



THE TORONTO AND REGION CONSERVATION AUTHORITY
5 Sheppard Ave. E., Toronto, Ontario M3J 1S4 Tel: 661-6600 Fax: 661-5805 <http://www.trca.on.ca>

Ron Moeser
Chair

J. Craig Mather
Chief Administrative Officer

NOTICE OF MEETING

FINANCE AND BUSINESS DEVELOPMENT ADVISORY BOARD #2/03

The next Finance and Business Development Advisory Board Meeting of The Toronto and Region Conservation Authority will be held on Friday, April 4, 2003 in the South Theatre, Black Creek Pioneer Village, at 9:00 a.m.

Enclosed please find the Agenda, Minutes of the various Boards and Committees, copies of communications, etc., that will be considered at the meeting.

Authority Members, concerned citizens, and all others receiving a copy of the Agenda and accompanying material are requested to bring them to the meeting, as additional copies will not be available.

If you are missing any attachments or copies or if you require further information regarding this Agenda, please contact Kathy Stranks, at 416-661-6600 ext. 5264 or e-mail at kstranks@trca.on.ca. Please also confirm attendance at the meeting.

**DUE TO CANCELLATION, ITEMS TAKEN TO AUTHORITY
MEETING #3/03, TO BE HELD ON FRIDAY, APRIL 25, 2003**



THE TORONTO AND REGION CONSERVATION AUTHORITY

Finance and Business Development Board Meeting #2/03

Chair: Ron Moeser
Vice Chair: David Barrow
Members: Bas Balkissoon
Rob Ford
Bill O'Donnell
Maja Prentice
Dick O'Brien - Chair, Authority

April 4, 2003 - CANCELLED
9:00 A.M.
HUMBER ROOM, HEAD OFFICE

AGENDA

1. **MINUTES OF MEETING #1/03**
(Enclosed herewith on Yellow)
2. **BUSINESS ARISING FROM THE MINUTES**
3. **DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
4. **DELEGATIONS**
5. **PRESENTATIONS**
6. **CORRESPONDENCE**
7. **SECTION I - ITEMS FOR AUTHORITY ACTION**
 - 7.1 **2003 BUDGET - OPERATING AND CAPITAL** 3-13
 - 7.2 **2002 YEAR END FINANCIAL PROGRESS REPORT** 14-18
 - 7.3 **2002 AUTHORITY FINANCIAL STATEMENTS** 19-40

8. SECTION IV - ITEMS FOR THE INFORMATION OF ANOTHER BOARD

8.1 POLICY FOR REIMBURSEMENT OF EMPLOYEE TRAVEL EXPENSES

Adjustment to Vehicle Allowance

41-44

9. NEW BUSINESS

NEXT MEETING OF THE FINANCE AND BUSINESS DEVELOPMENT ADVISORY BOARD
#3/03 TO BE HELD ON MAY 2, 2003,
IN THE HUMBER ROOM, HEAD OFFICE

J. Craig Mather
Chief Administrative Officer

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TO: Chair and Members of the Finance and Business Development Board
Meeting #2/03, April 4, 2003

FROM: James W. Dillane, Director, Finance and Business Development

RE: 2003 BUDGET - OPERATING AND CAPITAL

KEY ISSUE

Recommends the 2003 Budget, Operating and Capital

RECOMMENDATION

THE BOARD RECOMMENDS TO THE AUTHORITY THAT, subject to finalization of the participating municipalities' apportioned levy amounts, the 2003 Operating and Capital Budget, and all projects therein, be adopted;

AND WHEREAS the Conservation Authorities Act provides that an Authority shall have the power to determine the portion of total benefit afforded to all participating municipalities that is afforded to each of them in establishing the annual levy, the Toronto and Region Conservation Authority resolves as follows, subject to such regulations under the Act as may be approved by the Lieutenant- Governor-in-Council:

- (i) That all participating municipalities be designated as benefiting for all projects included in the 2003 Operating Budget;**
- (ii) That the Authority's share of the cost of the programs included in the 2003 Operating Budget shall be raised from all participating municipalities as part of the General Levy;**
- (iii) That the 2003 General Levy be apportioned to the participating municipalities in the proportion that the current value assessment of the whole is under the jurisdiction of the Authority, unless otherwise provided in the levy or a project;**
- (iv) That the appropriate Authority officials be directed to advise the participating municipalities pursuant to the Conservation Authorities Act and the regulations made thereunder; to levy the said municipalities the amount of the General Levy set forth in the 2003 Operating Budget, and to levy the said municipalities the amount of the Capital Levy set forth in the 2003 Capital Budget and in the approved projects of the Authority;**

THAT staff be authorized to amend the 2003 Operating and Capital Budget to reflect actual 2003 provincial grant allocations in order to determine the amount of matching levy governed by regulation;

THAT except where statutory or regulatory requirements provide otherwise, staff be authorized to enter into agreements with private sector or government agencies for the undertaking of projects which are of benefit to the Authority and funded by a sponsor;

AND FURTHER THAT, as required by Ontario Regulations 139/96 and 231/97, this recommendation and the accompanying budget document, including the schedule of matching and non-matching levies, be approved by recorded vote.

BACKGROUND

Approval of the Operating and Capital Budgets each year is part of the Authority's financial management and business planning process. Members will recall that the Authority produced its first multi-year business plan in 1996 for the years 1997 to 1999. This document has served as a guide for programs and projects of the Authority and was extended through to the end of the 2001 fiscal year.

In 2002, a revised business plan was approved as a draft document which would lead to the Authority's Strategic Business Plan in 2003, now targeted for presentation to the Authority on May 16th. The Business Plan 2003 - 2007 will be presented to the Finance and Business Development Advisory Board at its meeting on May 2, 2003. The process of preparing the business plans for each business unit has been a long and complicated one. Once completed, future plans can be updated regularly and coordinated with the annual budget preparation process. In future years, the multi-year business plan and the budget will be presented at the same time.

The 2003 Operating and Capital Budget is submitted for consideration of the Board. On April 4th, staff will present additional detail explaining the major issues identified as part of the 2003 budget process.

Municipal Approval Status

As the Members are aware, staff prepare preliminary estimates in the summer and fall of each year for submission to the Authority's municipal funding partners. Staff meet with municipal staff as required by the budget processes followed by each major participating municipality. Presentations are made to the Committees and Councils of the funding partners as required.

In November of 2002, the Authority approved an operating levy increase guideline of 6%. The following summarizes the status of the discussions and submissions as of March 28th, 2003.

City of Toronto

The capital and operating budget funding as reported in the Authority's budget has been approved by City Council.

Regional Municipality of Peel

The capital and operating funding included in the Authority Budget has been approved by Regional Council.

Regional Municipality of York

The capital and operating funding included in the Authority Budget has been approved by Regional Council.

Regional Municipality of Durham

The core capital and operating funding for the Authority, the other four Durham Region CA's, has been approved by Durham Council. TRCA and two other Authorities requested consideration of additional one time special funding. This was referred to staff for consideration by Durham Region Council at the time the Durham budget was finalized. TRCA has requested \$92,000 for improvements to water treatment equipment at the Claremont Field Centre. Also, the Authority submitted a request in December of 2002 for funding for land acquisition on the Durham west waterfront totalling \$1.6 million. These two items have not been dealt with by Durham Region.

Township of Adjala-Tosorontio

The Township has been advised of the Authority's levy request. In the past, the Township has not requested a meeting with the Authority concerning the levy.

Town of Mono

The Town has been advised of the Authority's levy request. In the past, the Township has not requested a meeting with the Authority concerning the levy.

Provincial Legislation

By regulation, the TRCA has provided 30 days written notice to its member municipalities of the date of the meeting at which the Authority will approve the municipal levy. At the April 25th Authority meeting, a recorded vote on the budget recommendation including the non-matching municipal levy is required. The weighted voting procedure prescribed by regulation will be used.

Summary

It is anticipated that by April 25th, when the Authority considers the 2003 Budget, the issues with Durham Region will be resolved. The Provincial funding which is matched with levy has not been confirmed but is unlikely to change in any material way.

