surplus of \$23.5 million is primarily due to higher than anticipated investment income; higher Toronto Parking Authority revenues, higher than expected Payments in Lieu of Taxes (PILs); and the transfer of 2003 unclaimed tax credits held in the Tax Repayment account to general revenues in 2007.

It should be noted that the TTC has recommended a 2007 rate increase that should increase the projected 2007 TTC operating surplus by about \$5-\$6 million. The result of this revenue increase would increase the projected 2007 surplus to about \$73-\$79 million.

## Links to Background Information

Operating Variance Report for the Six-month Period Ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6796.pdf>

App A, B, C - Net Expenditures / Gross Expenditures / Revenues

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6797.pdf>

App D - Budget Adjustments

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6798.pdf>

## **2b Cost Containment Measures**

(September 7, 2007) Report from City Manager and the Deputy City Manager and Chief Financial Officer

### **Recommendations**

The City Manager and the Deputy City Manager and Chief Financial Officer recommend that Budget Committee:

1. Forward this report to the Executive Committee for its consideration.

### **Financial Impact**

Adoption of this report will position the City to realize \$42.721 million in operating expenditure reductions in 2007. It is noted that the cost containment initiatives proposed will not result in adjustment of the 2007 Council Approved Budget. Instead, actual expenditures will be constrained to realize an operating budget surplus which will be used as revenues in the 2008 Operating Budget. This strategy will help mitigate the fiscal deficit problem that will result in an estimated \$575 million budget pressure in 2008.

As shown in Table 1 below, the cost containment measures will generate savings of \$42.721 million in 2007. Primarily, the savings will be derived from constraining discretionary spending of \$27.1 million, representing 64% of the total savings. Hiring freeze and Service Level Adjustments will each generate savings of approximately \$15.5 million or 36% of the total savings.

### **Summary**

The purpose of this report is to seek Council endorsement for the 2007 cost containment initiatives which are essential to address the structural deficit challenges confronting the City.

At its meeting of July 16, 2007, the Deputy City Manager and Chief Financial Officer requested Council's approval for a Land Transfer Tax and a Personal Vehicle Registration Fee which would generate an estimated \$356 million in new revenues in 2008. Council's decision to defer consideration of the new revenue tools from its meeting in July to its October meeting put at risk the City's ability to fully generate and utilize those revenues for the 2008 Operating Budget. Should Council approve the new revenues at its October 22, 2007 meeting, the estimated revenues from these sources will decrease by between \$80 and \$100 million, given that the new revenue tools would not be implemented and collected on January 1, 2008, thus further exacerbating an already strained financial situation.

Given the above, the Mayor requested all City Divisions, Agencies, Boards and Commissions to immediately implement cost containment measures with the goal of reducing operating and capital expenditures in order to generate an operating surplus during the remainder of 2007 towards reducing the 2008 estimated operating budget shortfall of \$575 million. After careful analysis, cost containment initiatives with savings totalling \$42.721 million have been identified and are recommended for Council endorsement. Despite best efforts, the cost

containment measures proposed will impact service levels for some services

### **Communications**

(September 11, 2007) letter from Jack J Slaughter Swansea Community Recreation Centre (BU.Supp)

### **Links to Background Information**

bc-07024FP - Cost Containment Measures

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6832.pdf>)

App 1 and App 2 - Cost Containment Measures

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6833.pdf>)

## **2c TTC Response to City Budget Crisis**

(September 14, 2007) Letter from General Secretary, Toronto Transit Commission

### **Summary**

Letter received from Toronto Transit Commission advising of the action taken by the Commission on September 12, 2007.

