



THE TORONTO AND REGION CONSERVATION AUTHORITY

INDEX TO

BUSINESS EXCELLENCE ADVISORY BOARD MEETING #3/05

Friday, June 10, 2005

MINUTES	
Minutes of Meeting #2/05, held on April 15, 2005	141
PRESENTATIONS	
Dewell, Ron, Manager, Property/Asset Management, TRCA re: Rental Property Portfolio - Rouge Park	141
BOAT CLUB LEASES - CITY OF TORONTO	142
PURCHASING POLICY	145
OFFICE ACCOMMODATION	
Approval to Lease Additional Office Space from Park Downsview Park Inc.	167
STAFF ORGANIZATIONAL STRUCTURE	168
2005 CORPORATE COMMUNICATIONS PLAN	
Implementation Plan	171
RELIGIOUS OBSERVANCE POLICY	178
SECONDMENT POLICY	179
POLICY FOR REHIRING RETIRED/FORMER EMPLOYEES	183
ACCOUNTS RECEIVABLE STATUS REPORT - May 20, 2005	184
WILD WATER KINGDOM	
Extension of Outstanding Rent Payment	187
RENTAL PROPERTY PORTFOLIO - ROUGE PARK	189
RESTORATION SERVICES WORKSHOP	191
AUDITORS' MANAGEMENT LETTER	195



THE TORONTO AND REGION CONSERVATION AUTHORITY

MEETING OF THE BUSINESS EXCELLENCE ADVISORY BOARD #3/05
June 10, 2005

The Business Excellence Advisory Board Meeting #3/05, was held in the South Theatre, Black Creek Pioneer Village , on Friday, June 10, 2005 . The Chair David Barrow , called the meeting to order at 9:15 a.m.

PRESENT

David Barrow	Chair
Rob Ford	Member
Peter Milczyn	Member
Dick O'Brien	Chair, Authority
Bill O'Donnell	Member

REGRETS

Bas Balkissoon	Member
Bill Fisch	Member
Maja Prentice	Vice Chair

RES.#33/05 - MINUTES

Moved by:	Rob Ford
Seconded by:	Dick O'Brien

THAT the Minutes of Meeting #2/05, held on April 15, 2005, be approved.

CARRIED

PRESENTATIONS

(a) A presentation by Ron Dewell, Manager, Property/Asset Management, TRCA, in regards to item 8.1 - Rental Property Portfolio - Rouge Park.

RES.#C34/05 - PRESENTATIONS

Moved by:	Bill O'Donnell
Seconded by:	Dick O'Brien

THAT above-noted presentation (a) be heard and received.

CARRIED

SECTION I - ITEMS FOR AUTHORITY ACTION

RES.#C35/05 - BOAT CLUB LEASES - CITY OF TORONTO
Renewal of leases for boat clubs located on Toronto and Region Conservation Authority-owned lands managed by the City of Toronto.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT WHEREAS Toronto and Region Conservation Authority (TRCA) is the owner of the property located in the City of Toronto which is being managed by the City of Toronto in accordance with the terms of an agreement dated June 14, 1961 and an agreement dated October 11, 1972;

WHEREAS certain parcels of this property on the lower Humber River and the Lake Ontario waterfront are leased to various boat clubs;

THEREFORE LET IT BE RESOLVED THAT approval be granted to enter into 20-year Renewal Lease Agreements with the various boat clubs commencing August 1, 2005 on the basis as set out in Clause No. 1 contained in Report No. 7 of The Economic Development and Parks Committee, which was adopted without amendment, by the Council of the City of Toronto at its meeting held on September 22, 23, 24 and 25, 2003;

THAT the terms and conditions of the Renewal Lease Agreements be satisfactory to TRCA staff and its solicitor;

THAT the appropriate TRCA officials be authorized and directed to take whatever action may be required to give effect thereto, including the obtaining of any necessary approvals and execution of any documents;

AND FURTHER THAT the City of Toronto staff be so advised.

CARRIED

BACKGROUND

The Council of the City of Toronto at its meeting held on September 22, 23, 24 and 25, 2003 adopted Clause No. 1 contained in Report No. 7 of The Economic Development and Parks Committee, which is as follows:

It is recommended that:

- (1) as per Clause No. 2 of Report No. 7 of The Economic Development and Parks Committee, headed "Boat Club Leases – Rental Rate and Future Renewal (Various Wards)", which was adopted by the Council of the City of Toronto at its meeting held on July 4, 5 and 6, 2000, approval be given to enter into 20-year Renewal Lease Agreements with the various boat clubs across the Toronto waterfront as set out in Attachment 1 to this report, commencing on August 1, 2005, in accordance with the terms and conditions set out in the body of the report and acceptable in form and content to the Commissioner of Economic Development, Culture and Tourism and the City Solicitor;*
- (2) the existing Metro Formula for boating facility leases for the period commencing August 1, 2005, be retained, and the individual charges increased to \$3,000.00 per acre for the first year of the renewal lease term and then for the following years be increased by the rate of inflation as calculated by Statistics Canada using the CPI all items annual average indexes for the City of Toronto for the previous calendar year, compounded annually;*
- (3) the existing 10 percent discount of the base rental rate for the clubs not having year round access as granted by the former Metropolitan Toronto Council, by the adoption of Clause No. 11 of Report No. 19 of The Metropolitan Executive Committee on September 9, 1980, be rescinded;*
- (4) the City's Licence Agreements with the Outer Harbour Sailing Federation, Water Rats Sailing Club, Toronto Boardsailing Club and the Hanlan Boat Club be made conterminous and consistent with the City's other boat club leases, and that notice be provided that the City intends to phase in the Metro Formula rental rate to 100 percent for those clubs noted above that have been paying 75 percent of the rental rate, and that the City shall phase in the rate increases during the initial five-year period following establishment of full development infrastructure, and that the annual rental rate be graduated in 5 percent increments commencing on August 1 of the year that full infrastructure is completed;*
- (5) the Commissioner of Economic Development, Culture and Tourism be directed to develop terms of reference for the development of a Recreational Boating Strategy for the City of Toronto, and that the Commissioner consider potential funding mechanisms and partnerships to fund this study and report thereon in the 2004 budget process; and*
- (6) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.*

This City of Toronto resolution relates to 25 boat clubs managed by the city, of which 14 are located on TRCA-owned lands. All the boat clubs with the exception of the Toronto Humber Yacht Club are located on the Lake Ontario waterfront. The city also manages the lease with Hydrus Enterprises Inc. (Bluffers Park Marina) for use of TRCA-owned land at Bluffers Park. This lease ends in April of 2012 and therefore is not included in this renewal.

TRCA also leases TRCA-owned and managed lands at Tommy Thompson Park and Frenchman's Bay in the City of Pickering for boat club uses. The rental rates for these leases are based on the City of Toronto formula.

The boat clubs on TRCA-owned lands included in this renewal are as follows:

Boat Club	Location
Toronto Humber Yacht Club	Lower Humber River
Lakeshore Yacht Club	Colonel Samuel Smith Park
Mimico Cruising Club	Humber Bay Park West
Etobicoke Yacht Club	Humber Bay Park West
Humber College Sailing School	Humber Bay Park West
Ashbridges Bay Yacht Club	Ashbridge's Bay Park
Toronto Hydroplane Sailing Club	Ashbridge's Bay Park
Navy League of Canada	Ashbridge's Bay Park
Toronto Beaches Lions Club	Ashbridge's Bay Park
Highland Yacht Club	Bluffers Park
Bluffer's Park Yacht Club	Bluffers Park
Cathedral Bluffs Sailing Club	Bluffers Park
Scarborough Bluffs Sailing Club	Bluffers Park
West Rouge Canoe Club	Rouge Beach Park

The various leases for boating facilities across the waterfront help to provide an expanded range of affordable recreation opportunities on the water at no cost to the city. Currently, the boating facilities under lease with the city range from small community sailing clubs to long established clubs with significant permanent facilities. The clubs are all not-for-profit corporations. These facilities have helped to meet demand for sailing in a social context and are consistent with the desire of the city to provide diverse, locally responsive recreation opportunities, and to achieve the waterfront objectives of the TRCA.

As part of the Toronto Waterfront Revitalization Corporation's (TWRC) initiatives, TRCA staff are participating on an agency group guiding preparation of a "Marine Strategy". This strategy will address a range of issues related to boating and other water-based activities. The strategy will ensure that the marine opportunities are incorporated into the overall waterfront revitalization plan. The city has also sought the advice of TWRC on the Renewal Lease Agreements.

DETAILS OF WORK TO BE DONE

TRCA staff and its solicitor will work with the City of Toronto staff and the Council of Commodores to finalize the Renewal Lease Agreements.

FINANCIAL DETAILS

In accordance with the terms and conditions of the management agreements with the City of Toronto, the City will be responsible for all expenses and will retain all revenues associated with these leases.

Report prepared by: Mike Fenning, extension 5223

For Information contact: Ron Dewell, extension 5245, Mike Fenning, extension 5223

Date: May 25, 2005

RES.#C36/05 -

PURCHASING POLICY

Recommends approval of revised Purchasing Policy.

Moved by: Bill O'Donnell

Seconded by: Peter Milczyn

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Purchasing Policy dated May, 2005, be approved;

AND FURTHER THAT the "Policies and Procedures for Purchase of Goods and Services and Disposal of Equipment", dated September, 1995, as amended, be rescinded.

AMENDMENT

RES.#C37/05

Moved by: Bill O'Donnell

Seconded by: Peter Milczyn

THAT the following replace the first paragraph of the main motion:

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Purchasing Policy dated May, 2005, with the following amendments, be approved:

- staff report to the Business Excellence Advisory Board semi-annually with a list of all Requests for Quotations and Requests for Proposals approved by the Chief Administrative Officer pursuant to Schedule 'A';
- Schedule 'A' be amended by adding as note 4 the following: "If the lowest bidder is not selected that a report be provided to the Executive Committee at the next available meeting for their information.";
- Schedule 'A' be amended by changing approval limits of Acceptable Bid or Proposal to \$25,000 - \$200,000 Executive Committee and Up to \$25,000 Chief Administrative Officer;
- amending Section 1.7 by adding "an Authority Member" to paragraph 4;

THE AMENDMENT WAS

CARRIED

THE MAIN MOTION, AS AMENDED, WAS

CARRIED

RATIONALE

The existing Toronto and Region Conservation Authority (TRCA) purchasing policy (*Policies and Procedures for Purchase of Goods and Services and Disposal of Equipment*) was approved originally in 1985 and last updated in 1995. To complete the review and revision of the policy, staff has worked with a consultant, J. William Adams, who has extensive experience in the municipal sector including the Region of Peel and former City of Scarborough. Most recently, Mr. Adams assisted the City of Toronto in revising and updating its procurement policy and processes. Staff has used Mr. Adams' expertise to ensure that the proposed policy is consistent with procurement policies and practices used in the public sector generally and among Greater Toronto Area municipalities.

The recommended Purchasing Policy differs significantly from the existing policy in that the procedural aspects of the existing policy will be included in a new document detailing purchasing procedures. The Authority is asked to approve the recommended policy and in so doing will direct the Chief Administrative Officer (CAO) to implement revised procedures which will not require Authority approval. Splitting of policy from procedures ensures that the Authority has appropriate responsibility to establish the principals and direction for procurement while delegating the implementation procedures to the CAO and staff.

The recommended policy has a number of significant changes and improvements:

- terminology is defined for greater clarity;
- the objectives are detailed and advance the Business Excellence objective of TRCA;
- processes and methods are detailed for greater clarity in the use of various procurement methods;
- the role of the Tender Opening Sub-Committee is clarified, defined and delegated to senior staff (currently, the Tender Opening Sub-Committee must include a Member of the Authority);
- tender/proposal irregularities are defined and the action to remedy each issue is set out;
- policies for non-competitive (so-called "sole sourcing") purchases are set out;
- provision is made for cooperative purchasing arrangements and purchasing special services from colleges and universities;
- sustainability requirements are set out;
- projects in which TRCA sells its forest products or sells the right to place clean fill on its lands are included;
- goods and services not included in the policy are detailed in schedule B;
- consulting services are no longer segregated as a separate category for approval;
- procedures are detailed to document compliance with the policy and ensure accountability;
- and,
- a comprehensive review of the purchasing policy is required at least every five years.

Approval limits

The recommended policy makes a number of changes to the existing limits where Authority, Executive Committee and CAO approval is required. These limits are recommended to expedite the work of TRCA while assuring accountability. The following summarizes the major shifts in limits:

Existing Policy:

- purchases over \$100,000 require Authority approval;
- purchases over \$25,000 but less than \$100,000 require Executive Committee approval;
- purchases over \$10,000 but less than \$25,000 require Executive Committee approval if other than lowest bid is recommended;
- purchases over \$10,000 but less than \$25,000 require CAO/Director approval; and,
- purchases under \$10,000 require approval by staff as designated in the policy.