Report prepared by: Jim Dillane, 416-667-6292

For information contact: Jim Dillane, 416-667-6292

Date: March 26, 2003

Attachments: 1

Attachment 1



THE TORONTO AND REGION CONSERVATION AUTHORITY

2003 OPERATING AND CAPITAL BUDGET

**As submitted to the Authority
Meeting #3/03, April 25, 2003**

THE TORONTO AND REGION CONSERVATION AUTHORITY
FOR APR. 25/03 AUTHORITY: 2003 FINAL BUDGET

OPERATING:

ACTIVITY	2003 BUDGET				2002 BUDGET				2002 ACTUAL			
	GROSS EXPEND.	OPERATING REVENUE	RESERVES	CFGT	OTHER REVENUE	*NET EXPEND.	GROSS EXPEND.	OPERATING REVENUE	RESERVES	CFGT	OTHER REVENUE	*NET EXPEND.
FINANCE & BUSINESS DEVELOPMENT												
Administration	1,682,900	300,000	60,000		1,302,900	1,249,900	1,519,900	250,000	20,000		1,535,297	284,937
Rental Properties	1,344,200	1,974,400			(630,200)	(641,800)	1,343,800	1,965,600			918,404	1,480,278
Greenspace Protection & Acquisition	1,323,700				1,268,700	1,068,200	1,083,200		15,000		1,029,336	59,375
Black Creek Pioneer Village	3,974,700	1,915,600			1,689,100	1,666,600	3,552,800	1,629,700	1,500		3,513,121	1,700,905
Food Services (excl. Internals)	1,085,900	1,085,900				682,300	1,110,400	1,182,700			940,209	872,007
	9,391,400	5,275,900	60,000		3,630,500	3,630,500	3,610,100	5,056,000	20,000		7,936,368	4,402,261
WATERSHED MANAGEMENT												
Program Administration	245,300		79,400		155,900	139,800	189,900		40,000		207,905	17,437
Development Services	1,327,200	690,000			542,200	506,500	1,086,500	580,000			1,077,050	561,467
Watershed Strategies	1,655,900				537,800	86,300	1,741,800		911,200		1,144,718	63,051
Resource Science	1,081,000				1,071,000	1,150,600	1,210,600		50,000		1,515,501	125,391
Environmental Services	1,862,100	791,800			418,600	541,600	1,710,200	668,600	100,000		1,340,735	698,559
C.A. Public Use/Land Management	4,737,000	3,847,100			816,600	914,200	4,548,200	3,590,700	38,300		4,529,254	3,633,323
Enforcement and Security	346,900	10,000			336,900	337,600	347,600	10,000			348,268	345,422
	11,255,400	5,338,900	79,400		3,879,000	3,876,600	11,834,700	4,849,300	40,000		10,162,432	5,039,228
OFFICE OF THE CAO												
Marketing	124,500				124,500	167,200	167,200				146,159	146,159
Development	513,700				513,700	596,400	600,000		620,000		442,639	442,639
Communications	861,600				861,600	730,500	611,400		15,000		450,827	285
Corporate Services	1,914,900	1,390,300			307,100	346,000	1,823,300	1,183,700	57,000		742,106	166
Conservation Field Centres	3,414,700	1,390,300	72,000		1,746,900	1,640,100	3,952,400	1,183,700	677,000		3,495,004	1,285,270
VEHICLE & EQUIPMENT												
Acquisitions and Maintenance	780,600	100,000			680,600	672,000	672,000				722,672	34,321
Program recoveries	(660,600)				(660,600)	(672,000)	(660,600)				(668,350)	(3,816)
	100,000				0	0	0		0		34,321	0
OPERATING SUMMARY:												
TOTALS	24,161,500	12,005,100	311,400		9,256,400	8,772,300	23,397,200	11,071,000	60,000		1,778,000	1,710,900
Net Expenditures funded by:												
MNR TRANSFER PAYMENTS- PROGRAM OPERATING AND ADMINISTRATION					845,800	845,800						845,753
MUNICIPAL LEVY					8,410,600	7,931,500						7,931,469
					9,256,400	8,772,222						8,772,222
ROUSE PARK LEVY					94,200	88,904						88,904
Deficit / (Surplus)					0	(62,525)						(62,525)

* Net Expenditures in this document consist of the Municipal Levies and MNR Transfer Payments summarized in the box above.
** CFGT stands for Conservation Foundation of Greater Toronto

THE TORONTO AND REGION CONSERVATION AUTHORITY
FOR APR. 25/03 AUTHORITY: 2003 FINAL BUDGET

CAPITAL & OTHER PROJECTS:

ACTIVITY	2003 BUDGET				2002 BUDGET				2002 ACTUAL					
	GROSS EXPEND.	OPERATING REVENUE	RESERVES	NET EXPEND.	GROSS EXPEND.	OPERATING REVENUE	RESERVES	NET EXPEND.	GROSS EXPEND.	OPERATING REVENUE	RESERVES	NET EXPEND.	OTHER FUNDING	
ENHANCE & BUSINESS DEVELOPMENT														
Waterfront Open Space	500,000			225,000	500,000			125,000	26,717			26,717		
Green Space Acquisition Project	2,500,000			(100,000)	2,500,000			400,000	1,446,150	170,246		1,006,694	146,636	
Natural Areas Protection	1,000,000			150,000	1,000,000				3,362,304			3,342,723	3,581	
Ontario Realty Corp.									64,046			64,046		
Canada Post Property									10,446	10,194			253	
Administrative Office	640,000			640,000	500,000			500,000	396,194			396,194		
Information technology	390,000			390,000	275,000			275,000	160,179			160,179		
WATERSHED MANAGEMENT														
Rehabilitation:														
Toronto RAP Implementation	2,025,800			1,663,300	1,884,600			1,063,300	1,275,279	183,587		929,193		
Peel Natural Heritage Project	616,600			467,300	591,000			400,000	336,342	86,887		40,538	205,297	
York Natural Heritage Project	486,300			210,400	832,300			249,000	478,688	58,859	(14,645)	178,859	238,687	
Watershed Monitoring	1,857,800			817,800	1,054,000			823,000	714,365	46,493		41,586	626,286	
Potion funded from Toronto RAP	(200,000)			(200,000)	(200,000)			(200,000)	(215,000)			(215,000)		
Groundwater Studies	665,600			565,600	1,013,700			436,500	814,628	42,500		531,250	240,878	
Potion funded from Toronto RAP	(100,000)			(100,000)	(50,000)			(50,000)	(50,000)			(50,000)		
Terrestrial Natural Heritage	475,000	265,000		135,000	432,500	160,000		182,800	465,277	25,000	160,000	260,277		
Potion funded from Toronto RAP	(75,000)			(75,000)	(50,000)			(50,000)	(75,000)			(75,000)		
Floodplain mapping	587,200			407,200	465,000	33,800		381,200	322,770			322,770		
Potion funded from Toronto RAP	(180,000)			(180,000)	(50,000)			(50,000)	(60,000)			(60,000)		
Peel Water Management	843,000			843,000	370,000			370,000	317,735			317,735		
Durham Water Management	169,900			169,900	250,000			250,000	184,940			184,940		
York Water Management	303,500			303,500	148,000			148,000	209,798	24,928		108,829		
Water Management Cost Centres	573,500			573,500	65,000			65,000	279,199	26,298	16,806	211,455		
Reversal of funding from core Projects	(673,500)			(673,500)					(166,028)			(166,028)		
Education & Stewardship Cost Centres	670,100			670,100										
Reversal of funding from core Projects	(292,100)			(292,100)										
Brickworks Regeneration									20,508			20,508		
Erosion Control:														
City of Toronto	1,865,400			1,762,200	1,660,800			1,661,300	1,204,587	51,354		1,205	1,141,208	
York Region														
Flood Control:														
West Don Lands	800,000			800,000	1,000,000			1,000,000	69,197				(0)	
Lake Ontario Waterfront Regeneration:														
Toronto & Durham	2,876,300	100,000		2,036,300	2,530,760	25,000		1,991,760	2,201,310	269,785	(5,750)	383,325	1,493,091	
Port Jön Waterfront	3,026,000			1,026,000	330,300			330,300	304,364			304,364		
Ebocoke Motel Ship Project	1,630,200			815,100	1,920,000			960,000	137,797	20,240		58,774	59,773	
Public Use Infrastructure Project	368,700			358,700	255,000			255,000	233,505	97,420	(50,396)	12,134	174,347	
Other Facilities Retrofits	649,600			649,600	300,000			300,000	46,377			46,377		
Drinking Water System Upgrades	114,800			114,800					84,764	306,741		(221,977)		
Kortright Living City Centre	100,000			100,000										
Nursery relocation	500,000	500,000		750,000	200,000	200,000		(100,000)	12,082	12,082				
BCFP Retrofit & Development	750,000			750,000	955,000			955,000	622,435	14,751		595,553		
TOTALS	24,754,200	100,000	500,000	9,220,900	23,716,960	100,000	200,000	12,020,160	15,218,945	1,513,464	(70,791)	407,176	5,970,485	7,398,611
Net Expenditures funded by:														
MNR GRANT				14,660,800				12,230,160						2,666,131
MUNICIPAL LEVY				(14,660,800)				(12,230,160)						(267,520)
Capital Deficit / (Surplus)				(100,000)										
TOTAL OPERATING & CAPITAL	48,916,200	12,105,100	811,400	1,193,000	44,114,160	11,171,000	260,000	20,807,460	36,847,070	12,300,223	(197,831)	1,781,919	6,849,452	16,113,308