### **Links to Background Information**

TTC Response to City Budget Crisis

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7084.pdf>)

Report 1 - TTC Response to City Budget Crisis att 1

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7085.pdf>)

## **2d Toronto Public Health Operating Budget Variance Report for the six months ended June 30, 2007**

(August 20, 2007) Letter from Board of Health

### **Recommendations**

The Board of Health:

1. expressed to City Council, through the Budget Committee and the Executive Committee, that it regrets the implementation of the cost containment measures and wishes to convey to Toronto City Council the Board of Health's desire to reinstate the program and service reductions as soon as possible; and
2. urges City Council to approve the land transfer tax and vehicle registration tax at the October 22, 2007, Council meeting as a means to achieve the investment necessary to ensure the City's financial commitment to public health programs.



## Summary

Letter received from Board of Health advising of action taken by the Board on September 19, 2007.

## Links to Background Information

Report - Toronto Public Health Operating Budget Variance Report for the six months ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7097.pdf>

Letter - Toronto Public Health Operating Budget Variance Report for the six months ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7098.pdf>

Operating Variance Submission - 6 months ended June 30, 2007

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7237.pdf>

Cost Containment Savings Summary

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7238.pdf>

BU15.3	Information	Received		Ward: All
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## Reserves and Reserve Funds Variance Report - June 30, 2007

(August 31, 2007) Report from Treasurer

## Financial Impact

There are no financial implications contained in this report.

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 provide information on reserve and reserve fund balances as at June 30, 2007, activity in reserves and reserve funds during the first half of 2007, and projected year-end balances.

As was indicated in the Deputy City Manager and Chief Financial Officer's report of April 13, 2007 entitled '2007 Operating Budget – Required Reserve Contribution to Balance the 2007 Budget', the vast majority of these funds are committed to fund capital projects identified in the five year capital plan, and future known liabilities, leaving minimal reserve funds for discretionary spending. Most notably, the full balance of the Vehicle and Equipment Replacement Reserve is required to meet future vehicle and equipment replacements, the balances of all the Obligatory Reserve Funds are restricted for specific purposes as designated by legislation or contractual agreements and all capital reserves/reserve funds are required to replace and maintain capital assets. Also, the current balances of some reserve funds (e.g. Water and Wastewater Capital, Employee Benefits, Insurance) are not adequate to cover the future obligations for which they have been set aside.

## Decision Advice and Other Information

On motion by Councillor Rae, the Budget Committee received the report for information.

## Links to Background Information

Reserves and Reserve Funds Variance Report ý June 30, 2007

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6510.pdf>)

Appendix A, B, C - Reserves and Reserve Funds Variance Report ý June 30, 2007

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6511.pdf>)

BU15.4	ACTION	Adopted	Ward: 11, 16, 18, 20, 26, 27, 32
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## Arena Boards of Management 2006 Operating Surpluses /(Deficits) Settlement

(September 6, 2007) Report from Deputy City Manager and Chief Financial Officer

## Recommendations

The Deputy City Manager and Chief Financial Officer recommends that:

1. the surpluses of \$88,198 (including any excess funds advanced to the arenas during 2006) be paid to the City of Toronto from four Arenas (Larry Grossman Forest Hill, Leaside, Moss Park, Ted Reeve) and the City fund the payments of the outstanding deficits of \$117,464 to four other Arenas (George Bell, William H. Bolton, McCormick, North Toronto) as the final settlement of the net surpluses and deficits for the year 2006, resulting in a net deficit of \$29,266 to be funded by the City, as detailed in Appendix A;
2. a provision for the required \$9,355 be made through the 2007 3<sup>rd</sup> Quarter Operating Variance Report from underspending, since \$19,911 of the \$29,266 net deficit funding requirement to the Arenas has already been provided through the 2006 Final Year-End Operating Variance Report;
3. this report be forwarded to the Executive Committee for its consideration; and
4. Council authorize and direct the appropriate City officials to take the necessary action to give effect thereto.

## Financial Impact

The Arena Boards of Management final net settlement for the year 2006 requires that surplus funds of \$88,198 be paid to the City from four Arenas and be used to partially fund the payments of the outstanding deficits of \$117,464 to four other Arenas, resulting in a net funding requirement from the City to the Arenas of \$29,266 arising from the Arenas' 2006 operations and City funds advanced to the Arenas during 2006. A summary of net funding to the City or Arena Board is detailed in Appendix A.