Recommended Policy:

- tenders/proposals over \$200,000 require Authority approval;
- tenders/proposals over \$100,000 but less than \$200,000 require Executive Committee approval;
- quotations/proposals up to \$100,000 require approval of CAO or designate;
- non-competitive procurement:
 - over \$200,000 requires Authority approval
 - \$50,000 to \$200,000 requires Executive Committee approval
 - less than \$50,000 requires CAO or designate approval;
- lowest bid not accepted:
 - over \$200,000 requires Authority approval
 - \$50,000 to \$200,000 requires Executive Committee approval
 - less than \$50,000 requires CAO or designate approval.

CONCLUSION

The recommended policy is outlined in Attachment 1. The revised procedures to accompany the recommended policy are being developed in consultation with operational staff and with assistance from the consultant.

Report prepared by: Jim Dillane, extension 6292

For Information contact: Jim Dillane, extension 6292

Rocco Sgambelluri, extension 5232

Date: June 1, 2005

Attachments: 1

Attachment 1

TORONTO AND REGION CONSERVATION AUTHORITY
PURCHASING POLICY

DRAFT

TORONTO AND REGION CONSERVATION AUTHORITY
PURCHASING POLICY

For additional information or clarification of this policy, contact the Controller or the Director, Finance and Business Development.

Draft May 17, 2005

**TORONTO AND REGION CONSERVATION AUTHORITY
PURCHASING POLICY**

SECTION 1.0 PURCHASING POLICY

- 1.1 Definitions and Terms
- 1.2 Objectives
- 1.3 Authorization and Limits
- 1.4 Processes and Methods
- 1.5 Unsolicited Quotations or Proposals
- 1.6 Official Point of Contact
- 1.7 Public Openings
- 1.8 Tender/Proposal Irregularities
- 1.9 Mathematical Errors
- 1.10 Tied Bids
- 1.11 Evaluation of Proposals
- 1.12 Vendor Debriefings
- 1.13 Vendor Complaints
- 1.14 Non-Competitive Procurement Process
- 1.15 Cooperative Purchasing
- 1.16 Vendor Sureties and Performance
- 1.17 Sustainability Requirements
- 1.18 Disposal of Goods
- 1.19 Disposal of Real Estate
- 1.20 Revenue from Use or Sale of Other Assets
- 1.21 Ethics
- 1.22 Review of Purchasing Policies and Implementation of Administrative Procedures

APPENDICES TO THE PURCHASING POLICY

- Schedule 'A' Purchasing Methods, Limits and Authorities
- Schedule 'B' Goods and Services not subject this policy
- Schedule 'C' Additional purchasing policies adopted by the Authority from time to time

1.0 PURCHASING POLICY

Inherent in the Administration Regulation made under the Conservation Authorities Act and more specifically the Rules of Conduct for the TRCA is the need for sound and effective purchasing policies for the expenditure of public funds.

This policy establishes authorities, responsibilities, processes and methods to be used in the acquisition and disposal of goods and services. The policy shall be read in conjunction with any written administrative procedures and, upon adoption, shall replace any existing purchasing policy.

The Purchasing Policy is consistent with TRCA's Living City Vision and advances TRCA's business excellence and sustainability objectives. Section 1.17 recognizes the importance of sustainability in the execution of purchasing decisions.

1.1 Definitions and Terms

The words and phrases listed hereunder when used in this policy or any purchasing procedures shall have the following meanings ascribed to them.

AUTHORITY – The appointed Members of the Toronto and Region Conservation Authority.

AUTHORIZED BUYER – Staff authorized by the Chief Administrative Officer/Secretary-Treasurer or designate to purchase goods and services pursuant to this policy.

BID - An offer from a bidder in response to a call for quotations or tenders, which may be accepted or rejected.

BIDDER - A vendor submitting an offer to the TRCA.

BLANKET PURCHASE ORDER – A contract between the TRCA and a vendor to facilitate the delivery of repetitive use goods and services over a period of time. May also be referred to as a blanket or open order. The purchase order amount is deemed to be the total estimated cost for the contract term.

COMMITMENT – A contractual obligation for the purchase of goods and services including the issuance of a purchase order/ blanket purchase order or the execution of any agreement evidencing the obligation. The commitment amount is deemed to be the total estimated cost for the contract term.

MULTI-YEAR COMMITMENT – A maximum term of five years in respect of a commitment, beyond which Authority approval is required.

CHIEF ADMINISTRATIVE OFFICER/SECRETARY-TREASURER OR DESIGNATE - For purposes of the policy, "Designate" refers to the individual to whom authority is delegated by the Chief Administrative Officer/Secretary-Treasurer.

CONTRACT – A binding agreement between two or more parties.

CO-OPERATIVE PURCHASING – Purchasing under an arrangement with other public bodies for the purchase of goods and services on a cooperative or joint basis where there are economic advantages in doing so.

DECENTRALIZED PURCHASING - The practice by which TRCA authorizes designated staff to be authorized buyers and to assume responsibility for the acquisition of goods and services as provided for in this policy and to be accountable for compliance with this policy.

EMERGENCY – An event that, is determined to be a threat to health, safety and welfare of persons or property; requires the maintenance of essential service, protection and security of the TRCA interests or mitigation of a liability or prevent serious delays or further damage; and requires the immediate purchase and delivery of goods and services operating outside of the requirements of this policy.

EXECUTIVE COMMITTEE - The committee appointed by the Authority to where powers are delegated.

GOODS AND SERVICES - Labour, materials, products, equipment, supplies and services (including construction and any type of consulting or professional and technical services in relation to real property or personal property including but not limited to construction, architects, engineers, designers, surveyors, management and financial consultants, brokers, real estate appraisers, auditors, bankers and all other services, that are the subject of the contract.

MONETARY REFERENCES – All references in this policy to dollar amounts are to Canadian dollars and shall be exclusive of taxes.

PERSONAL PURCHASE - Goods or services requested by a member or any employee of the TRCA, the requirement for which is not for the TRCA purposes but is for the benefit and use of the person requesting the purchase.

PUBLICLY ADVERTISED - Advertising in any publication of general circulation including the Internet.

PROPOSAL - An offer from a vendor in response to a request for proposal, which may be subject to further negotiation.

PURCHASE ORDER - A written or electronic request to purchase goods or services; or a written or electronic acceptance of an offer.

PURCHASE REQUISITION OR REQUISITION – A request, in an approved form, to acquire goods or services.

QUOTATION - An offer from a vendor to provide goods or services.

SURETY - A specified dollar amount in the form acceptable to the Director, Finance and Business Development of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other approved form of collateral as deemed necessary.

TENDER – A written offer in a specified form received from a vendor in response to an invitation to a public call for tenders.

TRCA - Toronto and Region Conservation Authority.

VENDOR – A supplier of goods and services

Additional definitions as and when required will be included in the purchasing procedures.

1.2 Objectives

To achieve its business excellence objective, TRCA supports fair, open, transparent, accountable, and efficient and effective procurement processes through the solicitation of multiple bids, proposals and direct negotiation.

In the interpretation and application of this policy, regard shall be given to the following objectives:

- To promote efficient and effective procurement processes and decisions and establish clear responsibility, accountability and authority for the processes and decisions in the purchase of goods and services.
- To promote the most effective use of public funds and ensure the greatest value for the purchase of goods and services through the exercise of professional purchasing practices, free from influence and interference, and encourage where practical, standardization and open and competitive bidding.
- To implement management and financial controls that meet the requirements of the TRCA and ensure accountability of those responsible for requisitioning and purchasing goods and services.
- To allow purchasing decisions to be made as efficiently as possible through the delegation of authority and empowerment of staff while at all times having regard for the purchasing policy.
- To adopt methods of acquisition and disposal that achieve the most competitive and responsive offers, terms and conditions wherever possible and promote procurement processes and decisions that are consistent with the Living City Objectives and TRCA objectives.
- To promote acceptance of bids based on total acquisition and life cycle cost rather than the lowest bid received and encourage specifications, whenever possible, that are environmentally responsible and sustainable.

1.3 Authorization and Limits

The Chief Administrative Officer/Secretary-Treasurer or designate is given the authority and responsibility to operate a decentralized purchasing program on behalf of the TRCA in accordance with the requirements of this policy and to act on behalf of the TRCA in entering into contracts with third parties for the purchase and disposal of all goods and services.

The Chief Administrative Officer/Secretary-Treasurer or designate shall determine the form, content and use of forms, whether electronic or printed including requisitions, purchase orders, bid and contract documentation, bonds, letters of credit and other forms of guarantee or surety.

The Chief Administrative Officer/Secretary-Treasurer or designate may delegate to Authorized Buyers, all or part of the authority to purchase goods and services in accordance with this policy.

The Chief Administrative Officer/Secretary-Treasurer or designate shall maintain a list of designated employees and their respective authorities and limitations.

Authorized Buyers shall be authorized to make an award arising from a request for quotations, tenders or proposals to the lowest bidder whose bid meets the specifications and requirement set out in the tender or quotation; for proposals, having completed the required evaluation, an award to the highest ranked proponent whose bid meets the requirements of the proposal call, including the evaluation criteria set out in the call; and for quotations, tenders and proposals, that there is no material, written objection.

Where the recommended award is not from the lowest acceptable bidder or highest ranked proposal, the award must be approved in accordance with Schedule 'A'.

Records and files of documents, transactions, authorizations, approvals and actions under this policy shall be kept and maintained according the TRCA records retention policy and subject to the requirements of the Municipal Freedom of Information and Protection of Privacy Act.

Authorities and responsibilities shall be applied and administered having regard to the provisions of any financial control policies or any other approval requirements.

Where all the requirements of this policy have been met, the appropriate officials are authorized to execute formal contracts.

The following Schedules, as may be amended by the Authority from time to time, are attached and give effect to this policy.

- Schedule 'A' outlines the Limits and Authorization associated with each Purchasing Method; Acceptable Bids and Proposals; and Disposal of Goods.

- Schedule 'B' provides a listing of designated goods and services not subject to this policy or the issuance of a purchase order.
- Schedule 'C' provides for the inclusion of any additional purchasing policies adopted by the Authority from time to time.

In the case of purchases of goods or services having a value of less than \$1,000 the requirements of this policy as to the method of purchase do not apply provided that such purchase is undertaken in compliance with any applicable purchasing procedures.

In the case of revenue generating contracts the limits and authorities outlined in Schedule 'A' apply, except that the vendor offering the highest return shall be considered.

1.4 Processes and Methods

Subject to the provisions and dollar limits of Schedule 'A', the following processes and methods of acquisition are to be used to give effect to the TRCA purchasing objectives:

- **A Request for Pre-qualification** shall be used, and precede a Request for Tenders, Quotations or Proposals in order to identify and pre-select bidders, where it is deemed that the nature and complexity of the work involved warrants the time and effort required to pre-select the most experienced and qualified bidders.
- **A Request for Expressions of Interest** shall be used to determine the interest of the market place to provide a scope of work or services contemplated to be procured by the TRCA.
- **A Request for Tenders** shall be used to obtain offers from a vendor by way of a public tender call, to provide goods and services, whenever the requirements can be precisely defined and the expectation is that the lowest bid meeting the requirements specified in the request would be accepted, subject to any other provisions of this policy and the Tendering limits specified in Schedule 'A'.
- **A Request for Quotations** shall be used to obtain offers from a vendor to provide goods and services, whenever the requirements can be precisely defined and the expectation is that the lowest bid meeting the requirements specified in the request would be accepted, subject to any other provisions of this policy and the Quotation limits specified in Schedule 'A'.
- **A Request for Proposals** shall be used to obtain offers from a vendor to provide goods and services of a unique or complex nature where all or part of the requirements cannot be precisely defined and the expectation is that the proposal offered by the highest ranked proponent resulting from an evaluation and meeting the requirements specified in the request, including the evaluation criteria set out in the Request, would be accepted, subject to any other provisions of this policy and the Proposal limits specified in Schedule 'A'.
- **An Informal Request for Quotations** shall be used to obtain offers from a vendor by means of telephone, fax, e-mail or other similar solicitation method to a minimum of three bidders, where possible, to obtain lowest cost, prompt service, procurement of goods and services expeditiously and cost effectively, subject to the informal quotation limits specified in Schedule 'A'.

1.5 Unsolicited Quotations or Proposals

Consistent with the TRCA position to support effective, objective, fair, open, transparent, accountable, and efficient procurement processes through the solicitation of multiple bids, proposals and direct negotiation, the TRCA does not accept unsolicited, formal quotations or proposals.

Any exception must be approved by the Authority. A report to the Authority shall include comments from the Chief Administrative Officer/Secretary-Treasurer or designate.

1.6 Official Point of Contact

TRCA is committed to the highest standards of integrity with respect to the purchase of goods and services and managing the processes by which goods and services are acquired.

An official point of contact shall be named by the vendor/proponent in response to Quotations, Tenders, and Proposals to respond to all communications to and from TRCA staff from the time of issuance, during the competitive process, and up to and including the announcement of award. TRCA shall name an official point of contact to whom the vendor shall direct all communications. TRCA and the vendor acknowledge and agree that the individual named as the “official point of contact” shall be the initial contact and may choose to redirect the communication to another individual.

Any vendor found to be in breach of this section of the policy will be subject to disqualification from the request or a future request(s) at the discretion of the Authority.