**TORONTO AND REGION CONSERVATION AUTHORITY
APPORTIONMENT OF 2003 BUDGET LEVIES**

GENERAL PROGRAMS & CAPITAL PROJECTS SUMMARY

	< ----- 2003 GENERAL LEVY ----- >			2003	2003	2002			2001	
	LEVY EXCLUDING TAX ADJ.	TAX ADJUST.	TOTAL GENERAL LEVY	CAPITAL PROJECTS Page 4	GRAND TOTAL LEVY	ROUGE PARK	OPERATING LEVY INCL. TAX ADJUST.	Operating Change 03/02	%	GRAND TOTAL LEVY
	\$	\$	\$	\$	\$		\$	\$	%	\$
ADJALA-TOSORONTIO	629		629	74	703	7	590	39	6.6%	449
DURHAM	250,767	14,107	264,874	523,673	788,547	2,857	246,473	18,401	7.5%	416,268
TORONTO	5,660,202		5,660,202	6,452,511	12,112,713	64,492	5,407,726	252,476	4.7%	9,329,938
MONO	688		688	81	769	8	640	48	7.5%	625
PEEL	904,371	90,985	995,356	2,218,651	3,214,007	10,304	925,405	69,951	7.6%	1,654,684
YORK	1,450,937	37,914	1,488,851	1,235,910	2,724,761	16,532	1,350,666	138,185	10.2%	1,719,306
	8,267,594	143,006	8,410,600	10,430,900	18,841,500	94,200	7,931,500	479,100	6.0%	13,121,270
LEVIES ON HAND				4,237,900	4,237,900					1,946,860
				0	0					0
	8,267,594	143,006	8,410,600	14,668,800	23,079,400	94,200	7,931,500	479,100	6.0%	15,068,130
					0					

TORONTO AND REGION CONSERVATION AUTHORITY
 APPORTIONMENT OF 2003 BUDGET CAPITAL AND PROJECT LEVIES

PROJECT & MUNICIPALITY	ADJALA-TORONTO	DURHAM	TORONTO	MONO	PEEL	YORK	TOTAL LEVY INVOICED \$	LEVIES ON HAND	TOTAL LEVY BUDGET	OTHER FUNDING	TOTAL COST
GREENSPACE LAND ACQ.							\$ 375,000	375,000	375,000	2,600,000	2,975,000
WATERFRONT REGENERATION PROJ.		129,100	1,657,900				1,786,100	252,200	2,038,300	1,113,000	3,151,300
PORT UNION WTRFR.			650,000				650,000	376,000	1,026,000	2,000,000	3,026,000
ETOB. MOTEL STRIP								815,100	815,100	815,100	1,630,200
VALLEY AND SHORELINE REGENERATION			1,200,000				1,200,000	562,200	1,762,200	103,200	1,865,400
REMEDIAL ACTION PLANS			1,528,000		400,000	200,000	2,128,000	213,000	2,341,000	787,700	3,128,700
OTHER WATER PROJECTS*		140,000			811,000	330,000	1,281,000	201,500	1,482,500		1,482,500
FLOODPLAIN MAPPING			65,000		60,000	150,000	265,000	142,200	407,200	180,000	587,200
REGIONAL MONITORING		60,000			200,000	200,000	460,000	367,800	817,800	40,000	857,800
GROUNDWATER STRATEGIES		100,000			100,000	100,000	300,000	265,600	565,600		565,600
HERSRESIAL NATURAL HERITAGE		10,000			75,000	50,000	135,000		135,000	265,000	400,000
PUBLIC USE INFRASTRUCTURE	21	8,341	188,272	23	30,081	48,262	275,000	83,700	358,700		358,700
OTHER PUBLIC USE RETRO.					476,000	34,800	510,800	253,800	764,400		764,400
INFO. TECHNOLOGY ACQ.	21	8,341	188,272	23	30,081	48,262	275,000	115,000	390,000		390,000
MAJOR FACILITIES RETROFIT	32	12,891	290,967	35	46,489	74,686	425,000	215,000	640,000		640,000
BCPY DEVELOPMENT & RETROFIT			750,000				750,000		750,000		750,000
2003 TOTAL	74	523,673	6,452,511	81	2,218,651	1,235,910	10,430,900	4,237,900	14,668,800	7,904,000	22,572,800
2002 COMPARATIVES	11	528,919	5,715,000	9	1,879,000	957,910	9,080,749	3,149,411	12,230,160	6,436,800	18,666,960

*Including Education & Stewardship

**TORONTO AND REGION CONSERVATION AUTHORITY
APPORTIONMENT OF 2003 LEVIES**

MATCHING* AND NON-MATCHING FORMAT

	----- OPERATING LEVY			----- CAPITAL LEVY		TOTAL LEVY
	MATCHING*	NON-MATCHING	TOTAL	MATCHING*	NON-MATCHING	
	\$	\$	\$	\$	\$	
ADJALA-TOSORONTO	64	565	629		74	703
DURHAM	25,654	239,220	264,874		523,673	788,547
TORONTO	579,057	5,081,145	5,660,202		6,452,511	12,112,713
MONO	70	618	688		81	769
PEEL	92,520	902,836	995,356		2,218,651	3,214,007
YORK	148,435	1,340,416	1,488,851		1,235,910	2,724,761
	845,800	7,564,800	8,410,600		10,430,900	18,841,500

* Based on preliminary estimates of provincial funding.

THE TORONTO AND REGION CONSERVATION AUTHORITY
BASIS OF APPORTIONMENT - MUNICIPAL LEVY - 2003
BASED ON 2001 FOR 2002 MODIFIED CURRENT VALUE ASSESSMENT FIGURES**

MUNICIPALITY	CURRENT VALUE ASSESSMENT \$(000's)	% OF MUNICIPALITY IN AUTHORITY	CURRENT VALUE ASSESSMENT IN WATERSHED \$(000's)	TOTAL POPULATION	POPULATION IN AUTHORITY
Township of Adjala-Tosorontio	787,973	4	31,519	10,082	403
Durham, Regional Municipality of	2,736,900	*	10,000	421,000	0
City of Toronto	283,761,251	100	283,761,251	2,481,494	2,481,494
Mono Township	690,024	5	34,501	6,922	346
Peel, Regional Municipality of	107,603,784	*	45,338,542	988,948	435,112
York, Regional Municipality of	79,770,219	*	72,739,418	603,375	540,757
	17,111,500		60,000	0	0
				0.00%	

**ANALYSIS OF REGIONAL
MUNICIPALITIES ***

Durham, Regional Municipality of					
Ajax, Town of	5,683,259	86	4,887,603	73,753	63,428
Pickering, Town of	7,769,465	95	7,380,991	87,139	82,782
Uxbridge Township	1,594,880	19	303,027	17,377	3,302
	2,736,900		10,000	421,000	0
Peel, Regional Municipality of					
Brampton, City	28,842,002	63	18,170,461	325,428	205,020
Mississauga, City of	73,413,181	33	24,226,350	612,925	202,265
Caledon, Town of	5,348,601	55	2,941,731	50,595	27,827
	107,603,784		45,338,542	988,948	435,112
York, Regional Municipality of					
Aurora, Town of	4,328,656	4	173,146	40,167	1,607
Markham, Town of	26,366,120	100	26,366,120	208,615	208,615
Richmond Hill, Town of	15,526,782	99	15,371,514	132,030	130,710
Vaughan, Town of	28,697,049	100	28,697,049	182,022	182,022
Whitchurch-Stouffville, Town of	2,581,820	43	1,110,183	22,008	9,463
King Township	2,269,791	45	1,021,406	18,533	8,340
	79,770,219		72,739,418	603,375	540,757

THE TORONTO AND REGION CONSERVATION AUTHORITY

2003 LEVY APPORTIONMENT

MUNICIPALITY	MODIFIED CURRENT VALUE ASSESSMENT IN WATERSHED \$(000's)	GENERAL LEVY PROPORTIONATE FACTOR
ADJALA-TOSORONTIO	31,519	0.00760%
DURHAM		
Ajax	4,887,603	
Pickering	7,380,991	
Uxbridge	<u>303,027</u>	
	12,571,621	3.03313%
CITY OF TORONTO	283,761,251	68.46251%
MONO	34,501	0.00832%
PEEL		
Brampton	18,170,461	
Mississauga	24,226,350	
Caledon	<u>2,941,731</u>	
	45,338,542	10.93874%
YORK		
Aurora	173,146	
Markham	26,366,120	
Richmond	15,371,514	
Vaughan	28,697,049	
Whitchurch - Stouffville	1,110,183	
King	<u>1,021,406</u>	
	72,739,418	17.54969%
	<u>414,476,852</u>	<u>100.00000%</u>

TO: Chair and Members of the Finance and Business Development Board
Meeting #2/03, April 4, 2003

FROM: James W. Dillane, Director, Finance and Business Development

RE: 2002 YEAR END FINANCIAL PROGRESS REPORT

KEY ISSUE

Provides information on the Authority's financial performance to December 31, 2002, in relation to the 2002 approved Budget

RECOMMENDATION

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the 2002 Year End Financial Progress Report, dated March 28, 2003, be received.

BACKGROUND

As part of the Authority's financial management, staff monitors financial performance in relation to the approved annual budget. Financial Progress Reports are presented to the Finance and Business Development Board as needed.

ANALYSIS

Attached is a schedule which illustrates the major variances from budget as of December 31, 2002. The Year End Financial Progress Report measures the financial achievements of the Authority against the 2002 Budget.

In 2002, the Authority achieved a modest operating surplus of \$62,525 and a capital surplus of \$267,520 for a total surplus of \$330,045. This is reflected in the 2002 Financial Statements and will reduce the Authority's cumulative deficit to \$750,461. Members will recall that in presenting the 2000 financial statements a commitment was made by the Chief Administrative Officer that staff would reduce the cumulative deficit in subsequent years.

