

THE CITY OF TORONTO

City Clerk's Division

Minutes of the Budget Advisory Committee

Meeting No. 7

Thursday, March 1, 2001

The Budget Advisory Committee met on Thursday, March 1, 2001, in Committee Room No. 1, City Hall, Toronto, commencing at 9:45 a.m.

Attendance

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

	9:45 a.m. – 1:10 p.m.	2:30 p.m. – 4:26 p.m.
Councillor David Shiner, Chair	X	X
Councillor Paul Sutherland, Vice Chair	X	X
Councillor Olivia Chow	X	X
Councillor Ron Moeser	X	X
Councillor Joe Pantalone	X	X
Councillor Jane Pitfield	X	X
Councillor David Soknacki	X	X

Also Present:

Councillor Brian Ashton	Councillor David Miller
Councillor Doug Holyday	Councillor Joe Pantalone
Councillor Anne Johnston	Councillor Kyle Rae
Councillor Irene Jones	Councillor Sherene Shaw
Councillor Gloria Lindsay Luby	Councillor Michael Walker
Councillor George Mammoliti	

7.1 2001 Capital Program and 2001 Operating Budget

Toronto Transit Commission – 2001 Capital Program and 2001 Operating Budget

The Budget Advisory Committee had before it the following reports and communications:

- (a) (February 8, 2001) from the Budget Services Division recommending that:
 - (1) the 2001 to 2005 recommended capital program of the Toronto Transit Commission, excluding Sheppard Subway, consisting of 44 new and change in scope projects with a total project cost of \$811.923 million with a cash flow commitments of \$66.039 million in 2001; \$161.09 million in 2002; \$199.233 million in 2003; \$184.642 million in 2004; and \$200.912 million in 2005 as outlined in Appendix “B”, be approved;
 - (2) new debt service costs, as outlined in Appendix “A”, totalling \$125.598 million by 2006 resulting from the approval of the 2001 to 2005 recommended capital program with incremental operating budget impacts of \$7.334 million in 2001, \$29.088 in 2002, \$22.637 million in 2003, \$25.675 million in 2004, \$22.534 million in 2005 and \$18.330 million in 2006 be approved for inclusion in the 2001 and future operating budgets;
 - (3) the operating budget impacts that result in savings of \$0.996 million in 2001, \$1.014 million in 2002, \$3.299 million in 2003, \$0.122 million in 2004 and remain virtually unchanged in 2005 for the Toronto Transit Commission, excluding the Sheppard Subway; and increased expenditures from Sheppard Subway of \$4.8 million in 2002, and \$2.8 million in 2003 and subsequent savings of \$0.7 million in 2004 and an additional \$0.2 million in 2005, as outlined in Appendix “A”, be approved;
 - (4) for the purpose of establishing spending control, the recommended 2001 to 2005 capital program for the Toronto Transit Commission, excluding the Sheppard Subway, with a total cash flow of \$1.049,155 billion (\$811.923 new and change in scope, and \$237.233 previously approved); and consisting of cash flows of \$253.596 million in 2001, \$185.505 million in 2002, \$218.219 million in 2003, \$188.516 million in 2004, and \$203.319 million in 2005 as outlined in Appendix “D”, be approved;

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- (5) the Toronto Transit Commission report directly to the Policy and Finance Committee with a strategy on implementing the \$400.431 million unspecified reduction relating to the five year capital plan submission; the yearly reductions are as follows: \$7.493 million in 2001; \$60.388 million in 2002; \$131.717 million in 2003; \$117.359 million in 2004; and \$84.074 million in 2005;
 - (6) the 66 previously approved sub-projects from prior years capital programs, as outlined in Appendix "E", be closed;
 - (7) for the purpose of establishing spending control, the recommended 2001 to 2005 capital program for the Toronto Transit Commission - Sheppard Subway project with a total cash flow of \$161.861 million, with cash flow requirements by year of: \$112.316 million in 2001; \$49.350 million in 2002; and \$0.150 million in 2003, be approved as outlined in Appendix "C"; and
 - (8) the Inventory of Existing Infrastructure (as shown on page 9 - Appendix "A" Section III) is currently a work in progress; the purpose of the chart analysis regarding the benefits to be derived from inventory maintenance and expansion; to facilitate this analysis, it is recommended that the Toronto Transit Commission provide needed information as may be presently missing or unknown; specifically, statistics related to the average age, square-footage and capacity of various assets;
- (b) (January 18, 2001) from the City Clerk referring the communication (December 15, 2000) from the General Secretary, Toronto Transit Commission, entitled "2001-2005 Capital Program and 20 Year Capital Forecast - Toronto Transit Commission", to the Budget Advisory Committee for consideration during the 2001 Capital Budget deliberations;
- (c) (February 28, 2001) from the General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on February 27, 2001, approved the following recommendation contained in a staff report dated February 16, 2001, headed "2001 Wheel-Trans Operating Budget":

