

MANAGEMENT REPORT TO METROLINX

Report Title:	2007/08 Budget – Q3 Report				
Report Number:	CS 08-004	Date to Board:	Feb 22, 2008	Date to Committee:	Feb 5, 2008
Report To:	<input checked="" type="checkbox"/> BOARD		<input type="checkbox"/> ADVISORY COMMITTEE <input type="checkbox"/> AUDIT COMMITTEE <input type="checkbox"/> GOVERNANCE COMMITTEE <input type="checkbox"/> HUMAN RESOURCES COMMITTEE <input type="checkbox"/> TECHNICAL ADVISORY GROUP <input type="checkbox"/> OTHER:		
Report Referred From:	Audit Committee				
Author(s):	Peter Smith		Telephone:	416-869-3600 Ext 5502	
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Item Class:	IN CAMERA	<input type="checkbox"/>	DECISION	<input checked="" type="checkbox"/>	INFORMATION <input type="checkbox"/>

1.0 RECOMMENDATION:

RESOLVED:

THAT the Board receive the 2007/08 Budget – Q3 Report as presented in the form attached as Schedule A;

THAT staff report to the Audit Committee in March 2008 on the 2007/08 Budget – Q4 Report for actual budget performance against the 2007/08 Budget; and

THAT staff report to the Metrolinx Board at the April 25, 2008 meeting on the 2007/08 Budget – Q4 Report for actual budget performance against the 2007/08 Budget.

2.0 PURPOSE & EXECUTIVE SUMMARY:

This report presents the Audit Committee’s recommendations for the 2007/08 Budget – 3rd Quarter Report (Q3) The Q3 Report reflects the actual budget performance for the year to date period of April 1, 2007 to December 31, 2007. It also reflects the projected expenditure for the 4th Quarter period – January to March 2008, as well as the total projected year-end expenditure for 2007/08 and the variance between the budget allocation and the projected year-end expenditure.

3.0 BACKGROUND:

The 2007/08 – Q3 Report was presented to the Audit Committee on February 5, 2008 as an information item.

At the February 5, 2008 meeting, the Audit Committee approved the following staff recommendation:

THAT the Audit Committee receive the 2007/08 Budget – Q3 as presented in the form attached as Schedule A , and is now referring this item to the Board for their information;

THAT staff report to the Audit Committee in March 2008 on the 2007/08 Budget – Q4 Report for actual budget performance against the 2007/08 Budget; and

THAT staff report to the Metrolinx Board at the April 25, 2008 meeting on the 2007/08 Budget – Q4 Report for actual budget performance against the 2007/08 Budget. Metrolinx operates on an April 1 fiscal year. It is included in the Estimates of the Ontario Ministry of Transportation, and it is funded 100 per cent by the Ontario Government.

At the July 27, 2007 meeting, the Board directed:

THAT the Board receive the proposed 2007-08 Budget for information, based on the budget and funding allocated by the Ontario Government, in the form attached as Schedule “A”;

THAT the CEO return with a revised budget for the Board’s consideration that implements the Board approved organizational design and staffing strategy, which respects the parameters of the total allocation for 2007-08 set by the province; and

THAT the revised budget indicates the annualized effects of all revisions or amendments.

The revised budget was presented to the Metrolinx Board on October 26, 2007. The revised budget reflected the priorities of Metrolinx as indicated in Metrolinx’s Corporate Strategic Plan, Organizational Design and Staffing Strategy. The revised Budget stayed within the provincial allocation of \$8.8M.

At the October meeting, the Board directed:

THAT the Board adopt the revised 2007-08 Budget as presented in the form attached as Schedule B; and

THAT staff report regularly to the Audit Committee on actual budget performance against the revised 2007-08 Budget.

4.0 DISCUSSION:

The Ontario Government imposes deadlines for the submission of financial information by Crown Agencies, as part of the Ontario Government's annual Results-based Planning process. As part of that process, Metrolinx is required to provide the Ministry of Transportation with an estimate of the year-end position of the Agency, so that funds that will not likely be spent in the fiscal year can be re-allocated to offset other provincial budgetary pressures. Staff will report to the Metrolinx Board at the April 25, 2008 meeting on the 2007/08 Budget – Q4 Report for actual budget performance against the 2007/08 Budget.

5.0 FINANCIAL MATTERS:

The 2007/08 budget allocation for Metrolinx is \$8.8M. The Q3 Report for Metrolinx reflects a projected year-end expenditure of \$7,226.5K, resulting in a budget surplus of \$1,573.5K. Metrolinx will continue to closely monitor its expenditures and commitments to ensure an accurate forecast for year-end.

6.0 HUMAN RESOURCES MATTERS:

The 2007/08 Budget includes funding for Metrolinx salary and wages and benefits for a Board-approved complement 47 FTE's in the amount of \$2,779.5K. This sum includes provision for secondments, permanent and contract staff. It reflects the actual hire dates for existing staff and projected start dates for future hires. Hiring decisions and pay rates reflect Board approved compensation for specified positions. The Q3 Report reflects a year to date expenditure of \$1,579.9K. The projected year end expenditure is \$2,568.9, resulting in a projected budget surplus of \$211.4K in the payroll account.

7.0 ENVIRONMENTAL MATTERS:

N/A

8.0 COMMUNICATION MATTERS:

N/A

9.0 LEGAL MATTERS:

With respect to the Budget, Metrolinx is bound by the provisions of the *Greater Toronto Transportation Authority Act, 2006*, including the sections regarding Financial Matters and Accountability. The proposed draft Memorandum of Understanding and the Accountability Agreement between Metrolinx and the Ministry of Transportation will also include provisions affecting the Budget.

10.0 CONCLUSION:

N/A

Respectfully submitted,

Approved for Submission to the Board




Peter Smith, Vice Chair

Mary Martin, General Counsel &
 Corporate Secretary
 per W. Michael Fenn, CEO

Appendices:

Schedule A: Revised 2007/08 Budget – Q3 Report

**Staff & Others
 Consulted:**

Name	Telephone
Kim Lambert, Director, Corporate Services	416 874 5905

Notifications:

Name	Mailing or E-mail Address
N/A	

Special Instructions:

N/A	
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