Of this \$29,266 net funding requirement, \$19,911 was provided through the 2006 Final Year-End Operating Variance Report, leaving a balance of \$9,355 to be funded in 2007 from an allocation of underspending through the 3<sup>rd</sup> Quarter Operating Variance Report.

### **Summary**

This report recommends settlement with the eight Arena Boards of Management (Arenas) on their 2006 operating surpluses and deficits based on audited financial results for the year ended December 31, 2006, with any unsettled operating surplus to be payable to the City by various Arenas and any unsettled operating deficit to be funded by the City upon Council's approval.

The Arena Boards' 2006 operating surpluses, including any excess funds advanced to the arenas during the year, totalling \$88,198 from four Arenas shall be paid to the City and be used to partially fund the outstanding deficits of four other Arenas of \$117,464, leaving a net funding shortfall of \$29,266. Of this amount, \$19,911 had already been provided for through the 2006 Final Year-End Operating Variance Report adopted by Council on July 16-19, 2007. It is recommended that the balance of \$9,355 be funded from 2007 underspending through the 2007 3<sup>rd</sup> Quarter Operating Variance Report.

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

On motion by Councillor Augimeri, the Budget Committee recommended to the Executive Committee that Council approve the following:

1. The surpluses of \$88,198 (including any excess funds advanced to the arenas during 2006) be paid to the City of Toronto from four Arenas (Larry Grossman Forest Hill, Leaside, Moss Park, Ted Reeve) and the City fund the payments of the outstanding deficits of \$117,464 to four other Arenas (George Bell, William H. Bolton, McCormick, North Toronto) as the final settlement of the net surpluses and deficits for the year 2006, resulting in a net deficit of \$29,266 to be funded by the City, as detailed in Appendix A.
2. A provision for the required \$9,355 be made through the 2007 3<sup>rd</sup> Quarter Operating Variance Report from underspending, since \$19,911 of the \$29,266 net deficit funding requirement to the Arenas has already been provided through the 2006 Final Year-End Operating Variance Report.

### **Links to Background Information**

Arena Boards of Management 2006 Operating Surpluses /(Deficits) Settlement

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6532.pdf>)

Appendix A - Arena Boards of Management - Summary of 2006 Operating Surpluses /(Deficit) Settlement

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6533.pdf>)

BU15.5	ACTION	Adopted		
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## **Adjustments to the FY2007 Parks, Forestry and Recreation Division's Capital Budget**

(September 6, 2007) Report from General Manager, Parks, Forestry and Recreation

### **Recommendations**

The General Manager of Parks, Forestry and Recreation recommends that the following be approved:

1. a new Victoria Memorial Park (Ward 20) project be created with revenues and expenses of \$50,000, funded from a Section 45 Agreement from the development at 20 Stewart Street, and that approval be given to receive the funds into this project;
2. the project known as Ward 27 Park Improvements, approved in 2006 as an in-year adjustment (Policy & Finance Committee, Report #6, Clause 36 approved July 25, 26, 27, 2006) in the amount of \$115,000, be increased by \$58,000 to \$173,000 to include additional donations received for this project;
3. a new Wabash Community Field House Project - 2007 (Ward 14) project be created with revenues and expenses of \$150,000, funded from a Section 37 Agreement from the development at 1100 King Street West, and that approval be given to receive the funds into this project, with the condition that this funding be replaced when monies dedicated to the Wabash Project are received by the City;
4. a new Three Valley Tennis Club Improvements (Ward 34) project be created with revenues and expenses of \$50,000, funded from a donation and that approval be given to receive the funds into this project and;
5. the project known as Parkland Acquisition FY2007 (City-Wide), approved March 7, 2007 in the amount of \$100,000 be increased by \$100,000 to \$200,000, funded from the City-Wide Parkland Acquisition Reserve Fund and that approval be given to receive the funds into this project.