"It is recommended that the Commission:

- (1) approve the 2001 Wheel-Trans Operating Budget of \$42.8M provided for in this report and companion documents which includes \$42.0M for service and \$3.0M for bus fleet replacement partially offset by revenues of \$2.2M;
- (2) approve the Wheel-Trans Service Plan which encompasses the following key factors:

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- (i) trip demand increasing to 1,503,800;
- (ii) unaccommodated rate returns to two percent;
- (iii) 56 percent of trips carried by buses; 44 percent of trips handled by contracted taxi service;
- (iv) 85 percent of trips provided by accessible vehicles comprised of 132 buses and 62 accessible taxis;
- (v) overall vehicle productivity improvement to 5.1 passengers per hour through major initiatives such as:
 - (A) introduction of a trial Express Bus Service from Scarborough Town Centre to the downtown core;
 - (B) expanded areas covered by Zone Service;
 - (C) increased integration with conventional Toronto Transit Commission accessible services; and
 - (D) efforts directed at reducing trip cancellations;
- (vi) overall service quality improvement as measured by 'on-time' delivery of service to 95 percent through major initiatives such as:
 - (A) implementation of a 25 bus tracking trial directed at improving 'same day' service delivery;
 - (B) introduction of an automated 'call-back' feature to update customers on trip status; and
 - (C) updates to the computer scheduling system (WTIS);
- (vii) continue to accommodate original requested trip times within +30 minutes at 96 percent;
- (viii) improved specialized transit service co-ordination with Greater Toronto Area;
- (iv) new Overland economical low-floor (ELF) buses available for service increase to 104 improving vehicle reliability and reducing maintenance costs; and
- (vv) no increase in workforce;

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- (3) consider this report in concert with the following:
 - (i) the 2001 Toronto Transit Commission Operating Budget; and
 - (ii) 2001-2005 Toronto Transit Commission Capital Program which includes \$7.2M for Wheel-Trans of which \$6.3M is allocated to the Orion bus replacement program for the purchase of 30 low-floor ELF buses, and \$0.9M for improved scheduling and service continuity; and
- (4) forward this report to City Council for approval and to the Toronto Transit Commission's Advisory Committee on Accessible Transportation for information;";
- (d) (February 28, 2001) from the General Secretary, Toronto Transit Commission, advising that the Toronto Transit Commission at its meeting held on February 27, 2001, received a communication (February 23, 2001) from the City Clerk advising of decisions made by the Committee at its meeting held on February 23, 2001 with respect to the Toronto Transit Commission's 2001 Operating Budget; and adopted the following:
 - (1) staff report back on the implications of mothballing the Sheppard Subway;
 - (2) staff report back on how much the Toronto Transit Commission spends on consultants and outside legal counsel;
 - (3) the Commission request the Budget Advisory Committee to separately fund the 'Carless Sunday' proposal, and that any subsidy required be separate from the Toronto Transit Commission budget;
 - (4) the Commission communicate to the Budget Advisory Committee that the Commission's 2001 budget is based on Council's previous direction of an 80/20 operating subsidy for the Toronto Transit Commission;
 - (5) Toronto Transit Commission staff be requested to work with the Planning Department and report back through the Commission on the densities that would be required along Sheppard to support the Sheppard Subway at a breakeven operating cost;
 - (6) Toronto Transit Commission staff be requested, in consultation with the Chief Financial Officer and Treasurer, to report back to the Commission for forwarding to the Budget Advisory Committee a report on the one percent dedicated tax that Metro Council approved with respect to the Sheppard Subway;