1.7 Public Openings and Tender Opening Committee

Any Requests for Tenders over \$100,000 are to be opened by the Tender Opening Committee at the time and location specified in the Proposal Document.

At its sole discretion, TRCA may decide that to publicly advertise Requests for Proposals because of their nature and complexity or because it is in the public interest. Requests for Proposals which are publicly advertised shall be received by the Tender Opening Committee at the time and location specified in the Proposal Document. This process shall apply to publicly advertised Requests for Pre-Qualification, Expressions of Interest and Quotations.

Public advertising means advertisements in written or electronic media, trade publications, on the TRCA web site or other forms of advertising as determined by TRCA.

The Tender Opening Committee shall be comprised of the Authorized Buyer, a representative of the Director of Finance and Business Development and a representative of the CAO's Office.

All other solicitations are not opened in a public forum but the results will be available upon written request to the Authorized Buyer.

1.8 Tender/Proposal Irregularities

The following irregularities contained in a Tender or publicly opened Proposal received by the TRCA shall result in the following actions to be taken by the Authorized Buyer:

<u>IRREGULARITY</u>	<u>ACTION</u>
Late submission	Automatic rejection and not opened or otherwise disclosed
Insufficient or unacceptable surety	Automatic rejection
Submission not signed in ink or incomplete submission	Automatic rejection unless, in the opinion of the Chief Administrative Officer/Secretary-Treasurer or his/her designate, the incomplete nature is trivial or insignificant
Qualified submission (qualified or restricted by an attached statement, unless allowed for)	Automatic rejection unless, in the opinion of the Chief Administrative Officer/Secretary-Treasurer or his/her designate, the qualification or restriction is trivial or insignificant
Submission received on documents other than those provided by the TRCA or in a form unacceptable to the TRCA	Automatic rejection unless, in the opinion of the Chief Administrative Officer/Secretary-Treasurer or his/her designate the matter is deemed to be minor
Erasures, overwriting or strikeouts that are not initialed: <ul style="list-style-type: none"> ● Uninitiated changes to submission that are minor (example: the vendor's address is amended by over-writing but not initialed) ● Unit prices have been changed but not initialed and the contract totals are consistent with the price as amended ● Unit prices have been changed but not initialed and the contract totals are not consistent with the price as amended 	Two (2) business days to initial/date Two (2) business days to initial/date Automatic rejection
Minor Irregularities	The Chief Administrative Officer/Secretary-Treasurer or his/her designate shall have the authority to waive irregularities deemed to be minor.

In exercising judgment the Chief Administrative Officer/Secretary-Treasurer or his/her designate shall consider any advice provided by the TRCA legal counsel. See Schedule 'A' for Limits and Authorities

1.9 Mathematical Errors

Terms and conditions for unit price contracts shall include a statement indicating that where there is a discrepancy between the total price and the unit price, the unit price shall prevail.

During the bid evaluation process, where any discrepancy exists between the total price and the unit price, the unit price shall prevail and the total bid price shall be adjusted accordingly.

1.10 Tied Bids

In order to minimize the risk of tied bids, request for Tenders, Quotations and Proposals should include such terms and conditions that promote best overall value and allow responses to be evaluated accordingly. This includes but not limited to such considerations as price (including discounts and prompt payment terms), quality, delivery (including response time), service, and past performance.

If all the terms and conditions of the request have been met and the outcome of the evaluation still results in a tie, staff is authorized to conduct a lottery. In the case of two identical bids a coin toss will decide. In the case of more than two identical bids, a draw (lottery) will decide.

The results of the lottery are to be recorded and witnessed by all parties present and the award shall be reported in accordance with the requirements of this policy.

1.11 Evaluation of proposals

An Evaluation Committee shall be established for Requests for Proposals. The size of the Evaluation Committee shall be reflective of the complexity and dollar value of the assignment and must have a minimum of two members. Committee members must have the relevant experience to evaluate proponents' submissions. The Evaluation Committee shall provide a written report summarizing the results of its review and rationale for its recommendations.

All Requests for Proposals are to include clear specifications and evaluation criteria, terms and conditions that can be applied in a fair and consistent manner to all respondents.

1.12 Vendor Debriefings

All vendors are entitled to a formal or informal debriefing, upon written request made to the Authorized Buyer, to obtain feedback on why their bid or proposal was not successful.

1.13 Vendor Complaints

TRCA is committed to the highest standards of integrity with respect to dealing with vendor complaints. Complaints shall be handled with fairness and equity for all participants in a Tender, Quotation or Proposal call.

All vendor complaints, whether addressed a member or the staff, are to be referred to the Chief Administrative Officer/Secretary-Treasurer or designate for resolution.

Objections to a recommendation for award must be in writing. The Chief Administrative Officer/Secretary-Treasurer or designate shall review the objection and determine, with legal advice where necessary, whether the objection is material i.e. it is not frivolous or vexatious or solely related to a review of any listed irregularities as defined in this policy or is not non-responsive i.e. it is not deficient in meeting the requirements of the call.

Where the objection is determined not to be material, the making of the award shall proceed in accordance with this policy.

Where the objection is determined to be material and cannot be resolved, the award shall be made by the TRCA in accordance with this policy. In such case, the Chief Administrative Officer/Secretary-Treasurer or designate shall report to the Executive Committee with respect to the recommendations for award. The Chief Administrative Officer/Secretary-Treasurer or designate shall inform the vendor of his/her right to make a deputation before the Board and shall advise the vendor who to contact at the TRCA for further information on the deputation process. Upon hearing the deputation and considering the staff report, the Executive Committee shall make a recommendation to the Authority with respect to the award.

1.14 Non - Competitive Procurement Process

A non-competitive procurement process shall only be used if one or more of the following conditions apply and a process of negotiation is undertaken to obtain the best value in the circumstances for the TRCA. Authorized Buyers are authorized to enter into negotiations without formal competitive bids, under the following circumstances:

1. The goods and services are only available from one source or one supplier by reason of:
 - A statutory or market based monopoly
 - A fluctuating market prevents the TRCA from obtaining price protection or owing to market conditions, required goods or services are in short supply
 - Existence of exclusive rights (patent, copyright or licence)
 - Need for compatibility with goods and services previously acquired and there are no reasonable alternatives, substitutes or accommodations
 - Need to avoid violating warranties and guarantees where service is required
2. An attempt to purchase the required goods and services has been made in good faith using a competitive method and has failed to identify a successful supplier.
3. When the extension or reinstatement of an existing contract would prove most cost-effective or beneficial. The extension shall not exceed one year.
4. The goods and services are required as a result of an emergency, which would not reasonably permit the use of the other methods permitted.
5. The required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience that cannot be provided by any other supplier.
6. Any other sole or single source purchase permitted under the provisions of this policy including those noted in Schedule 'B'.

1.15 Cooperative Purchasing

The Chief Administrative Officer/Secretary-Treasurer or designate may enter into arrangements with other public bodies on a co-operative or joint venture basis where there are economic advantages and where the best interests of the TRCA would be served in so doing; providing that under such arrangements the method of acquisition used is a competitive method similar to that described in this policy; and the awarding and reporting of such contracts is in accordance with the authorization and limits set out in this policy.

1.16 Vendor Sureties and Performance

TRCA reserves the right to request surety deposits and to determine the form and amount.

The Chief Administrative Officer/Secretary-Treasurer or designate shall maintain records relating to vendor performance or non-performance. The information shall be used to supplement a pre-qualification process, to justify an award to other than the low bidder where it can be demonstrated that such records are part of the evaluation process and criteria or to ensure contract compliance

1.17 Sustainability Requirements

In accordance with its mandate and vision, the TRCA employs leading edge “sustainability” standards in purchasing. The TRCA approach is two-pronged, involving mandated purchase of certified products where approved under the Sustainability Management System, and encouraging consideration of a product or company’s environmental and/or sustainability performance in areas not prescribed under the first designation.

As a minimum, Authorized Buyers must follow the *Mandatory Green Product Procurement Listing* for purchases of products contained in that listing, and for other products and services, other procurement related SMS policies including green energy, facility upgrades to meet LEED certification or other criteria, and green fleet policy. SMS procurement requirements must be met unless the expressed consent of the Chief Administrative Officer/Secretary-Treasurer or designate is obtained and rationale for variance is recorded.

For products not included in the *Mandatory Green Product Procurement Listing*, purchasers must consider the following in their product purchases as per recommendations made in the GIPPER (Governments Incorporation Procurement Policies to Reduce Refuse) Guide to Environmental Purchasing:

- a. Limited packaging
- b. Recycled content
- c. Locally sourced
- d. Non-toxic
- e. Energy efficient
- f. Recyclable or reusable at end of life span
- g. Is the product really needed

In addition, the TRCA will consider corporate sustainability and evidence thereof in awarding consulting and other contracts. Authorized Buyers should consider any or all the following:

- a. Evidence of social performance, globally, nationally and locally
- b. Evidence of corporate environmental stewardship
- c. Evidence of proficiencies in delivering sustainable solutions
- d. Experience in delivering sustainable solutions

1.18 Disposal of Goods

The Chief Administrative Officer/Secretary-Treasurer or designate is authorized to dispose of surplus or obsolete goods (except those goods covered by the TRCA De-accession Policy) by using them in other departments or, if no longer useful for TRCA purposes, arranging for their disposal in a cost effective and efficient manner and on such terms as are likely to achieve the highest net revenue or benefit or the reduction or avoidance of net cost from the disposition.

The Chief Administrative Officer/Secretary-Treasurer or designate shall prescribe any forms and maintain records of such dispositions.

All goods of the TRCA, that have become surplus to its needs are to be disposed of by public auction, trade-in, exchange, quotation or such other methods as may be approved by the Chief Administrative Officer/Secretary-Treasurer.

The opportunity to purchase surplus goods may be given to other public agencies in such manner as may be prescribed by purchasing procedures.

Authorization and limits shall be in accordance with Schedule 'A'.

1.19 Disposal of Real Property

The TRCA purchasing policy does not apply to the disposal of real property. The TRCA policy and procedures governing the disposal of TRCA land and real property shall apply.

1.20 Revenue from Use or Sale of other Assets

The TRCA purchasing policy applies to revenue generating contracts including but not limited to the use of TRCA land to deposit soil and the sale of TRCA timber rights and gravel deposits in which case the vendor whose bid or proposal meets terms and conditions and offers the highest dollar value will be selected. The purchasing objectives, processes, methods, authorities and limits outlined in this policy and Schedule 'A' apply.

1.21 Prohibitions and Ethics

No personal purchases shall be made for any employee or Authority member unless specifically authorized by the Authority.

No employee, or Authority member, shall purchase goods and services on behalf of the TRCA except as may be provided for in this policy.

No employee, or Authority member, shall be permitted to supply goods and services to the TRCA unless specifically authorized by the Authority.

No employee, or Authority member, shall bid on the sale of goods except those disposed of by public auction.

No requirement for goods or services shall be divided to avoid the requirements of this policy.

Vendors retained to prepare specifications for goods or services shall not be permitted to respond to a request for quotations, tenders or proposals on those services. This does not preclude a vendor from providing other assistance to the TRCA by way of contract compliance or administration.

TRCA Code of Conduct shall apply to this policy.

1.22 Review of Purchasing Policy and Implementation of Administrative Procedures

The Chief Administrative Officer/Secretary-Treasurer or designate shall undertake a comprehensive review of this policy at least every five (5) years and report to the Authority accordingly.

The Chief Administrative Officer/Secretary-Treasurer or designate shall prepare, maintain and approve administrative procedures to implement this policy.

SCHEDULE 'A'

PURCHASING METHODS, LIMITS AND AUTHORIZATION

<u>PURCHASING METHOD</u>	<u>LIMITS</u>	<u>AUTHORIZATION TO AWARD</u>
Request for Tender – See 1.4	Over \$200,000 \$100,000 - \$200,000	Authority Executive Committee
Request for Quotation – See 1.4 Informal Request for Quotation – See 1.4	Up to \$100,000 Up to \$10,000	Chief Administrative Officer/ Secretary-Treasurer or designate
Request for Proposal – See 1.4	Over \$200,000 \$100,000 - \$200,000 Up to \$100,000	Authority Executive Committee Chief Administrative Officer/ Secretary-Treasurer or designate
No requirement for competition but best value to be obtained – See 1.3	Up to \$1,000	Chief Administrative Officer/ Secretary-Treasurer or designate
Non Competitive Procurement (Sole source/ Negotiation) – See 1.14 Note: In the case of an emergency over \$50,000 the Chief Administrative Officer/Secretary-Treasurer is authorized to act immediately and report to the Executive Committee at the earliest opportunity	Over \$200,000 \$50,000 - \$200,000 Up to \$50,000	Authority Executive Committee Chief Administrative Officer/ Secretary-Treasurer or designate

<u>ACCEPTABLE BID OR PROPOSAL</u>	<u>LIMITS</u>	<u>AUTHORITIES</u>
Lowest acceptable bid or highest ranked proposal not being accepted for any reasons other than those specified in 1.8	Over \$200,000 \$50,000 - \$200,000 Up to \$50,000	Authority Executive Committee Chief Administrative Officer/ Secretary-Treasurer or designate

<u>DISPOSAL OF GOODS</u>	<u>LIMITS</u>	<u>AUTHORITIES</u>
Value of items (estimated market value at time of disposal)	Over \$200,000 \$50,000 - \$200,000 Up to \$50,000	Authority Executive Committee Chief Administrative Officer/ Secretary-Treasurer or designate

Notes and interpretations:

1. In accordance with Section 1.3 Authorization and Limits, the Chief Administrative Officer/Secretary-Treasurer or designate shall maintain a list of designated employees and their respective authorities and limitations.
2. If the lowest acceptable bid as a result of a Request for Tender is less than \$100,000, authorization for the award shall still be made by Executive Committee.
3. If the lowest acceptable bid as a result of a Request for Quotation is more than \$100,000 authorization for award shall be made by Executive Committee.