### **Financial Impact**

Approval of this report will amend the FY2007 Parks, Forestry & Recreation Capital Budget from \$97,381,575 gross to \$97,789,575 gross an increase of \$408,000 and will have zero net impact.

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

## Summary

The purpose of this report is to provide adjustments to the FY2007 Parks, Forestry and Recreation Division's Approved Capital Budget to address additional financial resources and the creation of new sub-projects.

By approving this report, staff will have the authority to create the appropriate sub-projects and fulfil the obligations of the various agreements that Council has approved through the planning process.

## Decision Advice and Other Information

On motion by Councillor Rae, the Budget Committee recommended to the Executive Committee that Council approve the following:

1. A new Victoria Memorial Park (Ward 20) project be created with revenues and expenses of \$50,000, funded from a Section 45 Agreement from the development at 20 Stewart Street, and that approval be given to receive the funds into this project.
2. The project known as Ward 27 Park Improvements, approved in 2006 as an in-year adjustment (Policy & Finance Committee, Report #6, Clause 36 approved July 25, 26, 27, 2006) in the amount of \$115,000, be increased by \$58,000 to \$173,000 to include additional donations received for this project.
3. A new Wabash Community Field House Project - 2007 (Ward 14) project be created with revenues and expenses of \$150,000, funded from a Section 37 Agreement from the development at 1100 King Street West, and that approval be given to receive the funds into this project, with the condition that this funding be replaced when monies dedicated to the Wabash Project are received by the City.
4. A new Three Valley Tennis Club Improvements (Ward 34) project be created with revenues and expenses of \$50,000, funded from a donation and that approval be given to receive the funds into this project.
5. The project known as Parkland Acquisition FY2007 (City-Wide), approved March 7, 2007 in the amount of \$100,000 be increased by \$100,000 to \$200,000, funded from the City-Wide Parkland Acquisition Reserve Fund and that approval be given to receive the funds into this project.

## Links to Background Information

Adjustments to the FY2007 Parks, Forestry and Recreation Division's Capital Budget  
<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6589.pdf>

BU15.6	ACTION	Amended		Ward: All
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## Transportation Services - Mid-Construction 2007 Cashflow

## Reallocations and Deferrals

(September 5, 2007) Report from General Manager, Transportation Services

### Recommendations

The General Manager of Transportation Services recommends that:

1. the deferred and accelerated cash flows in the amount of \$16,900,000.00 detailed in Table 1, attached, which will have no net impact on the approved 2007 approved debt, be approved;
2. the deferred cash flows in the amount of \$20,650,000.00 detailed in Table 2, attached, which represent uncontrollable third party funding from others and will have no net impact on the approved 2007 debt, be approved;
3. the General Manager, Transportation Services Division, be requested to report back to the Budget Committee as part of the 2008 Capital Budget process, on:
  - a. the impacts of the deferrals (Table 2) on the 2008 submitted cash flows;
  - b. 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

Funding in the amount of \$16,900,000.00 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.

The Transportation Services Division is also deferring a total gross approved cash flow of \$20,650,000.00 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.

Cash Flow Adjustments (\$ millions)	2007	2008	2009	2010	2011
Approved to Date Gross Expenditures	358.787	233.523	214.379	217.816	205.124
Deferred Projects	134.462	0	0	0	0
Accelerated Projects	0	60.050	0	0	0
Other Funding	174.323	63.872	36.305	26.494	22.524
Debt	184.464	169.651	178.074	191.322	182.600

Recommended (\$ millions)	2007	2008	2009	2010	2011
Deferred Projects	37.55	0	0	0	0
Accelerated Projects	0	16.9	0	0	0
Other Funding	20.650	0	0	0	0
Debt	16.9	16.9	0	0	0
Total Change in Debt	0	0	0	0	0

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

### Summary

The Transportation Services Division submitted two earlier reports dated May 30 and June 22, 2007 to the Budget Committee recommending the reallocation of anticipated cash flow expenditures from 2007 projects that, for various reasons, needed to be deferred to other projects that were ready to proceed (Clause Nos. 22 and 42 of Executive Committee Report No. 10 adopted, as amended, by City Council at its meeting held on July 16, 17, 18 and 19, 2007).

