

**BOARD OF DIRECTORS**

<b>DATE OF MEETING:</b>	October 10, 2019
<b>TIME OF MEETING:</b>	1:30 p.m.
<b>PLACE OF MEETING:</b>	Union Station West Wing 97 Front Street West Toronto, Ontario M5J 1E6  J. Robert S. Prichard, 4 <sup>th</sup> Floor
<b>CHAIR:</b>	Don Wright
<b>PRESIDENT &amp; CEO:</b>	Phil Verster
<b>MEETING SECRETARY:</b>	Alba Taylor, Corporate Secretary and Senior Legal Counsel
<b>MEMBERS PRESENT:</b>	Kathy Bardswick (via teleconference) Bryan Davies (via teleconference) Janet Ecker Luigi Ferrara Anne Golden (via teleconference) Michael Kraljevic Reg Pearson (via teleconference) Robert Poirier Clio Straram (via teleconference) Paul Tsaparis
<b>REGRETS:</b>	Emily Moore
<b>OTHERS PRESENT:</b>	Mark Childs, Chief Marketing Officer Matt Clark, Chief Capital Officer(via teleconference) Jennifer Gray, Chief Financial Officer Heather Platt, Executive Vice President & General Counsel Leslie Woo, Chief Development Officer Trevor Geach, Legal Counsel Ann Short, Director, Financial Planning & Analysis Justyna Witek, Deputy CFO Karen Woo, Vice President, Capital Finance

## 1. Call to Order and Remarks by Chair

Chair Wright called the meeting to order at 1:30 p.m.

The Chair confirmed there was quorum and that the required notice of the meeting as stipulated under the By-Law of the Corporation had been sent.

No conflicts of interest were declared.

## 2. 2020-2021 Budget Update

Jennifer Gray, Chief Financial Officer, Justyna Witek, Deputy Chief Financial Officer, and Karen Woo, Vice President, Capital Finance, presented the updated 2020-2021 Metrolinx Budget.

Staff provided an overview of the proposed capital and operational budgets, highlighting changes over last year's plans, and explained the Province's approval process.

The Board discussed the use of forecasting, estimates and contingencies in the budgeting process and in relation to Stage 1 and 2 Treasury Board submissions, the scope of the proposed budget envelope, **[Redacted: Economic and other interests of Ontario.]** Projects and approvals sequencing and timing challenges, and the impacts of underspending/delays in spending were also discussed.

### **[Redacted: Economic and other interests of Ontario.]**

The Board considered the Transit Oriented Development (TOD) program budget, how private sector contributions impact Metrolinx's budget position, the SmartTrack stations program, and **[Redacted: Advice to Government.]** Staff explained the connection between the market-driven strategy and the budgeting process. Staff highlighted East Harbour and Woodbine as examples of potential program benefits where Metrolinx is able to partner with the private sector. The program also contemplates other funding and investment models. However, staff confirmed anticipated program benefits have already been incorporated into the budget.

Staff presented Metrolinx's ridership and revenue expectations, which have been based on an improved forecasting model. **[Redacted: Advice to Government, Economic and other interests of Ontario.]**

The Board discussed operational performance and efficiency metrics generally, including cost recovery ratios and cost per seat kilometer. The Board asked staff to benchmark Metrolinx's cost recovery ratio against other global and best in class transportation organizations as a way to audit Metrolinx's services and identify gaps and opportunities. The Board encouraged staff to consider international consultants and academics to assist in these efforts.

**[Redacted: Cabinet privilege, Advice to Government.]**

Other general cost savings and revenue opportunities were also discussed.

The Board asked staff to carefully position the proposed budgetary choices separately, and independently.

### **3. Executive Session**

The Board held an executive session in the absence of staff other than the CEO.

### **4. Adjournment**

There being no further business before the Board of Directors, the meeting was adjourned at 3:00 p.m.

**Carried**

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Donald A. Wright, Chair

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Alba Taylor, Secretary

c/s