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- (7) the Commission establish a Budget Sub-Committee comprising of Chair Ashton, Commissioner Miller, Commissioner Shaw and Commissioner Moscoe;
- (8) the communication received from the Rocket Riders regarding Fare Increase Scenarios be referred to the Commission's Budget Sub-Committee for consideration, including options around post high school student rates and bulk rates where employee/student monthly passes are (a) optional and (b) non-optional; and
- (e) (February 28, 2001) from Mr. Philip Webb, Centre for Urban and Community Studies, University of Toronto, providing an analysis of the cost of continuing to operate the Scarborough RT.

Mr. Rick Ducharme, Chief General Manager, and Mr. Vince Rodo, General Secretary, Toronto Transit Commission, gave an overview presentation on the response to requests from the Budget Advisory Committee.

Councillor Brian Ashton, Chair, Toronto Transit Commission, appeared before the Budget Advisory Committee in connection with the foregoing matter.

The following Members of Council also appeared before the Budget Advisory Committee in connection with the foregoing matter:

- Councillor Doug Holyday, Ward 3 Etobicoke Centre;
- Councillor Anne Johnston, Ward 16 Eglinton-Lawrence;
- Councillor David Miller, Ward 13 Parkdale-High Park;
- Councillor Sherene Shaw, Ward 39 Scarborough-Agincourt; and
- Councillor Michael Walker, Ward 22 St. Paul's.

- A. Councillor Pitfield moved that the Chair, Toronto Transit Commission, in consultation with the Chief General Manager, Toronto Transit Commission, be requested to take another look at the budget relating to energy costs and reductions for same and report thereon to the Budget Advisory Committee, the said report to include the possible reduction in the fuel budget of approximately \$3 million and savings in that regard not being used for other purposes.

(Carried)

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B. Councillor Pantalone moved that:

- (1) the Chair, Toronto Transit Commission, in consultation with the Chief General Manager, Toronto Transit Commission, be requested to report on employment assumptions for the City of Toronto as they relate to ridership and revenue expectations based on a two percent and 2.5 percent employment increase in 2001; and
- (2) the Chair, Toronto Transit Commission, and the Chief Financial Officer and Treasurer, be requested to report to the March 19 meeting:
 - (a) on the desirability of a three year plan for the TTC operating budget in order to minimize ridership and revenue disruption; and
 - (b) on an appropriate revenue cost ratio in order to stabilize ridership and revenues on the Toronto Transit Commission.

(Carried)

C. Councillor Soknacki moved that:

- (1) the Chief Financial Officer and Treasurer be requested to report on the Sheppard Subway Development charge and the impact on Capital carrying costs if the promised \$100 million in Sheppard Subway levies had been achieved; and
- (2) the Chief Financial Officer and Treasurer and the City Clerk, be requested to report on the one percent dedicated annual tax increase that Metro Council passed to support the construction of the Sheppard Subway, and how it has been allocated since 1997.

(Carried)

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- D. Councillor Sutherland moved that the Chair, Toronto Transit Commission, and relevant staff be requested to meet with Councillor Pantalone, Councillor Sutherland, any other interested Member of the Budget Advisory Committee and Transportation staff to review up to ten state of good repair TTC capital projects identified in the TTC budget and compare same with the state of good repair projects currently being considered in the City Department budgets.