As with the previous reports, additional 2007 cash flows are needed to be realigned to other program areas that are ready to proceed. This involves the deferral of 2007 approved cash flows and a corresponding acceleration of others that yield a zero net impact on the approved debt target for 2007. In view of the foregoing, Transportation staff, as part of the upcoming 2008 budget process and consistent with the Divisional submission, has reassessed all ongoing and imminent project cash flows so that approved five year debt targets will not be altered.

### Decision Advice and Other Information

On motion by Councillor Rae, the Budget Committee:

- A. recommended to the Executive Committee that:
1. Council approve the deferred and accelerated cash flows in the amount of \$16,900,000.00 detailed in Table 1, attached, which will have no net impact on the approved 2007 approved debt.
  2. Council approve the deferred cash flows in the amount of \$20,650,000.00 detailed in Table 2, attached, which represent uncontrollable third party funding from others and will have no net impact on the approved 2007 debt.
  3. The General Manager, Transportation Services Division, be requested to report back to the Budget Committee as part of the 2008 Capital Budget process, on:
    - a. the impacts of the deferrals (Table 2) on the 2008 submitted cash flows;
    - b. a revised five year plan; and

- B. referred the following motion by Councillor Augimeri to the 2008 Capital Budget Process:

“That the General Manager, Transportation Services, be directed to include \$350,000 in the Transportation Services Division 2008 Capital Budget submission for the streetscape improvements on Wilson Avenue, in the vicinity of Keele Street, and that other programs be reduced by an equivalent amount to accommodate this reallocation of funds, with zero net impact on the Transportation Services Division’s debt target.”

**(Motion by Councillor Rae)**

### **Links to Background Information**

Report - Transportation Services - Mid-Construction 2007 Cashflow Reallocations and Deferrals

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6492.pdf>

bc07031tim att 1 - Transportation Services - Mid-Construction 2007 Cashflow Reallocations and Deferrals

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6493.pdf>

<b>BU15.7</b>	<b>ACTION</b>	Adopted		Ward: All
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### **City Planning Division – 2007 Operating Budget Adjustments**

(September 6, 2007) Report from Chief Planner and Executive Director, City Planning

### **Recommendations**

The City Planning Division recommends that:

1. the following adjustments to the City Planning Divisions 2007 Approved Operating Budget be approved:
  - a. an increase of \$34,205 gross/\$0 net for heritage consultants for Joy Oil with funding from Deferred Revenue generated by Section 37;
  - b. an increase of \$83,983 gross/\$0 net for the Bring Back the Don initiative with funding from donations already received;
  - c. an increase of \$53,447 gross/\$0 net for the Downtown Growth Management Study (Tall Buildings) with funding from the City Planning Division’s 2007 Capital Fund Account;
  - d. an increase of \$30,000 gross/\$0 net for the Green Development Cost Benefit Analysis funded by a grant already received from the Federation of Canadian Municipalities;



2. Council authorize and direct appropriate City Officials to take the necessary action to give effect thereto.

### **Financial Impact**

The adoption of this report will increase the 2007 Approved Operating Budget for the City Planning Division by \$201,635 gross/\$0 net as outlined in the chart below. All of these one-time adjustments will be backed out of the Division's 2008 Operating Budget Submission.