SCHEDULE 'B'

GOODS AND SERVICES NOT SUBJECT TO THIS POLICY

The following items are not subject to this policy. Unless otherwise stated in this policy or any administrative procedures, a purchase order is not required to process payment. Sole source vendors are subject to the provisions of the purchasing policy and the issuance of a purchase order. The items listed here are subject to such other policies, procedures and approvals as TRCA requires.

1. Utilities

Electricity
Water and sewage charges
Natural gas
Basic telephone/data/internet/long distance service
Basic television cable service

2. Training and Education

Membership fees-Professional Associations
Magazine and Periodical Subscriptions
Training Registration (except where bulk training is arranged through a bidding process)
Conferences and Seminars

3. Refundable employee expenses

Meal allowances
Travel and transportation expenses
Promotional allowance
Hotel accommodations
Mileage

4. General Expenses

Property Taxes
Postage (Canada Post)
Licenses, e.g. vehicles
Charges to or from other government agencies including contracts with Federal, Provincial or Municipal governments Agencies, Boards, Commissions
Grants to organizations
Land purchases/expropriation
Land registry fees
Refunds
Legal settlements
Grievance payments
Experts and witnesses for civil actions or administrative hearings
Arbitrators and Mediators
TRCA catered functions and accommodations

5. Petty cash replenishment

6. Payments to past and current employees

All salaries, wages and benefits due to any person in the employ of the TRCA.

All retirement allowances and other mandatory payments due to any person previously in the employ of the TRCA.

7. Government payments

All accounts for fees and levies payable to the federal, provincial or other municipal government, or to any agency, board or commission thereof.

8. Debt

All accounts for payments of principal or interest on debentures, loans or overdrafts, including foreign exchange in accordance with TRCA investment policy.

9. Pension deductions and contributions

All accounts relating to employee pension deductions and employer pension contributions in respect of the salaries and wages to those persons who are paid by or employed by the TRCA, and which are payable in respect of any duly authorized registered pension plan on behalf of the respective employee.

10. Handmade products produced by TRCA employees for sale at TRCA gift shops .

11. Research and special projects undertaken by qualified Community College/University staff and/or students acting on behalf of their respective institution.

SCHEDULE 'C'

ADDITIONAL PURCHASING POLICIES ADOPTED BY THE AUTHORITY FROM TIME TO TIME

<u>POLICY DESCRIPTION</u>	<u>DATE OF APPROVAL</u>

RES.#C38/05 -

OFFICE ACCOMMODATION

Approval to Lease Additional Office Space from Park Downsview Park Inc.. Approval to enter into a lease of additional office space at 70 Canuck Avenue, Downsview Park, subject to terms and conditions satisfactory to the Toronto and Region Conservation Authority and its solicitors.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Toronto and Region Conservation Authority (TRCA) enter into a lease of additional office space at 70 Canuck Avenue, Downsview Park, subject to terms and conditions satisfactory to TRCA and its solicitors;

AND FURTHER THAT staff be directed and authorized to take such action as is necessary to implement the lease including the signing of documents.

CARRIED

BACKGROUND

At Authority Meeting #4/04, held on April 30, 2004, Resolution #A112/04 was approved as follows:

THAT the Toronto and Region Conservation Authority (TRCA) enter into a lease with Parc Downsview Park Inc. (Downsview Park) and Her Majesty The Queen in Right of Canada Represented Herein By The Department of National Defence (DND), for office space located at 70 Canuck Avenue, City of Toronto;

THAT the term of the lease be for 60 months (five years);

THAT the payment be \$8.50 per useable square foot for the first 12 months and \$14.50 per useable square foot for the remaining 48 months, paid on a monthly basis inclusive of all real estate taxes, maintenance and utilities exclusive of hydro;

THAT the agreement be subject to the other terms and conditions of the lease being satisfactory to the TRCA staff and solicitors;

AND FURTHER THAT the appropriate TRCA officials be authorized and directed to execute all necessary documents.

TRCA leases 10,000 square feet of office space from Parc Downsview Park Inc. (PDP) at 70 Canuck Avenue. Currently, about 48 staff occupy the entire 2nd floor (top floor) and the west half of the main floor at 70 Canuck Avenue. The terms of the lease provided the TRCA a first right of refusal / option on the east half of the main floor at 70 Canuck Avenue to allow for future growth. It is proposed to exercise TRCA's right to lease the remaining 4,800 square feet of useable space on the main floor.

The additional space is required to complete the relocation of staff from Head Office in order that the remaining space at Head Office can be used more effectively and organized to reflect the recent corporate restructuring. Staff would like to have the lease in place July 1, 2005.

Terms of the proposed lease include:

- the term for the additional lease will coincide with the end of the term for the current lease (July 11, 2009);
- TRCA will have the ability to sub lease;
- PDP will arrange for contracts to upgrade the additional space per the office layout and specifications provided by TRCA;
- TRCA to front end the costs of the upgrades and recover this amount through the applicable rent reduction; and,
- additional storage space will be available to TRCA in the basement.

Staff anticipate that details of the lease, terms and conditions satisfactory to staff, will be available at Authority Meeting #5/05, to be held on June 24, 2005. Staff propose to advise the Authority of the recommended lease, terms and conditions at that time and confirm that staff have authority to implement the lease.

Report prepared by: Ron Dewell, extension 5245

For Information contact: Ron Dewell , extension 5245

Date: May 18, 2005

RES.#C39/05 - STAFF ORGANIZATIONAL STRUCTURE

Division Names. Approval of division names under the approved organizational structure.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the division names contained in Toronto and Region Conservation Authority's (TRCA) staff organizational structure be approved.

CARRIED

BACKGROUND

At Authority Meeting #10/04, held on November 26, 2004, Resolution #A316/04 was approved as follows:

THAT three new Director level positions be established to provide leadership in the areas of Development Services, Ecology and Community Services to complement the existing positions of Director, Watershed Management, Director, Finance and Business Development and Executive Director, The Conservation Foundation of Greater Toronto.

Further, at Authority Meeting #2/05, held on March 11, 2005, Resolution #A32/05 was approved as follows:

THAT the organization structure as adopted at Authority Meeting #10/04 be amended by deleting the position of Director, Community Services and replacing it by Director, Conservation Parks and Director, Restoration Projects.

RATIONALE

After the current organizational structure was approved, senior management consulted with staff on the division names to ensure that the names properly reflect the work being conducted within the division, and that are meaningful throughout the industry. As a result of this discussion, the following division names and Director titles are being recommended by staff:

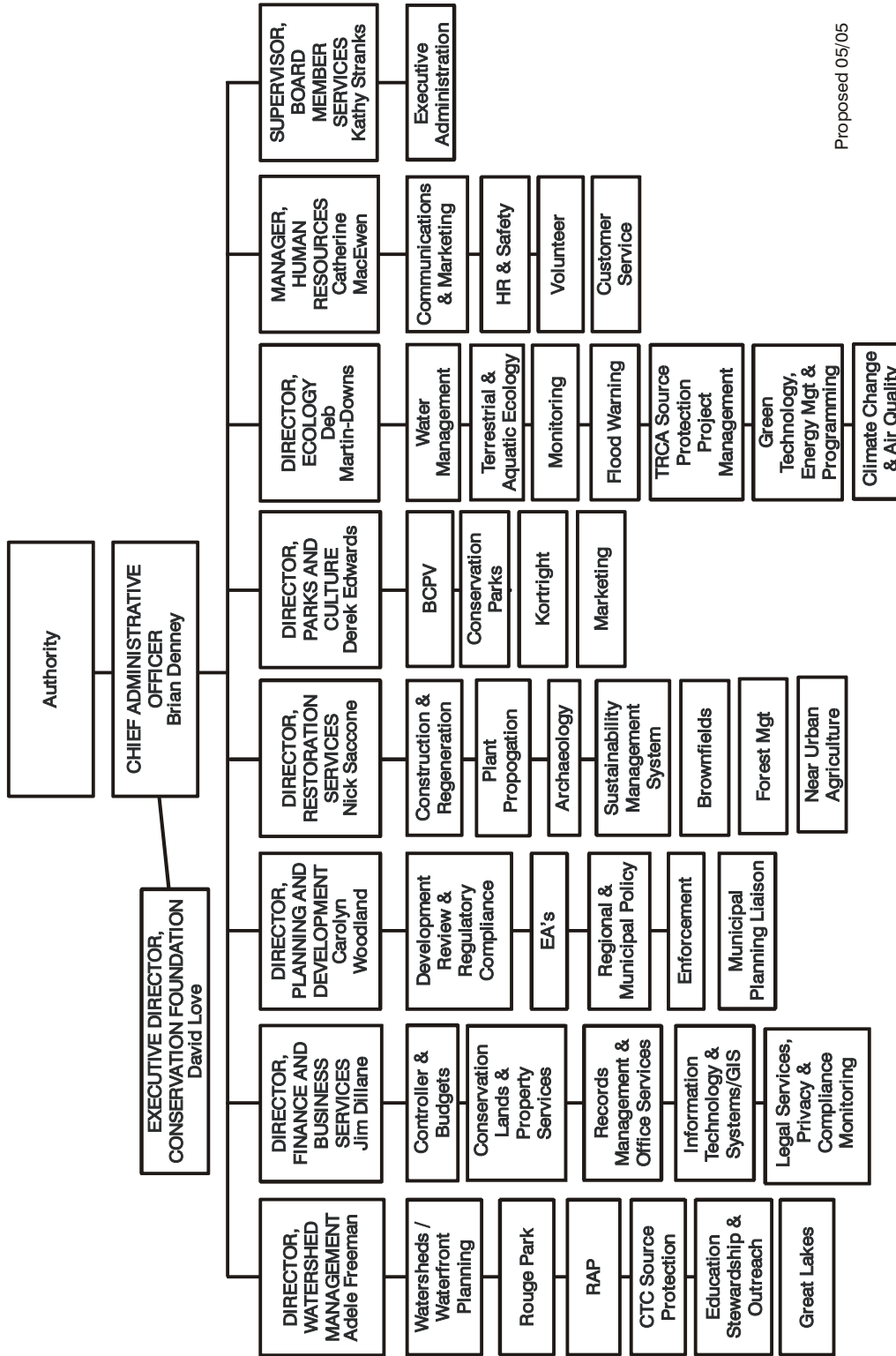
Proposed	Current
Ecology: Director - Deb Martin-Downs	Ecology
Finance and Business Services: Director - Jim Dillane	Finance and Business
Development	
Parks and Culture: Director - Derek Edwards	Conservation Parks
Planning and Development: Director - Carolyn Woodland	Development Services
Restoration Services: Director - Nick Saccone	Restoration Services
Watershed Management: Director - Adele Freeman	Watershed Management

The overall structure with the proposed names is outlined in Attachment 1.

Report prepared by: Kathy Stranks, extension 5264
For Information contact: Brian Denney, 416-667-6290
Date: May 24, 2005
Attachments: 1

TRCA STAFF STRUCTURE

Proposed - May 2005



Proposed 05/05

RES.#C40/05 - 2005 CORPORATE COMMUNICATIONS PLAN
Implementation Plan. Implementation plan and measureables for the 2005 corporate communications objectives.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the 2005 Corporate Communications Implementation Plan for Toronto and Region Conservation Authority (TRCA) be approved.

CARRIED

BACKGROUND

At Authority Meeting #2/05, held on March 11, 2005, Resolution #A44/05 was approved as follows:

THAT the 2005 corporate communications objectives for Toronto and Region Conservation Authority (TRCA) be approved;

THAT a broader partnership base be pursued with more than one media outlet;

THAT staff liaise with municipal media relations personnel on the potential for cross promotion opportunities and to further TRCA's connections with local media outlets;

AND FURTHER THAT staff report back with an implementation plan, including measureables.

RATIONALE

The 2005 Corporate Communications Implementation Plan recommendations support the objectives outlined in the Communications Plan approved at the March 11, 2005 Authority meeting. The implementation plan outlines in detail the initiatives in 2005 to support The Living City strategic plan, the fundraising objectives of The Conservation Foundation of Greater Toronto, and the public education and advocacy of our programmes concerning Climate Change. One key change in our approach is the use of an external spokesperson, Mark Cullen, to increase our reach to people in the Toronto region. In addition, we will be seeking media partnerships in print, radio and tv and exploring joint messaging opportunities with our municipal partners.