(Carried)

- E. Councillor Chow moved that:

- (1) the Chair, Toronto Transit Commission, in consultation with the General Manager of the Toronto Transit Commission, be requested to provide the Budget Advisory Committee and the Chief Financial Officer and Treasurer with a list of projects contained in their 2001 – 2005 capital program that have asset life which exceeds 10 years; and further that the Chief Financial Officer and Treasurer, in consultation with the Chair, Toronto Transit Commission, be requested to report on the impact of alternate debt financing terms of 10, 20 and 30 years and the impact on the 2001 and 2002 operating budget;
- (2) the Chair, Toronto Transit Commission, in consultation with the General Manager, Toronto Transit Commission, be requested to identify the municipalities across North America that have debt financing beyond 10 years; and
- (3) the Chief Financial Officer and Treasurer be requested to report on the special subsidy from the Province and the City dedicated for the Spadina Subway and the SRT expansion projects to assist start-up costs and if applied to the Sheppard Subway what subsidy would have been provided to the Toronto Transit Commission.

(Carried)

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

E. Councillor Shiner moved that:

- (1) the Commissioner of Corporate Services be requested to report to the Budget Advisory Committee outlining and comparing the City fleet of cars, light trucks and vans to the Police, the Toronto Transit Commission and other Agencies Boards and Commission's, such report to include the following:
 - (a) the average current age by type of vehicle;
 - (b) the replacement policy (number of kilometres) by type of vehicle; and
 - (c) average annual maintenance cost in 2000 by type of vehicle;
- (2) the Chair, Toronto Transit Commission, in consultation with the Chief General Manager of the Toronto Transit Commission, in relation to the 2001 Capital Budget, be requested to report to the Budget Advisory Committee on the following:
 - (a) providing a breakdown of direct costs and overhead costs to maintain the buses on a per bus basis and providing same with regard to street cars and subway cars, etc.;
 - (b) further on what tools or criteria they use to rank their state of good repair and growth expenditure projects;
 - (c) providing a ranking of their projects;
 - (d) providing a comparison between the vehicles for the years 1997 to 2001, i.e., buses, street cars, subways and support vehicles, of expenditures to repair and maintain those vehicles and equipment on that yearly basis, in both the State of Good Repair and Maintenance budgets;

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- (e) travel expenses for both Members of Council and TTC staff in 2000 and projected travel expenses for 2001; and
 - (f) providing an update on the status of the sale of the Lansdowne and Wychwood facilities, including the value and the proposed use of same;
- (3) Councillor Sutherland's motion D. be amended by adding the words:
- “and further address the \$8 million of projects the Toronto Transit Commission is considering deferring, accommodating such deferrals not being cash deferrals but the actual deferral of the projects.”;
- (4) the Chair, Toronto Transit Commission, in consultation with the Chief General Manager of the Toronto Transit Commission, in relation to the 2001 Operating Budget, be requested to report back to the Budget Advisory Committee on the following:
- (a) how much money could be saved by contracting out the TTC “cleaning” program;
 - (b) the cost per rider from 1998;
 - (c) the actuals on the \$12 million surplus in 2000;
 - (d) ridership projections – revenue that would be generated on the estimates of 418 million and 419 million in 2001; and
 - (e) the feasibility of generating revenues from the film industry; and

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- (5) the Chief Financial Officer and Treasurer be requested to comment on the contributions to the Employee Pension Plan Reserve of 2.4 million and the impact of deferring this current contribution.

(Carried)

Councillor Shiner resumed the Chair.

(Chief Financial Officer and Treasurer; Commissioner of Corporate Services; Chair, Toronto Transit Commission; City Clerk; c. Members of the Budget Advisory Committee; Chief Administrative Officer; Chief General Manager, Toronto Transit Commission; Commissioner of Works and Emergency Services - March 1, 2001)

**Urban Development Services - 2001 Operating
Budget and 2001-2005 Capital Program Review**

The Budget Advisory Committee had before it the following report and communications:

- (a) (February 23, 2001) from the City Clerk advising that the Planning and Transportation Committee on February 19, 2001, recommended that:
- (1) the recommendations of the Chief Financial Officer and Treasurer as contained in the attached (undated) reports so far as they relate to the 2001 Capital Budget only and to the 2001 Operating Budget be adopted, subject to:
- (a) the adoption of the Phase 1 adjustments of \$5.84 Million as outlined in the Revised Appendix B "Summary of Changes - 2001 Request to 2001 Recommended";
- (b) the adoption of the report (February 16, 2001) from the Commissioner of Urban Development Services respecting revenue proposals;
- (c) deferring the Wellesley Street East Project to the 2002 Capital Budget, and that it be considered a high priority item for that year;
- (d) including the following component of the City Planning Student Program as a Recommended 2001 Operating Budget request:

Cordon Count \$168,000.00;

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- (e) the King Evaluation Study remain as a Recommended New Service in the 2001 Operating Budget with a budget amount of zero; and
 - (f) recommending that all other proposed budget reductions that will result in reduction or layoff of staff, not be approved;
- (2) the Budget Advisory Committee be requested to review the submission (undated) from Councillor Moscoe, entitled "Your Municipal Tax Freedom Day"; and
 - (3) pursuant to discussions of the Budget Sub-Committee of the Planning and Transportation Committee at its meeting held on February 8, 2001, the Budget Advisory Committee be requested to build a Council cost component into the budgets of the Municipal Licensing and Standards Division and the Building Division of the Urban Development Services Department;
- (b) (February 16, 2001) from Mr. Paul Mule, Policy Analyst and Mr. Jim Murphy, Director of Government Relations, Greater Toronto Home Builders' Association, in opposition to the increase in building permit fees;
 - (c) (February 22, 2001) from Ms. Cathy Pospisil, Toronto, promoting cycling in the City; and
 - (d) (February 22, 2001) from Ms. Anne Hansen, Toronto, requesting the Budget Advisory Committee to reinstate the budget for the Cycling Committee.

Ms. Paula Dill, Commissioner of Urban Development Services, gave an overview presentation respecting the Urban Development Services 2001 Capital Program and 2001 Operating Budget and answered Members' questions.

Councillor Kyle Rae, Ward 27 Toronto Centre-Rosedale, appeared before the Budget Advisory Committee in connection with the foregoing matter.

The Commissioner of Urban Development Services was requested to provide Councillor Jane Pitfield and Councillor Olivia Chow with a dollar amount of the monies spent on staff attending OMB hearings on behalf of the residents.

A. Councillor Pantalone moved that:

- (1) the \$108,000.00 for the Cycling Program which was unintentionally removed from the budget be reinstated and the budget adjusted accordingly; and

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- (2) the Commissioner of Urban Development Services be requested to report to the Planning and Transportation Committee on a new Development Review process model for development applications that will co-ordinate comments and establish timelines for these comments and that the scope of this co-ordination include not only City departments but also Agencies, Boards and Commissions such as the Toronto Hydro and the Toronto Transit Commission.

(Carried)

- B. Councillor Chow moved that the Commissioner of Urban Development Services be requested to report at the appropriate time providing the top ten revenue options relating to increasing fines for inspections.

(Carried)

- C. Councillor Pitfield moved that the Commissioner of Urban Development Services be requested to report to the Budget Advisory Committee on the number of times planning staff attended the OMB at the request of Councillors in the past three years, particularly in the former North York Community Council area and also comment on other Community Councils that had that opportunity, such report to include:

- (1) how many incidents; and
- (2) dollar value of such service.

(Carried)

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

- D. Councillor Shiner moved that:

- (1) the Commissioner of Urban Development Services be requested to report to the Budget Advisory Committee on the following:
 - (a) internal costs for staff attending appeals to the OMB and the success rate of such appeals;
 - (b) looking into the possibility of finding solutions between parties instead of going to the OMB;

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- (c) providing a breakdown of the costs for the cycling program, including direct salaries, printing expenses and all other cycling expenditures;
 - (d) the effect of the mileage increase for the Urban Development Services Department;
 - (e) on the Corporate approach to streamlining the development review process, particularly on the one window approach; and
 - (f) outlining for wrap up any other adjustments which could be made to replace the Schedule II reductions that were not recommended; and
- (2) the Chief Financial Officer and Treasurer be requested to report on the effect of the mileage increase City wide.

(Carried)

Councillor Shiner resumed the Chair.