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 request budget adjustments to the City Planning Division's 2007 Operating Budget totalling \$201,635 gross/\$0 net to facilitate the delivery of the Division's program

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

On motion by Councillor Rae, the Budget Committee recommended to the Executive Committee that:

1. Council approve the following adjustments to the City Planning Divisions 2007 Approved Operating Budget:
  - a. an increase of \$34,205 gross/\$0 net for heritage consultants for Joy Oil with funding from Deferred Revenue generated by Section 37;
  - b. an increase of \$83,983 gross/\$0 net for the Bring Back the Don initiative with funding from donations already received;
  - c. an increase of \$53,447 gross/\$0 net for the Downtown Growth Management Study (Tall Buildings) with funding from the City Planning Division's 2007 Capital Fund Account;
  - d. an increase of \$30,000 gross/\$0 net for the Green Development Cost Benefit Analysis funded by a grant already received from the Federation of Canadian Municipalities.

### **Links to Background Information**

City Planning - 2007 Operating Budget Adjustments

(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6537.pdf>)

BU15.8	ACTION	Adopted		Ward: All
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## Toronto's Blind Low Vision Early Implementation Plan

(July 9, 2007) Report from Board of Health

### Recommendations

The Board of Health recommends to the Budget Committee and City Council that:

1. the Toronto Public Health's 2007 Approved Operating Budget be increased by \$242,720 gross and \$0 net to reflect funding from the Ministry of Children and Youth Services for the Blind-Low Vision Early Intervention Program.

### Financial Impact

Blind-Low Vision Program Source of Funds	2007			2008 GROSS INCREMENTAL
	Gross	Revenue	Net	
Base funding from MCYS	\$132,720	\$132,720	\$0	\$240,555
One time funding from MCYS*	\$110,000	\$110,000	\$0	(\$89,600)
<b>TOTAL</b>	<b>\$242,720</b>	<b>\$242,720</b>	<b>\$0</b>	<b>\$150,955</b>
Positions	4.0			(1.0)

\* One-time funding of \$130,400 is allocated as follows: 2007 \$110,000 / 2008 \$20,400

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

### Summary

Advising of the Board of Health's action at its meeting on July 9, 2007.

### Decision Advice and Other Information

On motion by Councillor Augimeri, the Budget Committee recommended to the Executive Committee that:

1. Council approve increasing the Toronto Public Health's 2007 Approved Operating Budget by \$242,720 gross and \$0 net to reflect funding from the Ministry of Children and Youth Services for the Blind-Low Vision Early Intervention Program.

### Links to Background Information

Letter from Board of Health re Toronto's Blind Low Vision Early Implementation Plan  
<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6514.pdf>

Report - Toronto's Blind Low Vision Early Implementation Plan  
<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6513.pdf>

BU15.9	Information	Received		
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### **Update Report on the Toronto Police Service Revised 2007-2011 Capital Program Submission**

(July 18, 2007) Report from Chair, Toronto Police Services Board

#### **Financial Impact**

There are no financial implications in regard to the receipt of this report.

#### **Summary**

The purpose of this report is to provide the Budget Committee with the Toronto Police Service capital budget/plan for 2007-2011 in response to recommendation no. 120.1 from the March 07, 2007 Council meeting. This budget has been approved by the Toronto Police Services Board and is in keeping with Council-approved debt-funding levels. The Toronto Police Service's 2008-2012 program is anticipated to be approved by the Toronto Police Services Board in September 2007.

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

On motion by Councillor Mihevc, the Budget Committee received the letter for information.

#### **Links to Background Information**

Update Report on the Toronto Police Service Revised 2007-2011 Capital Program Submission (<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6515.pdf>)

BU15.10	Information	Received		
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### **Wilson Carhouse Modifications for the Toronto Rocket Toronto Green Development Standard.**

(July 12, 2007) Letter from General Secretary, Toronto Transit Commission

#### **Summary**

Advising that the Toronto Transit Commission on July 11 2007, considered the report entitled "Wilson Carhouse Modifications for the Toronto Rocket Toronto Green Development Standard", and forwarded the report to the Budget Committee for information.

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

On motion by Councillor Mihevc, the Budget Committee received the letter for information.