FINANCIAL DETAILS

The financial impact is \$44,413 for the additional costs of this implementation plan beyond the staff costs and that of TRCA's media consultant, Brown and Cohen. All costs are within various business units approved 2005 budgets.

Report prepared by: Deanne Rodrigue, extension 5359
For Information contact: Deanne Rodrigue, extension 5359
Catherine MacEwen, extension 5219

Date: May 24, 2005
Attachments: 1

Attachment 1

2005 COMMUNICATIONS OBJECTIVES WORKPLAN

OBJECTIVE #1 : Increase awareness of The Living City (The Living City) among all of our target audiences			
Initiative	Activity	Due Date	Budget
1. Produce The Living City two-page overview. Completed		1-Feb	\$600
2. Meet with business unit managers and define business unit communication needs. Completed		1-Feb	Allocated Staff Time
3. Inform and inspire staff on The Living City with a presentation to be given by business unit managers to their staff. Tie into the release of the strategic plan if possible.	Develop PowerPoint presentation	22-Jul	Allocated Staff Time
<i>Impact: staff fully understand The Living City vision and how their jobs support that vision, thereby obtaining greater buy in which will result in dissemination of a clear and concise message. Check for staff understanding at staff meetings.</i>	Produce strategic plan	1-Sep	\$13,480
4. Restructure the Kortright Centre e-bulletin to become The Living City bulletin for fall launch.	Develop and implement The Living City e-bulletin plan, and design new look	30-Aug	\$1,200
<i>Impact: increase subscriber base from 4,000 to 8,000 in first year. Our audience is more aware of TRCA projects that support our vision.</i>	Launch The Living City e-bulletin	5-Sept	Allocated Staff Time
5. Produce and distribute The Living City press kit - National Environmental week June 6 to 10	Compile copies of prominent media coverage	20-May	Allocated Staff Time
<i>Impact: Media become aware of our vision and key newsworthy projects. Increased coverage on key TRCA initiatives and interviews with experts is realized. Focus on local media, radio and community news and dailies (Star and Globe)</i>	Obtain testimonials (Mark Cullen / TRCA staff /volunteer / industry expert / quote extracted from media coverage). Develop press kit, distribute & conduct followup.	3-Jun	\$200
6. Generate discussion about The Living City. Identify The Living City spokesperson and position him/her to speak on key living city messages. Mark Cullen will sign Memorandum of Understanding May 31.	Secure Mark Cullen as The Living City spokesperson	31-May	Allocated Staff Time

<i>Impact: Key TRCA experts are well positioned and ready to be called upon to speak about relevant issues such as climate change and water quality / quantity (source protection planning). Success measures include number of interviews and expert feedback on process.</i>	Develop The Living City messaging and positioning of Mark Cullen	1-June	Allocated Staff Time
	Identify other TRCA spokespeople for water quality / climate change and conduct media training	1-Aug	Allocated Staff Time
7. Build a strategy for long-term coverage of the Toronto region's environmental performance. Look at the concept of The Living City Outlook quarterly to support The Living City Report Card and attract frequent media stories.	Develop project charter to define the mandate of project, describe approach and deliverables	31-Aug	Allocated Staff Time
<i>Impact: Viability of producing The Living City Outlook is determined. The outlook would provide a medium to reach people who are interested in the environment, thereby increasing the profile of our programs/projects and gaining greater support.</i>	Research publications that may be accomplishing similar mandate, source media partnerships and opportunities to involve opinion leaders	28-Oct	Allocated Staff Time
	Develop project analysis / plan to determine if it is a viable project	30-Nov	Allocated staff Time
8. Identify two living city success stories e.g. Great Canadian Shoreline Cleanup, tree plantings, the city of rivers etc. and tie into a fundraising campaign. Build publicity and pursue fundraising opportunities around it.	Develop story to support the Conservation Foundation's direct mail fundraising campaign	15-Aug	Allocated Staff Time
<i>Impact: Donations increase by 10% over fall 2004 campaign. Media coverage is received from story development and public service announcement's (PSA's).</i>	Develop media strategy including media packages. Mark Cullen to endorse campaign with PSA's, conduct media followup	2-Sep	\$1,750
	Develop direct mail campaign, collateral and online elements	2-Sep	\$1,000
	Campaign launch (mail drop)	5-Sep	Allocated Staff Time

9. Partner with PowerStream to deliver a conference to support their Conservation Demand Side Management programs and TRCA's programs (i.e. energy conservation, The Living City Programs). Location: Kortright Centre Completed.	Media relations	19-Apr	\$800
<i>Impact: Leadership development of 140 of PowerStream's customers (commercial business managers, facility managers, architects, developers, consultants) on energy conservation. PowerStream customers have adopted improved energy conservation approaches.</i>	Printed material	19-Apr	\$8,383

OBJECTIVE #2 : Raise awareness of the human health and nature connection, thereby increasing interest and involvement in TRCA events and facilities. Key messages re: water quality and climate change

Initiative	Activity	Due Date	Budget
1. Develop a strategy to produce and brand four seasonal recreation events. Find synergies across TRCA programs to gain maximum impact of these events. Messaging: focus on family health and wellness, and improving quality of life.	Plan and develop themes: fall theme: hiking winter theme: skiing / snowshoeing	5-Aug 7-Oct	Allocated Staff Time
<i>Impact: increase attendance to facilities by 5%; increase awareness of health / nature connection thereby increasing revenue.</i>	Explore partnership / sponsorship opportunities to help brand the event / activity and increase reach. Explore media partnerships.	Fall: 5-Aug Winter: 7-Oct	Allocated Staff Time
	Develop, design and print promotional material and distribute with web site support.	Fall: 19-Sep Winter: 16-Dec	\$6,000
	Develop and distribute media package and conduct media follow- up	Fall: 16-Sept Winter: 13-Dec	\$500
2. Educate our audiences on the importance of water quality/quantity as it relates to human health.	Conduct research on water quality/quantity as it relates to human health.	29-Jul	Allocated Staff Time

<i>Impact: Increased awareness about water quality / quantity and the benefits/ impacts to human health among community members / farmers, thereby increasing response to other initiatives when we roll them out i.e. Healthy Yards Program, Rural Clean Water Program.</i>	Package our research findings, develop key messages.	16-Sept	Allocated Staff Time
	Develop communications around TRCA drinking water source protection plans and use TRCA experts with media. Poll TRCA website visitors; create content on web. Leverage opportunities with municipal partners / media contacts.	30-Nov	\$1,000
3. Educate our audiences on the importance of climate change as it relates to human health.	Conduct research on climate change as it relates to human health.	31-Aug	Allocated Staff Time
<i>Impact: Increased awareness among business professionals and industry about key climate change issues and the impacts to human health, thereby increasing partnership potential / funding for our programs when rolled out.</i>	Package our research findings and develop key messages. Highlight TRCA's work to slow climate change	30-Sept	Allocated Staff Time
	Develop communications around climate change and use TRCA experts with media. Poll TRCA website visitors; create content on web. Leverage opportunities with municipal partners / media contacts	14-Dec	\$1,000
4. Work with the Don watershed group to promote The Don River Retrospective: a look at the past 25 years and what's in store for the future of the Don. Launch Rouge Integrated Watershed Plan.	Meet with Director, Watershed Management to determine status of partnership with Pollution Probe and scope of project	15-Jun	Allocated Staff Time

<i>Impact: Increase awareness of TRCA efforts on the Don. Greater participation from community members and businesses, furthering our watershed goals.</i>	Determine what products will be developed for this initiative to highlight the Lower Don Environmental Assessment and the work on the Mouth of the Don. Develop media story; implement around an event to maximize media exposure	tbd	Allocated Staff Time
5. Launch Rouge Integrated Watershed Plan	Design and produce watershed plan	15-Sep	Allocated Staff Time
<i>Impact: Increase awareness of Rouge watershed, furthering watershed goals.</i>	Develop and distribute media material, conduct followup	15-Sep	Allocated Staff Time

OBJECTIVE #3 : Increase donor support for The Living City vision and provide support to Conservation Foundation Corporate Cabinet to sell the vision.

Initiative	Activity	Due Date	Budget
1. Provide the tools to the Conservation Foundation Corporate Cabinet to help them make their pitch.	Produce The Living City two page overview. Completed.	Feb	Allocated Staff Time
<i>Impact: Corporate Cabinet is able to sell the vision more effectively. Greater donor support is realized. Measurement is cabinet satisfaction with brochure.</i>	Produce the TRCA generic brochure. Completed.	Apr	\$2,000
	Design and print a leave behind brochure which focusses on top fundraising priorities: education, reforestation and The Living City Centre	30-June	\$2,000
	Develop a one minute video presentation to help sell The Living City vision. Shows people interacting with nature and kids involved in our programs, etc.	29-Jul	\$2,000
	Develop media strategy for the foundation for the last 6 months of 2005	1-Jul	Allocated Staff Time
2. Work with the foundation to plan and execute a successful Sauriol Dinner fundraiser and look at opportunities to cultivate donors around this event.	Maximize opportunities for promotion of the event via the web site. Encourage donors to give online	15-Jul	Allocated Staff Time

<i>Impact: Money raised increases by 10% over last year.</i>	Craft a special invitation to the VIP reception which will be sent to high level prospective donors. Look for partnerships to raise the profile	16-Sep	\$300
	Develop, produce and distribute promotional material for the event	21-Oct	\$2,000
	Develop, produce and distribute media package and conduct media follow up	21-Oct	\$200
3. Develop a plan to leverage existing and cultivate new relationships with top donors. Build the communications arsenal by enlisting new fundraising volunteers. Plan and implement a networking / recruitment event (ie. networking breakfast series).	Source high profile participants for a recruitment event. Involve Mark Cullen in the event program	15-July	Allocated Staff Time
<i>Impact: achieve greater support and \$ for the foundation.</i>	Develop and pitch the compelling story that will entice them to donate	15-Aug	Allocated Staff Time
4. Take steps to build a ranking system to report back to donors and the broader public on where their money is being spent.	Introduce a new online tool that will measure campaign success and inspire greater giving	31-Aug	Allocated Staff Time
<i>Impact: donors are able to see where their money is being spent.</i>			
Total			\$44,413.00

RES.#C41/05 - RELIGIOUS OBSERVANCE POLICY
Approval of policy on religious holidays to support diversity initiatives.

Moved by: Rob Ford
Seconded by: Bill O'Donnell

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Toronto and Region Conservation Authority (TRCA) Religious Observance Policy be approved as follows:

"When an employee requests time off during regular working hours to observe a holy day, TRCA will make reasonable efforts to accommodate the request by allowing up to 3 unpaid days off or use of lieu time or vacation equivalent."

AMENDMENT
RES.#C42/05

Moved by: Rob Ford
Seconded by: Bill O'Donnell

THAT the policy cited in the main motion be amended to read:

"When an employee requests time off during regular working hours to observe a holy day, TRCA will make reasonable efforts to accommodate the request by allowing up to 3 unpaid days off per year or use of lieu time or vacation equivalent."

THE AMENDMENT WAS CARRIED

THE MAIN MOTION, AS AMENDED, WAS CARRIED

BACKGROUND

Under the Ontario Human Rights Code (hereafter "Code"), discrimination based on religion is against the law. Everyone should have access to the same opportunities and benefits and be treated with equal dignity and respect, regardless of their religion. At TRCA, we have an informal policy allowing people to take days off for religious purposes. Staff is proposing this new policy to ensure there is consistency in the application across TRCA.

Religion includes the practices, beliefs and observances that are part of a faith or religion. It does not include personal moral, ethical or political views nor does it include religions that promote violence or hate towards others, or that violate Canadian criminal law.

TRCA wishes to provide a workplace that is free from discrimination based on an employee's religion, therefore TRCA is proposing the following policy guidelines with respect to the accommodation of religious observances related to a persons creed.

Procedures

1. Individuals who seek accommodation must speak with their immediate supervisor and provide details of the requirement of accommodation for religious observances.

2. Accommodation for time off for religious observances will be provided for a minimum of three religious days. Employees who require days off for religious observance may utilize vacation time / lieu time / unpaid days.
3. Each employee is required to provide one weeks notice to put their request in writing so that it may be reviewed and maintained in the employee file.
4. The employee must explain why the accommodation is required and must allow a reasonable time for reply by the supervisor.
5. Responses will be provided to the employee by the supervisor within 2 business days with an explanation of what measures of accommodation are required.

For accommodations that are anticipated on a regular annual basis, two weeks notice to the supervisor is required.

Requests related to the observance of religious practices will be granted. However, the employee making the request is expected to be flexible, realistic and prepared to consider alternatives. Successful working conditions and relationships depend on successful communication. Not only do employees need to stay aware of changes, procedures, policies and general information, employees also need to communicate ideas, suggestions, personal goals and problems as they affect their work and allow supervisors to accommodate properly.

Supervisors will work with the employee to establish reasonable accommodation that is acceptable to both parties. Options like flex time could be adopted for prayers and fasting.