The operating surplus results from a considerable number of variances to both revenues and expenditures across all Authority programs and activities. The following areas can be identified as contributing significant variances:

- the Authority's rental property portfolio which produces significant net revenues (\$626,828) would have been higher by about \$78,572 if the transfer of ORC properties had occurred (transfer now scheduled for April, 2003) and had additional expenditures for oil tank removal not occurred.
- the greenspace protection and acquisition program reduced costs through unbudgeted gapping and had higher than anticipated revenue from property tax rebates resulting in net expenditures being under budget by \$100,079.
- Black Creek Pioneer Village attendance was flatlined at the 2001 level resulting in less than anticipated revenues but this was more than offset by increased filming, parking and education revenue and late year cost constraints

- As identified to the Board in September of 2002, Food Services revenues were down significantly because of poor banquet sales and less than budgeted Village attendance; food services negative variance from budget of \$145,303 used up the Village operating surplus of \$95,497 producing a combined negative variance of \$49,806.
- Conservation Areas and Kortright had successful seasons, producing a surplus of \$94,145.
- Watershed Strategies deferred work and combined with reduced funding available from the CFGT resulted in a negative variance of \$105,868.
- Resource Science had higher than anticipated staff costs and less than budgeted CFGT funding which resulted in a negative variance of \$65,974.
- Significant under expenditures were generated by deferral of planned communications projects in anticipation of the funding shortfall from the CFGT, as noted above.

The capital budget variance can be grouped into several categories:

- Land securement had budgeted to raise and spend \$4 million but actually achieved spending of about \$4.9 million as a result of the Tompion purchase in the Rouge Park.
- Various infrastructure projects including building renovations and IT implementation were delayed in 2002 resulting in underspending of \$218,627 which amount will be carried forward to cover the work being done in 2003.
- Similarly, a number of environmental projects were delayed or not funded resulting in significant under spending.
- The Motel Strip project continues to be under spent as litigation continues.
- The public use infrastructure projects included additional expenditures for water systems but this was more than offset by additional unbudgeted provincial sales tax rebates.
- In total, \$4,564,029 in capital funding was not applied in 2002 but is committed for projects to be completed in 2003 and beyond
- In summary, the capital budget produced a surplus of \$267,520, mostly as a result of provincial sales tax rebates from previous years.

The attached schedule is a high level summary of financial activity in relation to budget. This information should be considered along with the report on the 2002 Audited Financial statements elsewhere in the agenda.

DETAILS OF WORK TO BE DONE

Staff will report to the Board on 2003 financial progress at regular intervals.

Report prepared by: Jim Dillane, extension 6292

For Information contact: Jim Dillane, extension 6292; Ralph Kofler, extension 5274

Date: August 30, 2002

Attachments: 3

Attachment 1

PROGRESS REPORT AS OF DECEMBER 31, 2002
SUMMARY OF ACTUAL VARIANCES AT DECEMBER 31, 2002

<u>ACTIVITY</u>	<u>Expenditures</u> \$ Over/(Under)	<u>Revenue</u> \$ Over/(Under)	<u>Net Expenditures</u> \$ Over/(Under)	<u>Brief Explanation</u>
FINANCE & BUSINESS DEVELOPMENT				
Administration	15,397	14,997	400	
Rental Properties	(426,650)	(505,222)	78,572	<i>Ont. Realty Corp. rental housing not transferred.</i>
Greenspace Protection & Acquisition	(53,864)	46,215	(100,079)	<i>Gapping and higher tax rebates.</i>
Black Creek Pioneer Village (incl Food)	(39,679)	47,011	(86,690)	<i>Attendance flat but film revenue up. Also cost constraints.</i>
Food Services (excl. internal)	(170,191)	(315,493)	145,303	<i>Banquet business down.</i>
WATERSHED MANAGEMENT				
Program Administration	18,105	28,913	(10,808)	
Development Services	(9,450)	21,467	(30,917)	<i>Gapping net of unbudgeted OMB hearing costs covered by extra revenue.</i>
Watershed Strategies	(597,082)	(702,950)	105,868	<i>Items deferred, Less CFGT\$ used.</i>
Resource Science	304,901	239,610	65,291	<i>Higher staff costs, less CFGT\$ used.</i>
Environmental Services	(352,973)	(351,603)	(1,370)	<i>Fewer externally funded Sp. Projects plus unbudgeted transfer of revenue to reserves</i>
C.A. Public use & Land Management	(18,692)	75,453	(94,145)	<i>Good Campground & Pool revenues</i>
Enforcement and Security	668	(7,154)	7,822	
MARKETING AND DEVELOPMENT				
Marketing	(21,041)	0	(21,041)	<i>Gapping.</i>
Development	(177,361)	(177,361)	(0)	<i>Constraints and less CFGT\$ used.</i>
Communications	(160,773)	(14,715)	(146,058)	<i>Items deferred.</i>
CAO'S OFFICE DIVISION				
Corporate Services	11,606	166	11,439	
Conservation Field Centres	(109,827)	(123,636)	13,809	<i>Budgeted fundraising/expenditure item not secured. Some reserve funded maintenance deferred.</i>
VEHICLE & EQUIPMENT				
Acquisitions and Maintenance	50,672	38,138	12,534	
Program recoveries	(16,350)	(3,816)	(12,534)	
Operating total	(1,752,583)	(1,689,979)	(62,603)	
Levy /Grant		(78)	78	
Operating Deficit / (Surplus)			(62,525)	
CAPITAL				
Land Projects	899,664	1,247,478	(447,814)	<i>Less funding for Greenspace offset by large special funded Rouge Land Acquisition</i>
Admin Infrastructure	(218,627)	0	(218,627)	<i>Actual pace of work less than budget-to be spent in 2003</i>
Enviro. Projects	(1,915,600)	(612,117)	(1,303,482)	<i>Actual pace of work less than budget-to be spent in 2003. Also other funding not always secured.</i>
Erosion/Flood Control	(1,415,016)	(894,923)	(520,093)	<i>Lower Don Flood Control still in negotiations</i>
Waterfront incl. Port Union	(2,137,599)	(711,767)	(1,425,832)	<i>Motel Strip still in litigation</i>
Public Use Infrastructures	(710,838)	104,864	(915,701)	<i>Unbudgeted Water System work more than covered by Sales Tax refund. Other Projects at less than budgeted work pace.</i>
Capital total	(5,498,015)	(866,466)	(4,831,549)	
Levy /Grant		(4,564,029)	4,564,029	
Capital Deficit / (Surplus)			(267,520)	
Total Deficit / (Surplus)			(330,045)	

Attachment 2

**THE TORONTO AND REGION CONSERVATION AUTHORITY
FOR APR. 4/03 F&BD: 2002 PROGRESS REPORT**

OPERATING:

ACTIVITY	2002 BUDGET						2002 ACTUAL TO DEC. 31					
	GROSS EXPEND.	OPERATING REVENUE	RESERVES	CONSERV. FOUNDATION	OTHER REVENUE	*NET EXPEND.	GROSS EXPEND.	OPER. REV.	RESERVES	CFGT	OTHER REVENUE	*NET EXPEND.
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>FINANCE & BUSINESS DEVELOPMENT</u>												
Administration	1,519,900	250,000	20,000			1,249,900	1,535,297	284,997				1,250,300
Rental Properties	1,280,200	1,985,600				(705,400)	853,550	1,480,378				(626,828)
Greenspace Protection & Acquisition	1,083,200				15,000	1,068,200	1,029,336	59,375	1,840			968,121
Black Creek Pioneer Village	3,552,800	1,629,700		1,500	255,000	1,666,600	3,513,121	1,700,305		16,897	216,009	1,579,910
Food Services (excl. internal)	1,110,400	1,192,700				(82,300)	940,209	877,207				63,003
	8,546,500	5,058,000	20,000	1,500	270,000	3,197,000	7,871,513	4,402,261		18,738	216,009	3,234,506
<u>WATERSHED MANAGEMENT</u>												
Program Administration	189,800		40,000		10,000	139,800	207,905	17,437	60,455		1,022	128,992
Development Services	1,086,500	580,000				506,500	1,077,050	561,467			40,000	475,583
Watershed Strategies	1,741,800			911,200	744,300	86,300	1,144,718	63,051		720,379	169,120	192,168
Resource Science	1,210,600			50,000	10,000	1,150,600	1,515,501	125,391	40,000		134,219	1,215,891
Environmental Services	1,710,200	668,600		100,000	400,000	541,600	1,357,227	715,051	(261,816)	98,384	265,379	540,230
C.A. Public use & Land Management	4,611,800	3,590,700		38,300	5,000	977,800	4,593,108	3,633,323		42,595	33,535	883,655
Enforcement and Security	347,600	10,000				337,600	348,268				2,846	345,422
	10,898,300	4,849,300	40,000	1,099,500	1,169,300	3,740,200	10,243,778	5,115,720	(161,362)	861,358	646,120	3,781,941
<u>MARKETING AND DEVELOPMENT</u>												
Marketing	167,200					167,200	146,159					146,159
Development	620,000			620,000			442,639		442,639			(0)
Communications	611,400				15,000	596,400	450,627	285				450,342
<u>CAO'S OFFICE DIVISION</u>												
Corporate Services	730,500					730,500	742,106	166				741,939
Conservation Field Centres	1,823,300	1,163,700		57,000	256,600	346,000	1,713,473	1,152,918		52,008	148,738	359,809
	3,952,400	1,163,700		677,000	271,600	1,840,100	3,495,004	1,153,370		494,647	148,738	1,698,250
<u>VEHICLE & EQUIPMENT</u>												
Acquisitions and Maintenance	672,000					672,000	722,672		38,138			684,534
Program recoveries	(672,000)					(672,000)	(688,350)		(3,816)			(684,534)
	0	0	0	0	0	0	34,321	0	34,321	0	0	0
OPERATING SUMMARY:												
TOTALS	23,397,200	11,071,000	60,000	1,778,000	1,710,900	8,777,300	21,644,617	10,671,351	(127,040)	1,374,743	1,010,867	8,714,697
Net Expenditures funded by:												
MNR TRANSFER PAYMENTS-PROGRAM OPERATING AND ADMINISTRATION						845,800						845,753
NEW: ROUGE PARK LEVY MUNICIPAL LEVY	364,200				280,328	88,904						88,904
						7,931,500						7,931,469
						8,866,204						8,866,126
Amount in excess of Levy Target												(62,525)