### Links to Background Information

Wilson Carhouse Modifications for the Toronto Rocket Toronto Green Development Standard  
<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6518.pdf>

Report - Wilson Carhouse Modifications for the Toronto Rocket Toronto Green Development Standard

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6519.pdf>

BU15.11	ACTION	Received		
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### TTC Charter and Special Event Service Requests

(July 13, 2007) Letter from General Secretary, Toronto Transit Commission

#### Summary

Advising that the Toronto Transit Commission on July 11, 2007, considered the report entitled “TTC Charter and Special Event Service Requests”, and approved the following motion:

“That the issue of requests for free or discounted fare media also be referred to the city for consideration along with the other issues referred to in the report”.

#### Decision Advice and Other Information

On motion by Councillor Mihevc, the Budget Committee received the letter for information.

### Links to Background Information

TTC Charter and Special Event Service Requests

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6516.pdf>

Report - TTC Charter and Special Event Service Requests

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-6517.pdf>

BU15.12	ACTION	Adopted		
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### Human Papillomavirus (HPV) Vaccination Program for Grade Eight Females - 2007/08

(September 4, 2007) Report from Board of Health

#### Recommendation:

The Board of Health recommended to the Budget Committee that:

1. the Toronto Public Health 2007 Approved Operating Budget be increased by \$120,000 gross and \$0 net to reflect funding from Ministry of Health and Long-Term Care (MOHLTC) for the administration of Human Papillomavirus (HPV) Vaccine in school clinics.

## Financial Impact

The Ministry of Health and Long-Term Care is funding \$8.50 per dose administered for the HPV Vaccination Program to grade eight females. There are an estimated 14,000 eligible females who attend Toronto schools. It is estimated that a 50% coverage rate will be achieved in the first year of the HPV vaccination program. Two doses will be administered in fall 2007 and the third dose in 2008. One-time funding from the MOHTLC to cover the cost of the third dose from January to June 2008 will be approximately \$60,000.

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

## Summary

Letter received from Board of Health advising of action taken by the Board on September 19, 2007.

## Decision Advice and Other Information

On motion by Councillor Rae, the Budget Committee recommended to the Executive Committee that:

1. Council approve the Toronto Public Health 2007 Approved Operating Budget being increased by \$120,000 gross and \$0 net to reflect funding from Ministry of Health and Long-Term Care (MOHLTC) for the administration of Human Papillomavirus (HPV) Vaccine in school clinics.

## Links to Background Information

Staff Report

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7090.pdf>

Letter h107-3 - Human Papillomavirus (HPV) Vaccination Program for Grade Eight Females - 2007/08

<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7091.pdf>

BU15.13	ACTION	Adopted		
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## Toronto Public Health 2007 Operating Budget Adjustments

(August 20, 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 \$1,105.6 thousand gross and \$0.0 thousand net, and a staff increase of 32 temporary positions, to reflect confirmed funding from the Ministries of Health & Long-term Care, Health Promotion and Children & Youth Services; and

2. this report be forwarded to the Budget Committee for consideration.

### **Financial Impact**

The table on page 2 reflects the required budget adjustments resulting from the confirmation of 2007 / 2008 funds from various provincial ministries.

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

### **Summary**

Letter received from Board of Health advising of action taken by the Board on September 19, 2007.

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

On motion by Councillor Rae, the Budget Committee recommended to the Executive Committee that:

1. Council approve the Toronto Public Health 2007 Operating Budget being increased by \$1,105.6 thousand gross and \$0.0 thousand net, and a staff increase of 32 temporary positions, to reflect confirmed funding from the Ministries of Health and Long-Term Care, Health Promotion and Children and Youth Services.

### **Links to Background Information**

Letter - Toronto Public Health 2007 Operating Budget Adjustments  
(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7093.pdf>)

Report - Toronto Public Health 2007 Operating Budget Adjustments  
(<http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-7094.pdf>)

### **Meeting Sessions**

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2007-09-20	Morning	9:35 AM	10:40 AM	Public

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Chair