Employees are encouraged to discuss with Human Resources if there are any issues or concerns.

Other areas of potential accommodation include allowing the employee a private area for religious observance during the day, flexible department times during religious periods and alternative food arrangements for official TRCA events and meetings if available and reasonable.

FINANCIAL DETAILS

Since the policy relates to time off using vacation, lieu time or unpaid days, there are no financial impacts.

Report prepared by: Catherine MacEwen, extension 5219
For Information contact: Catherine MacEwen, extension 5219
Date: May 24, 2005

RES.#C43/05 -

SECONDMENT POLICY

Approval of the Secondment Policy for Toronto and Region Conservation Authority (TRCA) employees going to other organizations and for employees of other organizations coming to TRCA.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Secondment Policy be approved as follows:

"Employees are encouraged to seek secondment opportunities in and outside of Toronto and Region Conservation Authority (TRCA) as part of their professional development. Managers are encouraged to support such secondments when such a move contributes to the TRCA's greater good.

That managers shall seek secondment arrangements with partners where external resources can be effectively seconded into TRCA on a temporary basis in the mutual best interests of both organizations".

CARRIED

BACKGROUND

TRCA with our partnership organizations have entered into secondment agreements with our respective staffs on an adhoc basis. These policies and procedures are proposed to ensure consistency and understanding on how a secondment agreement should proceed, what employees should expect and the benefits to both organizations and staff.

The Secondment Procedures

The secondment of staff into or out of Toronto and Region Conservation Authority (TRCA) must be arranged for the greater good of the organization and our employees. The Secondment Policy addresses both the situation where an employee wishes to be seconded to another organization and the where TRCA wishes to second someone in or out of the organization.

Scenario One

The employee is with TRCA and is seconded either internally to another department or externally to another partnership organization.

TRCA encourages the use of career development tools like secondments to increase our influence with partners, increase the competencies of our staff and meet the short term needs of the organization for a talent "injection" at critical times.

The Procedures for Scenario One

An employee can apply for a position in or outside of TRCA on a short term basis, usually 3 to 12 months. Any secondment request of greater than 12 months should be considered a permanent transfer and no buy back guarantee is needed. This application is between the employee and the hiring manager and is a confidential arrangement. When the applicant receives a genuine offer, the employee is to do the following:

1. Advise the hiring manager and his or her current manager that he or she is interested in another position and that the employee is requesting that the arrangement be a secondment.

2. The two managers discuss the option and both parties must agree to the secondment arrangements. If the current manager refuses the secondment, the employee is still free to accept the new position, however there is no guaranteed buy back to the original department.
3. For most secondments, the current (sending) manager would provide a guaranteed buy-back to the employee after the secondment has ended. The “guarantee” is qualified with two conditions: first that the job or job equivalent still exists and second the employee’s performance on the job is satisfactory and not subject to disciplinary action.
4. The current (sending) manager is expected to replace the employee with a contract staff for the duration of the secondment.
5. The seconded employee remains an employee of TRCA and retains the rights and privileges of a TRCA employee including benefits, salary, vacation, the right to apply for other TRCA positions during the secondment, salary increases, etc..
6. If during a secondment period, an employee accepts another position, the secondment will be reposted, however TRCA does not guarantee a replacement employee to complete the secondment arrangement.
7. During the secondment, the employee’s salary and benefits remain as if they were an employee of TRCA. The only exception is when the hiring manager (receiving) in another organization is willing to provide a salary increment based on his or her organizational policies or if the employee is being seconded internally to a higher rated position. If the employee is seconded to a lower paying position, his or her salary remains at the current level until such time that the secondment ends.
8. To allow for planning of secondments, the employee should advise his or her immediate supervisor during the annual performance review that they are interested in a secondment and indicate his or her level of mobility. For example, if an employee is willing to accept a temporary position in the Greater Toronto Area only, in the Golden Horseshoe only, in all of Ontario or other specified locations, this should be identified on his or her performance review.
9. The returning seconded employee should be placed back into his or her original position or equivalent. If there is no formal buy back arrangement in place, or the position has disappeared, the manager will seek alternative positions for the employee or the employee may be laid off.
9. There is often a requirement for an “overlap” period between the time one employee leaves and another starts the position in a secondment arrangement. For exiting and entering employees, the standard overlap time is 2 weeks. For employees who are hired for a position and leave before the position is filled, he or she should be expected to return to the previous position to train the new employee. This agreement can be negotiated between the two managers.

10. All employees need to conform to the TRCA Code of Conduct, be covered by WSIB and comply with TRCA policies and procedures.

Scenario Two

The seconded employee is with another organization and his or her relationship with TRCA is a temporary one (one year or less) and the employee keeps his or her status as an employee of the other (sending) organization .

The Procedures for Scenario Two

1. A seconded employee from an outside organization working on TRCA property must be covered by WSIB, and have the necessary liability insurance of an outside contractor.
2. There needs to be a formal secondment arrangement, signed by both TRCA and the external organization. In most cases the seconded employee remains as an employee with the external organization and all costs including salary, benefits, vacation, travel and other disbursements are billed via an invoice to TRCA.
3. All seconded employees are expected to comply with the TRCA policies and procedures and Code of Conduct. If the external (sending) organization has similar policies and procedures, TRCA will need to be advised that there is compliance between the two organizations.
4. The seconded employee cannot be seconded for greater than 12 months.
5. The seconded employee can apply for positions in his or her organization during the secondment period.

For Both Internal and External Secondment Arrangements

The Procedures

1. Any secondment can be terminated within 2 weeks with the mutual agreement of both parties.
2. If a seconded employee accepts a permanent position in the new department or organization, he or she needs to advise the current (sending) manager of resignation of the current position and the accepting of the new position.
3. Secondment arrangements should be 12 months or less. If for extraordinary reasons, there is a need for the secondment to be greater than 12 months, the Executive Committee needs to approve the request. For secondments of 12 months or less, the approval of the Chief Administrative Officer is required.
4. Any special arrangements for an employee must be identified in the secondment arrangement including location of position, reporting structure and other terms and conditions of employment.

5. Recruitment for secondment positions should be posted, except in circumstances where that is not reasonable or recommended by the receiving and sending manager.

FINANCIAL DETAILS

The financial impacts of any secondment arrangement will be part of any TRCA budget forecast and does not represent any incremental cost amount beyond the project budgeted costs approved in the annual TRCA budget. Secondment expenses including salary and benefits will be part of the negotiated agreement and will vary on a case by case basis. It is anticipated that one or two TRCA employees per year will be involved in the secondment programme so the anticipated impact on TRCA will be minimal.

Report prepared by: Catherine MacEwen, extension 5219
For Information contact: Catherine MacEwen, extension 5219
Date: May 24, 2005

RES.#C44/05 - POLICY FOR REHIRING RETIRED/FORMER EMPLOYEES
Defining the limitations in rehiring former employees.

Moved by: Dick O'Brien
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Rehiring of Retired Employee Policy be rescinded and the following substituted:

"Retired employees cannot be rehired under contract within 12 months of their retirement date unless for extraordinary purposes and with the proper approvals. Former employees can be rehired as employees or contract staff within a year however not if the employee has received a severance package at the time of his or her departure.

All contractual extensions of employment beyond the normal retirement date must be approved by the Chief Administrative Officer and the Executive Committee."

CARRIED

BACKGROUND

From time to time, there may be a need to rehire a former or retired employee due to a short term skill shortage, the time to recruit replacement staff is lengthy or the position is being restructured in the future.

The previous policy for the rehiring of retired employees was approved in 1988 as follows:

Extension of employment beyond the normal retirement date must be approved by the Chief Administrative Officer/Secretary Treasurer and the Executive Committee on an annual basis.

The Procedures

If a manager wants to hire a retired employee within 12 months of his or her retirement date as a contract employee, the request to hire must be approved by the Executive Committee before any offer can be made. The following terms need to be met in the request:

1. The rehire is not part of a "retirement" incentive.
2. The rehire is for temporary (less than 6 months) or part time work.
3. The rehire complies with OMERS and other benefit conditions.
4. The position is a "contract" position with no benefits except WSIB coverage and 4% vacation pay.

When the former employee has resigned in the past, the rehiring does not require Executive Committee approval. When the former employee has received a severance package at the time of departure, he or she should not be rehired during the next 12 months. If the former employee has received a severance package within the last 12 months and has applied for a position, the former employee may be asked to reimburse part of that settlement as a term of future employment. No employee who has been terminated with cause should receive an offer of future employment and his or her records should state that the employee is not rehireable.

FINANCIAL DETAILS

There is expected to be very limited financial impacts and any such arrangements made would have to be under the annual budget funding umbrella.

Report prepared by: Catherine MacEwen, extension 5219
For Information contact: Catherine MacEwen, extension 5219
Date: May 24, 2005

RES.#C45/05 - ACCOUNTS RECEIVABLE STATUS REPORT
May 20, 2005. Staff report on accounts receivable, as of May 20, 2005.

Moved by: Bill O'Donnell
Seconded by: Peter Milczyn

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the Accounts Receivable Status Report, as of May 20, 2005, be received;

AND FURTHER THAT the amount due from Robertson Gaze Associates Inc. be written off.

CARRIED

RATIONALE

The schedule below summarizes the status of receivables, including aging and classification. The schedule excludes \$13,289 in accumulated interest arrears on invoices outstanding for more than 30 days.

ACCOUNTS RECEIVABLE AGING, BY CATEGORY
(Excluding Municipal Levy and MNR Grant - As at May 20, 2005)

	CURRENT	31 TO 60 DAYS	61 TO 90 DAYS	90 PLUS DAYS	TOTAL	%
SCHOOLS AND SCHOOL BOARDS	110,033	16,130	156	576	126,895	18.9%
GOVERNMENT	129,204	59,038	80,550	36,157	304,949	45.4%
DEVELOPMENT SERVICES	2,500	-	750	83,650	86,900	12.9%
CORPORATE, INDIVIDUAL AND COMMUNITY GROUPS	72,287	20,243	54,242	6,448	153,220	22.8%
TOTAL	314,024	95,411	135,698	126,831	671,964	100.0%
% OF TOTAL	46.7%	14.2%	20.2%	18.9%	100.0%	

Items in excess of \$1,000.00 included in the 90-plus-days column, are as follows:

CLIENT NAME	AMOUNT \$	ARREARS INTEREST \$	AGE (DAYS)	NOTES
City of Vaughan	15,300.00	n\a	140	Archaeological investigation.
Fred Robbins	1,250.00	116.81	201	For cross country run at Albion Hills.
Region of York	15,000.00	n\a	103	"YDSS" coordinator salary recovery.
Richmond Hill	2,846.25	174.64	140	Supply of planting materials.
Basciano Parkin Ltd.	2,000.00	321.08	302	Planning fees.
Brutto Consulting Ltd.	7,500.00	823.83	229	Planning fees.
	3,000.00	280.34	201	Planning fees.
Glen Pietrowski	10,000.00	1,264.92	266	Planning fees.
Ron Witton	7,000.00	1,003.72	275	Planning fees.
KLM Planning	2,000.00	391.24	371	Planning fees.
	20,000.00	2,867.80	275	Planning fees
Rice Development Group	20,000.00	913.57	103	Planning fees
Robertson Gaze Associates Inc.	4,621.56	1,887.33	707	For planting materials. Company has advised that it is insolvent and cannot make payment. Account sent for collection.
TOTALS	110,517.81	10,045.28		

The amount due from Robertson Gaze Associates Inc., \$4,621.56, is no longer considered collectible. The original invoice for plant material was dated June 13, 2003. In October 2003, the company advised that it was insolvent and was discontinuing operations. The account was sent for collection in October 2004. The collection agency advises that the likelihood of recovery is minimal and advises against any further action. The Toronto and Region Conservation Authority (TRCA) Accounts Receivable policies require that write-offs be approved by the Executive Committee, but since the Business Excellence Advisory Board meeting is to be held one week after the June Executive Committee meeting, the write-off is being recommended to the Authority.

The outstanding accounts for planning fees are deemed to be collectible. Most of these accounts occurred as the TRCA transitioned to the new fee schedule. Some smaller accounts have been written off in accordance with the policy. Collection of planning fees has improved and staff does not anticipate that this list of problem accounts will grow significantly. Staff believes that there is still some leverage available to deal with these outstanding accounts.

In May, the two Weston Consulting invoices totaling \$30,000 were paid. The amount from Rice Development Group, \$20,000, is a recent addition to the 90-day plus list.

All other amounts listed above are considered collectible at this time.