* Net Expenditures in this document consist of Municipal Levies and MNR Transfer Payments summarized in the shaded area above

Attachment 3

**THE TORONTO AND REGION CONSERVATION AUTHORITY
FOR APR. 4/03 F&BD: 2002 PROGRESS REPORT**

CAPITAL:

ACTIVITY	2002 BUDGET						2002 ACTUAL TO DEC. 31						Surplus/ Deficit	
	GROSS EXPEND.	OPERATING REVENUE	RESERVES	CONSERV. FOUNDATION	OTHER MUNICIPAL	OTHER REVENUE	NET EXPEND.	GROSS EXPEND.	OPERATING REVENUE	RESERVES	CONSERV. FOUNDATION	OTHER FUNDING		NET EXPEND.
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FINANCE & BUSINESS DEVELOPMENT														
Waterfront Open Space	500,000					375,000	125,000	26,717					26,717	26,717
Niagara Escarpment Land Acquisition														
Greenspace Acquisition Project	2,500,000			100,000		2,000,000	400,000	1,446,150	170,246		122,574	1,006,694	146,636	(117,784)
Natural Areas Protection Ontario Realty Corp. Timbers Land Acq. Canada Post Property	1,000,000					1,000,000		3,352,304				3,348,723	3,581	3,581
								64,046				64,046		
								10,446	10,194				253	253
Administrative Office	500,000						500,000	396,194					396,194	
Information technology	275,000							160,179					160,179	
WATERSHED MANAGEMENT														
Rehabilitation:														
Metro RAP Implementation	1,884,600					821,300	1,063,300	1,275,279	183,587		11,157	151,341	929,193	(3,152)
Peel Natural Heritage Project	591,000					191,000	400,000	336,342	86,807		3,700	40,538	205,297	(122)
York Natural Heritage Project	832,300					583,300	249,000	478,688	55,859	(14,645)	19,929	178,859	238,687	0
Watershed Monitoring														
Portion funded from Toronto RAP	1,054,000					225,000	829,000	714,365	46,493			41,586	626,286	215,000
	(200,000)					(200,000)		(215,000)					(215,000)	(215,000)
Groundwater Studies														
Portion funded from Toronto RAP	1,019,700					581,200	438,500	814,628	42,500			531,250	240,878	50,000
	(50,000)					(50,000)		(50,000)					(50,000)	(50,000)
Terrestrial Natural Heritage														
Portion funded from Toronto RAP	432,500			160,000		89,700	182,800	465,277	25,000		160,000	20,000	260,277	77,422
	(50,000)					(50,000)		(75,000)					(75,000)	(75,000)
Floodplain mapping														
Portion funded from Toronto RAP	465,000			33,800		50,000	381,200	322,770					322,770	83,800
	(50,000)					(50,000)		(50,000)					(50,000)	(50,000)
Water Budgets														
Peel Subwatershed Planning	148,000						148,000	93,843					93,843	
Durham Water Management	370,000						370,000	317,735					317,735	8,762
Other Water Management	250,000						250,000	184,940					184,940	
Education & Stewardship	65,000						65,000	100,955	24,928			76,041	(14)	(14)
Portion funded from Toronto RAP								111,171	26,298		16,806	24,639	43,427	(3)
Brickworks Regeneration														
								20,508					20,508	
Erosion Control:														
Toronto Islands	20,000						20,000	869					869	
City of Toronto	1,668,800					27,500	1,641,300	1,203,718	51,354			12,025	1,140,339	0
York Region														
Flood Control:														
West Don Lands	1,000,000					1,000,000		69,197	69,198				(0)	(0)
Lake Ontario Waterfront Regeneration:														
Toronto & Durham	2,530,760	100,000		25,000		414,000	1,991,760	2,201,310	269,765	(5,750)	60,879	383,325	1,493,091	0
Port Union Waterfront	330,300					330,300	330,300	304,364					304,364	
Etobicoke Motel Strip Project	1,920,000					960,000	960,000	137,787	20,240			58,774	58,773	(0)
Public Use Infrastructure Project														
Other Facilities Retrofits	255,000						255,000	233,505	97,420	(50,396)		12,134	174,347	0
Drinking Water System Upgrades	300,000						300,000	46,377					46,377	(0)
Kortright Living Machine						100,000	(100,000)							
Nursery relocation	200,000		200,000					12,082	12,082					
BCPV Retrofit & Development	955,000						955,000	622,435	14,751		12,131		595,553	
CAPITAL SUMMARY:														
TOTALS	20,716,960	100,000	200,000	318,800	0	8,068,000	12,030,160	15,218,945	1,513,464	(70,791)	407,176	5,970,485	7,398,611	(267,520)
Net Expenditures funded by:														
MNR GRANT													7,666,131	
MUNICIPAL LEVY							12,230,160						7,666,131	
							12,230,160							
Capital Deficit / (Surplus)														(267,520)
TOTAL OPERATING & CAPITAL	44,114,160	11,171,000	260,000	2,096,800	0	9,778,900	20,807,460	36,863,562	12,184,815	(197,831)	1,781,919	6,981,352	16,113,308	(330,045)

TO: Chair and Members of the Finance and Business Development Board
Meeting #2/03, April 4, 2003

FROM: James W. Dillane, Director, Finance and Business Development

RE: 2002 AUTHORITY FINANCIAL STATEMENTS

KEY ISSUE

The 2002 financial statements are presented for the Board's approval and recommendation to the Authority.

RECOMMENDATION

THE BOARD RECOMMENDS TO THE AUTHORITY THAT the transfer of funds into and from reserves during 2002, as outlined in Schedule 8, Continuity of Reserves, of the financial statements, be approved;

AND FURTHER THAT the 2002 audited financial statements, as presented, be approved, signed by the Chair and Secretary-Treasurer of the Authority, and distributed to each member municipality and the Minister of Natural Resources, in accordance with subsection 38 (3) of the Conservation Authorities Act.

BACKGROUND

Section 38 of the Conservation Authorities Act requires an annual audit of the Authority's financial statements. A representative of KPMG LLP, Chartered Accountants, will be in attendance to present the 2002 audit report. The audit report contains no qualifications.

RATIONALE

The 2002 final financial progress report, which provides detail on variances from budget, is presented elsewhere on the agenda.

Schedule 8, "Continuity of Reserves" to the financial statements lists the reserves maintained by the Authority. In 2002, reserve balances were increased by \$197,831 (\$401,164 in 2001) to \$2,210,949. The draw down of \$90,405 of the Lakefill reserve was used to "kick start" to the Authority's Environmental Management System (EMS) (\$56,154) as budgeted and \$40,000 to take advantage of a unique, unbudgeted opportunity to purchase orthographic (digital) map products. There was also approximately \$5,700 of revenues in excess of direct program expenditures.

The other significant transaction occurred within the Special Projects reserve, which was increased by \$315,979 from revenues generated by projects within the Environmental Services section. One set of projects, which involved the creation of buffer berms on Authority lands with the placement of clean topsoil fill, generated a surplus of approximately \$50,400. The majority of the increase to this reserve was, however, the result of surpluses generated within our Nursery operations, mostly from tree planting projects. It is the intent of staff to apply this reserve towards the construction costs of a new nursery workshop, as reflected in the 2003 budget.

SUMMARY

In 2002, the Authority generated a net surplus from operations in the amount of \$330,047 (\$218,872 in 2001). As a result, the cumulative deficit has been reduced to \$750,461, from \$1,080,508 at the end of 2001.

As explained in previous reports to the Board, the cumulative deficit has occurred as a result of lack of funds to complete the "Living Machine" project at Kortright (approximately \$700,000 between 1998 and 2000) and land acquisition expenditures in year 2000 for which funding has not as yet been secured (currently at \$390,158.) The deficit of \$750,461 could be erased or lowered by the application of reserves, which, as noted above, totaled \$2,210,949 at the end of the year. The CAO and senior management do not recommend this as there are other opportunities paying down the deficit before recommending the application of reserves.

As part of the new business planning cycle, management will be budgeting for a systematic reduction of the deficit over the next several years. The 2003 budget provides for reduction of \$100,000.