(Commissioner of Urban Development Services; Chief Financial Officer and Treasurer; c. Councillor Jane Pitfield, Ward 26 Don Valley West; Councillor Olivia Chow, Ward 20 Trinity-Spadina; Chief Administrative Officer; Committee Administrator, Planning and Transportation Committee - March 1, 2001)

Toronto Zoo - 2001 Capital Program and 2001 Operating Budget.

The Budget Advisory Committee had before it the following reports:

- (a) (February 3, 2001) from the Budget Services Division recommending that:
 - (1) the 2001-2005 recommended capital program of the Toronto Zoo, consisting of seven new projects with a with a total new project cost of \$34.074 million with cash flow commitments of \$3.606 million in 2001, \$6.594 million in 2002, \$4.994 million in 2003, \$9.435 million in 2004, and \$9.445 million in 2005, as outlined in Appendix B be approved;

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- (2) new debt service costs, as outlined in Appendix A, totalling \$12.925 million resulting from the approval of the 2001-2005 recommended capital program with incremental operating impacts of \$0.121 million in 2001, \$0.593 million in 2002, \$0.818 million in 2003, \$0.835 million in 2004, \$1.186 million in 2005, and \$1.086 million in 2006 be approved for inclusion in the 2001 and future operating budgets;
 - (3) for the purpose of establishing spending controls, the recommended 2001-2005 capital program of the Toronto Zoo with a total cash flow of \$37.197 million; with a cash flow of, \$6.729 million in 2001, \$6.594 million in 2002, \$4.994 million in 2003, \$9.435 million in 2004, and \$9.445 million in 2005, as outlined in Appendix D be approved; and
 - (4) the three previously approved projects from 1997 and prior years' capital program, as outlined in Appendix E be closed;
- (b) (February 6, 2001) from the Budget Services Division recommending that:
- (1) the 2001 recommended Operating Budget of \$27.810 million gross and \$7.936 million net, comprised of the following services, be approved:

	Gross Service (\$000s)	Net (\$000)
Biology and Conservation	8,210.5	7,746.0
Marketing and Communications	8,410.8	1,132.6
Administrative and Site Services	10,651.5	10,520.0
General Management	537.6	469.6
Revenue and Recoveries		-11,932.2
Total Program Budget	27,810.4	7,936.0

- (2) the General Manager and Chief Executive Officer of the Toronto Zoo be request to submit a Strategic Plan in support of the further admission fee increase, and including the result of consultations with officials of the Toronto Transit Commission concerning improvements to transit service to the Zoo, to the Budget Advisory Committee prior to the completion of the 2001 budget, as requested during the 2000 Operating Budget process;
- (3) the General Manager and Chief Executive Officer of the Toronto Zoo be requested to report on a detailed review of the cost of operations of the Toronto Zoo including a comparison to other zoos, as requested during the 2000 Operating Budget process, to the Budget Advisory Committee prior to the end of February 2001;

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- (4) the Commissioner of Works and Emergency Services be requested to report on the current water rate charges to the Toronto Zoo with a recommendation for the best rate possible based on the Zoo's water consumption, as requested during the 2000 Operating Budget process, to the Budget Advisory Committee prior to the end of March 2001, as requested during the 2000 Operating Budget process; and
 - (5) the General Manager and Chief Executive Officer of the Toronto Zoo be requested to report on the 2000 financial results of the Zoo to document that the Zoo has met the revenue deficiency condition for receipt of the \$0.300 million additional one-time funding for maintenance and repair items, as approved by City Council at its meeting on October 3, 4 and 5, 2000 and special meetings on October 6, 10, 11 and 12, 2000;
- (c) (February 19, 2001) from the General Manager & CEO, Toronto Zoo, in response to the request by the Budget Advisory Committee for further information to the 2001 Operating Budget; and recommending that:
- (1) the Budget Advisory Committee accept the reductions Nos. 1 to 7 of \$338.3 thousand from the 2001 Operating Budget as outlined herein; and
 - (2) the Budget Advisory Committee receive for information the impact of further reductions Nos. 8 to 31 to the 2001 Operating Budget; and
- (d) (February 19, 2001) from the General Manager & CEO, Toronto Zoo, updating the Budget Advisory Committee on the selection of a new advertising agency for the Zoo; and recommending that this report be received for information.