Receivable balances, as reported on each of the previous reports to the advisory board, after 2000, are presented as follows:

DATE	Total \$	90-Plus \$
May 20, 2005	671,964	126,831
March 31, 2005	841,871	183,755
February 15, 2005	699,123	189,490
December 30, 2004	1,935,416	245,815
October 25, 2004	1,127,102	180,891
September 28, 2004	876,800	187,754
September 3, 2004	936,923	197,539
May 17, 2004	1,018,188	129,505
February 17, 2004	1,386,809	178,370
January 7, 2004	1,064,464	45,382
November 2, 2003	951,999	101,194
August 24, 2003	768,825	125,803
May 25, 2003	445,116	168,327
March 2, 2003	709,807	141,313
October 20, 2002	774,831	46,237
August 25, 2002	326,529	109,560
May 26, 2002	658,514	201,158
January 31, 2002	585,736	64,259
December 30, 2001	1,078,071	38,666
October 23, 2001	350,385	106,343
August 27, 2001	371,985	17,153
May 25, 2001	1,132,443	44,810
March 26, 2001	621,560	167,094

Report prepared by: Rocco Sgambelluri, extension 5232
For Information contact: Rocco Sgambelluri, extension 5232
Date: May 24, 2005

RES.#C46/05 - **WILD WATER KINGDOM**
Extension of Outstanding Rent Payment. Request from Wild Water Kingdom to extend to July 30, 2005, a portion of outstanding rent payment.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the request from Wild Water Kingdom that the outstanding rent and other payments be paid on the basis of \$100,000 on or before June 30, 2005, and the balance including interest on or before July 30, 2005, be approved, subject to all other payments required by the lease being paid on the dates required.

CARRIED

RATIONALE

Wild Water Kingdom has submitted the attached letter requesting that the Toronto and Region Conservation Authority (TRCA) extend the deadline for payment of the 2004 deferred rent and property taxes. TRCA is fully secured by the terms and conditions of the lease. Interest charges are applied and collected.

Staff recommend approval of the request.

Report prepared by: Jim Dillane, extension 6292
For Information contact: Jim Dillane, extension 6292
Date: June 09, 2005
Attachments: 1

Attachment 1



June 1, 2005

Via Facsimile – (416)661-6898

Original by Mail

Toronto and Region Conservation Authority
5 Shoreham Drive
Downsview, Ontario
M3N 1S4

Attention: James Dillane

Dear Jim:

It was indeed a pleasure to provide you and Ron with a tour of the Park on May 27, 2005. John and I were very happy to inform you of our exciting plans and to show you all the improvements that are taking place for this season.

As you no doubt will appreciate, the capital expenditures that we have invested for the park are substantial and will cost about \$350,000. Although the 2004 season was the worst year in the history of the park in terms of attendance, we felt a major investment to improve the park was necessary at this time to turn around the park's performance. As you know, in addition to major landscaping, repainting the buildings and facilities, replacing the concrete walkway at the entrance with interlocking brick, tiling the bathrooms and restaurants, we have also made our admission price all inclusive so that admission now includes all facilities as mini-golf, batting cages, bumper boats, rock climbing, and ride on toys. We expect that this strategy will result in a significant increase in revenue and would be beneficial to the park and the Authority in the long run.

This letter will confirm our request to extend the time for payment of the deferred percentage rent and property taxes which are due on June 30, 2005. We are in the process of being considered for a Line of Credit with the Bank of Montreal, but unfortunately this has not been approved as yet. At this time, we would like to propose that we pay the Authority the sum of \$100,000 on or before June 30, 2005. The balance of the outstanding amounts owing, together with interest at Prime + 1%, will be paid to the Authority within 30 days of this interim payment.

As always, we thank you for your consideration and cooperation in this matter.

Yours very truly,

A handwritten signature in black ink, appearing to read "E. Siu Chong".

Dr. Edward Siu Chong
President



Address: 7855 Finch Avenue West, Brampton, Ontario L6T 3Y7
Tel: (416) 369-0123 or (905) 794-0565 • Toll Free: 1-866-794-9453
Fax: (905) 794-1071 • Web Site: www.wildwaterkingdom.com

SECTION IV - ITEMS FOR THE INFORMATION OF THE BOARD

RES.#C47/05 - RENTAL PROPERTY PORTFOLIO - ROUGE PARK
Status report on the rental portfolio on lands acquired from the Ontario Realty Corporation for Rouge Park purposes.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

IT IS RECOMMENDED THAT the report dated May 20, 2005 on the rental properties acquired from the Ontario Realty Corporation for Rouge Park purposes be received.

CARRIED

BACKGROUND

On April 15, 1999, the province announced they would be transferring ownership of lands in the Little Rouge Corridor and Milne Park to the Toronto and Region Conservation Authority (TRCA) and the Town of Markham. While not included in the media package, it was also announced that all the Ontario Realty Corporation (ORC) lands within the Rouge Park south of Steeles Avenue, would also be transferred to the TRCA. In total, the province transferred 1,432 hectares (3,538 acres). The Town of Markham received 117 hectares (289 acres) and TRCA received 1,315 hectares (3,249 acres). These lands contain 74 leases (54 residential, 9 farm units, 10 farmland and 1 commercial).

The objective of the rental management program is to provide a long term income stream for Rouge Park purposes. To achieve a sustainable income stream, it is necessary to maintain all of the structures that will be retained in the long term in a good state of repair.

Guardian Home Inspectors was retained in early 2005 to undertake inspection of the properties to assess the present condition and provide maintenance recommendations. The information provided from the inspection is being used to prepare a maintenance budget and to broadly categorize the condition of the structures as good, fair or poor. Buildings in good condition are structurally sound and only require regular maintenance. Buildings in fair condition are structurally sound and along with regular maintenance would also require major maintenance such as roof repairs. The cost of this major maintenance would not exceed \$20,000 per dwelling. Buildings in poor condition are not structurally sound or would require a substantial investment to make the property financially viable in the long term. Business cases will be prepared for each of the structures in poor condition to determine if they should be retained or demolished in the long term.

Based on the inspections done by Guardian Home Inspectors, the following are the classifications of the structures:

Structure	Good	Fair	Poor
Residential	17	28	9
Farm units(dwelling)	1	8	0
Farm Units (out buildings)	1	3	6

TRCA also engaged D. Bottero & Associates Limited to undertake a market value assessment of rental rates for each lease. The following is a summary of the results:

- 2 leases above market rent - 2 residential;
- 16 leases at market rent - 15 residential and 1 farm unit;
- 14 leases slightly below market rent (within 10% of market rent)- 13 residential and 1 farm unit; and,
- 29 leases below market rent - 21 residential, 1 commercial and 7 farm units.

Rental rate increases for residential properties are set by the province on an annual basis. The rate for 2005 is 1.5%. The only opportunity to increase the rental rates above the provincial guideline is when a tenant leaves or if capital improvements are undertaken on the property. When a tenant vacates the property, the rent can be increased to market. When capital improvements are undertaken, it is necessary to apply to the Ontario Rental Housing Tribunal and they set the amount of the increase. On the farm and commercial leases, TRCA was required by ORC to agree to limit the rental increases to 5% for 3 years (there is now less than 2 years left in this requirement).

Based on this information the following is the projected net revenues for the rental portfolio.

ORC RENTALS

YEAR	2005	2006	2007	2008
START UP EXPENDITURES	\$47,200			
TAXES	\$290,000	\$220,000	\$226,600	\$233,400
INSURANCE	\$84,000	\$86,500	\$89,100	\$91,800
MAJOR MAINTENANCE	\$100,500	\$175,000	\$175,000	\$175,000
REGULAR MAINTENANCE	\$185,300	\$190,900	\$196,600	\$202,500
RENTAL SERVICES AND ASSOCIATED ADMINISTRATION COSTS	\$83,000	\$85,490	\$88,050	\$90,690
TOTAL EXPENDITURES	\$790,000	\$757,890	\$775,350	\$793,390
TOTAL REVENUE	\$830,000	\$854,900	\$880,500	\$906,900
NET REVENUE	(\$40,000)	(\$97,010)	(\$105,150)	(\$113,510)

Notes:

- **START UP EXPENDITURES** - Cost of the building inspections, market value assessment and the preparation and signing of new leases with all the existing tenants.
- **TAXES** - We propose to make application on lands that are farm under the Farm Tax Incentive Program. Eligible farm lands are taxed at 25% of residential tax rate. This will result in a significant reduction in the 2006 taxes.
- **INSURANCE** - The insurance premiums are based on 41 residential dwellings and 37 barns/sheds/garages/workshop being insured at replacement value and the remaining structures being insured for salvage value only.

- **MAJOR MAINTENANCE** - Major repairs such as septic, roof, chimney repairs, window replacement, electrical inspections, electrical upgrades and plumbing upgrades.
- **REGULAR MAINTENANCE** - Service contracts, water testing, salt, permanganate, chimney cleaning and certification, carbon monoxide monitors, smoke detectors, septic tank pumping, maintenance staff and routine maintenance and inspections.
- **RENTAL SERVICES AND ASSOCIATED ADMINISTRATION COSTS** - Costs incurred by TRCA for the administration of the rental portfolio ie. customer service, advertising, lease negotiations, preparation of lease documents and renewals, financial planning and budgeting, cost control, processing of rent increases, active pursuit of rent arrears, eviction and other enforcement proceedings, information management, recording and reporting, processing cheques and invoices, mailing and other associated staff time.

FINANCIAL DETAILS

Net revenues from the rental portfolio will be available to the Rouge Park Alliance to be used for Rouge Park purposes.

DETAILS OF WORK TO BE DONE

Staff has provided to the Rouge Park Alliance Finance Committee and the Rouge Park Alliance the foregoing information. Staff will report to the Finance Committee in the fall of 2005 on progress toward achieving the budgeted net revenue.

Report prepared by: Mike Fenning, extension 5223

For Information contact: Ron Dewell, extension 5245, Mike Fenning, extension 5223

Date: May 20, 2005

RES.#C48/05 -

RESTORATION SERVICES WORKSHOP

Update on the new Restoration Services Workshop and office being designed by Montgomery Sisam Architects.

Moved by: Bill O'Donnell

Seconded by: Rob Ford

IT IS RECOMMENDED THAT the update on the Montgomery Sisam Architects design of the new Restoration Services Workshop (formally Resource Management Services Workshop) and Office at Boyd North be received.

CARRIED

BACKGROUND

In 1995, the Toronto and Region Conservation Authority (TRCA) Conservation Services Nursery 10-year Operating Plan identified inadequacies in the current workshop facility and ancillary buildings related to servicing Environmental Services Section/Resource Management Services program needs and growth projections for project implementation. Further program decision-making processes resulted in a hold being placed on all major maintenance and renovation to existing facilities in lieu of relocating and constructing a new facility that could service the needs of the Resource Management Services Group (former Conservation Services), for a planning horizon of 20 years. A review of the Nursery propagation and production facilities indicates that they are currently adequate, based on the propagation targets and production regimes as identified in the 2001 Business Plan for the *Indigenous Plant Propagation Program*. There is no proposal to move these functions of the Resource Management Services Group at this time. There may be a need for additional landbase for enhanced production capacity at some undetermined time in the future, however, any future changes or moves would require further definition of need based on verifiable and sustained market demand for nursery products.

In early 2002, the need and rationale for relocation were presented to and supported by TRCA management staff. The proposed workshop relocation site is located northeast of the intersection of Islington Avenue and Rutherford Road (copies of a site map will be available at the meeting) in the City of Vaughan, in close proximity to the TRCA's Nursery, Boyd Office and The Living City Centre at Kortright, three key elements identified as part of The Living City Campus. The proposed building site is situated on a grassed meadow tableland located on the western crest of the East Humber Valley, surrounded by open woodlands, reforested farmland, constructed habitat wetlands and meadow. The proposed location for the new facility was selected based on its proximity to current nursery propagation and production base (Thompson property) located on a plateau in the East Humber River valley and its ability to be closely tied to the Restoration Services Division base at the Boyd Office. Further, the selected location affords the land area required to reconstruct and allow opportunity for expansion and growth, should the need arise, and is an allowable use under the landuse designations as set out in the Boyd North Management Plan.

Subsequent to receiving support and identifying a suitable location, program staff contracted with Keewatin-Aski, an engineering design and development consulting group to undertake a relocation assessment and planning study, still at the conceptual level. Keewatin-Aski was hired in January 2002, and directed to review identified needs, site planning requirements, municipal zoning restrictions and site servicing options. In keeping with TRCA's vision for The Living City and Sustainable Communities objective, staff directed that the review entail the preparation of preliminary designs incorporating sustainable elements in any design proposals. Sustainable elements included are:

- “green roof” feasibility;
- wastewater treatment and “grey water” recycling opportunities;
- stormwater recycling opportunities;
- energy efficient design; and,
- solar capability for heating augmentation.

Preliminary designs were to accommodate program requirements and staff needs based on current staffing levels. These designs also incorporated improvements to address current facility standards with respect to provincial/federal building code requirements, municipal standards for zoning restrictions and by-laws, and Occupational Health & Safety Act (OH&SA) health/hygiene requirements. The preliminary project budget was estimated at \$2 million.

At Authority Meeting #10/04, held on November 26, 2004, Resolution #A308/04 was approved as follows:

THAT the contract for provision of architectural and engineering design services for the design and construction of the Resource Management Services Workshop and ancillary buildings be awarded to Montgomery Sisam Architects Inc., this being the proposal which met Toronto and Region Conservation Authority (TRCA) specifications at the lowest cost, in the amount of \$196,000 plus taxes where applicable;

THAT staff be authorized and directed to take such action as may be necessary to implement the contract including the signing of documents;

THAT staff be authorized to approve additional unspecified expenditures to a maximum of fifteen percent of the total design fees as a contingency allowance to Montgomery Sisam Architects Inc., if deemed necessary;

AND FURTHER THAT staff continue to work cooperatively with the City of Vaughan to negotiate and confirm a partnership for the sharing of the site, infrastructure and facilities, including development and construction costs.