Report prepared by: Rocco Sgambelluri, extension 5232
For Information contact: Rocco Sgambelluri, extension 5232
Date: March 27, 2002
Attachments: 1

Financial Statements of

**THE TORONTO AND REGION
CONSERVATION AUTHORITY**

Year ended December 31, 2002

TORONTO AND REGION CONSERVATION AUTHORITY
DRAFT Financial Statements

Year ended December 31, 2002

Auditors' Report	
Statement of Financial Position	1
Statement of Financial Activities and Deficit	2
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AUDITORS' REPORT

To the Members of the Toronto and Region Conservation Authority

We have audited the statement of financial position of the Toronto and Region Conservation Authority as at December 31' 2002 and the statements of financial activities and deficit and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at December 31' 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

DRAFT

Chartered Accountants

Toronto, Canada

March 7, 2003

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Statement of Financial Position

December 31, 2002, with comparative figures for 2001

	2002	2001
Assets		
Financial assets:		
Cash and cash equivalents	\$ 7,170,177	\$ 6,418,364
Marketable securities	3,946,392	2,609,418
Accounts receivable	2,297,135	2,781,672
Inventory	569,236	538,604
	<u>13,982,940</u>	<u>12,348,058</u>
Other assets:		
Prepaid expenses	222,304	144,992
	<u>\$ 14,205,244</u>	<u>\$ 12,493,050</u>

Liabilities

Accounts payable and accrued liabilities	\$ 2,797,796	\$ 2,821,748
Deferred revenue:		
Municipal levies	6,035,708	4,662,621
Capital and special projects	3,824,119	3,978,865
Vacation pay and sick leave entitlements (note 1(i))	1,090,452	907,913
	<u>13,748,075</u>	<u>12,371,147</u>

Fund Balances

Reserves (Schedule 8)	2,210,949	2,013,118
Deficit	(750,461)	(1,080,508)
Amounts to be funded in future years	(1,003,319)	(810,707)
	<u>457,169</u>	<u>121,903</u>

Contingent liabilities and commitments (note 6)

	<u>\$ 14,205,244</u>	<u>\$ 12,493,050</u>
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See accompanying notes to financial statements.

On behalf of the Authority:

_____ Chair

_____ Secretary-Treasurer

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Statement of Financial Activities and Deficit

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures (Schedules 1 to 7):			
Watershed management and health monitoring	\$ 6,925,500	\$ 5,347,803	\$ 3,274,258
Environmental advisory services	1,634,900	1,678,053	1,737,176
Watershed stewardship	6,708,000	4,658,695	4,476,977
Conservation land management, development and acquisition	14,519,660	12,032,995	10,445,138
Conservation and education programming	10,031,400	9,760,898	9,850,377
Corporate services	4,294,700	3,757,400	3,398,359
Vehicle and equipment, net of usage charged	—	38,139	36,032
Increase in vacation pay and sick leave entitlements	—	192,612	32,640
	<u>44,114,160</u>	<u>37,466,595</u>	<u>33,250,957</u>
Revenue:			
Municipal:			
Levies	20,641,660	15,587,599	13,531,787
Other	1,775,600	3,152,998	2,328,732
Government grants:			
MNR transfer payments	845,800	845,753	845,753
Provincial - other	2,433,200	2,331,100	533,718
Federal	797,000	495,698	480,549
Authority-generated:			
User fees, sales and admissions	8,430,400	8,346,873	8,770,187
Contract services	1,668,600	977,639	760,292
Interest income	250,000	303,447	326,717
Proceeds from sale of properties	350,000	140,486	384,180
The Conservation Foundation of Greater Toronto	2,096,800	1,754,324	1,839,086
Donations and fundraising	1,973,000	1,203,543	1,893,529
Facility and property rentals	1,985,600	1,469,796	1,358,555
Canada Post Corporation agreement	47,700	10,194	176,890
Sales and property tax refunds	15,000	366,116	109,462
Sundry	743,800	806,295	498,916
	<u>44,054,160</u>	<u>37,801,861</u>	<u>33,838,353</u>
Excess of revenue over expenditures (expenditures over revenue) before increase in sick leave/vacation entitlements	(60,000)	335,266	587,396
Increase in amounts to be funded in future years	—	192,612	32,640
Appropriations from (to) reserves	260,000	(197,831)	(401,164)
	<u>200,000</u>	<u>330,047</u>	<u>218,872</u>
Deficit, beginning of year	(1,080,508)	(1,080,508)	(1,299,380)
Deficit, end of year	\$ (880,508)	\$ (750,461)	\$ (1,080,508)

See accompanying notes to financial statements.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Statement of Changes in Financial Position

Year ended December 31, 2002, with comparative figures for 2001

	2002	2001
Cash and cash equivalents provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 335,266	\$ 587,396
Change in non-cash operating items	1,753,521	2,370,199
	<u>2,088,787</u>	<u>2,957,595</u>
Investing activities:		
Proceeds on maturities of marketable securities	2,159,418	4,457,067
Purchase of marketable securities	(3,496,392)	(2,709,813)
	<u>(1,336,974)</u>	<u>1,747,254</u>
Increase in cash and cash equivalents	751,813	4,704,849
Cash and cash equivalents, beginning of year	6,418,364	1,713,515
Cash and cash equivalents, end of year	<u>\$ 7,170,177</u>	<u>\$ 6,418,364</u>

See accompanying notes to financial statements.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements

Year ended December 31, 2002

The Toronto and Region Conservation Authority (the "Authority") is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, other than gas, oil, coal and minerals for the nine watersheds within its area of jurisdiction. The watersheds include areas in the City of Toronto, the Regions of Durham, Peel and York, and the Township of Adjala- Tosorontio and Town of Mono.

1. Significant accounting policies:

The financial statements of the Authority are prepared by management in accordance with generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Authority are as follows:

(a) Basis of accounting:

Revenue and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

(b) Cash and cash equivalents:

The Authority considers deposits in banks, certificates of deposit and short-term investments with original maturities of 90 days or less as cash and cash equivalents.

(c) Capital assets:

Capital expenditures are reported on the statement of financial activities in the year incurred.

(d) Reserves:

Reserves for future expenditures and contingencies are established as required at the discretion of the members of the Authority. Increases or decreases in these reserves are made by appropriations to or from operations.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2002

1. Significant accounting policies (continued):

(e) Government transfers:

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(f) Deferred revenue:

The Authority receives certain amounts principally from other public sector bodies, the proceeds of which may only be used in the conduct of certain programs or completion of specific work. Further, certain user charges and fees are collected but for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

(g) Trust funds:

Trust funds administered by the Toronto and Region Conservation Authority are not included in these financial statements.

(h) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(i) Vacation pay and sick leave entitlements:

Vacation credits earned but not taken and sick leave benefit entitlements are accrued as earned.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2002

2. Trust funds:

The Authority administers funds on behalf of the Rouge Park Alliance amounting to \$376,528 (2001 -\$508,312). As such balances are held in trust by the Authority for the benefit of others, they are not presented as part of the Authority's financial position or financial activities.

3. Reserve for funds held under provincial revenue-sharing policy:

Revenue generated from the sale of properties may be held in a reserve created under the Ministry of Natural Resources' policy for the disposition of Authority-owned properties. The Ministry reserves the right to direct the purpose to which the provincial share of funds may be applied or to request a refund. The proceeds on the sale of properties are attributed to the province and the member municipalities on the basis of their original contribution when the properties were acquired. The reserve balance must always be maintained in proportion to the original contribution by the province and the Authority, represented by the member municipalities. The Authority is permitted to withdraw the municipal share of the reserve provided that the corresponding provincial share is either matched by other sources of funding or returned to the province. Interest at prevailing market rates must be imputed on the unspent balance (if any) of the reserve.

The changes of the reserve in 2002 and 2001 are based upon the following transactions recorded in operations:

	2002	2001
Reserve balance, beginning of year	\$ 50,000	\$ -
Proceeds from sale of properties	140,486	659,160
Less carrying value of property sold	-	275,000
Net proceeds from sale of properties	140,486	384,160
Applications:		
Greenspace acquisition project	120,246	334,160
Etobicoke Motel Strip waterfront project	20,240	-
	140,486	334,160
Reserve balance, end of year	\$ 50,000	\$ 50,000

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2002

4. Financial instruments:

The Authority's financial instruments include cash, marketable securities, accounts receivable, accounts payable and accrued liabilities, the sick leave benefit plan accrual, deferred revenue, security deposits and vacation pay.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities, deferred revenue and vacation pay approximate their carrying values because of their expected short-term maturity and treatment on normal trade terms.

The Authority's short-term deposits as at December 31' 2002 consisted primarily of money market products. Further information on these investments is as set out below:

Term to maturity	Face value	Weighted average rate of interest
Less than one year	\$ 496,395	2.85%
Less than seven years	3,449,997	4.51%
	<u>\$ 3,946,392</u>	

The sick leave entitlements liability is recorded at the amount required to settle this liability and is fully funded at the financial statement date. The ultimate date of settlement is not determined. No further benefits can be earned under this program as it was discontinued at December 31, 1980.

5. Pension agreements:

The Authority makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of full-time members of staff and eligible part-time staff. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS has declared a temporary contribution holiday for all active employees and participating employers. This contribution holiday has caused the level of contributions for 2001 and 2002 to be less than normally required. Contributions made by the Authority to OMERS for 2002 were nil (2001 -nil).