Councillor George Mammoliti, Chair, Board of Management of the Toronto Zoo and Mr. Cal White, General Manager, Toronto Zoo, addressed the Committee and answered Members' questions.

The following Members of Council also appeared before the Budget Advisory Committee in connection with the foregoing matter:

- Councillor Gloria Lindsay Luby, Ward 4 Etobicoke Centre; and
- Councillor Sherene Shaw, Ward 39 Scarborough-Agincourt.

The Budget Advisory Committee made no requests respecting the foregoing budget.

Exhibition Place - 2001 Capital Program and 2001 Operating Budget.

The Budget Advisory Committee had before it the following reports:

- (a) (January 21, 2001) from the Budget Services Division recommending that:
- (1) the 2001-2005 recommended capital program of Exhibition Place, consisting of 13 new projects with a total project cost of \$22.200 million with cash flow commitments of \$3.650 million in 2001, \$3.283 million in 2002, \$3.555 million in 2003, \$4.955 million in 2004 and \$5.850 million in 2005 as outlined in Appendix B be approved;
 - (2) new debt service costs, as outlined in Appendix A, totalling \$3.920 million by 2005 resulting from the approval of the 2001 – 2005 recommended capital program with annual operating impacts of \$0.852 million in 2001, \$0.798 million in 2002, \$0.616 million in 2003, \$0.706 million in 2004 and \$0.948 million in 2005 be approved for inclusion in the 2001 and future operating budgets;
 - (3) new operating cost-savings, as outlined in Appendix A, totalling \$0.105 million by 2005 resulting from the approval of the 2001 – 2005 recommended capital program with incremental operating budget impacts of \$0.021 million annually, be approved for inclusion in the 2001 and future operating budgets;
 - (4) for the purpose of establishing spending control, the recommended 2001-2005 capital program of Exhibition Place, with a total cash flow of \$22.200 million; \$21.293 million for new projects and \$0.907 million for previously approved projects as outlined in Appendix D be approved;
 - (5) the 10 previously approved projects from the 2000 and prior years capital program, as outlined in Appendix E be closed; and
 - (6) the report, attached in Appendix F on the review of the Automotive Building project be received for information; and

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(b) (January 29, 2001) from the Budget Services Division recommending that:

(1) the 2001 Recommended Operating Budget of \$38.439 million gross and (\$0.703) million net, comprised of the following services be approved:

	Gross Service: (\$000s)	Net (\$000s)
Canadian National Exhibition Association	15,691.5	(3.5)
Exhibition Place Operations	10,056.3	1,301.6
National Trade Centre	12,691.3	(2,001.4)
 Total Program Budget	 38,439.1	 (703.3)

(2) Recommendation No. 2 of the report concerning NTC Capital Reserve Fund, dated October 11, 2000 from the Governors and Chief Executive Officer of Exhibition Place be deleted and replaced with the following:

“Seek approval of the City for an annual contribution to the NTC reserve of one percent of net operating surplus of Exhibition Place based on the previous year audited statements, commencing in the budget year for 2002.”;

and, that the above report be adopted as amended; and

(3) contribution for 2001 to the Tree Advocacy Program, based on 23 percent of net profits earned from the use of Marilyn Bell and Battery Parks for parking purposes during the 18-day CNEA event be approved, subject to CNEA being in a surplus position.

Ms. Dianne Young, General Manager and Chief Executive Officer, Exhibition Place, appeared before the Budget Advisory Committee in connection with the foregoing matter.

The Budget Advisory Committee made no requests respecting the foregoing budget.

