

TORONTO TRANSIT COMMISSION



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December 21, 2012

Ms. Ulli Watkiss
City Clerk, Toronto City Hall
100 Queen Street West
13th Floor, West Tower
Toronto, ON M5H 2N2

Dear Ms. Watkiss:

Recommendations:

The Toronto Transit Commission recommends that City Council, through the City of Toronto Budget Committee:

1. approve in-year technical budget adjustments resulting in the deferral of \$326.898 million from the approved 2012 budget into future year cash flow commitments (including related funding impacts) as outlined in Appendix A attached.
2. approve the application of additional funds from maturing reserve accounts including a net increase of \$1.189 million in the Ontario Rolling Stock Infrastructure Funding (ORSIF) Reserve Funds XR3024 and an increase of \$0.048 million in the Golden Horseshoe Transit Investment Partnership (GTIP) Reserve Funds XR3023.

Background:

At its meeting on Wednesday, December 19, 2012 the Commission considered the attached report entitled, "2012 In-Year Technical Capital Budget Adjustments".

The Commission adopted the recommendation in the staff report, as follows:

"It is recommended that the Commission:

1. approve in-year technical budget adjustments resulting in the deferral of \$326.898 million from the approved 2012 budget into future year cash flow commitments (including related funding impacts) as outlined in Appendix A attached;
2. approve the application of additional funds from maturing reserve accounts including a net increase of \$1.189 million in the Ontario Rolling Stock Infrastructure Funding (ORSIF) Reserve Funds XR3024 and an increase of \$0.048 million in the Golden Horseshoe Transit Investment Partnership (GTIP) Reserve Funds XR3023.
3. forward this report to the City of Toronto for Council approval.

2012 DEC 28 AM 10:00
CITY OF TORONTO
OFFICE OF THE CITY CLERK

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The foregoing is forwarded to Toronto City Council for approval through the City of Toronto Budget Committee.

Sincerely,



Vincent Rodo
Chief Financial & Administration Officer
1-11
Attachment

Copy: J. Pennachetti



TORONTO TRANSIT COMMISSION REPORT NO. 3(a)

MEETING DATE: December 19, 2012

SUBJECT: 2012 In-Year Technical Capital Budget Adjustments

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

- 1) approve in-year technical budget adjustments resulting in the deferral of \$326.898 million from the approved 2012 budget into future year cash flow commitments (including related funding impacts) as outlined in Appendix A attached;
- 2) approve the application of additional funds from maturing reserve accounts including a net increase of \$1.189 million in the Ontario Rolling Stock Infrastructure Funding (ORSIF) Reserve Funds XR3024 and an increase of \$0.048 million in the Golden Horseshoe Transit Investment Partnership (GTIP) Reserve Funds XR3023;
- 3) forward this report to the City of Toronto for Council approval.

FUNDING

Funding for the TTC's capital program is sourced from various funding programs and debt and channelled through the City of Toronto in accordance with the funding included in the TTC 2012 Capital Program as approved by City of Toronto Council on January 17, 2012. The funding adjustments requested in this report address changes to the 2012 approved funding to supplement funding changes that have been incorporated into the TTC's Recommended 2013-2022 Capital Budget. The requested adjustments will result in alignment of the 2012 Capital Budget to the projected actuals by year-end and also reduce the additional carry-forward into 2013 capital budget.

BACKGROUND

On August 25, 2011, the City of Toronto introduced a new bylaw which amended the City of Toronto Municipal Code Chapter 279, Toronto Transit Commission that carried certain requirements for addressing budget changes at the capital project level. Further, in the 2012 capital budget process, City staff requested the detailed allocation of funding by project which was applied on a preliminary basis to each project reflecting estimated project

year to date balances (including accrued interest) as noted in the 3rd quarter reserve variance report prepared by City Staff. This will allow for the close out of those reserves.

JUSTIFICATION

The approval of these project and funding adjustments will allow TTC to optimize utilization of available funding from various funding programs in 2012 and adhere to City financial requirements. This will further ensure that funding of the capital program for future years is best managed and that reporting and budgeting of the current year is consistent with the submission of future years budget information as included in the Recommended 2013-2022 Capital Budget.

November 28, 2012

42-54

Attachments: Appendix A – 2012 In-Year Technical Capital Budget Adjustments