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2002

6. Contingent liabilities and commitments:

(a) Legal actions and claims:

The Authority has received statements of claim as defendant under various legal actions resulting from its involvement in land purchases, fatalities, personal injuries and flooding on or adjacent to its properties. The Authority maintains insurance coverage against such risks and has notified its insurers of the legal actions and claims. It is not possible at this time to determine the outcome of these claims and, therefore, no provision has been made in these financial statements.

(b) As part of some agreements entered into by the Authority, sites purchased are required to be remediated. Any unpaid costs associated with these activities have not been reflected in these financial statements as any costs would be reimbursed through contributions as required under the agreements.

(c) The Authority has completed transactions in order to acquire lands, the most significant of which is the Etobicoke Motel Strip Waterfront Park Project, title to which has been obtained through expropriations. Funding for the Etobicoke Motel Strip Waterfront Park Project is committed by the City of Toronto and the Province of Ontario. No amount has been recorded in the financial statements for the outstanding commitments, pending the result of the compensation process.

7. Budget figures -2002:

The 2002 budget figures included in these financial statements are those adopted by the Authority on April 26, 2002. The budget figures are unaudited.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2002

8. Public Sector Salary Disclosure Act:

In accordance with the Public Sector Salary Disclosure Act, the following is a disclosure of employees who have been paid an annual salary of \$100,000 or more for the 2002 calendar year:

J. Craig Mather, Chief Administrative Officer and Secretary- Treasurer of the Authority, earned a salary of \$118,390, including taxable benefits of \$490.

Brian Denney, Director, Watershed Management Division of the Authority, earned a salary of \$102,998, including taxable benefits of \$477.

Tim Feher, Director, Development and Marketing of the Authority, earned a salary of \$100, 112, including taxable benefits of \$473.

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 1 - Expenditures and Revenue - Watershed Management and Health Monitoring

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Watershed strategies	\$ 1,394,100	\$ 1,318,704	\$ 1,432,658
Resource inventory and environmental monitoring	894,500	1,154,194	1,028,009
Flood forecasting and warning	146,300	169,433	160,913
Flood control structures, operations and maintenance	101,400	97,406	100,315
	<u>2,536,300</u>	<u>2,739,737</u>	<u>2,721,895</u>
Capital and other projects and studies:			
Regional monitoring study	854,000	460,852	53,958
Other monitoring projects	--	38,513	--
Water management projects	768,000	611,829	--
Lower Don flood control	1,000,000	69,197	58,162
Terrestrial Natural Heritage study	382,500	390,277	262,398
Floodplain mapping	415,000	272,770	166,373
Groundwater strategies	969,700	764,628	11,472
	<u>6,925,500</u>	<u>5,347,803</u>	<u>3,274,258</u>
Revenue:			
Municipal:			
Levies	3,284,000	2,296,245	1,114,902
Other	50,000	67,526	69,070
Government grants:			
MNR transfer payments	482,500	482,453	586,102
Provincial - other	531,200	689,743	40,394
Federal	214,700	112,789	52,799
Authority-generated:			
Resource monitoring fees	1,500	2,281	903
Contract services	1,000,000	176,763	144,952
The Conservation Foundation of Greater Toronto	941,600	721,830	650,755
Donations and fundraising	390,000	350,939	423,892
Sundry	30,000	196,295	73,110
	<u>6,925,500</u>	<u>5,096,864</u>	<u>3,156,879</u>
Deficit prior to reserve allocations	\$ --	\$ (250,939)	\$ (117,379)

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 2 - Expenditures and Revenue - Environmental Advisory Services

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Municipal/public plan input and review	\$ 714,400	\$ 716,000	\$ 771,886
Development plan input and review	920,500	962,053	965,290
	<u>1,634,900</u>	<u>1,678,053</u>	<u>1,737,176</u>
Revenue:			
Municipal:			
Levies	802,720	802,719	816,700
Other	-	40,000	339,267
Government grants:			
MNR transfer payments	245,680	245,680	142,234
Provincial - other	-	42,057	1,017
Federal	-	2,846	-
Authority-generated:			
Regulation administration fees	586,500	561,523	413,576
	<u>1,634,900</u>	<u>1,694,825</u>	<u>1,712,794</u>
Surplus (deficit) prior to reserve allocations	\$ -	\$ 16,772	\$ (24,382)

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 3 - Expenditures and Revenue - Watershed Stewardship

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Watershed stewardship	\$ 1,511,300	\$ 1,331,209	\$ 1,397,462
Capital and other projects and studies:			
Erosion control and slope stabilization project	1,688,800	1,204,587	1,029,751
Brickworks regeneration project	-	20,508	44,911
Toronto Remedial Action Plan	1,884,600	1,275,279	1,086,176
Peel Natural Heritage project	591,000	336,342	393,481
York Natural Heritage project	832,300	478,688	525,196
Nursery relocation	200,000	12,082	-
	<u>6,708,000</u>	<u>4,658,695</u>	<u>4,476,977</u>
Revenue:			
Municipal:			
Levies	3,716,300	2,860,359	2,544,865
Other	770,600	290,554	518,715
Government grants:			
Provincial - other	375,000	182,164	141,882
Federal	525,000	257,534	345,164
Authority-generated:			
Contract services	668,600	800,876	615,340
Tipping fees	-	12,082	-
Interest	-	1,091	1,415
The Conservation Foundation of Greater Toronto	100,000	133,170	293,160
Donations and fundraising	-	284	39,452
Sundry	352,500	397,150	147,647
	<u>6,508,000</u>	<u>4,935,264</u>	<u>4,647,640</u>
Surplus (deficit) prior to reserve allocations	\$ (200,000)	\$ 276,569	\$ 170,663

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 4 - Expenditures and Revenue - Conservation Land Management, Development and Acquisition

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Conservation land management:			
Property services	\$ 1,149,700	\$ 1,072,105	\$ 782,145
CA land management	583,000	534,480	539,317
Black Creek Pioneer Village infrastructure	868,000	868,000	875,000
Rental properties	1,280,200	853,550	788,168
	<u>3,880,900</u>	<u>3,328,135</u>	<u>2,984,630</u>
Capital and other projects and studies:			
Greenspace acquisition	2,500,000	1,510,197	1,649,042
Rouge River Natural Areas Acquisition Project	1,000,000	3,352,304	923,345
Waterfront development	3,030,760	2,228,027	2,917,482
Port Union development	330,300	304,364	142,417
Etobicoke Motel Strip waterfront project	1,920,000	137,787	188,852
Conservation area development	200,000	276,603	159,795
Conservation education development	55,000	41,665	57,400
Peel Campground Improvements	300,000	46,377	-
Black Creek Pioneer Village Retrofit/Attractions Project	955,000	622,435	1,160,241
Arsenal Lands project	-	10,446	176,890
Centre for sustainability	347,700	174,655	85,044
	<u>14,519,660</u>	<u>12,032,995</u>	<u>10,445,138</u>
Revenue:			
Municipal:			
Levies	7,770,360	4,810,193	5,109,329
Other	955,000	2,745,513	1,366,697
Government grants:			
Provincial - other	1,330,000	1,208,987	109,402
Federal	56,300	94,198	49,711
Authority-generated:			
Rental properties	1,985,600	1,469,796	1,358,555
Tipping fees	100,000	275,200	424,770
Interest	-	17,359	21,666
Proceeds from sale of properties	350,000	140,486	384,180
The Conservation Foundation of Greater Toronto	338,400	363,705	418,613
Donations and fundraising	1,505,000	825,000	1,357,522
Canada Post Corporation agreement	47,700	10,194	176,890
Sales and property tax refunds	15,000	366,116	109,462
Sundry	266,300	149,958	156,762
	<u>14,719,660</u>	<u>12,476,705</u>	<u>11,043,559</u>
Surplus prior to reserve allocations	\$ 200,000	\$ 443,710	\$ 598,421

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 5 - Expenditures and Revenue - Conservation and Education Programming

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Conservation land programming:			
Conservation areas	\$ 2,694,800	\$ 2,663,871	\$ 2,601,543
Conservation/Heritage education programming:			
Black Creek Pioneer Village	3,900,000	3,677,541	3,552,457
Kortright Centre for Conservation	1,510,300	1,557,354	1,597,889
Conservation Field Centres	1,653,700	1,589,102	1,920,042
Education Outreach	65,000	111,171	49,573
Conservation Education Management	207,600	161,859	128,873
	<u>10,031,400</u>	<u>9,760,898</u>	<u>9,850,377</u>
Revenue:			
Municipal:			
Levies	1,846,200	1,824,630	1,575,891
Other	-	9,405	9,983
Government grants:			
Provincial - other	197,000	208,149	241,023
Federal	1,000	27,309	32,875
Authority-generated:			
Conservation areas	2,619,600	2,649,466	2,670,649
Black Creek Pioneer Village	2,822,400	2,577,545	2,598,532
Kortright Centre	971,100	983,924	953,737
Conservation Field Centres	1,329,300	1,284,852	1,708,020
The Conservation Foundation of Greater Toronto	96,800	120,574	173,489
Donations and fundraising	78,000	27,320	72,663
Sundry	70,000	45,137	37,044
	<u>10,031,400</u>	<u>9,758,311</u>	<u>10,073,906</u>
Surplus (deficit) prior to reserve allocations	\$ -	\$ (2,587)	\$ 223,529