**Toronto and Region Conservation Authority
- 2001 Capital Program and 2001 Operating Budget.**

The Budget Advisory Committee at its meeting held on March 1, 2001, had before it the following reports and communication:

- (a) (January 30, 2001) from the Budget Services Division recommending that:
- (1) the 2001-2005 capital program for the TRCA consisting of eight new on-going, phased projects with a total project cost of \$30.522 million and with cash flow commitments of \$5.575 million in 2001, \$4.656 million in 2002, \$5.840 million in 2003, \$6.615 million in 2004, \$7.836 million in 2005 as outlined in Appendix "B", be approved; the total of these future year commitments that will arise from this approval are \$5.615 million (gross) and \$4.660 million (net); there are no commitments beyond 2005;
 - (2) new debt service costs, as outlined in Appendix "A", totalling \$2.580 million per year by 2006 resulting from the approval of the recommended 2001-2005 capital program, with incremental operating impacts of \$0.130 million in 2001, \$0.536 million in 2002, \$0.474 million in 2003, \$0.475 million in 2004, \$0.470 million in 2005 and \$0.496 million in 2006, as outlined in Appendix "A", be approved for inclusion in the 2001 and future operating budgets;
 - (3) new program operating costs resulting from the approval of the 2001-2005 Capital Program for new, on-going phased projects are minimal and are normally absorbed through the operations of the TRCA;
 - (4) for the purpose of spending control, the recommended 2001-2005 capital program of the Toronto and Region Conservation Authority, with a total cash flow of \$32.222 million, with cash flows of \$6.275 million in 2001, \$5.656 million in 2002, \$5.840 million in 2003, \$6.615 million in 2004 and \$7.836 million in 2005 as outlined in Appendix "D" be approved;
 - (5) there are no previously approved projects from the 2000 and 1999 and prior years' capital program to be closed; the two previously approved projects, as outlined in Appendix "C", are in progress;
 - (6) the previously approved sub-project Port Union Waterfront Development be deferred to the year 2002 subject to the confirmation of the remaining 2/3 funding by the Federal and Provincial governments; the federal/provincial environmental assessment initiative is complete and waiting for formal sign-off; and

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- (7) the budget for Waterfront Revitalization sub-projects be received and not form part of the recommended budget until such time as rationalization and re-allocation of funding is confirmed (Net impact = \$110 million), see Appendix "E";
- (b) (February 1, 2001) from the Budget Services Division recommending that:
- (1) the 2001 Recommended Operating Budget of \$23.813 million gross and \$4.414 million net, comprised of the following services, be approved:

Services	Gross (\$000s)	Net (\$000s)
Corporate	3,155.5	1,318.7
Watershed Health	14,025.5	2,951.2
Watershed Experience	6,268.7	85.1
Rouge Park Interim Management	364.7	59.0
Total Program Budget	23,812.9	4,414.0

- (2) the Policy and Finance Committee be requested to review and recommend, a list of service level/standard adjustment options totalling \$42.2 K; and
- (c) (February 15, 2001) from Councillor Irene Jones, Ward 6 Etobicoke-Lakeshore requesting the Budget Advisory Committee to reinstate the Toronto and Region Conservation Authority's Mimico Linear Park Study into the budget.

Mr. Craig Mather, CAO/Secretary-Treasurer, Toronto and Region Conservation Authority, addressed the Budget Advisory Committee and answered Members' questions.

Councillor David Soknacki, Ward 43 Scarborough East, declared an interest in any matters relating to the Toronto and Region Conservation Authority (TRCA) in that his family has financial interest.

On motion by Councillor Pantalone, the Budget Advisory Committee requested that staff meet with Councillor Irene Jones, Ward 6 Etobicoke-Lakeshore, to explore other sources of funding through the development process for the Mimico Linear Park Study and include any other funding opportunity; and further that the CAO/Secretary-Treasurer, Toronto and Region Conservation Authority, be requested to consider the funding of this project as part of the Waterfront Redevelopment Project as it links the City's waterfront together and report thereon to the Budget Advisory Committee for its wrap-up meeting.

Budget Advisory Committee Minutes
Thursday, March 1, 2001

(CAO/Secretary-Treasurer, Toronto and Region Conservation Authority;
c. Councillor Irene Jones, Ward 6 Etobicoke-Lakeshore; Chief
Administrative Officer; Chief Financial Officer and Treasurer - March 1,
2001)

The Budget Advisory Committee adjourned its meeting at 4:26 p.m.

Chair