The primary intent of this consulting assignment was to build on the preliminary assessments by Keewatin-Aski and to develop detailed designs, in consultation with TRCA staff, for the construction of a regeneration projects base of operations that is both sustainable and worthy of TRCA's current and future role in helping facilitate The Living City vision for the Toronto region. In addition, the consultant was to consider the future prospect or potential of creating additional office/work spaces within the building as part of the design of the new facility. The additional space would be used by both the Restoration Services and Parks and Culture Divisions staff for offices, storage and project implementation planning and staging purposes.

The conceptual design prepared by Montgomery Sisam for the new workshop and office building responds to the TRCA vision for The Living City where "human settlement can flourish forever as part of nature's beauty and diversity".

The design process has been guided by the Leadership in Energy and Environmental Design (LEED) principles and objectives, with a view to achieving a LEED building certification at the gold level, demonstrating the TRCA's commitment to environmental sustainability. The final LEED certification would be subject to availability of resources and determined in part by site constraints.

In concept, the building will be approximately 12,500 sq. ft. in area and will be positioned on the site to maximize the views over the valley and the nursery operations and providing strong visual connection to the works yard and at the same time helping screen the yard from the main entrance, clearly defining the yards zone separating work vehicular traffic from private vehicles.

The building program is enclosed within a 2-storey envelope and includes an open concept office space with mezzanine, workshop and support spaces. As a LEED gold level candidate project the building incorporates a number of sustainable design strategies:

- the site development includes only pervious surfaces;
- irrigation free native species are used for landscaping;
- the structure incorporates salvaged timber and bricks;
- a ground source heat pump system to feed a radiant slab is used for cooling and heating;
- only composting toilets and waterless urinals will be used;
- a combination of optimum orientation, and upgraded insulation to eliminate the need for conventional air conditioning;
- the building incorporates extensive glazing to provide natural light and ventilation;
- the layout of the program respond to functional and sustainable strategies (the workshop helps shelter the work areas from the west orientation);
- a generous overhang on the south elevation supported by a screen system provides shading to the south elevation while the truck port provides additional shading and protection; and,
- limited glazing is provided on the west elevation to minimize heat gain.

The office space is flexible and has been designed to accommodate approximately 35 people, and should it be required in the future, the mezzanine can be expanded to accommodate approximately an additional 20 people.

DETAILS OF WORK TO BE DONE

The conceptual design has been reviewed by staff and the senior management team of the TRCA, and direction has been given to the architect to proceed to detailed design and tender preparation. It is anticipated that TRCA will be prepared to go to tender for the construction of the new facility this fall, with occupancy slated for early summer of 2006.

FINANCIAL DETAILS

As part of the conceptual design, a costing exercise was undertaken by the architect and it is estimated that the new building will cost approximately \$2,500,000 to construct, inclusive of final design. This estimate does not include the cost of office furniture. The increase of \$400,000 from the preliminary estimate is reflective of the increased size (approximately 15 percent by area) of the building to accommodate future programming needs, and premiums associated with sustainable versus conventional building design and construction.

The construction of the new building will be funded from special project revenues and reserves, of which approximately \$1,500,000 has already been accumulated. It is anticipated that an additional \$500,000 will be raised from continuing revenue generating initiatives, i.e. primarily topsoil revenue projects, by the time the project is completed. The difference will be funded through TRCA operating contingency reserves, which will be reimbursed over a 3 year period subsequent to the completion of the project, from revenues raised in a manner similar to those already raised.

TOTAL ESTIMATED COST	<u>\$2,500,000</u>
FUNDING SOURCES	
Special Project reserve	\$1,500,000
Special revenue projects, 2005 - 2006	\$ 500,000
TRCA operating contingency reserve	<u>\$ 500,000</u>
	<u>\$2,500,000</u>

Report prepared by: Nick Saccone, extension 5301
For Information contact: Nick Saccone, extension 5301
Date: May 17, 2005

RES.#C49/05 -

AUDITORS' MANAGEMENT LETTER

Report from Grant Thornton LLP on its internal control findings during the 2004 audit.

Moved by: Bill O'Donnell
Seconded by: Rob Ford

IT IS RECOMMENDED THAT the report from staff, dated May 26, 2005, together with Grant Thornton's report, dated May 25, 2005, on internal control findings be received.

CARRIED

BACKGROUND

Attached is the report from Grant Thornton LLP, Toronto and Region Conservation Authority's external auditors, on its internal control findings and recommendations which have resulted from the 2004 audit. The report is indicative of an increased emphasis on internal controls by the auditing profession.

Staff has responded to the findings and recommendations, with its comments included in the report. Management is appreciative of the recommendations and has taken or will take steps to address each of them to the extent possible.

Report prepared by: Rocco Sgambelluri, extension 5232

For Information contact: Rocco Sgambelluri, extension 5232, Jim Dillane extension 6292

Date: May 26, 2005

Attachments: 1

Attachment 1

Grant Thornton 

Grant Thornton LLP
Chartered Accountants
Management Consultants

May 25, 2005

The Business Excellence Advisory Board
The Toronto and Region Conservation Authority
5 Shoreham Drive
Downsview, Ontario
M3N 1S4

Dear Board Members:

Re: Internal Control Findings From the December 31, 2004 Audit

Receiving observations and findings on your financial reporting processes and controls is one of the benefits of an annual financial statement audit. The new standards of the public accounting profession require us to report to you weaknesses and deficiencies in your internal controls. This year, Grant Thornton LLP has implemented new processes and technology to address the changing standard. This approach includes an increased emphasis on internal control.

Our audit is planned and conducted to enable us to express an audit opinion on the annual financial statements. The matters dealt with in this letter came to our attention during the conduct of our normal examination, and as a result, this letter may not necessarily include all matters that might arise through a more extensive or special engagement.

Information Technology - Physical Security

Observation

The servers are not adequately protected in terms of:

- Physical security - anyone can gain access to the server rooms.
- The rooms are not fireproof.
- The rooms are not waterproof, and the servers are on the floor in the accounting department, making them vulnerable to even a small overflow / flood.

Recommendation

With anyone able to gain access to the server, the risk of unauthorized access of the potential for business interruption is increased. It is recommended that all servers be kept in a secure room that has adequate fire and water proofing (such as a strong room).

Management Response

The construction of the TRCA building and its age means that we cannot make the rooms fireproof without great expense. Staff will investigate a non-water, fire suppression system for the server room. We are developing a disaster recovery plan which will include off-site operational alternatives. Backup media is stored in a fire rated safe and off-site.

The server room and the telecom room will be retrofitted to minimize the flooding risk. There is no way to totally eliminate the water risk i.e., if the roof blew off, there is little we could do. The servers in the room adjacent to the accounting department will be raised off the floor.

Staff have been instructed to keep doors locked at all times. An electronic door lock mechanism to the server room is being investigated.

Information Technology - Passwords**Observation**

Although the accounting system requires alphanumeric passwords, they only have to be changed every 3 months and the number of tries before lockout is not known. Payroll passwords were given to staff by payroll in 2001 and they have not been changed, nor is the user required to create unique passwords. Although the human resources staff do not use the payroll system, both the human resources manager and her assistant do in fact have access. Two accounting staff have administrator access to the accounting program - this should be restricted to IT personnel.

Recommendation

Management should formalize and communicate a policy that requires unique passwords for each user in order to properly authenticate each user and that all passwords be changed on a regular basis. Passwords for all operating system and application programs should require a minimum password length of 6 characters in order to prevent unauthorized access. It is further recommended that administrator access be restricted to IT personnel.

Management Response

Password security to the accounting system will be limited to four failed attempts. The payroll software password system is integrated with the Windows password authentication protocol, which as of May 2005 directs users to change passwords every four months and will permit only four failed attempts. Payroll passwords will be limited to a minimum of 6 characters in length.

With regard to the accounting system, administrator status allows for the following functions:

Set up users, set up menu access, orderly system shut down, reboot, access to back up directory, access to root directory, delete print jobs, monitor system usage, purge data and year end procedures.

Access to source code is denied to accounting staff, but will be provided to IT staff in the event the current service provider is unavailable. However, management is of the opinion that functions available to staff with administrator status are reasonable in the circumstances.

Payroll

Observation

Although the payroll supervisor checks the payroll run after payroll clerk's input, there is no evidence of this check. There is no independent review of the payroll run before it is sent to the bank for payment. Currently, the payroll supervisor and clerk complete the payroll, and then the payroll supervisor checks the final run and sends it to the bank.

Recommendation

It is recommended that either the financial analyst/accountant or controller review the payroll run.

Management Response

Payroll supervisor reviews "input" consisting of new hires, rehires, pay modifications and other critical employee file changes as authorized by Human Resources for each pay period. The Payroll clerk is responsible for processing the changes, after which the input is reviewed by the supervisor for accuracy and completeness. A further control has been introduced recently whereby a staff independent of payroll will review system generated reports listing all critical master file changes ensuring that each modification has been properly authorized. Further, the task of analyzing the payroll clearing account is undertaken by a staff person independent of Payroll.

Alternate staff has been designated to ensure the pay run is reviewed in a timelier manner.

Sales / Admissions System

Observation

The CA's use billing records to record sales for admissions/facility use. These are pre-numbered but there does not appear to be any sequential control over them, either to ensure that all sales are recorded or that they are in the correct cut-off period.

Recommendation

Sales staff should record the billing record numbers on the weekly sales report, and the area supervisor / manager should ensure sequence intactness, both within the week, and from week to week.

Management Response

Staff is currently investigating the feasibility of implementing pre-numbered billing and "request-to-invoice" forms. It is anticipated that sequence control can be automated, thereby increasing the efficiency of the procedure. Discrepancies, if any, would be investigated by accounting staff. Further, this new control will apply right across the organization, as the issues identified are not unique to the CA program.

Sales / Admissions System

Observation

The accounting for functions revenues is not standardized for each site / type of event has its own way of recording and reporting revenue. For example, some centres use Vision, whilst others use a manual system. Some areas deposit the money and send Finance the deposit slips, others send the cheques over.

Recommendation

We recommend that a simple, standardized system be implemented, which would not only improve control, but make it easier for review / oversight by management.

Management Response

Given the nature and scope of TRCA activities Vision, which is a booking and reservation management system, cannot accommodate all of our requirements. Management's main concern is that documentation may be lost in transit resulting in a client not being billed. This risk is mitigated in that most functions referred to in the recommendation are paid for in advance. Management is confident that a pre-numbered billing system as described earlier would ensure that every client is invoiced.

Journal Entries

Observation

Currently, both the financial analyst/accountant and accounting clerk can post journal entries to the general ledger. Although they prepare a manual journal entry form, with supporting documentation, and this is authorized by the controller prior to posting, they can post entries without requesting such authorization. With the volume and various sources of transactions being recorded, this would likely not be detected in a timely manner by management. The manual journal entries are not pre-numbered, so there is no way of knowing that all journals have such a request, or that all approved journals were posted correctly.

Recommendation

If possible, the system should allow for the electronic authorization of journal entries. The financial analyst/accountant and accounting clerk would continue preparing journal entries based on requests from the various departments, in the accounting system. These would be saved in a batch, which would only be posted to the GL after review by the Controller, through the use of passwords to restrict access.

If the above is not possible, then the manual journal entry forms should be pre-numbered and a log maintained, cross referencing them to the electronic postings or the numbers should match what the system would generate. The log, (either a manual one, or preferably an electronic exception report) should be reviewed to ensure that all journal entries have been accounted for, that they are approved and posted, and their sequence is intact.

Management Response

The two staff assigned to processing adjustments to accounts by way of general journal entries are long term employees with extensive knowledge of TRCA operations and accounting procedures and guidelines. Staff have been directed to develop a corporate network application for capturing account adjustments. The recommendation will be considered in conjunction with the development of this application.

It is management's responsibility to weigh the costs of implementing controls against the benefits that the controls will achieve. The purpose of this letter is to provide you with the information related to the identified risks so that you can make the necessary decisions.

Often there are practical ways for organizations such as the Toronto and Region Conservation Authority to improve their financial reporting process. As your auditor and advisor, it would be a pleasure to discuss our findings with you and provide you with appropriate guidance to improve your controls.

The matters discussed herein are those that have been noted as of March 18, 2005, and we have not updated our procedures regarding these matters to the current date. In addition, this communication is prepared solely for the information of management and is not intended for any other purposes; we accept no responsibility to a third party who uses this communication.

Thank you for the opportunity to contribute to the present and future success of the Toronto and Region Conservation Authority.

Yours truly,



Allister Byrne, FCA
Partner

TERMINATION

ON MOTION, the meeting terminated at 10:23 a.m., on Friday, June 10, 2005.

David Barrow
Chair

Brian Denney
Secretary-Treasurer

/ks