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 6 - Expenditures and Revenue - Corporate Services

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Corporate management	\$ 888,600	\$ 887,265	\$ 680,326
Office services	667,400	695,998	659,129
Financial services	551,300	564,408	647,416
Human resources	279,700	285,889	238,608
Information technology	201,300	200,902	292,054
Corporate communications	611,400	450,627	362,166
Fundraising	620,000	415,045	303,069
Recoveries from Programs	(300,000)	(299,107)	-
	<u>3,519,700</u>	<u>3,201,027</u>	<u>3,182,768</u>
Capital and other projects and studies:			
Administrative office	500,000	396,194	215,591
Information Technology Acq Project	275,000	160,179	-
	<u>4,294,700</u>	<u>3,757,400</u>	<u>3,398,359</u>
Revenue:			
Municipal:			
Levies	3,222,080	3,003,453	2,370,100
Other	-	-	25,000
Government grants:			
MNR transfer payments	117,620	117,620	117,417
Federal	-	1,022	-
Authority-generated:			
Interest	250,000	284,997	303,636
The Conservation Foundation of Greater Toronto	620,000	415,045	303,069
Sundry	25,000	17,755	84,353
	<u>4,234,700</u>	<u>3,839,892</u>	<u>3,203,575</u>
Surplus (deficit) prior to reserve allocations	\$ (60,000)	\$ 82,492	\$ (194,784)

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 7 - Expenditures - Vehicle and Equipment

Year ended December 31, 2002, with comparative figures for 2001

	2002 Budget	2002 Actual	2001 Actual
Expenditures:			
Operations:			
Fuel, maintenance and repairs	\$ 312,400	\$ 296,149	\$ 303,307
Other overhead	29,600	37,945	28,872
	<u>342,000</u>	<u>334,094</u>	<u>332,179</u>
Capital:			
Purchase of equipment and machinery	140,000	154,277	144,710
Purchase of vehicles	185,000	257,201	172,674
Proceeds on disposals or trade-in	(15,000)	(60,771)	(13,821)
	<u>310,000</u>	<u>350,707</u>	<u>303,563</u>
Net expenditures	652,000	684,801	635,742
Recovery of expenditures by charges based on usage	(652,000)	(646,662)	(599,710)
Surplus reserve net change	\$ --	\$ 38,139	\$ 36,032

TORONTO AND REGION CONSERVATION AUTHORITY

DRAFT Schedule 8 - Continuity of Reserves

Year ended December 31, 2002, with comparative figures for 2001

2002 Reserves	Balance, December 31, 2001	Appropriations from (to) deficit	Balance, December 31, 2002
Vehicle and equipment	\$ 484,931	\$ (38,139)	\$ 446,792
Food service equipment	19,968	3,816	23,784
Major office equipment	31,061	-	31,061
Recreation development and restoration	306,075	-	306,075
Major maintenance	225,910	-	225,910
Lakefill quality control	375,242	(90,405)	284,837
Tree donation program	31,568	6,580	38,148
Special projects	488,363	315,979	804,342
Funds held under provincial revenue-sharing policy	50,000	-	50,000
	\$ 2,013,118	\$ 197,831	\$ 2,210,949

2001 Reserves	Balance, December 31, 2000	Appropriations from (to) deficit	Balance, December 31, 2001
Vehicle and equipment	\$ 520,963	\$ (36,032)	\$ 484,931
Food service equipment	12,483	7,485	19,968
Major office equipment	31,061	-	31,061
Recreation development and restoration	306,075	-	306,075
Major maintenance	225,910	-	225,910
Lakefill quality control	193,476	181,766	375,242
Tree donation program	30,267	1,301	31,568
Special projects	291,719	196,644	488,363
Funds held under provincial revenue-sharing policy	-	50,000	50,000
	\$ 1,611,954	\$ 401,164	\$ 2,013,118

TO: Chair and Members of the Finance and Business Development Board Meeting #2/03, April 4, 2003

FROM: James W. Dillane, Director, Finance and Business Development

RE: POLICY FOR REIMBURSEMENT OF EMPLOYEE TRAVEL EXPENSES
Adjustment to Vehicle Allowance

KEY ISSUE

Advises the Board of an increase in the per kilometre vehicle allowance for reimbursement of employees who use their personal vehicle to travel on approved Authority business, effective April 1, 2003

RECOMMENDATION

THAT the report dated March 25, 2003, on changes to the policy for reimbursement of employee travel expenses to increase the per kilometre vehicle allowance when using a personal vehicle on approved Authority business, be received.

BACKGROUND

The Authority's policy on travel expenses was approved at meeting #4/98, as resolution #B82/98. The policy states in part:

- (1) Employees, when authorized by their Manager to attend conferences, meetings, courses of instruction and trips of a similar nature shall be entitled to reimbursement for expenses as follows:
 - (a) Kilometre rate as established from time to time by the Director of Finance and Business Development when using a privately owned vehicle for business travel in excess of "to and from work" travel.

The existing rates are as follows:

0	to	4,000 km/calendar year	35 cents/km
4,001	to	10,700 km/calendar year	31 cents/km
10,701	to	24,000 km/calendar year	27 cents/km
over 24,000		km/calendar year	23 cents/km

The rates are intended to cover the incremental cost of employee use of their personal vehicles and take into account the cost of additional insurance each employee must carry if their vehicle is used for business travel and the use of toll highways.

RATIONALE

In the fall of 2002, the Board suggested that staff review the travel rates as part of the 2003 Budget process and report back to the Board. Attached is a summary of rates paid by various municipalities in the Authority's area of jurisdiction. In addition, staff has reviewed the Canadian Automobile Driving Costs brochure which identifies a 2002 rate of 41.5 cents/km. for an average sized vehicle travelling a total of 24,000 kilometres annually.

As a result of research, staff has concluded that the Authority's rates do not adequately reimburse staff for use of personal vehicles. The following rates are being implemented effective April 1, 2003:

0 to 4,000 km/calendar year	40 cents/km
4,001 to 10,000 km/calendar year	35 cents/km
over 10,000 km/calendar year	31 cents/km

(No staff travel over 24,000 km/year so the fourth step rate is unnecessary.)

The number of staff traveling on Authority business in their personal vehicles has increased in recent years reflecting the increased program activities of the Authority. The Chief Administrative Officer has initiated a program to reduce the volume of travel by car pooling, greater use of the Authorities fleet vehicles, use of public transit (i.e. TTC tokens are available to staff) and more effective use of telecommunication tools such as conference calls. The Authority's Environmental Management team is working with staff to ensure effective environmental practices across the organization. This includes use of alternative fuel vehicles and other practices designed to reduce the environmental cost of travel.

FINANCIAL IMPLICATIONS

In 2002, The Authority reimbursed 373 staff for travel totalling 313,205 kilometres at a net cost of \$101,772. The increased rates have the potential to create additional annual cost of about \$14,000. However, staff expect to use the methods described above to reduce the volume of travel and mitigate any budget impact.

Report prepared by: Jim Dillane, extension 6292
For Information contact: Jim Dillane, extension 6292
Date: March 25, 2003
Attachments: 1

Attachment 1

City/Town or Region	Mileage Rates	Exceptions	Source
Durham	\$.41/km for management and .384/km for unionized staff.	Monthly allowance for certain staff: 1000-5000km-\$173, 5001-8000km-\$248 8001-12000km-\$382 12001-16000km-\$610. Some staff are paid wages for travel time.	Administrative Services 905-728-7731
Peel	\$.42/km for up to 425km and \$.36/km over 425km.		Paula Bigler HR 905-791-7800
York	\$.42/km		CAO's office 905-830-4444
Mississauga	\$.451/km up to 600km. And \$.35/km over 600km.	Strenuous Allowance of \$50 per month for certain staff.	Accounting 905-896-5271
Pickering	\$.437/km for staff, \$550 per month for councillors.		Council Offices 905-420-4605
Vaughan	\$.40/km.		Clerk's office 905-832-8504
Aurora	\$.41/km		Mayor's office 905-727-3123.
Caledon	\$.39/km	Travel expenses for councillors from expense accounts	905-584-2272
Markham	\$.35/km		905-477-7000
Newmarket	\$.41/km in town, \$.37/km out of town.		905-895-5193
Richmond Hill	\$.425/km		905-771-8800

Other Information/Programs

1. Optimization of Fleet usage
Currently reviewing the usage levels of the fleet vehicles to optimize the existing investment.
2. Replacement Vehicles
Investing in hybrid cars with \$.06 per km gas costs to address the demands of EMS compliance and increase the public profile of alternative forms of travel.
3. Long distance travel
Use of train travel to decrease use of cars for long haul highway driving.
4. Use of Conference Calling.
Policy created for use of conference calling instead of in town driving.

Recommendation

1. Create policies and practices that monitor km usage for Authority business.
2. Increase re-embursement levels to \$.40 to reflect market conditions.

Cost Estimates

\$15,000 increase in travel costs.