

2008 BUDGET BRIEFING NOTE

Changes to Toronto Island Ferry Fees and Operating Hours

Two Service Level Changes to the Toronto Island Ferry Service (Marine Services) are included in the Parks Forestry and Recreation 2008 Recommended Operating Budget - a ferry fee increase and an adjustment in the ferry operating hours. The Budget Committee requested a Briefing Note on these proposals and options to accommodate changes within the Recommended Operating Budget.

1. Ferry Fee Increase

Operating Budget Proposal:

- Increase round trip ferry fees for an annual revenue increase of \$240,000.

Background and Information:

- Ferry fees have not been increased since the 2003 Operating Budget.
- The proposed increase averages 50 cents per round trip, and is less than the total inflationary increase and operating costs (salaries, fuels costs, maintenance) since 2003.
- Discounts are still available for bulk purchases and monthly passes.
- The following chart shows historical round trip ferry fees:

Category	Historical Ferry Fees									Current Fees	Proposed Fees
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Adults	\$4.00	\$5.00	\$5.00	\$5.00	\$5.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.50
Seniors / Students	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$4.00
Junior 2 -14 years	\$1.00	\$1.00	\$2.00	\$2.00	\$2.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$3.00
Children Under 2	free	free	free	free	free	free	Free	free	free	free	free
Monthly Pass Adult	\$95	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$85	\$88
Monthly Pass Senior/Student	\$48	\$45	\$45	\$45	\$45	\$62	\$62	\$62	\$62	\$62	\$65
Monthly Pass Junior	\$25	\$22	\$22	\$22	\$22	\$42	\$42	\$42	\$42	\$42	\$45
Small Vehicles	\$60	\$60	\$60	\$60	\$60	\$75	\$75	\$75	\$75	\$75	\$100
Large Vehicles	\$85	\$85	\$85	\$85	\$85	\$100	\$100	\$100	\$100	\$100	\$125

Issues:

- Toronto Island Ferry (Marine Service) revenues do not recover the operating cost of providing the service, or any of the Capital costs.
- The Parks, Forestry and Recreation Capital Budget is responsible for 100% of all marine fleet capital, which is an issue due to our aging fleet. A portion of revenues could be directed toward capital repair/replacement costs.
- There are no other options to accommodate a revenue increase of \$240,000 within the Marine Service; adjustments to other Parks, Forestry and Recreation services would have to be considered.

2. Operating Hours

Operating Budget Proposal:

- Reduce the Ferry operating hours for an annual savings of \$60,000.

Background and Information:

- The Marine Service operates a total of 5 ferry boats on a seasonal basis.
- The recommendation calls for a decrease in the scheduled operating hours by half an hour at the beginning of the shift (start at 7:00 am instead of 6:30 am) during the spring and fall months, and decreasing the scheduled operating hours by half an hour at the end of the shift (last crossing at 11:00 pm instead of 11:30 pm) during the spring, fall and winter months.
- There was no proposed change to the summer schedule.
- Targeted savings were mainly in the overtime and temporary salary lines.

Issues:

- The Division has received advice from City Legal indicating that we are required to provide the same level of service that was provided in 1992, under the Toronto Islanders Residential Community Stewardship Act, 1993, Municipal Services Section 5.1.
- Given this information, the Division recommends that the operating hours remain unchanged and the \$60,000 be absorbed within the existing budget.
- In light of new information on planned Summer 2008 usage of Toronto Island parkland and 2007 operating results, adjustments will be made to revenue projections in the amount of \$60,000. Staff is in the process of confirming 2 additional large scale events, one in June 2008, and the other in August 2008. The additional ferry usage that will arise from these events is expected to provide an additional \$60,000 of net revenue.

Other Pertinent Information:

- The City of Toronto is provincially mandated to operate a transportation service to and from the Toronto Islands to accommodate the Toronto Island residents.
- There are approximately 800 Toronto Island residents that live on the Islands all year round and use the ferry service on a daily basis to reach city-side.
- There are approximately 1.2 Million visitors to the Island on an annual basis that arrive via the ferry service.
- There are businesses that operate on the Island such as Beasley Entertainment (Centreville, Concessions, Carousel and Paradise Restaurants), bike rentals and paddle boat rental. These businesses operate between April 15th and October 15th of each year.
- There are located on the Toronto Islands EMS, Toronto Fire and a Toronto Water Filtration plant that services the Toronto Islands and downtown core.
- Peak times for ferry usage is 10:00 am to 4:00 pm between early June and early October.

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